

IMPORTANT NOTICE

NOT FOR DISTRIBUTION INTO OR WITHIN THE UNITED STATES OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES

Important: You must read the following before continuing. The following applies to the Offering Circular following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of the Representation: This Offering Circular is being sent at your request and by accepting the electronic mail and accessing this Offering Circular, you shall be deemed to have represented to us that you are outside the United States. In addition, you shall be deemed to have represented to us that the electronic mail address that you gave us and to which this electronic mail has been delivered is not located in the U.S. and that you consent to delivery of such Offering Circular by electronic transmission.

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Offering Circular to any other person.

The materials relating to any offering of Notes under the Programme to which this Offering Circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that such offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, such offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer (as defined in this Offering Circular) in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Dealers (as defined in this Offering Circular) or any person who controls any or any director, officer, employee or agent of either of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from any of the Dealers.

You are responsible for protecting against viruses and other destructive items. Your use of this electronic mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The Offering Circular has not been and will not be registered, produced or made available to all as an offer document (whether a prospectus in respect of a public offer or an information memorandum or placement memorandum or private placement offer letter or other offering material in respect of any private placement or general information document or key information document in respect of any public offer or private placement under the (Indian) Companies Act, 2013 (“**Companies Act**”), and the rules framed thereunder, as amended from time to time, or any other applicable Indian securities laws) with any Registrar of Companies of India (the “**ROC**”) or the Securities and Exchange Board of India (the “**SEBI**”) or the Reserve Bank of India (the “**RBI**”) or any other statutory, regulatory or adjudicatory body of like nature in India. The Offering Circular will be made available to the India International Exchange (IFSC) Limited (the “**India INX**”) and NSE International Exchange/NSE IFSC Limited (“**NSE IX**”) for the purpose of listing the Programme and any Notes (each as defined below).

In addition, holders and beneficial owners shall be responsible for compliance with restrictions on the ownership of the Notes imposed from time to time by applicable laws or by any regulatory authority or otherwise. In this context, holders and beneficial owners of the Notes shall be deemed to have acknowledged, represented and agreed that such holders and beneficial owners are eligible to purchase the Notes under applicable laws and regulations and are not prohibited under any applicable law or regulation from acquiring, owning or selling the Notes. The Notes may not be offered or sold, directly or indirectly, in India or to, or for the account or benefit of, any resident of India.

If you purchase any of the Notes, you will be deemed to have acknowledged, represented and agreed that you are eligible to purchase the Notes under applicable laws and regulations and you are not otherwise prohibited under any applicable law or regulation from acquiring, owning or selling the Notes.

In accordance with the applicable provisions of the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 dated 17 December 2018 (as updated, amended or modified from time to time) (“**ECB Regulations**”), only (i) a person resident outside India; (ii) a branch outside India of an entity whose lending business is regulated by the RBI; or (iii) a financial institution or a branch of a financial institution set up in an IFSC, that satisfy all other conditions set out in respect of eligible investors (i.e., ‘recognised lenders’) under the ECB Regulations are eligible to purchase or subscribe to Notes denominated in INR or any other currency as may be applicable.

The holders and beneficial owners of the Notes shall be deemed to confirm that for so long as they hold any Notes, they will fulfil the criteria of a ‘recognised lender’ under the ECB Regulations.

Further, all holders and beneficial owners of the Notes represent and agree that the Notes will not be offered or sold on the secondary market to any person who does not fulfil the criteria of a ‘recognised lender’ under the ECB Regulations.



(Constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970)

U.S.\$4,000,000,000

Medium Term Note Programme

On 7 March 2007, Bank of Baroda (the “**Issuer**” or the “**Bank**”) entered into a U.S.\$1,500,000,000 Medium Term Note Programme (the “**Programme**”, as amended supplemented or restated) and prepared an Offering Circular dated 7 March 2007. Further Offering Circulars were issued on 19 September 2008, 24 July 2009, 25 October 2010, 13 March 2012, 2 April 2013, 14 October 2016 and 28 February 2019 pursuant to updates of the Programme on 19 September 2008, 24 July 2009, 25 October 2010, 13 March 2012, April 2013, 14 October 2016 and 28 February 2019, respectively. This Offering Circular updates the Programme and supersedes any previous Offering Circular describing the Programme. Any Notes (as defined below) issued under the Programme on or after the date of this Offering Circular are issued subject to the provisions described herein. This does not affect any Notes issued before the date of this Offering Circular.

Under this Programme, the Issuer, acting through its head office in India (“**Head Office**”), its London Branch, its International Financial Service Centre (“**IFSC**”) at GIFT City (“**GIFT City Branch**”) or other foreign branch, as the case may be, may from time to time issue notes (the “**Notes**”, which expression shall include Senior Notes, Tier 2 Notes and Additional Tier 1 Notes (as defined herein)) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

Notes may be issued in bearer or registered form (respectively “**Bearer Notes**” and “**Registered Notes**”). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.\$4,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Summary of the Programme*” and any additional Dealer appointed under the Programme from time to time by the Issuer (each a “**Dealer**” and together the “**Dealers**”), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the “**relevant Dealer**” shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe to such Notes.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in, and quotation of any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST (the “**Official List**”). The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Group, its subsidiaries, its associated companies, the Programme or the Notes. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in a pricing supplement (the “**Pricing Supplement**”), which, with respect to Notes to be listed on the SGX-ST, will be delivered to the SGX-ST on or before the date of listing of the Notes of such Tranche. It is possible for notes to be listed after the issue date.

Application has been made to the NSE IX for the Notes to be admitted to trading on the NSE IX. The NSE IX has not approved or verified the contents of the listing particulars.

Application has been made to the Global Securities Market of the India International Exchange (IFSC) Limited (“**India INX**”) for the Programme and any subsequent Notes to be admitted for trading on the India INX. **India INX has not approved or verified the contents of this Offering Circular.**

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Issuer may agree with any Dealer and the Trustee (as defined herein) that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event (in the case of Notes intended to be listed on the SGX-ST, India INX and NSE IX) a supplementary offering circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

See “Investment Considerations” for a discussion of certain factors to be considered in connection with an investment in the Notes.

Notes to be listed on the SGX-ST, India INX and NSE IX will be accepted for clearance through Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream**”) and/or The Depository Trust Company (“**DTC**”) and/or any other clearing system, as specified in the applicable Pricing Supplement.

Each Tranche of Bearer Notes will initially be represented by either a temporary bearer global note (a “**Temporary Bearer Global Note**”) or a permanent bearer global note (a “**Permanent Bearer Global Note**”) and, together with a Temporary Bearer Global Note, the “**Bearer Global Notes**”, and each a “**Bearer Global Note**”) as indicated in the applicable Pricing Supplement, which, in either case, will be delivered on or prior to the original issue date of the Tranche to a common depositary (the “**Common Depositary**”) for Euroclear and Clearstream.

On and after the date (the “**Exchange Date**”) which, for each Tranche in respect of which a Temporary Bearer Global Note is issued, is 40 days after the Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) definitive Bearer Notes of the same Series (each a “**Definitive Bearer Note**”). The applicable Pricing Supplement will specify that a Permanent Bearer Global Note will be exchangeable for Definitive Bearer Notes in certain limited circumstances.

This Offering Circular has not been and will not be registered as a prospectus or a statement in lieu of a prospectus in respect of a public offer, information memorandum or private placement offer letter or any other offering material with the Registrar of Companies in India in accordance with the Companies Act, 2013, as amended, from time to time and other applicable Indian laws for the time being in force. This Offering Circular has not been and will not be reviewed or approved by any regulatory authority in India, including, but not limited to, the Securities and Exchange Board of India, any Registrar of Companies or any stock exchange in India. This Offering Circular and any Notes issued under the Programme are not and should not be construed as an advertisement, invitation, offer or sale of any securities whether to the public or by way of private placement to any person resident in India. The Notes have not been and will not be offered or sold to any person resident in India. If you purchase any of the Notes, you will be deemed to have acknowledged, represented and agreed that you are eligible to purchase the Notes under applicable laws and regulations and that you are not prohibited under any applicable law or regulation from acquiring, owning or selling the Notes. See “*Subscription and Sale and Transfer and Selling Restrictions*”.

Registered Notes sold in an “offshore transaction” within the meaning of Regulation S (“**Regulation S**”) under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), which will be sold outside the United States (“**U.S.**”) (and in the case of Notes being offered or sold in reliance on Category 2 of Regulation S, only to non-U.S. persons (as defined in Regulation S)), will initially be represented by a global note in registered form, without receipts or coupons, (a “**Regulation S Global Note**”) deposited with a common depositary for Euroclear and Clearstream, and registered in the name of a nominee of such common depositary. Prior to expiry of the distribution compliance period (as defined in Regulation S) (the “**Distribution Compliance Period**”) (if any) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person, save as otherwise provided in the Terms and Conditions of the Notes and may not be held otherwise than through Euroclear or Clearstream and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche may only be offered and sold in the United States to QIBs (as defined in “*Form of the Notes*”) in transactions exempt from registration in reliance on Rule 144A under the Securities Act (“**Rule 144A**”) or any other applicable exemption. The Registered Notes of each Tranche sold to QIBs will be represented by a global note in registered form, without receipts or interest coupons (a “**Rule 144A Global Note**”) and, together with a Regulation S Global Note, the “**Registered Global Notes**”), which will be deposited with a custodian for, and registered in the name of DTC or a nominee of DTC.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or any U.S. State securities laws and may not be offered or sold in the United States or, if Category 2 is specified in the Pricing Supplement, to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. See “*Form of the Notes*” for a description of the manner in which Notes will be issued. Registered Notes are subject to certain restrictions on transfer, see “*Subscription and Sale and Transfer and Selling Restrictions*”.

The Programme has been granted a senior unsecured rating of “(P)Baa3” by Moody’s Investors Service Singapore Pte. Ltd., “**BBB**” by S&P Global Ratings (“**S&P Global**”) and “**BBB-**” by Fitch Ratings Ltd. (“**Fitch**”). Notes issued under the Programme may be rated or unrated by either of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in Pricing Supplement and will not necessarily be the same as the rating assigned to the Programme by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Arrangers

Citigroup	HSBC	MUFG	Standard Chartered Bank

Dealers

Citigroup	HSBC	MUFG	Standard Chartered Bank

The date of this Offering Circular is 30 March 2026.

The Issuer accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Offering Circular is in accordance with the facts and does not omit anything that would make the statements therein, in light of the circumstances under which they were made, misleading. The Issuer, having made all reasonable enquiries, confirms that this Offering Circular contains or incorporates all information which is material in the context of the Programme and the Notes, that the information contained or incorporated in this Offering Circular is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Offering Circular are honestly held and that there are no other facts the omission of which would make this Offering Circular or any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

Copies of the Pricing Supplements will be available from the corporate office of the Issuer and the specified office of the Principal Paying Agent (as defined herein) in London.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see “*Documents Incorporated by Reference*”). This Offering Circular shall be read and construed on the basis that those documents are incorporated and form part of this Offering Circular.

Certain information under the heading “*Book-Entry Clearance Systems*” has been extracted from information provided by the clearing systems referred to therein. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the relevant clearing systems, no facts have been omitted which would render the reproduced information inaccurate or misleading.

No person is or has been authorised by the Issuer to give any information or to make any representation other than those contained in this Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made by any other person, such information or representations must not be relied upon as having been authorised by the Issuer, any of the Arrangers or the Dealers or the Trustee (each as defined herein).

Neither the Arrangers, the Dealers nor the Trustee has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of the Arrangers or the Dealers, the Trustee or any of them as to the accuracy or completeness of the information contained in or incorporated into this Offering Circular or other statement, made or purported to be made by any of the Arrangers or the Dealers or on its behalf in connection with it or the Programme or any other information provided by the Issuer in connection with the Programme. The Arrangers, Dealers and the Trustee accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, any of the Arrangers or the Dealers or the Trustee that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, any of the Arrangers or the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

None of the Dealers, the Issuer or the Trustee makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as at any time subsequent to the date indicated in the document containing the same. The Arrangers, the Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Offering Circular when deciding whether or not to purchase any Notes.

Potential investors should seek independent advice and verify compliance with the requirements under the ECB Regulations (as defined in this Offering Circular) prior to any purchase of Rupee Denominated Notes.

If a jurisdiction requires that an offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, such offering shall be deemed to be made by the Dealers or such affiliate on behalf of the Issuer (as defined in this Offering Circular) in such jurisdiction.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Arrangers, the Dealers and the Trustee do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, any of the Arrangers or the Dealers or the Trustee which would permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area (including Italy and The Netherlands), the United Kingdom (“UK”), India, Singapore, Japan and Hong Kong. See “*Subscription, Sale, Transfer and Selling Restrictions*”.

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved.

None of the Issuer, the Arrangers, the Dealers and the Trustee makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

U.S. INFORMATION

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority of the United States, nor have the foregoing authorities approved this Offering Circular or confirmed the accuracy or determined the adequacy of the information contained in this Offering Circular. Any representation to the contrary is unlawful.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or, in the case of Notes offered or sold in reliance on Category 2 of Regulation S, to United States persons (as defined in Regulation S), except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

This Offering Circular may be submitted on a confidential basis in the United States to a limited number of QIBs (as defined under “*Form of the Notes*”) for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act in reliance on Rule 144A or any other applicable exemption. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it is being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Each purchaser or holder of Notes represented by a Rule 144A Global Note or any Notes issued in registered form in exchange or substitution therefor (together “*Legended Notes*”) will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in “*Subscription, Sale, Transfer and Selling Restrictions*”. Unless otherwise stated, terms used in this paragraph have the meanings given to them in “*Form of the Notes*”.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are “restricted securities” within the meaning of the Securities Act, the Issuer will furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by such holder, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, any of the Notes remain outstanding as “restricted securities” within the meaning of Rule 144(a)(3) of the Securities Act and the Issuer is neither a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

This Offering Circular has been prepared on a basis that would permit an offer of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) only in circumstances where there is an exemption from the obligation under the Prospectus Regulation to publish a prospectus. As a result, any offer of Notes in any Member State of the EEA which has implemented the Prospectus Regulation (each, a “**Relevant Member State**”) must be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer of Notes in that Relevant Member State may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus or supplement a prospectus pursuant to the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

MIFID II product governance/target market – The Pricing Supplement in respect of any Notes will include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

UK MiFIR product governance/target market – The Pricing Supplement in respect of any Notes will include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

IMPORTANT – EEA RETAIL INVESTORS – If the Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – PROHIBITION OF SALES TO UK RETAIL INVESTORS – If the Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2 of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) which applies up to and including 5 April 2026, or disclosure document required by the FCA Product Disclosure Sourcebook (“**DISC**”) which will apply from and including 6 April 2026, for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation or DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024, as applicable.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). For a description of other restrictions, see “Subscription, Sale, Transfer and Selling Restrictions”.

In connection with the offering of any series of Notes, each Dealer is acting or will act for the Issuer in connection with the offering and no one else and will not be responsible to anyone other than the Issuer for providing the protections afforded to clients of that Dealer nor for providing advice in relation to any such offering.

Notice to Capital Market Intermediaries and Prospective Investors Pursuant to Paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors: Prospective investors should be aware that certain intermediaries in the context of certain offerings of Notes pursuant to this Programme (each such offering a “**CMI Offering**”), including certain Dealers, may be “capital market intermediaries” (“**CMIs**”) subject to Paragraph 21 of the SFC Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (together, the “**OCs**”) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (“**Association**”) with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order, prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealers and/or any other third parties as may be required by the SFC Code, including to an Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

ENFORCEABILITY OF CIVIL LIABILITIES

The Issuer is a banking company constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (“**Banks Nationalisation Act**”) and the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 (“**Nationalised Banks Scheme**”) of India.

Substantially all of the directors and executive officers of the Issuer and certain experts named herein reside in India, and a substantial portion of the assets of the Issuer and the assets of such directors and executive officers and certain experts are located in India. As a result, it may be difficult for investors to effect service of process upon the Issuer or such directors and executive officers outside India or to enforce judgments against them obtained in courts outside India predicated upon civil liabilities of the Issuer or such directors and executive officers under laws other than Indian law including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. The Issuer understands that in India the statutory basis for recognition of foreign judgments is found in Section 13 of the Indian Code of Civil Procedure 1908 (the “**Civil Code**”), which provides that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where the judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognise the law of India in cases where such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the government of India has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties. The United Kingdom, Singapore, Hong Kong and United Arab Emirates are among the territories declared by the Government of India (“**GOI**”) to be a reciprocating territory for the purposes of Section 44A of the Civil Code. Since the United Kingdom has been declared by the government of India as a reciprocating territory and the High Courts in England as the relevant superior courts, a judgment of a superior court in the United Kingdom may be enforced by proceedings in execution and a judgment not of a superior court, by a fresh suit resulting in a judgment or order. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Foreign Exchange Management Act, 1999 (“**FEMA**”) to execute such a judgment or to repatriate any amount recovered pursuant to execution, and any such amount may be subject to income tax payable in accordance with applicable laws. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment.

A foreign judgment which is conclusive under Section 13 of the Civil Code may be enforced either by a fresh suit upon judgment or by proceedings in execution. Under Section 14 of the Civil Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on record and such presumption may be displaced by proving, want of jurisdiction.

The Issuer would not be entitled to immunity based on sovereignty from any legal proceedings in India. The Issuer cannot predict whether a suit in India will be disposed of in a timely manner or will be subject to considerable delay.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Unless otherwise indicated, the financial information in this Offering Circular relating to the Issuer has been derived from (i) the audited consolidated financial statements of the Issuer for the financial years ended 2024 and 2025, (ii) the audited non-consolidated financial statements of the Issuer for the financial years ended 2024 and 2025 and (iii) the unaudited reviewed non-consolidated financial statements of the Issuer for the nine months ended 31 December 2025 (together, the “**Financial Statements**”).

The Issuer’s financial year ends on 31 March, and references in this Offering Circular to any specific year are to the 12-month period ended on 31 March of such year.

This Offering Circular presents certain selected financial information of the Bank for the years ended 31 March 2025 and 31 March 2024. The selected financial information is derived from the Bank’s audited non-consolidated financial statements as at and for the years ended 31 March 2024 and 31 March 2023 and has been presented in a summarised manner for the convenience of investors, and is qualified in its entirety by reference to such financial statements, including the notes thereto. The selected financial information is not indicative of future operating results and should not be relied upon as being so indicative.

The Issuer maintains its financial books and records and prepares its financial statements in Indian Rupees in accordance with generally accepted accounting principles in the Republic of India (“**Indian GAAP**”) which differ in certain important respects from International Financial Reporting Standards (“**IFRS**”). For a discussion of the principal differences between Indian GAAP and IFRS as they relate to the Issuer, see “*Summary of Principal Differences between Indian GAAP and IFRS*”. Unless otherwise stated, all financial data contained herein is stated on a non-consolidated basis. The financial statements and results have been prepared and presented under the historical cost convention and accrual basis of accounting, unless otherwise stated and are in accordance with Indian-GAAP, statutory requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949 (“**Banking Regulation Act**”), circulars and guidelines issued by the RBI from time to time, Accounting Standards specified under Section 133 of the Companies Act read together with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021, in so far as they apply to banks.

CERTAIN DEFINITIONS

Capitalised terms which are used but not defined in any particular section of this Offering Circular will have the meaning attributed to them in the “*Terms and Conditions of the Notes*” or any other section of this Offering Circular.

In this Offering Circular, unless otherwise specified, all references to the “**Group**” are to the Bank and its consolidated subsidiaries and other consolidated entities. All references to “**India**” are to the Republic of India and references to the “**Government**” or “**GOI**” are to the government of India. All references to specific data applicable to particular subsidiaries or other consolidated entities are made by reference to the name of that particular entity. All references to “**fiscal**” or “**fiscal year**” are to the year starting from 1 April and ending on 31 March.

In this Offering Circular, unless otherwise specified, all references to a particular year are to the calendar year ending on 31 December and to a particular “financial year”, “Fiscal”, “Fiscal Year” or “FY” are to the financial year of the Issuer ending on 31 March of a particular year. References to “FY19”, “FY20” “FY21”, “FY22”, “FY23” and “FY24” are to the financial years ended 31 March 2019, 31 March 2020, 31 March 2021, 31 March 2022, 31 March 2023 and 31 March 2024 of Issuer, as the context requires.

All references in this document to “**U.S. dollars**”, “**U.S.\$**” and “**\$**” refer to United States dollars and to “**Rupee**”, “**Rupees**”, “**Rs.**” and ‘refer to Indian Rupees. In addition, all references to “**Sterling**” and “**£**” refer to pounds sterling and to “**euro**” and “**€**” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended from time to time.

For convenience only, certain Rupee amounts in this Offering Circular have been translated into dollars. Unless otherwise specified, all such conversions were made at the exchange rate based on market rates prevailing at the relevant dates. No representation is made that the Rupee or U.S. dollar amounts referred to herein could have been or could be converted into U.S. dollars or Rupee, as the case may be, at any particular rate, or at all.

References to “**crores**” and “**lakhs**” or “**lac**” in the Bank’s consolidated and non-consolidated financial statements are to the following:

One lac or lakh	100,000	(one hundred thousand)
One crore	10,000,000	(ten million)
Ten crores	100,000,000	(one hundred million)
One hundred crores.....	1,000,000,000	(one thousand million or one billion)

Furthermore certain figures and percentages included in this Offering Circular have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

INDUSTRY AND MARKET DATA

Certain industry and market share data in this Offering Circular are derived from data of the RBI or the Director General of Commercial Intelligence and Statistics. Certain other information regarding market position, growth rates and other industry data pertaining to the Bank's business contained in this Offering Circular consists of estimates based on data reports compiled by professional organisations and analysts, on data from other external sources and on the Bank's knowledge of its markets. This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, so the Bank relies on internally developed estimates. While the Bank has compiled, extracted and reproduced market or other industry data from external sources, including third parties or industry or general publications, neither the Bank, the Arrangers, the Dealers nor the Trustee has independently verified that data and neither the Bank, the Arrangers, the Dealers nor the Trustee makes any representation regarding the accuracy of such data. Similarly, while the Bank believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither the Bank, the Arrangers, the Dealers nor the Trustee can assure potential investors as to their accuracy.

FORWARD-LOOKING STATEMENTS

The Issuer has included statements in this Offering Circular which contain words or phrases such as **will, would, aimed, is likely, are likely, believe, expect, expected to, will continue, estimate, intend, plan, seeking to, propose to, future, objective, goal, should, can, could, may** and similar expressions or variations of such expressions, that are “forward-looking statements”. Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with the expectations of the Issuer with respect to, but not limited to, its ability to successfully implement its strategy, its ability to integrate future mergers or acquisitions into its operations, future levels of non-performing assets (“NPAs”) and restructured assets, its growth and expansion, the adequacy of its allowance for credit and investment losses, technological changes, investment income, its ability to market new products, cash flow projections, the outcome of any legal or regulatory proceedings it is or becomes a party to, the future impact of new accounting standards, its ability to implement its dividend policy, the impact of Indian banking regulations on it, its ability to roll over its short-term funding sources, its exposure to market risks and the market acceptance of and demand for internet banking services.

In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this Offering Circular include, but are not limited to, general economic and political conditions in India, southeast Asia and other countries which have an impact on the Issuer’s business activities or investments, political or financial instability in India or any other country caused by any factor including any terrorist attacks in India, the United States or elsewhere or any other acts of terrorism worldwide, any anti-terrorist or other attacks by the United States, a United States-led coalition or any other country, the monetary and interest rate policies of India, political or financial instability in India or any other country caused by tensions between India and Pakistan related to the Kashmir region or by military armament or social unrest in any part of India, inflation, deflation, unanticipated turbulence in interest rates, or changes in the value of the Rupee, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets and level of internet penetration in India and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environment in India and regional or general changes in asset valuations. For a further discussion on the factors that could cause actual results to differ, see the discussion under “*Investment Considerations*” contained in this Offering Circular.

Any forward looking statements contained in this Offering Circular speak only as at the date of this Offering Circular. Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Offering Circular any updates or revisions to any forward looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward looking statement is based.

AGREEMENTS AND ACKNOWLEDGMENTS OF INVESTORS, INCLUDING HOLDERS AND BENEFICIAL OWNERS

In respect of any Subordinated Notes issued under this Programme, by its acquisition of such Subordinated Notes, each holder and beneficial owner acknowledges and agrees inter alia that upon the occurrence of a PONV Trigger Event or a CET1 Trigger Event (in the case of Additional Tier 1 Notes only), all or some of the rights of holders of Subordinated Notes and the Receipts relating to them shall be subject to Write-Down (as defined in the Terms and Conditions of the Notes) and the right to receive interest on any portion of nominal amount Written-Down will cease and all interest amounts that were not due and payable prior to the Write-Down shall be cancelled. In addition, in respect of Additional Tier 1 Notes issued under this Program, (1) interest is payable solely at the Bank's discretion, and no amount of interest shall become due and payable to the extent that it has been cancelled by the Bank at its sole discretion and (2) a cancellation of interest (in whole or in part) in accordance with the terms and conditions of such Additional Tier 1 Notes shall not constitute a default in payment or otherwise under the terms thereof. Any interest cancelled (in whole or in part) in the circumstances described herein shall not be due and shall not accumulate or be payable at any time thereafter, and holders and beneficial owners shall have no rights thereto or to receive any additional interest or compensation as a result of such cancellation. See *"Investment Considerations – Risks Relating to the Subordinated Notes"*.

TABLE OF CONTENTS

	Page
DOCUMENTS INCORPORATED BY REFERENCE.	xvi
GENERAL DESCRIPTION OF THE PROGRAMME	xvii
SUMMARY OF THE PROGRAMME	1
FORM OF THE NOTES	8
APPLICABLE PRICING SUPPLEMENT.	12
TERMS AND CONDITIONS OF THE NOTES	32
USE OF PROCEEDS	95
CAPITALISATION.	96
RECENT DEVELOPMENTS.	97
SELECTED FINANCIAL INFORMATION	98
INVESTMENT CONSIDERATIONS	99
DESCRIPTION OF THE BANK	134
DESCRIPTION OF THE BANK'S ASSETS AND LIABILITIES.	180
DESCRIPTION OF THE BANK'S FOREIGN BRANCHES	201
MANAGEMENT	203
STRUCTURE OF INDIA'S BANKING INDUSTRY.	218
SUPERVISION AND REGULATION.	240
TAXATION	292
BOOK-ENTRY CLEARANCE SYSTEMS	299
SUBSCRIPTION, SALE, TRANSFER AND SELLING RESTRICTIONS.	303
GENERAL INFORMATION	318
SUMMARY OF PRINCIPAL DIFFERENCES BETWEEN INDIAN GAAP AND IFRS	321
FINANCIAL STATEMENTS	F-1

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes of the Series (as defined below) of which such Tranche forms part at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action or over-allotment may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated in, and to form part of, this Offering Circular:

- (a) the most recently published audited consolidated and non-consolidated annual financial statements and, if published later, the most recently published audited or reviewed, as the case may be, interim consolidated and non-consolidated financial results (if any) of the Issuer (see “*General Information – Documents Available*” for a description of the financial statements currently published by the Issuer); and
- (b) all supplements or amendments to this Offering Circular circulated by the Issuer from time to time.

Any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

The Issuer will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Requests for such documents should be directed to the Issuer at its office set out at the end of this Offering Circular. In addition, such documents will be available free of charge from the specified office of the Principal Paying Agent in London (which for the time being is Citibank, N.A., London Branch (the “**Principal Paying Agent**”) for the Notes listed on the SGX-ST). Such audited financial statements of the Issuer which are deemed to be incorporated by reference in this Offering Circular may also be obtained at the SGX-ST’s website at <https://www.sgx.com>. Website addresses in this Offering Circular are included for reference only, and the contents of such websites are not incorporated by reference into, and do not form part of, this Offering Circular.

If the terms of the Programme are modified or amended in a manner which would make this Offering Circular, as so modified or amended, inaccurate or misleading, to an extent which is material in the context of the Programme, a new offering circular will be prepared.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as modified and supplemented by the applicable Pricing Supplement attached to, or endorsed on, such Notes, as more fully described under “*Form of the Notes*”.

This Offering Circular and any supplement will only be valid for listing Notes on the SGX-ST, India INX and NSE IX in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed U.S.\$4,000,000,000 or its equivalent in other currencies. For the purpose of calculating the U.S. dollar equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the U.S. dollar equivalent of Notes denominated in another Specified Currency (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “*Form of the Notes*”) shall be determined, at the discretion of the Issuer, either as at the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the U.S. dollar against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation;
- (b) the U.S. dollar equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (each as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “*Form of the Notes*”) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes regardless of the subscription price paid); and
- (c) the U.S. dollar equivalent of Zero Coupon Notes (as specified in the applicable Pricing Supplement in relation to the relevant Notes, described under “*Form of the Notes*”) and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined in “Form of the Notes” and “Terms and Conditions of the Notes” shall have the same meanings in this summary.

Issuer	Bank of Baroda, acting through its Head Office, its London Branch, its GIFT City Branch or other foreign branch (as specified in the relevant Pricing Supplement).
Description.....	Medium Term Note Programme
Arrangers	Citigroup Global Markets Limited The Hongkong and Shanghai Banking Corporation Limited MUFG Securities Asia Limited Singapore Branch Standard Chartered Bank
Dealers.....	Citigroup Global Markets Limited The Hongkong and Shanghai Banking Corporation Limited MUFG Securities Asia Limited Singapore Branch Standard Chartered Bank
Certain Restrictions	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription, Sale, Transfer and Selling Restrictions</i> ”) including the following restrictions applicable at the date of this Offering Circular.
Trustee	Citicorp Trustee Company Limited
Principal Paying Agent, Exchange Agent, Transfer Agent, and Registrar.....	Citibank, N.A., London Branch
Programme Size	U.S.\$4,000,000,000 (or its equivalent in other currencies calculated as described under “ <i>General Description of the Programme</i> ”) in aggregate nominal amount of Notes outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Investment Considerations	There are certain factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under “ <i>Investment Considerations</i> ” and include certain risks relating to the structure of particular Series of Notes and certain market risks.
Distribution.....	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

Currencies	Notes may be denominated in any agreed currency and with any agreed maturity, subject to any applicable legal or regulatory restrictions and any requirements of the relevant central bank (or equivalent body).
Redenomination	The applicable Pricing Supplement may provide that certain Notes may be redenominated in euro. The relevant provisions applicable to any such redenomination are contained in Condition 5.
Maturities.....	Such maturities as may be agreed between the Issuer and the relevant Dealer and indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency. Tier 2 Notes shall have a minimum maturity of 5 years. Additional Tier 1 Notes are perpetual and have no maturity date.
Issue Price	Notes may be issued on a fully-paid or (in the case of Notes other than Subordinated Notes) a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes.....	The Notes may be in bearer form and/or registered form. Bearer Notes will be in bearer form and will on issue be represented by a Temporary Bearer Global Note or a Permanent Bearer Global Note, as indicated in the applicable Pricing Supplement. Temporary Bearer Global Notes will be exchangeable either for (i) interests in a Permanent Bearer Global Note or (ii) Definitive Bearer Notes, as indicated in the applicable Pricing Supplement. Permanent Bearer Global Notes will be exchangeable for Definitive Bearer Notes upon either (i) not less than 60 days' written notice from Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Principal Paying Agent as described therein or (ii) only upon the occurrence of an Exchange Event as described under " <i>Form of the Notes</i> ". Registered Notes will not be exchangeable for Bearer Notes and vice versa.
Fixed Rate Notes	Fixed interest will be payable at such rate or rates in arrear and on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes	Floating Rate Notes will bear interest at a rate determined: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the applicable ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

(ii) by reference to EURIBOR, SOFR Benchmark or SONIA Benchmark (or such other benchmark as may be specified in the applicable Pricing Supplement); or

(iii) on such other basis as may be agreed between the Issuer and the relevant Dealer.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate, or both.

Index Linked Notes.....	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula, or to changes in the prices of securities or commodities or to such other factors, as the Issuer and the relevant Dealer may agree.

Other provisions in Floating Rate Notes and Index Linked Interest Notes	Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.

Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer may agree.

Partly Paid Notes	The Issuer may issue Notes in respect of which the issue price is paid in separate instalments in such amounts and on such dates as the Issuer and the relevant Dealer may agree.

Zero Coupon Notes.....	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Other Notes.....	The Issuer may agree with any Dealer and the Trustee that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event the relevant provisions will be included in the applicable Pricing Supplement.

Redemption.....	The applicable Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity other than (i) in specified instalments, if applicable, or (ii) for taxation reasons (in the case of Subordinated Notes, only with the conditions for redemption as set out in Condition 8.12 having been satisfied), or (iii) in the case of Subordinated Notes, for certain regulatory reasons (only with the conditions for redemption as set out in Condition 8.12 having been satisfied) or (iv) following an Event of Default (as defined in Condition 11) (in the case of Senior Notes, in accordance with the provisions of Condition 11.1 and in the case of Subordinated Notes, only in accordance with the provisions of Condition 11.2), or that such Notes will be redeemable at the option of the Issuer (in the case of Subordinated Notes only with the conditions for redemption as set out in Condition 8.12 having been satisfied) and/or (except in the case of Subordinated Notes) the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as set forth in the Terms and Conditions of the Notes or as may be agreed between the Issuer and the relevant Dealer. The applicable Pricing Supplement may provide that Notes may be redeemable in separate instalments in such amounts and on such dates as are indicated in the applicable Pricing Supplement.
Denomination of Notes	Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.
Taxation	All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction (as defined in Condition 10), subject as provided in Condition 10. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 10, be required to pay additional amounts to cover the amounts so deducted. Without prejudice to the Issuer's obligation to pay additional amounts as described above, all payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to fiscal and other laws, as provided in Condition 7.7.
Negative Pledge	The terms of the Notes (other than Subordinated Notes) will contain a negative pledge provision as further described in Condition 4.
Cross Default	The terms of the Notes (other than Subordinated Notes) will contain a cross default provision as further described in Condition 11.

Status of the Senior Notes	The Senior Notes will constitute direct, unconditional, unsubordinated and, subject to the provisions of Condition 4, unsecured obligations of the Issuer and will rank pari passu among themselves and (save for certain obligations required to be preferred by law) equally with all other unsubordinated and unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.
Status, Events of Default and other Terms of or relating to the Tier 2 Notes.....	The status of the Tier 2 Notes and events of default applicable to the Tier 2 Notes are set out in Conditions 3.2 and 11.2, respectively. Subordinated Notes do not have the benefit of a negative pledge or cross default provision.
Status, Events of Default and other Terms of or relating to the Additional Tier 1 Notes.....	The status of the Additional Tier 1 Notes and events of default applicable to the Additional Tier 1 Notes are set out in Conditions 3.3 and 11.2, respectively. Additional Tier 1 Notes do not have the benefit of a negative pledge or cross default provision.
Limited Right of Acceleration in respect of Subordinated Notes.....	If any order of the Government is made for the winding-up, liquidation or dissolution of the Issuer, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders, the Trustee may, and if so requested in writing by the holders of at least one-fifth in Outstanding Nominal Amount of the Subordinated Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject to being indemnified and/or secured to its satisfaction) give notice to the Issuer that the Subordinated Notes are, and they shall, subject to the prior approval of the RBI having been obtained, thereupon immediately become, due or repayable at the amount provided in, or calculated in accordance with, Condition 8.6. <i>Pursuant to Section 18 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 as amended from time to time (the Banks Nationalisation Act), Indian statutory provisions relating to winding up do not apply to the Issuer, and it may only be placed in liquidation by order of the Government in such manner as it may direct.</i> The Trustee may only accelerate the Subordinated Notes in the circumstances set out in Condition 11.2(b). Neither the Terms and Conditions of the Subordinated Notes nor the Trust Deed will contain any provision whereby the Subordinated Notes will become due and payable upon a default in the payment of principal of or interest on the Subordinated Notes or on the non-performance of any covenant of the Issuer or upon the happening of any event other than the events set forth in Condition 11.2(b); principally, the winding up or liquidation of the Issuer.

Additional Tier 1 Notes – Cancellation of Interest	The Issuer may, at its full discretion and as it deems fit, elect at any time to cancel (in whole or in part) interest otherwise scheduled to be paid in respect of a Series of Additional Tier 1 Notes. Further, the Issuer will be required to cancel (in whole or, as the case may be, in part) the payment of any interest scheduled to be paid on an Interest Payment Date to the extent that such payment of interest is not permitted to be paid under the RBI Guidelines. Interest on the Additional Tier 1 Notes will be non-cumulative and any cancellation of interest on Additional Tier 1 Notes in accordance with Condition 6.7 will not constitute an event of default in respect of the Additional Tier 1 Notes. In the event of any cancellation of interest on Additional Tier 1 Notes, the Issuer will face certain restrictions on its ability to make payments in respect of securities ranking junior to, or <i>pari passu</i> with, such Additional Tier 1 Notes, as set out in Condition 6.7(d). See Condition 6.7 for further details.
Subordinated Notes Loss – Absorption.....	In the event of a PONV Trigger Event, Subordinated Notes will be subject to interest cancellation and Write-Down (as defined in Condition 9.1(c)). Any nominal amount Written-Down due to the occurrence of a PONV Trigger Event will not be restored in any circumstances. Further, Additional Tier 1 Notes will also be subject to interest cancellation and Write-Down upon the occurrence of a CET1 Trigger Event, with any Reinstatement (as defined in Condition 9.2(b)) being at the Issuer's option and subject to regulation. See Condition 9 and " <i>Investment Considerations – Risks Relating to the Subordinated Notes</i> " for further details.
Listing.....	Application has been made to the SGX-ST for permission to deal in, and quotation of Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer in relation to each Series. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes if traded, will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies). Application will be made to the India INX and NSE IX for the Notes to be admitted for trading on the India INX and NSE IX. The listing of the Notes is in compliance with the IFSCA Regulations. Unlisted Notes may also be issued. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and, if so, on which stock exchange(s).
Use of Proceeds	The net proceeds from each issue of Notes shall be utilised by the Issuer for its overseas operations or such other activities as are permitted under applicable laws in India.

Rating	The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Pricing Supplement.
Governing Law	The Notes and any non-contractual obligations arising out of or in connection with any of the foregoing will be governed by, and construed in accordance with, English law except that, Clause 2(G) of the Trust Deed, and in the case of Subordinated Notes, Conditions 3.2 and 3.3 will be governed by Indian law.
Clearing System.....	Euroclear, Clearstream, DTC (each as defined in Condition 1) and/or any other clearing system, as specified in the applicable Pricing Supplement (see “ <i>Form of the Notes</i> ”).
Selling Restrictions	There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area (including Italy and The Netherlands), the UK, India, Hong Kong, Japan, Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes (see “ <i>Subscription, Sale, Transfer and Selling Restrictions</i> ”).
United States Selling Restrictions...	Regulation S, Category 1 or 2, Rule 144A and Section 4(2) of the Securities Act, and/or TEFRA C or D or TEFRA are not applicable, as specified in the applicable Pricing Supplement.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached (“**Bearer Notes**”), or registered form, without interest coupons attached (“**Registered Notes**”). Bearer Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”) and Registered Notes will be issued both outside the United States (and in the case of Notes offered or sold in reliance on Category 2 of Regulation S, to non-U.S. persons) in reliance on the exemption from registration provided by Regulation S and within the United States in reliance on Rule 144A under the Securities Act (“**Rule 144A**”) or otherwise in private transactions that are exempt from the registration requirements of the Securities Act.

Notes to be listed on the SGX-ST will be accepted for clearance through Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream**”) and/or The Depository Trust Company (“**DTCC**”) and/or any other clearing system as specified in the applicable Pricing Supplement.

Bearer Notes

Each Tranche of Bearer Notes will be in bearer form and will initially be issued in the form of either a temporary bearer global note (a “**Temporary Bearer Global Note**”) or, if so specified in the applicable Pricing Supplement, a permanent bearer global note (a “**Permanent Bearer Global Note**” and together with the Temporary Bearer Global Note, the “**Bearer Global Notes**” and each a “**Bearer Global Note**”) as indicated in the applicable Pricing Supplement, which, in either case, will be delivered on or prior to the original issue date of the Tranche to a common depository (the “**Common Depository**”) for Euroclear and Clearstream. Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Bearer Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not.

U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream and Euroclear and/or Clearstream, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the “**Exchange Date**”) which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same series or (ii) for Definitive Bearer Notes of the same series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Pricing Supplement and subject, in the case of Definitive Bearer Notes, to such notice period as is specified in the applicable Pricing Supplement) in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive Definitive Bearer Notes. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for Definitive Bearer Notes is improperly withheld or refused. The Bearer Notes will be subject to certain restrictions on transfer set forth therein or will bear a legend regarding such restrictions.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream against presentation or surrender (as the case may be) of the Permanent Bearer Global Note without any requirement for certification.

The applicable Pricing Supplement will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for Definitive Bearer Notes with, where applicable, receipts, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, “**Exchange Event**” means that (i) an Event of Default (as defined in Condition 11) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system satisfactory to the Trustee is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form and a certificate to such effect signed by two authorised officers of the Issuer is given to the Trustee. The Issuer will promptly give notice to the Noteholders and the Trustee in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream or the common depositary on their behalf (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange following an Exchange Event shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

All Notes will be issued pursuant to the Trust Deed (as defined under “*Terms and Conditions of the Notes*”) and the Agency Agreement.

The following legend will appear on all Notes (other than Temporary Global Notes) which have an original maturity of more than 365 days and on all receipts and interest coupons relating to such Notes where TEFRA D is specified in the applicable Pricing Supplement:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, receipts or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes, receipts or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, as the case may be.

Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold outside the United States (and, in the case of Notes being offered or sold in reliance on Category 2 of Regulation S, only to non-U.S. persons), will initially be represented by a global note in registered form (a “**Regulation S Global Note**”). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 and may not be held otherwise than through Euroclear or Clearstream and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche may only be offered and sold in the United States in private transactions to “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act (“**QIBs**”). The Registered Notes of each Tranche sold to QIBs will be represented by a global note in registered form (a “**Rule 144A Global Note**” and, together with a Regulation S Global Note, the “**Registered Global Notes**”).

Registered Global Notes will either (i) be deposited with a custodian for, and registered in the name of a nominee of, DTC for the accounts of its participants, including Euroclear and Clearstream or (ii) be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, as specified in the applicable Pricing Supplement. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 1) as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7.3) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, “**Exchange Event**” means that (i) an Event of Default has occurred and is continuing, (ii) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depositary for the Notes and no successor or alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act and no alternative clearing system is available, (iii) in the case of Notes registered in the name of a nominee for a common depositary for Euroclear and Clearstream, the Issuer has been notified that both Euroclear and Clearstream, have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor or alternative clearing system is available or (iv) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form and a certificate to such effect signed by two authorised officers of the Issuer is given to the Trustee. The Issuer will promptly give notice to the Noteholders and the Trustee in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream or the common depositary on their behalf (acting on the instructions of any holder of an interest in such Registered Global Note) or the Trustee may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

Transfer of Interests

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, in each case to the extent applicable. Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions. See “*Subscription, Sale, Transfer and Selling Restrictions*”.

General

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CUSIP and CINS number which are different from the common code, ISIN, CUSIP and CINS assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single series, which shall not be prior to the expiry of the distribution compliance period applicable to the Notes of such Tranche.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or Clearstream as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, its agents and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, its agents and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the Trust Deed, and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly.

So long as DTC or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Registered Global Note for all purposes under the Agency Agreement and such Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants. In addition, holders of interests in such Global Note credited to their accounts with DTC may require DTC to deliver definitive Notes in registered form in exchange for their interest in such Global Note in accordance with DTC’s standard operating procedures.

Any reference herein to Euroclear and/or Clearstream and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that a Global Note representing such Notes is exchanged for definitive Notes. In addition, in the event that a Global Note is exchanged for definitive Notes, an announcement of such exchange will be made by the Issuer through the SGX-ST. Such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore.

No Noteholder, Receiptholder (as defined below) or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a new Offering Circular or a supplement to the Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

If the applicable Pricing Supplement specifies any modification to the Terms and Conditions of the Notes as described herein, it is envisaged that, to the extent that such modification relates only to Conditions 1, 5, 6, 7, 8 (except Condition 8.2), 12, 13, 14, 15 (insofar as such Notes are not listed or admitted to trade on any stock exchange) or 18, they will not necessitate the preparation of a supplement to this Offering Circular. If the Terms and Conditions of the Notes of any Series are to be modified in any other respect, a supplement to this Offering Circular will be prepared, if appropriate.

APPLICABLE PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes issued under the Programme.

[Date]

Bank of Baroda acting through its [Head Office]/[London]/[International Financial Service Centre at GIFT City]/[specify other foreign branch] Branch

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the U.S.\$4,000,000,000
Medium Term Note Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 30 March 2026 [and the supplements] to it dated [] and [] (the “**Offering Circular**”). This document constitutes the final terms of the Notes and must be read in conjunction with such Offering Circular.

[MIFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, MiFID II)]/[MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR product governance/Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [MiFID II]/[Directive 2014/65/EU (as amended, “**MiFID II**”)]; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (“POATRs”). Consequently no [key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”)]/[disclosure document required by the FCA Product Disclosure Sourcebook (“DISC”)] for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under [the UK PRIIPs Regulation/DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.]

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Offering Circular dated [original date] [and the supplement to it dated [date]] which are incorporated by reference in the Offering Circular. This document constitutes the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.]

[The following to be included for any issuance of Subordinated Notes]

[By its acquisition of the Notes, each holder and beneficial owner acknowledges and agrees inter alia that upon the occurrence of a PONV Trigger Event [or a CET1 Trigger Event], all or some of the rights of holders of Notes [and the Receipts] relating to them shall be subject to Write-Down (as defined in the Conditions) and the right to receive interest on any portion of nominal amount Written-Down will cease and all interest amounts that were not due and payable prior to the Write-Down shall be cancelled. [In addition, (1) interest is payable solely at the Issuer’s discretion, and no amount of interest shall become due and payable to the extent that it has been cancelled by the Issuer at its sole discretion and (2) a cancellation of interest (in whole or in part) in accordance with the terms and conditions of such Additional Tier 1 Notes shall not constitute a default in payment or otherwise under the terms thereof. Any interest cancelled (in whole or in part) in the circumstances described herein shall not be due and shall not accumulate or be payable at any time thereafter, and holders and beneficial owners shall have no rights thereto or to receive any additional interest or compensation as a result of such cancellation.] See “Investment Considerations – Risks Relating to an Investment in the Notes” in the Offering Circular.]

[Notification under Section 309B of the Securities and Futures Act 2001 of Singapore (the “SFA”)] – [To insert notice if classification of the Notes is not prescribed capital markets products, pursuant to Section 309B of the SFA].¹

[Paragraph 21 of the Hong Kong SFC Code of Conduct – As paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission applies to this offering of Notes, prospective investors should refer to the section on “Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors” appearing on pages [●] to [●] of the Offering Circular, and CMIs (as defined in the Offering Circular) should refer to the section on “Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIs (including private banks)” appearing on pages [●] to [●] of the Offering Circular.]

¹ Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement]

- 1 Issuer: Bank of Baroda, acting through its [Head Office]/[London]/[International Financial Service Centre at GIFT City]/[specify other foreign branch] Branch
- 2 (a) Series Number: []
 (b) Tranche Number: []
 (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
 (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [identify earlier Tranches] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [●] below, which is expected to occur on or about [date]] [Not Applicable]
- 3 Specified Currency or Currencies: []
*[N.B. – If Rupee denominated Notes are issued: – The lawful currency of India (“**Indian Rupees**” or “**INR**”), provided that all payments in respect of the Notes will be made in United States Dollars (“**USD**”).]*
- 4 Aggregate Nominal Amount:
 (a) Series: []
 (b) Tranche: []
- 5 Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
[N.B. – If Rupee denominated Notes are issued: – The Issue Price will be payable in USD and will be based on the Aggregate Nominal Amount (in INR) divided by the conversion rate reported by the RBI and displayed on Reuters page “RBIB” at approximately 1:30 p.m., Mumbai, on []].]
- 6 (a) Specified Denominations: (in the case of Registered Notes, this means the minimum integral amount in which transfers can be made) []
(N.B. – Notes must have a minimum denomination of €100,000 or equivalent unless the issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Regulation)

(N.B. – Where Bearer Notes with multiple denominations above €100,000 or equivalent are being used with respect to Bearer Notes, the following sample wording should be followed: “[€100,000] and integral multiples of [€1,000] in excess thereof, up to and including [€199,000]. No notes in definitive form will be issued with a denomination above [€199,000].”) (In the case of Registered Notes, this means the minimum integral amount in which transfers can be made) (In case of Rupee denominated Notes this means INR10,000,000 and integral multiples thereof)

- (b) Calculation Amount (in relation to calculation of interest in global form, see Conditions): []
(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations)
- 7 (a) Issue Date: []
- (b) Interest Commencement Date: *[specify/Issue Date/Not Applicable]*
(N.B. – An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes)
- 8 Maturity Date: *[– Specify date or for Floating Rate Notes – Interest Payment Date falling in or nearest to [specify month and year]] (N.B. – As per current regulations, (i) Tier 2 Notes shall have a minimum maturity of 5 years and (iii) Additional Tier 1 Notes shall be perpetual)*
- 9 Interest Basis: *[[] per cent. Fixed Rate]*
[[Specify Reference Rate] [+/-] [●] per cent.
Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Dual Currency Interest]
[specify other]
(further particulars specified below)
- 10 Redemption/Payment Basis: *[Redemption at par]*
[Index Linked Redemption]
[Dual Currency Redemption]
[Partly Paid] (Not applicable to Additional Tier 1 Notes or Tier 2 Notes)
[Instalment]
[specify other]

- 11 Change of Interest Basis or Redemption/Payment Basis: [Applicable/Not Applicable]
(If applicable, specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis) (N.B. – In accordance with the RBI regulations, Subordinated Notes will not have any step-up option. Subordinated Notes shall be free of restrictive clauses and will not be redeemable at the option of the holder or without prior approval of the RBI).
- 12 Put/Call Options: [Investor Put]
(N.B. – Investor Put is not possible for Subordinated Notes) [Issuer Call] (N.B. – For Subordinated Notes, Issuer Call may only be exercised after the fifth anniversary of the Issue Date, and is subject to the prior approval of the RBI.) [(further particulars specified below)] [Not Applicable]
- 13 Status of the Notes: [Senior/Subordinated] (If “Subordinated”, specify either “Additional Tier 1” or “Tier 2”)
- 14 (a) Date of Board approval for issuance of Notes obtained: [] [and [], respectively]]/[None required]
(N.B. – Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)
- (b) Date of regulatory approval/consent for issuance of Notes obtained: []/[None required]
(N.B. – Only relevant where regulatory (or similar) approval or consent is required for the particular tranche of Notes)
- 15 Listing: [Singapore/specify other/None]
(N.B. – Consider disclosure requirements under the EU Prospectus Regulation applicable to securities admitted to an EU regulated market) (N.B. – For unlisted Notes, and certain other Notes, issued by the London Branch, withholding tax may be applicable. See “Taxation – United Kingdom Taxation” in the Offering Circular)
- 16 Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 17 Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate(s) of Interest: [] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date
(Amend appropriately in the case of irregular coupons)

- (c) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form, see Conditions): [] per Calculation Amount
- (d) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form, see Conditions): [[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []]/[Not Applicable]
- (e) Day Count Fraction: [Actual/Actual (ICMA)] [30/360] or [*specify other*]
- (f) Determination Date(s): [[] in each year] [Not Applicable]
(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Give details]
- 18 Floating Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Specified Period(s)/Specified Interest Payment Dates: []
- (b) Business Day Convention: [Adjusted]/[Not Adjusted]
(If Not Adjusted, delete the remaining subparagraphs of this paragraph)
[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[*specify other*]] [Not Applicable]
- (c) Additional Business Centre(s): []
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/*specify other*]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): []

- (f) Screen Rate Determination: []
- Reference Rate: [] month [EURIBOR/Specify Other Reference Rate]
[EURIBOR, SOFR Benchmark, SONIA Benchmark or other, although additional information is required if other, including fallback provisions in the Agency Agreement]
 - Interest Determination Date(s): []

(Second day on which the T2 is open prior to the start of each Interest Period if EURIBOR)
(To be a minimum of 5 Business Days lookback period for any backward-looking rate)
 - Relevant Screen Page: []
(In the case of EURIBOR, if not Reuters EURIBOR01, ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
- (g) SOFR Benchmark: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- SOFR Benchmark: [Compounded Daily SOFR/Compounded SOFR Index]
 - Observation Method: [Not Applicable/SOFR Observation Lag/SOFR Observation Shift]
(Only applicable where the Reference Rate is Compounded Daily SOFR)
 - [Lookback Days]/[SOFR Observation Shift Days]: [Not Applicable/[●] U.S. Government Securities Business Day(s)]
(Only applicable in the case of Compounded Daily SOFR)
- (h) SONIA Benchmark: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- SONIA Benchmark: [Compounded Daily SONIA/SONIA Index/specify other]
 - SONIA Observation Method: [SONIA Observation Lag/SONIA Observation Shift/Not Applicable/specify other]
(Only applicable where the Reference Rate is Compounded Daily SONIA)
 - “x”: [specify number]

- (i) ISDA Determination:
- ISDA Definitions: [2006 ISDA Definitions]/[2021 ISDA Definitions]
 - Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
(in the case of a EURIBOR based option, the first day of the Interest Period)
 - Compounding: [Applicable/Not Applicable]
(If not applicable, delete the remaining items of this subparagraph)
 - Compounding Method: [Compounding with Lookback
Lookback: [[●] Applicable Business Days]/
[As specified in the Compounding/Averaging Matrix
(as defined in the 2021 ISDA Definitions)]]
[Compounding with Observation Period Shift
Observation Period Shift: [●] Observation Period
Shift Business Days
Observation Period Shift Additional Business Days:
[[●]/[Not Applicable]]/[As specified in the
Compounding/Averaging Matrix (as defined in the
2021 ISDA Definitions)]]
 - Index Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining items of this subparagraph)
 - Index Method: Compounded Index Method with Observation Period
Shift Observation Period Shift: [●] Observation
Period Shift Business Days Observation Period Shift
Additional Business Days: [●]/[Not Applicable]]
- (j) Margin(s): [+/-] [] per cent. per annum
- (k) Minimum Rate of Interest: [] per cent. per annum
- (l) Maximum Rate of Interest: [] per cent. per annum
- (m) Day Count Fraction: [Actual/Actual (ISDA)]
[Actual/Actual]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360]
[360/360]
[Bond Basis]
[3 0E/3 60]
[Eurobond Basis]
[30E/360 (ISDA)]
[Other]
(See Condition 6 for alternatives)

- (n) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [Benchmark Discontinuation (General)/Benchmark Discontinuation (SOFR)/specify other if different from those set out in the Conditions]
- 19 Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Accrual Yield: [] per cent. per annum
- (b) Reference Price: []
- (c) Any other formula/basis of determining amount payable: []
- (d) Day Count Fraction in relation to Early Redemption Amounts: [30/360]
[Actual/360]
[Actual/365]
[specify other]
- 20 Index Linked Interest Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Index/Formula: [give or annex details]
- (b) Calculation Agent: [give name]
- (c) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Principal Paying Agent): []
- (d) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: [need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (e) Specified Period(s)/Specified Interest Payment Dates: []
- (f) Business Day Convention: [Adjusted]/[Not Adjusted]
(If Not Adjusted, delete the remaining subparagraphs of this paragraph)
[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/specify other]
- (g) Additional Business Centre(s): []

- (h) Minimum Rate of Interest: [] per cent. per annum
- (i) Maximum Rate of Interest: [] per cent. per annum
- (j) Day Count Fraction: [Actual/Actual (ISDA)]
 [Actual/Actual]
 [Actual/365 (Fixed)]
 [Actual/365 (Sterling)]
 [Actual/360]
 [30/360]
 [360/360]
 [Bond Basis]
 [30E/360]
 [Eurobond Basis]
 [30E/360 (ISDA)]
 [Other]
(See Condition 6 for alternatives)
- 21 Dual Currency Interest Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate of Exchange/method of calculating Rate of Exchange: [give or annex details]
- (b) Party, if any, responsible for calculating the principal and/or interest due (if not the Agent): []
- (c) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (d) Person at whose option Specified Currency(ies) is/are payable: []

PROVISIONS RELATING TO REDEMPTION

- 22 Notice periods for condition [Redemption and Purchase – Redemption for tax reasons]: Minimum period: [30] days
 Maximum period: [60] days
- 23 Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount and method, if any, of calculation of such amount: [[] per Calculation Amount/specify other/see Appendix]

- (c) if redeemable in part
- (i) Minimum Redemption Amount []
- (ii) Maximum Redemption Amount []
- (d) Notice period (if other than as set out in the Conditions): Minimum period: [15] days
Maximum period: [30] days
(N.B. – If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of five business days’ notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or the Trustee)
- 24 Investor Put: [Applicable/Not Applicable]
(N.B. – Investor Put is not applicable for Subordinated Notes)
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount/specify other/see Appendix]
- (c) Notice period (if other than as set out in the Conditions): Minimum period: [30] days
Maximum period: [60] days
(N.B. – If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 business days’ notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or the Trustee)
- 25 Final Redemption Amount: [[] per Calculation Amount/specify other/see Appendix]
[N.B. – If Rupee denominated Notes are issued: – The Final Redemption Amount per Calculation Amount will be payable in USD and determined by the Calculation Agent, on the Rate Fixing Date in respect of the Maturity Date, as follows:
- Calculation Amount divided by the Reference Rate**
- Where:
- “**Calculation Agent**” means []

“Reference Rate” means the rate used on each Rate Fixing Date which will be the USD/INR spot rate, expressed as the amount of Indian Rupees per one United States Dollar, for settlement in two Fixing Business Days, reported by the Reserve Bank of India, which is displayed on Reuters page “RBIB” (or any successor page) at approximately 1:30 pm, Mumbai time, on each Rate Fixing Date. If a Price Source Disruption Event occurs on the Scheduled Rate Fixing Date, then the Reference Rate for such Rate Fixing Date shall be determined by the Calculation Agent in accordance with the Fallback Provisions set out below.

“Rate Fixing Date” means the Scheduled Rate Fixing Date, subject to Valuation Postponement.

“Scheduled Rate Fixing Date” means the date which is two Fixing Business Days prior to the Interest Payment Date or the Maturity Date or such other date on which an amount in respect of the Notes is due and payable. If the Scheduled Rate Fixing Date is an Unscheduled Holiday, the Rate Fixing Date shall be the next following relevant Fixing Business Day, subject to the Deferral Period for Unscheduled Holiday set out below.

“Unscheduled Holiday” means a day that is not a Fixing Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in Mumbai, two Fixing Business Days prior to the relevant Rate Fixing Date.

Adjustments to Interest Payment Date and Maturity Date: If a Scheduled Rate Fixing Date is adjusted for an Unscheduled Holiday or if Valuation Postponement applies, then the Interest Payment Date or Maturity Date relating to such Scheduled Rate Fixing Date shall be two (2) Payment Business Day(s) after the date on which the Reference Rate for such Interest Payment Date or Maturity Date is determined. If any Interest Payment Date or Maturity Date is adjusted in accordance with the preceding sentence, then such adjustment (and the corresponding payment obligations to be made on such dates) shall apply only to such Interest Payment Date or the Maturity Date, as applicable, and no further adjustment shall apply to the amount of interest payable.

Fallback Provisions:

“Price Source Disruption Event” means it becomes impossible to obtain the Reference Rate on a Rate Fixing Date.

Applicable Price Source Disruption Fallbacks:

In the event of a Price Source Disruption Event, the Calculation Agent shall apply each of the following Price Source Disruption Fallbacks for the determination of the Reference Rate, in the following order, until the Reference Rate can be determined.

1. Valuation Postponement	(As defined below)
2. Fallback Reference Price	SFEMCINR Indicative Survey Rate (INR02)
3. Fallback Survey Valuation Postponement	(As defined below)
4. Calculation Agent Determination of Reference Rate	

“Cumulative Events” has the following meaning: Notwithstanding anything to the contrary, in no event shall the total number of consecutive calendar days during which either (i) valuation is deferred due to an Unscheduled Holiday, or (ii) a Valuation Postponement shall occur (or any combination of (i) and (ii)), exceed 14 consecutive calendar days in the aggregate. Accordingly, (x) if, upon the lapse of any such 14 calendar day period, an Unscheduled Holiday shall have occurred or be continuing on the day following such period that otherwise would have been a Fixing Business Day, then such day shall be deemed to be a Rate Fixing Date, and (y) if, upon the lapse of any such 14 calendar day period, a Price Source Disruption Event shall have occurred or be continuing on the day following such period on which the Reference Rate otherwise would be determined, then Valuation Postponement shall not apply and the Reference Rate shall be determined in accordance with the next Price Source Disruption Fallback.

“Valuation Postponement” means that the Reference Rate will be determined on the Fixing Business Day first succeeding the day on which the Price Source Disruption Event ceases to exist, unless the Price Source Disruption Event continues to exist (measured from the date that, but for the occurrence of the Price Source Disruption Event, would have been the Rate Fixing Date) for a consecutive number of calendar days equal to the Maximum Days of Postponement. In such event, the Reference Rate will be determined on the next Fixing Business Day after the Maximum Days of Postponement (which will, subject to the provisions relating to Fallback Survey Valuation Postponement, be deemed to be the applicable Rate Fixing Date) in accordance with the next applicable Price Source Disruption Fallback.

“Maximum Days of Postponement”: 14 calendar days.

“SFEMC INR Indicative Survey Rate (INR02)” means that the Reference Rate for a given Rate Fixing Date will be the Indian Rupee/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Indian Rupees per one U.S. Dollar, for settlement in two Fixing Business Days, as published on the web site of Singapore Foreign Exchange Market Committee (SFEMC) at approximately 3:30 p.m. (Singapore time), or as soon thereafter as practicable, on such date. The Reference Rate shall be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC INR Indicative Survey (as defined below) for the purpose of determining the SFEMC INR Indicative Survey Rate.

“SFEMC INR Indicative Survey” means a methodology, dated as of 1 December 2004 as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Indian Rupee/U.S. Dollar markets for the purpose of determining the SFEMC INR Indicative Survey Rate (INR02).

“Fallback Survey Valuation Postponement” means that, in the event that the Fallback Reference Price is not available on or before the third Fixing Business Day (or day that would have been a Fixing Business Day but for an Unscheduled Holiday) succeeding the end of either (i) Valuation Postponement for Price Source Disruption Event, Deferral Period for Unscheduled Holiday, or Cumulative Events, as applicable, then the Reference Rate will be determined in accordance with the next Applicable Price Source Disruption Fallback on such day (which will be deemed to be the applicable Rate Fixing Date). For the avoidance of doubt, Cumulative Events, if applicable, does not preclude postponement of valuation in accordance with this provision.

“Payment Business Day” means any day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London, New York and Mumbai.

“Fixing Business Day” means any day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Mumbai.

Deferral Period for Unscheduled Holiday:

In the event the Scheduled Rate Fixing Date is postponed due to the occurrence of an Unscheduled Holiday, and if the Rate Fixing Date has not occurred on or before the 14th calendar day after the Scheduled Rate Fixing Date (any such period being a “Deferral Period”), then the next day after the Deferral Period that would have been a Fixing Business Day but for the Unscheduled Holiday, shall be deemed to be the Rate Fixing Date.]

- 26 Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required):
- [[●] per Calculation Amount/specify other/see Appendix]
[N.B. – If the Final Redemption Amount is 100.00 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par (but consider). If, however, the Final Redemption Amount is other than 100.00 per cent. of the nominal value, consideration should be given as to what the Early Redemption Amount should be] *[N.B. – If Rupee denominated Notes are issued: – The Final Redemption Amount as determined in accordance with item 25; provided that, for purposes of such determination, the Scheduled Rate Fixing Date shall be the date that is two Fixing Business Days prior to the date upon which the Notes become due and payable.]*

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 27 Form of Notes:
- [Bearer Notes: [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
 [Temporary Bearer Global Note exchangeable for Definitive Notes on and after the Exchange Date]
 [Permanent Bearer Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event/at any time at the request of the Issuer]]
- (Ensure that this is consistent with the language in the "Form of the Notes" section in the Offering Circular and the Notes themselves. N.B. – The exchange upon notice option should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€ 100,000] and integral multiples of [€ 1,000] in excess thereof up to and including [€199,000]. Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes")*
- [Registered Notes:
 [Regulation S Global Note (U.S.\$[●] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream]] [Rule 144A Global Note (U.S.\$[●] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream]]

- 28 Applicable Financial Centre(s) or other special provisions relating to Payment Dates: [New York/London/Hong Kong/Singapore/*give details*]
(*Note that this item relates to the date of payment and not the end dates of Interest Periods for the purpose of calculating the amount of interest to which items 18(c) and 20(g) relate*)
- 29 Talons for future Coupons or Receipts to be attached to Definitive Notes in bearer form: [Yes/No. If yes, *give details*]
- 30 Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of a failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/*give details*]
(*N.B. – a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues*)
- 31 Details relating to Instalment Notes: [Applicable/Not Applicable]
(*If not applicable delete the remaining sub-paragraph of this paragraph*)
- (a) Instalment Amount(s): [*give details*]
- (b) Instalment Date(s): [*give details*]
- 32 Redenomination applicable: Redenomination [not] applicable
(*If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative reference rates)*)
- 33 Other terms or special conditions: [Not Applicable/*give details*]

DISTRIBUTION

- 34 (a) If syndicated, names of Managers: [Not Applicable/*give names*]
- (b) Stabilising Manager(s) (if any): [Not Applicable/*give names*]
- 35 If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]
- 36 Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/TEFRA not applicable]
- 37 Whether Category 1 or Category 2 applicable in respect of the Notes offered and sold in reliance on Regulation S: [Category 1/Category 2]
- 38 Additional selling restrictions: [Not Applicable/*give details*]

39	Additional U.S. federal income tax considerations:	[Not Applicable/<i>give details</i>] [[The Notes are [not] Specified Notes for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986.] [Additional information regarding the application of Section 871(m) to the Notes will be available from <i>[name(s) and address(es) of Issuer contact]</i>.]] [[As at the date of this Pricing Supplement, the Issuer has not determined whether the Notes are Specified Securities for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] be Specified Securities for these purposes. This is indicative information only, subject to change, and if the Issuer’s final determination is different then it will give notice of such determination.] [Please contact <i>[name(s) and address(es) of Issuer contact]</i> for further information regarding the application of Section 871(m) to the Notes.]] (<i>The Notes will not be Specified Notes if they (i) are issued prior to 1 January 2021 and are not “delta-one” for U.S. tax purposes or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Notes reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities and (i) are issued prior to 1 January 2021 and provide a return that does not differ significantly from the return on an investment in the underlying, or (ii) are issued on or after 1 January 2021, further analysis would be required</i>)
40	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable] <i>(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no KID will be prepared, “Applicable” should be specified.)</i>
41	Prohibition of Sales to UK Retail Investors:	[Applicable/Not Applicable] <i>(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no KID will be prepared, “Applicable” should be specified.)</i>

HONG KONG SFC CODE OF CONDUCT

- 42 (i) Rebates: [A rebate of [●] bps is being offered by the [Issuer] to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.]/[Not Applicable]
- (ii) Contact email addresses of the [Overall Coordinators/Capital Market Intermediaries] underlying investor information in relation to omnibus orders should be sent: *[Include relevant contact email addresses of the [Overall Coordinators/Capital Market Intermediaries] where the underlying investor information should be sent – OCs/CMIs to provide]/[Not Applicable]*
- (iii) Marketing and Investor Targeting Strategy: *[if different from the Offering Circular]*

OPERATIONAL INFORMATION

- 43 Any clearing system(s) other than Euroclear and Clearstream and DTC and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- 44 Delivery: Delivery [against/free of] payment
- 45 Additional Paying Agent(s) (if any): []
- 46 Address of the Issuer if the Issuer is an overseas branch of the Bank that is not the London branch or the International Financial Service Centre at GIFT City branch: []

ISIN: []

Common Code: []

Financial Instrument Short Name: []

Classification of Financial Instruments Code: []

Legal Entity Identifier: 549300CQ6M9Q0TJEZR23

[LISTING APPLICATION]

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the U.S.\$4,000,000,000 Medium Term Note Programme of Bank of Baroda, [acting through its [Head Office]/[London]/[IFSC, GIFT City]/[specify other foreign branch] Branch].]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. Signed on behalf of the Issuer:

By: _____
Duly authorised

TERMS AND CONDITIONS OF THE NOTES

The following, subject to alteration and except for the paragraphs in italics, are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Form of the Notes” for a description of the content of Pricing Supplements which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by Bank of Baroda (the “**Issuer**”), acting through its Head Office, its London Branch, its International Financial Service Centre at GIFT City or other branch of the Issuer outside the Republic of India, as specified in the applicable Pricing Supplement, and constituted by an amended and restated trust deed dated 30 March 2026 (such Trust Deed as further modified and/or supplemented and/or restated from time to time, the “**Trust Deed**”) made between the Issuer and Citicorp Trustee Company Limited (the “**Trustee**” which expression shall include any successor as Trustee).

References herein to the “**Notes**” shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global Note (a “**Global Note**”), units of each Specified Denomination in the Specified Currency;
- (ii) definitive Notes in bearer form (“**Bearer Notes**”) issued in exchange (or part exchange) for a Global Note in bearer form (“**Bearer Global Notes**”); and
- (iii) any Global Note; and
- (iv) definitive Notes in registered form (“**Registered Notes**”) (whether or not issued in exchange for a Global Note in registered form (“**Registered Global Notes**”)).

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an amended and restated agency agreement dated 30 March 2026 (such agency agreement as amended and/or supplemented and/or restated from time to time, the “**Agency Agreement**”) made between the Issuer, the Trustee, Citibank, N.A., London Branch as principal paying agent (the “**Principal Paying Agent**”, which expression shall include any successor principal paying agent, and, together with any additional paying agents appointed in accordance with the Agency Agreement, the “**Paying Agents**”, which expression shall, unless the context otherwise requires, include any additional or successor paying agents), as exchange agent (the “**Exchange Agent**”, which expression shall include any successor exchange agent), as transfer agent (the “**Transfer Agent**”, which expression shall include any substitute or any additional transfer agents appointed in accordance with the Agency Agreement) and as registrar (the “**Registrar**”, which expression shall include any successor registrar). The Principal Paying Agent and the Paying Agents, together referred to as the “**Agents**”.

Interest bearing Definitive Bearer Notes (unless otherwise indicated in the applicable Pricing Supplement) have interest coupons (“**Coupons**”) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (“**Talons**”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Bearer Notes repayable in instalments have receipts (“**Receipts**”) for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The Pricing Supplement for this Note (or the relevant provisions thereof) is attached to or endorsed on this Note and supplements these Terms and Conditions (“**Conditions**”) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of this Note. References to the “**applicable Pricing Supplement**” are to the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference to “**Noteholders**” or “**holders**” in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to “**Receiptholders**” shall mean the holders of the Receipts and any reference herein to “**Couponholders**” shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons. The Trustee acts for the benefit of the Noteholders, the Receiptholders and the Couponholders, in accordance with the provisions of the Trust Deed.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing and admission to trading) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours at the specified office for the time being of the Trustee and the Principal Paying Agent. Copies of the applicable Pricing Supplement are obtainable during normal business hours at the specified office of the Trustee and the Principal Paying Agent save that, if this Note is an unlisted Note of any Series, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more unlisted Notes of that Series and such Noteholder must produce evidence satisfactory to the Trustee or the Principal Paying Agent, as the case may be, as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, and are bound by, all the provisions of the Trust Deed, the Agency Agreement and the applicable Pricing Supplement which are applicable to them. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed and the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed or the Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

1 FORM, DENOMINATION AND TITLE

The Notes may be in bearer form (“**Bearer Notes**”) and/or in registered form (“**Registered Notes**”) and, in the case of definitive Notes, will be serially numbered, in the currency (the “**Specified Currency**”) and the denomination(s) (the “**Specified Denomination(s)**”) specified in the applicable Pricing Supplement. Save as provided in Condition 2, Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Senior Note, an Additional Tier 1 Note or a Tier 2 Note, as indicated in the applicable Pricing Supplement.

Additional Tier 1 Notes and Tier 2 Notes (together, “**Subordinated Notes**”) will be in registered form unless otherwise specified in the applicable Pricing Supplement.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Pricing Supplement.

Bearer Notes in definitive form are issued with Coupons and (if applicable) Receipts and Talons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as otherwise provided in Condition 2, Definitive Registered Notes may be exchanged or transferred in whole or in part in the Specified Denominations for one or more Definitive Registered Notes of like aggregate nominal amount.

Each Definitive Registered Note will be numbered serially with an identifying number which will be recorded in the register (the “**Register**”) which the Issuer shall procure to be kept by the Registrar.

Notes are issued in the Specified Denomination(s) set out in the applicable Pricing Supplement which, in the case of Registered Notes sold other than pursuant to Regulation S, shall be the Authorised Denomination (as defined below) and, in the case of Notes having a maturity of 183 days or less, the Specified Denomination shall be at least U.S.\$500,000 (or the equivalent in any other currency or currencies).

“**Authorised Denomination**” means, in the case of a Restricted Notes, U.S.\$100,000 (or its equivalent rounded upwards as specified in the applicable Pricing Supplement) and higher integral multiples of U.S.\$10,000, or the higher denomination or denominations specified in the applicable Pricing Supplement.

Any minimum Authorised Denomination required by any law or directive or regulatory authority in respect of the currency of issue of any Note shall be such as applied on or prior to the date of issue of such Note.

Subject as set out below, title to Bearer Notes, Receipts and Coupons will pass by delivery. Title to Registered Notes will pass upon registration of transfers in the books of the Registrar in Frankfurt. The Issuer, the Trustee, the Principal Paying Agent, any Paying Agent, the Registrar and any Transfer Agent may deem and treat the bearer of any Bearer Note, Receipt or Coupon and any person in whose name a Registered Note is registered as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held by a common depository on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream**”), each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or Clearstream as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee, any Paying Agent, the Registrar and any Transfer Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Trustee, any Paying Agent, the Registrar and any Transfer Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly.

For so long as The Depository Trust Company (“**DTC**”) or its nominee is the registered owner or holder of a Rule 144A Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Rule 144A Global Note for all purposes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

In determining whether a particular person is entitled to a particular nominal amount of Notes, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream and DTC, as the case may be. References to Euroclear and/or Clearstream and/or DTC shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement or as may otherwise be approved by the Issuer, the Trustee and the Principal Paying Agent.

2 EXCHANGE AND TRANSFERS OF REGISTERED NOTES

2.1 Transfers of Registered Global Notes

Transfers of any Registered Global Note shall be limited to transfers of such Registered Global Note, in whole but not in part, to a nominee of DTC or to a successor of DTC or such successor's nominee.

2.2 Transfers of interests in Regulation S Notes

In the case of Notes offered or sold in reliance of Category 2 of Regulation S, prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Note to a transferee in the United States will only be made:

- (i) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a “**Transfer Certificate**”), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or
- (ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In the case of (i) above, such transferee may take delivery through a Legended Note in global or definitive form and, in the case of (ii) above, such transferee may take delivery only through a Legended Note in definitive form. After expiry of the applicable Distribution Compliance Period, if applicable, (a) beneficial interests in Regulation S Notes may be held through DTC directly by a participant in DTC or indirectly through a participant in DTC and (b) such certification requirements will no longer apply to such transfers.

2.3 Transfers of interests in Legended Notes

Transfers of Legended Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Regulation S Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream; or
- (ii) to a transferee who takes delivery of such interest through a Legended Note, where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or

- (iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States,

and in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Notes or refuse to remove the Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

2.4 Exchanges and transfers of Registered Notes generally

Registered Notes may not be exchanged for Bearer Notes and vice versa.

Holders of Definitive Registered Notes may exchange such Definitive Registered Notes for interests in a Registered Global Note of the same type at any time.

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, as the case may be, and, in turn, by participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will be transferable and exchangeable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, as the case may be (the “**Applicable Procedures**”).

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Definitive Registered Note may be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement) by the holder or holders surrendering the Definitive Registered Note for registration of the transfer of the Definitive Registered Note (or the relevant part of the Definitive Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and upon the Registrar or, as the case may be, the relevant Transfer Agent, after due and careful enquiry, being satisfied with the documents of title and the identity of the person making the request and subject to such reasonable regulations as the Issuer and the Registrar, or as the case may be, the relevant Transfer Agent may prescribe, including any restrictions imposed by the Issuer on transfers of Definitive Registered Notes. Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by mail to such address as the transferee may request, a new Definitive Registered Note of a like aggregate nominal amount to the Definitive Registered Note (or the relevant part of the Definitive Registered Note) transferred. In the case of the transfer of part only of a Definitive Registered Note, a new Definitive Registered Note in respect of the balance of the Definitive Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

Exchanges or transfers by a holder of a Definitive Registered Note for an interest in, or to a person who takes delivery of such Note through, a Registered Global Note will be made no later than 60 days after the receipt by the Registrar or, as the case may be, the relevant Transfer Agent of the Definitive Registered Note to be so exchanged or transferred and, if applicable, upon receipt by the Registrar of a written certification from the transferor.

2.5 Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 8.3, the Issuer shall not be required:

- (a) to register the transfer of Registered Notes (or parts of Registered Notes) during the period beginning on the 15th day before the date of the partial redemption and ending on the date on which notice is given specifying the serial numbers of Notes called (in whole or in part) for redemption (both inclusive); or
- (b) to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

2.6 Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for any payment of principal or interest or payment on that Note or (ii) during any period commencing on the date of a Loss Absorption Event Notice and ending on the close of business in London on the effective date of the related Write-Down.

2.7 Costs of exchange or registration

Registration of transfers will be effected without charge by or on behalf of the Issuer, the Registrar or the relevant Transfer Agent, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to it provided that the Issuer shall not be responsible for any documentary stamp tax payable on the transfer of Notes effected in the Republic of India (“**India**”) unless the Issuer is the counterparty directly liable for that documentary stamp tax.

2.8 Definitions

In these Conditions, the following expressions shall have the following meanings:

“**Distribution Compliance Period**” means the period that ends 40 days after the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue);

“**Legended Note**” means Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A which bear a legend specifying certain restrictions on transfer (a “**Legend**”);

“**Outstanding Nominal Amount**” means the issued nominal amount of a Subordinated Note (the “**Issued Nominal Amount**”), as reduced pursuant to any write-down and as increased pursuant to any Reinstatement (to the extent applicable or permitted and in respect of Additional Tier 1 Notes only), from time to time. All references in these Conditions to “**nominal amount**” will, in respect of Subordinated Notes, refer to Outstanding Nominal Amount or Issued Nominal Amount, as relevant and unless otherwise specified;

“**QIB**” means a qualified institutional buyer within the meaning of Rule 144A;

“**RBI**” or “**Reserve Bank of India**” means the Reserve Bank of India (being the apex central banking and monetary authority of India) and any successor entity having primary bank regulatory authority with respect to the Issuer;

“Regulation S” means Regulation S under the Securities Act;

“Regulation S Global Note” means a Registered Global Note representing Notes sold outside the United States in reliance on Regulation S;

“Rule 144A” means Rule 144A under the Securities Act;

“Rule 144A Global Note” means a Registered Global Note representing Notes sold in the United States or to QIBs; and

“Securities Act” means the United States Securities Act of 1933, as amended.

3 STATUS

3.1 Status of the Senior Notes

Notes the status of which is specified in the applicable Pricing Supplement as Senior (the **“Senior Notes”**) and any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsubordinated and unsecured obligations of the Issuer, from time to time outstanding.

3.2 Status of the Tier 2 Notes

*This Condition 3.2 applies only to Notes specified in the applicable Pricing Supplement as **“Tier 2 Notes”**.*

The Tier 2 Notes are not deposits of the Issuer and are not guaranteed or insured by the Issuer or any party related to the Issuer and they may not be used as collateral for any loan made by the Issuer or any of its subsidiaries or affiliates.

(a) Status

The Tier 2 Notes are direct and unsecured obligations of the Issuer and rank *pari passu* without preference among themselves. The rights and claims of Noteholders in respect of, or arising under, the Tier 2 Notes are subordinated in the manner described in Condition 3.2(b).

(b) Subordination

Tier 2 Notes and any relative Receipts and Coupons are unsecured obligations of the Issuer and, in the event of the winding up, liquidation or dissolution (as determined pursuant to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, as amended from time to time) (the **“Banks Nationalisation Act”**) of the Issuer, the claims of the holders of Tier 2 Notes and any relative Receipts and Coupons pursuant thereto will be subordinated in right of payment to the claims of all other creditors (other than claims of holders of Subordinated Indebtedness ranking, or expressed to rank, equal to or junior to the claims of the holders of Tier 2 Notes and any relative Receipts and Coupons, if any) of the Issuer in the manner and to the extent provided in the Trust Deed. For the avoidance of doubt, the claims of holders of Tier 2 Notes and any relative Receipts and Coupons shall be senior to the claims of holders of Tier 1 capital as defined in the RBI Guidelines. RBI Guidelines means the Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Directions, 2025 dated November 28, 2025 as may be amended or updated from time to time.

No Noteholder, Receiptholder or Couponholder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Tier 2 Notes and each Noteholder, Receiptholder and Couponholder shall by virtue of its subscription, purchase or holding of any Tier 2 Note, be deemed to have waived all such rights of set-off to the fullest extent permitted by law.

“Subordinated Indebtedness” means all indebtedness of the Issuer which by its terms is subordinated, in the event of winding up, liquidation or dissolution (as determined pursuant to the Banks Nationalisation Act) of the Issuer, in right of payment to the claims of unsubordinated creditors of the Issuer and so that, for the purpose of this definition, indebtedness shall include all liabilities, whether actual or contingent, under guarantees or indemnities.

3.3 Status of the Additional Tier 1 Notes

This Condition 3.3 applies only to Notes specified in the applicable Pricing Supplement as **“Additional Tier 1 Notes”**.

(a) Status

The Additional Tier 1 Notes are direct and unsecured obligations of the Issuer and rank *pari passu* without preference among themselves. The rights and claims of Noteholders in respect of, or arising under, the Additional Tier 1 Notes are subordinated in the manner described in Condition 3.3(b).

The Additional Tier 1 Notes are not deposits of the Issuer and are not guaranteed or insured by the Issuer or any party related to the Issuer and they may not be used as collateral for any loan made by the Issuer or any of its subsidiaries or affiliates.

(b) Subordination

The Issuer, for itself, its successors and assignees, covenants and agrees, and each Noteholder by subscribing for or purchasing an Additional Tier 1 Note irrevocably acknowledges and agrees, that:

- (i) the indebtedness evidenced by the Additional Tier 1 Notes constitutes unsecured and subordinated obligations of the Issuer; and
- (ii) the subordination is for the benefit of the holders of indebtedness that ranks senior to the Additional Tier 1 Notes.

In a winding-up, liquidation or dissolution (as determined pursuant to the Banks Nationalisation Act) of the Issuer, claims of the holders of Additional Tier 1 Notes and any related Receipts or Coupons pursuant thereto in respect of the Additional Tier 1 Notes will rank:

- (i) senior to the claims of investors in equity shares and perpetual non-cumulative preference shares of the Issuer;
- (ii) subordinate to the claims of all depositors and general creditors and holders of subordinated debt of the Issuer (including holders of Tier 2 Notes) other than any subordinated debt qualifying as Additional Tier 1 Capital of the Issuer (as defined under the RBI Guidelines); and
- (iii) *pari passu* and without preference among themselves and with any other claims in respect of debt instruments classified as Additional Tier 1 Capital under the RBI Guidelines.

The principal of, and interest and any additional amounts payable on, the Additional Tier 1 Notes will be subordinated in right of payment upon the occurrence of any winding up, liquidation or dissolution (as determined pursuant to the Banks Nationalisation Act) proceeding to the prior payment in full of all deposit liabilities and all other liabilities of the Issuer (including liabilities of all offices and branches of the Issuer wherever located and any subordinated debt securities of the Issuer that rank senior to the Additional Tier 1 Notes), except in each case to those liabilities which by their terms rank, or are expressed to rank, equally in right of payment with or which are subordinated to the Additional Tier 1 Notes, in the manner and to the extent provided in the Trust Deed.

No Noteholder, Receiptholder or Couponholder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Additional Tier 1 Notes and each Noteholder, Receiptholder and Couponholder shall, by virtue of its subscription, purchase or holding of any Additional Tier 1 Note, be deemed to have waived all such rights of set-off to the fullest extent permitted by law.

The Additional Tier 1 Notes are neither secured nor covered by a guarantee of the Issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors.

The Additional Tier 1 Notes will not contribute to liabilities exceeding assets if such a balance sheet test forms part of a requirement to prove insolvency under any law or otherwise. Accordingly, a payment in respect of the Additional Tier 1 Notes will not be due and payable to the extent that the Issuer is not solvent (as determined pursuant to Indian law) at the time of such payment or would not be solvent (as determined pursuant to Indian law) immediately after such payment. As used in these Conditions:

- (a) “**Additional Tier 1 Capital**” has the meaning given to it in the RBI Guidelines;
- (b) “**Common Equity Tier 1 Capital**” has the meaning given to it in the RBI Guidelines;
- (c) “**Group**” means the Issuer and each subsidiary that is part of its prudential consolidated group from time to time; and
- (d) “**Tier 1 Capital**” has the meaning given to it in the RBI Guidelines.

As a consequence of these subordination provisions, if a winding up, liquidation or dissolution (as determined pursuant to the Banks Nationalisation Act) proceeding should occur, the Noteholders, Receiptholders and Couponholder may recover less rateably than the holders of deposit liabilities or the holders of other unsubordinated liabilities of the Issuer. Moreover, holders of Additional Tier 1 Notes would likely be required to pursue their claims on the Additional Tier 1 Notes in proceedings in India as further described in Condition 12.3.

Holders of the Additional Tier 1 Notes will not be entitled to receive notice of, or attend or vote at, any meeting of shareholders of the Issuer or participate in the management of the Issuer.

The Additional Tier 1 Notes do not limit the amount of liabilities ranking senior or equal to the Additional Tier 1 Notes.

To the extent that holders of the Additional Tier 1 Notes are entitled to any recovery with respect to the Additional Tier 1 Notes in any Indian proceedings, such holders may not be entitled in such proceedings to a recovery in U.S. dollars and may be entitled to a recovery in Rupees.

For the avoidance of doubt, if the Issuer goes into winding up, liquidation or dissolution (as determined pursuant to the Banks Nationalisation Act) before any Write-Down under Condition 9, the Additional Tier 1 Notes will absorb losses in accordance with Condition 3.3(b).

4 NEGATIVE PLEDGE

This Condition 4 applies only to Notes specified in the applicable Pricing Supplement as Senior Notes.

So long as any of the Senior Notes remain outstanding (as defined in the Trust Deed), the Issuer will not, and will procure that none of its Subsidiaries (as defined below) will, create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a “**Security Interest**”) upon, or with respect to, any part of the present or future business, undertaking, assets or revenues (including any uncalled capital) of the Issuer or any of its Subsidiaries to secure any Relevant Indebtedness (as defined below), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

- (i) all amounts payable by it under the Senior Notes and the Trust Deed (in respect of the Senior Notes) are secured by the Security Interest equally and rateably with the Relevant Indebtedness to the satisfaction of the Trustee in its absolute discretion; or
- (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (i) as the Trustee in its absolute discretion deems not materially less beneficial to the interests of the holders of the Senior Notes or (ii) as is approved by an Extraordinary Resolution (which is defined in the Trust Deed as a resolution duly passed by a majority of not less than three-fourths of the votes cast thereon) of the holders of the Senior Notes.

For the purposes of these Conditions,

- (a) “**Relevant Indebtedness**” means (i) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities of the Issuer or any of its Subsidiaries which (a) by their terms are payable in a currency other than Rupees or are denominated in Rupees and more than 50.00 per cent. of the aggregate principal amount of which is initially distributed outside India by or with the authorisation of the Issuer and (b) are for the time being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market, and (ii) any guarantee or indemnity in respect of any such indebtedness.
- (b) “**Subsidiary**” means, in relation to the Issuer, any company (i) in which the Issuer holds a majority of the voting rights or (ii) of which the Issuer is a member and has the right to appoint or remove a majority of the board of directors or (iii) of which the Issuer is a member and controls a majority of the voting rights, and includes any company which is a Subsidiary of a Subsidiary of the Issuer, except where such holding, right, membership or control arises solely as a result of the Issuer enforcing any security granted to it in relation to a loan or advance made to a borrower in the ordinary course of the Issuer’s business.

5 REDENOMINATION

5.1 Redenomination

Where redenomination is specified in the applicable Pricing Supplement as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders or the Couponholders, on giving 30 days’ prior notice to the Trustee, the Paying Agents, the Transfer Agents, Euroclear, Clearstream and/or DTC as applicable, and at least 30 days’ prior notice to the Noteholders in accordance with Condition 16, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (a) the Notes and the Receipts shall be deemed to be redenominated in euro in the denomination of Euro 0.01 with a nominal amount in euro for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Principal Paying Agent and the Trustee, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes are for the time being listed and the Paying Agents of such deemed amendments;
- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts of less than euro 1,000 or such smaller denominations as the Issuer in conjunction with the Principal Paying Agent may determine) euro 0.01 and such other denominations as the Issuer shall determine and notify to the Noteholders;
- (d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the “**Exchange Notice**”) that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (e) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee. If payments cannot be effected by credit or transfer, then such payments will be made by a euro cheque;
- (f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:
 - (i) in the case of the Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note; and
 - (ii) in the case of definitive Notes, by applying the Rate of Interest to the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding;

- (g) if the Notes are Floating Rate Notes, the applicable Pricing Supplement will specify any relevant changes to the provisions relating to interest; and
- (h) such other changes shall be made to these Conditions as the Issuer may decide, after consultation with the Trustee and the Principal Paying Agent, and as may be specified in the notice, to conform them to conventions then applicable to instruments denominated in euro.

5.2 Definitions

In these Conditions, the following expressions have the following meanings:

“Established Rate” means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

“euro” and **“€”** mean the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

“Redenomination Date” means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

“Treaty” means the Treaty on the Functioning of the European Union, as amended by the Treaty on European Union, as amended.

6 INTEREST

6.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount (in the case of a Subordinated Note, on its Outstanding Nominal Amount) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

As used in these Conditions, **“Fixed Interest Period”** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated by applying the Rate of Interest to:

- (a) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up or, if they are Subordinated Notes, the Outstanding Nominal Amount); or
- (b) in the case of Fixed Rate Notes in definitive form, the Calculation Amount (as defined in the applicable Pricing Supplement) (as modified, in respect of Subordinated Notes, pursuant to any Write-Downs or Reinstatements),

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 6.1:

- (a) if “**Actual/Actual (ICMA)**” is specified in the applicable Pricing Supplement:
 - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or
 - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; or
- (b) if “**30/360**” is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:

“**Determination Period**” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“**sub-unit**” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

6.2 Interest on Floating Rate Notes and Index Linked Interest Notes

(a) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount (in the case of a Subordinated Note, on its Outstanding Nominal Amount) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an “**Interest Payment Date**”) which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions, “**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Pricing Supplement.

(i) ISDA Determination for Floating Rate Notes

Where “ISDA Determination” is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (i), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent or such other party specified in the applicable Pricing Supplement under an interest rate swap transaction if the Principal Paying Agent or such other party were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) if the applicable Pricing Supplement specifies either “2006 ISDA Definitions” or “2021 ISDA Definitions” as the applicable ISDA Definitions:
 - (I) the Floating Rate Option (as defined in the relevant ISDA Definitions) is as specified in the applicable Pricing Supplement;
 - (II) the Designated Maturity (as defined in the relevant ISDA Definitions) is a period specified in the applicable Pricing Supplement;
 - (III) the relevant Reset Date (as defined in the relevant ISDA Definitions) is the date specified in the applicable Pricing Supplement;

- (IV) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the relevant ISDA Definitions), Compounding is specified to be applicable in the relevant Pricing Supplement and:
- (1) Compounding with Lookback is specified as the Compounding Method in the applicable Pricing Supplement, Lookback is the number of Applicable Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Pricing Supplement; or
 - (2) Compounding with Observation Period Shift is specified as the Compounding Method in the applicable Pricing Supplement, (x) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Pricing Supplement and (y) Observation Period Shift Additional Business Days (as defined in the relevant ISDA Definitions), if applicable, are the days specified in the applicable Pricing Supplement; and
- (V) if the specified Floating Rate Option is an Index Floating Rate Option (as defined in the relevant ISDA Definitions) and Index Provisions are specified to be applicable in the relevant Pricing Supplement, the Compounded Index Method with Observation Period Shift shall be applicable and (1) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the relevant ISDA Definitions) specified in the applicable Pricing Supplement and (2) Observation Period Shift Additional Business Days (as defined in the relevant ISDA Definitions) are the days, if applicable, specified in the applicable Pricing Supplement;
- (VI) references in the relevant ISDA Definitions to:
- (1) “Confirmation” shall be deemed to be references to the applicable Pricing Supplement;
 - (2) “Calculation Period” shall be deemed to be references to the relevant Interest Period;
 - (3) “Termination Date” shall be deemed to be references to the Maturity Date; and
 - (4) “Effective Date” shall be deemed to be references to the Interest Commencement Date; and
- (B) if the Pricing Supplement specifies “2021 ISDA Definitions” as the applicable ISDA Definitions:
- (I) Administrator/Benchmark Event shall be disappplied; and
 - (II) if the Temporary Non-Publication Fallback for any specified Floating Rate Option is specified to be “Temporary Non-Publication Fallback – Alternative Rate” in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to “Calculation Agent Alternative Rate Determination” in the definition of “Temporary Non-Publication Fallback – Alternative Rate” shall be replaced by “Temporary Non-Publication Fallback – Previous Day’s Rate”.

For the purposes of this sub-paragraph (i):

- (I) **“ISDA Definitions”** means (i) if “2006 ISDA Definitions” is specified in the applicable Pricing Supplement, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (**“ISDA”**), as amended and updated as at the Issue Date of the first Tranche of the Notes; or (ii) if “2021 ISDA Definitions” is specified in the applicable Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, as published by ISDA as at the Issue Date of the first Tranche of the Notes; and
- (II) **“Floating Rate”, “Calculation Agent”, “Compounding with Lookback”, “Compounding with Observation Period Shift” and “Compounded Index Method with Observation Period Shift”** have the meanings given to those terms in the applicable ISDA Definitions.

Unless otherwise stated in the applicable Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero.

(ii) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (C) the offered quotation; or
- (D) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being EURIBOR) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent or such other party specified in the applicable Pricing Supplement. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent or such other party for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(iii) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as SOFR Benchmark

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined where the Reference Rate is SOFR Benchmark, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SOFR

Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent or such other party specified in the applicable Pricing Supplement on the relevant Interest Determination Date.

The “**SOFR Benchmark**” will be determined based on Compounded Daily SOFR or SOFR Index as follows (subject to Condition 6.8(b)):

- (A) If Compounded Daily SOFR is specified in the applicable Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Interest Period (where “SOFR Observation Lag” is specified in the applicable Pricing Supplement to determine Compounded Daily SOFR) or the SOFR Observation Period (where “SOFR Observation Shift” is specified in the applicable Pricing Supplement to determine Compounded Daily SOFR).

“**Compounded Daily SOFR**” shall be calculated by the Principal Paying Agent or such other party in accordance with one of the formulas referenced below depending upon which is specified as applicable in the applicable Pricing Supplement:

- (I) where SOFR Observation Lag is specified as the Observation Method in the applicable Pricing Supplement:

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SOFR}_{i-\text{xUSBD}} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

“**SOFR_{i-xUSBD}**” for any U.S. Government Securities Business Day(i) in the relevant Interest Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day(i);

“**Lookback Days**” means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement);

“**d**” means the number of calendar days in the relevant Interest Period;

“**d₀**” for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period;

“**i**” means a series of whole numbers ascending from one to d₀, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Period (each a “**U.S. Government Securities Business Day(i)**”);

“**n_i**” for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day; and

“**SOFR Observation Period**” means, in respect of an Interest Period, the period from (and including) the date falling the number of Lookback Days prior to the first day of such Interest Period to (but excluding) the date falling the number of Lookback Days prior to the Interest Payment Date for such Interest Period.

- (II) where SOFR Observation Shift is specified as the Observation Method in the applicable Pricing Supplement:

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SOFR}_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

“**SOFR_i**” for any U.S. Government Securities Business Day(i) in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day(i);

“**SOFR Observation Period**” means, in respect of an Interest Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Payment Date for such Interest Period;

“**SOFR Observation Shift Days**” means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement);

“**d**” means the number of calendar days in the relevant SOFR Observation Period;

“**d₀**” for any SOFR Observation Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

“**i**” means a series of whole numbers ascending from one to d₀, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period (each a “**U.S. Government Securities Business Day(i)**”); and

“**n_i**” for any U.S. Government Securities Business Day(i), means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day.

The following defined terms shall have the meanings set out below for purpose of this sub-paragraph (iii)(A):

“**Bloomberg Screen SOFRRATE Page**” means the Bloomberg screen designated “SOFRRATE” or any successor page or service;

“**Reuters Page USDSOFR=**” means the Reuters page designated “USDSOFR=” or any successor page or service;

“**SOFR**” means, with respect to any U.S. Government Securities Business Day, the reference rate determined by the Principal Paying Agent or such other party in accordance with the following provision:

- (1) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator’s Website;
- (2) if the reference rate specified in (1) above of this definition does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website;
- (3) in the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 6.8, the Rate of Interest shall be:
 - (x) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or
 - (y) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period); or
- (4) if the reference rate specified in (1) above of this definition does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 6.8 shall apply; and

“**SOFR Determination Time**” means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day.

- (B) If Compounded SOFR Index (“**Compounded SOFR Index**”) is specified in the applicable Pricing Supplement, the SOFR Benchmark for each Interest Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Principal Paying Agent or such other party as follows:

$$\left(\frac{\text{SOFR Index}_{\text{End}}}{\text{SOFR Index}_{\text{Start}}} - 1 \right) \times \left(\frac{360}{d_c} \right)$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

“**SOFR Index**” means, in respect of a U.S. Government Securities Business Day, the SOFR Index value as published on the SOFR Administrator’s Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, *provided that*:

- (1) in the event that the value originally published is subsequently corrected and such corrected value appears on the SOFR Administrator’s Website on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SOFR Index in relation to such U.S. Government Securities Business Day;
- (2) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the “SOFR Index” shall be calculated on any Interest Determination Date with respect to an Interest Period, in accordance with the Compounded Daily SOFR formula described above in sub-paragraph (iii)(A)(II) “SOFR Observation Shift”; or
- (3) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 6.8 shall apply;

“**SOFR Index_{End}**” means, in respect of an Interest Period, the SOFR Index value on the date falling the number of SOFR Observation Shift Days prior to the Interest Payment Date for such Interest Period (or in the final Interest Period, the Maturity Date);

“**SOFR Index_{Start}**” means, in respect of an Interest Period, the SOFR Index value on the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Period;

“**SOFR Index Determination Time**” means, in relation to any U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

“**SOFR Observation Period**” means, in respect of an Interest Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Payment Date for such Interest Period;

“**SOFR Observation Shift Days**” means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement); and

“**d_c**” means the number of calendar days in the applicable SOFR Observation Period.

- (C) The following defined terms shall have the meanings set out below for purpose of this sub-paragraph (iii):

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Period, unless otherwise specified in the applicable Pricing Supplement, the U.S. Government Securities Business Day immediately following the SOFR Observation Period;

“SOFR Administrator’s Website” means the website of the Federal Reserve Bank of New York (currently, being <https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index>), or any successor source;

“SOFR Benchmark Replacement Date” means the date of occurrence of a Benchmark Event with respect to the then-current Benchmark;

“SOFR Benchmark Transition Event” means the occurrence of a Benchmark Event with respect to the then-current Benchmark; and

“U.S. Government Securities Business Day” means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (D) If the relevant Series of Notes becomes due and payable in accordance with Condition 12, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the SOFR formula) and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

- (iv) *Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as SONIA Benchmark*

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined where the Reference Rate is SOFR Benchmark, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SOFR Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent or such other party specified in the applicable Pricing Supplement on the relevant Interest Determination Date.

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined where the Reference Rate is SONIA Benchmark, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SONIA Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent or such other party specified in the applicable Pricing Supplement on the relevant Interest Determination Date.

The “**SONIA Benchmark**” will be determined based on Compounded Daily SONIA or SONIA Index as follows (subject to Condition 6.8(a)):

- (A) If Compounded Daily SONIA is specified in the applicable Pricing Supplement as the relevant SONIA Benchmark, Compounded Daily SONIA shall be calculated by the Principal Paying Agent or such other party on the relevant Interest Determination Date in accordance with the formula referenced below:

“**Compounded Daily SONIA**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling Overnight Index Average (“**SONIA**”) rate as reference rate for the calculation of interest) and will be calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**Applicable Period**” means, in relation to an Interest Period:

- (4) where “SONIA Observation Lag” is specified as the SONIA Observation Method in the applicable Pricing Supplement, such Interest Period; or
- (5) where “SONIA Observation Shift” is specified as the SONIA Observation Method in the applicable Pricing Supplement, the SONIA Observation Period relating to such Interest Period;

“**d**” means the number of calendar days in the relevant Applicable Period;

“**d₀**” means, for the relevant Applicable Period, the number of London Business Days in such Applicable Period;

“**i**” means, for the relevant Applicable Period, a series of whole numbers from one to d₀, each representing the relevant London Business Day in chronological order from (and including) the first London Business Day in such Applicable Period;

“**London Business Day**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**n_i**”, for any London Business Day “**i**”, means the number of calendar days from and including such London Business Day “**i**” up to but excluding the following London Business Day;

“**SONIA_i**” means, in respect of any London Business Day “**i**” in the Applicable Period, the SONIA Reference Rate for the SONIA Determination Date in relation to such London Business Day “**i**”;

“SONIA Determination Date” means, in respect of any London Business Day “*i*”:

- (1) where “SONIA Observation Lag” is specified as the SONIA Observation Method in the applicable Pricing Supplement, the London Business Day falling “*x*” London Business Days prior to such London Business Day “*i*”; and
- (2) otherwise, such London Business Day “*i*”;

“SONIA Observation Period” means, for the relevant Interest Period, the period from (and including) the date falling “*x*” London Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on (but excluding) the date falling “*x*” London Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “*x*” London Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“SONIA Reference Rate” means, in respect of any London Business Day, a reference rate equal to the daily SONIA rate for such London Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Business Day immediately following such London Business Day); and

“*x*” means five London Business Days (or such other number of London Business Days as specified in the applicable Pricing Supplement).

- (B) If SONIA Index (**“SONIA Index”**) is specified in the applicable Pricing Supplement as the relevant SONIA Benchmark, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Interest Period (with the daily SONIA rate as reference rate for the calculation of interest) and will be calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left(\frac{\text{SONIA Compounded Index}_{\text{END}}}{\text{SONIA Compounded Index}_{\text{START}}} - 1 \right) \times \left(\frac{365}{d} \right)$$

provided, however, that, subject to Condition 6.8(a), if the SONIA Compounded Index Value is not available in relation to any Interest Period on the Relevant Screen Page for the determination of either or both of SONIA Compounded Index_{START} and SONIA Compounded Index_{END}, the Rate of Interest shall be calculated for such Interest Period on the basis of Compounded Daily SONIA and using the “SONIA Observation Shift” method (as set out in sub-paragraph (iv)(A)).

In the formula above:

“*d*” means the number of calendar days in the relevant SONIA Observation Period;

“London Business Day”, means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**SONIA Observation Period**” means, in respect of an Interest Period, the period from and including the date falling “x” London Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on (but excluding) the date which is “x” London Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “x” London Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“**SONIA Compounded Index**” means, in respect of an Interest Period, the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

“**SONIA Compounded Index_{START}**” means the SONIA Compounded Index Value on the date which is “x” London Business Days preceding the first day of such Interest Period (or in the first Interest Period, the Interest Commencement Date);

“**SONIA Compounded Index_{END}**” means, in respect of an Interest Period, the SONIA Compounded Index Value on the date which is “x” London Business Days preceding (i) the Interest Payment Date of such Interest Period, (ii) in the final Interest Period, the Maturity Date (in the case of a final Interest Period ending on the Maturity Date), or (iii) the date on which the relevant Series of Notes becomes due and payable;

“**SONIA Compounded Index Value**” means, in relation to any London Business Day, the value of the SONIA Compounded Index as published by authorised distributors on the Relevant Screen Page on such London Business Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorised distributors, as published on the Bank of England’s Website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on the next following London Business Day, provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Bank of England, as the administrator of SONIA (or any successor administrator of SONIA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SONIA Compounded Index Value in relation to such London Business Day; and

“x” means, for any Interest Period, five London Business Days (or such other number of London Business Days as specified in the applicable Pricing Supplement).

(C) If, subject to Condition 6.8(a), in respect of any London Business Day in the relevant Applicable Period, the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA reference rate shall be:

- (I) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at 5:00 p.m. (or, if earlier, close of business) on the relevant London Business Day; plus
- (II) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

(D) Notwithstanding the paragraph above, and without prejudice to Condition 6.8(a), in the event the Bank of England publishes guidance as to:

(I) how the SONIA Reference Rate is to be determined; or

(II) any rate that is to replace the SONIA Reference Rate,

the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest as specified in the applicable Pricing Supplement, and in consultation with the Issuer) shall, to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA rate for the purpose of the relevant Series of Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

(E) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 6.8(a), the Rate of Interest shall be:

(I) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or

(II) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

(F) If the relevant Series of Notes becomes due and payable in accordance with Condition 12, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the SONIA formula) and the Rate of Interest on such Notes shall, for so long as any such Notes remains outstanding, be that determined on such date.

(G) The following defined term shall have the meanings set out below for purpose of this sub-paragraph (iv):

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Period, unless otherwise specified in the applicable Pricing Supplement, the London Banking Day immediately following the SONIA Observation Period.

(c) Minimum and/or Maximum Rate of Interest

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) Determination of Rate of Interest and Calculation of Interest Amounts

The Principal Paying Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same. If required to be calculated by it, the Principal Paying Agent or, as the case may be, the Calculation Agent shall cause the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders and, if the Notes are listed on a stock exchange and the rules of such stock exchange or other relevant authority so require, such stock exchange or other relevant authority as soon as practicable after calculating the same.

The Principal Paying Agent will calculate the amount of interest (the “**Interest Amount**”) payable on the Floating Rate Notes or Index Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 6.2:

- (i) if “**Actual/Actual (ISDA)**” or “**Actual/Actual**” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;

- (iii) if “**Actual/365 (Sterling)**” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “**Actual/360**” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] \pm [30 \times (M_2 - M_1) \pm (D_2 - D_1)]}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] \pm [30 \times (M_2 - M_1) \pm (D_2 - D_1)]}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (vii) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] \pm [30 \times (M_2 - M_1) \pm (D_2 - D_1)]}{360}$$

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

(e) Notification of Rate of Interest and Interest Amounts

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 16 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 16. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(f) Determination or Calculation by Trustee

If for any reason at any relevant time the Principal Paying Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Principal Paying Agent defaults in its obligation to calculate any Interest Amount in accordance with sub-paragraph (b)(i) or subparagraph (b)(ii) above or as otherwise specified in the applicable Pricing Supplement, as the case may be, and in each case in accordance with paragraph (d) above, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Pricing Supplement), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Principal Paying Agent or the Calculation Agent, as applicable.

(g) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6, whether by the Principal Paying Agent or, if applicable, the Calculation Agent or the Trustee, shall (in the absence of manifest error) be binding on the Issuer, the Trustee, the Principal Paying Agent, the Registrar, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence of wilful default and bad faith) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Principal Paying Agent or, if applicable, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.3 Interest on Dual Currency Interest Notes

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Pricing Supplement.

6.4 Interest on Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

6.5 Accrual of Interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) as provided in the Trust Deed.

6.6 Definitions

In these Conditions, if a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (a) in any case where Specified Periods are specified in accordance with Condition 6.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (b) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

- (c) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (d) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, “**Business Day**” means a day which is:

- (e) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre (other than T2) specified in the applicable Pricing Supplement;
- (f) if T2 is specified as an Additional Business Centre in the applicable Pricing Supplement, a day on which the real time gross settlement system operated by the Eurosystem, or any successor system (the “**T2**”) is open; and
- (g) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively or (ii) in relation to any sum payable in euro, a day on which the T2 or any successor system is open.

6.7 Payment limitation – Additional Tier 1 Notes

This Condition 6.7 applies only to Additional Tier 1 Notes.

- (a) The Issuer may, at its full discretion and as it deems fit, in accordance with the RBI Guidelines, elect at any time to cancel (in whole or in part) interest otherwise scheduled to be paid on an Interest Payment Date. The Issuer shall have full access to cancelled payments to meet its obligations as they fall due. Further, the Issuer will cancel (in whole or, as the case may be, in part) the payment of any interest otherwise scheduled to be paid on an Interest Payment Date to the extent that such payment of interest on the Additional Tier 1 Notes is not permitted to be paid under the RBI Guidelines.

*Pursuant to the RBI Guidelines, coupons on all Additional Tier 1 instruments (such as the Additional Tier 1 Notes) must be paid out of distributable items. In this context, coupons may be paid out of current year profits. However, if current year profits are not sufficient, coupons may be paid subject to availability of (i) profits brought forward from previous years, and/or (ii) reserves representing appropriation of net profits, including statutory reserves, and excluding share premium, revaluation reserve, foreign currency translation reserve, investment reserve and reserves created on amalgamation. The accumulated losses and deferred revenue expenditure, if any, shall be netted off from sub-paragraph (i) and (ii) above, to arrive at the available balances for payment of coupon. If the aggregate of (x) profits in the current year, (y) profits brought forward from the previous years, and (z) permissible reserves as at sub-paragraph (ii) above, excluding statutory reserves, net of accumulated losses and deferred revenue expenditure are less than the amount of coupon, then the Bank shall make the appropriation from the statutory reserves. In such cases, the Bank is required to report to the RBI within 21 days from the date of such appropriation in compliance with Section 17(2) of the Banking Regulation Act, 1949, as amended (the “**BR Act**”).*

However, payment of coupons on Additional Tier 1 Notes from the revenue reserves is subject to the Issuer meeting minimum regulatory requirements for CET1, Tier 1 and Total Capital ratios including the additional capital requirements for Domestic Systemically Important Banks at all times and subject to the restrictions under the capital buffer frameworks (i.e. capital conservation buffer and countercyclical capital buffer as referred to in the RBI Guidelines).

- (b) Interest on the Additional Tier 1 Notes will be non-cumulative. If interest is not paid in whole or in part on an Interest Payment Date pursuant to and in accordance with this Condition 6.7, or is cancelled pursuant to Condition 9, such interest will not be due and payable and the right of Noteholders, Receiptholders and Couponholders to receive interest in respect of the Interest Period ending on such Interest Payment Date will be lost and the Issuer will have no further obligation in respect of the interest for such Interest Period, whether or not any amount of interest is paid for any future Interest Period. Non-Payment of interest in accordance with this Condition 6.7 will not constitute an event of default in respect of the Additional Tier 1 Notes. For the avoidance of doubt, no Noteholder shall have any claim in respect of any interest or part thereof cancelled pursuant to this Condition 6.7. Accordingly, such interest shall not accumulate for the benefit of Noteholders or entitle the Noteholders to any claim in respect thereof against the Issuer.
- (c) In the event that the Issuer determines that it shall not, or is not permitted to, make a payment of interest on Additional Tier 1 Notes in accordance with this Condition 6.7, the Issuer shall notify or procure notification as soon as possible, but not more than 60 calendar days prior to the relevant Interest Payment Date, to the Trustee (in a certificate signed by two directors of the Issuer), the Paying Agents, the relevant stock exchange(s) (if any) on which the Additional Tier 1 Notes are for the time being listed and the holders of Additional Tier 1 Notes (in accordance with Condition 16) of that fact and of the amount that shall not be paid provided that failure to give such notice shall not affect the cancellation of any interest payment (in whole or, as the case may be, in part) and shall not constitute a default.
- (d) If for any reason any payment of interest is not paid in full on an Interest Payment Date then, from the date of which such cancellation has first been notified to any of the Trustees, the Principal Paying Agent or the Noteholders (a “**Dividend Stopper Date**”), the Issuer will not, so long as any of the Additional Tier 1 Notes are outstanding:
 - (i) declare or pay any discretionary distribution or dividend or make any other payment on, or directly or indirectly redeem, purchase, cancel, reduce or otherwise acquire its Common Equity Tier 1 Capital (other than to the extent that any such distribution, dividend or other payment is declared before such Dividend Stopper Date); or
 - (ii) pay discretionary interest or any other distribution on, or directly or indirectly redeem, purchase, cancel, reduce or otherwise acquire, any of its instruments or securities ranking, as to the right of payment of dividend, distributions or similar payments, pari passu with or junior to the Additional Tier 1 Notes (excluding securities the terms of which stipulate a mandatory redemption),

in each case unless or until the next Interest Payment Date following the Dividend Stopper Date on which an interest amount has been paid in full (or an equivalent amount has been separately set aside for payment to the Noteholders), or the prior approval of the Noteholders has been obtained via an Extraordinary Resolution.

(e) Nothing in Condition 6.7(d) will:

- (i) stop payment on another instrument where the payments on such an instrument are not fully discretionary;
- (ii) prevent distribution to shareholders for a period that extends beyond the point in time at which interest on the Additional Tier 1 Notes is resumed;
- (iii) impede the normal operation of the Issuer, including actions in connection with employee share plans or any restructuring activity, including acquisitions and disposals; or
- (iv) impede the full discretion that the Issuer has, at all times, to cancel distributions or payments on the Additional Tier 1 Notes nor act in a way that could hinder the recapitalisation of the Issuer.

6.8 Interest on Floating Rate Notes and Index Linked Interest Notes

(a) Benchmark Discontinuation (General)

(i) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with sub-paragraph (ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with sub-paragraph (iv)). In making such determine, the Independent Adviser appointed pursuant to this Condition 6.8(a) shall act in good faith and in a commercially reasonable manner as an expert. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Principal Paying Agent, the Paying Agents, the Noteholders, the Receiptholders or the Couponholders for any determination made by it pursuant to this Condition 6.8(a).

If (A) the Issuer is unable to appoint an Independent Adviser; or (B) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this sub-paragraph (i) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this sub-paragraph (i).

(ii) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

- (A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 6.8(a)); or

- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 6.8(a)).

(iii) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(iv) Benchmark Adjustments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 6.8(a) and the Independent Adviser, determines (A) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with sub-paragraph (v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate in English signed by an authorised officer of the Issuer pursuant to sub-paragraph (v), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

In connection with any such variation in accordance with this sub-paragraph (iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 6.8(a), no Successor Rate or Alternative rate will be adopted, nor will be the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Subordinated Notes and/or the Notes eligible liabilities or loss absorbing capacity instruments for the purposes of the loss absorption regulations as set out in the RBI Guidelines.

(v) Notices, etc.

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 6.8(a) will be notified promptly by the Issuer to the Trustee, the Principal Paying Agent and, in accordance with Condition 16, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate in English signed by an authorised officer of the Issuer:

- (A) confirming (I) that a Benchmark Event has occurred, (II) the Successor Rate or, as the case may be, the Alternative Rate, (III) the applicable Adjustment Spread and (IV) the specific terms of any Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 6.7(a); and

- (B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof and shall not be liable to the Issuer, the Noteholders, the Couponholders or any other person for so doing. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Principal Paying Agent and the Noteholders.

(vi) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under sub-paragraphs (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in sub-paragraph (ii) will continue to apply unless and until a Benchmark Event has occurred.

(vii) Definitions

As used in this Condition 6.8(a):

“Adjustment Spread” means either (A) a spread (which may be positive, negative or zero) or (B) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (1) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (2) (if no such recommendation has been made, or in the case of an Alternative Rate) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or
- (3) (if the Independent Adviser determines that no such spread is customarily applied) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with sub-paragraph (ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes;

“Benchmark Amendments” has the meaning given to it in sub-paragraph (iv);

“Benchmark Event” means:

- (A) the Original Reference Rate ceasing to be published for a period of at least five business days or ceasing to exist; or
- (B) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

- (C) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (E) it has become unlawful for the Principal Paying Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate; or
- (F) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market,

provided that (1) in the case of sub-paragraphs (B), (C) and (D) of this definition, the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and (2) in the case of sub-paragraph (F), the Benchmark Event shall occur on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement and, in each case of (1) and (2), not the date of the relevant public statement.

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under sub-paragraph (i);

“Original Reference Rate” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes;

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (I) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (II) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (III) a group of the aforementioned central banks or other supervisory authorities or (IV) the Financial Stability Board or any part thereof; and

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

(b) Benchmark Discontinuation (SOFR)

The following provisions shall apply if Benchmark Discontinuation (SOFR) is specified as applicable in the applicable Pricing Supplement:

- (i) Benchmark Replacement

If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the then current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.

(ii) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time, and the Issuer shall deliver to the Trustee and the Agents a certificate in English signed by an Authorised Signatory of the Issuer:

- (A) confirming that: (1) a Benchmark Event has occurred and (2) the Benchmark Replacement, in each case as determined in accordance with the provisions of this Condition 6.8(b); and
- (B) certifying that the Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement.

For the avoidance of doubt, the Trustee and any of the Agents shall, upon receipt of such certificate and (subject to the immediately succeeding paragraph) at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this sub-paragraph (ii), provided that the Trustee and the Agents shall not be obliged so to concur if in the opinion of the Trustee or the relevant Agent, as applicable, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee or, as the case may be, the relevant Agent in these Conditions, the Trust Deed and/or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed or supplemental agency agreement) in any way or if they impact the operational feasibility of the Trustee or the Agents (or any of them) in any way. Noteholders' consent shall not be required in connection with effecting any such changes, including the execution of any documents or any steps to be taken by the Trustee or any of the Agents (if required). Further, none of the Trustee, the Principal Paying Agent, the Registrar or the Transfer Agent shall be responsible or liable to the Issuer, the Guarantor, the Noteholders, the Couponholders or any other person for any determinations, decisions or elections made by the Issuer or its designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard. No such determination, decision or election shall be binding on the Trustee and the Agents and none of the Trustee and the Agents shall be obliged to concur in any consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this Condition 6.8(b) if in the opinion of the Trustee or the relevant Agent (as the case may be) it would impose more onerous obligations upon the Trustee or, as the case may be, the relevant Agent or expose the Trustee or, as the case may be, the relevant Agent to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee or, as the case may be, the relevant Agent in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) or the Agency Agreement (including, for the avoidance of doubt, any supplemental agency agreement) (as the case may be) or if they impact the operational feasibility of the Trustee or the Agents (or any of them) in any way.

Notwithstanding any other provision of this Condition 6.8(b), no Benchmark Replacement will be adopted, nor will any Benchmark Replacement Conforming Changes be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Subordinated Notes and/or the Notes eligible liabilities or loss absorbing capacity instruments for the purposes of the loss absorption regulations as set out in the RBI Guidelines.

(iii) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 6.8(b), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection: (A) will be conclusive and binding absent manifest error, (B) will be made in the sole discretion of the Issuer or its designee, as applicable, and (C) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

(iv) Definitions

The following defined terms shall have the meanings set out below for purpose of this Condition 6.8(b):

“Benchmark” means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement; provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant SOFR Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement;

“Benchmark Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (A) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the sum of:
 - (I) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and
 - (II) the Benchmark Replacement Adjustment;

(B) the sum of:

- (I) the ISDA Fallback Rate; and
- (II) the Benchmark Replacement Adjustment; or

(C) the sum of:

- (I) the alternate reference rate that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated floating rate Notes at such time; and
- (II) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (A) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (A) in the case of sub-paragraph (A) or (B) of the definition of “Benchmark Event”, the later of:
 - (I) the date of the public statement or publication of information referenced therein; and

- (II) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (B) in the case of sub-paragraph (C) of the definition of “Benchmark Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“**designee**” means a designee as selected and separately appointed by the Issuer in writing;

“**ISDA Definitions**” means (i) where “2006 ISDA Definitions” are specified in the applicable Pricing Supplement, the 2006 ISDA Definitions or (ii) where “2021 ISDA Definitions” are specified in the applicable Pricing Supplement, the 2021 ISDA Interest Rate Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“**ISDA Fallback Adjustment**” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

“**ISDA Fallback Rate**” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“**Reference Time**” with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Compounded Daily SOFR is specified as applicable in the applicable Pricing Supplement) or SOFR Index Determination Time (where SOFR Index is specified as applicable in the applicable Pricing Supplement), or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

“**Unadjusted Benchmark Replacement**” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

7 PAYMENTS

7.1 Method of payment

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively). If payments cannot be effected by credit or transfer, then such payments will be made by a cheque in such Specified Currency drawn on a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and

- (b) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

7.2 Presentation of Notes, Receipts and Coupons

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 7.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Notwithstanding the foregoing, if any amount of principal and/or interest in respect of any Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of the Bearer Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

Payments of Instalment Amounts (if any) in respect of definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 7.1 above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in Condition 7.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Bearer Note to which it appertains. Receipts presented without the definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Dual Currency Notes, Index Linked Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 10.2) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 11) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “**Long Maturity Note**” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

If, upon presentation of a Subordinated Note at the specified office of any Paying Agent, the Outstanding Nominal Amount of the Subordinated Note is less than its Issued Nominal Amount, the relevant Paying Agent shall procure that a statement indicating (1) the amount and the date of any Write-Down and (if applicable and only in relation to Additional Tier 1 Notes) any Reinstatement in relation to the Subordinated Note and (2) the Outstanding Nominal Amount of the Subordinated Note as at the date on which it is so presented, be endorsed on the relevant Subordinated Note prior to any payment in respect of such Subordinated Note being made.

7.3 Payments in respect of Global Notes

Payments of principal and interest (if any) in respect of Bearer Notes represented by any Bearer Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Bearer Global Note against presentation or surrender of such Bearer Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Bearer Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Bearer Global Note by the Paying Agent to which it was presented and such record shall be *prima facie* evidence that the payment in question has been made.

Payments of principal (other than instalments of principal (if any) prior to the final instalment) in respect of Registered Notes (whether in definitive or global form) will be made in the manner specified in Condition 7.1 to the persons in whose name such Registered Notes are registered (i) where in global form, at the close of the business day (being for this purpose, a day on which Euroclear and, Clearstream are, and, in respect of Rule 144A Global Notes, DTC is open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the business day (being for this purpose a day on which banks are open for business in the city where the Registrar is located) immediately prior to the relevant payment date against presentation and surrender (or, in the case of part payment only of any sum due, endorsement) of such Registered Notes at the specified office of the Registrar.

Payments of interest due on a Registered Note (whether in definitive or global form) and payments of instalments of principal (if any) due on a Registered Note (other than the final instalment) will be made in the manner specified in Condition 7.1 to the person in whose name such Note is registered (i) where in global form, at the close of the business day (being for this purpose, a day on which Euroclear and, Clearstream are, and, in respect of Rule 144A Global Notes, DTC is open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day (being for this purpose a day on which banks are open for business in the city where the Registrar is located) (the “**Record Date**”)) prior to such due date. In the case of payments by cheque, cheques will be mailed to the holder (or the first named of joint holders) at such holder’s registered address on the business day (as described above) immediately preceding the due date.

If payment in respect of any Registered Notes is required by credit or transfer as referred to in Condition 7.1(a), application for such payment must be made by the holder to the Registrar not later than the relevant Record Date.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Principal Paying Agent to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for payment in such Specified Currency or conversion into U.S. dollars in accordance with the provisions of the Agency Agreement.

7.4 General provisions applicable to payments

The holder of a Global Note (or as provided in the Trust Deed, the Trustee) shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note (or the Trustee, as the case may be) in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream or DTC as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream or DTC, as the case may be, for his share of each payment so made by the Issuer in respect of such Global Note to, or to the order of, the holder of such Global Note.

7.5 Payment Day

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Payment Day**” means any day which (subject to Condition 11) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (i) in the case of Notes in definitive form only, the relevant place of presentation;
 - (ii) each Additional Financial Centre (other than T2) specified in the applicable Pricing Supplement; and
- (b) if T2 is specified as an Additional Financial Centre in the applicable Pricing Supplement, a day on which the T2 is open; and
- (c) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively or (B) in relation to any sum payable in euro, a day on which the T2 is open.

7.6 Interpretation of principal and interest

Any reference in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 10 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;

- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (f) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 8.6); and
- (g) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

7.7 Payments Subject to Fiscal and Other Laws

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 10, (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretation thereof, or any laws implementing an intergovernmental approach thereto, and (iii) any withholding or deduction imposed pursuant to Section 871(m) of the Code (“**871(m) Withholding**”). In addition, in determining the amount of 871(m) Withholding imposed with respect to any amounts to be paid on the Notes, the Issuer shall be entitled to withhold on any “dividend equivalent” (as defined for purposes of Section 871(m) of the Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

Payments on the Notes that reference U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70 per cent. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer will be deemed to withhold, 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

8 REDEMPTION AND PURCHASE

For the avoidance of doubt, any redemption or repurchase of Tier 2 Notes or Additional Tier 1 Notes under this Condition 8 shall be subject to regulatory preconditions, including the prior approval of the RBI. The RBI, while considering the request of the Issuer to so redeem the securities, may take into consideration, amongst other things, the Issuer’s capital adequacy position both at the time of the proposed redemption and thereafter.

8.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Linked Redemption Note and Dual Currency Redemption Note) save for any Additional Tier 1 Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date, subject to compliance with the applicable regulatory requirements.

The Additional Tier 1 Notes are perpetual with no scheduled maturity date and may only be redeemed in accordance with Conditions 8.2, 8.3 or 8.4 and subject to the conditions and limitations set forth therein.

8.2 Redemption or variation for tax reasons

In the case of Senior Notes or Tier 2 Notes with no Optional Redemption Date, at any time prior to the applicable Maturity Date or, in the case of Tier 2 Notes with an Optional Redemption Date or Additional Tier 1 Notes, at any time prior to the first Optional Redemption Date as specified in the applicable Pricing Supplement, the Notes may be redeemed at the option of the Issuer, at its sole discretion in whole, but not in part, at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note) or on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note), on giving not less than 30 nor more than 60 days' notice to the Trustee and the Principal Paying Agent and, in accordance with Condition 16, the Noteholders (which notice shall specify the date fixed for redemption and which shall, subject to Condition 9 in respect of Subordinated Notes, be irrevocable), if the Issuer satisfies the Trustee (in its absolute discretion) immediately before the giving of such notice that:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 10, or (in the case of Subordinated Notes only) will, having been entitled to claim a deduction, no longer be entitled to claim a deduction in respect of computing its taxation liabilities with respect to interest on the Subordinated Notes, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 10.2) or any change in (i) the official application of such laws, regulations or rulings or (ii) the official interpretation of existing or new provisions contained in such laws, regulations or rulings, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes for such Series (or, in the case of Subordinated Notes, the Issue Date of such Notes); and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, (a **"Tax Event"**)

provided that (1) in the case of Subordinated Notes, the Conditions for Redemption set out in Condition 8.12 having been satisfied, and (3) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. In the case of Subordinated Notes, the Issuer may (subject to compliance with the Conditions for Redemption) elect, instead of redeeming the Notes on the occurrence of a Tax Event, instead to vary the terms of the Subordinated Notes so that they become or remain Qualifying Subordinated Notes.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee to make available at its specified office to the Noteholders (1) a certificate signed by an authorised officer of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (2) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment and the Trustee shall be entitled to accept the certificate and the opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

As used in this Condition 8:

- (a) **"authorised officer of the Issuer"** shall mean a person (a) who is duly authorised by (i) the Managing Director and Chief Executive Officer (**"MD & CEO"**) of the Issuer or (ii) the Fund Management Committee of the Issuer or (b) who is a constituted attorney of the Issuer; and

- (b) **“Qualifying Subordinated Notes”** means instruments issued by the Issuer (or by Bank of Baroda acting through another of its branches) that:
- (i) will be eligible to constitute (or would, but for any applicable limitation on the amount of such capital, constitute) Additional Tier 1 Capital (in the case of variation of Additional Tier 1 Notes) or Tier 2 Capital (in the case of variation of Tier 2 Notes), including that they are fully paid-in;
 - (ii) have terms and conditions not materially less favourable to a Noteholder than the Subordinated Notes (as reasonably determined by the Issuer (provided that in making this determination the Issuer is not required to take into account the tax treatment of the new instrument in the hands of all or any holders of the Subordinated Notes, or any transfer or similar taxes that may apply on the acquisition of the new instrument) provided that a certification to such effect of an authorised signatory of the Issuer shall have been delivered to the Trustee prior to the variation of the terms of the instruments);
 - (iii) shall not at such time be subject to a Tax Event or a Regulatory Event;
 - (iv) will constitute direct obligations of the Issuer (or the Bank of Baroda acting through another of its branches, as applicable);
 - (v) rank, on a winding-up, liquidation or dissolution (as determined pursuant to the Banks Nationalisation Act) of the Issuer, at least *pari passu* with the obligations of the Issuer in respect of other Additional Tier 1 Capital (in the case of variation of Additional Tier 1 Notes) or Tier 2 Capital (in the case of variation of Tier 2 Notes);
 - (vi) have at least the same Outstanding Nominal Amount and interest payment or distribution dates as the Subordinated Notes and at least equal interest or distribution rate or rate of return as the Subordinated Notes;
 - (vii) are listed on the same stock exchange as the Subordinated Notes (or another securities exchange of international standing regularly used for the listing and quotation of debt securities offered and traded in the international markets);
 - (viii) have, to the extent such payment is not cancelled, the same claim to accrued but unpaid interest;
 - (ix) (where the instruments are varied prior to the first-occurring Optional Redemption Date) have the same issuer call date as the Subordinated Notes;
 - (x) have the same claim to amounts payable upon any redemption; and
 - (xi) which may include such technical changes as necessary to reflect the requirements of Additional Tier 1 Capital (in the case of variation of Additional Tier 1 Notes) or Tier 2 Capital (in the case of variation of Tier 2 Notes) under the RBI Guidelines then applicable to the Issuer.

Notes redeemed pursuant to this Condition 8.2 will be redeemed at their Early Redemption Amount referred to in Condition 8.6 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

8.3 Redemption at the Option of the Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Pricing Supplement, the Issuer may, (1) in the case of Subordinated Notes, at its sole discretion but only upon the expiry of five years from the Issue Date and subject to the Conditions for Redemption, and (2) in the case of any Note having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 16; and
- (b) not less than seven days before the giving of the notice referred to in (a) above, notice to the Trustee and the Principal Paying Agent and, in the case of a redemption of Registered Notes, the Registrar,

(which notices shall specify the date fixed for redemption) and which shall, subject to Condition 9 in respect of Subordinated Notes, be irrevocable, redeem all or (except in the case of Subordinated Notes) some only of the Notes then outstanding on any Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Pricing Supplement together, if appropriate (and subject to Condition 6.7 in respect of Subordinated Notes), with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and/or not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Pricing Supplement. In the case of a partial redemption of Notes (or, as the case may be, parts of Registered Notes), the Notes to be redeemed ("**Redeemed Notes**") will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**") and (ii) in the case of Redeemed Notes represented by a Global Note, be selected, in accordance with the rules of Euroclear and/or Clearstream and/or, as the case may be, DTC. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 16 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall in each case bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes.

Any optional redemption of the Subordinated Notes is subject to compliance with applicable regulatory requirements, including the prior approval of the RBI. The RBI, while considering the request of the Issuer to so redeem any Notes, may take into consideration, amongst other things, the Issuer's capital adequacy position both at the time of the proposed redemption and thereafter.

8.4 Redemption or Variation for Regulatory Reasons

Subject to the Conditions for Redemption in Condition 8.12 having been satisfied, the Issuer may elect at its sole discretion to redeem the Subordinated Notes in whole, but not in part, at any time prior to the first Optional Redemption Date (or, in the case of Tier 2 Notes with no Optional Redemption Date, at any time prior to the Maturity Date), on giving not less than 30 nor more than 60 days' notice to the Trustee, the Paying Agents, the Transfer Agents, the Registrar, the SGX-ST, India INX and NSE IX, and, in accordance with Condition 16, the Noteholders (which notice shall specify the date fixed for redemption and which shall, subject to Condition 9, be irrevocable), if a Regulatory Event has occurred and is continuing.

In the case of Subordinated Notes, the Issuer may (subject to compliance with the Conditions for Redemption) elect, instead of redeeming the Notes on the occurrence of a Regulatory Event, to vary the terms of the Subordinated Notes so that they become or remain Qualifying Subordinated Notes.

A “**Regulatory Event**” occurs if, as result of a change in regulation, the Issuer is notified in writing by the RBI to the effect that the Outstanding Nominal Amount (or the amount that qualifies as regulatory capital, if some amount of the Notes is held by the Issuer or whose purchase is funded by the Issuer) of the Notes is fully or partly excluded from, in the case of Tier 2 Notes, the consolidated Tier 2 capital of the Issuer or, in the case of Additional Tier 1 Notes, the consolidated Tier 1 Capital of the Issuer.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee or the Principal Paying Agent to make available at its specified office to the Noteholders a certificate signed by an authorised officer of the Issuer stating that the circumstances referred to in this Condition 8.4 exist and are prevailing (including the requirements of Condition 8.12) and setting out the details of such circumstances, and the Trustee shall be entitled without further action or inquiry to accept the certificate as conclusive and sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders, Receiptholders and Couponholders.

Subordinated Notes redeemed pursuant to this Condition 8.4 will be redeemed at their Early Redemption Amount.

8.5 Redemption of the Senior Notes at the Option of the Noteholders (Investor Put)

(a) If Investor Put is specified in the applicable Pricing Supplement

If Investor Put is specified as being applicable in the applicable Pricing Supplement with respect to Senior Notes only, upon the holder of any Senior Note giving to the Issuer in accordance with Condition 16 not less than 30 nor more than 60 days’ notice (which notice shall be irrevocable) the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Pricing Supplement, such Senior Note on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date.

(b) Put Option Exercise Procedures

To exercise the right to require redemption of a Senior Note the holder of such Senior Note must deliver a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent, Transfer Agent or the Registrar (a “**Put Notice**”) accompanied by, if the Senior Note is in definitive form, the definitive Senior Note, to the specified office of any Paying Agent, in the case of Bearer Notes, or of any Transfer Agent or the Registrar in the case of Registered Notes, at any time within the notice period during normal business hours of such Paying Agent, Transfer Agent or the Registrar. In the Put Notice the holder must specify a bank account to which payment is to be made under this Condition.

If this Note is represented by a Global Note or is in definitive form and held through DTC, Euroclear or Clearstream, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Paying Agent, in the case of a Bearer Global Note, or to any Transfer Agent or the Registrar in the case of a Registered Global Note of such exercise in accordance with the standard procedures of DTC, Euroclear and Clearstream (which may include notice being given on his instruction by DTC, Euroclear or Clearstream or any common depository, as the case may be, for them to the Paying Agent, the Transfer Agent or, as the case may be, the Registrar by electronic means) in a form acceptable to DTC, Euroclear and/or Clearstream from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Principal Paying Agent or, as the case may be, the Registrar for notation accordingly.

8.6 Early Redemption Amounts

For the purpose of Conditions 8.2 and 8.5 above and Condition 12:

- (a) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount; and in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

- (b) each Zero Coupon Note will be redeemed, at an amount (the “**Amortised Face Amount**”) calculated in accordance with the following formula:

Early Redemption Amount = $RP \times (1 + AY)^y$ where:

- “**RP**” means the Reference Price;
“**AY**” means the Accrual Yield expressed as a decimal; and
“**y**” is the Day Count Fraction specified in the applicable Pricing Supplement which will be either 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365); and

- (c) each Subordinated Note will be redeemed at its Outstanding Nominal Amount together with any accrued (subject to Condition 6.7) but unpaid interest relating to the then current Interest Period up to (and excluding) the date on which the Subordinated Note is redeemed,

or on such other calculation basis as may be specified in the applicable Pricing Supplement.

8.7 Instalments

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 8.6 above.

8.8 Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Pricing Supplement.

8.9 Purchases

The Issuer or any of its Subsidiaries may at any time purchase (i) Senior Notes and (ii) (subject to the Conditions for Redemption) Subordinated Notes (provided that, in the case of definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer surrendered to any Paying Agent and/or the Registrar for cancellation.

8.10 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 8.9 above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent (which shall notify the Registrar of such cancelled Notes in the case of Registered Notes) and may not be reissued or resold.

8.11 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Conditions 8.1, 8.2, 8.3 or 8.5 above or upon its becoming due and repayable as provided in Condition 12 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 8.6(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Note has been received by the Trustee or the Principal Paying Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 16.

8.12 Conditions for Redemption or Purchase of Subordinated Notes

The Issuer shall not redeem or vary any of the Subordinated Notes unless:

- (i) the Issuer has obtained the prior approval of the Reserve Bank of India (Department of Banking Regulation);
- (ii) in the case of a Tax Event Call or a Regulatory Event Call, the change of law or regulation giving rise to the right to redeem or vary the Subordinated Securities has occurred after the Issue Date and the Reserve Bank of India is convinced that the Issuer was not in a position to anticipate the Tax Event or the Regulatory Event at the time of issuance of the Subordinated Notes; and
- (iii) in the case of a redemption or purchase, either (A) the Issuer replaces the Subordinated Notes with capital of the same or better quality and the replacement is done on conditions which are sustainable for the income capacity of the Issuer or (B) the Issuer demonstrates to the satisfaction of the Reserve Bank of India that its capital position would, following such redemption or purchase, be well above its minimum capital requirements after the call option or purchase is exercised,

(collectively, the “**Conditions for Redemption**”). Prior to any redemption of Subordinated Notes under this Condition 8, the Issuer shall deliver to the Trustee a certificate signed by an authorised officer of the Issuer confirming that the Issuer is entitled to effect the redemption and setting forth a statement of facts showing which Conditions have been satisfied. Such certificates shall be made available for inspection by the Noteholders. The Trustee shall be entitled without further action or enquiry to accept the certificate as conclusive and sufficient evidence of the contents and matters set forth therein.

9 LOSS ABSORPTION – SUBORDINATED NOTES

Each holder of Subordinated Notes shall be deemed to have authorised, directed and requested the Trustee, the Registrar and the other Agents, as the case may be, to take any and all necessary action to give effect to any Write-Down required by this Condition 9.

Neither the Trustee nor any Agent shall have any responsibility for, or liability or obligation in respect of, any loss, claim or demand incurred as a result of or in connection with any Write-Down or any consequent cancellation of the Subordinated Notes, and neither the Trustee nor the Agents shall be responsible for any calculation or determination or the verification of any calculation or determination in connection with the same.

9.1 Principal write-down on PONV Trigger Event

This Condition 9.1 is applicable only to Subordinated Notes.

If a PONV Trigger Event occurs, the Issuer will:

- (a) deliver a Loss Absorption Event Notice to Noteholders in accordance with Condition 16 and to the Trustee and the Principal Paying Agent;
- (b) cancel any interest which is accrued and unpaid up to the relevant Loss Absorption Effective Date; and
- (c) in relation to Additional Tier 1 Notes, *pari passu* and *pro rata* with any other Tier 1 Loss Absorbing Instruments (where possible), or, in relation to Tier 2 Notes, *pari passu* and *pro rata* with any other Tier 2 Loss Absorbing Instruments and taking into account the prior loss absorption in full of Tier 1 Loss Absorbing Instruments (where possible) irrevocably, without the need for the consent of Noteholders or the Trustee, reduce the Outstanding Nominal Amount of each Note by the relevant Write-Down Amount (such reduction being referred to as a “**Write-Down**” and “**Written Down**” being construed accordingly),

subject as is otherwise required by the RBI at the relevant time. The Issuer will effect a Write-Down within 30 days of the Write-Down Amount being determined by the RBI.

If a Write-Down occurs in respect of less than the full Outstanding Nominal Amount of the Subordinated Notes, one or more further Write-Downs may occur in respect of one or more subsequent PONV Trigger Events. Once the Outstanding Nominal Amount of a Note has been Written Down pursuant to this Condition 9.1, the relevant Write-Down Amount will not be restored in any circumstances, including where the PONV Trigger Event has ceased to continue.

Following the giving of a Loss Absorption Event Notice which specifies a Write-Down of Additional Tier 1 Notes, the Issuer shall procure that a similar notice is, or has been, given in respect of each Tier 1 Loss Absorbing Instrument (in accordance with its terms), and the prevailing nominal amount of each Tier 1 Loss Absorbing Instrument outstanding (if any) is permanently written down or converted to equity on a pro rata basis with the Outstanding Nominal Amount of the Additional Tier 1 Notes, as soon as reasonably practicable following the giving of such Loss Absorption Event Notice and, where possible, within 30 days of the amount of the permanent write-down of such Tier 1 Loss Absorbing Instrument being determined by the RBI.

Following the giving of a Loss Absorption Event Notice which specifies a Write-Down of Tier 2 Notes, the Issuer shall procure that a similar notice is, or has been, given in respect of each Tier 1 Loss Absorbing Instrument and Tier 2 Loss Absorbing Instrument (in accordance with its terms), and the prevailing nominal amount of each Tier 1 Loss Absorbing Instrument outstanding (if any) is permanently written down or converted to equity in full and, the PONV Trigger Event having been cured, the prevailing nominal amount of each Tier 2 Loss Absorbing Instrument outstanding (if any) is permanently written down or converted to equity on a pro rata basis with the Outstanding Nominal Amount of the Tier 2 Notes, as soon as reasonably practicable following the giving of such Loss Absorption Event Notice and, where possible, within 30 days of the amount of the permanent write-down of such Tier 1 Loss Absorbing Instrument or Tier 2 Loss Absorbing Instrument (as the case may be) being determined by the RBI.

For the avoidance of doubt, following any Write-Down of the Notes in accordance with these provisions the principal amount so written down will be cancelled and interest will continue to accrue only on the Outstanding Nominal Amount.

If the Issuer is amalgamated with any other bank pursuant to Section 44 A of the Banking Regulation Act, 1949 (the “**BR Act**”) before the Notes have been Written Down, the Notes will become, if Additional Tier 1 Notes, part of the Additional Tier 1 capital of the new bank emerging after the merger or, if Tier 2 Notes, part of the Tier 2 capital of the amalgamated bank. For the avoidance of doubt, if the Issuer is amalgamated with any other bank after the Notes have been Written Down pursuant to a PONV Trigger Event, these cannot be reinstated by the new bank emerging after the merger. If the RBI or other relevant authority decides to reconstitute the Issuer or amalgamate the Issuer with any other bank, pursuant to Section 45 of the BR Act, the Issuer will be deemed as non-viable or approaching non-viability and the PONV Trigger Event will be activated. Accordingly, the Notes will be permanently Written-Down in full prior to any reconstitution or amalgamation.

Following a Write-Down due to a PONV Trigger Event having occurred, all rights of any Noteholder for payment of any amounts under or in respect of the PONV Write-Down Amount in respect of their Notes (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, any default) shall be cancelled and not restored under any circumstances, irrespective of whether such amounts have become due and payable prior to the date of the Loss Absorption Event Notice or the Loss Absorption Effective Date and even if the PONV Trigger Event has ended.

A Write-Down due to a PONV Trigger Event shall occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted.

The RBI Guidelines as at the Issue Date state that, for this purpose, a non-viable bank will be a bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the RBI unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 Capital of the bank should be considered as the most appropriate way to prevent the bank from turning non-viable. Such measures would include a permanent write-off in combination with or without other measures as considered appropriate by the RBI.

A bank facing financial difficulties and approaching a point of non-viability shall be deemed to achieve viability if within a reasonable time in the opinion of the RBI, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including a permanent write-off or public sector injection of funds are likely to:

- (a) restore confidence of the depositors/investors;*
- (b) improve rating/creditworthiness of the bank and thereby improving its borrowing capacity and liquidity and reduce cost of funds; and*
- (c) augment the resource base to fund balance sheet growth in the case of fresh injection of funds.*

9.2 Principal write-down on CET1 Trigger Event

This Condition 9.2 is applicable only to Additional Tier 1 Notes.

(a) Write-Down on the occurrence of a CET1 Trigger Event

If a CET1 Trigger Event occurs, the Issuer will:

- (i) deliver a Loss Absorption Event Notice to Noteholders in accordance with Condition 16 and to the Trustee and the Principal Paying Agent;*
- (ii) cancel any interest which is accrued and unpaid on the Additional Tier 1 Notes up to the relevant Loss Absorption Effective Date; and*

- (iii) *pari passu* and *pro rata* with any other Tier 1 Loss Absorbing Instruments (where possible) irrevocably, without the need for the consent of Noteholders or the Trustee, Write-Down the Outstanding Nominal Amount of each Additional Tier 1 Note by the relevant Write-Down Amount.

A Write-Down may occur on more than one occasion and (if applicable) the Additional Tier 1 Notes may be Written Down following one or more Reinstatements pursuant to Condition 9.2(b). Once the nominal amount of an Additional Tier 1 Note has been Written Down pursuant to this Condition 9.2, it may only be restored in accordance with Condition 9.2(b).

Following the giving of a Loss Absorption Event Notice which specifies a Write-Down of the Additional Tier 1 Notes, the Issuer shall procure that a similar notice is, or has been, given in respect of each Tier 1 Loss Absorbing Instrument (in accordance with its terms), and the prevailing nominal amount of each Tier 1 Loss Absorbing Instrument outstanding (if any) is written down or converted to equity on a *pro rata* basis with the Outstanding Nominal Amount of the Additional Tier 1 Notes, as soon as reasonably practicable following the giving of such Loss Absorption Event Notice.

If the Issuer is amalgamated with any other bank pursuant to Section 44 A the BR Act before the Additional Tier 1 Notes have been Written Down, the Additional Tier 1 Notes will become part of the Additional Tier 1 capital of the new bank emerging after the merger. If the Issuer is amalgamated with any other bank after the Additional Tier 1 Notes have been Written Down pursuant to a CET1 Trigger Event, the amalgamated bank can reinstate these instruments according to its discretion, unless the Write-Down was full and permanent.

For the avoidance of doubt, a Write-Down of the Additional Tier 1 Notes on a CET1 Trigger Event is not subject to the prior loss absorption of Common Equity Tier 1 Capital of the Issuer.

The purpose of a Write-Down on occurrence of the CET1 Trigger Event shall be to shore up the capital level of the Issuer. If the Issuer or the Group breaches the CET1 Trigger Event Threshold and equity is replenished through Write-Down of the Additional Tier 1 Notes, such replenished amount of equity will be excluded from the total equity of the Issuer for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining the capital conservation buffer (as described in the RBI Guidelines). However, once the Issuer or the Group (as the case may be) has attained a total Common Equity Tier 1 Ratio of 8 per cent. without counting the replenished equity capital, from that point onwards, the Issuer may include the replenished equity capital for all purposes.

(b) Reinstatement

Following a Write-Down pursuant to Condition 9.2(a), the Outstanding Nominal Amount of the Additional Tier 1 Notes may be increased up to the Maximum Reinstatement Amount (a “**Reinstatement**”) at the Issuer’s option and subject to any conditions specified in (i) the applicable Pricing Supplement or (ii) the RBI Guidelines, or as are otherwise notified to the Issuer by the RBI, from time to time. Additional Tier 1 Notes may be subject to more than one Reinstatement. The Issuer will not reinstate the principal amount of any Tier 1 Loss Absorbing Instrument that has been written down (and which is capable under its terms of being reinstated) unless it does so on a *pro rata* basis with a Reinstatement on the Additional Tier 1 Notes.

The Issuer must give notice of any Reinstatement to Noteholders in accordance with Condition 16 and to the Trustee and the Principal Paying Agent at least 10 Business Days prior to such Reinstatement. The Trustee and Principal Paying Agent shall be entitled to rely absolutely on such notice, which shall be binding upon all Noteholders, Receiptholders and Couponholders.

Neither the Trustee nor any Agents shall have the responsibility to monitor whether any Reinstatement has been undertaken or completed, and neither the Trustee nor the Agents shall have any responsibility to ensure that any Reinstatement, once undertaken, is completed.

9.3 Interpretation

In these Conditions:

- (a) CET1 Trigger Event means that the Issuer's or the Group's Common Equity Tier 1 Ratio is at or below the CET1 Trigger Event Threshold;
- (b) CET1 Trigger Event Threshold means:
 - (i) if calculated at any time prior to 31 March 2019, 5.50 per cent; or
 - (ii) if calculated at any time from and including 31 March 2020, 6.125 per cent;
- (c) **"Common Equity Tier 1 Ratio"** means the Common Equity Tier 1 Capital (as defined and calculated in accordance with the applicable RBI Guidelines) of the Issuer or the Group (as the case may be) expressed as a percentage of the total risk weighted assets (as defined and calculated in accordance with the applicable RBI Guidelines) of the Issuer or the Group (as applicable);
- (d) **"Loss Absorption Effective Date"** means the date that will be specified as such in the Loss Absorption Event Notice;
- (e) **"Loss Absorption Event Notice"** means a notice which specifies that a PONV Trigger Event or CET1 Trigger Event (as applicable) has occurred, the Write-Down Amount and the date on which the Write-Down will take effect. Any Loss Absorption Event Notice must be accompanied by a certificate signed by an authorised officer of the Issuer stating that the PONV Trigger Event or CET1 Trigger Event, as relevant, has occurred. The Trustee and Principal Paying Agent shall be entitled to rely absolutely on such certificate and notice, which shall be binding upon all Noteholders, Couponholders and Receiptholders;
- (f) **"Maximum Reinstatement Amount"**, in respect of an Additional Tier 1 Note, means the Issued Nominal Amount of such Additional Tier 1 Note as reduced pursuant to: (i) any Write-Down in accordance with Condition 9.1; and (ii) any Write-Down in accordance with Condition 9.2(a) if such Write-Down has been made permanent due to a subsequent PONV Trigger Event;
- (g) **"Ordinary Share"** means an ordinary share of the Issuer;
- (h) **"PONV Trigger Event"**, in respect of the Issuer or the Group, means the earlier of:
 - (i) a decision that a write-down, without which the Issuer or the Group (as the case may be) would become non-viable, is necessary, as determined by the RBI; and
 - (ii) the decision to make a public sector injection of capital, or equivalent support, without which the Issuer or the Group (as the case may be) would have become non-viable, as determined by the RBI

For avoidance of doubt, with respect to paragraph (ii) above, any capital infusion in the ordinary course from the Government of India to the Issuer or the Group (as the case may be) shall not constitute a PONV Trigger Event;

- (i) **"Tier 1 Loss Absorbing Instrument"** means, at any time, any instrument issued directly or indirectly by the Issuer, other than the Ordinary Shares and the Notes, which (a) is eligible to qualify as Additional Tier 1 Capital pursuant to the RBI Guidelines; and (b) contains provisions relating to a write down or conversion into Ordinary Shares of the nominal amount of such instrument on the occurrence, or as a result, of a PONV Trigger Event or CET1 Trigger Event and in respect of which the conditions (if any) to the operation of such provisions are (or with the giving of any certificate or notice which is capable of being given by the Issuer, would be) satisfied;

- (j) **“Tier 2 Loss Absorbing Instrument”** means, at any time, any instrument issued directly or indirectly by the Issuer, other than the Ordinary Shares and the Notes, which (a) is eligible to qualify as Tier 2 Capital pursuant to the RBI Guidelines; and (b) contains provisions relating to a write down or conversion into Ordinary Shares of the nominal amount of such instrument on the occurrence, or as a result, of a PONV Trigger Event or CET1 Trigger Event and in respect of which the conditions (if any) to the operation of such provisions are (or with the giving of any certificate or notice which is capable of being given by the Issuer, would be) satisfied; and
- (k) **“Write-Down Amount”** means the amount by which the then Outstanding Nominal Amount of each Note is to be Written Down pursuant to a Write-Down, being the minimum of:
 - (i) the amount (together with the Write-Down of the other Subordinated Notes and the write-down or conversion into equity of, in the case of a Write-down of Additional Tier 1 Notes, any Tier 1 Loss Absorbing Instruments or, in the case of a Write-Down of Tier 2 Notes, any Tier 1 Loss Absorbing Instruments and Tier 2 Loss Absorbing Instruments) that:
 - (C) in the case of a Write-Down due to a PONV Trigger Event, would be sufficient to satisfy the RBI that the Issuer will not become non-viable; or
 - (D) in the case of a CET1 Trigger Event, would, as determined by the Issuer in its absolute discretion, immediately return the Issuer’s or the Group’s (as the case may be) Common Equity Tier 1 Ratio to between the CET1 Trigger Event Threshold and 8 per cent.; and
 - (ii) the amount necessary to reduce the Outstanding Nominal Amount to zero.

For the avoidance of doubt, the Write-Down Amount in the case of a Write-Down due to a PONV Trigger Event will be such amount as is required by the RBI or other relevant authority at the relevant time.

10 TAXATION

10.1 Payment without Withholding

All payments of principal and interest in respect of the Notes, Receipts and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction (as defined in Condition 10.2), unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction (the **“Additional Amounts”**); except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) the holder of which is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with India or, as the case may be, the Specified Country other than the mere holding of such Note, Receipt or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 7.5); or

- (c) presented for payment by or on behalf of a holder of such Note, Receipt or Coupon who, at the time of such presentation, is able to avoid such withholding or deduction by making a declaration of non-residence or other similar claim for exemption and does not make such declaration or claim; or
- (d) with respect to any withholding or deduction (i) required pursuant to an agreement described in Section 147 1(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder, official interpretations thereof, or law implementing an intergovernmental approach thereto or (ii) imposed pursuant to Section 87 1(m) of the Code.

10.2 Interpretation

As used herein,

- (a) **“Tax Jurisdiction”** means:
 - (i) where the Issuer is acting through its registered office in India, India or any political subdivision or any authority thereof or therein having power to tax payments made by the Issuer of principal or interest on the Notes, Receipts or Coupons; or
 - (ii) where the Issuer is acting through any other branch outside India as specified in the applicable Pricing Supplement, (x) India or any political subdivision or any authority thereof or therein having power to tax and (y) the tax jurisdiction applicable to such branch or any political subdivision or any authority thereof or therein having power to tax payments made by the Issuer of principal or interest on the Notes, Receipts or Coupons; and
- (b) **“Relevant Date”** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Principal Paying Agent or, as the case may be, the Registrar on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 16.

10.3 Transfers or Sales

The Issuer has in the Trust Deed agreed, subject to receipt of written evidence reasonably satisfactory to the Issuer in respect thereof, to indemnify any transferor or transferee of a Note (or any beneficial interest therein), other than a transferor or transferee who is liable to Indian tax by reason of his having a connection with India, apart from the mere holding of a Note, against any loss resulting from the imposition of Indian income, capital gains or gift tax on transfer or sale of a Note outside India, provided that (i) such indemnity shall not (a) extend to any penalty interest or tax incurred as a result of any delay or failure on the part of the relevant transferor or transferee in complying the applicable tax laws and regulations and (b) be enforceable by any person other than the relevant transferor or transferee and (ii) the Issuer shall incur no liability in respect of this indemnity towards any person other than the relevant transferor or transferee. The foregoing indemnity will terminate upon the Issuer providing (a) certification signed by two authorised officers of the Issuer and (b) a reasoned legal opinion in writing of a practising Indian taxation lawyer acceptable to the Trustee, that it is satisfied, on the basis of an appropriate amendment of the (Indian) Income-tax Act, 1961 or (Indian) Income-tax Act, 2025² of India that the Notes are not and are not deemed to be situated in India.

In accordance with the prevailing RBI regulations, the Issuer would require the prior approval of the RBI before making any payment under this indemnity. Such approval may or may not be forthcoming.

² Please note that the (Indian) Income-tax Act, 1961 will be replaced by the (Indian) Income-tax Act, 2025 with effect from 1 April 2026.

11 PRESCRIPTION

The Notes (whether in bearer or registered form), Receipts and Coupons will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 10.2) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 7.2 or any Talon which would be void pursuant to Condition 7.2.

12 EVENTS OF DEFAULT AND ENFORCEMENT

12.1 Events of Default relating to Senior Notes

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in nominal amount of the Senior Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), (but in the case of the happening of any of the events described in paragraphs (b), (c), (d) (in the case of the winding up, liquidation or dissolution of any of the Issuer's Subsidiaries), (e), (h) to (j), inclusive and (m) (in respect of any event which has an analogous effect to any of the events referred to in subparagraphs (e) and (i)) below, only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Senior Notes), give notice in writing to the Issuer that each Senior Note is, and each Senior Note shall thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Trust Deed if any of the following events (each an "**Event of Default**") shall occur:

- (a) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and, in the case of interest, the default continues for a period of three days; or
- (b) if the Issuer fails to perform or observe any of its other obligations under the Conditions or the Trust Deed and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (c) if (i) any other present or future Indebtedness for Borrowed Money of the Issuer or any of its Subsidiaries becomes capable of being declared due and payable prior to its stated maturity otherwise than at the option of the Issuer or the relevant Subsidiary, or (ii) any such Indebtedness for Borrowed Money is not paid when due or, as the case may be, within any applicable grace period, or (iii) any security given by the Issuer or any of its Subsidiaries for any Indebtedness for Borrowed Money becomes enforceable; or (iv) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness for Borrowed Money other than in circumstances where (A) the Trustee is satisfied that the Issuer or the relevant Subsidiary is contesting in good faith in appropriate proceedings the fact that any such amount is due or (B) the Issuer or the relevant Subsidiary is prohibited from making payment of any such amount by the order of a court having appropriate jurisdiction, provided that the aggregate amount outstanding of the relevant Indebtedness for Borrowed Money or amounts payable under the guarantees and/or indemnities or subject to the security in respect of one or more events mentioned above in this subparagraph (c) exceeds U.S.\$20,000,000 or its equivalent in other currencies; or
- (d) if any order by the Government is made for the winding-up, liquidation or dissolution (as determined pursuant to the Banks Nationalisation Act) of the Issuer or any of its Subsidiaries, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution; or

- (e) if the Issuer or any of its Subsidiaries ceases or threatens to cease to carry on the whole or substantially all of its business, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution, or the Issuer or any of its Subsidiaries stops or threatens to stop or suspends payment of, or is unable to, or admits an inability to, pay its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts (or any class of its debts) pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (f) if the Issuer (or its directors) or any of its Subsidiaries initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (g) if a moratorium is agreed or declared by the Issuer in respect of any Indebtedness for Borrowed Money (including any obligation arising under any guarantee) of the Issuer or any of its Subsidiaries; or
- (h) if it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Notes, the Receipts, the Coupons, the Agency Agreement or the Trust Deed; or
- (i) if any governmental authority or agency condemns, seizes, compulsorily purchases or expropriates all or any material part of the assets or shares of the Issuer or any of its Subsidiaries without fair compensation, unless, and for so long as, the Trustee is satisfied that such compulsory purchase or expropriation is being contested in good faith and by appropriate proceedings; or
- (j) if the Issuer or any of its Subsidiaries is or becomes entitled or subject to, or is declared by law or otherwise to be protected by immunity (sovereign or otherwise) and Condition 21.4 is held to be invalid or unenforceable; or
- (k) if (i) proceedings are initiated against the Issuer or any of its Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any of its Subsidiaries or, as the case may be, in relation to the whole or any part of the undertaking or assets of any of them or an encumbrancer takes possession of the whole or any part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or any part of the undertaking or assets of any of them, and (ii) in any such case (other than the appointment of an administrator or an administrative receiver appointed following presentation of a petition for an administration order) unless initiated by the relevant company, is not discharged within 14 days; or
- (l) if the Government ceases to own, directly or indirectly, more than 50.00 per cent. of the voting securities of the Issuer; or
- (m) if any event occurs, which has, in the Trustee's opinion, an analogous effect to any of the events referred to in subparagraphs (e) to (g) inclusive, (i) and (k).

For the purposes of this Condition, “**Indebtedness for Borrowed Money**” means (i) any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities or (ii) any borrowed money or (iii) any liability under or in respect of any acceptance or acceptance credit.

12.2 Rights of enforcement relating to Subordinated Notes

Pursuant to Section 18 of the Banks Nationalisation Act, Indian statutory provisions relating to winding up, liquidation or dissolution do not apply to the Issuer, and it may only be placed in liquidation by order of the Government in such manner as it may direct.

If any order of the Government is made for the winding up, liquidation or dissolution (as determined pursuant to the Banks Nationalisation Act) of the Issuer, save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders, the Trustee may, and if so requested in writing by the holders of at least one-fifth in Outstanding Nominal Amount of the Subordinated Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject to being indemnified, secured and/or prefunded to its satisfaction) give notice to the Issuer that the Subordinated Notes are, and they shall, subject to the prior approval of the RBI having been obtained, thereupon immediately become, due or repayable at the amount provided in, or calculated in accordance with, Condition 8.6.

12.3 Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes, the Receipts and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes, the Receipts or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one-fifth in outstanding nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

13 REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced subject to applicable laws, regulations and relevant stock exchange regulations at the specified office of the Principal Paying Agent or (where applicable) the Paying Agent in Singapore (in the case of Bearer Notes, Receipts, Coupons and Talons) or of the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14 PRINCIPAL PAYING AGENT, REGISTRAR, EXCHANGE AGENT, PAYING AND TRANSFER AGENTS

The names of the initial Principal Paying Agent, the other initial Paying Agents, the initial Exchange Agent, the initial Registrar and the other initial Transfer Agents and their initial specified offices are set out below.

The Issuer is, with the prior written approval of the Trustee, entitled to vary or terminate the appointment of any Paying Agent, the Exchange Agent, the Registrar or the Transfer Agent and/or appoint additional or other Paying Agents, Exchange Agents, Registrars or Transfer Agents and/or approve any change in the specified office through which any of the same acts, provided that:

- (i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent and, if appropriate, a Registrar and Transfer Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange;

- (ii) so long as the Notes are listed on the SGX-ST, if the Notes are issued in definitive form, there will be at all times be a Paying Agent in Singapore unless the Issuer obtains an exemption from the SGX-ST;
- (iii) there will at all times be a Registrar and a Transfer Agent each having a specified office in London;
- (iv) so long as any of the Registered Global Notes payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in London; and
- (v) there will at all times be a Principal Paying Agent.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the second paragraph of Condition 7.2. Any appointment, variation, termination or change in Paying Agents will be given to the Noteholders in accordance with Condition 16.

In acting under the Agency Agreement, the Principal Paying Agent, the Exchange Agent, the Registrar, the Paying Agents and the Transfer Agents act solely as agents of the Issuer and, in certain limited circumstances, of the Trustee and do not assume any obligation or trust for or with any Noteholders.

15 EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10.

16 NOTICES

Notices to holders of Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an overseas address) by air mail to them at their respective addresses as recorded in the Register and will be deemed to have been validly given on the fourth day after the date of such mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading daily newspaper of general circulation in Asia or such other English language daily newspaper with general circulation in Asia as the Trustee may approve. It is expected that such publication will be made in the *Asian Wall Street Journal*. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange (or any other relevant authority) on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If, in the opinion of the Trustee, publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream or DTC, be substituted for such mailing and publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream or DTC for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange (or any other relevant authority). Any such notice shall be deemed to have been given to the holders of the Notes on the first day after the day on which the said notice was given to Euroclear and/or Clearstream or DTC.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream or DTC, as the case may be, in such manner as the Principal Paying Agent or the Registrar and Euroclear and/or Clearstream and/or DTC, as the case may be, may approve for this purpose.

Receiptholders and Couponholders will be deemed for all purposes to have notice of the contents of any notice given to Noteholders in accordance with this Condition 16.

17 MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than 10.00 per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50.00 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, the Receipts, the Coupons or the Trust Deed (including, *inter alia*, modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, the Receipts or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution, and on all Receiptholders and Couponholders.

The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders to do so or may agree, without any such consent as aforesaid, to any modification which is, in its opinion, of a formal, minor or technical nature or to correct a manifest error, an error which is, in the opinion of the Trustee, proven. Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 16 as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders, Receiptholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders, Receiptholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 9 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 9 pursuant to the Trust Deed.

The Issuer may at any time, without the consent of the Trustee, elect to substitute (the “**Substitution**”) the Head Office, the London Branch, the GIFT City Branch, or any other foreign branch of the Issuer (the “**Substitute**”) in place of the office, unit or branch through which the Issuer originally acted when the Notes were issued provided that:

- (a) the obligations of the Issuer under the Notes, the Conditions and the Trust Deed shall remain obligations of the Issuer and not merely the Substitute;
- (b) the Issuer shall comply with such requirements of law or regulation as may be imposed by any authority in any jurisdiction to which the Substitute is or becomes subject and the Issuer shall have obtained all relevant regulatory and other approvals in relation to the Substitution; and
- (c) the Substitution is not, in the opinion of the Issuer (based on the advice of such independent auditors, tax advisers and/or legal advisers of recognized standing as the Issuer shall determine), materially prejudicial to the interests of the Noteholders or prior to the Substitution, the Substitution is approved by an Extraordinary Resolution of the Noteholders.

The conditions set out in paragraphs (a) to (c) above shall be deemed to be satisfied upon delivery to the Trustee of a certificate of two Directors of the Issuer detailing the proposed Substitution and certifying that the conditions set out in paragraphs (a) to (c) above have been satisfied in relation to such Substitution (a “**Substitution Certificate**”). The Trustee may rely on a Substitution Certificate absolutely and shall not be required to take any action to independently verify the matters stated therein nor shall the Trustee be liable for any loss caused by any inaccuracy therein. Upon receipt by the Trustee of a Substitution Certificate, the Trustee shall enter into such documentation as may be necessary or desirable to give effect to the Substitution, provided that the Trustee shall not be required to enter into any documentation (i) which would have the effect of increasing the duties or obligations, or decreasing the protections or rights, of the Trustee and (ii) unless it shall first have been indemnified and/or secured to its satisfaction.

Not later than seven days prior to the Substitution, the Issuer shall give notice thereof to the Noteholders in the manner provided in Condition 16.

Any such modification, waiver, authorisation, determination or substitution shall be binding on the Noteholders, the Receiptholders and the Couponholders.

For the avoidance of doubt, the Issuer may at any time, without the consent of the Noteholders or the Trustee, make payments on Notes issued by the London Branch, the GIFT City Branch, or any other foreign branch (each, a “**Foreign Branch**”) through any other Foreign Branch, and such payments will not constitute a Substitution.

Any modification or substitution in accordance with this Condition 17 is subject to the prior approval of the RBI (if required) having been obtained for such modification or substitution. The Trustee shall have no obligation or duty in obtaining any such approval or in complying with RBI requirements in connection with the exercise by it of any of its trusts, powers, authorities and discretions.

18 INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, Receiptholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

19 FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

20 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT, 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act, 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

21 GOVERNING LAW AND SUBMISSION TO JURISDICTION

21.1 Governing law

The Trust Deed, the Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with any of the foregoing are governed by, and shall be construed in accordance with, English law except that, Clause 2(G) of the Trust Deed and, in the case of Tier 2 Notes, Condition 3.2, and in the case of Additional Tier 1 Notes, Condition 3.3, are governed by, and shall be construed in accordance with, Indian law.

21.2 Submission to jurisdiction

- (a) Subject to Condition 21.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Deed, the Notes, the Receipts and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes, the Receipts and/or the Coupons (a “**Dispute**”) and all Disputes will be submitted to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition 21.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

- (c) This Condition 21.2(c) is for the benefit of the Trustee, the Noteholders, the Receiptholders and the Couponholders only. To the extent allowed by law, the Trustee, the Noteholders, the Receiptholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction and (ii) concurrent proceedings in any number of jurisdictions.

21.3 Appointment of Process Agent

The Issuer irrevocably appoints Bank of Baroda, London Branch at its specified office for the time being as its agent for service of process in any proceedings before the English courts in relation to any Dispute, and agrees that, in the event of Bank of Baroda, London Branch being unable or unwilling for any reason so to act, it will immediately appoint another person approved by the Trustee as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

21.4 Waiver of immunity

The Issuer irrevocably and unconditionally with respect to any Dispute (i) waives any right to claim sovereign or other immunity from jurisdiction, recognition or enforcement and any similar argument in any jurisdiction, (ii) submits to the jurisdiction of the English courts and the courts of any other jurisdiction in relation to the recognition of any judgment or order of the English courts or the courts of any competent jurisdiction in relation to any Dispute and (iii) consents to the giving of any relief (whether by way of injunction, attachment, specific performance or other relief) or the issue of any related process, in any jurisdiction, whether before or after final judgment, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Dispute.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used to:

- (i) meet the funding requirements of the Bank's: (a) Head Office; and (b) foreign offices, including the London Branch and the GIFT City Branch and (subject to the approval of the RBI) the Bank's foreign subsidiaries (the "**foreign offices**");
- (ii) develop and expand business in the foreign offices;
- (iii) strengthen the capital base of the foreign offices with respect to the issuance of Subordinated Notes;
- (iv) increase the Bank's capital in accordance with relevant regulatory guidelines; and
- (v) meet its general corporate purposes.

In case of issuance of Rupee denominated Notes, the gross proceeds of the issue will be used by the Bank for the purposes as may be permitted under the guidelines of the RBI.

CAPITALISATION

The following table sets forth the non-consolidated indebtedness and capitalisation of the Bank as at 31 March 2025. This table should be read in conjunction with the Bank's audited non-consolidated financial statements as at 31 March 2025 and the schedules and notes presented elsewhere herein.

	As of 31 March 2025	
	(Rs. in billions)	(U.S.\$ in billions) ⁽¹⁾
SHORT-TERM LIABILITIES		
Deposits due to Banks	36.43	0.43
Other Deposits	5,530.23	64.70
Demand Liabilities	198.57	2.32
Other Liabilities	287.13	3.36
Total	<u>6,052.37</u>	<u>70.81</u>
LONG-TERM LIABILITIES		
Term Deposits	9,153.69	107.09
Other Liabilities	—	—
Total	<u>9,153.69</u>	<u>107.09</u>
Borrowings	<u>1,237.16</u>	<u>14.47</u>
SHAREHOLDER FUNDS		
Share Capital	10.36	0.12
Reserve and Surplus	1,358.90	15.90
Total	<u>1,369.26</u>	<u>16.02</u>
Total Capitalisation	<u>17,812.47</u>	<u>208.39</u>
Capital Adequacy Ratio (%) calculated under Basel III	17.19	17.19
Tier 1 (%)	14.79	14.79
Of which CET 1 (%)	13.78	13.78
Tier 2 (%)	<u>2.40</u>	<u>2.40</u>

Notes:

- (1) U.S. dollar translations have been made using the exchange rate of U.S.\$1.00 = Rs. 85.4750 as at 31 March 2025 based on market rates prevailing at that date.
- (2) Non-consolidated contingent liabilities as at 31 March 2025 were Rs. 7,838.41 billion.
- (3) Except as described in the Recent Developments section, there has been no significant change in the non-consolidated indebtedness or capitalisation or non-consolidated contingent liabilities of the Bank since 31 March 2025.

RECENT DEVELOPMENTS

31 December 2025 Financial Information

On 26 January 2026, the Bank published unaudited non-consolidated financial results as at and for the nine months ended 31 December 2025, which have been subjected to a limited review by the Bank's auditors. The following financial information is derived from the Bank's unaudited non-consolidated financial statements as at and for the nine months ended 31 December 2025 and has been presented in a summarised manner for the convenience of investors, and is qualified in its entirety by reference to such financial statements, including the notes thereto. The following information is not indicative of future operating results and should not be relied upon as being so indicative. The unaudited non-consolidated financial statements of the Bank as at and for the nine months ended 31 December 2025 have been prepared in accordance with Indian GAAP, which differs in certain significant respects from IFRS. A summary of the difference between the Indian GAAP (as applicable to the Bank) and IFRS is contained in this Offering Circular under the heading "*Summary of Principal Differences between Indian GAAP and IFRS*".

Selected Non-Consolidated Financial Information

	For the three months ended 31 December		For the nine months ended 31 December		For the year ended 31 March
	2024	2025	2024	2025	2025
	(Rs. in billions)				
	(reviewed)				(audited)
CAPITAL AND LIABILITIES					
Capital	10.36	10.36	10.36	10.36	10.36
Reserves and Surplus.....	1,300.02	1,507.69	1,300.02	1,507.69	1,358.90
Deposits	14,029.09	15,467.48	14,029.09	15,467.48	14,720.34
Borrowings	1,289.50	1,289.11	1,289.50	1,289.11	1,237.16
Other Liabilities and Provisions	520.81	532.62	520.81	532.62	485.71
TOTAL	17,149.78	18,807.27	17,149.78	18,807.27	17,812.47
ASSETS					
Cash and Balances with Reserve Bank of India	522.94	482.82	522.94	482.82	560.68
Balances with Banks and Money at Call and Short Notice	650.91	894.52	650.91	894.52	697.81
Investment	3,887.91	3,585.28	3,887.91	3,585.28	3,853.98
Advances	11,513.15	13,250.74	11,513.15	13,250.74	12,095.57
Fixed Assets	74.01	117.39	74.01	117.39	123.76
Other Assets	500.83	476.51	500.83	476.51	480.66
TOTAL	17,149.77	18,807.27	17,149.77	18,807.27	17,812.47
INCOME					
Interest Earned.....	312.77	317.49	911.84	943.52	1,214.42
Other Income	34.00	36.00	110.53	117.90	166.47
TOTAL	346.76	353.49	1,022.37	1,061.41	1,380.89
EXPENDITURE					
Interest Expended	194.90	199.49	561.60	591.63	757.82
Operating Expenses	75.21	80.24	217.74	237.89	298.71
Provisions and Contingencies.....	10.82	7.99	44.29	39.98	128.53
TOTAL	280.93	287.72	823.63	869.50	1,116.33
PROFIT/LOSS					
Net Profit/(Loss) for the period.....	48.37	50.55	145.33	144.05	195.81
Available for Appropriation ...	48.37	50.55	145.33	144.05	195.81
Basic and Diluted Earnings per Share (Rs.) (Nominal value per share Rs. 2)	9.35	9.77	28.10	27.86	37.86

SELECTED FINANCIAL INFORMATION

The following financial information is derived from the Bank's audited non-consolidated financial statements as at and for the years ended 31 March 2025 and 31 March 2024 and has been presented in a summarised manner for the convenience of investors, and is qualified in its entirety by reference to such financial statements, including the notes thereto. The following information is not indicative of future operating results and should not be relied upon as being so indicative.

	For the year ended 31 March	
	2024	2025
	(Rs. in billions)	
	(audited)	
CAPITAL AND LIABILITIES		
Capital	10.36	10.36
Reserves and Surplus	1,111.88	1,358.90
Deposits	13,351.36	14,720.34
Borrowings	944.02	1,237.16
Other Liabilities and Provisions.....	440.35	485.71
TOTAL.....	15,857.97	17,812.47
ASSETS		
Cash and Balances with Reserve Bank of India	548.40	560.68
Balances with Banks and Money at Call and Short Notice ..	402.84	697.81
Investment	3,698.17	3,853.98
Advances	10,657.82	12,095.57
Fixed Assets.....	79.13	123.76
Other Assets.....	471.62	480.66
TOTAL.....	15,857.97	17,812.47
INCOME		
Interest Earned.....	1,126.06	1,214.42
Other Income	144.95	166.47
TOTAL.....	1,271.01	1,380.89
EXPENDITURE		
Interest Expended	678.84	757.82
Operating Expenses	282.52	298.71
Provisions and Contingencies	131.76	128.53
TOTAL.....	1,093.13	1,185.07
PROFIT/LOSS		
Net Profit/(Loss) for the period	177.89	195.81
Available for Appropriation	177.89	195.81
Basic and Diluted Earnings per Share (Rs.) (Nominal value per share Rs. 2).....	34.40	37.86

INVESTMENT CONSIDERATIONS

Investors should carefully consider the following investment considerations as well as the other information contained in this Offering Circular prior to making an investment in the Notes. In making an investment decision, each investor must rely on its own examination of the Bank and the terms of the offering of the Notes. The risks described below are not the only ones that may affect the Notes. Additional risks not currently known to the Bank or that the Bank currently deems immaterial may also impair the Bank's business operations subject to extraneous conditions.

Risks Relating to the Bank's Business

Financial and political instability in other countries may cause increased volatility in the Indian financial market.

India's economy and markets are deeply intertwined with global conditions, especially from major economies (US, Eurozone) and other Asian emerging markets, through trade, investment, commodity prices (like oil), capital flows, and supply chains, meaning global slowdowns or booms significantly impact Indian growth, inflation, and investor sentiment, while India's own growth also affects the world. India's energy sector is under strain due to global energy supply disruptions, primarily due to geopolitical tensions and fluctuations in global oil prices. With India importing 80% of its oil, any significant rise in energy prices, as seen in 2025, adds substantial pressure on the fiscal deficit and inflation. This in turn raises input costs for industries, undermines consumer purchasing power, and hampers growth momentum. The pressure on the balance of payments also increases, as higher import bills strain foreign exchange reserves.

The heightened military conflict involving the United States, Israel, and Iran, which escalated significantly in February 2026, has led to increased instability in global financial and energy markets. Rising geopolitical tensions generally create negativity and selling pressure in the markets. So, the initial reaction is likely to be negative. Markets are trying to assess is whether this turns into a prolonged conflict or remains a short-term military action. That will determine the extent of the impact. Rising U.S.–Iran tensions have kept crude oil prices firm amid concerns over potential disruptions through the Strait of Hormuz. The ongoing disruptions caused by these military actions, and the potential for further escalation, could result in protracted and severe damage to the global economy and investment climate. For India, a major oil importer, elevated energy prices add another macroeconomic strain to an already fragile risk backdrop.

The Iran-Israel conflict and the continued conflicts in the Middle East have impacted the Indian banking sector primarily through rising oil prices, causing market volatility, reduced net interest margins, and potential asset quality stress. Bank stocks have faced significant pressure, with Nifty Bank sliding due to inflation fears, tighter liquidity, and a weakened rupee. Prolonged volatility in oil prices may impact financial markets, prompting investors to shift toward safer, lower-risk assets. If tensions ease and oil prices stabilise, the adverse effects on bank profitability, and credit growth may be contained. High oil prices would push up inflation. This is expected to add pressure on the RBI to maintain a tighter monetary policy. Higher inflation would discourage rate cuts, keeping borrowing costs elevated for consumers as well as businesses. In the event, the war continues for a long time, this would result in tighter liquidity, delayed monetary easing, and increased stress in corporate and retail portfolios. Banks may see a spike in credit demand from oil marketing, refiners, airlines, logistics, chemicals, and transport to fund higher working capital requirements. This would directly affect bank margins, asset quality, and credit growth.

Rising interest rates would directly affect bank margins. If banks cannot raise lending rates fast enough, margins are expected to shrink, which in tandem will reduce profitability. In continuation of this, sectors most affected by high fuel costs may struggle to repay loans. This can increase NPAs, meaning banks have more 'bad loans' on their books. Additionally, high oil prices push companies to borrow more for working capital. But banks may tighten lending to riskier sectors due to rising NPA concerns.

The repercussions may be severe, and particularly for the banking sector. Indian banks currently maintain strong capital buffers (CRAR) and liquidity coverage ratios, but this would certainly depend on the duration of the war. Banks may shift toward safer loans or fee-based income to protect earnings.

The uncertainties in the global economy and the Indian economy may also adversely affect the Bank's business, financial condition and results of operations in many ways, including, among others:

- during a period of economic slowdown, there is a greater likelihood that more of the Bank's customers or counterparties could become delinquent in respect of their loan repayments or other obligations to the Bank, which, in turn, could result in a higher level of NPAs, allowances for impairment losses and write-offs;
- the increased regulation and supervision by the financial services industry in response to the financial crisis in certain jurisdictions where the Bank operates may restrict business flexibility and increase compliance costs;
- the value of the Bank's investments in the equity and debt securities issued by overseas governments and financial institutions may significantly decline;
- the Bank's ability to raise additional capital on favourable terms, or at all, could be adversely affected; and trade and capital flows may further contract as a result of protectionist measures being introduced in certain markets, which could cause a further slowdown in economies and adversely affect business prospects.

Any potential market and economic downturns, economic slowdown or geopolitical uncertainties in India, its neighbouring countries or regions or the rest of the world may exacerbate the risks relating to the capital markets. In addition, global economic uncertainty and the slowdown in India's economic growth have precipitated, and may continue to raise the possibility of, fiscal, monetary, regulatory and other governmental actions. The Bank cannot predict whether or when such actions may occur, nor can the Bank predict what ultimate impact, if any, such actions or any other governmental actions could have on the Bank's business, results of operations and financial condition. There can be no assurance that India's economy or the global economy will continue to improve or maintain sustainable growth. If further economic downturn occurs or continues, the Bank's business, financial condition and results of operations could be materially and adversely affected.

The recent India and Pakistan crisis was the most significant between the two nuclear-armed adversaries in several decades. It saw military action unfold that crossed previous thresholds in geographic reach, systems employed, and impacts produced, and concluded with significant diplomatic engagement, primarily by the United States. Further, the month of May 2025 saw South Asia experience one of its worst military crises in recent years. Between 7 May and 10 May, the two nuclear-armed nations engaged in cycles of air, drone, and missile strikes, damaging each other's defence installations, communication tools, and main cities. Since the 1971 war, it was the first time that Indian missiles struck Pakistan's Punjab region.

Geopolitical tensions between India and Pakistan remains elevated following the deadly terrorist attack on tourists in Pahalgam in Jammu and Kashmir in April 2025, and have already impacted major treaties and diplomatic relations, with a lingering risk of sudden escalation in military conflict. Terrorist attacks, including the one in Pahalgam, as well as those in Mumbai in November 2008 and Pulwama in February 2019, and other acts of violence or war may negatively affect the Indian markets on which the Bank's equity shares trade and adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and, as a result, ultimately adversely affect the Bank's business. In addition, any deterioration in relations between India and Pakistan or between India and China might result in investor concerns about stability in the region, which could adversely affect the trading price of the Notes.

The Bank is exposed to various industry sectors. A deterioration in the performance of any of these industry sectors to which the Bank has significant exposure may adversely impact the Bank's business and, in turn, its financial conditions.

The Bank has funded credit exposure to various industrial sectors in India. As at 31 March 2025, the Bank's three largest domestic industry exposures were to the Infrastructure, Commercial Real Estate and Basic Metal and Metal Products sectors at Rs. 1,164.68 billion, Rs. 293.23 billion and Rs. 226.44 billion, respectively, comprising a total of Rs. 1,733.39 billion or 16.98 per cent. of the Bank's gross domestic advances. The global and domestic trends in these industries may have a bearing on the Bank's financial position. Any significant deterioration in the performance of a particular sector, driven by events outside the Bank's control, such as regulatory action or policy announcements by the Government or state government authorities, would adversely impact the ability of borrowers in that industry to service their debt obligations to the Bank. As a result, the Bank would experience increased delinquencies which may adversely affect the Bank's business, its future financial performance, shareholders' funds and the price of the Notes.

If the Bank is not able to control or reduce the level of NPAs in its portfolio, its business will suffer.

As at 31 March 2025, the Bank's net NPAs amounted to Rs. 69.9 billion or 0.58 per cent. of its net advances. A number of factors will affect the Bank's ability to control and reduce non-performing and restructured loans. Some of these factors, including developments in the Indian economy, movements in global commodity markets, global competition, interest rates and exchange rates, are not within the Bank's control. While the growth of the Indian economy in the past and the Bank's continuing efforts in asset monitoring and recovery have contributed to a reduction in defaults by the Bank's borrowers, there can be no assurance that such growth will continue or that the business of the Bank's borrowers will grow in line with the economy. Although the Bank is increasing its efforts to improve collections and to foreclose on existing non-performing loans, there is no assurance that it will be successful in its efforts or that the overall quality of its loan portfolio will not deteriorate in the future. If the Bank is not able to control and reduce its non-performing loans, or if there is a further significant increase in its restructured loans, its business, its future financial performance, shareholders' funds and the price of the Notes could be adversely affected.

There is also no assurance that there will be no deterioration in provisions for loan losses as a percentage of the Bank's NPAs or otherwise or that the percentage of NPAs that the Bank will be able to recover will be similar to the Bank's past experience of recoveries of NPAs. In the event of any deterioration in the Bank's asset portfolio, there could be an adverse impact on its business, its future financial performance, shareholders' funds and the price of the Notes.

The Bank may experience delays in enforcing its collateral when borrowers default on their obligations to the Bank which may result in a failure to recover the expected value of collateral security, thereby exposing it to a potential loss.

A substantial portion of the Bank's loans to corporate customers is secured by real assets, including property, plant and equipment. The Bank's loans to corporate customers also include working capital credit facilities that are typically secured by a first lien or mortgage on fixed assets, inventory, receivables and other current assets. In some cases, the Bank may have taken further security of a second lien on fixed assets, a pledge of financial assets like marketable securities, corporate guarantees and personal guarantees. A substantial portion of the Bank's loans to retail customers is also secured by the assets financed, predominantly property and vehicles. Although in general the Bank's loans are over collateralised, an economic downturn could result in a fall in relevant collateral values for the Bank. In India, foreclosure on collateral or its sale generally requires a written petition to an Indian court or tribunal. An application, when made, may be subject to delays and administrative requirements that may result in, or be accompanied by, a decrease in the value of the collateral. The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the "SARFAESI Act") has strengthened the ability of lenders to resolve NPAs by granting them greater rights as to enforcement of security and recovery of dues from corporate borrowers.

While the Bank believes that the SARFAESI Act along with the Code have contributed to its enforcement efforts, there can be no assurance that the legislation will continue to have a favourable impact on the Bank's efforts to resolve NPAs. The Bank cannot guarantee that it will be able to realise the full value on its collateral as a result of, among other factors, delays in bankruptcy, foreclosure and recovery proceedings, defects in the perfection of collateral and fraudulent transfers by borrowers. A failure to recover the expected value of collateral security could expose the Bank to a potential loss. Any unexpected losses could adversely affect the Bank's business, its future financial performance and the price of the Notes. The SARFAESI Act enables banks and financial institutions to auction residential or commercial properties (collateral) to recover loans without court intervention. It empowers secured creditors to take possession of and manage defaulting assets, significantly reducing the time taken for debt recovery compared to traditional civil court procedures.

The Bank faces similar credit risks as banks in more developed countries.

The Bank's principal business is providing finance to its clients, most of whom are based in India. The Bank's advances to small to medium sized enterprises and retail customers can be expected to be more severely affected by adverse developments in the Indian economy than loans to large corporations. The Bank is subject to the credit risk of its borrowers, who may not pay in a timely fashion or may not pay at all. However, the credit risk of all its borrowers is similar to those in more developed countries. Increased competition arising from economic liberalisation in India, variable industrial growth, a sharp decline in commodity prices, the high level of debt in the financing of projects and capital structures of companies in India and the high interest rates in the Indian economy during the period in which a sizeable proportion of project financings were undertaken, may reduce the profitability of certain of the Bank's borrowers.

The Bank is required to maintain its capital adequacy ratio at the minimum level required by the RBI for Indian banks. There can be no assurance that the Bank will be able to maintain this ratio in the future.

The RBI required Indian banks to maintain a minimum Tier I capital adequacy ratio and a minimum risk weighted total capital adequacy ratio under the Basel III framework pursuant to the Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Directions, 2025, as amended from time to time ("**Capital Adequacy Directions**"). The Bank is also required to maintain an additional buffer in the form of Common Equity Tier 1 ("**CET 1**"). The Bank is exposed to the risk of the RBI increasing the applicable risk weight for different asset classes from time to time. There can be no assurance that the Bank will be able to maintain this ratio in the future.

In addition, there can be no assurance that the Government will provide additional capital infusions or that the Bank will be able to raise adequate additional capital from other sources in the future on terms favourable to it or at all. Moreover, if the Basel Committee on Banking Supervision (the "**Basel Committee**") releases additional or more stringent guidance on capital adequacy norms which are given the effect of law in India in the future, the Bank may be forced to raise or maintain additional capital in a manner which could materially adversely affect its business, financial condition and results of operations.

Banking is a heavily regulated industry in India and material changes in the regulations which govern the Bank could cause its business to suffer.

Banks in India are subject to detailed supervision and regulation by the RBI. In addition, banks are subject generally to changes in Indian law, as well as to changes in regulation and government policies and accounting principles. The laws and regulations governing the banking sector could change in the future and any such changes may adversely affect the Bank's business, its future financial performance and the price of the Notes by requiring a restructuring of its activities, increasing costs or otherwise. For more information relating to reforms in the Banking Sector, see "*The Indian Financial Sector – Banking Sector Reform*".

In accordance with current RBI guidelines, all banks in India, including the Bank, are required to lend a minimum of 40.00 per cent. of adjusted net bank credit or credit equivalent amount of off-balance sheet exposure, whichever is higher, to certain eligible sectors such as agriculture and small enterprises, which are categorised as “priority sectors”. The Bank’s priority sector advances include loans to agricultural small enterprises and loans to housing, education, food and agriculture based processing sectors. Under the RBI guidelines, namely the Master Directions – Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2025, at least 18.00 per cent. and 10.00 per cent. of the Bank’s net bank adjusted credit must be lent to the agricultural sector and certain sectors defined as “weak sectors”, respectively. Any shortfall in the amount required to be lent to the “priority sectors” has to be deposited with the Rural Infrastructure Development Fund established with NABARD and other funds with NABARD, NHB, SIDBI and other financial institutions, as may be decided by the RBI from time to time. These deposits typically carry interest rates lower than market rates.

For the financial year 2024-2025, the Bank’s lending to priority sectors accounted for 40.06 per cent. of its adjusted net bank credit, which includes 18.44 per cent. of net bank credit to the agricultural sector.

Through its direct and indirect holdings, the Government owns a majority of the Bank’s issued share capital. Accordingly, there are a number of restrictions under the Banking Regulation Act and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, as amended from time to time (“**Banks Nationalisation Act**”), which impact the Bank’s flexibility in its operation and affect or restrict the rights of investors, including holders of Notes. These include the following:

- Section 15(1) of the Banking Regulation Act states that “no banking company shall pay any dividend on its shares until all its capitalised expenses (including preliminary expenses, organisation expenses, share-selling commission, brokerage, amounts of losses incurred and any other item of expenditure not represented by tangible assets) have been completely written off”.
- The Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividends and Remittance of Profit) Directions, 2025 dated 28 November 2025, mandate that a bank shall be eligible to declare dividends only if it complies with the following minimum prudential requirements. The directions define ‘Dividend Payout Ratio’ as the ratio between the amount of the dividend payable on equity shares (including interim dividend) in a year and the net profit during the year as per the audited financial statements for the financial year for which the dividend is proposed.
- The forms of business in which the Bank and any subsidiaries of the Bank may engage are specified and regulated by Section 6 of the Banking Regulation Act. Pursuant to the provisions of Section 8 of Banking Regulation Act, the Bank cannot directly or indirectly deal in the buying, selling or bartering of goods by itself or for others, except in connection with the realisation of security given to it or held by it, or engage in any trading, buying, selling or bartering of goods for others otherwise than in connection with bills of exchange received for collection or negotiation, or in connection with the administration of estates as executor, trustee or otherwise, or in connection with any business specified under Section 6(1)(i) of the Banking Regulation Act. Goods for this purpose means every kind of movable property, other than actionable claims, stocks, shares, money, bullion and specie and all instruments referred to in Section 6(1)(a) of Banking Regulation Act. Unlike a company incorporated under the Companies Act, 2013 of India which may amend the objects clause of its Memorandum of Association to commence a new business activity, banking companies may only carry on the additional business activities permitted by Section 6 of the Banking Regulation Act or specifically permitted by the RBI or the Government. This may restrict the Bank’s ability to pursue profitable business opportunities as they arise.

- Section 17(1) of the Banking Regulation Act requires every banking company incorporated in India to create a reserve fund, and to transfer a sum equivalent to not less than 20.00 per cent. of the balance of the profit for each year, as disclosed in the profit and loss account, to the reserve fund before declaring any dividend. Furthermore, pursuant to the revised guidelines issued by the RBI *i.e.* Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividends and Remittance of Profit) Directions, 2025, only a bank which complies with the requirements of a minimum capital adequacy ratio of at least 9.00 per cent. for the preceding two completed years and the accounting year for which it proposes to declare a dividend, and a net NPA ratio of less than 7.00 per cent., would be eligible to declare dividends without prior approval of the RBI. If a bank does not meet the above capital adequacy requirement of at least 9.00 per cent. for the accounting year for which it proposes to declare a dividend, it would still be eligible to declare a dividend provided its net NPA ratio is less than 5.00 per cent.
- Section 19 of the Banking Regulation Act regulates and restricts the opening of subsidiaries by banks, which may prevent the Bank from exploiting emerging business opportunities in areas other than banking or in any other business activity which it can carry out under Section 6(1)(a) of the Banking Regulation Act. Similarly, Section 23 of the Banking Regulation Act contains requirements for obtaining permission from the RBI in relation to the opening of new places of business and transfers of existing places of business, which may hamper the Bank's operational flexibility.
- Section 25 of the Banking Regulation Act requires each banking company to maintain assets in India at the close of business on the last Friday of every quarter (or if that Friday is a public holiday under the Negotiable Instruments Act, 1881, at the close of business on the preceding working day), equivalent to not less than 75.00 per cent. of its demand and time liabilities in India, which in turn may restrict the Bank from building overseas asset portfolios and exploiting overseas business opportunities.
- Section 14A of the Banking Regulation Act requires that a banking company obtain approval from the RBI for the creation of floating charges on its assets, and Section 35 contains provisions regarding the production of documents and availability of records for inspection by the RBI at the direction of the Government.
- Under Sections 35A and 36 of the Banking Regulation Act (both of which apply to the Bank), the RBI is empowered to give directions to, prohibit from entering into any transactions, and generally advise the Bank in relation to matters which affect the public interest or banking policy generally. Such directions are issued in circumstances where the RBI is satisfied that it is necessary to issue such directions in the public interest, in the interest of banking policy, to prevent the affairs of any banking company being conducted in a manner detrimental to the interests of the investors or prejudicial to the interests of any banking company, or to secure proper management of any banking company. Consequently, the performance of obligations by the Bank under the Programme Agreement, the Trust Deed, the Agency Agreement and the Notes may be restricted by the directions or advice given by the RBI under the aforesaid provision. Further, the Banking Regulation (Amendment) has inserted Section 35AA and Section 35AB. Under Section 35AA, the RBI can issue directions to banking companies to initiate processes under the Insolvency and Bankruptcy Code, 2016, in respect of a default. Under Section 35AB, the RBI may issue directions to any banking company for the resolution of stressed assets and it may further specify an authority or committee to advise any banking company on the resolution of stressed assets. The banking companies are bound to comply with all such directions from the RBI.

- Under Section 50 of the Banking Regulation Act (which also applies to the Bank), no person shall have a right, whether in contract or otherwise, to any compensation for any loss incurred by reason of the operation of certain provisions of the Act, including Sections 10, 12A, 16, 35A, 35B, 36, 43A and 45, which relate to winding up and amalgamation, or by reason of the compliance by a banking company with any order or direction given to it under the Act. Therefore, holders of the Notes may not be able to claim any compensation for a failure by the Bank to perform its obligations under the Programme Agreement, the Trust Deed, the Agency Agreement and the Notes, consequent to the operation of the aforesaid provisions following the winding up or amalgamation of the Bank.
- Under Section 3(2B)(c) of the Banks Nationalisation Act, the paid-up capital of the Bank may be increased; with the prior sanction of the Government, by the Board of Directors of the Bank after consultation with the RBI; including by public issue, rights issue, the issue of bonus shares, preferential allotment, or the private placement of equity shares or preference shares in accordance with the procedure as may be prescribed; provided however, that the holding of the Government shall at all times not be less than 51.00 per cent. of the paid-up capital consisting of equity shares of the Bank.
- Under Section 3(2BB) of the Banks Nationalisation Act, the paid-up capital of the Bank may be reduced by the Government, after consultation with the RBI, prior to paid-up capital being raised by public issue, rights issue, the issue of bonus shares, preferential allotment or private placement, after consultation with the RBI, by cancelling any paid-up capital which is lost or is unrepresented by available assets by the Board of Directors, or with the previous sanction of the Government and after consultation with the RBI, by paying off any paid-up capital which is in excess of the requirements of the Bank.
- Under Section 3(2BBA) of the Banks Nationalisation Act, the paid-up capital of the Bank may be reduced by resolution passed at an annual general meeting of the shareholders, and if the votes cast in favour of the resolution are not less than three times the number of votes cast against the resolution, by extinguishing or reducing the liability on any of its shares in respect of share capital not paid-up or with or without extinguishing or reducing liability on any of its paid-up shares, cancelling any paid-up capital which is lost or is unrepresented by available assets or with or without extinguishing or reducing liability on any of its paid-up shares, by paying off any paid-up capital which is in excess of the wants of the Bank. However, under Section 3(2BBB) the paid-up capital cannot be reduced below 25.00 per cent. of the total paid-up capital as at the date of commencement of the Banking Companies (Acquisition and Transfer of Undertakings) (Amendment) Act, 1995. This provision was introduced to ensure a minimum capital threshold for public sector banks (corresponding new banks) during processes of capital restructuring or reduction.
- Section 3(2D) of the Banks Nationalisation Act provides that a non-resident entity or individual shall not hold or acquire more than 20.00 per cent. of the paid-up capital of the Bank.
- Under Section 3(2E) of the Banks Nationalisation Act, no shareholder of the Bank, other than the Government, shall be entitled to exercise voting rights in respect of any shares held by such shareholder in excess of 10.00 per cent. of the total voting rights of all the shareholders of the Bank.
- Section 9(3) of the Banks Nationalisation Act provides that every board of directors constituted under the scheme of the Government made under Section 9(1) shall include (a) not more than four full-time directors to be appointed by the Government after consultation with the RBI, (b) one director, who is an official of the central Government, nominated by the Government provided that such director shall not be a director of any

other corresponding new bank, (c) one director nominated by the Government in consultation with the RBI, who possesses the necessary expertise and experience in matters relating to the regulation or supervision of commercial banks, (d) one director from workmen employees nominated by the Government, (e) one director among non-workmen employees nominated by the Government after consultation with the RBI, (f) one director who has been a chartered accountant for not less than 15 years, nominated by the Government in consultation with the RBI and (g) depending on the percentage of paid-up capital being held by shareholders other than the Government, between one to three directors elected from the shareholders. In addition, Section 9(3) of the Banks Nationalisation Act provides that, other than the four whole-time directors mentioned above, the Government shall not nominate more than a total of six directors.

- Section 18 of the Banks Nationalisation Act provides that no provision of law relating to the winding up of the companies shall apply to the Bank and the Bank shall not be placed in liquidation except by order of the Government and in such manner as it may direct.
- The Companies (Amendment) Act, 2017 (the “**Amendment Act**”) has been promulgated. The Amendment Act amends, inter alia, the key definitions of associate company, holding and subsidiary company and related parties to provide greater clarity. The amendment simplifies the private placement process and has also omitted provisions concerning forward dealing and insider trading. The requirements pertaining to managerial remuneration above prescribed limits and loans to directors have been rationalised to bring these in line with modern business practices.

For more information relating to the Bank’s regulatory restrictions, see “*Supervision and Regulation*”.

The Bank and its overseas branches, overseas subsidiaries and overseas affiliates are subject to international legal and regulatory risks which may adversely impact its business and the price of the Notes.

As at 31 March 2025, the Bank’s international operations comprised 80 branches and offices across 15 countries, including 35 branches and offices of its own and 45 branches of its seven banking subsidiaries. The Bank also has an associate in Zambia with 37 branches. Given the Bank’s international network, the Bank and its overseas branches, overseas subsidiaries and overseas affiliates are subject to international banking and financial services laws and regulations and a large number of regulatory and enforcement authorities in the jurisdictions in which they operate. Such laws and regulations govern a wide variety of issues, including interest rates, liquidity, capital adequacy, securitisation, investments, ethical issues, money laundering, privacy, record-keeping, outsourcing and marketing and selling practices.

Failure to comply with applicable laws and regulations in various jurisdictions, including unauthorised actions by employees, representatives, agents and third parties, may result in regulatory action including financial penalties and restrictions on or suspension of the related business operations. In addition, failure to comply with the applicable laws and regulations in various jurisdictions by the employees, representatives, agents and third party service providers of the Bank and its overseas branches, overseas subsidiaries and overseas affiliates, either in or outside the course of their services, or suspected or perceived failures by them, may result in inquiries or investigations by regulatory and enforcement authorities; and in regulatory or enforcement action against either the Bank and its overseas branches, overseas subsidiaries and overseas affiliates or such employees, representatives, agents and third party service providers. Such actions may, amongst other consequences, impact the reputation of the Bank and its overseas branches, overseas subsidiaries and overseas affiliates; result in adverse media reports; lead to increased or enhanced regulatory or supervisory concerns or lead to additional costs, penalties, claims and expenses being incurred by the Bank and its overseas branches, overseas subsidiaries and overseas affiliates. See “– *The Bank may not be able to detect and prevent instances of fraud, corruption or other misconduct.*” Further, there could be an adverse impact on the Bank’s ability to conduct business, owing

to implications for business continuity; or employees, representatives, agents and third party service providers who are involved, being unable to give proper attention to their official roles and duties. More serious effects on employees, representatives, agents and third party service providers who are involved could be suspension or termination by the Bank (leading to the Bank having to find suitable replacements); or personal liability, financial or other penalties, as well as the Bank's restrictions that may be imposed them.

The Bank has a large portfolio of Government securities and its business is particularly vulnerable to volatility in interest rates caused by deregulation of the financial sector in India.

As a result of Indian reserve requirements, the Bank is more structurally exposed to interest rate risk than banks in many other countries. Under the regulations of the RBI, as at 31 March 2025, the Bank's liabilities are subject to the statutory liquidity ratio ("SLR") requirement, which requires that a minimum specified percentage of 19.50 per cent. of a bank's net demand and time liabilities ("NDTL") (as on the last Friday of the second preceding fortnight) be invested in approved securities for the purpose of compliance with SLR requirements. Such securities represented 25.30 per cent. of the Bank's NDTL as at 31 March 2025. The Bank earns interest on such Government securities at rates which could be less favourable than those which it typically receives in respect of its retail and corporate loan portfolio.

If the Bank is not able to integrate any future acquisitions its business could be disrupted.

The Bank may seek opportunities for growth through acquisitions or be required to undertake mergers mandated by the RBI and/or the Government. Any future acquisition or merger is subject to risks and uncertainties, some of which are beyond the Bank's control, including:

- difficulties in operating the integrated information technology system, electronic banking system, risk management system and other systems;
- difficulties in harmonising different corporate cultures;
- difficulties in maintaining asset quality;
- difficulties in retaining and attracting customers and new talent;
- difficulties in leveraging synergies following the acquisition or merger;
- difficulties in developing new skills required for new business and markets; and
- the diversion of management's attention required to integrate the two businesses following the acquisition or merger.

The Indian banking industry is very competitive and the Bank's growth strategy depends on its ability to compete effectively.

The Bank competes in domestic operations principally with other nationwide public and private sector commercial banks in India in all its products and services but also faces competition from a number of additional sources including regional rural banks, local area banks, cooperative banks, specialised banks and branches of foreign banks operating in India, as well as various other types of financial institutions, including credit card companies, securities companies and investment trust companies. Over the last few years, several Indian banks have increased their focus on retail loans. The Bank faces competition from Indian and foreign commercial banks and non-banking finance companies in its retail products and services. In addition, since the Bank raises funds from market sources and individual depositors, it will face increasing competition for such funds. Additionally, the Indian financial sector may experience consolidation, and also entry of new private sector banks, resulting in greater competition. Furthermore, subject to the regulatory approvals, foreign banks may also be permitted to invest up to 74.00

per cent. in Indian private sector banks as well as be permitted to enter into merger and acquisition transactions. The Bank may be under pressure to successfully execute its growth strategy and offer products and services at reasonable returns in order to compete, which may have an adverse impact on its business, future financial performance and the trading price of the Notes.

The Bank's funding is primarily in the form of deposits and if depositors do not roll over deposited funds upon maturity the Bank's business could be adversely affected.

The Bank attempts to maintain a diversified funding base and to concentrate deposits in savings accounts and current accounts. The Bank's funding is primarily derived from deposits placed with the Bank by its corporate and retail consumer clients. The Bank also derives funding from capital reserves and borrowings.

As at 31 March 2025, the cumulative mismatch as a percentage of cumulative outflows is within the limits as stipulated in the Group asset-liability management policy of the Bank. Most of the Bank's incremental funding requirements are met primarily in the form of deposits. If a significant portion of the Bank's depositors do not roll over deposited funds upon maturity or do so for a shorter maturity than that of the Bank's assets, which tend to have medium- to long-term maturities, the Bank's liquidity position could be adversely affected. The failure to obtain rollover of customer deposits upon maturity or to replace them with fresh deposits with a maturity profile similar to that of the Bank's assets could have a material adverse effect on the Bank's business, its future financial performance and the trading price of the Notes.

The Bank may not be able to detect money laundering and other illegal or improper activities fully or on a timely basis, which could expose it to additional liability and harm its business or reputation.

The Bank is required to comply with applicable anti-money laundering ("AML"), anti-terrorism laws, know your customer ("KYC") and other regulations in India and other jurisdictions where it has operations. The various AML laws require financial institutions to establish sound internal control policies and procedures with respect to AML monitoring and reporting activities. Such policies and procedures require the Bank to, amongst other activities, establish or designate an independent AML department, establish a customer identification system in accordance with relevant rules, record the details of customer activities and report suspicious transactions to relevant authorities. There can also be no assurance that allegations and/or charges will not be made against the Bank for failure to comply with relevant AML and other ancillary policies and the Bank may not be able to detect money laundering and other illegal or improper activities fully or on a timely basis, which could expose it to additional liability or have a material adverse effect on its business, reputation, its future financial performance and the trading price of the Notes.

The Bank may not be able to detect and prevent instances of fraud, corruption or other misconduct.

The Bank is exposed to fraud, corruption or other misconduct committed by its agents, customers, other third parties or employees that could subject it to financial losses and sanctions imposed by various authorities and seriously harm its reputation.

The Bank's management information systems and internal control procedures are designed to monitor the Bank's operations and overall compliance, and the Bank from time to time examines its internal control and corporate governance policies and procedures in order to strengthen its ability to detect and prevent fraud, corruption or other similar misconduct. Nevertheless, it is not always possible to detect and prevent fraud, corruption and other misconduct, and the precautions the Bank takes to prevent and detect such activities may not be effective. Therefore, there will continue to be the risk that fraud, corruption and other misconduct may occur, including negative publicity as a result, which may have a material adverse effect on the Bank's business, its reputation, financial condition, results of operations and the trading price of the Notes.

The Bank is exposed to interest rate risk.

The Bank's net interest income or net interest margin is dependent on the movement of interest rates and mismatches in the cash flows or repricing dates. The immediate impact of changes in interest rates will be on the Bank's earnings. The Bank continuously monitors changes in the market interest rates and implements corrective actions. However, there is no assurance that any such action taken by the Bank will be adequate to prevent or minimise risks arising from fluctuations in interest rates.

The Bank has well established policies and procedures for managing all kinds of risks and is capturing the entire risk management procedure in its Internal Capital Adequacy Assessment Process ("ICAAP") under Basel II. However, there may be some unidentified or unanticipated risks, which could negatively affect the Bank's business or result in losses because ICAAP may not be fully effective in all cases.

Significant security breaches could adversely impact the Bank's business.

The Bank has a well-defined information security governance process. This is complemented with state-of-the-art security solutions designed to minimise the risk of cyber-security incidents and to protect the Bank from any security breaches. Information and cyber security is considered a business issue and is embedded into each department's functioning within the Bank. The Bank deploys advanced level protection for its information assets and information technology ("IT") infrastructure from physical break-ins as well as cyber-security incidents. Although the Bank intends to continue to implement security technology and establish operational procedures to prevent break-ins, damage and failures, there can be no assurance that these security measures will be adequate or successful. Failure in security measures could have a material adverse effect on the Bank's business, its future financial performance and the trading price of the Notes. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and network infrastructure.

The failure of the Bank's systems or a third party to perform its obligations to deliver systems creation, management and support could materially and adversely affect the Bank's business, results of operations and financial condition.

The Bank's businesses are heavily dependent on the ability to accurately collect and process in a timely manner a large amount of financial and other information across numerous markets and products at the Bank's various branches, at a time when transaction processes are becoming increasingly complex and the volume of transactions are increasing. The proper functioning of the Bank's financial control, risk management, accounting or other data collection, processing systems and communication networks connecting the Bank's various branches and offices is critical to the Bank's businesses and the Bank's ability to compete effectively. See "Description of the Bank – Information Technology" for further information.

Although the Bank has backup data that could be used in the event of a catastrophe involving a failure of the primary systems, a partial or complete failure of any of these primary systems or communication networks could materially and adversely affect the Bank's decision-making process, risk management or internal controls as well as the Bank's timely response to market conditions. If the Bank cannot maintain an effective data collection and management system or the strategy of outsourcing information technology and systems management proves unsuccessful or unreliable, the Bank's business, financial condition and results of operations could be materially and adversely affected.

If the Bank is unable to adapt to rapid technological changes, its business could suffer.

The Bank's future success will depend in large part on its ability to respond to technological advances and to emerging banking industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entail significant technical and business risks. There can be no assurance that the Bank will successfully implement new technologies effectively or adapt

its transaction processing systems to meet customer requirements or emerging industry standards. Such technology updates may result in significant costs of the Bank. If the Bank is unable, for technical, legal, financial, or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, its business and the future financial performance of the Bank could be materially affected.

As the Bank implements additional IT platforms which become integral to the Bank's product offering, unforeseen technical difficulties may cause disruption in the Bank's operations. The Bank has significantly upgraded its technology infrastructure in the recent past. The Bank has, in the past, experienced disruptions such as the disruption of uploading of bulk transactions for a day. Such disruptions could significantly affect the Bank's operations and quality of its customer service and could result in business and financial losses. As the Bank's risk management systems evolve and as its operations become more reliant upon technology to manage and monitor its risk, any failure or disruption could materially and adversely affect its operations and financial position.

Any inability to attract and retain talented professionals may negatively affect the Bank.

The Bank recognises the importance of attracting and retaining talented professionals. Through various HR interventions via Employee Engagement Initiatives, Health & Wellness Program, Comprehensive Benefits, Learning & Development and Career Development Opportunities etc. the Bank fosters an environment where employees feel valued and motivated thereby ensuring talent retention and continuity. However, any inability to attract and retain talented professionals or the resignation or loss of key management personnel may have an adverse impact on the Bank's business, its future financial performance and the trading price of the Notes.

The Bank has contingent liabilities.

As at 31 March 2025, the Bank had contingent liabilities of Rs. 342.95 billion on account of claims against the Bank not acknowledged as debt or liabilities on account of outstanding forward exchange contracts, guarantees, acceptances, endorsements, interest rate swaps and other obligations. If the Bank's contingent liabilities crystallise, this may have an adverse effect on the Bank's future financial performance and the trading price of the Notes.

As the Government controls a majority of the Bank's issued share capital, its public policy decisions may impact the Bank's strategy and operations.

Through its direct and indirect holdings, the Government controls a majority of the Bank's issued share capital. As at 31 March 2025, the Government owned 63.97 per cent. of the Bank's issued and paid up share capital. In addition, Section 3(2E) of the Banks Nationalisation Act provides that no shareholder other than the Government shall be entitled to exercise voting rights in respect of any equity shares held by such shareholder in excess of 10.00 per cent. of the total voting rights of all the shareholders of the Bank. Although historically the Bank has enjoyed certain autonomy from the Government in the management of the Bank's affairs and strategic direction, as its controlling shareholder, the Government is able to exercise effective control over the Bank. Furthermore, the MD & CEO, the executive director and certain other directors of the Bank (the "**Directors**") are appointed by the Government. Although the Bank's management runs the day-to-day operations, the Government may determine material policies as a majority and controlling shareholder without the consent of the other shareholders, as well as determine the outcome of any transaction or other matter submitted to the Bank's shareholders for approval, except for those matters requiring a special resolution of the shareholders.

The Bank was mandated under the Banks Nationalisation Act to, among other things, meet and better serve the needs for the development of the economy in conformity with national policy and objectives. From time to time, the Bank may be required to take action in furtherance of public policy considerations and the Government's broader objectives for the banking industry, which are not necessarily in the Bank's best commercial interests. The Bank cannot make any assurance that future policy decisions by the Government will not have an adverse effect on the Bank's results of operations and financial condition.

The Bank is subject to regulatory reserve requirements, which affects the interest on a portion of the Bank's balances.

As at 31 March 2025, the Bank is required to maintain 4.00 per cent. of its NDTL in the form of balances with the RBI in accordance with Section 42 of the RBI Act, 1934. The Bank does not earn any interest on such balances held with the RBI. For the period from 1 April 2024 to 31 March 2025, the Bank maintained an average cash reserve of Rs. 505.01 billion, which accounted for 4.38 per cent. of its NDTL.

Under the RBI's SLR requirement as at 31 March 2025, the Bank is required to maintain an amount equal to at least 19.50 per cent. of its NDTL in approved securities such as Government securities, state government securities and other approved securities. As at 31 March 2025, SLR securities consisted of 25.30 per cent. of the Bank's NDTL. The Bank earns interest on such Government securities at rates which could be less favourable than those which it typically receives in respect of its retail and corporate loan portfolios.

The implementation of Basel III may have an adverse effect on the position of the Note holders.

On 17 December 2009, the Basel Committee on Banking Supervision (the "**Basel Committee**") proposed a number of fundamental reforms to the regulatory capital framework in its consultative document entitled 'Strengthening the resilience of the banking sector'. On 16 December 2010 and on 13 January 2011, the Basel Committee issued its final guidance on Basel III and minimum requirements, respectively. The Basel Committee had proposed that the guidelines should be implemented from 1 January 2013. On 2 May 2012, the RBI published its final guidelines on Basel III capital regulations (the "**Basel III guidelines**"). The Basel III guidelines became effective from 1 April 2013 and are subject to a series of transitional arrangements to be phased in over a period of time. The capital ratios specified in the Basel III guidelines have been fully implemented as of 1 October 2021 and further consolidated by way of the Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Directions, 2025, as amended from time to time. The capital requirements in terms of the Basel III Capital Regulations of the RBI may become more stringent over time. The Basel III guidelines provide for, among other things: higher levels of Tier 1 capital which will predominantly consist of common equity, capital conservation buffers, treatment of minority interest in consolidated subsidiaries; changes in the structure of debt instruments eligible for inclusion in Tier 1 and Tier 2 capital and types of preference shares in Tier 2 capital; criteria for classification as common shares to be included in common equity Tier 1 capital; methods to deal with credit risk and reputational risk; capital charges for credit risks; the introduction of a leverage ratio and investments in the capital of banks and financial and insurance entities (including where ownership is less than 10.00 per cent.). The Basel III guidelines also stipulate that non-equity Tier 1 and Tier 2 capital should have loss absorbency characteristics, which would require them to be written down or be converted into common equity upon the occurrence of a pre-specified trigger event.

In addition, the Basel Committee published a guidance report titled 'Principles for Sound Liquidity Risk Management and Supervision' in September 2008 to address the deficiencies that were witnessed in liquidity risk management during the recent global financial crisis. This was followed by the publication of 'Basel III: International framework for liquidity risk measurement, standards and monitoring' in December 2010, which introduced two minimum global regulatory standards, namely the liquidity coverage ratio ("**LCR**") and the net stable funding ratio ("**NSFR**"), along with a set of monitoring tools. The LCR promotes the short-term resilience of banks exposed to potential liquidity disruptions by ensuring that they have sufficient high quality liquid assets to survive an acute stress scenario lasting for 30 days. The NSFR promotes resilience over longer time periods by creating additional incentives for banks to fund their activities with more stable sources of funding on an ongoing structural basis. On 9 June 2014, the RBI issued the final guidelines on LCR in its circular 'Liquidity Coverage Ratio (LRD), Liquidity Risk Monitoring Tools' and LCR Disclosure Standards which was consolidated by way of Reserve Bank of India (Commercial Banks – Asset Liability Management) Directions, 2025. Accordingly, the LCR was introduced in a phased manner, starting with a minimum requirement of 60.00 per cent. from 1 January 2015 and reaching a minimum 100.00 per cent, currently.. Accordingly, the LCR was implemented in the Bank with effect from 1 January 2015.

In addition, the Basel Committee published a guidance report titled ‘Principles for Sound Liquidity Risk Management and Supervision’ in September 2008 to address the deficiencies that were witnessed in liquidity risk management during the recent global financial crisis. This was followed by the publication of ‘Basel III: International framework for liquidity risk measurement, standards and monitoring’ in December 2010, which introduced two minimum global regulatory standards, namely the liquidity coverage ratio (“**LCR**”) and the net stable funding ratio (“**NSFR**”), along with a set of monitoring tools. The LCR promotes the short-term resilience of banks exposed to potential liquidity disruptions by ensuring that they have sufficient high quality liquid assets to survive an acute stress scenario lasting for 30 days. The NSFR promotes resilience over longer time periods by creating additional incentives for banks to fund their activities with more stable sources of funding on an ongoing structural basis. On 9 June 2014, the RBI issued the final guidelines on LCR in its circular ‘Liquidity Coverage Ratio (LRD), Liquidity Risk Monitoring Tools’ and LCR Disclosure Standards which was consolidated by way of Reserve Bank of India (Commercial Banks – Asset Liability Management) Directions, 2025. Accordingly, the LCR was introduced in a phased manner, starting with a minimum requirement of 60.00 per cent. from 1 January 2015 and reaching a minimum 100.00 per cent, currently.. Accordingly, the LCR was implemented in the Bank with effect from 1 January 2015.

In addition to the above, Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Directions, 2025, as amended, consolidated and updated from time to time, also regulates the distribution of dividends by banks read with the Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividends and Remittance of Profit) Directions, 2025, as amended from time to time. The circular provides that the dividend distribution can be made by a bank only through the current year’s profit. It also requires the banks to maintain a capital conservation buffer outside the period of stress which can be drawn down if losses are incurred during a stressed period. One of the ways in which the banks can build the capital conservation buffer is by reducing the dividend payments. The circular further provides that perpetual noncumulative preference shares and perpetual debt instruments issued by a bank for inclusion in the additional Tier 1 capital of the bank may have a dividend stopper arrangement to stop dividend payments on common shares in the event the holders of additional Tier 1 instruments are not paid dividend or coupon. Such dividend stopper arrangement will, however, be subject to the conditions of the Basel III regulations.

The Bank’s current capitalisation levels are in line with these requirements. However, unless the Bank is able to access the necessary amount of additional capital, any incremental increase in the capital requirement may adversely impact the Bank’s ability to grow its business and may even require the Bank to withdraw from or to curtail some of its current business operations. There can also be no assurance that the Bank will be able to raise adequate additional capital in the future at all or on terms favourable to it. The RBI and/or any other relevant authority may implement the package of reforms, including the terms which capital securities are required to have, in a manner that is different from that which is currently envisaged, or may impose more onerous requirements on the Bank. Furthermore, the Basel III guidelines, when implemented, may adversely affect the position of any holder of any Subordinated Notes issued as the Bank would be required to incorporate features mandated by Indian laws and regulations in the terms and conditions of such Subordinated Notes.

The Bank is involved in various litigation matters. Any final judgment awarding material damages against the Bank could have a material adverse impact on its future financial performance.

The Bank is involved in certain litigation matters in the ordinary course of its business. These matters generally arise because the Bank seeks to recover from borrowers or because customers seek counter claims against it. Although it is the Bank’s policy to make provisions for probable loss, the Bank does not make provisions or disclosures in its financial statements where its assessment is that the risk is insignificant. The Bank cannot guarantee that the judgments in any of the litigation in which the Bank is involved would be favourable to it and if its assessment of the risk changes, its view on provisions will also change. Increased provisioning for such potential losses could have a material adverse effect on the Bank’s results of operations and financial condition. If the Bank’s provisioning is inadequate relative to actual losses on final judgment, such additional losses could have an adverse impact on the Bank’s business. See “Description of the Bank – Legal Proceedings” for further information.

Risks Relating to India

Substantially all of the Bank's operations and assets are based in India. A slowdown in economic growth in India could cause the Bank's business to suffer.

A substantial part of the Bank's business operations and assets are based in India. The Bank's income, its results of operations and the quality of growth of its assets are necessarily dependent, to a large extent, on the performance of the Indian economy. The gross domestic product ("GDP") growth for FY21, FY22, FY23, FY24 for India stood at 5.8 per cent., 9.7 per cent., 7.0 per cent. and 6.5 per cent., respectively. The estimated GDP growth for FY 2025 is 7.4 per cent. according to the Ministry of Statistics and Programme Implementation in India. In addition to the above, Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Directions, 2025, as amended, consolidated and updated from time to time, also regulates the distribution of dividends by banks read with the Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividends and Remittance of Profit) Directions, 2025, as amended from time to time. The circular provides that the dividend distribution can be made by a bank only through the current year's profit. It also requires the banks to maintain a capital conservation buffer outside the period of stress which can be drawn down if losses are incurred during a stressed period. One of the ways in which the banks can build the capital conservation buffer is by reducing the dividend payments. The circular further provides that perpetual noncumulative preference shares and perpetual debt instruments issued by a bank for inclusion in the additional Tier 1 capital of the bank may have a dividend stopper arrangement to stop dividend payments on common shares in the event the holders of additional Tier 1 instruments are not paid dividend or coupon. Such dividend stopper arrangement will, however, be subject to the conditions of the Basel III regulations.

Any slowdown in the Indian economy or India's export growth or the future volatility of global commodity prices could adversely affect the Bank's borrowers and contractual counterparties and could result in lower credit demand and higher defaults among corporate, retail and rural borrowers, which could adversely impact the Bank's business, its financial performance, shareholders' funds, the Bank's ability to implement its business strategies and the price of the Notes.

High volatility and uncertainty in the prices of crude oil could adversely affect the Indian economy and, thus, the Bank's business.

India depends on other regions and countries to fulfil its growing demand for crude. Over 80 per cent of India's crude oil demand is met through imports. According to Ministry of Commerce and Industry, in FY25, India's crude oil import bill was up by 3.9 per cent at U.S.\$185.8 billion compared to the payment of U.S.\$178.7 billion in FY24, driven by slower pace of decline in international crude oil prices (-4.7% YoY in FY25 versus -13.7% in FY24). However, if there is any increase in crude prices, such increase will have an impact on the import bill. A significant increase in the price of crude oil could adversely affect the Indian economy. Recent years have seen fluctuations in global crude oil prices owing to a confluence of factors, including geopolitical tensions, demand-supply mismatches, and the global response to climate change. In 2020, the COVID-19 pandemic precipitated an unprecedented decline in oil prices, with the West Texas Intermediate (WTI) crude price briefly turning negative for the first time in history due to a sharp fall in demand. However, as global economies recover, there has been a steady resurgence in oil prices, compounded by production cuts from oil-producing nations and supply chain disruptions. In India, the removal of fuel subsidies and the deregulation of diesel prices have linked domestic fuel prices more closely with international crude oil prices. This exposes the economy to global market volatility more directly, affecting inflation, market interest rates, and the trade deficit. The recent geopolitical tensions, particularly those impacting key oil-producing regions (Venezuela, Iran), have added to the uncertainty in oil prices, further intensifying the potential risks for the Indian economy. Moreover, the Indian government's efforts to transition towards a more sustainable energy mix and reduce its dependency on fossil fuels align with global climate action goals. However, this transition also necessitates close monitoring of crude oil price fluctuations, as the country still relies heavily on imports to meet its energy needs.

High volatility and uncertainty in crude oil prices present a significant risk to the Indian economy, owing to the country's dependence on imports for over 85-90% of its requirements. As of March 2026, intensified geopolitical tensions in the Middle East have pushed Brent crude prices toward \$100 per barrel, causing immediate pressure on the rupee, increasing inflationary expectations, and threatening to widen the current account deficit. India's external balance and government finances could be hit if oil prices stay high for an extended period, economists have said, as the Iran war pushes up oil import costs and the subsidies needed to keep key commodities affordable. India is considered to be among the most vulnerable to a global oil shock as it imports nearly 90% of its crude requirements and about 50% of its gas requirements. Over half of its crude is from the Middle East, where export flows have been disrupted by the U.S.-Israeli war on Iran since March, 2026.

Any further increase or volatility of oil prices suffered by Indian consumers could have a material adverse impact on the Indian economy and on the Indian banking and financial system in particular, including through a rise in inflation and market interest rates and a higher trade deficit.

A significant change in the Government's economic liberalisation and deregulation policies could disrupt the Bank's business.

With the advent of the liberalisation policies of the Government in 1991, the Indian economy has progressed steadily over the years and has made a mark in the global economy. The Government has approached various sectors of the economy to make them more competitive and productive. Given the global financial crisis, the Government as well as the RBI is expected to be cautious in its approach towards wider opening up of the banking and insurance segments. There was a marked slowdown in the liberalisation process over the last couple of years. The current Government has continued India's economic liberalisation and deregulation programmes. However, there can be no assurances that these liberalisation policies will continue in the future. Any significant change in the Government's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India and could also adversely affect the Bank's business, its future financial performance and the trading price of the Notes.

Financial instability in other countries, particularly emerging market countries, could disrupt the Bank's business.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly, the emerging market countries in Asia. The global financial crisis in 2008 and the subsequent European sovereign debt crisis have resulted in an adverse impact on the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and indirectly, in the Indian economy in general. Any worldwide financial instability including the global liquidity crisis which the credit markets may experience or the continuing sovereign credit crisis could also have a negative impact on the Indian economy. The Bank has limited exposure to Europe as a result of its branch offices in Europe, including those in Belgium and the United Kingdom, extending loans to individuals and entities in Europe. Concerns persist regarding the overall stability of the euro and the suitability of euro as a single currency given the diverse economic and political circumstances of the member states of the European Union. A loss of investor confidence in the financial systems of other markets and countries where the Bank has established operations or any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business. The outlook provides a list of downside risk factors, including mounting trade tensions, rising interest rates, political uncertainty and complacent financial markets. These factors, and any prolonged financial crisis, may have an adverse impact on the Indian economy, thereby resulting in a material adverse effect on the Bank's business, financial condition and results of operations.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. The dislocation of the sub-prime mortgage loan market in the United States since September 2008, and the more recent European sovereign debt crises, have led to increased liquidity and credit concerns and volatility in the global credit and financial markets. On 31 January 2020, the United Kingdom officially exited the European Union following a UK-EU Withdrawal Agreement signed in October 2019. The United Kingdom and the European Union will have a transition period until 31 December 2020 to negotiate, among others, trade agreements in details. Given the lack of precedent and uncertainty of the negotiation, the effect of Brexit remains uncertain, and Brexit has and may continue to create negative economic impact and increase volatility in the global market. A lack of clarity over the process for managing the exit and uncertainties surrounding the economic impact could lead to a further slowdown and instability in financial markets. These and other related events have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the United States and global credit and financial markets.

In February 2022, a military conflict erupted between Ukraine and Russia, involving a military incursion by Russia into Ukraine. As a result, the United States, the European Union and other countries imposed wide ranging sanctions against Russia and certain Russian entities and individuals connected to the Russian government. The escalating conflict has resulted in great uncertainty in the global markets, which could have an impact on the ability of companies to access capital in the global capital markets and result in liquidity constraints for companies. Any significant decrease in availability of funding through the international capital markets could have an adverse effect on the Bank. Additionally, the conflict between Ukraine and Russia may not be resolved for some time, and the situation could even degenerate even further. As a result of these market conditions, the cost and availability of credit have been, and may continue to be, adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce and, in some cases, cease to provide credit to businesses and consumers. These factors have led to a decrease in spending by businesses and consumers alike and corresponding decreases in global infrastructure spending and commodity prices. Continued turbulence in the United States and international markets and economies and prolonged declines in business consumer spending may adversely affect the liquidity and financial condition of the Bank's customers, as well as the Bank's ability to access the capital markets to meet liquidity needs. These global market and economic conditions have had, and continue to have, an adverse effect on the Indian financial markets and the Indian economy in general, which in turn may continue to have a material adverse effect on the Bank's business and financial performance.

Financial instability in emerging market and developing economies (EMDEs) poses a significant, multifaceted risk to international banking operations, often leading to loan losses, reduced profitability, and constrained liquidity. The March 2026 conflict involving Iran has triggered significant financial instability, causing capital to exit emerging markets, flattening equity funds, and driving up energy prices. This volatility, combined with potential disruptions to shipping in the Strait of Hormuz, directly risks impacting emerging market bank valuations, credit quality, and foreign investor inflows.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability could influence the Indian economy. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. See "*Regulation and Supervision.*" However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on the Bank's cost of funding, loan portfolio, business, future financial performance and the trading price of the Notes. Adverse economic developments overseas in countries where the Bank has operations could have a material adverse impact on the Bank and the trading price of the Notes.

If regional hostilities, terrorist attacks or social unrest in India increases, the Bank's business could be adversely affected.

India has from time to time experienced social and civil unrest and hostilities both internally and with neighbouring countries. Present relations between India and Pakistan continue to be fragile on the issues of terrorism, armament and the control of Kashmir. In November 2008, several coordinated shooting and bombing attacks occurred across Mumbai, India's financial capital, which resulted in the loss of life, property and business. India has also experienced terrorist attacks in other parts of the country. In February 2019, a car bombing in Jammu and Kashmir killed 40 Indian security personnel. The Islamist group Jaish-e-Mohammad claimed responsibility for the attack. In response, the Indian air force bombed targets in north-eastern Pakistan, and Pakistan conducted a retaliatory airstrike in north-western India. An Indian air force pilot was captured in Pakistan after his aircraft was shot down, but was subsequently released. In June 2020, the clash between China and Indian soldiers in the Galwan River Valley resulted in numerous fatalities, which led to increased tension between the two countries. These hostilities and tensions could lead to political or economic instability in India and a possible adverse effect on the Bank's business, its future financial performance and the trading price of the Notes. Furthermore, India has also experienced social unrest in some parts of the country. If such tensions spread and lead to overall political and economic instability in India, it may adversely affect the Bank's business, future financial performance and the trading price of the Notes.

Disruptions in specific regions, such as Jammu & Kashmir or financial hubs like Mumbai, often have concentrated impacts on agriculture, tourism, and industrial activities, leading to bad loans in those areas.

Increased regional hostilities, terrorist attacks, or social unrest in India are significant risk factors that could adversely affect the banking sector and business, asset quality, and profitability. Such events generally have a disruptive, short-to-medium term effect on the Indian financial system by shaking investor confidence and reducing consumption.

While the Indian banking sector has demonstrated remarkable resilience – with gross Non-Performing Assets (NPAs) for scheduled commercial banks dropping to a multi-decade low of 2.1% by September 2025, it remains vulnerable to such external shocks. Ongoing geopolitical tensions, particularly in West Asia, can amplify these risks through oil price shocks that impact inflation and GDP growth.

Trade deficits could have a negative effect on the Bank's business.

India's trade relationships with other countries can influence Indian economic conditions. India had a trade deficit of U.S.\$283 billion in FY25 compared to U.S.\$237 billion in FY24, U.S.\$265 billion in FY23 and U.S.\$191 billion in FY22. The reduction in India's trade deficit in FY24 was supported by lower commodity prices. India's merchandise trade deficit for the April-January 2025-26 period reached US\$283.23 billion, increasing from US\$247.38 billion in the corresponding period of 2024-25. The deficit peaked at an all-time high of \$41.7 billion in October 2025 before moderating to a 5-month low in November 2025. However, given the uncertainty associated with global growth and growing geopolitical risks, there is an upside risk to elevated commodity prices which might result in elevated crude prices. Given this, if India's trade deficit increases or becomes unmanageable, the Indian economy, and, therefore, the Bank's business and future financial performance and the trading price of the Notes could be adversely affected.

The outbreak or threatened outbreak of any severe communicable disease or any severe communicable disease of any other serious public health concerns in Asia, such as the COVID-19 pandemic, could have a material adverse effect on the Bank's business, financial condition and results of operations.

The outbreak, or continued or threatened outbreak, of any other severe communicable disease, such as Severe Acute Respiratory Syndrome (SARS), Middle East Respiratory Syndrome-Corona virus, avian influenza (commonly known as bird flu), H1N1, the novel strain of coronavirus ("COVID-19") or any another similar disease could materially and adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled.

For example, the outbreak of COVID-19 in 2019 resulted in, among other things, renewed travel and transportation restrictions, supply chain disruptions and increased volatility in international capital markets. Such pandemics may result in widespread reductions in consumption, industrial production and business activities and may significantly disrupt the global economy and global markets.

Accordingly, any such material changes in the financial markets, the Indian economy or economies of countries or regions where the Bank operates as a result of these events or developments may materially and adversely affect the Bank's business, financial condition and results of operations.

Furthermore, other uncertainties in the global economy and the Indian economy may also adversely affect the Bank's business, financial condition and results of operations in many ways, including, among others:

- during a period of economic slowdown, there is a greater likelihood that more of the Bank's customers or counterparties could become delinquent in respect of their loan repayments or other obligations to the Bank, which, in turn, could result in a higher level of NPAs, allowances for impairment losses and write-offs;
- the increased regulation and supervision by the financial services industry in response to the financial crisis in certain jurisdictions where the Bank operates may restrict business flexibility and increase compliance costs;
- the value of the Bank's investments in the equity and debt securities issued by overseas governments and financial institutions may significantly decline;
- the Bank's ability to raise additional capital on favourable terms, or at all, could be adversely affected; and
- trade and capital flows may further contract as a result of protectionist measures being introduced in certain markets, which could cause a further slowdown in economies and adversely affect business prospects.

Any potential market and economic downturns, economic slowdown or geopolitical uncertainties in India, its neighbouring countries or regions or the rest of the world may exacerbate the risks relating to the capital markets. In addition, global economic uncertainty and the slowdown in India's economic growth have precipitated, and may continue to raise the possibility of, fiscal, monetary, regulatory and other governmental actions. The Bank cannot predict whether or when such actions may occur, nor can the Bank predict what ultimate impact, if any, such actions or any other governmental actions could have on the Bank's business, results of operations and financial condition. There can be no assurance that India's economy or the global economy will continue to improve or maintain sustainable growth. If further economic downturn occurs or continues, the Bank's business, financial condition and results of operations could be materially and adversely affected.

Natural calamities could have a negative impact on the Indian economy and could cause the Bank's business to suffer and the trading price of the Notes to decrease.

According to an Emergency Event Database, India has been ranked at third position, after US and China, in recording the highest number of natural disasters since 1900. India recorded 764 instances of natural disasters (e.g. landslide, storm, earthquake, flood, drought, etc.) since 1900, with 402 events occurring during 1900-2000 and 361 during 2001-2022, indicating the preponderance of tail events at an alarming frequency and with each such event setting new records of economic stress. By disaster type, India is marred mostly by floods. Almost 41% of disasters occurred in the form of floods, followed by storms. These events in statistical parlance are commonly called fat-tail events. Since 2001, a total of 1 billion people have been impacted and almost 85,000 people have died due to these disasters since 2001. Apart from the human costs, there have been huge economic losses due to these disasters. Since 1900, India has suffered an economic loss of U.S.\$150 billion (where the loss is reported), with the largest loss recorded due to floods (U.S.\$92.1 billion) followed by storms (U.S.\$44.7 billion).

India on average suffers an economic loss of US\$7 billion each year because of natural disaster, according to the United Nations. Natural calamities have a significant negative impact on the Indian economy, costing approximately 0.4% of its GDP every year (or nearly ₹3 lakh crore annually) between 1990 and 2024. These disasters, including floods, droughts, and cyclones, not only cause immediate damage to infrastructure and property but also disrupt long-term economic growth by diverting development funds toward relief and rehabilitation.

Key Vulnerabilities remain the (i) the geographical risk where nearly 60% of India's landmass is prone to earthquakes, while the 7,500 km coastline is highly susceptible to cyclones, and (ii) the monsoon dependency, viz. the extreme weather events, such as heatwaves and unseasonal rains, are increasing in frequency, undermining food security and reducing labour productivity.

Any volatility in the exchange rate may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact the Bank.

The Indian economy is also affected by global macroeconomic factors. Global growth slowed in 2022 to 3.5 percent due to increasing geopolitical tensions and elevated inflation levels. For 2023, the International Monetary Fund (the “IMF”) revised global growth to 3.3 per cent. from 2.8 per cent. projected earlier, as growth was stronger than anticipated in the United States, and several major emerging markets and developing economies. For 2024, the IMF revised global growth to 3.3 per cent in October 2025 from 3.2 per cent projected in January 2025.

Looking ahead, global growth is projected to slow from 3.3 percent in 2024 to 3.2 percent in 2025 and 3.1 percent in 2026, with advanced economies growing around 1.5 percent and emerging market and developing economies just above 4 percent. A global decline in inflation is projected to continue with variation across countries: above target in the United States (with risks tilted to the upside) and subdued elsewhere. Risks are tilted to the downside with prolonged uncertainty, more protectionism, and labour supply shocks could reduce growth. Fiscal vulnerabilities, potential financial market corrections, and erosion of institutions could threaten stability.

India has achieved a remarkable milestone in its economic journey, with gross foreign direct investment (FDI) inflow reaching USD1.1 trillion between April 2000 and June 2025. India's total annual FDI inflow has crossed the double mark from USD36.05 billion in FY 2013-14 to USD80.62 billion in FY 2024-25. During FY 2025-26 (up to June 2025) India has recorded provisional FDI inflows of USD26.61 billion up by 17% from the previous financial year. Over the past 11 financial years, i.e. FY 2014 to FY 2025, India has attracted USD748.38 billion in FDI, which is an increase of 143% compared to the USD308.38 billion received in the 11 years prior to this period (i.e., FY 2003 to FY 2014).

Risks to the outlook as per the IMF includes prolonged policy uncertainty which could impact investment and consumption, rising protectionism and tariff barriers, labor supply shocks, fiscal vulnerabilities, pressure on independence of key economic institutions which could undermine their credibility, uncertainty in financial markets, geopolitical tensions and weather shocks.

In India, gross FDI inflows stood at US\$81.0 billion in fiscal year 2025 as compared to a gross inflow of US\$71.3 billion in fiscal year 2024. Net FDI flows moderated to US\$1.0 billion in fiscal year 2025 as compared to US\$10.1 billion in fiscal year 2024, on account of a rise in repatriation and net outward FDI. The net inflow in the portfolio segment moderated to US\$2.8 billion in fiscal year 2025, as compared to a US\$41.0 billion in fiscal year 2024 and US\$5.5 billion in fiscal year 2023. Net FDI flows vary based on the perceived health of the Indian economy and global market developments. For example, the higher inflows seen in fiscal year 2024 were influenced by positive sentiment following the announcement of India's inclusion in JP Morgan's bond index.

In contrast, the moderation experienced in fiscal year 2025 could be attributed to a worsening risk sentiment and increased volatility in the global markets, with net FPI outflows in equities rising to US\$25 billion in the second half of fiscal year 2025, compared to net inflows of US\$10 billion in the first half of fiscal year 2025. Debt inflows by FPIs stood at US\$17.5 billion in fiscal year 2025. In the fiscal year 2026, gross and net FDI inflows stood at US\$43.8 billion and US\$10.1 billion in April 2025 to August 2025. The net portfolio investment remained low at US\$0.1 billion in April 2025 to October 2025, due to heightened risk sentiment following global tariff uncertainty.

Going forward, the U.S. dollar is expected to strengthen, given the uncertainty surrounding the rate cuts by the Federal Reserve System, on the back of strong economic data and higher than expected inflation. The rate cut expectation by the Federal Reserve System has been dialled down to the latter half of the year than was initially anticipated. However, gains in the rupee are likely to depend on the intervention strategy of the RBI. The central bank could intervene in the foreign exchange market to keep the rupee range bound against the dollar and curtail extreme volatility.

Over the medium term, global recession risk, geo-political tensions between Russia and Ukraine, China and Taiwan, Israel and Hamas might lead to a shift in foreign fund flows from emerging markets to developed markets. Additionally, removal of global liquidity, could reduce attractiveness of emerging market assets. That said, likely rate cuts by central banks in developed nations could support flows to emerging market assets. In the domestic market, it remains a possibility that the RBI will intervene in the foreign exchange markets to remove excess volatility in the event of potential shocks, such as a rise in protectionist tendencies creating panic in emerging market economies or excess financial market volatility. Any such intervention by the RBI may result in a decline in India's foreign exchange reserves and, subsequently, reduce the amount of liquidity in the domestic financial system, which could, in turn, cause domestic interest rates to rise.

Further, any increased volatility in capital flows may also affect monetary policy decision making. For instance, a period of net capital outflows might force the RBI to keep monetary policy tighter than optimal to guard against currency depreciation. This often forces RBI to do a balancing act between supporting domestic growth and ensuring external stability.

Any downgrading of India's debt rating by an international rating agency could adversely affect the Bank's business, its liquidity and the trading price of the Notes.

India's sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside the Issuer's control. On 16 August 2025, S&P Global has raised India's long-term sovereign credit rating to 'BBB' from 'BBB-', with the short-term rating upgraded to 'A-2' from 'A-3'. On 25 August 2025, Fitch Ratings affirmed India's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'BBB-' with a Stable Outlook. Further, Standard & Poor's credit rating for India stands at BBB with stable outlook and Moody's credit rating for India was last set at Baa3 with stable outlook. Going forward, the sovereign ratings outlook will remain dependent on whether the Government is able to transition the economy out of a low-growth and high inflation environment, as well as exercise adequate fiscal restraint. There is no assurance that India's credit ratings will not be downgraded in the future. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Bank's business and limit its access to capital markets.

Investors in the Notes may not be able to enforce a judgment of a foreign court against the Bank.

The Bank was constituted under the Banks Nationalisation Act and the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 (the "**Scheme**"). Substantially all of the Directors and executive officers are residents of India and a substantial portion of the assets of the Bank and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon the Bank or such persons outside India, or to enforce judgments obtained against such parties outside India.

Recognition and enforcement of foreign judgments is codified for under Section 13 of India's Civil Procedure Code, 1908, on a statutory basis. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom or any of them are claiming under the same title except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under Section 14 of the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. Such presumption may be displaced by proving want of jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the Civil Procedure Code provides that where a certified copy of a foreign judgment rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or fine, or other penalties.

The UK is a reciprocating territory under Section 44A of the Civil Procedure Code, allowing for the direct execution of its superior court decrees. Conversely, the United States is not a declared reciprocating territory, requiring a new lawsuit in India based on the US judgment, not direct execution. UK decrees are directly enforceable, US judgments require a more complex and time-consuming filing of a new suit for enforcement in India. A certified copy of a superior court decree from the UK can be filed in an Indian District Court and executed as if it were passed by that Indian court. A US judgment is treated as a foreign judgment in a non-reciprocating territory, requiring a fresh suit to be filed in India. The judgment is treated as evidence of a debt, and the judgment-debtor has a stronger position to challenge it under Section 13 of the CPC.

A judgment of a court of a country which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution whereas, a judgment of a superior court in the UK may be enforced by proceedings in execution, and a judgment not of a superior court, by a fresh suit resulting in a judgment or order. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. Such a suit has to be filed in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. Execution of a judgment or repatriation outside India of any amounts received is subject to the approval of the RBI. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were to be brought in India.

Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy, and it is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law.

Indian accounting principles and audit standards differ from those which prospective investors may be familiar with in other countries.

As stated in the report of the Bank's independent auditors included in this Offering Circular, the Bank's financial statements are in conformity with Indian GAAP, consistently applied during the periods stated, except as provided in such report, and no attempt has been made to reconcile any of the information given in this Offering Circular with any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries. See "*Summary of Principal Differences between Indian GAAP and IFRS*".

The effects of the adoption of the "Indian Accounting Standards converged with IFRS" (IND-AS) are uncertain.

In January 2016, the Ministry of Corporate Affairs ("MCA") laid out a road map for the implementation of IND-AS for commercial banks and the Bank is required to prepare IND-AS-based financial statements for the accounting periods beginning from 1 April 2019 onwards. However, as per RBI circular dated 22 March 2019, implementation of IND-AS for banks has been deferred until further notice.

Under The Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) Directions, 2025, as amended from time to time, implementation of Indian Accounting Standards (Ind AS) for banks has been deferred till further notice, as the legislative amendments recommended by the Reserve Bank are under consideration of the Government of India. However, a bank shall continue to disclose the strategy for Ind AS implementation, including the progress made in this regard. These disclosures shall be made until implementation of Ind AS.

There may be less company information available in the Indian securities markets than securities markets in developed countries.

There may be differences between the level of regulation and monitoring of the Indian securities markets and activities of investors, brokers and other participants compared to that of the markets in the United States and other developed countries. SEBI is responsible for approving and improving disclosure and other regulatory standards for the Indian securities markets and it has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may, however, be less publicly available information about Indian companies, including the Bank and its competitors, than is regularly made available by public companies in developed countries. While Indian corporate disclosure standards, as strictly regulated by SEBI, have improved significantly and are often considered high in terms of detailed operational breakups, there can indeed be less publicly available information about certain Indian companies – particularly smaller, privately held, or government-controlled entities – compared to the regular, comprehensive disclosures mandated for public companies in developed markets. For major Indian banks and top-tier listed firms, including the Bank, public information is robust. However, for the broader sector or smaller competitors, the depth and breadth of public information may not always match the high-frequency disclosures of companies in developed economies.

Financial difficulties and other problems in certain long-term lending institutions and investment institutions in India could have a negative impact on the Bank's business and the trading price of the Notes could decrease.

The Bank is exposed to the risks of the Indian financial system which in turn may be affected by financial difficulties and other problems faced by certain Indian financial institutions. See “*The Indian Financial Sector*”. As an emerging market economy, the Indian financial system faces risks of a nature and to an extent not typically faced in developing countries, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme.

Indian financial institutions have faced significant challenges in recent years, primarily driven by high levels of non-performing assets (NPAs), particularly in the late 2010s. Key issues included corporate loan defaults, governance lapses in public sector banks, and asset-liability mismatches at housing finance companies and non-banks. While the sector has seen a strong turnaround, with GNPA ratios hitting decadal lows of 3.8-4% by FY24-25, banks continue to manage risks from rapid digital growth and, for some, rising, although controlled, levels of retail delinquencies.

Indian financial institutions in 2026 are facing a challenging landscape, with concerns regarding weakened deposit mobilization, slowing credit growth, and squeezed net interest margins (NIMs) following repo rate cuts. Key issues include rising asset quality pressures, particularly in unsecured retail and SME loans, and structural bottlenecks. Further, the Indian financial system faces challenges from high Non-Performing Assets (NPAs), rapid digital frauds, and systemic risks linked to NBFCs. Key issues include regulatory gaps, cybersecurity threats, and heavy exposure to risky infrastructure projects. Individual institutions, especially public sector banks, grapple with limited rural penetration, high compliance costs, and potential contagion from interconnected lending.

Certain Indian financial institutions have experienced difficulties during recent years. Some co-operative banks have also faced serious financial and liquidity crises. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions and banks. This in turn could adversely affect the Bank's business, its future financial performance and the price of the Notes.

The new taxation system could adversely affect the Bank's business and the trading price of the Notes.

The Government has implemented two major reforms in Indian tax laws, namely the goods and services tax (the “GST”) and provisions relating to the General Anti-Avoidance Rule (the “GAAR”).

With the effect from 1 July 2017, the GST law has been implemented in India. The GST replaced the indirect taxes on goods and services. It aims to reduce distortions in the tax structure, introduce moderate levels of taxation and expand the tax base. GST aims to consolidate and amend laws relating to all direct taxes like income tax, dividend distribution tax, fringe benefit tax and wealth tax and facilitate voluntary compliance.

The GAAR provisions became effective from 1 April 2017 and would apply to arrangements declared as “impermissible avoidance arrangements”, which is defined to mean an arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income-tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty.

The Income Tax Act, 2025 will replace the Income Tax Act, 1961, became law upon receiving Presidential assent on 21 August 2025.

As the taxation system is going to undergo a significant overhaul, its long-term effects on the Bank and other banks are unclear as at the date of this Offering Circular and there can be no assurance that such effects would not adversely affect the Bank's business, its future financial performance and the trading price of the Notes.

Risks Relating to an Investment in the Notes

The Notes are not guaranteed by the Republic of India.

The Notes are not the obligations of, or guaranteed by, the Republic of India. Although the Government owned 63.97 per cent. of the Bank's issued and paid up share capital as at 31 March 2025, the Government is not providing a guarantee of any nature in respect of the Notes.

In addition, the Government is under no obligation to maintain the solvency of the Bank, i.e. its ability to meet long-term debts and financial commitments. Therefore, investors should not rely on the Government to ensure that the Bank fulfils its obligations under the Notes.

If the Bank has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.

An optional redemption feature is likely to limit the market value of Notes. During any period when the Bank may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Bank may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The interest rate on Fixed Reset Notes will reset on each Reset Date, which can be expected to affect interest payments on an investment in Fixed Reset Notes and could affect the secondary market and the market value of the Fixed Reset Notes concerned.

Fixed Reset Notes will initially bear interest at the Initial Interest Rate until (but excluding) the Reset Date. On the Reset Date, the interest rate will be reset to the rate per annum equal to the aggregate of the applicable Reset Reference Rate and the Margin as determined by the Principal Paying Agent on the relevant Reset Determination Date (each such interest rate being the “Reset Rate”). The Reset Rate for any Reset Period could be less than the Initial Interest Rate and could, therefore, adversely affect the market value of an investment in the Fixed Reset Notes.

If the Bank has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned.

Fixed/Floating Rate Notes are Notes which may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Bank has the right to effect such a conversion, this will affect the secondary market in, and the market value of, the Notes since the Bank may be expected to convert the rate when it is likely to result in a lower overall cost of borrowing for the Bank. If the Bank converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than the prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Bank converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing market rates.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than the prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

The Notes which are Subordinated Notes are subordinated and have only limited rights of acceleration.

The relevant Pricing Supplement may specify that the Notes will be Subordinated Notes (as defined in Condition 1 of the Terms and Conditions of the Notes) and such Notes will be subordinated obligations of the Bank. The Subordinated Notes will constitute unsecured and subordinated obligations of the Bank. Each of the Additional Tier 1 Notes and the Tier 2 Notes will rank pari passu and without preference among the Additional Tier 1 Notes and the Tier 2 Notes, respectively. The Subordinated Notes are not deposits and are not insured by the Bank or guaranteed or insured by any party related to the Bank and they may not be used as collateral for any loan made by the Bank. In the event of a liquidation or winding up (as determined pursuant to the Banks Nationalisation Act) of the Bank, the claims of the holders of Tier 2 Notes and any relative receipts pursuant thereto will be subordinated in right of payment to the claims of all other creditors (other than claims of holders of Subordinated Indebtedness (as defined in the terms and conditions of the Notes) ranking equal to or lower than the claims of the holders of Tier 2 Notes and any relative receipts, if any) of the Bank in the manner and to the extent provided in the Trust Deed. In the event of a liquidation or winding up (as determined pursuant to the Banks Nationalisation Act) of the Bank, claims in respect of the Additional Tier 1 Notes will rank: (a) senior to the claims of investors in equity shares and perpetual non-cumulative preference shares of the Bank; (b) subordinate to the claims of all depositors and general creditors and holders of subordinated debt of the Bank other than any subordinated debt qualifying as Additional Tier 1 Capital (as defined in the terms and conditions of the Notes) of the Bank (as defined under the RBI Guidelines); and (c) pari passu and without preference among themselves and with any other claims in respect of debt instruments classified as Additional Tier 1 Capital under the RBI Guidelines. As a consequence of these subordination provisions, in the event of a winding-up of the Bank's operations in accordance with the Banks Nationalisation Act, the holders of the Subordinated Notes may recover proportionately less than the holders of more senior-ranking liabilities, including the Bank's deposit liabilities and other unsubordinated liabilities.

In the event of the Bank's winding-up or liquidation, holders of Subordinated Notes may claim for the Outstanding Nominal Amount of their Notes (that is, the amount of such Notes following any Write-Down or, in the case of Additional Tier 1 Notes, Reinstatements) plus any accrued but unpaid interest. Furthermore, if the Bank's indebtedness were to be accelerated, its assets may be insufficient to repay in full borrowings under all such debt instruments, including the Notes.

Subordinated Notes may be subject to write off on the occurrence of a PONV Trigger Event, or, in the case of Additional Tier 1 Notes only, a CET1 Trigger Event.

The Basel Committee recommended a number of fundamental reforms to the regulatory capital framework for internationally active banks which are designed, in part, to ensure that capital instruments issued by such banks fully absorb losses before tax payers are exposed to loss (the “**Basel III Reforms**”). The principal elements of the Basel III Reforms are set out in the Basel Committee paper dated 16 December 2010 (as revised in June 2011) and in a press release dated 13 January 2011. The Basel III Reforms were implemented in India through the Basel III Guidelines with effect from 1 April 2013, and are subject to a series of transitional arrangements to be phased in over a period of time. The capital ratios specified in the Basel III Guidelines have been fully implemented as of 1 October 2021 and consolidated by way of the Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Directions, 2025 dated 28 November 2025, as amended from time to time.

The Basel III Reforms include a requirement for all Additional Tier 1 instruments and Tier 2 instruments (such as the Additional Tier 1 Notes and the Tier 2 Notes) to be written off or converted into ordinary shares upon the occurrence of a PONV Trigger Event (the “**PoNV rule**”). The PoNV rule may be met contractually (by inclusion of appropriate provisions in the terms and conditions of the instrument) or by the existence of laws in a jurisdiction that give relevant authorities appropriate powers. In India, the PoNV rule has been implemented as a requirement for appropriate provisions to be included in the terms and conditions of the instrument. A “PONV Trigger Event” under the Indian regulations means, in respect of the Bank or the Group, the earlier of: (a) a decision that a write-down, without which the Bank or the Group (as the case may be) would become non-viable, is necessary, as determined by the RBI; and (b) the decision to make a public sector injection of capital, or equivalent support, without which the Bank or the Group (as the case may be) would have become non-viable, as determined by the RBI. However, any capital infusion in the ordinary course from the Government to the Bank or the Group (as the case may be) shall not constitute a PONV Trigger Event. The Subordinated Notes will be permanently written down on the occurrence of such PONV Trigger Event (see Condition 9.1). In the event of a Write-Down, investors may lose the entire amount of their investment in any Subordinated Notes. In the event that a PONV Trigger Event or CET1 Trigger Event (in the case of Additional Tier 1 Notes only) occurs, all or some of the rights of holders of Subordinated Notes and the Receipts and Coupons relating to them shall be subject to Write-Down. This may not result in the same outcome for Subordinated Noteholders as would have occurred upon the occurrence of any winding-up proceedings of the Bank.

Furthermore, upon the occurrence of a Write-Down of any Subordinated Notes, the right to receive interest on any portion of a nominal amount Written-Down will cease and all interest amounts that were not due and payable prior to the Write-Down shall be cancelled. Consequently, Noteholders will not be entitled to receive any interest that has accrued on such portion of nominal amount of Subordinated Notes Written Down from (and including) the last Interest Payment Date falling on or prior to the Loss Absorption Event Notice. In the case of a Write-Down in respect of a PONV Trigger Event only, any such Write-Down will be permanent and the Noteholders will, upon the occurrence of such Write-Down, not receive any shares or other participation rights of the Bank or be entitled to any other participation in the upside potential of any equity or debt securities issued by the Bank, or be entitled to any subsequent write-up or any other compensation in the event of a recovery of the Bank.

It will be difficult to predict when, if at all, a principal Write-Down of Subordinated Notes will occur. The RBI has provided limited guidance as to how it would determine non-viability. Under RBI regulations, non-viability could result from the Bank's financial and other difficulties likely to result in financial losses and affect its ability to continue as a going concern. Non-viability may be declared if the resultant augmentation of equity is likely to restore depositors' and investors' confidence or improve the rating and

creditworthiness of the Bank. However, it is possible that the RBI's position on these matters may change over time. Non-viability may be significantly impacted by a number of factors, including factors which affect the business, operation and financial condition of the Bank. For instance, systemic and non-systemic macroeconomic, environmental and operational factors, domestically or globally, may affect the viability of the Bank. Accordingly, trading behaviour in respect of any Additional Tier 1 Notes or Tier 2 Notes may not follow the trading behaviour associated with other types of securities. Potential investors in any Additional Tier 1 Notes or Tier 2 Notes should consider the risk that a holder may lose all of its investment, including the principal amount plus any accrued interest, if such regulatory loss absorption measures are acted upon.

Furthermore, there can be no assurance that the Basel Committee will not propose further amendments to the Basel Accord or that the relevant authorities in India will not impose requirements on banks that are more onerous than those contained in the Basel III Reforms. Further changes in law after the date hereof may affect the rights of holders of the Subordinated Notes, as well as the market value of the Subordinated Notes.

In addition, Additional Tier 1 Notes will be Written-Down upon the occurrence of a CET1 Trigger Event. If the Bank's or the Group's Common Equity Tier 1 Ratio is 6.125 per cent, accrued interest on the Additional Tier 1 Notes will be cancelled and the Outstanding Nominal Amount of the Additional Tier 1 Notes may be reduced (see Condition 9.2 of the terms and conditions of the Notes). Holders may lose all or some of their investment as a result of a Write-Down. During the period of any Write-Down, interest will accrue on the Outstanding Nominal Amount of the Additional Tier 1 Notes, which shall be lower than their Issued Nominal Amount.

Following a Write-Down pursuant to a CET1 Trigger Event, the Outstanding Nominal Amount of the relevant Additional Tier 1 Notes may be increased up to the Maximum Reinstatement Amount (each as defined in the Conditions). However, such Reinstatement is at the discretion of the Bank and is subject to any conditions specified in: (i) the applicable Pricing Supplement; or (ii) the RBI Guidelines, or as are otherwise notified to the Bank by the RBI, from time to time. There can be no assurance that the Bank will, or will be able to, exercise its discretion to reinstate any principal amount of Additional Tier 1 Notes which has been Written-Down.

The market price of the Additional Tier 1 Notes is expected to be affected by fluctuations in the Bank's and/or the Group's Core Equity Tier 1 Capital Ratio. Any indication that the Bank's and/or the Group's Core Equity Tier 1 Capital Ratio is trending towards 6.125 per cent may have an adverse effect on the market price of the Additional Tier 1 Notes. The level of the Bank's and/or the Group's Core Equity Tier 1 Capital Ratio may significantly affect the trading price of the Additional Tier 1 Notes.

The Bank may vary the terms of Subordinated Notes.

The Bank may, without the consent or approval of the Noteholders or the Trustee, but subject to the prior approval of the RBI, vary the terms of any Subordinated Notes, so that they remain or, as appropriate, become Qualifying Subordinated Notes, subject to certain conditions. The terms of such varied Subordinated Notes may contain one or more provisions that are substantially different from the terms of the original Notes, provided that the Subordinated Notes remain Qualifying Subordinated Notes, in accordance with the Conditions. While the Bank cannot make changes to the terms of the Subordinated Notes that would result in the varied securities having terms and conditions materially less favourable to a Noteholder than the Subordinated Notes, the Bank will determine whether such terms and conditions are materially less favorable and will not be required to take into account the tax treatment of the varied securities in the hands of all or any holder of Subordinated Notes. Furthermore, the Trustee has no obligation or ability to verify whether the requirements for such variations have been satisfied and will have no discretion in determining whether any such variation results in terms that are materially less favourable to the holders of Subordinated Notes. Accordingly, the tax and stamp duty consequences of holding such varied Notes could be different for some categories of Noteholder from the tax and stamp duty consequences for them of holding the Notes prior to such variation.

Upon the occurrence of a PONV Trigger Event or a CET1 Trigger Event, clearance and settlement of the Subordinated Notes will be suspended and there may be a delay in updating the records of the relevant clearing system to reflect the amount Written-Down.

Following the receipt of a Loss Absorption Event Notice, all clearance and settlement of the Subordinated Notes will be suspended. As a result, Noteholders will not be able to settle the transfer of any Subordinated Notes during the Suspension Period (as defined in the Terms and Conditions of the Notes) and any sale or other transfer of the Subordinated Notes that a Noteholder or may have initiated prior to the commencement of the Suspension Period that is scheduled to settle during the Suspension Period will be rejected by the relevant clearing system and will not be settled within the relevant clearing systems. The update process of the relevant clearing system may only be completed after the date on which the Write-Down is scheduled. Notwithstanding such delay, holders of the Subordinated Notes may lose the entire value of their investment in the Subordinated Notes on the date on which the Write-Down occurs. No assurance can be given as to the period of time required by the relevant clearing system to complete the update of their records or the availability of procedures in the relevant clearing systems to effect any Write-Down. Furthermore, the conveyance of notices and other communications by the relevant clearing system to their respective participants, by those participants to their respective indirect participants, and by the participants and indirect participants to the beneficial owners of interests in the Global Note will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Interest amounts on the Additional Tier 1 Notes are not cumulative. Interest amounts may be cancelled at the Bank's discretion and must not be paid in certain circumstances.

Interest amounts on the Additional Tier 1 Notes are discretionary and non-cumulative. The Bank may elect at its full discretion not to pay and, in the circumstances outlined below, must not pay, all or some of the interest falling due on the Additional Tier 1 Notes on any Interest Payment Date. Any interest not so paid on any such Interest Payment Date shall be cancelled and shall no longer be due and payable by the Bank. A cancellation of interest pursuant to Condition 6.7 of the terms and conditions of the Notes does not constitute a default under the Additional Tier 1 Notes for any purpose.

Further, pursuant to Condition 6.7 of the terms and conditions of the Notes, the Bank may only pay interest on the Additional Tier 1 Notes to the extent that such payment of interest is permitted to be paid under the RBI Guidelines. Where the current year's profits are not sufficient and such payment needs to be made out of revenue reserves, such payments are subject to the Bank meeting its minimum regulatory capital requirements at all times including the requirements of capital buffer frameworks (i.e. capital conservation buffer, countercyclical capital buffer and Domestic Systemically Important buffers) as set out in the RBI Guidelines.

A failure to meet these requirements will result in a mandatory cancellation of interest payments. Condition 6.7 of the Terms and Conditions of the Notes sets out the circumstances in which the Bank is required to cancel interest payments on Additional Tier 1 Notes pursuant to the RBI Guidelines. Investors should be aware that any change to the RBI Guidelines requiring the Bank to cancel interest payments in other or additional circumstances could be complied with by the Bank through its general discretion to cancel interest payments under Condition 6.7.

In addition, if the Bank's total Common Equity Tier 1 capital does not exceed the amount required to fulfil its capital buffer requirement (including the capital conservation buffer and any countercyclical capital buffer and D-SIBs buffer), the Bank will be required to conserve a percentage of its earnings (including through cancellation of interest payments on Tier 1 capital instruments such as the Additional Tier 1 Notes) in accordance with the following table:

Minimum capital conservation standards for individual bank⁽¹⁾

Common Equity Tier 1 Ratio (standalone) after including the current periods retained earnings	Minimum Capital Conservation Ratios⁽²⁾
As of date	
5.5%-6.125%	100.00%
>6.125%-6.75%	80.00%
>6.75%-7.375%	60.00%
>7.375%-8.0%	40.00%
>8.0%	0.00%

Notes:

(1) These exclude D-SIBs.

(2) Expressed as a percentage of earnings.

Any actual or anticipated cancellation of interest on the Additional Tier 1 Notes will likely have an adverse effect on the market price of Additional Tier 1 Notes. In addition, as a result of the interest cancellation provisions of the Additional Tier 1 Notes, the market price of the Additional Tier 1 Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation and may be more sensitive generally to adverse changes in the Bank's financial condition.

Payment of principal of and/or interest on Upper Tier 2 Subordinated Notes may or shall be deferred under certain circumstances.

The Bank may defer payment of the principal of and/or interest on any Upper Tier 2 Subordinated Notes in certain situations described in Condition 3.2(b)(i) until the earlier of the next Compulsory Payment Date (as defined in Condition 3.2(b)(vi)) or the occurrence of an event specified in Condition 11.2. Furthermore, the Bank must defer payment of such principal and/or interest in certain situations described in Conditions 3.2(b)(ii) or (iii) until the earlier of the next Compulsory Payment Date or the occurrence of an event specified in Condition 11.2. Accordingly, if principal and/or interest is not paid on the relevant due date as a result of the foregoing, holders of Upper Tier 2 Subordinated Notes will not be entitled to receive such principal and/or interest on such due date.

The Notes, which are Subordinated Notes, may not qualify as Tier 2 Capital.

There is no guarantee that the Notes designated as Upper Tier 2 Subordinated Notes or Lower Tier 2 Subordinated Notes will qualify as Tier 2 capital under the Capital Adequacy Guidelines published by the RBI. See "*Supervision and Regulation – Capital Adequacy Requirements*". The failure of such Notes to qualify as Tier 2 capital due to any reason (including changes in law, regulations or the interpretations of the RBI or other government authorities) would adversely affect the Bank's capital adequacy ratio.

Interest Amounts on the Additional Tier 1 Notes are not cumulative and will not be required to be paid under certain circumstances.

Interest may not be paid in full, or at all, in certain situations described in Condition 3.3(c). Interest payments on the Additional Tier 1 Notes are not cumulative. Accordingly, if interest is not paid on any Interest Payment Date as a result of the foregoing, holders of the Additional Tier 1 Notes will not be entitled to receive such interest on any subsequent Interest Payment Date or any other date.

The Additional Tier 1 Notes have no fixed maturity date and investors have no right to call for redemption of the Additional Tier 1 Notes.

The Additional Tier 1 Notes are perpetual unless the Bank elects to redeem the Additional Tier 1 Notes to the extent allowed by the Terms and Conditions of the Notes and the applicable pricing supplement. Accordingly, the Additional Tier 1 Notes have no fixed final redemption date. In addition, holders of the Additional Tier 1 Notes have no right to call for the redemption of the Additional Tier 1 Notes. Although the Bank may redeem the Additional Tier 1 Notes at its option on the Optional Redemption Date or at any time following the occurrence of certain tax and regulatory events, there are limitations on redemption of the Additional Tier 1 Notes, including obtaining the prior written approval of the RBI and satisfaction of any conditions that the RBI and other relevant Indian authorities may impose at the time of such approval.

Investors will have limited rights under the Additional Tier 1 Notes.

Investors will have limited voting rights under the Additional Tier 1 Notes and will not be entitled to receive notice of, or attend or vote at, any meeting of shareholders of the Bank or participate in the management of the Bank, except in limited circumstances (including certain instances of failure by the Bank to make payments of amounts due in relation to the Additional Tier 1 Notes). In the event of a default in payment on the Additional Tier 1 Notes, investors will have no right to accelerate payments on the Additional Tier 1 Notes, except if an order is made by the Government for the winding up of the Bank.

The Additional Tier 1 Notes have no fixed maturity date and investors have no right to call for redemption of the Additional Tier 1 Notes.

The Additional Tier 1 Notes are perpetual unless the Bank elects to redeem the Additional Tier 1 Notes to the extent allowed by the Terms and Conditions of the Notes, the applicable pricing supplement and the applicable RBI Guidelines. Accordingly, the Additional Tier 1 Notes have no fixed final redemption date. In addition, holders of the Additional Tier 1 Notes have no right to call for the redemption of the Additional Tier 1 Notes. Although the Bank may redeem the Additional Tier 1 Notes at its option on the Optional Redemption Date or at any time following the occurrence of certain tax and regulatory events, there are limitations on redemption of the Additional Tier 1 Notes, including obtaining the prior written approval of the RBI and satisfaction of any conditions that the RBI and other relevant Indian authorities may impose at the time of such approval. During any period when the Bank may elect to redeem or vary the terms of the Additional Tier 1 Notes, the market value of the Additional Tier 1 Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. As such, the optional redemption feature that the Bank has upon the occurrence of certain tax and regulatory events prior to the first Optional Redemption Date may result in the Additional Tier 1 Notes not being redeemed at their market value.

There is no assurance that the holders of the Additional Tier 1 Notes will be able to reinvest the amount received upon redemption at a rate that will provide the same rate of return as their investment in the Additional Tier 1 Notes. During any period when the Bank may redeem the Additional Tier 1 Notes, the market value of the Additional Tier 1 Notes generally will not rise substantially above the Early Redemption Amount (as defined in the Conditions) payable. Potential investors should consider re-investment risk in light of other investments available at that time.

Investors will have limited rights under the Additional Tier 1 Notes.

Holders of the Additional Tier 1 Notes will not be entitled to receive notice of, or attend or vote at, any meeting of shareholders of the Bank or participate in the management of the Bank, except in limited circumstances (including certain instances of failure by the Bank to make payments of amounts due in relation to the Additional Tier 1 Notes). In the event of a default in payment on the Additional Tier 1 Notes, investors will have no right to accelerate payments on the Additional Tier 1 Notes, except if a court order is made or an effective resolution is passed for the winding up of the Bank.

The Additional Tier 1 Notes are subordinated to most of the Bank's liabilities and the terms of the Additional Tier 1 Notes contain no limitation on issuing debt or senior or pari passu securities.

The Additional Tier 1 Notes will constitute unsecured and subordinated obligations of the Bank which rank pari passu and without preference among themselves. The Additional Tier 1 Notes are not deposits and are not insured by the Bank or guaranteed or insured by any party related to the Bank and they may not be used as collateral for any loan made by the Bank. In the event of a winding up of the Bank's operations, the claims of the holders of the Additional Tier 1 Notes will be subordinated in right of payment to the prior payment in full of all of the Bank's other liabilities (whether actual or contingent, present or future) including all deposit liabilities and other liabilities of the Bank and all of the Bank's offices and branches, except those liabilities which by their terms rank equal with or junior to the Additional Tier 1 Notes.

As a consequence of the subordination provision, in the event of a winding up of the Bank's operations, the holders of the Additional Tier 1 Notes may recover less rateably than the holders of deposit liabilities or the holders of the Bank's other liabilities that rank senior to the Additional Tier 1 Notes. The Additional Tier 1 Notes, the Trust Deed and the Agency Agreement do not limit the amount of liabilities ranking senior to the Additional Tier 1 Notes which may be hereafter incurred or assumed by the Bank except for certain Tier 1 instruments.

The Additional Tier 1 Notes may not qualify as Tier 1 Capital.

There is no guarantee that the Additional Tier 1 Notes will qualify as Tier 1 capital under the Capital Adequacy Guidelines published by the RBI. See "*Supervision and Regulation – Capital Adequacy Requirements*". The failure of the Additional Tier 1 Notes to qualify as Tier 1 capital due to any reason (including changes in laws, regulations or the interpretations of the RBI or other governmental authorities) would adversely affect the Bank's capital adequacy ratio.

Payments under the Tier 2 Notes and/or Additional Tier 1 Notes may be subject to compliance with applicable regulatory requirements, including the prior approval of the RBI.

Payments of the principal of and/or interest on Tier 2 Notes and/or Additional Tier 1 Notes in certain situations described in the Terms and Conditions of the Notes may be subject to compliance with applicable regulatory requirements, including the prior approval of the RBI. The RBI, while considering the request of the Bank to approve its payment of the principal of and/or interest on Tier 2 Notes and/or Additional Tier 1 Notes, may take into consideration, amongst other things, the Bank's capital adequacy position at the time of the proposed payment and thereafter. There can be no assurance that the RBI will provide such approval, conditional or otherwise either in a timely manner or at all.

Payments under the Notes may be subject to RBI guidelines regarding remittances of funds outside India.

Remittance of funds outside India by the Bank, pursuant to indemnity obligations under the Terms and Conditions of the Notes, the Trust Deed or any other agreements in relation to the Notes requires prior approval from the RBI under RBI regulations. If the Bank is unable to make payments with respect to the Notes from its overseas branches and instead makes payments from India, such payments shall be subject to RBI regulations governing the remittance of funds outside India. The Bank is under no obligation to maintain liquidity at its overseas branches to make interest payments due on the Notes.

Any approval, if and when required, for the remittance of funds outside India is at the discretion of the RBI and the Bank can give no assurance that it will be able to obtain such approval.

The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”.

Interest rates and indices which are deemed to be ‘benchmarks’ (including but not limited to EURIBOR) are the subject of recent international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely or to have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Note linked to or referencing such a benchmark.

More broadly, any of the international reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

It is not possible to predict with certainty whether, and to what extent, EURIBOR and/or other benchmark rates will continue to be supported going forwards. This may cause EURIBOR and/or other benchmark rates to perform differently than they have done in the past and may have other consequences which cannot be predicted. The elimination of any benchmarks, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions, or result in other consequences, in respect of any Notes linked to such benchmark. Such factors may have the following effects on certain benchmarks: (i) discourage market participants from continuing to administer or contribute to the benchmark, (ii) trigger changes in the rules or methodologies used in the benchmark; or (iii) lead to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any international reforms in making any investment decision with respect to any Notes linked to or referencing a “benchmark”.

The Notes may have limited liquidity.

The Notes constitute a new issue of securities for which there is no existing market. Approval-in-principle has been granted for the listing and quotation of Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST and India INX and NSE IX. The offer and sale of the Notes is not conditioned on obtaining a listing of the Notes on the SGX-ST, India INX and NSE IX, or any other exchange. Although the Dealers have advised the Bank that they currently intend to make a market in the Notes, they are not obligated to do so, and any market-making activity with respect to the Notes, if commenced, may be discontinued at any time without notice in their sole discretion.

No assurance can be given as to the liquidity of, or the development and continuation of an active trading market for, the Notes. If an active trading market for the Notes does not develop or is not maintained, the market price and liquidity of the Notes may be adversely affected. If such a market were to develop, the Notes could trade at prices that may be higher or lower than the price at which the Notes are issued depending on many factors, including:

- prevailing interest rates;
- the Bank’s results of operations and financial condition;
- political and economic developments in and affecting India;
- the market conditions for similar securities; and
- the financial condition and stability of the Indian financial sector.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued.

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Furthermore, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Noteholders are required to rely on the procedures of the relevant clearing system and its participants while the Notes are cleared through the relevant clearing system.

Notes issued under the Programme will be represented on issue by one or more Global Notes that may be deposited with a common depository for Euroclear and Clearstream or may be deposited with a nominee for DTC. Except in the circumstances described in each Global Note, investors will not be entitled to receive Notes in definitive form. Each of DTC, Euroclear and Clearstream and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the Notes are represented by Global Notes, the Bank will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Bank has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

U.S. Dividend Equivalent Withholding.

Section 87 1(m) of the U.S. Internal Revenue Code of 1986 causes a 30 per cent. withholding tax on amounts attributable to U.S. source dividends that are paid or “deemed paid” under certain financial instruments if certain conditions are met (such instruments, “**Specified Notes**”). If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Prospective investors should refer to the section “*Taxation – U.S. Dividend Equivalent Withholding*”.

For the purposes of withholding under the U.S. Foreign Account Tax Compliance Act, commonly known as FATCA, Specified Notes are subject to a different grandfathering rule than other Notes. Prospective investors should refer to the section “*Taxation – Foreign Account Tax Compliance Act*”.

The conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders.

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to: (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes; or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such; or (iii) the substitution of another company as principal debtor under any Notes in place of the Bank, in the circumstances described in Condition 17.

The value of the Notes could be adversely affected by a change in English law or administrative practice.

The conditions of the Notes are based on English law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular and any such change could materially adversely impact the value of any Notes affected by it.

The Notes are subject to selling restrictions and may be transferred only to a limited pool of investors.

The Notes can only be issued to and held by investors, i.e. eligible lenders who are now broadly defined as “recognized lenders”, including any person resident outside India, multilateral/regional financial institutions (e.g., ADB, World Bank), and foreign equity holders. Following recent amendments to the ECB Regulations of India, these lenders no longer need to be from Financial Action Task Force (FATF) or International Organisation of Securities Commissions (IOSCO) -compliant jurisdictions and can include individuals.

The revised ECB Regulations expand the scope of a recognized lender to include all persons (including individuals) resident outside India, a branch outside India of an entity whose lending business is regulated by the RBI or a financial institution or its branch set up in the International Financial Services Centre (IFSC). An IFSC is a designated zone in India that provides financial services to non-residents and residents in foreign currencies. Currently, GIFT City in Gujarat, India, is the only notified IFSC.

All foreign residents will be able to extend ECBs, irrespective of their jurisdiction being FATF or IOSCO compliant. The offshore and IFSC branches of Indian banks will also be able to extend Indian Rupees (INR) ECBs. Additionally, any individual will be able to lend even if not a foreign equity shareholder, i.e. related parties on an arm’s length basis has also been permitted.

Investors should note that the aforesaid conditions also apply to a transfer of the Notes.

Early redemption of the Notes prior to its stated average maturity or its stated maturity requires prior RBI or Authorised Dealer Bank approval, as the case may be.

Any early redemption of the Notes (whether as a result of an event of default or any early redemption event) may require the prior approval of the RBI or the AD Bank. Compliance with any conditions specified in any such RBI or AD Bank approval will be required, along with adherence to the extant provisions of the revised ECB regulations issued by the RBI, including other notifications, regulations and guidelines.

There can be no assurance that the RBI or the AD Bank will provide such approval in a timely manner, whether conditional, or at all.

Risks Relating to an Investment in Rupee denominated Notes

Rupee denominated Notes are subject to exchange rate risks and exchange controls.

India maintains a managed floating exchange rate system under which market forces determine the exchange rate for the Rupee. The RBI may, however, intervene in the market to maintain orderly market conditions and limit sharp fluctuations in the exchange rate. This helps in ensuring stability rather than setting a fixed rate. Historically, these have taken the form of transparent measures and have included clearly delineated periods and amounts involved, as well as the explanations for these actions. The RBI's foreign exchange policy objectives include maintaining price stability, promoting and maintaining monetary stability and the convertibility of the Rupee, and protecting its international reserves during times of impending or on going exchange crises or national emergencies. This mechanism allows the Indian economy to adapt to global economic fluctuations and maintain competitiveness in international trade.

Rupee-denominated Notes are denominated in Rupees and payable in U.S. dollars. This entails risks which are not associated with a similar investment in a foreign currency-denominated security. Such risks include, without limitation, the possibility of significant changes in the exchange rate between the Rupee and U.S. dollars if such currency risk is unhedged by an investor or the possibility of imposition or modification of exchange controls by the RBI. Such risks are usually dependent on various economic and political events over which the Bank does not have any control. Recently, exchange rates have been volatile and such volatility is expected in the near future as well. However, the recent fluctuations in exchange rates are not indicative in nature. If the Rupee depreciates against the U.S. dollar, the effective yield on the Notes may decrease and the amount payable on maturity may be less than the investment made by the investors. This could result in a total or substantial loss of the investment made by the investor towards the Notes. Rates of exchange between U.S. dollars and the Rupee may significantly vary over time. However, historical trends do not necessarily indicate future fluctuations in rates, and should not be relied upon as indicative of future trends. Political, economic or stock exchange developments in India or globally could lead to significant and sudden changes in the exchange rate between the Rupee and the U.S. dollar. Significant and sudden fluctuations in the Rupee-USD exchange rate occur due to oil price changes, foreign portfolio investment (FPI) outflows, and high demand for foreign currency caused by India's structural trade deficit. Global instability and domestic policy changes can cause rapid devaluation.

Investors are eligible to hedge the above-mentioned exchange rate risk with permitted derivative products with: (i) AD Category – I banks in India; (ii) the offshore branches or subsidiaries of Indian banks; or (iii) branches of foreign banks having a presence in India.

INR “Non-convertibility”.

The convertibility of a currency is dependent, *inter alia*, on international and domestic political and economic factors, and on measures taken by governments and central banks. Currency convertibility primarily refers to the ease with which a country's currency can be exchanged for another or for gold is largely determined by a combination of macroeconomic, political, and regulatory factors. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by revaluation or devaluation of a currency, or the imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency. Many emerging economies adopt a cautious, phased approach, starting with current account convertibility (for trade) before allowing capital account convertibility (for investment).

The taking of any one or more of such measures could adversely affect the value of the Notes as well as any amount which may be payable upon redemption of the Notes.

DESCRIPTION OF THE BANK

Overview

As at 31 March 2025, the Bank was the second largest public sector bank in India in terms of assets. As at such date, the Bank had 8,424 branches in India in 30 states and five union territories and, on a consolidated basis, an international presence in 17 countries. As at 31 March 2025, the Bank had 75,008 employees serving approximately 150 million global customers.

As at 31 March 2025, the Bank had assets of Rs. 17,812.47 billion and its net worth was Rs. 1,154.57 billion on a standalone basis.

The Bank was established as a private bank in Baroda in 1908 and, following its nationalisation, became wholly owned by the Government in 1969. The Bank's Head Office is located at Baroda Bhavan, RC Dutt Road Alkapuri, Vadodara and its corporate office, known as 'Baroda Corporate Centre', is located at Bandra Kurla Complex, Mumbai. The Bank made its initial public offering in 1996, which diluted the shareholding of the Government to 66.83 per cent. Following an additional public offer in January 2006, the Government's shareholding was further reduced to 53.81 per cent. As at 31 March 2025, the Government's shareholding stood at 63.97 per cent. due to subsequent allotment of equity shares.

The Bank's operations consist of six main areas: corporate banking; micro, small and medium enterprise ("MSME") banking; retail banking; rural banking; international operations; and treasury operations. The Bank reports its financial operating results through the following segments: corporate banking, retail banking, treasury and other banking operations.

The Bank provides a wide range of corporate banking services and commercial banking products and services to corporate customers, including large and medium-sized businesses and government entities. The Bank's corporate banking products include various deposits, term loans and working capital. The Bank also offers fee-based services, such as supply chain financing, cash management, digital trade finance platforms and remittance services.

The Bank provides banking services to MSMEs and other enterprises. The Bank's MSME products and services include, among others, loans and advances, working capital finance, short-term corporate loans, project finance, supply chain financing, and cash management. This wide range of products and services serves as a platform for the Bank to develop personalised banking solutions for individual MSME customers.

The Bank is one of the leading retail banks in India in terms of customer number. As at 31 March 2025, the Bank had a network of 8,424 branches across India, of which 2,327 branches are located in the industrially developed states of Gujarat and Maharashtra and 1,297 branches are located in the state of Uttar Pradesh, to which the agricultural industry has traditionally been the main economic contributor. Through its branch network, the Bank believes that it is well positioned to offer retail customers convenient and accessible banking services.

The Bank's rural banking services include extending credit facilities to farmers, agricultural labourers and cottage industry entrepreneurs. The Bank focuses on addressing the needs of priority sector customers and offers specialised products and services to these sectors.

The Bank's international experience spans more than 70 years, with its first overseas branch having been established in Mombasa, Kenya in 1953. With 84 branches and offices, (including branches of its subsidiaries but excluding JV & Associate) in 17 countries across five continents as at 31 March 2025, the Bank has a significantly large number of overseas branches in comparison to other Indian banks, providing the Bank with a diverse business and customer base.

The Bank offers a variety of banking services, including corporate banking, banking for MSMEs, retail banking, and non-resident Indian ("NRI") banking through its international network. The operations and business model varies from country to country. As at 31 March 2025, the Bank's international operations represented 16.25 per cent. of the Bank's total business on a gross basis.

History

The Bank was founded by Maharaja Sayajirao Gaekwad III, and was incorporated on 20 July 1908 under the Baroda Companies Act, 1897 as 'Bank of Baroda Limited', with a paid-up capital of Rs. 1.00 million. In the mid-1930s, greater autonomy was granted to the Bank and institutional safeguards were established against the possible misuse of powers vested in its branch managers.

Before Nationalisation

When India achieved independence in 1947, the Bank, with only 48 branches, essentially remained a regional bank. Between 1953 and 1958, 30 new offices were opened and, pursuant to certain strategic mergers between 1958 and 1965, the Bank's network extended to over 234 branches.

In 1953, the Bank opened its first overseas branch in Mombasa, Kenya. Between 1969 and 1974, the Bank established three branches in Mauritius, two branches in the United Kingdom ("UK") and one branch in Fiji. A significant development in respect of the Bank's international operations was its entry into the oil-producing countries in the Middle East in 1974, when two branches were opened in the United Arab Emirates ("UAE"), one in Dubai and another in Abu Dhabi.

After Nationalisation

On 19 July 1969, following the nationalisation of 14 banks in India, the Bank was renamed 'Bank of Baroda'. In accordance with the provisions of the Banks Nationalisation Act, the main objectives of the Bank were to meet and to better serve the needs of India's developing economy and to promote the welfare of the people of India.

Pursuant to the shift in its core objectives, the Bank established a multi-service agency model for urban micro-credit. In 1976, the Bank sponsored its first 19 regional rural banks in order to complement its operations in rural areas. After reorganisation and amalgamations, as at 31 March 2025, regional rural banks sponsored by the Bank totalled three across 2,002 branches.

In 1977, the Bank launched the 'Gram Vikas Kendra', which at the time was an innovative model for integrated rural development. By 1981, following an aggressive expansion policy, the Bank had 1,669 branches, expanding its reach of banking services to more remote areas of India. During this period, the Bank also established subsidiaries to focus on credit card, asset management and capital market activities.

On 1 April 2019, following consultation between the Bank and the RBI, the Bank merged with Vijaya Bank and Dena Bank.

As at 31 March 2025, the Bank had total deposits and advances of Rs. 14,720.34 billion and Rs. 12,095.57 billion, respectively.

Relationship with the Government

Under Section 9 of the Banks Nationalisation Act, the Government has the power to appoint a majority of the directors to the Bank's Board of Directors. As at 31 March 2025, the Government owned 63.97 per cent. of the Bank's outstanding share capital. Furthermore, the Banks Nationalisation Act limits the voting power of shareholders by requiring that none of the shareholders of the Bank, other than the Government, shall be entitled to exercise voting rights in respect of shares held by it in excess of 10.00 per cent. of the total voting rights of all of the shareholders. Therefore, the outcome of most proposals for corporate action requiring the approval of the Board of Directors or shareholders will be largely controlled by the Government.

The Bank can increase its paid-up capital only with the consent of the Government and in consultation with the Reserve Bank of India ("RBI"). Pursuant to the Banks Nationalisation Act, the Government's shareholding percentage is not to fall below 51.00 per cent. of the paid-up capital.

The Government has control over policy matters relating to the RBI and has the power to caution or prohibit the Bank from entering into any particular transaction or class of transactions.

Strategy

The Bank strives to enhance its position as a cost-efficient and customer-focused institution that provides comprehensive banking and related services in a diverse and competitive environment, with a particular emphasis on the following strategies:

Continue to build the Bank's corporate image and its "Bank of Baroda" brand

The Bank intends to continue its efforts to reinforce its brand value by providing a world-class service to its customers across the globe. The Bank has undertaken various strategic communication and promotional initiatives and product-focused campaigns, and adopted state-of-the-art technology to support its commitment to customer-centred service. The Bank believes that these initiatives will enhance its brand equity as well as its quality of customer service, thereby positioning it as a premier bank in India.

Transform and grow "core" business

The Bank intends to continue its efforts to transform and grow its core business, that is, retail, corporate, MSME, agriculture and rural and international, while managing the stressed assets.

Retail Banking. As at 31 March 2024 and 31 March 2025, the Bank's outstanding gross domestic retail loan portfolio amounted to Rs. 2,149.42 billion and Rs. 2,566.33 billion, respectively. The Bank has identified the growth of its retail banking sector as a priority business initiative. The Bank has intensified its focus on the retail sector by launching new products, continuously reviewing and modifying existing features of loan products with the aim of retaining existing customers as well as attracting new customers, ensuring faster delivery of products. Retail Credit in the Bank is primarily dispensed through specialised mortgage stores ("SMSs") and a wide network of branches. The initiatives taken include simplifying retail loan approval and underwriting processes; augmenting distribution channels in addition to existing branch channels; and extending the centralised mortgage loan processing. Centralisation of the processing of non-mortgage loans viz. auto and education loans has also been initiated. The Bank has also introduced risk-based pricing and commissioned a dedicated retail loan collection centre.

Corporate Banking. As at 31 March 2024 and 31 March 2025, the Bank's outstanding gross domestic corporate loan portfolio amounted to Rs. 3,797.47 billion and Rs. 4,122.74 billion, respectively. Under the target market approach adopted by the Bank, the target markets have been clearly defined and simplified target account plans put in place at major metropolitan centres. These are executed through dedicated relationship managers ("RMs"). In addition, the Bank has put in place a team of sector specialists at its corporate office. The number of layers for credit processing originating from corporate financial services ("CFS") branches and emerging corporate branches has been reduced to one, i.e. the centralised processing cell ("CPC") at the corporate office. A separate research and development wing has been set up in corporate credit to provide industry updates to marketing and processing teams. The Bank offers a range of loan and advance products to assist its corporate customers with their financial needs. Corporate credit in the Bank is serviced at nine CFS branches and five emerging corporate branches, which are managing approximately 80 per cent. of the corporate credit portfolio of the Bank.

MSME Banking. As at 31 March 2024 and 31 March 2025, the Bank's outstanding MSME loan portfolio amounted to Rs. 1,194.15 billion and Rs. 1,363.77 billion, respectively. The Bank has established specialised SME branches to ensure adequate and timely credit flow to the SME sector. As at 31 March 2025, the Bank had established 72 specialised SME branches to cater for MSME clients. The Bank has also established SME loan factories (each a "SME Loan Factory" and together the "SME Loan Factories") at strategic locations. An SME Loan Factory is a centralised SME loan processing unit that operates on the assembly line principle. Upon receipt of a completed SME loan application and supporting documents, SME loan proposals can be appraised and processed by the relevant SME Loan Factory within 14 working days. As at 31 March 2025, the Bank had a total of 45 SME Loan Factories across India.

Agriculture and Rural Banking. As at 31 March 2024 and 31 March 2025, the Bank's outstanding gross domestic agriculture loan portfolio amounted to Rs. 1,386.40 billion and Rs. 1,583.24 billion, respectively. The Bank offers a wide variety of products and schemes to the agricultural community to assist with rural development. These facilities are mostly located in 4,966 branches situated in rural and semi-urban centres. The key elements of the Bank's agriculture and rural strategy continue to be developing an ecosystem of alliances and partnerships with financial services providers, agriculture finance companies, insurance companies, private equity firms, warehouses and cold-storages, Tractor OEMs (Original Equipment Manufacturers), SHGPIs and Various Dairies etc. The underlying idea is to increase farm productivity, enhance the income of farmers and serve the rural economy. The Bank has set up an integrated rural and agricultural banking vertical that caters business growth & initiatives towards agriculture lending.

The strategic partnerships entered include key agriculture sector players building the rural ecosystem, such as SHGPIs for boosting SHG loan portfolio, leading tractor OEMs, collateral managers to finance farmers to prevent distress selling, dairy companies, etc. The Bank has moved beyond granting simple farm credit to a more diversified Rural & Agriculture lending strategy focusing on new products across rural customer segments such as farm mechanisation, horticulture loans, warehouse receipt financing, food and agricultural processing, protected cultivation, SHG financing, Financing to FPOs/FPCs and adopting a community-based lending model for the small farmers and communities. Bank has also established a dedicated cell called CAMP (Centre for Agriculture Marketing and Processing) for processing of agriculture loans with a special focus on non-traditional and high value agriculture advances in October, 2021.

International Banking. As at 31 March 2024 and 31 March 2025, the Bank's assets from its international operations amounted to Rs. 2,422.23 billion and Rs. 2,930.69 billion, respectively, and the Bank's revenue from its international operations amounted to Rs. 180.14 billion and Rs. 194.68 billion, respectively. The Bank's international experience spans over 70 years with its first overseas branch having been established in Mombasa, Kenya in 1953. The Bank had 84 branches and offices (including branches of its subsidiaries but excluding JV & Associate) in 17 countries across five continents as at 31 March 2025.

The Bank has presence in the world's major financial centers of New York, London, Dubai, Singapore and Australia. In addition, Bank has a wholesale branch in GIFT City (SEZ), Gujarat, India which is treated as an offshore banking unit and has chosen the branch as a center for business growth taking into consideration the immense business potential, tax advantage, Government initiatives etc. Bank has taken various proactive steps in creating world class infrastructure for the branch in IFSC including state of the art dealing room for International treasury of global standard at GIFT city.

The Bank pursues a strategy of driving growth and value by meeting the international banking requirements of Indian corporates; catering to India linked cross-border trade flows for Indian and locally incorporated companies or firms and being the preferred the Bank for NRIs/Persons of Indian Origin.

Looking into the available business opportunities, the Bank has also diversified the advances portfolio by taking exposure on Non-India related syndication loans in the primary and secondary market. Also, various new products have been launched to broaden the product basket.

Further, in overseas centers, substantial progress has been made in IT up gradation for end-to-end business solution, with a focus on digitization and centralization, to improve productivity and customer experience. Bank is continuously integrating multiple platforms of technology to generate synergies.

Looking into the available business opportunities, the Bank has also diversified the advances portfolio by taking exposure on Non-India related syndication loans in the primary and secondary market. Also, various new products have been launched to broaden the product basket.

The Bank's international branches, subsidiaries and joint ventures focus on providing a range of services to retail and small and medium-sized enterprises, corporates and to the Indian expatriates. The Bank also focuses on asset creation and developing cross-border businesses by providing international trade, project finance, syndications, remittances and correspondent banking services.

Managing Stressed Assets. To strengthen the resolution of stressed assets and recovery and collection mechanisms, the Bank has taken a number of measures, such as creating a specialised cell for the resolution of large-value stressed assets, setting up a legal war-room, commissioning dedicated collection centres for MSME and retail loans, setting up a separate in-house task force, introducing a special scheme for one-time settlement of loans, and organising mega e-auctions of assets charged to the Bank.

Building the capabilities for the future

The Bank strives to enhance its position by building capacities for the future including new products such as supply chain financing, cash management, digital banking, and wealth management. The Bank has also started centralising its operations to improve efficiency.

“Nurture” the organisation and “unleash” the talent pool through dedicated leadership and talent initiatives

The Bank believes that its human resources (“**HR**”) are the biggest differentiator to have a direct and significant impact on the Bank's overall performance. Besides attracting the best talent, through general, lateral, contractual and other recruitment channels, the Bank has undertaken a number of initiatives, among others strengthening performance management systems (“**PMS**”), addressing training needs, leadership development across the Bank through a comprehensive leadership development programme, succession planning and increasing levels of employee engagement.

Building new alliances and partnerships

To keep pace with rapidly changing technology, the Bank intends to build new alliances and partnerships with various FinTech companies in various areas such as MSME, corporate, retail, payments and e-commerce. Further, with wealth management alliances, the Bank intends to offer a range of wealth-management products and services to its customers. The key elements of the Bank's agriculture and rural strategy continue to be developing an ecosystem of alliances and partnerships with financial services providers, agriculture finance companies, insurance companies, private equity firms, seed and fertiliser companies, warehouses and cold-storages, agricultural universities, drip irrigation companies etc.

Continuing Business Transformation Journey “Project Navodaya”

It is the firm belief of the Bank that continuously evolving, sound business processes and practices are the drivers of quality and profitable business growth on a sustainable basis. During 2016, the Bank embarked on a comprehensive business transformation exercise in Project Navodaya and alignment of business initiatives with such transformation, the core of which centred around processes, products, platforms and capability building to gain a competitive advantage. The three key pillars of Project Navodaya are:

- Transform and monetize the core business;
- Build next-gen capabilities in priority areas viz, digital, shared services, analytics and relationship management; and
- Nurture the organization and unleash the talent pool while building a strong control and compliance culture across the Bank.

The Bank is pursuing a differentiated strategy to build a contemporary full-service universal bank and become India's premier bank with global standing.

Project Navoday is progressing steadily in this transformation journey, cutting across all segments of businesses, functions and processes, which include a focus on key aspects of the Bank's operations, including collections and recovery, risk management, compliance and controls, governance framework, market and brand building, and digitisation and technology.

A number of initiatives have been executed or are in an advanced stage of execution. Below are some of the executed initiatives.

- For growth of the corporate banking portfolio, the Bank has adopted a target market approach with clearly defined target markets. Target account plans have been put in place at major centres. To ensure consistency in underwriting, a separate corporate credit approval function with a team of sector specialists is also in place. For faster turnaround time, the approval process has had the number of stages involved reduced to one for Corporate Financial Service branches.
- To strengthen the product proposition, the Bank has launched a fully digitised and integrated supply chain financing and cash management programme. These products now act as feeders for new client acquisition, including in the MSME segment and for growth of low-cost current account deposits. A digital platform, Baroda Integrated Solution for Trade Finance Access ("**BarodaINSTA**"), for the trade finance customers is under development.
- For retail customers, the Bank has: simplified the retail loan approval process; introduced risk-based pricing; expanded distribution channels for sourcing; centralised the mortgage loan processing for consistency in underwriting; and commissioned a dedicated retail loan collection centre for timely collections. The risk profile of the portfolio as well as the proportion of retail book to total loan book has improved. The building blocks for sustained retail loan growth have been put in place.
- The Bank has digitised the processing of loans and their approval for retail customers; for others, this is in the final stages of deployment.
- To strengthen the proposition to support MSMEs customers, the Bank has simplified its loan approval process on the basis of cash flows for lending to MSMEs on emerging digital channels. The Bank was the first to on-board all three Trade Receivables electronic Discount System ("**TReDS**") platforms. The Bank commenced financing sellers on e-commerce platforms and launched a special product for financing against Goods and Services Tax ("**GST**") receivables. For agriculture financing, the Bank has adopted an alliance-led strategy of ecosystem financing to support innovation and entrepreneurship, thereby helping farmers augment their income.
- To strengthen the origination process for depositors, the Bank digitised the account opening process; through the use of tablets, the process is now paperless, offering a seamless user experience and reduced turn-around time ("**TAT**") of a few minutes. All branches across India have adopted this digital process. Other digital platforms have also been revamped, including the mobile banking app, to incorporate best in class features, credit cards and debit cards.
- The Bank has commenced services for financial planning and wealth management for customers. Segmented offerings to various groups of customers include enhanced banking services and service levels, preferential pricing and wealth management services with dedicated RMs and investment counsellors. To start with, these services are offered in two cities and are to be expanded progressively.
- As a green initiative and a major step towards paperless banking, the Bank has undertaken the digitisation of records across the Bank. This helps branches to retrieve, save, print and e-mail digitised customer records any time and anywhere; as an additional benefit this also frees floor space at branches.
- The Bank's operating architecture was revamped by setting up a state-of-the-art Shared Service Centre ("**SSC**") at GIFT City, Gandhinagar, Gujarat. A number of back office operational activities of branches such as account management services, mortgage loan

processing, forex and trade finance operations have been migrated, enabling release of sales time for the branches. It has also ensured improved risk management, controls and compliance as well as improved efficiency and lowered costs.

- To strengthen the technology capabilities of the Bank, the Bank has upgraded its core banking system (“CBS”) to its latest and upgraded version followed by its integration with various digital applications which work seamlessly across multiple channels viz. smart phones, tablets, laptops etc. The Bank has also set up an IT Centre of Excellence (“ITCoE”) to add further power to the Bank technological capabilities and is setting up an Analytics Centre of Excellence (“ACoE”) which will analyse data and provide insights on customers.
- The Bank has forged FinTech alliances/partnerships to take advantage of innovation and to meet emerging business requirements. In the case of select partnerships, the Bank has opened up the application program interfaces (“APIs”) to connect and offer differentiated products and services such as digital lending.
- In view of advancements in technology and growing transactional data, the Bank has undertaken the transformation of its audit process, supplementing the on-site audit process with an off-site one leading to timely preventive actions, improved controls and cost efficiencies. A fragmented concurrent audit process was streamlined for an integrated view of operations.
- Training and capacity building through multiple HR interventions were undertaken. Bank has tied up with premium institutions for imparting training on leadership development. Further, in the ever-evolving landscape of banking, employees are being trained in new age skills with Digital Banking tools, Artificial Intelligence (AI) and Machine Learning (ML), data analytics for customer insights, cybersecurity protocols, Big Data Analysis etc. Investing in such training ensures that the workforce is equipped to navigate and leverage technology advancements, ultimately enhancing customer experiences and driving business growth. Apart from the above, the Bank carries out series of Employee Engagement Initiatives under the “Baroda Anubhuti programme”, Employee Health & Wellness, Employee Assistance Program etc., all aimed at increasing capacity building, employee motivation and engagement. Given the strategic initiatives undertaken and moving on course to take them to their logical conclusion, the Bank is well positioned to capitalise on the opportunities arising in the emerging banking and economic scenarios.

Products And Services

Overview of the Bank’s Domestic Lending Operations

The following table presents the Bank’s outstanding domestic loans to its retail corporate, MSME and agriculture customers and the proportion of these loans to its outstanding gross domestic loans, as at the dates indicated:

	As at 31 March			
	2024		2025	
	Loans	Percentage of total	Loans	Percentage of total
(Rs. in billions, except for percentages)				
Retail	2,149.42	23.93%	2,566.33	25.13%
Corporate	3,797.47	42.28%	4,122.74	40.38%
MSME	1,194.15	13.30%	1,363.77	13.36%
Agriculture	1,386.40	15.44%	1,583.24	15.51%
Others	453.72	5.05%	575.03	5.63%
Total gross domestic loans.....	8,981.16	100%	10,211.12	100%

Retail Loans

Retail Credit in the Bank is primarily dispensed through RAPCs (Retail Asset Processing Centres) and a wide network of branches. The transformation initiatives executed include simplifying the retail loan approval and underwriting process; augmenting distribution channels through the provision of alternatives to existing branch channels; extending the centralisation of mortgage loan processing by adding more geographies etc. Centralisation of the processing of non-mortgage loans viz. auto and education loans has been implemented in potential location.

The Bank has also introduced risk based pricing and commissioned a dedicated retail loan collection centre.

The Bank has a variety of retail loan products designed to meet its customers' needs. Retail loan products include home loans, home improvement loans, top up loans, auto loans, education loans, mortgage loans, reverse mortgage loans, loans against securities and gold, personal loans, loans to pensioners and loans for subscription of shares in public offerings.

The Bank's total outstanding domestic retail loans and advances amounted to Rs. 2,566.33 billion as at 31 March 2025, representing 25.13 per cent. of its total outstanding gross domestic advances. During the fiscal year ended 31 March 2025, the domestic retail loans registered a growth of 19.40 per cent., from Rs. 2,149.42 billion as at 31 March 2024 to Rs. 2,566.33 billion as at 31 March 2025. The following table classifies its outstanding retail loans by category, as at the dates indicated:

	As at 31 March			
	2024		2025	
	Amount outstanding	Per cent. of total outstanding retail loans	Amount outstanding	Per cent. of total outstanding retail loans
	(Rs. in billions, except for percentages)			
Baroda Home Loan.....	1,117.91	52.01	1311.23	51.09
Baroda Auto Loan	386.97	18.00	465.49	18.14
Baroda Education Loan	98.00	4.56	113.60	4.43
Other Retail Loans	546.54	25.43	676.01	26.34
Total outstanding domestic retail loans	2,149.42	100.00	2,566.33	100.00

(A) The following is a description of the Bank's retail loan products.

Baroda Home Loan. The "Baroda Home Loan" scheme provides customers with finance for the purchase of new residential houses and flats, the construction of new houses and dwelling units, the purchase of old houses and dwelling units, and the purchase of plots of land and construction of house. Loans can only be advanced under this scheme subject to the conditions that, first, such loans must be used for the reimbursement of expenses incurred personally by the borrower in the construction or purchase of such houses and flats and, secondly, that the construction on the plot of land purchased with the loan must be completed within three years of the date of purchase of the plot or repayment of the previous loan obtained from any other bank or housing finance company. Under this scheme, individuals may borrow an amount of up to Rs. 100 million for Mumbai, 50 million for other metro branches, Rs. 30.00 million and Rs. 10.00 million from the Bank's urban (or metro) and semi-urban (or rural) branches, respectively. The Bank offers flexible repayment periods of up to 30 years.

Baroda Home Improvement Loan. The "Baroda Home Improvement Loan" scheme provides customers with finance of up to Rs. 1.00 million for the purposes of repairs, renovation and improvements and for the purchase of furniture, fixtures or furnishings and other items, such as fans, water tanks, and air conditioners.

Baroda Top up Loan. The “Baroda Top Up Loan” scheme provides customers of the Bank’s home loan scheme with finance of up to Rs. 20.00 million for any personal use.

Baroda Auto Loan. Under the “Baroda Auto Loan” scheme, the Bank provides customers with finance for the purchase of private vehicles (including four wheelers and two wheelers) for personal use. Under this scheme, an amount of up to Rs. 10.00 million is provided to customers for the purchase of new vehicles only. For the purchase of two-wheeled vehicles, the Bank provides a maximum loan of Rs. 0.10 million.

Baroda Education Loan. The “Baroda Educational Loan” scheme is designed to help students pursue education in their fields of interest and is based on the “Model Education Loan Scheme” of the Indian Banks Association. The scheme consists of two sub-schemes, namely the “Baroda Gyan” scheme and the “Baroda Scholar” scheme. The “Baroda Gyan” scheme provides finance to students at college and higher education institutions in India to attend professional courses, among others, and to students of executive development programmes in India; and the “Baroda Scholar” scheme provides finance to students at college and higher education institutions outside India to attend professional courses, among others, and to students of executive development programmes abroad. Under the scheme, the Bank provides finance for courses of up to Rs. 2.50 million for studies in India (Rs. 0.75 million collateral free) and up to Rs. 6.00 million for studies abroad.

Furthermore, the Bank has a separate education loan scheme for students pursuing their studies in India’s premier educational institutions, where collateral Free loan is available up to Rs. 4.00 million and with collateral Rs. 8.00 million also for medical and aviation institutions, and loan is available up to Rs. 12.50 million for premier educational institutions abroad, providing finance of up to Rs. 15.00 million. Additional educational schemes include the “Skill Loan” scheme, under which the Bank provides finance for vocational education and training.

Baroda Traders Loan. The “Baroda Traders Loan” scheme is designed to help individuals or firms to meet their working capital requirements and infrastructural development. Under this scheme, customers can obtain finance of up to Rs. 10.00 million, Rs. 30.00 million, Rs. 50.00 million and Rs. 100.00 million from the Banks rural, semi-urban, urban and metro branches, respectively.

Baroda Mortgage Loan. The “Baroda Mortgage Loan” scheme provides finance to resident and non-resident individuals and non-individuals for any use against the security of immovable property. Under this scheme, customers can obtain of finance up to Rs. 250 million, Rs. 100.00 million, Rs. 50.00 million, Rs. 30.00 million and Rs. 2.50 million from the Banks metro, urban, semi-urban and rural branches, respectively.

Baroda Reverse Mortgage Loan. The “Baroda Ashray Loan” scheme is a reverse mortgage loan scheme to supplement the regular cash flow for addressing the financial needs of senior citizens against self-acquired residential properties situated in India. Under this scheme, finance of up to Rs. 10.00 million can be obtained by any resident senior citizen.

Baroda Loan against Securities and Gold. The “Baroda Loan Against Securities” scheme is designed to provide finance to all resident individuals to meet their personal requirements against any pledge of National Savings Certificates, life insurance policies, Kisan Vikash Patra, RBI/Government bonds and gold. Under this scheme, an individual can obtain of finance up to 20 per cent. of the surrender value in case of insurance policies, and face value in all other cases. In the case of a loan against gold, the maximum amount financed is Rs. 1.00 million.

Baroda Personal Loan and Loan to Pensioners. Under the “Baroda Personal Loan” scheme, the Bank offers loans to salaried persons, self-employed professionals and life insurance corporation agents to cover personal expenses, the cost of unexpected medical bills and travel. Under the “Baroda Personal Loan” scheme, an amount of up to Rs. 2.00 million can be borrowed by individuals and Bank offers a flexible repayment period of up to 84 months. Under the “Baroda Loan to Pensioners” scheme, finance of up to Rs. 0.80 million can be obtained by pensioners, and the Bank offers a flexible repayment period of up to 60 months.

Baroda Loan for Subscription of IPO. Under the “Baroda Loan for Subscription of IPO” scheme, the Bank offers loans to the Banks Demat Account Holders to purchase subscriptions of shares in public offerings by reputed Public Sector Undertakings (“PSUs”), including PSU Banks and Blue Chip Companies. Under the scheme, an amount of up to Rs. 10.00 million can be borrowed from selected branches in India.

Corporate Loans and Advances

Under the target market approach adopted by the Bank, the target markets have been clearly defined and simplified target account plans put in place at major metro centres. These are executed through dedicated RMs. In addition, the Bank has put in place a team of sector specialists at its corporate office. The number of layers for credit processing originating from CFS branches and emerging corporate branches has been reduced to one, i.e. at the CPC at the corporate office. A separate research and development wing has been set up in corporate credit to provide industry updates to marketing and processing teams.

International business is being leveraged as a competitive advantage by synergising domestic and international business by offering multiple currency facilities.

The Bank offers a range of loan and advance products to assist its corporate customers with their financial needs. Corporate credit in the Bank is serviced at nine CFS branches and five emerging corporate branches which are managing about 80 per cent. of the corporate credit portfolio of the Bank.

The Bank’s total outstanding domestic corporate loans and advances amounted to Rs. 4,122.74 billion as at 31 March 2025, representing 40.38 per cent. of its total outstanding gross domestic advances. During the fiscal year ended 31 March 2025, the domestic corporate credit registered a growth of 8.57 per cent., from a level of Rs. 3,797.47 billion as at 31 March 2024 to Rs. 4,122.74 billion as at 31 March 2025. During the 2025 fiscal year, the Bank approved new and enhanced credits for 373 accounts.

Working Capital Finance. The Bank: (a) offers its corporate banking customers working capital finance in Rupees and foreign currencies to meet their operating expenses; (b) assists in the purchase of stock and inventory; and (c) provides financing for receivables. Working capital finance is provided either by: (i) funded facilities where funds are made available to assist customers to purchase assets or meet business expenses; or (ii) non-funded facilities where the Bank issues letters of credit or gives guarantees on behalf of the customer to suppliers or Government departments for the procurement of goods and services and for statutory needs.

Term Finance. Funded finance is offered by way of term loans. Non-funded finance is offered by way of deferred payment guarantees to corporate customers for capital expenditure purposes and for the acquisition of fixed assets for expansion, diversification and modernisation of industrial units, or the repayment of existing debt from other banks or financial institutions.

Corporate Loans. The Bank offers corporate loans for general corporate purposes and also to meet the general business requirements of the borrower. Loans are offered only for the following specific activities:

- building up net working capital;
- long-term working capital requirements;
- ongoing capital expenditure, such as the replacement of machinery parts, upgrades and renovation; and
- research and development expenditure.

Project Finance. The Bank provides customers with finance for new and ongoing projects in Rupees and other foreign currencies, as required. The Bank also provides medium- and long-term foreign currency loans through its overseas branches to eligible corporate entities in order for them to finance their projects in India as well as to execute project exports. Certain project finance customers execute large projects on a turnkey basis with their clients.

Infrastructure Finance. This product is used by corporate customers to fund all types of infrastructure projects, including power generation, transmission and distribution, road and bridge construction, airport and sea port-development activities, telecommunications, water supply systems, urban development projects and projects relating to the creation and development of special economic zones. Infrastructure finance is available in Rupees or other foreign currencies as required by customers.

Export Credits. The Bank offers both pre-shipment and post-shipment credit to Indian exporters through Rupee- and foreign currency-denominated loans in India. Post-shipment finance is extended by way of discounting export bills to exporters at internationally competitive interest rates.

Export Credit Guarantee Corporation of India (“ECGC”). The bank has certain products which provide insurance cover against eligible advances including, Whole Turnover – Packing Credit i.e. ECIB (WT-PC) and Whole Turnover – Post Shipment i.e. ECIB (WT-PS). The provision of such products allows the Bank to provide best-in-class solutions to the Bank’s large and growing corporate client base, and to enhance its fee-based activities.

Import Finance. The Bank provides various types of credit facilities and other services to importers in their import business to India. The various facilities provided include the collection of import bills, the provision of import letters of credit, foreign currency loan financing and the issuing of guarantees on behalf of importers.

Loans against Future Rent Receivables. This product has been developed in response to the growth in the real estate market in metropolitan and urban centres where many commercial properties and shopping malls have been developed. It allows the owners of these commercial properties to obtain loans secured against future rent receivables from such properties.

Nodal Bank with respect to the Technology Upgrade Fund Scheme for the Textile Industry. The Bank also acts as a nodal bank to channel subsidies provided by the Government to textile units financed by the Bank. This enables the Bank to approve and finance technology improvement schemes and release eligible subsidies to its clients in an efficient manner.

MSME Loans and Advances

Under RBI definitions, MSME units are classified by reference to investment: units in the manufacturing sector with investment in plant and machinery of up to Rs. 100.00 million and units in the services sector with investments in equipment of up to Rs. 50.00 million are classified as MSME.

MSME is a vital sector to the nation’s economy and provides employment to millions of people. The Bank supports credit to this vital sector through small and medium enterprise (“SME”) loan factories and a wide network of branches. To provide access to working capital to MSMEs at competitive rates on TReDS, the Bank was first to on-board on all the three TReDS platforms launched. The Bank launched Baroda e-business pack for financing MSME units. To mitigate working capital pains of MSMEs arising out of GST implementation, the Bank launched a special product for financing against GST receivables.

A fully digitised supply chain financing product launched by the Bank has provided a new vehicle for sourcing of MSME customers viz. vendors and dealers of anchor corporates.

The cash management solution will also help in augmenting the efficiency of working capital through digitisation of cash management. The Bank has also entered tie-ups/partnerships with e-commerce players and started providing credit to the sellers on the digital platform. Tie-ups/partnerships with FinTech players has led to value additions in terms of improved due diligence, better marketing opportunities and faster service delivery. The Bank has also entered into Memoranda of Understanding (“**MoUs**”) with multiple players in the field of transportation, travel, healthcare, food, dairy etc. to provide credit to units under these niche sectors. Towards transformation of the business vertical, the Bank commissioned a dedicated collection centre for MSME borrowers. To ensure consistency in underwriting, faster turnaround time and timely collections, the Bank has plans to centralise MSME loan processing, approval, disbursal and monitoring. For making available timely credit to beneficiaries under Government schemes, the Bank is in process of setting up a centralised cell in each district for processing such loan applications.

The Bank offers a range of loan and advance products to assist its MSME customers’ financial needs. The Bank’s total outstanding domestic MSME loans and advances amounted to Rs. 1,363.77 billion as at 31 March 2025, representing 13.35 per cent. of its total outstanding gross domestic advances. During the fiscal year ended 31 March 2025, the domestic MSME credit registered a growth of 14.20 per cent., from a level of Rs. 1,194.15 billion as at 31 March 2024 to Rs. 1,363.77 billion as at 31 March 2025.

Specialised Branches. These branches were established to ensure adequate and timely credit flow to the SME sector. As at 31 March 2023, the Bank had established more than 360 specialised SME branches to cater for MSME clients. The Bank applies credit assessment standards recommended by the P.R. Nayak Committee (“**Nayak Committee**”), which was formed by the RBI to examine the adequacy of institutional credit to SMEs and to make appropriate credit decisions for SME customers. These recommendations stipulate that working capital limits are to be based on the projected and accepted turnover amount, and that processing of applications and proposals for credit are to be completed within two weeks.

MSME Government Loans. The PM SVANidhi scheme, launched in July 2020, supports urban street vendors with an initial working capital loan of Rs. 10,000, an interest subsidy of 7 per cent. and a 12 month repayment period. In May 2021, it expanded to offer a second tranche of Rs 20,000 and a third tranche of Rs 50,000 for those who repaid previous loans. The loans require no collateral or CIBIL (Credit information Bureau Limited) score and are guaranteed under CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises).

The Stand Up India Scheme, initiated on 5 April 2016, targets SC/ST and women entrepreneurs starting Greenfield enterprises. It provides loans from Rs 10 lakh to Rs 100 lakh with a tenure of up to 7 years, including an 18-month moratorium. A 15 per cent. margin is required, aiming for at least two accounts per bank branch.

The Pradhan Mantri Mudra Yojana (PMMY) offers microcredit up to Rs 10 lakhs for non-farm micro enterprises. Loans are categorized into Shishu (up to Rs 50,000), Kishore (Rs 50,000 to Rs 5 lakhs), and Tarun (Rs 5 lakhs to Rs 10 lakhs). The term loan tenure is up to 84 months, with a 25 per cent. margin and no processing fee.

The PM Vishwakarma scheme, announced in the 2023 budget and approved in September 2023, supports traditional artisans with finance in two tranches: Rs 1 lakh repayable over 18 months and Rs 2 lakh over 30 months. It features a 13 per cent. gross interest rate, with an 8 per cent. subsidy from the Ministry of MSME, and requires no collateral or fees. The primary security is the asset created, with CGTMSE coverage.

SME Loan Factories. In fiscal 2006, the Bank commenced rolling out its SME loan factories (each a “**SME Loan Factory**” and together the “**SME Loan Factories**”) in strategic locations. An SME Loan Factory is a centralised SME loan-processing unit that operates on the assembly line principle. Upon receipt of a completed SME loan application and supporting documents, SME loan proposals can be appraised and processed by the relevant SME Loan Factory within 14 working days. As at 31 March 2023, the Bank had a total of 45 SME Loan Factories across India.

The Bank has also established exclusive SME marketing operations at its SME Loan Factories by staffing them with qualified specialist officers. Special training programmes are conducted for the managers and officers at these centres. These managers and officers are also provided with periodic specialised training at reputed training institutes in India.

Cluster Approach. The Bank offers tailored credit products to cater for customers in specific industrial areas, such as automobile and engineering units in Chennai, plastic and plastic packaging units in the Bulsar and Surat centres in Gujarat, textile units in the Bhilwara centre in Rajasthan, individual taxi owners in Mumbai and New Delhi, ceramic tiles/ceramic and sanitary ware units in the Rajkot in Gujarat, foundry units in Maharashtra, Goa and Rajkot in Gujarat and dyeing and printing units in Surat in Gujarat.

The Bank is also involved in financing using a cluster-based approach: that is, financing of small enterprises that have a homogeneous profile, such as apparel manufacturers and manufacturers of pharmaceuticals. The risk assessment of such a cluster involves the identification and application of appropriate credit norms to the relevant target market, the use of scoring models for enterprises that satisfy these norms, and applying pre-determined exposure limits to enterprises that are awarded the minimum required score in the scoring model. The assessment also involves setting up portfolio control norms, individual borrower approval norms and stringent review and exit triggers to be followed when financing such clusters or communities.

Collateral-free Loans and Advances. The Bank generally provides collateral-free loans of up to Rs.1.00 million to small enterprises. In certain cases, the Bank may increase the principal amount of such loans up to Rs. 2.50 million upon reviewing the requirements and the conditions (financial or otherwise) of the borrower and the general performance of the industry at the relevant time. The Bank provides collateral-free loans of up to Rs. 20.00 million to small enterprises under the credit guarantee scheme of the Credit Guarantee Fund Trust for Micro and Small Enterprises.

Pradhan Mantri Mudra Yojana (“PMMY”). PMMY was launched by the Honourable Prime Minister Shri Narendra Modi on 8 April 2015 to provide financial assistance to non-corporate, non-farm small and micro enterprises. The bank under PMMY offers collateral-free finance up to Rs. 1.00 million to all resident individuals or non-individuals under three different categories: Shishu, Kishore and Tarun. The finance under this scheme can be for term loans and working capital with no collateral, less documentation and reduced rates of interest.

To mitigate the issue of collaterals, Credit Guarantee is extended by the creation of a fund called Credit Guarantee Fund for Micro Units (“CGFMU”) and the scheme has been notified by Government of India (“GoI”) in its notification dated 18 April 2016. Accordingly, all eligible micro loans sanctioned since 8 April 2015 are covered under the scheme. The scheme is being managed by National Credit Guarantee Trustee Company Ltd. (“NCGTC”), an agency promoted by the GoI.

The Bank has entered into MoUs with credit rating agencies, such as the SME Rating Agency (“SMERA”), the Credit Rating Information Services India Limited, Credit Analysis and Research Limited, ICRA Limited and Brickwork Ratings India Private Limited, for the rating of SMEs so as to facilitate rated SMEs in obtaining loans with a lower rate of interest and to reduce the credit decision period. The Bank has also entered into certain arrangements with Small Industries Development Bank of India (“SIDBI”) and a number of the state financial institutions to provide joint financing for SMEs.

The Bank has partnered with FinTech companies, as the Bank believes that these partnerships will help create better, faster and more cost-effective services to its MSME customers, which, in turn, will enable the Bank to add value to its services and enhance its marketing opportunities.

Agriculture Loans & Advances and Priority Sector Lending: The key element of the Bank’s agriculture and rural strategy continues to be developing an ecosystem of alliances and partnerships with financial services providers, agriculture finance companies, insurance companies, private equity firms, warehouses and cold-storages, Tractor OEMs, SHGPIs and Various Dairies etc. The underlying idea is to increase farm productivity, enhance the income of farmers and serve the rural economy. The Bank has set up an integrated Rural & Agri banking vertical that caters business growth & initiatives towards to the agriculture lending.

The strategic partnerships entered into include those with key agriculture sector players building the rural ecosystem, such as SHGPIs for boosting SHG loan portfolio, leading Tractor OEMs, collateral managers to finance farmers to prevent distress selling, dairy companies, etc. The Bank has moved beyond granting simple farm credit to a more diversified rural & Agriculture lending strategy focusing on new products across rural customer segments like farm mechanisation, horticulture loans, warehouse receipt financing, food and agricultural processing, protected cultivation, SHG financing, Financing to FPOs/FPCs and adopting a community based lending model for the small farmers and communities Bank has also established a dedicated cell called CAMP (Centre for Agriculture Marketing and Processing) for processing of agriculture loans with a special focus on non-traditional and high value Agri advances in October, 2021.

The Bank offers a wide variety of products and schemes to the agricultural community to assist with Rural & Agriculture development. These facilities are predominantly located in 4,966 branches situated in rural and semi-urban centres. The Bank's total outstanding domestic agricultural loans and advances amounted to Rs. 1,583.24 billion as at 31 March 2025, representing 15.51 per cent. of its total outstanding gross domestic advances. During the fiscal year ended 31 March 2025, the domestic agricultural credit registered a growth of 14.20 per cent. from a level of Rs. 1,386.40 billion as at 31 March 2023 to Rs. 1,583.24 billion as at 31 March 2025.

The table below sets out the geographic distribution of agricultural loans across India, as at 31 March 2024 and 31 March 2025:

Geographic distribution	As at					
	31 March 2024			31 March 2025		
	Number of accounts	Amount outstanding (Rs. in billions)	Percentage of total outstanding agricultural loans	Number of accounts	Amount outstanding (Rs. in billions)	Percentage of total outstanding agricultural loans
Northern India.....	8,50,165	220.84	15.93%	9,32,828	244.40	15.44%
North-Eastern India.....	10,319	3.89	0.28%	12481	3.85	0.24%
Eastern India	2,82,539	59.49	4.29%	3,18,334	73.00	4.61%
Central India	11,14,110	243.83	17.59%	12,25,573	269.69	17.03%
Western India	13,62,643	354.80	25.59%	14,64,483	391.45	24.72%
Southern India.....	24,04,825	503.56	36.32%	25,93,740	600.86	37.95%
Total agriculture portfolio	60,24,601	1,386.41	100.00%	65,47,439	1583.25	100.00%

Details of the Bank's facilities and products developed for agricultural customers are set out below.

Agricultural Lending, Financing and Investment. The Bank provides loans for the purchase of agricultural implements, heavy agricultural machinery (for farmers with larger holdings containing irrigation facilities and groups of farmers with shared irrigation facilities) and second-hand tractors and equipment. A crop cultivation lending scheme is also in place to assist farmers with the purchase of agricultural products and to cover other expenses related to the raising of crops. Security for these loans is often provided against the acquired asset/land or the agricultural produce. Loans are also available for the cost of storing produce, improving irrigation, developing new orchards or maintaining orchards, developing land and constructing and maintaining farm buildings. The Bank also provides loans to sharecroppers, tenant farmers, oral lessees and self-help groups ("SHGs") of farmers.

Allied Activities. The Bank supports the development of activities associated with agriculture, including dairy, poultry, fisheries, sericulture, mushrooms and apiculture, by extending short-term and long-term finance. The Bank's dealings extend to assisting in the production, processing and marketing activities of farmers, landless labourers, tenant farmers, oral lessees, SHGs, co-operative societies, firms, corporates and institutions.

The Bank also provides loans for farmers producers companies/Farmers producer's organisations for any agriculture based activity by FPO/FPC benefitting their farmers.

Baroda Kisan Credit Card. The Baroda Kisan Credit Card scheme is designed exclusively for farmers, and aims to provide them with the opportunity to manage and utilise funds according to their needs. The Baroda Kisan Credit card facility provides support to meet short term credit requirements for cultivation of crop, post-harvest expenses, product marketing loans, consumption requirements of farmers household, working capital for maintenance of farm assets and allied activities, investment credit requirements. Bank has recently introduced “Baroda Kisan Pride” scheme for Progressive & Scientific Farmers engaged in scientific techniques of land management and crop production like Cultivation in Poly houses, Hydroponics, indoor farming, vertical farming, hi-tech farming where Maximum loan limit is Rs.10 Cr. The Bank had over 553.49 million Baroda Kisan Credit Cards outstanding as at 31 March 2024 and over 589.25 million Baroda Kisan Credit Cards outstanding as at 31 March 2025.

Loans are also provided to SHGs/JLGs and non-governmental organisations viz. MFIs for on-lending to members of SHGs, individuals or small groups. Lending to SHGs is also considered under Bank’s Priority Sector lending.

Priority Sector Lending. RBI guidelines mandates banks to lend at least 40.00 per cent of their adjusted net bank credit (“ANBC”) to priority sectors. Priority sectors include the agricultural sector, Micro, small & medium enterprises, Housing Loans (up to certain limits), Education loans (up to certain limits), and certain other sectors loans (up to certain limits). Banks are also required to lend a minimum of 18.00 per cent of their adjusted net bank credit to the agriculture sector.

The Bank is required to comply with the priority sector lending requirements. While computing priority sector target achievement, shortfall/excess lending for each quarter is monitored separately. A simple average of all quarters is arrived at and considered for computation of overall shortfall/excess at the end of the year. The same method is followed for calculating the achievement of priority sector sub-targets.

In case any shortfall in lending to priority sector, Bank is to deposit allocated amounts for contribution to the Rural Infrastructure Development Fund (“RIDF”) established with NABARD and other funds with NABARD/NHB/SIDBI/MUDRA Ltd., as decided by the Reserve Bank from time to time.

These deposits have a maturity of up to seven years but are relatively low yielding.

The Bank reports its priority sector loans to the RBI on a quarterly basis. For the financial year ended 31 March 2025, the Bank’s priority sector loans amounted to Rs. 3,474.66 billion, constituting 40.42 percent of its ANBC against the mandatory requirement of 40.00 percent. Lending to the agriculture sector constituted 18.05 per cent of the Bank’s adjusted net bank credit and lending to micro enterprises constituted 9.10 percent of its adjusted net bank credit.

The following table presents data on the Bank’s outstanding priority sector lending, including the data as a percentage of its net bank credit, as at 31 March 2024 and 31 March 2025:

	31 March 2024		31 March 2025	
	Amount	Per cent. of net bank credit ⁽¹⁾	Amount	Per cent. of net bank credit ⁽¹⁾
	(Rs. in billions, except for percentages)			
Agriculture	1,390.65	18.45%	1,549.23	18.07%
Micro Enterprises	699.66	9.28%	780.58	9.10%
Small & Marginal Farmers	844.94	11.21%	941.60	10.98%
Weaker Section	1,140.61	15.13%	1,272.21	14.84%
Non-Corporate Farmers	1,171.52	15.54%	1,316.70	15.35%
Priority sector credit total.....	3,019.17	40.06%	3,474.66	40.52%
Adjusted net bank credit.....	7,537.50	100.00%	8,575.55	100.00%

Note:

(1) Net bank credit is gross bank credit less certain adjustments required by the RBI.

Deposits

The Bank's deposits are broadly classified as: demand deposits, which are non-interest bearing; savings deposits, which are deposits that accrue interest at a rate set by the Bank and upon which cheques can be drawn.

Present SB Interest Rate Slab on O/s Balance	Interest Rates
Up to Rs. 1.00 lakh	2.75%
Above Rs 1.00 Lakh to less than Rs. 10 crores.....	2.75%
Rs. 10 crores and above to less than Rs. 50 crores	2.75%
Rs. 50 crores and above to less than Rs. 100 crores	3%
Rs.100 crores and above to less than Rs.200 crores	3%
Rs 200 crores and above to less than Rs 500 crores	3.05%
Rs 500 crores and above to less than Rs 1,000 crores.....	4.1%
Rs 1,000 crores and above.....	4.5%

Term deposits (also known as time deposits), which have interest rates determined by the Bank, including recurring deposits (which are periodic deposits of a fixed amount over a fixed term that accrue interest at a fixed rate) and certificates of deposit.

Demand deposits can be withdrawn on demand during banking hours. Current accounts and matured term deposits are categorised as demand deposits. Time deposits allow depositors to opt for payment of interest at maturity or at periodic intervals.

The following table sets out the balances outstanding by type of deposit, as at the dates indicated:

	31 March 2024		31 March 2025	
	Balance outstanding	Percentage of total	Balance outstanding	Percentage of total
	(Rs. in billions, except for percentages)			
Demand deposits	1,204.11	9.02%	1,437.29	9.76
From banks.....	35.74	0.27%	36.43	0.25
From others	1,168.36	8.75%	1,400.86	9.52
Savings deposits	3,939.56	29.51%	4,129.36	28.05
Term deposits	8,207.70	61.47%	9,153.69	62.18
From banks.....	890.13	6.67%	1,026.53	6.97
From others	7,317.57	54.81%	8,127.16	55.21
Total deposits	13,351.36 ⁽¹⁾	100.00%	14,720.34	100.00%

Note:

(1) Total of Demand Deposit, Saving Deposit and Term Deposit

Current Deposits

The Bank's current deposit plans are designed to meet the needs of different categories of customers. The terms are flexible and instructions can be effected immediately.

Business and corporate customers are able to take advantage of the overdraft facility offered in connection with current deposits. The Bank's network of branches and other access points, such as the internet and telephone, allow instructions in relation to a customer's account to be issued or effected without delay.

bob Advantage Current Account: In this product, depositors are required to maintain a minimum average quarterly balance of Rs. 2,000 for rural, Rs. 5,000 for semi-urban branches and Rs. 10,000 for urban and metro branches.

Baroda Small Business Current Account: In this product, depositors are required to maintain a minimum average quarterly balance of Rs. 2,500; this product is available only at urban and metro branches. This scheme is discontinued from 19 January 2024.

Bob Premium Current Account: This product has been developed for high-value current account customers. There are two categories of premium current accounts: one in which depositors are required to maintain a minimum average quarterly balance of Rs. 75,000, and the other in which depositors are required to maintain a minimum average quarterly balance of Rs. 250,000 (called “**bob Supreme Current Account**”). The Bank provides additional facilities and certain free services to its Premium Current Account holders.

Introduction of Seven New Innovative Current Account Schemes

Commencing from 19 January 2024, the Bank has designed and introduced a new range of Current Account Schemes to meet the growing and dynamic requirements of various customer segments from Small, Medium, Large to Extra Large Businesses. These current accounts come with various features and benefits to meet the business banking requirements of different customer segments.

The newly launched bob Current Accounts are: bob Lite (aimed at individuals/sole proprietorships/small businesses), bob Women Power (for women entrepreneurs), bob Smart (aimed at businesses largely conducting digital transactions), bob Gold (for medium-sized businesses) and bob Platinum, bob Rhodium, and bob Diamond (for large businesses having high transactional requirements).

The seven new current account schemes are an exciting addition to the Bank’s range of financial solutions, aimed at providing the Bank’s customers with best-in-class Industry products with enhanced features and benefits.

This is an exciting addition to the Bank’s range of financial solutions, aimed at providing the Bank’s customers with enhanced features and benefits, some of the key features are mentioned here:

bob Lite Current Account (CA140)

- “Pay as you go” Current Account with Zero MAB;
- As the name of the scheme, customer has to pay as per the utilization of the services;
- One Soundbox QR free;
- Free Cash handling/Deposit limit of 1000 notes per day irrespective of SOL; and
- Collateral free Overdraft up to Rs. 25.00 Lakh.

bob Women Power Current Account (CA141)

- This scheme is specially for women entrepreneurs;
- Very low Monthly Average Balance (MAB) requirement of Rs. 10,000;
- Free Cash Handling/Deposit Limit is up to Rs. 1.00 Lac per day subject to 10 times of MAB irrespective of SOL;
- Sweep facility is available;
- Two Soundbox QR and one POS free; and
- Collateral free Overdraft up to Rs. 25.00 Lakh.

The Bank has to ensure that the account is opened by women entrepreneur only as under:

Type of accounts	Eligibility
Individual.....	Account holder should be woman
Proprietorship	Sole proprietor should be woman
Partnership	At least one partner should be woman
Company	At least one Director should be woman

bob Smart Current Account (CA142)

- This scheme is specially designed for the tech savvy customers having requirement of mainly Digital Transactions.
- Monthly Average Balance (MAB) requirement of Rs. 25,000.
- Free Cash Handling/Deposit Limit is up to Rs. 2.50 lac per day subject to 10 times of MAB irrespective of SOL.
- Sweep facility is available.
- Two Soundbox QR and one POS free.
- Collateral free Overdraft up to Rs. 25.00 Lakh.

bob Gold Current Account (CA143)

- Scheme curated for growing business needs.
- Monthly Average Balance (MAB) required of Rs. 5.00 lakh (Five Lakh only)
- Free Cash Handling/Deposit Limit is up to Rs. 50 lac per day subject to 10 times of MAB irrespective of SOL.
- Sweep facility is available from 15 days to 1 year.
- 10 Soundbox QR and 2 POS free.
- Free Intersol transaction Charges
- Collateral free Overdraft up to Rs. 25.00 Lakh.

bob Platinum Current Account (CA144)

- Scheme curated for HNI/Companies
- Monthly Average Balance (MAB) required of Rs. 10.00 lakh (Ten Lakh only)
- Free Cash Handling/Deposit Limit is Rs. 100 Lac per day subject to 10 times of MAB irrespective of SOL.
- Sweep facility is available from 15 days to 1 year.
- 20 Soundbox QR and 4 POS free.
- Free Intersol transaction Charges
- Collateral free Overdraft up to Rs. 25.00 Lakh.

bob Rhodium Current Account (CA145)

- Scheme curated for HNI/Large Corporate and Traders
- Monthly Average Balance (MAB) required of Rs. 25.00 lakh (Twenty five lakh only)
- Free Cash Handling/Deposit Limit is Rs. 250 Lac per day subject to 10 times of MAB irrespective of SOL.
- Sweep facility is available from 15 days to 1 year.
- 30 Soundbox QR and 8 POS free
- Free Intersol transaction Charges
- Collateral free Overdraft up to Rs. 25.00 Lakh.

bob Diamond Current Account (CA146)

- Scheme curated for HNI/Large Corporate and Traders having bulk cash transactions.
- Monthly Average Balance (MAB) required of Rs. 50.00 lakh (Fifty lakh only)
- Free Cash Handling/Deposit Limit is Rs. 500 Lac per day subject to 10 times of MAB irrespective of SOL.
- Sweep facility is available from 15 days to 1 year.
- Free 50 Soundbox QR and 10 POS/MPOS.
- Free Intersol transaction Charges
- Collateral free Overdraft up to Rs. 25.00 Lakh.

Savings Bank Account

The Savings Account offers easy liquidity, security and interest on deposits and provides banking facilities such as deposits, withdrawals, ATM cards and chequebooks to individuals.

Baroda Savings Account: This product is available at all bank branches and depositors are required to maintain a minimum average quarterly balance of Rs. 2,000 at urban and metro branches, Rs. 1,000 at semi-urban branches and Rs. 500 at rural branches.

Super Savings Account (for urban and metro branches): This product is a savings bank account with value-added propositions for high-value Indian customers. The Bank provides additional facilities, such as an auto sweep facility to term deposits above Rs. 50,000, and free services, including unlimited chequebooks to such account holders.

Baroda Corporate Salary Savings Account: This product has been formulated to attract deposits from salaried individuals of corporates, organizations, institutions and firms (proprietorship/partnership/pvt ltd), and contractual/probationary/temporary government employees. Under this product, any individual with a minimum salary of Rs. 10,000 per month can open a savings account with a zero balance facility. This scheme also offers an overdraft facility of up to Rs. 300,000. The product's other features include no minimum balance requirement, an overdraft facility and free accidental insurance up to Rs. 50.00 lakhs.

The Bank carries additional niche products for salaried individuals:

- the “Baroda Salary Classic Savings Account” for individuals having a gross salary between Rs. 10,000 and Rs. 50,000.
- the “Baroda Salary Super Savings Account” for individuals having a gross salary between Rs. 50,000 and Rs. 100,000.
- the “Baroda Salary Premium Savings Account” for individuals having a gross salary between Rs. 100,000 and Rs. 200,000.
- the “Baroda Salary Privilege Savings Account” for individuals having a gross salary above Rs. 200,000.

Baroda Advantage Pensioners Savings Account: This product is specially designed to meet the needs of pensioners. This account can be opened at all branches with a nominal amount of Rs. 5, and there is no minimum balance requirement. This product has all the features of a basic savings account with the additional benefit of an overdraft facility up to a maximum of two months’ pension amount.

Baroda Jeevan Suraksha Savings Account: This product provides the benefits of a savings account along with the additional benefit of life insurance of up to Rs. 500,000 on payment of a premium amount. This product is available at all bank branches and depositors are required to maintain a minimum balance of Rs. 1,000.

Baroda Centenary Savings Account: The Baroda Centenary Savings Account provides the facility of auto sweep to term deposits above Rs. 10,000. This product is available at all bank branches and depositors are required to maintain a minimum average quarterly balance of Rs. 10,000.

Baroda Basic Savings Account: This product is similar to the Baroda Savings Account, and is available at all bank branches with relaxed know your customer procedures. There is no minimum balance requirement.

Baroda Bachat Mitra Savings Account: This product is similar to the Baroda Savings Account along with an overdraft facility secured by pledge of term deposits. This product is available at all bank branches and has no minimum balance requirement.

Baroda Champs Savings Account: This product is specially designed to encourage young individuals aged between ten and 18 to save. This product is available at all bank branches and depositors are required to maintain a minimum balance of Rs. 1,000. This account offers customers various rewards and offers associated with debit cards.

Fixed Deposit Account

Interest-bearing accounts are available on both a short-term and long-term basis. These deposits are also accepted as margins for fund-based and non-fund-based facilities. The Bank’s fixed deposit plans include ‘Regular Income Cum Recurring Deposit Plan’, ‘Regular Income Plan’ (monthly, quarterly, half-yearly and annually), ‘Short Deposits’, ‘Baroda Advantage Fixed Deposit’ (non-callable), ‘Baroda Maha Utsav Deposit Scheme’, ‘Fast Access Deposit Scheme’, ‘BOB Suvidha Fixed Deposit Scheme’, ‘Recurring Deposit’, ‘Baroda Holiday Saving Recurring Deposit’, ‘Yatha Shakti Jama Yojana’ (flexible recurring deposit scheme), ‘Capital Gain Account Scheme 1988’ and ‘Baroda Tax Saving Term Deposit’ (non-callable).

Deposits by Non Resident Indians (“NRIs”): Through its wide network, the Bank actively seeks banking business from NRIs, seeking to satisfy the comprehensive banking needs of NRIs by providing a wide range of services, such as deposit products in Rupee and foreign currencies, including United States (“U.S.”) Dollars, Pounds Sterling, Euros, Canadian Dollars, Australian Dollars and Japanese Yen. The Bank has set up a centralised back office for account maintenance of NRIs.

International Operations

The Bank's international experience spans more than 70 years, with its first overseas branch having been established in Mombasa, Kenya in 1953. The Bank had 84 branches and offices (including branches of its subsidiaries but excluding JV & Associate) in 17 countries across five continents as at 31 March 2025.

The Bank has presence in the world's major financial centers of New York, London, Dubai, Singapore and Australia. In addition, Bank has a wholesale branch in GIFT City (SEZ), Gujarat, India which is treated as an offshore banking unit and has chosen the branch as a center for business growth taking into consideration the immense business potential, tax advantage, Government initiatives etc. Bank has taken various proactive steps in creating world class infrastructure for the branch in IFSC including state of the art dealing room for International treasury of global standard at GIFT city.

Bank pursues a strategy of driving growth and value by meeting the international banking requirements of Indian corporates; catering to India linked cross-border trade flows for Indian and locally incorporated companies or firms and being the preferred Bank for NRIs/Persons of Indian Origin.

Looking into the available business opportunities, Bank has also diversified the advances portfolio by taking exposure on Non-India related syndication loans in the primary and secondary market. Also, various new products have been launched to broaden the product basket.

Further, in overseas centers, substantial progress has been made in IT up gradation for end-to-end business solution, with a focus on digitization and centralization, to improve productivity and customer experience. Bank is continuously integrating multiple platforms of technology to generate synergies.

Looking into the available business opportunities, Bank has also diversified the advances portfolio by taking exposure on Non-India related syndication loans in the primary and secondary market. Also, various new products have been launched to broaden the product basket.

The Bank's international branches, subsidiaries and joint ventures focus on providing a range of services to retail, small and medium-sized enterprises, corporates and to the Indian expatriates. The Bank also focuses on asset creation and developing cross border businesses by providing international trade, project finance, syndications, remittances and correspondent banking services.

The Bank's widespread reach provides it with a diverse business and customer base. The Bank offers a variety of banking services through its international network, which vary from country to country.

The following table shows the Bank's assets from its international operations, including the data as a percentage of the Bank's total assets as at the dates indicated:

	As at 31 March			
	2024		2025	
	Amount	Percentage of bank's total assets	Amount	Percentage of bank's total assets
	(Rs. in billions, except for percentages)			
International Operations	2,422.23	15.27	2,930.69	16.45

As at 31 March 2024 and 31 March 2025, the revenue from its international operations amounted to Rs. 180.14 billion and Rs. 194.68 billion, respectively (includes Interest and Other Income).

Trade Finance

The Bank is active in financing post-sale international trade bills through its vast network of overseas branches and subsidiaries. The Bank is able to provide competitive discount rates under letters of credit issued by most Indian banks and other international banks.

Export Credits

The Bank offers both pre-shipment and post-shipment credit to exporters by providing discounting of export bills at internationally competitive interest rates.

Import Finance

The Bank provides various types of credit facilities and other services to importers. The various facilities provided include the collection of import bills, the provision of import letters of credit, foreign currency loan financing and the issuing of guarantees on behalf of importers.

Foreign Currency Credits

The Bank provides loan facilities in foreign currencies through its presence in 17 countries, and has been able to secure a large NRI customer base.

The Bank's presence in overseas financial centres, including London, New York, Singapore, Hong Kong, Dubai and Brussels, has enabled the Bank to arrange for and grant foreign currency loans to NRIs and multinational corporations at competitive rates.

External Commercial Borrowings ("ECBs")

ECBs are foreign currency borrowings raised by Indian corporations from non-resident lenders. With offices in many of the major global financial centres, the Bank is active in granting and arranging ECBs for Indian corporations.

To facilitate ECBs, the Bank has established a dedicated syndication desk in Mumbai for sanctioning and arranging ECBs by way of bilateral loans, syndicated loans, bonds and other forms of foreign currency funding. The Bank's services in Mumbai are supplemented by a specialised global syndication centre in London and regional syndication centres at Dubai and Singapore, which specialise in arranging funds for Indian corporations from the international markets.

By continuously arranging syndicated loans to Indian corporations and leveraging its strong global presence, the Bank has developed strong relationships with many of banks across the globe. As a result, the Bank is able to create and offer innovative products that are structured to the needs of Indian corporations.

Correspondent Banking

The Bank's worldwide network of branches is able to offer correspondent banking services to other Indian banks, and to banks from other countries. In particular, the New York, Dubai and London branches are equipped with trained staff and the latest technology to provide services in U.S. Dollars, Dirham, and Pounds Sterling, respectively. The main services provided through the Bank's correspondent banking network include the collection of bills, advising and confirming letters of credit issued by other banks, the discounting of bills drawn under letters of credit, maintenance of foreign currency accounts and handling remittances on behalf of own branches and other banks.

Remittances

RapidFund2India. This is the Bank's in-house instant remittance product, available across all overseas branches and branches of the Bank's overseas subsidiaries. This product allows a recipient's account to be credited immediately with transferred money.

Money Transfer Services. The Bank provides money transfer services through Express Money and Moneygram in association with UAE Exchange Financial Services Limited and Western Union Money Transfer in a tie-up with Weizmann Forex Limited.

Baroda Flash Remit. The Bank launched the “Baroda Flash Remit” facility, in collaboration with the UAE Exchange Centre LLC, for all of its account holders. This facility allows individuals to remit money to any of the Banks accounts instantly and is available at all outlets of the UAE Exchange Centre LLC across in various countries.

Speed Remittance. The Bank launched the “Speed Remittance” product in a tie-up with the UAE, Al-Ansari and Lulu Exchange houses. Under this facility, money is credited to a recipients account in various batches on the same day or within 24 hours.

Offshore Banking Units (“OBUs”)

As at 31 March 2025, the Bank had OBUs in the Mauritius, DIFC, Dubai and the International Financial Service Centre (“IFSC”) at GIFT City, Gandhinagar, Gujarat, India. These OBUs provide various foreign currency assets, liability products and services to customers.

Rationalisation of Overseas Operations

The Bank has strategically undertaken rationalization of its overseas presence based on a comprehensive evaluation framework. As part of this exercise, in recent years, Bank has closed its operations in Hong Kong, South Africa and a branch/office each in UAE, Oman and Mauritius. The Bank is continuously consolidating and re-organising its International Operations in line with the new global environment and focused on rebalancing the portfolio with a view to manage risks, shed low-yield assets and increase profitability.

Domestic Treasury Operations

The Bank has established dedicated desks at the specialised integrated treasury branch in Mumbai. As well as the management of funds and liquidity, the Bank’s domestic treasury operations also handle commercial paper, certificates of deposit, government securities, treasury bills, bonds and debentures, equities, foreign exchange and various other derivatives, along with other financial instruments.

The Bank’s treasury operations are the focal point for the management of the market and liquidity risk of the Bank. The Bank seeks to maintain an optimum level of liquidity while optimising the yield and benefit from price movements, and complying with the cash reserve and statutory liquidity ratios.

Under the RBI’s statutory liquidity ratio (“SLR”) requirement, as at 31 March 2025, the Bank was required to maintain an amount equal to at least 18 per cent. of its net demand and time liabilities (“NDTL”) in approved securities, such as Government securities and state government securities. As at 31 March 2025, such approved securities consisted of 22.77 per cent. of the Bank’s NDTL. Under the RBI’s cash reserve ratio (“CRR”) requirements, the Bank is required to maintain a minimum of 4.50 per cent. of its NDTL in cash/current account with the RBI. For the period from 1 April 2024 to 31 March 2025, the Bank maintained an average cash reserve of Rs. 505.01 billion, which accounted for 4.38 per cent. of its NDTL.

The following table gives details of the allocation, by category, of the Bank's domestic investment portfolio:

	As at 31 March			
	2024		2025	
	(Rs. in billions, except for percentages)			
Securities				
SLR				
Government securities	3,221.48	91.13%	3281.08	88.99%
Approved securities	0.01	0.00%	0.55	0.01%
Sub-total	3,221.49	91.13%	3281.63	89.00
Non-SLR				
Subsidiaries and joint ventures	34.67	0.98%	48.04	1.30%
Bonds and debentures*	252.15	7.13%	284.93	7.73%
Shares	21.60	0.61%	60.32	1.64%
Mutual funds and others	5.31	0.15%	12.16	0.33%
Sub-total	313.73	8.87%	405.45	11.00
Total (Domestic)	3,535.22	100.00%	3,687.08	100.00%

* Including recap bonds issued by GoI

	As at 31 March			
	2024		2025	
	(Rs. in billions, except for percentages)			
Held to maturity	2,585.62	72.46%	2,673.61	72.16%
Available for sale	974.33	27.31%	874.11	23.59%
FVTPL	8.24	0.23%	109.01	2.94%
Subsidiaries			48.05	1.30%
Total (domestic)	3,568.19	100.00%	3,704.78	100.00%

Foreign Exchange Operations

The Bank's overseas presence has enabled it to become one of the leading foreign exchange dealers in India. The modern dealing room at the specialised integrated treasury branch in Mumbai handles much of the Bank's foreign exchange transactions and has enabled it to act as a market maker in spot and forward markets, as well as foreign swap markets. The services to its customers include the hedging of foreign currency risks by providing forward covers and various derivatives products. The Bank enters into foreign exchange and derivative transactions for its customers and on its own account.

Other Products and Services

NRI Services

The Bank is also able to offer NRIs a full range of products, including remittance facilities and the acceptance of deposits in Rupees and in designated foreign currencies. Residents and returning NRIs can also make use of the Bank's resident foreign currency accounts. The Bank also maintains Exchange Earner's Foreign Currency accounts for its export customers.

Credit Cards

Through the Bank's wholly-owned subsidiary, BOBCARD Ltd. (formerly known as BOB Financial Solutions Ltd.), has become a cornerstone in the Bank's overall financial offerings, providing a full range of credit cards reimagined to meet the credit requirements of a range of customer profiles – from retail cards with shopping and lifestyle privileges to co-brand cards offering the best of both worlds, commercial credit cards, and cards for professionals like ICAI (Institute of Chartered Accountants of India), ICMAI (Institute of cost accountants of India), ICSI (Institute of Company Secretaries of India), to specially designed cards for defense personnel of the Indian Navy, Army, Police, Paramilitary forces, etc.

The Bank's affiliation with MasterCard International and Visa International allows customers to have access to a large network of Indian and international merchant establishments.

During the year, various growth initiatives were taken by the Bank. It launched the New 5x range of cards, equated monthly instalment (“EMI”) on transactions, online application processing and underwriting. Dedicated Call Centres to receive POS-related complaints were also set up.

Supply Chain Finance

Supply Chain Finance attempts to bridge the gap of supplying goods and receiving proceeds against them, by enabling both parties to get hassle-free working capital to carry out sale and purchase transactions in a more relaxed manner.

(A) The Bank's “Supply Chain Finance” consists of following products:

- Vendor Finance
- Payable Finance
- Dealer Finance

In order to expand business and expand its customer base the Bank has started an initiative to tie up with various e-commerce portals and FinTech companies.

Wealth Management

The Bank is offering wealth management services to differentiated sets of customers and launched “Baroda Radiance” services for high net-worth individuals (“HNIs”) in select cities through a dedicated team of RMs. The Bank is in the process of putting in place the necessary infrastructure to scale up the services. To offer an enhanced suite of products to the customers, the Bank extended its partnership with more players in the mutual fund arena. In addition, the Bank also has a corporate agency arrangement with non-life and health insurance players in the market besides an agency tie-up with its joint venture partner in life insurance viz. IndiaFirst Life Insurance Co. Ltd. The Bank has launched the mobile app M-Invest which offers paperless KYC, goal based investing, research based recommendations and straight through processing of transactions for investment in mutual funds.

Cash Management/Collection Services

Baroda Cash Management Services (“BCMS”) is an application that facilitates the management of funds of corporate customers. There are three main modules of BCMS, namely: (i) collection; (ii) payment; and (iii) liquidity management.

This facility enables the Bank's customers to send multiple National Electronic Fund Transfers (“NEFTs”), Real Time Gross Settlements (“RTGSs”) and Internal Fund Transfers (“IFTs”) by sending digitally signed Excel or text files to the Bank's branches. Customers can also carry out web-based payment transactions and immediately have MIS through the “Bank O Net” facility. The liquidity management module of the application helps in managing the idle funds of the customer.

Government Business

Apart from offering retail banking services to its customers, the Bank acts as an agency bank in undertaking various types of Government business, including Sovereign Gold Bonds (“SGB”), Public Provident Funds (“PPF”), Sukanya Samriddhi Accounts (“SSA”), Atal Pension yojana, National Pension System (“NPS”), Senior Citizen Saving Scheme (“SCSS”), RBI Bonds, pension payment business, the collection of direct taxes, indirect taxes, and GST, and services to civil and non-civil ministries, and undertakes treasury business on behalf of state governments.

The Bank is also an accredited bank of the Ministry of Health and Family Welfare and the Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy. The Bank has implemented an e-payment system for all the pay and accounts of the offices of the Ministry of Health and Family Welfare, and the Bank’s city office in New Delhi is the focal point branch for such purposes. The Bank also collects licence and registration fees on behalf of the Food Safety and Standards Authority of India.

The Bank has been accredited by the Ministry of External Affairs (“MEA”) for the purpose of handling foreign exchange remittance transactions between MEA and its various overseas offices, using the Bank’s city office in New Delhi as the focal point branch for such purposes.

All branches of the Bank are authorised to receive subscriptions under PPF, SSA and SCSS and GST. The Bank is also authorised to collect e-Stamp duty in 13 states.

The Bank has partnered with Government e-Procurement Market (“GeM Portal”) for procurement of goods by the central government, state government, Public Sector Undertakings (“PSUs”) and other Government bodies.

Insurance

Life Insurance. The Bank, as a corporate agent of IndiaFirst Life Insurance Company Limited, sells life insurance products through investment advisers, who are certified by the Insurance Regulatory and Development Authority. IndiaFirst Life Insurance Company Limited is a joint venture company in life insurance, owned by the Bank, Andhra Bank and Legal & General, UK.

Non-Life Insurance. The Bank, as a corporate agent of National Insurance Company Ltd. (“NICL”), sells non-life insurance products through the Bank’s branches. The Baroda Health Mediclaim Insurance Policy is also offered for the benefit of the account holders of the Bank, in association with NICL.

All domestic branches of the Bank are authorised to offer the life and non-life insurance products of the above tie-up partners.

Mutual Fund

The Bank has agreements with eight mutual fund houses, namely UTI Asset Management Company, Birla Sun Life Asset Management Company, Reliance Asset Management Company, Franklin Templeton Investment, Sundaram BNP Paribas Asset Management Company, Baroda Pioneer Asset Management Company, Kotak Mahindra Asset Management Co. Ltd. and IDFC Asset Management Co. Ltd. Baroda Pioneer Asset Management Company Ltd. is the Bank’s joint venture with Pioneer Investments, Italy.

Baroda E-Trading

The Bank has tied up with BOB Capital Markets Limited (“BOBCAPS”) to provide an online trading facility to its customers having demat, savings and/or current accounts with Bank.

Depository Services

The Bank is registered as a depository participant with the National Securities Depository Limited (“NSDL”) and the Central Depository Services Limited (“CDSL”). At present, the full range of depository services for CDSL or NSDL is offered by selected domestic branches.

Appraisal and Merchant Banking

The Bank's wholly-owned subsidiary BOBCAPS provides and offers appraisal services to corporate customers, merchant banking services, investment banking services, mutual funds, issue management services and sub-brokerage services for public issues of corporate bonds. Credit appraisals by a specialised team of officials are available for all types of business ventures, including infrastructure projects. BOBCAPS also assists in loan syndication, debt restructuring, advisory, techno-economic viability studies, the vetting of projects and related activities for all types of business ventures, and provides merchant banking advice to corporate customers in all aspects of their business. In addition to providing broking services to corporates and individuals, BOBCAPS provides an electronic online trading platform to its customers trading in the secondary securities market.

Safe Deposit Lockers

The Bank offers safe deposit locker rental services at selected branches. NRIs do not require any prior permission from the RBI to rent a safe deposit locker from the Bank. Safe deposit lockers of different sizes may be rented with a minimum rental period of one year. Rent on safe deposit lockers varies from Rs. 900.00 to Rs. 6,700.00 per annum, depending on the size and location of the safe deposit locker.

Stressed Asset Management

The Bank has a dedicated Stressed Assets Management Vertical (“**SAMV**”). The Executive Director in charge of stressed assets is assisted by three General Managers overseeing the entire stressed book. To strengthen the resolution of stressed assets and the recovery and collection mechanism, the Bank has undertaken a number of measures, including creating a specialised cell for the resolution of large value stressed assets, setting up a legal war-room, commissioning dedicated collection centres for MSME and retail loans, setting up a separate in-house task force, introducing a special scheme for one-time settlement of loans, organising a mega e-auction of assets charged to the Bank, and migrating identified high-value special mention accounts to SAMV.

Risk Governance and Internal Controls

The increased focus on risk and the supporting governance framework includes identifying the responsibilities of different departments of the Bank for addressing and managing risk. There are “three lines of defence”, each of which has an important role to play. These are:

First line of defence – all employees are required to own risk controls and ensure the effective management of risk and compliance with regulations, and the Bank's policies and guidelines.

Second line of defence – this comprises the risk control owners and includes risk-management functions responsible for identifying, measuring, monitoring and reporting risk on an enterprise-wide basis, independent of the first line of defence. The compliance function is also deemed part of the second line of defence.

Third line of defence – this is an independent assurance provided by the internal audit function conducting internal risk-based and other audits. Its reviews provide assurance to the Board that the overall governance framework, including the risk governance framework, is effective and that policies and processes are in place and consistently applied. The role of the audit function is defined and overseen by the Audit Committee of the Board.

Controls in Business

Each employee of the Bank is the owner of the risk underlying in its area of operation and is responsible for ensuring its effective management. To strengthen the internal controls and improve compliance culture across the organisation, the Bank continued the structural realignment to improve controls and compliance, following the principle of: (i) segregation of business and control functions; and (ii) segregation of front office and back-office functions through the centralisation of operations and processes which could be taken out of branches to increase efficiency and strengthen controls while enhancing the customer experience.

The Bank made significant progress in both areas. The centralisation of processes and operations at SSC at GIFT City, Gandhinagar, Gujarat continued, with a number of branch activities migrated to SSC, where a robust governance framework adhering to standard operating procedures (“SOPs”) and the risk and control self-assessment (“RCSA”) framework has been created. At Trade Finance Back Office, (“TFBO”) in SSC, a quality control unit has been created. The Bank also has a Transaction Monitoring Unit (“TMU”) for the independent monitoring of exceptional transactions and the monitoring and closure of alerts raised by the anti-money laundering (“AML”) system.

Internal Audit

The Central Internal Audit Division (“CIAD”) of the Bank examines compliance with regulatory and internal control systems, policies, procedures and guidelines at all levels. This division also aims to maintain and improve the credibility and integrity of the internal audit systems in order to present a true and fair picture of the performance of the Bank. Internal auditing enables the Bank to evaluate the performance of all of its offices and branches. Inspections are carried out by Senior Managers and Chief Managers attached to the Zonal Internal Audit Divisions (“ZIAD”) across the country and by internal auditors posted at six overseas territories covering the Bank’s overseas branches. The main role of the CIAD is to conduct regular branch audits, depending on the risk rating of the branch, and to carry out other audits such as revenue audits, forex audits and internal audits of overseas territories, head office audits of overseas branches, management audit of the functional departments, subsidiaries and associates, and risk-based concurrent audits by chartered accountants. The total audit functions of the Bank are monitored and controlled by the CIAD, which reports to the Audit Committee of the Board of Directors (“ACB”) and the Audit Committee of Executives on a quarterly basis, in line with the regulatory requirements. The CIAD of the Bank is independent and centralised, and functions as a separate unit at the Head Office of the Bank. It is headed by a General Manager who reports to the Executive Director of the Bank. The General Manager of the CIAD is also the convener of the ACB.

Risk Management and Compliance

Risk Management

Risk is an integral part of the banking business and the Bank aims to achieve an appropriate trade-off between risk and returns. To ensure sustainable and consistent growth, the Bank has developed a sound risk management framework, so that the risks assumed by the Bank are properly assessed and monitored. The Bank undertakes business activities within the risk appetite limits and policies approved by the Board of Directors of the Bank. Specific committees of the Board have been constituted to facilitate focused oversight on various risks. The Board has also constituted a Risk Management Committee of the Board, which oversees the connections between different types of risks. It is supported by on-boarding specialists in the area. Policies approved from time to time by the Board of Directors or committees of the Board form the governing framework for each type of risk.

The Bank has implemented an Enterprise-wide Risk Management project for measuring and monitoring the risks of the Bank. The Bank has a comprehensive Internal Capital Adequacy Assessment Process and stress test policy. The Pillar 2 risks, such as Liquidity Risk, Interest Rate Risk, and Concentration Risk, as well as the adequacy of capital under both normal and stressed conditions, are assessed as per the policies.

A brief outline of the mechanism for identifying, evaluating and managing various risks within the Bank is as follows:

Credit Risk

Credit Risk is managed in the Bank through a Board-approved framework that sets out policies, procedures and reporting that are in line with international best practices. Adequate attention is given to the independence of risk evaluators and business functions for a sound credit process culture. The Bank has a well-structured credit approval process, which functions within the defined Board-approved credit policy.

Over the years, the Bank has gained significant experience in internal ratings. This robust platform enabled the Bank to gain the approval of the regulator for a parallel run for the Foundation Internal Rating Based (“**FIRB**”) approach of credit risk under Basel II guidelines from 31 March 2013. Under the FIRB approach, banks are allowed to develop their own empirical model to quantify the required capital for credit risk. FIRB implementation has helped the Bank with improved risk management systems and strong risk assessment processes.

Credit risk measurement models are validated by independent model validators for their discriminatory power, accuracy and stability. Corporate credit rating models have been updated to enhance their predictive power of default.

To manage credit concentration risk, the Bank has put in place prudential caps across industries, sectors and borrowers. The portfolio review cell carries out detailed studies on sectorial exposure, credit concentration, rating distribution and migration, which are used as a strategic input to decide on the credit risk strategy and to identify target markets of the Bank.

The Bank has also implemented the Risk Adjusted Return on Capital (“**RARoC**”) framework for corporate credit exposures. It facilitates the evaluation of credit risk exposures from the point of “economic value addition” to the shareholders.

Market Risk

The Bank measures and monitors interest rate risk in its trading book through duration, modified duration, PV01 and Value at Risk (“**VaR**”) on a daily basis. The foreign exchange risk is measured and monitored in terms of net overnight open position limits (“**NOOPL**”), VaR limits, Aggregate Gap Limits (“**AGL**”) and Individual Gap Limits (“**IGL**”) on daily basis. At transaction level, stop-loss limits and dealer-wise limits have been prescribed and implemented. Equity price risk is measured and monitored through VaR limits and portfolio size limits, among others. At transaction level, stop-loss limits and dealer-wise limits are put in place to mitigate equity price risk. Under its stress-testing framework, the Bank conducts comprehensive stress tests of its trading book portfolio on a quarterly basis.

Asset Liability Management

Liquidity Risk is the inability to meet expected and unexpected cash and collateral obligations at reasonable cost. In the Bank, liquidity risk is measured and monitored through the Flow Approach and the Stock Approach and other prudential stipulations, as per the latest guidelines of the Reserve Bank of India. The Bank has implemented the Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (“**LCR**”), Liquidity Risk Monitoring Tools and LCR Disclosure Standards. The LCR standard aims to ensure that banks maintain an adequate level of unencumbered High Quality Liquid Assets that can be converted into cash to meet liquidity needs for a 30 calendar day timeframe under a significantly severe liquidity stress scenario. The Bank has always been well above the stipulated level of LCR on a solo basis, as well as on a consolidated basis. The Bank discloses the simple average of daily LCR for the respective quarter as part of its Notes to Accounts on its website.

Interest Rate Risk in the banking book (“**IRBB**”) arises due to a mismatch between rate-sensitive assets and liabilities which adversely impact the earnings of the Bank with the change in rate of interest in the market. For measurement and monitoring of interest rate risk in the banking book, the Bank uses risk management tools, such as Traditional Gap Analysis, Earning at Risk and Modified Duration of Equity. The short-term impact of interest rate movements on Net Interest Income (“**NI**”) is worked out through the “Earnings at Risk” approach, taking into consideration a parallel shift in yield curve, yield curve risk, basis risk and embedded options risk. The long-term impact of interest rate movements is measured and monitored through changes in Market Value of Equity (“**MVE**”).

Operational Risk

The Bank has implemented a web-based Operational Risk Management system, SAS Enterprise Governance, Risk and Compliance (“**EGRC**”) for the systemic, holistic and integrated management of operational risk. To mitigate and control operational risk at transaction level, the Bank has established a Centralised Transaction Monitoring Unit to monitor all domestic transactions from the KYC/AML/combating the financing of terrorism (“**CFT**”) angle. The Bank has undertaken segregation of customer interface (front-office) functions from the execution of transaction (back-office) functions by centralising a number of back-office functions. Centralised TFBO for Forex transactions has been created to minimise operational risk in Forex transactions. The Bank continues to create strong risk awareness by training employees at all levels and organising various locational workshops.

Roll-out of the key risk indicators programme (“**KRI**”), RCSA and root-cause analysis has further strengthened the control environment. For improved fraud risk management, the Bank is in the process of implementing an Enterprise Fraud Risk Monitoring Solution (“**EFRMS**”).

Compliance

The compliance function is responsible for ensuring that the Bank operates with integrity and in compliance with applicable laws, regulations and internal policies. The Board of Directors oversees management of the Bank’s compliance risk.

The Bank has put in place a Board-approved compliance policy outlining the compliance philosophy of the Bank. The compliance function in the Bank is an integral part of governance along with internal control and compliance risk management processes. The compliance function advises senior management and the Board on the Bank’s compliance with applicable laws, rules and standards globally and keeps them informed of developments in the area. It also educates employees about compliance issues by conducting periodic training and workshops for business staff and designated compliance officers. Knowledge management tools for this purpose have also been uploaded to the Bank’s site.

To strengthen the compliance function, a web-based compliance management solution is in place for certification and monitoring of various regulatory, statutory and internal guidelines at each level in the Bank.

KYC/AML Compliance

The Bank has a well defined KYC-AML-CFT policy, which is the foundation on which the Bank’s implementation of KYC norms, AML standards, CFT measures and obligations of the Bank under the Prevention of Money Laundering Act 2002 (“**PMLA**”) is based. The Bank electronically generates cash transaction reports (“**CTRs**”) for submission to the Financial Intelligence Unit-India (“**FIU-IND**”). An AML Solution for generating system-based alerts on the basis of transactions in the accounts of the customers is in place. A central transaction monitoring unit (“**CTMU**”) also monitors transactions/alerts generated in the AML Solution and the escalation of suspicious transaction reports (“**STRs**”). System-based risk categorisation of customer accounts is done on a half-yearly basis. The Bank files counterfeit currency reports (“**CCRs**”) and non-profit organisation transaction reports (“**NTRs**”) to FIU-IND, New Delhi, every month. It generates electronic cross-border wire transfer reports every month for submission to FIU-IND, New Delhi.

The Bank has implemented Aadhaar-based e-KYC in collaboration with the Unique Identification Authority of India (“**UIDAI**”). Real-time verification of names of individuals/entities appearing in the sanctions/United Nations Security Council Resolution (“**UNSCR**”) list or any other blacklist issued by Government authorities, while opening accounts, has been put in place. The Bank is in the process of allotting Unique Customer Identification Codes (“**UCIC**”) to all of its existing customers, as per the RBI guidelines. The guidelines in respect of beneficial owners are scrupulously followed. Regular training and workshops are organised on UCIC and KYC/AML/CFT compliance for the employees.

Compliance with RBI Guidelines

All guidelines and directives received from the RBI and the Government are forwarded to the relevant functional unit of the Bank for necessary action. The relevant functional unit will then confirm compliance with the guidelines or directives. In addition, all operational units, sub-regional authorities and corporate financial service branches of the Bank submit a certificate, on a monthly basis, to the chief compliance officer, who certifies compliance with the guidelines issued by the RBI. Based on the certificates received, the chief compliance officer will then submit a certificate to the Managing Director and Chief Executive Officer (“**MD and CEO**”) of the Bank. Based on this certification, the MD and CEO will give a certificate to the Board of Directors confirming compliance with the RBI guidelines on a quarterly basis.

Vigilance

The vigilance management department in the Bank, under the supervision and guidance of the chief vigilance officer (“**CVO**”), administers various vigilance functions. The CVO acts as the adviser to the chief executive of the Bank in all vigilance matters and acts as a link between the Bank and the Central Vigilance Commission. The CVO administers various functions in respect of the preventive, detective and punitive aspects of vigilance, with a greater emphasis on preventive vigilance to eliminate or minimise factors that provide opportunities for fraud, corruption and malpractice in the Bank.

Branches

The following table sets out a summary of the number of domestic branches, deposits and gross advances by region, as at 31 March 2024 and 31 March 2025:

	2024			2025		
	Number of branches	Deposits (Rs. in billions)	Advances (Rs. in billions)	Number of branches	Deposits (Rs. in billions)	Advances (Rs. in billions)
Geographical Distribution						
Northern India	1,255	1,760	1,794	1,265	1,890	2,078
North-Eastern India	126	130	63	136	136	69
Eastern India	909	890	451	970	958	500
Central India.....	1,907	1,980	1,017	1,935	2,178	1,159
Western India.....	2,393	4,936	3,457	2,407	5,378	3,920
Southern India	1,653	1,671	2,200	1,711	1,882	2,485
Total.....	8,243	11,367	8,982	8,424	12,422	10,211

The following table sets out the Bank and its subsidiaries' international operations with respect to countries, branches and subsidiaries and deposits and advances, as at 31 March 2024 and 31 March 2025:

Type	As at 31 March							
	2024				2025			
	Countries	Number	Deposits (Rs. in billions)	Advances (Rs. in billions)	Countries	Number	Deposits (Rs. in billions)	Advances (Rs. in billions)
Branches.....	11	39	1,984.44	1,923.90	11	39	2,298.66	2,093.49
Subsidiaries	7	52	176.80	97.87	7	45	202.83	114.50
Total	17*	91	2,161.24	2,021.77	17*	84	2,501.49	2,207.99

* Total no of Countries include 1 International Banking Unit (IBU) in GIFT City (SEZ), Gandhinagar, Gujarat, India.

* Presence in UK is in form of a branch as well as a subsidiary.

In addition to the above, the Bank has set up a commercial bank in Malaysia by way of a joint venture with Indian Overseas Bank and Union Bank of India, which has one branch.

Further, the Bank has an associate in Zambia, Indo Zambia Bank Limited. Indo Zambia Bank Limited is owned by the Bank, Bank of India, Central Bank of India and the Government of the Republic of Zambia, and has 39 branches.

Information Technology, Digital Transformation and Cyber Security

Information Technology

The Bank believes in leveraging information technology for customer centricity. Reliability of business processes are key to business capabilities. The Bank's IT infrastructure is continuously upgraded to build its capabilities.

- The Bank has a state-of-the-art data centre conforming to the "Uptime Institute Tier-3" standard. Additionally, the Bank has various disaster recovery sites in different seismic zones to ensure uninterrupted banking service delivery to customers.
- The Bank has a nearby disaster recovery centre to minimise data loss as part of the Bank's business continuity planning and disaster recovery strategy.
- Both the Bank's data centre and nearby site and disaster recovery site are ISO 27001 certified.
- The Bank's entire network is on Multiprotocol Label Switching ("MPLS") for enhanced reliability, scalability and cost-effectiveness. The Bank's business-critical branches are provided with alternative MPLS connectivity from different service providers. Furthermore, to ensure continuous availability of services from all delivery channels (wherever feasible), the Bank also has access to very small aperture terminal connectivity.
- The Bank achieved 100.00 per cent. CBS for all of its domestic branches in September 2009. In April 2011, the Bank also achieved 100.00 per cent. CBS in its international operations. The Bank's sponsored regional rural banks are also on CBS.
- The Bank has implemented 3D Secure features and Back Offices for Merchant Management in the internet Payment Gateway.

- The Bank offers the “Bank of Baroda” debit card to its customers under a commercial arrangement with Visa, MasterCard and the National Payments Corporation of India (“NPCI”)’s RuPay. As at 31 March 2025, the Bank had issued approximately 95 million debit cards, out of which more than 46 million debit cards were issued under the Government’s scheme Pradhan Mantri Jan Dhan Yojana (“PMJDY”) that aims to promote affordable access to financial services. Additionally, the Bank has launched contactless cards based on near-field communication technology.
- The Bank has a centralised Society for Worldwide Interbank Financial Telecommunication (“SWIFT”) system for India and all of its overseas territories and subsidiaries (excluding the New York branch, which has its own SWIFT setup).
- To ensure regulatory compliance with AML guidelines in all relevant countries, an AML solution has been implemented in all countries in which the Bank is operating.
- As at 31 March 2025 an integrated global treasury solution has been implemented in the UK, the UAE, IFSC, Singapore, the U.S., Australia, Fiji, Seychelles, DIFC and Mauritius.
- As at 31 March 2025 the Bank has installed the Base24 switch to facilitate its ATM and debit card services in India and nine overseas territories, namely the UAE, Oman, Mauritius, Fiji, Tanzania, Botswana, New Zealand and Uganda.
- The Bank has implemented an enterprise data warehouse, which acts as a repository for data sources of the Bank. The data warehouse is a source for centralised generation of regulatory returns and management systems information. It also provides downstream data feeds to matched funds transfer pricing and asset liability management modules of the Oracle Financial Services Analytical application to the Customer Relationship Management application.
- A Bank-wide mail and messaging system has been implemented for electronic communication across the Bank’s network and is also for use by business application systems in order to communicate with the system administrator and customers, among others.
- The Bank has a knowledge management portal, which is an intranet e-learning portal for employees.
- A facility has been implemented to provide a central database of employees for the facilitation of the Bank’s decision-making processes, promotion, selection exercises and for achieving automation of human resources processes with transparency.
- The Bank, in addition, has implemented a payroll module for the facilitation of centralised salary payment and maintenance of leave records for Indian employees.
- The Bank has taken number of technology-enabled business initiatives during the fiscal year ended 31 March 2025 to deliver value to customers. Some of the measures are:
- Upgrades of the Bank’s CBS platform followed by several technology upgrades and integration with various digital applications which work seamlessly across multiple channels.
- Launch of a digital state-of-the-art supply chain financing solution to meet the requirements of customers. It is an end-to-end seamless and automated processing system having the capability to generate real-time alerts and reports.
- Launch of a digital cash management solution, Baroda DigiNext, which helps customers to achieve efficiencies in working capital through the digitisation of cash management.

- Digitisation of account maintenance by the launch of Tab-banking, which has been launched for the opening of savings accounts across the country. The fully responsive application with best-in-class user experience is capable of delivering more than 35 banking services.
- Launch of new digital trade finance platform, BarodaINSTA. It is a comprehensive solution with the objective of achieving faster processing and automation in trade finance for the customers and the Bank.
- Internet Payment Gateway – the Bank is in the process of purchasing the entire Internet Payment Gateway infrastructure, to provide an electronic payment platform (bob World Payment Gateway (IPG)) to its merchants for e-commerce business by enabling payment collection using credit/debit cards and net banking.
- An Automated Collection System, which is helping the Bank to streamline the debt collection process.
- m-Passbook app which keeps users up-to-date with their accounts, and monitors balance, deposits, withdrawals and the like.
- The Bank is in the process of implementing a number of other applications to enhance the customer experience. Some of the applications are wealth management solutions, internet banking upgrades, and the Bharat Bill Payment System (“**BBPS**”).
- In 2022, the Bank launched a new mobile banking application called ‘bob World’, which is a central internet banking facility. The Bank continues to invest in the continued development of this platform, and as at 31 March 2025, customers can perform more than 300 retail banking operations seamlessly.
- Additionally, the Bank has implemented/is in the process of implementing a number of support applications, including a fraud risk management system, and is upgrading the AML systems to increase efficiency and control in operations.

Digital Transformation

Digital transformation and the digitisation of traditional banking activities is rapidly changing the banking landscape.

IT offers convenient and faster banking services. The Bank is continuously investing in digital systems and technologies to ensure a smooth integration between its existing infrastructure and new digital products. The Bank’s IT strategy has supported business initiatives by continuously updating technology and processes to meet evolving business requirements. As more and more of the customers transition to digital modes of banking and payment, the Bank seeks to handhold and guide the customers through this journey. The Bank has been at the forefront of innovation through the following initiatives:

Introduction of CBDC by RBI

In 2022, the RBI announced the first pilot for a central bank digital currency (“**CBDC**”) called the Digital Rupee. The Bank was selected as one participant in the trial. Customers can carry out transactions at a limited number of merchants in Mumbai and Delhi, as well as store value digitally.

As a participant in the program, the Bank created a separate bob World Digital Rupee Wallet which stores the virtual currency. Customers can load the digital rupee into the wallet, which they can scan and pay for goods at selected merchants.

As at 31 March 2025, the Bank has on boarded 5.66 million users and more than 15,000 merchants on the bob World Digital Rupee App.

Hi Tech Digital Branches and Digital Portable Branches

The Bank has evolved an innovative concept by setting up its Hi-tech Digital branch, which is equipped with advanced gadgets like the Artificial Intelligence Robot Baroda Brainy and a Digital Lab with free Wi-Fi services. The robot guides customers to areas based on their needs and replies to queries raised by customers. In addition, the digital branch has self-service kiosks such as the cash recycler, an account opening kiosk with personalised debit card dispenser, a multi-function kiosk, a self-service passbook printer (“SSPBP”) and a digital signage system (“DSS”) which displays product information. An expert area is also provided to customers where services such as specialised investment advice and financial advice are provided by investment specialists. This area is equipped with remote teller (video assistant) to assist the customers in an interactive manner. To assist international customers in Uganda, Kenya, Botswana, Mauritius, UAE and Tanzania, the Bank has introduced Chatbot. Chatbot is a cognitive assistance which provides customer support in these areas.

The Bank has opened hi-tech digital branches and has also implemented the concept of a “Digital Portable Branch” with the objective to reach out to technically savvy as well as traditional rural consumers through 24/7, self-service, simple and easy to operate banking outlets. The Digital Portable Branch is a pre-fabricated branch equipped with an account opening kiosk, cash dispenser (i.e. Automated Teller Machine (“ATM”)) and SSPBP to provide round the clock common retail banking services like account opening, cash withdrawal, passbook updates, balance inquiry, fund transfer, bill payments etc. to customers without any manual intervention.

Multi-Function Kiosk

To provide hassle free and convenient banking services through alternate delivery channels to customers by leveraging technology, the Bank has launched an innovative self service kiosk called Multi Function Kiosk. It offers a number of customer services from a single hybrid services box. The Bank has introduced grid based clearing using MFK, started on a pilot basis in Mumbai, and has seen good results. Grid based clearing has since been extended to the Pune, Bhopal, Baroda and Ahmedabad Zones, completing the entire Western Grid. The Bank Digital Banking team continues to focus on strengthening digital and alternate delivery channels to customers through the following channels:

- ATMs, which will continue to support the cash needs of customers.
- E-lobbies called “Me Lobby” with upgraded facilities, which include the Baroda Non Stop Lobby comprising 5,558 self-service machines viz. Cash Recycler, ATM, Multi-Function Kiosk, Passbook Printer and DSS for providing 24/7 banking services.
- The Bank has also introduced “Baroda Express – 24/7” lobby, which is a lean version of the Baroda Non Stop Lobby for smaller centres, by refurbishing the existing ATMs and providing additional services such as Cash Recycler and Passbook Printer.
- The Bank has implemented a transaction-enabled internet banking service called “bob World Internet”. “bob World Internet” is an important delivery channel, both for the retail and corporate customer segment. Apart from India, internet banking has been launched in 14 overseas territories and subsidiaries, namely the UK, the UAE, Australia, Mauritius, Fiji, Oman, the Seychelles, Kenya, Uganda, New Zealand, Tanzania, Ghana, and Guyana. The Bank has implemented the Fraud Management Solution Two Factor Authentication in India, the UAE, the UK, Mauritius, Fiji, Kenya, Uganda, Guyana and New Zealand to provide secure online banking services and protect customers from phishing attacks.
- A completely revamped Mobile Banking application bob World, with a 360 degree view of customer accounts, has been launched which provides a robust, secure, scalable and feature rich innovative experience to customers.

- BBPS is an initiative of national importance which offers real time bill payment service to customers and non-customers across geographic and demographic lines. BBPS is a tiered platform wherein the Bank participates as Customer Bharat Bill Payment Operating Units (“**BBPOU**”) through various channels. BBPS is a simple, secure and easy to use bill payment platform which offers interoperable and accessible bill payment services to customers with instant confirmation of receipt of payment.
- Unified Payment Interface (“**UPI**”) for retail payment systems – the Bank has launched bob World-UPI, which is an initiative of NPCI that aims to simplify and provide a single interface across all existing retail payment systems in India.
- The Bank has also launched state-of-the-art Contact Centres at GIFT City as well as at Bengaluru. The Bank Contact Centre provides most of the banking services through the telephone channel via a toll free number from anywhere in the world. A dedicated toll free number has been provided for PMJDY and other Financial Inclusion customers.
- Unified Mobile Application for New-age Governance (“**UMANG**”) is a Government of India all-in-one single unified secure multi-channel, multi-platform, multilingual, multi-service freeware mobile application inaugurated by the Honourable Prime Minister Shri Narendra Modi on 23 November 2017. The Bank is the first to provide BBPS on its application. It is designed to provide digital payment based bill payment services for various utility services.
- The Bank was the first to implement the Bharat Interface for Money (“**BHIM**”) Aadhaar pay cloud based solution, launched by the Honourable Prime Minister Shri Narendra Modi on 14 April 2017. This platform allows a customer to purchase goods and services at merchant establishments using his/her Aadhaar number linked to his/her Bank account, and allows the merchant can accept the payment.
- NACH e-Mandate – the Bank launched e-Mandate on 21 March 2018. Its primary objective is to reduce the burden of processing on the destination bank. E-Mandate utilises the services of NPCI’s National Automated Clearing House (“**NACH**”) and thus reduces TAT in the issuance and confirmation of mandate by customers through alternate channels.
- Document Management System – As a step towards paperless banking, digitisation of customer records has been undertaken. The records stored in the system can be retrieved by users online. The benefits of the process are improving customer service and reducing TAT for customer queries.

Cyber-Security

Over the years, the Bank has built a strong foundation of cyber-security comprising a comprehensive set of information security measures to counter cyber-attacks. The Bank has a well-defined cyber-security governance framework in place that is operated through a combination of management structure, policy framework and operational controls. The Bank has implemented multi-layered security architecture to protect its IT assets. A review of the security controls implemented by the Bank has resulted in the ISO27001 certification of the Bank’s Data Centre and Disaster Recovery operations.

In order to detect cyber incidents, the Bank has a captive Security Operations Centre (“**SOC**”) which operates on a 24/7 basis. During the current year, the Bank has further added capabilities to enhance SOC to prepare SOC to identify, manage, respond and resolve cyber-security incidents quickly and efficiently.

(A) Further, the Bank has put the following controls in place:

- Periodic risk assessment to identify critical assets and evaluate the adequacy of controls to protect them.

- Regular vulnerability assessment and penetration testing to identify vulnerabilities and risks and appropriate mitigation.
- Periodic audits of applications and infrastructure to identify weaknesses in the existing system and take mitigating steps to rectify deficiencies.
- Monitoring of phishing sites, rogue mobile apps and social media sites for malicious activities/contents, and taking such sites down on detection through anti-phishing and brand protection services.
- Risk-based multi-factor authentication implemented to control fraudulent transactions through internet banking channels.
- Scanning of critical websites for detection of any malware.

The Bank has implemented technology to protect systems from distributed denial of service (“DDoS”) attacks and obtained the infrastructure to ensure uninterrupted customer services.

The Bank participated in the cyber-security drills conducted by agencies such as the Institute for Development & Research in Banking Technology (“IDRBT”), Indian Computer Emergency Response Team (“CERT-In”) and RBI to test the Bank’s capabilities and further strengthen its defence against cyber-attacks. The Bank has an emergency response team and cyber-crisis management plan in place and the effectiveness of these plans is periodically tested through drills.

FinTech

The Bank is looking at not only innovating with respect to opportunities in the FinTech area, but also embracing external technological expertise. For this purpose, the Bank has collaborated with various FinTech service providers in the area of MSME, corporate, retail, payments and e-commerce segments.

The Bank has entered into various partnerships with partner companies ranging from those finding solutions for MSME clients to those in retail and the payments space. In the MSME segment, the Bank was the first bank to on-board TReDS, an online platform for financing trade receivables of the MSME sector. The Bank is also financing suppliers on the e-commerce marketplace. The Bank has also embarked on a partnership with “BankChain”, the industry Blockchain consortium. The Bank has entered into a partnership with National e-Repository Limited (“NERL”) for financing against warehouse receipts in respect of warehouses registered with NERL. More partnerships are being explored in the Bank’s e-commerce, retail and payments segments so it is present across different FinTech platforms.

Back Office Operations

As a strategic step to improve its operational efficiency; service delivery and quality, the Bank has revamped its operating architecture through the digitisation of processes and centralisation of back office operations. The Bank has set up a state-of-art Shared Service Centre at GIFT City, Gandhinagar. This is India’s first smart city, along with a business continuity planning set up at Bengaluru to cater trade finance services to its PAN India customers. A robust governance framework adhering to SOPs and RCSA framework has been set up at the Trade Finance Back office to improve efficiency and strengthen internal controls and compliance under one roof. Additionally, a specialised quality control unit has been established to reviews the transactions processed on a T+1 basis, considering variables like transaction amount and type.

Marketing

The Bank has rolled out strategic brand building initiatives to create a meaningful and engaging narrative with its existing and prospective customers. These efforts are reinforced by consistent interaction with customers through social media campaigns and well-researched digital campaigns.

Taking forward the experience on the Bank's social media pages, strategies are being devised to improve the content on all digital platforms for enhancing search engine marketing and search engine optimisation. The content enhancement in these media is aimed at engaging the audience.

The Bank's growth in the social media space aims to cover netizens and engage them across its social media through innovative content and campaigns.

Customer Service

The Bank is focused on providing an excellent customer experience. It has been the Bank's constant endeavour to set industry benchmarks and pioneer advancements/innovations in products, processes and service delivery that are imperative to provide a seamless experience to customers. The Bank has been actively engaged in understanding and identifying gaps between customer needs and expectations through annual surveys and real-time ongoing bottom-up surveys, embedding customer experience goals in the organisation's goals, building a "Client First Culture" and redesigning experiences (product design, systems and processes) to deliver enhanced customer satisfaction and loyalty.

A sub-committee of the Board on customer service oversees issues relating to the formulation of policies on customer service and experience and compliance with these policies. The Bank has also created a Standing Committee on Procedures and Performance Audit on Customer Services, which includes two eminent public personalities, Executive Directors and senior officials of the Bank. This committee oversees timely and effective compliance of the RBI instructions on customer service and also reviews the practices and procedures prevalent in the Bank, taking necessary corrective steps on an ongoing basis. At branch level, Branch Customer Service Committees are in place.

The Bank is also a member of the Banking Codes and Standards Board of India ("BCSBI") and has adopted the "Code of Commitment to the Customers" and the "Code of Bank's Commitment to Micro and Small Enterprises".

Human Resources

As at 31 March 2025, on a global basis, the Bank had 75,008 employees. The Bank places a heavy emphasis on the growth and development of its employees, backed up by intensive Board-level and top management involvement in HR. HR initiatives are focused mainly at three levels: recruitment and on-boarding, continuous development and training, and compensation, rewards and welfare.

The Bank believes that its employees are the biggest differentiator having a direct and significant impact on the Bank's overall performance. The Bank has a rich reservoir of talent. The Bank has undertaken a number of initiatives viz. recruitment and on boarding of talent, strengthening Performance Management System, addressing training needs, addressing leadership development needs, succession planning and increased levels of employee engagement.

Recruitment

The Bank has a comprehensive manpower planning model which facilitates optimal staffing of resources across various branches and operating units and projects manpower requirements over the next few years vis-à-vis the Bank's business growth expectations. This serves as a factor of the Bank's recruitment plan, which is aimed at attracting the best talent in various groups through general, lateral, contractual and other recruitment channels.

The Bank has formulated an “HR Resourcing Policy” and “Policy on Engagement of Contractual Employees” to address the Bank’s future manpower needs. Recruitment processes are handled internally by an HR resourcing cell, with the support of external institutions, including the Institute of Banking Personnel Selection (“IBPS”).

Training and Employee Development

Bank of Baroda believes that employee development should be an integral part of the organization’s strategic plan. The Bank endeavours to create a learning organization and to build organizational capability for setting performance standards. The Bank believes in creating career principles and utilizing a mix of available channels to impart training.

Compensation, Reward and Staff Welfare

Salaries and benefits payable to the Bank’s employees are in accordance with the industry level settlement between the employees’ unions and the Indian Banks Association (representing the managements of banks in India). The present industry wage and salary settlement agreement relating to employees in public sector banks was signed on 8 March 2024 and covers the period from November 2022 to October 2027. Such settlement agreement will continue to operate until the next settlement is agreed.

The Bank also provides various welfare benefits to its employees, including, without limitation: providing financial assistance to employees having physically or mentally challenged children; providing financial assistance to employees who are on loss of pay on account of major operation or disease; providing holiday homes; reimbursement of refreshment expenses; incentive for promoting small family norms; and providing health check-ups for all employees and their spouses. Additionally, the Bank has a personal accident insurance policy covering all staff members and directors of the Bank.

Furthermore, the Bank presents milestone award to employees who complete 10 and 25 years at the Bank and a silver mementos to the retiring employees

Bank has a BRITE scheme for acknowledging employees who embody Bank of Baroda’s core values. The Core Values Club encompasses six distinct clubs aligning with the bank’s core values: Integrity, Customer Centricity, Courage, Passionate Ownership, Innovation and Excellence. This non-monetary incentive program celebrates individuals who demonstrate these values, with the top recipients of badges from each region, zone and across the bank earning felicitation. The program fosters a culture of excellence and commitment, with awardees receiving digital certificates and public acknowledgment, fostering a sense of pride and motivation across the organization.

Employee Engagement Policy

Bank has an Employee Engagement Policy and it believes that employees are the core of the organization and harnessing their contribution at the optimum level shall make the Bank achieve higher levels of performance.

Under the ambit of the Employee Engagement policy, various employee initiatives are implemented to suit the ongoing changes in the Bank and to foster a collaborative, healthier and productive working environment. Some of the initiatives are as under:-

“Baroda Anubhuti” Programme

This is an employee engagement programme. Various initiatives have been undertaken to enhance the overall employee engagement like “Employee of the month”, spot recognition capturing “wow” moments, Fun hour at all branches/offices, local community service/social activities for employees, and various sports, cultural and well-being activities.

As part of the programme, every six months, a mandatory community service programme is carried out at all branches/offices of the Bank. It helps connect employees with the local community as well as inculcates a spirit of service and care, while the Bank undertakes its responsibilities as good corporate citizen.

Employee Engagement Survey

In order to understand the employee's perception with respect to various key factors influencing their organizational engagement levels, the Bank has been carrying out "Voice of Barodian" Employee Engagement Survey (VOB) in partnership with service providers. Bank has partnered with M/s Gallup for conducting VOB 2023 & VOB 2024 Employee Engagement Surveys. Basis the responses of VOB, the Bank takes various actions to ensure that employee experience across all levels is further enhanced to create a happy place to work.

Learning and Development

The Mission Statement of Learning and Development ("L&D") is: "To transform the Bank's human capital into competent, ethical, innovative, customer centric and outcome-focused socially responsible bankers by promoting a learning culture through training, mentoring, coaching and research".

Presently the L&D vertical comprises of Apex Academy, 18 Zonal Academies and 4 Satellite Learning Unit. This is further complemented by training at various reputable external bodies.

The Bank provides training program on banking operations and skill development majorly at its internal training institutions and some trainings at reputed professional institutions. The Bank's training focuses on all-round development as well as role-specific knowledge. The Bank seeks to motivate and encourage staff members through their all-round development in self-development, behavioural skills, attitude, business etiquette, communication skills and specifically on customer service. At the role-specific level, emphasis is placed on developing the functional, Behavioural and Leadership competencies of the employees. The Bank places great emphasis on leadership development and focused program targeting various levels of leadership and are conducted regularly by the Bank. The Bank's training covers all major Banking Domains as well as new age skill such as Cyber Vigilance, Data Analytics etc. In addition to the classroom training, the Bank is increasingly moving towards using alternative training channels through its state-of-the-art Learning Management System.

The L&D structure of the Bank provides the basic framework for a comprehensive and multi-faceted development strategy that seeks to improve the all-round competencies of the Bank's employees.

Learning & Development Framework is segregated across three levels – Junior, Middle & Senior. The framework emphasizes on developing Individual contributors at Junior Management on Functional skills to enable them to gain expertise in their domain. For Middle Management, focus is on building functional as well as behavioural skills. For Senior Management, training needs is emphasized primarily on behavioural and leadership skills in addition to their functional role with an objective to build leaders with a holistic perspective. The above framework is in synchronization with the Individual Development Plan and job family for each officer.

To provide alternate learning channels and to build a continuous learning culture, the Bank undertook various initiatives like a comprehensive and data driven Learning Management System Baroda Gurukul, available both as a web portal and Mobile Application. Learning Management System "Baroda Gurukul" hosts many eLearning courses, domain specific certifications, weekly quizzes, gamified learning, simulations, digital library etc.

Coaching and Mentoring

Bank initiated one-to-one coaching and mentoring sessions for its senior executives in Scale-V & above, for supporting them to navigate through change, manage transitions, and handle business and personal challenges thus improving their performance and productivity.

Baroda GEMS (Growth & Empowerment Management System)

Under Project "SparshPlus" the Bank has introduced a new Performance Management System for employees, called Baroda GEMS. The approach of the entire PMS system is to shift the focus from an evaluative mechanism to a development and growth oriented mechanism of employee performance.

Baroda GEMS is a digital platform and provides periodical updates to the officer on his/her performance. It provides performance analysis and feedback through performance scorecards and minimises subjectivity in the assessment process. It enables differentiation of performers through comparison in similar cohorts, provides officers with control on their output/results, brings in more transparency and thereby enables a performance driven culture in the Bank.

Well-being and Fitness

Initiatives related to employee health and well-being, such as health insurance, health & wellness drives, annual health check-up scheme, employee assistance program and work-life balance support, demonstrate the bank's concern for the overall welfare of its workforce.

The Bank formed Sports & Cultural Clubs for employees in Zonal and Regional office centres across the country to promote sports and cultural activities and to inculcate well-being and fitness awareness among employees. The Bank also launched an "Annual Sports Day" for the Bank.

The Bank has a health check-up scheme for all employees and their spouses. The frequency is bi-annually for employees up to 30 years of age and annually for employees over 30 years of age.

As one of the endeavours towards better emotional wellness, Employee Assistance Program was launched in the Bank for introducing a counselling service for the Bank's employees. This is a counselling and consulting program for employees and their dependent family members (Spouse & Children) to support their emotional well-being. There is a provision to refer an employee for counselling by the reporting authority under 'Manager Referral'. Other initiatives under the program include Well-Being Workshops, Webinars, Mental Health Roadshows, Support Groups on various topics etc.

Increasing Diversity

The Bank follows non-discriminatory and equal opportunity policies for all its employees. The Bank is transparent in all issues relating to promotion, career path, transfer policy and employee benefit/welfare schemes. Bank is in the process of putting in place a comprehensive DEI framework.

Further, in order to retain women employees at all levels and in recognition of the concomitant responsibilities of women, the Bank has put in place various facilities to support women employees such as sabbatical leave, health check-up programmes for women employees, crèche facilities and other initiatives.

Community Support

The Bank has a long legacy and tradition of actively contributing to the social and economic development of communities through various developmental activities. The Bank, as a responsible corporate citizen, always strives to contribute to the welfare of society, and particularly aims to aid underprivileged sections of society in making sustainable social changes in their lives. Skill development through training for gainful employment, human welfare and other social activities for women and farmers continue to remain the Bank's key focus areas. During the fiscal year ended 31 March 2025, the Bank donated a sum of Rs. 239.40 million to different organisations engaged in various community development and socio-economic welfare activities for the benefit of the rural population and others.

The Bank has set up the "Baroda Swarojgar Vikas Sansthan" ("BSVS"). Under BSVS Trust, Bank is operating the Rural Self Employment Institutes ("RSETIs") and Financial Literacy Centres ("FLCs"). The objective of the BSVS is to educate and train unemployed youths in order to generate sustainable self-employment and community employment. As at 31 March 2025, the Bank has implemented the BSVS at 65 RSETIs.

The FLCs are set up by Bank to promote financial literacy in rural areas. FLCs educate people about various financial and banking services and provide credit counselling to those in financial distress. The FLC Project is named "SARTHEE". As at 31 March 2025, the Bank has set up 85 FLCs across India.

Contingent Liabilities

The following table sets out the principal components of the Bank's contingent liabilities as at 31 March 2024 and 31 March 2025, respectively:

	As at 31 March 2024	As at 31 March 2025
	(Audited)	(Audited)
	(Rs. in billions)	(Rs. in billions)
Contingent liabilities		
Claims against the Bank not acknowledged as debt	338.47	342.95
Liability for partly paid investments.....	0.15	0.28
Liability on account of outstanding forward exchange contracts	3,306.25	4,541.03
Guarantees given on behalf of constituents: in India.....	526.83	553.19
Outside India	83.31	61.86
Acceptances, endorsements and other obligations.....	244.33	175.18
Other items for which the Bank is contingently liable	1,268.75	2,164.19
Total	5,768.09	7,838.41

Legal Proceedings

Except as detailed below and to the best of the Bank's knowledge, no litigation, suits, criminal or civil prosecutions or proceedings or tax liabilities are outstanding against the Bank or the Bank's directors that would have a material adverse effect on the Bank's business. Further, except as detailed below, there are no defaults and no unpaid or overdue statutory dues, institutional/bank dues or dues payable to holders of any debentures, bonds or fixed deposits that would have a material adverse effect on the Bank's business.

As at 31 March 2025, 741 cases have been filed against the Bank in relation to the following matters in India:

- 660 cases filed against the Bank by customers in civil courts, in which the aggregate amount involved is Rs. 103,800.46 million.
- 2700 cases filed against the Bank relating to consumer disputes in relation to, *inter alia*, allegations of money being issued against forged cheques, wrongful refusal to sanction certain facilities and wrongful refusal to release fixed deposit receipts/title deeds pledged as security. The total amount claimed against the Bank in these cases is Rs. 6,406.96 million.
- 62 cases are reported under litigation against the Bank relating to alleged criminal offences, involving an amount of Rs. 7.18 million.
- 19 cases were filed against the Bank by statutory/government authorities, involving an amount of Rs. 8,012 million.
- 475 cases not covered under any of the above categories, involving an amount of Rs. 7,425.26 million pending.

Apart from the above, the following matters are also pending as at 31 March 2025:

- Disputes relating to income tax assessments for various assessment years which involve an aggregate amount of Rs. 205,917.40 million. The Bank has paid the amount to the tax authorities.

- There are 800 suits/writs filed by employees/ex-employees pending against the Bank.
- In the Bank's overseas territories there is one litigation case pertaining to its London office, and involving an amount of U.S.\$1.9 million, for which full provision has been made at the head office level. (Case Name – ING Vysya Bank now Kotak Mahindra Bank).

Apart from the cases filed against the Bank, the Bank from time to time files cases against persons who are in default, are in breach of their obligations to the Bank or attempt to adversely affect the Bank's interests.

Subsidiaries and Strategic Alliances

The Bank's equity interests and investments in its subsidiaries, affiliates and joint ventures, which have a fiscal year ending on 31 March, and their respective net profits for the relevant periods are set out below:

Name	Primary business	Bank's ownership (Percentage)	Ownership investment (Rs. in billions)	Net profits for the fiscal year ended 31 March 2025 (Rs. in billions)
Subsidiaries				
<i>Domestic</i>				
The Nainital Bank Ltd.....	Banking	98.57%	1.73	0.51
BOB Capital Markets Ltd.....	Financial Services	100%	1.00	-0.09
BOBCARD Ltd. (formerly known as BOB Financial Solutions Ltd.)	Credit Cards	100%	12.75	0.57
Baroda Global Shared Services Ltd.	Non-Banking	100%	0.10	0.16
Baroda Sun Technologies Ltd.	Non-Banking	100%	0.05	0.00
Baroda BNP Paribas Asset Management India Pvt. Ltd.....	Mutual Fund	50.10%	0.80	0.56
Baroda BNP Paribas Trustee India Pvt. Ltd.	Trustee to Mutual Fund	50.10%	0.00	0.00
India First Life Insurance Company Ltd	Insurance	64.98%	14.98	1.02
<i>International</i>				
Bank of Baroda (Botswana) Ltd	Banking	100%	1.04	0.66
Bank of Baroda (Guyana) Inc.....	Banking	100%	0.16	0.24
Bank of Baroda (New Zealand) Ltd.	Banking	100%	1.39	0.08
Bank of Baroda (UK) Ltd.....	Banking	100%	14.16	0.06 ⁽¹⁾
Affiliates				
<i>Domestic</i>				
Baroda UP Bank	Banking	35.00%	1.14	5.51
Baroda Rajasthan Kshetriya Gramin Bank.....	Banking	35.00%	1.08	—
Baroda Gujarat Gramin Bank	Banking	35.00%	0.27	1.61
Joint ventures				
<i>Domestic</i>				
India Infradebt Ltd.	Infrastructure Finance	40.99	14.14	5.18

Note:

(1) "IM" means immaterial.

As at 31 March 2025, the Bank's equity interests and investments in its international subsidiaries, joint ventures and associates, which have a fiscal year ending on 31 December, and their respective net profits for the relevant periods are set out below:

Name	Primary business	Bank's ownership	Ownership investment	Net profits for the fiscal year ended 31 March 2025
		(Percentage)	(Rs. in billions)	(Rs. in billions)
<i>Subsidiaries</i>				
Bank of Baroda (Uganda) Ltd.	Banking	80%	0.06	3.16
Bank of Baroda (Kenya) Ltd.	Banking	86.70%	0.30	1.70
Bank of Baroda (Tanzania) Ltd.	Banking	100%	0.40	0.21
<i>Associates</i>				
Indo Zambia Bank Limited.....	Banking	20%	0.48	0.44
<i>Joint ventures</i>				
India International Bank (Malaysia) Bhd.	Banking	40%	2.29	0.00

Domestic Subsidiaries

The Nainital Bank Ltd. ("NBL"). NBL was set up in 1922 by the veteran freedom fighter, the late Bharat Ratna Pandit Govind Ballabh Pant, along with others. In 1973, the Bank took over the NBL to manage its affairs, as per the directives of the RBI. As at 31 March 2025, the Bank owned 98.57 per cent. of NBL. NBL has its registered office at Nainital and has operations in five states: Uttarakhand, Uttar Pradesh, Delhi and National Capital Region (NCR), Haryana and Rajasthan. NBL has -171- branches as on 31 March 2025.

BOB Capital Markets Ltd. ("BOBCAPS"). BOBCAPS is a wholly owned subsidiary of Bank of Baroda. It was incorporated on 11 March 1996. BOBCAPS is a SEBI registered debt/equity broker, merchant banker and underwriter, and offers a wide spectrum of financial services, including initial public offerings ("IPOs"), qualified institutions placements ("QIPs"), private placement of debt, corporate restructuring, business valuation, mergers and acquisitions, project appraisal and loan syndication. BOBCAPS also undertakes advisory services on securitisation and structuring of debts. The Bank also hosts institutional and retail debt/equity e-trading portals.

BOBCARD Ltd. (formerly known as BOB Financial Solutions Ltd.). In 1984, Bank of Baroda pioneered the introduction of the first-ever credit card in the country, named "BOBCARD." Recognizing the rapid growth and potential in the credit sector, the Bank established BOB Cards Ltd., a wholly-owned subsidiary, on 29 September 1994. This subsidiary, now known as BOBCARD LIMITED (formerly BOB Financial Solutions Limited), has become a cornerstone in the Bank's overall financial offerings, providing a full range of credit cards reimagined to meet the credit requirements of a range of customer profiles – from retail cards with shopping and lifestyle privileges to co-brand cards offering the best of both worlds, commercial credit cards, and cards for professionals like ICAI, ICMAT, ICSI, to specially designed cards for defence personnel of the Indian Navy, Army, Police, Paramilitary forces, etc. Through various strategic alliances with its franchise partners – MasterCard, Visa, and RuPay – have significantly amplified the accessibility of its credit cards, enabling customers to transact seamlessly across a vast network of Indian and International merchant establishments. All this exemplifies the Bank's dedication to providing convenient, efficient, and reimagined credit card services to its customers via BOBCARD LIMITED.

Baroda Global Shared Services Ltd. ("BGSS"). Established during the fiscal year ended 31 March 2017, BGSS commenced its operations during the financial year 2017-18. The subsidiary is providing services to the Bank at its back-office operations at the state-of-the-art SSC, including TFBO at GIFT City, Gandhinagar, Gujarat

Baroda Sun Technologies Ltd. (“BSTL”). Established during the fiscal year ended 31 March 2018, BSTL is a wholly-owned IT subsidiary of the Bank. The Bank is in the process of setting up an ITCoE to identify new emerging trends and provide technology differentiation. The ITCoE will provide design thinking skills, process design, architectural skills and core development capacity in current and future technology, helping the business to leverage technology for realising business outcomes.

Baroda Asset Management India Ltd. (a wholly owned subsidiary of the Bank) was merged with BNP Paribas Asset Management India Pvt. Ltd. with effect from 14 March 2022 leading to formation of Baroda BNP Paribas Asset Management India Pvt. Ltd. wherein Bank’s share is 50.10% and that of BNP Paribas Asset Management Asia Ltd is 49.90%. This Company is the Asset manager for Baroda BNP Paribas Mutual Fund. Bank of Baroda and BNP Asia had signed binding agreements on 11 October 2019 to merge their Asset Management and Trustee Companies in India. The merged entity leverages strength of two partners – Bank of Baroda’s strong brand name, reach and understanding of retail market and BNP Paribas’s global know-how to grow the business.

BNP Paribas Trustee India Pvt. Ltd. was merged with Baroda Trustee India Pvt. Ltd. (a wholly owned subsidiary of the Bank) with effect from 14 March 2022 leading to formation of Baroda BNP Paribas Trustee India Pvt. Ltd. wherein Bank’s share is 50.10% and that of BNP Paribas Asset Management Asia Ltd is 49.90%.

India First Life Insurance Company Ltd., is a domestic subsidiary of Bank of Baroda (65%) promoted along with Carmel Point Investments India Private Limited (26%), owned by private equity funds managed by Warburg Pincus LLC. Union Bank of India (9%) is an investor in the Company.

International Subsidiaries

Bank of Baroda (Botswana) Ltd. (“BOB Botswana”). BOB Botswana was incorporated on 17 August 2000 and commenced business with effect from 26 March 2001. It carries out banking activities and is wholly owned by the Bank.

Bank of Baroda (Guyana) Inc. (“BOB Guyana”). BOB Guyana was incorporated on 1 March 1999 and commenced business with effect from 25 May 1999. It carries out banking activities and is wholly owned by the Bank.

Bank of Baroda (New Zealand) Ltd. (“BOB NZ”). BOB NZ was incorporated in New Zealand on 27 May 2008 and registered as a bank in New Zealand on 1 September 2009.

Bank of Baroda (UK) Ltd. (“BOB UK”). BOB UK was incorporated on 15 December 2017 as a wholly owned banking subsidiary of Bank of Baroda.

Bank of Baroda (Uganda) Ltd. (“BOB Uganda”). BOB Uganda was incorporated on 1 November 1969. It carries out banking activities and is owned 80.00 per cent. by the Bank and 20.00 per cent. by local shareholders.

Bank of Baroda (Kenya) Ltd. (“BOB Kenya”). BOB Kenya was incorporated on 21 January 1992. It carries out banking activities and is owned 86.70 per cent. by the Bank and 13.30 per cent. by local shareholders.

Bank of Baroda (Tanzania) Limited (“BOB Tanzania”). BOB Tanzania was incorporated on 4 December 2003 under the Companies Ordinance (Cap. 212) in Tanzania and commenced business with effect from 13 October 2004. It carries out banking activities and is wholly owned by the Bank.

Baroda Capital Markets (Uganda) Limited. Baroda Capital Markets (Uganda) Limited, a subsidiary of BOB Uganda, was incorporated on 23 April 1997. It is licensed by the Capital Markets Authority to provide brokerage and investment advisory services.

Domestic Affiliates

Baroda Uttar Pradesh Gramin Bank (“Baroda UP Gramin Bank”). Baroda UP Gramin Bank was incorporated on 31 March 2008. It carries out banking activities, and is owned 35.00 per cent. by the Bank, 50.00 per cent. by the central government and 15.00 per cent. by the state government.

Baroda Rajasthan Kshetriya Gramin Bank. Baroda Rajasthan Kshetriya Gramin Bank was incorporated on 1 January 2013. It carries out banking activities, and is owned 35.00 per cent. by the Bank, 50.00 per cent. by the central government and 15.00 per cent. by the state government.

Baroda Gujarat Gramin Bank. Baroda Gujarat Gramin Bank was incorporated on 12 September 2005. It carries out banking activities, and is owned 35.00 per cent. by the Bank, 50.00 per cent. by the central government and 15.00 per cent. by the state government.

Domestic Joint Ventures

India Infradebt Ltd. (“Infradebt”). Infradebt is a joint venture company which commenced its operations on 31 October 2012. The shareholders of Infradebt are Bank of Baroda (40.99 per cent.), ICICI Bank Limited (42.33 per cent.), Citicorp Finance (India) Limited (10.02 per cent.) and Life Insurance Corporation of India (6.66 per cent.). The company operates as an infrastructure debt fund and non-banking financial company (“IDF-NBFC”). Its principal activity is to finance the companies engaged in infrastructure projects, including road and renewable energy sectors. Infradebt is India’s first infrastructure debt fund structured as an IDF-NBFC.

International Joint Ventures

India International Bank (Malaysia) Berhad. The Bank has set up a commercial bank named India International Bank (Malaysia) Berhad in Malaysia by way of a joint venture with Indian Overseas Bank and Andhra Bank. The shareholdings of the Bank, Indian Overseas Bank and Andhra Bank are 40.00 per cent., 35.00 per cent. and 25.00 per cent., respectively. India International Bank (Malaysia) Berhad commenced operations on 11 July 2012.

International Associates

Indo Zambia Bank Limited (“Indo Zambia”). Indo Zambia was incorporated on 19 October 1984. It carries out banking activities. Indo Zambia is owned 20.00 per cent. by the Bank, 20.00 per cent. by Bank of India, 20.00 per cent. by Central Bank of India and 40.00 per cent. by the Government of the Republic of Zambia.

Offshore Branches

The Bank’s offshore branches in Nassau, DIFC Dubai and International Financial Service Centre (IFSC) at GIFT City, Gandhinagar, Gujarat, India are regulated by, respectively, the Central Bank of the Bahamas, the Dubai Financial Services Authority and the IFSCA. The Bank is permitted to undertake banking business in all these jurisdictions.

Properties

The Bank’s Head Office is located at Baroda Bhavan, RC Dutt Road Alkapuri, Vadodara 390 007, Gujarat, India. The Bank owns the land on which its office is built. The Bank’s corporate office is located at Plot No. C-26, G-block, Bandra – Kurla Complex, Bandra (East) Mumbai-400051. The land on which the corporate office is built is subject to a long-term lease.

DESCRIPTION OF THE BANK'S ASSETS AND LIABILITIES

Overview of Assets

The total assets of the Bank increased by 12.33 per cent. from Rs. 15,857.97 billion as at 31 March 2024 to Rs. 17,812.47 billion as at 31 March 2025. During fiscal 2025, the Bank's loan portfolio increased by 13.49 per cent. from Rs. 10,657.82 billion as at 31 March 2024 to Rs. 12,095.58 billion as at 31 March 2025 and investments increased by 4.21 per cent. from Rs. 3,698.17 billion as at 31 March 2024 to Rs. 3,853.98 billion as at 31 March 2025.

(A) The following table sets out the assets of the Bank as at the dates indicated below.

	31 March 2024	31 March 2025
	(Audited)	(Audited)
	(Rs. in billions)	
Assets		
Cash and balance with the Reserve Bank of India ("RBI")..	548.40	560.68
Balance with banks and money at call and short notice	402.84	697.81
Investments	3,698.17	3,853.98
Advances	10,657.82	12,095.58
Fixed assets	79.13	123.76
Other assets	471.62	480.66
Total assets	15,857.97	17,812.47

(B) The following table sets out the assets of the Bank as at the dates indicated below.

	31 March 2024	31 March 2025
	(Audited)	(Audited)
	(Rs. in billions)	
Bills purchased and discounted	477.98	634.30
Cash credits and overdrafts	3,495.22	4,072.17
Term loans	6,684.61	7,389.11
Sub-total	10,657.82	12,095.58
Secured by tangible assets	7,279.99	7,895.48
Covered by guarantees	999.20	1,263.33
Unsecured	2,378.62	2,936.76
Sub-total	10,657.82	12,095.57
I Advances in India:		
Priority sector	2,911.71	3,225.72
Public sector	1,317.03	1,562.37
Banks	10.27	9.99
Others	4,569.17	5,238.46
Sub-total	8,808.17	10,036.54
II Advances outside India:		
Due from banks	789.27	869.08
Due from others		
Bills purchased and discounted	116.39	33.64
Syndicated loans	818.30	933.33
Others	125.69	222.98
Sub-total	1,849.65	2,059.04
Grand Total (I+II)	10,657.82	12,095.58

Loan Portfolio

The Bank aims to have a diversified loan portfolio and to limit its exposure to particular sectors or borrowers. As at 31 March 2025, a significant portion of the Bank's loans was made to the infrastructure sector (transport, energy, electricity boards and telecommunication projects) and basic metal (iron and steel) and other metal products.

Loan by Industry

The table below sets out the Bank's gross domestic loan portfolio in terms of industry concentration as at the date indicated below.

	As at 31 March 2025	
	Amount of loan outstanding (Rs. in billions)	Percentage
Infrastructure	1,164.68	11.41%
Power	613.14	6.00%
Telecom.....	75.28	0.74%
Roads and Ports	357.83	3.50%
Other Infrastructure	118.44	1.16%
Basic Metal and Metal Industry of which.....	226.44	2.22%
Iron and Steel.....	170.10	1.67%
Textiles	160.30	1.57%
Petroleum and Petrochemicals	83.19	0.81%
All Engineering.....	81.81	0.80%
Food Processing.....	142.56	1.40%
Chemicals and Chemical Products	132.01	1.29%
Trade.....	192.22	1.88%
Commercial Real Estate.....	293.23	2.87%
Other Industries/Sectors.....	2,588.28	25.35%
Home Loans.....	1,311.23	12.84%
Auto Loans	465.49	4.56%
Education Loans	113.60	1.11%
Other Retail Loans.....	676.03	6.62%
Agriculture.....	1,583.24	15.51%
All Advances.....	10,211.12	100.00%

The largest single borrower of the Bank as at 31 March 2025 accounted for approximately 1.57 per cent. of its total advances (gross domestic advances). As at the same date, the 20 largest individual borrowers accounted for approximately 12.58 per cent. of the Bank's total advances.

Loan by Segment

The Bank's gross domestic advances in terms of principal market segment as at the dates indicated are set forth in the following table.

	As at 31 March 2025
	(Rs. in billions)
Retail	2,566.33
Corporate	4,122.74
MSME	1,363.77
Agriculture.....	1,583.24
Others	575.03
Total	10,211.12

Credit Management Policies And Procedures

Credit Rating

The Bank has an internal automated credit rating procedure for rating both retail and non-retail customers called the BOBICON Credit Rating system. The system has two separate and distinct types of rating: (i) an obligor rating; and (ii) a facility rating. The first type indicates the credit risk grade of borrowing entities based on financial information and any other input given. Borrowers are rated on a scale of one to ten (“**BOB-1**” to “**BOB-10**”), with BOB-1 being the highest rating and BOB-10 the lowest. The second type of rating indicates the risk in different credit facilities, depending on factors such as collateral type, seniority of security charge, and product type. The facility is rated on a scale of one to eight, (“**FR-1**” to “**FR-8**”), with FR-1 being the highest rating and FR-8 the lowest. The combination of both the Rating produces Composite Rating (Ranges from CR1 to CR10). Where CR1 = Minimum (Lowest) Expected Loss, CR10 = Highest Expected Loss.

Credit Approval

The Bank has designed the credit approval process where Discretionary Lending Powers have been defined to sanction credit. The Bank’s credit approval process is detailed below.

Application

The Bank has standardised application forms for different types of loan such as retail, MSME and agricultural loans. Applications must be made along with details of the assets and liabilities of each individual applicant and guarantor.

Application Disposal

All loan applications are generally processed within a reasonable period from the date of the receipt of duly completed loan applications along with all requisite information and documents.

Processing

There are clear demarcations between the business and processing units. The proposal processing officer and the sanctioning authority are different functionaries. Proposals are processed by officers who are well trained in credit sanction processes and who have sufficient experience. Specialised projects are processed by personnel with specific knowledge and skills in their respective fields.

Processing involves due diligence, security valuations by empanelled valuers, pre-sanction inspections, legal opinions from empanelled advocates, internal credit ratings, techno-economic viability studies, financial data analyses, evaluations of credit proposals, including those relating to all types of risks, an assessment of required limits, and Risk Adjusted Returns on Capital (“**RARoC**”) computations.

Prior to entering into any new credit relationship, it is essential that all relevant information and data in respect of a borrower are obtained and objectively analysed to instil a reasonable level of confidence that the borrower is an individual or organisation of sound repute and creditworthiness. Any association with individuals involved in fraudulent activities and other crimes is avoided. This is achieved in a number of ways, including asking for references from known parties, accessing credit registries (wilful defaulters lists, credit information bureaux, CRILIC databases), and by becoming familiar with the credentials of the persons responsible for managing the borrowing company and by checking their reputation and financial condition.

No exposure is taken on entities, individuals or countries appearing on the sanctions list of the Office of Foreign Assets Control (“**OFAC**”)/United Nations (“**UN**”)/European Union (“**EU**”). Data from the recognised credit information bureaux (TransUnion CIBIL, Experian, Equifax and CRIF High Mark) are considered objectively by credit originating and processing units while appraising credit proposals. Enhanced due diligence is carried out in respect of all customers categorised as ‘High Risk’ as per the Bank’s Know Your Customer (“**KYC**”) – Anti Money Laundering (“**AML**”) – Combating the Financing of Terrorism (“**CFT**”) Policy as well as in the case of Politically Exposed Persons (“**PEPs**”).

Credit Decisions

Based on the recommendations of the appraising official, and considering the credit risk evaluation, the respective sanctioning authorities either take a favourable credit decision or reject the proposal or stipulate additional covenants to safeguard the Bank’s interests. Discretionary lending powers (“**DLP**”) are vested in different officials in their individual capacities/committees.

Various functionaries at the Bank will exercise DLP in terms of the approval granted by the Board of Directors from time to time. A committee structure is adopted for the sanctioning of credit proposals at Regional Office (“**RO**”), Zonal Office (“**ZO**”), Mid Corporate Cluster level and Corporate Office level. However, Branch Heads exercise their delegated lending powers as per their respective scale/grade. In addition, Heads of SME Loan Factories (“**SMELF**”)/Specialised Mortgage Stores (“**SMS**”) (not linked to the Centralised Processing Centre (“**CPC**”)) and Senior Managers and above posted as Credit Officers in SMELF/SMS exercise DLP in accordance with their respective rank/grade. Heads of CPC, under the Centralisation set-up for Retail Credit processes, exercise the DLP attached to their substantive rank/grade. To expedite credit decisions, Senior Managers and above in CPC also exercise discretionary lending powers in accordance with their substantive rank/grade subject to the condition that the appraising and sanctioning authorities are different.

Post-Sanction Reporting

The Bank has in place a post-sanction reporting system that reviews and cross-checks all loans and credit facilities as per existing guidelines that have been granted in order to protect the strength of its credit portfolio. A credit decision made by an authorised officer is reviewed within 30 days by the next highest authority.

Committee-based Credit Decisions

Lending powers have also been vested in Corporate Office Level Credit Committees (“**COCC**”) at Corporate Offices, Cluster Level Credit Committee (“**CLCC**”) at Mid Corporate Clusters and Zonal Office Level Credit Committees (“**ZOCC**”) at ZOs and Regional Office Level Credit Committees (“**ROCC**”) at ROs.

(1) COCC:

1. The Management Committee of the Board (“**MCB**”) – to conduct MCB meetings. The quorum is a minimum of four members.
2. The Credit Approval Committee of the Board (“**CACB**”) – the committee is headed by the Managing Director and Chief Executive Officer (“**MD & CEO**”); the quorum is a minimum of four members and the presence of an MD and CEO and at least one Executive Director (“**ED**”) is mandatory to conduct a CACB meeting.
3. The Corporate Office Level Credit Committee headed by EDs (“**COCC-ED**”) – to conduct COCC-ED meetings in the presence of an in-charge ED from the function for which the proposal is to be considered; the presence of the head of the function is mandatory.

4. A Corporate Office Level Credit Committee headed by CGMs (“**COCC-CGM**”).
 5. A Corporate Office Level Credit Committee headed by GMs (“**COCC-GM**”) has been formed for the sanction of credit limits under an inventory/channel financing scheme for dealers, proposals processed by CFS/emerging corporate branches and proposals pertaining to overseas territories beyond territorial credit approval committees.
- (2) Cluster Level Credit Committee – Mid Corporate GM (CLCC-MCGM) is headed by Senior most GM present in the meeting and the quorum is minimum of three members.
 - (3) ZOCC is headed by the Zonal Head and the quorum is a minimum of three members and the presence of the head of the committee is mandatory to conduct ZOCC meetings.
 - (4) ROCC:
 1. A Regional Office Level Credit Committee (“**RMCC**”) is headed by the Regional Manager and the quorum is a minimum of three members and the presence of the head of the committee is mandatory to conduct an RMCC meeting.
 2. A Regional Office Level Credit Committee (“**DRMCC**”) is headed by a Deputy Regional Manager and the quorum is a minimum of three members and the presence of the head of the committee is mandatory to conduct DRMCC meetings.

Documentation, Security Creation and Security Perfection

Documentation serves as the primary evidence of the debt owed by the borrower or an obligation guaranteed by the guarantor, to be relied upon in the event of any subsequent dispute between the Bank and the borrower and/or guarantor.

Documentation establishes: (i) the legally enforceable contractual relationship between the Bank and the borrower and/or guarantor; (ii) the nature and description of the security, if any, offered for the advance; (iii) the terms and conditions of the advance; and (iv) the Bank’s unfettered right to crystallisation of securities when necessary. Documents also form the basis for enforcing the Bank’s right to effect recovery through legal recourse.

In respect of consortium advances, the documents are generally executed in consultation with the other member banks in accordance with the guidelines laid down by the RBI/Indian Banks Association (“**IBA**”) in the matter. Similarly, where advances are extended jointly with the financial institutions, documents are specially drafted in consultation with the solicitors/in-house legal experts to ensure the perfection of pari passu charges and/or second charges, as applicable, of the movable/immovable assets of the borrower in order to protect the banks’ interests.

No credit facility is disbursed unless documents have been properly stamped and executed and security has been perfected. However, the sanctioning or competent authority may permit time for the perfection of the security within a reasonable period after the credit has been disbursed. The specific approval of the sanctioning/competent authority is obtained in cases where a new credit facility is proposed to be disbursed without creating/perfecting the security.

For advance accounts with an aggregate limit of above Rs. 20.00 million (funded and non-funded), documents are verified by the Bank’s law officer posted in the respective zone/region/CFS branch and the documents relating to advance accounts with limits above Rs. 1.00 million up to and inclusive of Rs. 20.00 million shall be verified by the Bank’s empaneled lawyer other than the one who has already given the title opinion/non-encumbrance certificate (“**NEC**”) report in respect of any mortgage(s) on the account.

Further, in respect of the New Delhi, Mumbai, Chennai, Kolkata, Ahmedabad, Pune and Jaipur regions, documents relating to advance accounts with limits between Rs. 20.00 million and Rs. 50.00 million can be verified by the Bank's empaneled lawyer, provided the original documents at some stage have been vetted by the Bank's zonal legal department/law officer.

To prevent loan documents from being time-barred and to protect the securities charged to the Bank from being diluted due to subsequent charges, debtors and/or guarantors are required to submit a revival letter/letter of acknowledgement of debt to the Bank within two years from the date of the loan document/renewal of the loan document.

Disbursement

The stipulated terms and conditions of the sanction are to be conveyed to the borrower in writing and, on acceptance, the disbursement will take place after due execution of the necessary documents and their vetting and compliance with the various terms and conditions of the sanction.

Where a borrower approaches multiple banks/financial institutions to fund its projects, the Bank ensures that the borrower is in a position to meet all of its obligations and achieve "financial closure" within the committed time frame.

Disbursement in the case of working capital facilities is governed by the availability of a drawing power in the account.

Disbursements on infrastructure projects/project finance accounts are done as per the progress reports on the projects. In sole banking/consortium accounts, while making disbursements, lenders' engineers' reports and chartered accountant certificates on costs incurred are examined and the position of approvals/clearances from different authorities and timelines for completion are considered at the time of each disbursement.

It is ensured that the disbursements are commensurate with the progress of the project/business activity, while also taking into account the extent of margins brought in by the promoters up to the given point in time.

Disbursements of loans and advances on a reimbursement basis are normally not carried out unless expressly approved by the competent authority. In genuine cases, disbursements on a reimbursement basis are considered for any capital expenditure already incurred based on certificates of costs incurred and means of funding certified by statutory auditors/chartered accountants/lenders' independent engineers ("LIE"), subject to: (i) the capital expenditure being incurred within 18 months prior to sanction or application till the date of first disbursement; (ii) pro rata promoter's contributions/margins in the project being ensured; (iii) verification and certification by the Auditor of borrower/Chartered Accountant/LIE; and (iv) inspection of the assets created for which reimbursement has been sought.

Credit Administration

Reviews

Any credit facilities sanctioned are subject to annual review except for loans/overdrafts against the Bank's own deposits ("LABOD"/"ODBOD") and staff. However, accounts enjoying credit facilities of Rs. 100 million and above where the internal credit rating is BOB-7 or below are subject to half-yearly review.

Financials, tax returns and other documents and information are obtained from the borrowers for review. The review takes comprehensive account of various issues covering, among other things: (i) the borrower's performance and prospects; (ii) the borrower's financial health; (iii) the quality of the management; (iv) the conduct of the account; (v) the turnover in the account; (vi) the record of payment of bills under Letters of Credit ("LCs"); (vii) the record of realisation bills; (viii) fulfilment of repayment

obligations (interest/instalments); (ix) trends in production and/or sales as per projections; (x) the adequacy of securities, drawing power and insurance coverage; (xi) compliance with all terms and conditions of any sanctions; and (xii) documentation and mortgages on the account being complete, valid and enforceable. The review also evaluates the impact of deficiencies observed during inspection, concurrent audits, statutory audits, credit audits and RBI inspections and any rectification thereof.

Credit Audits

Apart from the aforesaid reviews credit audits are done through: (i) loan review mechanisms (“LRM”); (ii) loan documentation audits; (iii) credit concurrent audits and; (iv) onsite credit audits.

The objectives of a credit audit are: (i) to assess improvement in the quality of the credit portfolio; (ii) to review the sanction process and status of compliance of large loans; (iii) to review regulatory compliance; (iv) to review compliance with the Bank’s policies; (v) to independently review credit risk assessments; (vi) to examine enforceability of documents and charges on securities; (vii) to look for early warning signs and suggest remedial measures; (viii) to examine the conduct of accounts and follow-ups by the line functionaries; (ix) to oversee actions taken by line functionaries in respect of serious irregularities; and (x) to recommend corrective actions to improve credit quality, credit administration and the credit skills of staff.

Credit audits are to be carried out within a period of six months from the date of sanction/review in respect of: (i) all fresh Sanctions/Existing accounts including retail loans and restructured accounts with aggregate exposure of Rs. 100 million and above (fund based and fund based); (ii) 5 per cent. of borrowing accounts randomly selected from the rest of the portfolio as under: (a) accounts reviewed with an increase in aggregate exposure of Rs. 10.00 million and above but below Rs. 100 million; (b) fresh accounts sanctioned with an exposure of Rs. 10.00 million and above but below Rs. 50.00 million; and (iii) fresh sanctions and reviewed with increase in accounts of sister concerns, group concerns and associates of accounts mentioned in (i) and (ii) with a threshold limit of Rs. 10.00 million and above. However: (i) LABOD; (ii) ODBOD; (iii) advances granted against 100.00 per cent. cash margins and government securities such as the National Saving Certificates (“NSC”), Indira Vikas Patra (“IVP”), Kisan Vikas Patra (“KVP”); (iv) short-term clean loans and (v) NPAs are exempted from credit audits.

Periodic Valuations

In the ordinary course, except for home loans and other home loan variants that are classified as standard, valuations of property are carried out once every three years by the Bank’s empanelled valuers. The branches carry out more frequent periodical inspections when they become aware that there are any adverse developments and re-valuation of the same is carried out by a valuer that is different from the previous one.

Periodic Asset Verifications and Inspection

Periodic asset verifications and inspections in the case of working capital facilities where internal ratings are: (i) BOB-3 and above; and (ii) BOB-4, BOB-5 and BOB-6 and below are done generally on a quarterly, once in two months and monthly basis respectively. In the case of fixed assets charged against demand loans, term loans, and deferred payment guarantees (“DPG”), asset verifications and inspections are generally done on a half-yearly basis, i.e. as of January and July. Inspections of collateral securities are carried out on a generally annual basis for all types of facilities.

Unit Visits/Visits to the Borrower’s Office

In addition to the aforesaid inspections in the case of accounts within the powers of the branch manager, the unit/borrower’s office is generally visited by the branch manager twice a year. In the case of accounts falling within the powers of RMCC beyond the powers of RMCC, the unit/borrower’s office is visited by an executive/officer from the respective RO/ZO preferably once a year. For accounts where a credit rating has slipped by two notches and in other cases based on necessity, the visit is brought forward, especially in the case of accounts causing concern.

Stock/Book Debt Audit

Stock inspections and book debt verifications by branch officials and random inspection by concurrent auditors are mandatory for all accounts with working capital facilities of Rs. 10.00 million and above with the Bank. The frequency of inspections in respect of working capital exposures of Rs. 50.00 million and above is bi-annual and that for exposures of Rs. 10.00 million and above up to Rs. 50.00 million is annual. Stock/book debt audits are not applicable where no working capital facilities are sanctioned or where working capital limits are below Rs. 10.00 million.

Reviews of Internal Ratings

Internal ratings for corporate borrowers are conducted annually based on the audited financials of the previous year and/or estimates for the current year for all credit facilities, including term loans. In exceptional cases where audited financials are delayed, ratings are done on the provisional financials. In such cases, depending on the availability of audited financials, if the adverse variation in turnover/net profit/net worth/current ratios is more than 10.00 per cent. then a fresh rating is produced based on the audited financials. The rating review is independent of the annual review.

In the case of corporate borrowers with exposures of Rs. 75.00 million, if there is significant increase in the credit risk, as indicated by the account falling under SMA 1 or SMA 2 category, where there are negative market reports against the borrower company or its promoters or if the condition of the industry of the borrower has become adverse, re-ratings are carried out immediately. (SMA: (i) SMA-1 where principal and/or interest payments are overdue for 31 to 60 days; and (ii) SMA-2 where principal and/or interest payments are overdue for 61 to 90 days.)

Credit Monitoring

The Credit Monitoring department is responsible for generating post-loan monitoring reports on individual borrowers and at portfolio level. These reports will also be forwarded to the respective branches/regions/zones to keep them informed of the customer's performance in adhering to the repayment schedule as specified in the sanction.

Monthly Monitoring Reports ("MMRs")

For the purpose of monitoring large accounts to prevent asset quality slippage, take timely corrective steps and improve the quality of credit portfolios, the Bank has a system of monthly monitoring through an online web-based system called "CREMON". Under the system, advance accounts with an exposure of Rs. 10.00 crores and above are to be monitored at zonal/Territory corporate office level based on monthly monitoring reports submitted each month on or before the 25th of the same month. Zones/Territories identify accounts causing concern and showing signs of weakness and take them up with the respective branches for remediation.

Branches monitor all accounts with exposures of and below Rs. 1.00 crore and a monthly list of accounts causing concern is prepared and sent to the Territory office with details of stress and the strategies being worked on for resolving the same.

Territory offices also monitor: (i) accounts with exposures of Rs. 1.0 crore to Rs. 10.00 crores based on monthly monitoring reports received from branches; and (ii) any accounts showing incipient sickness/early warning signs are monitored on a daily basis by the Territory office.

Please refer to the Circular No. BCC/BR/112/297 dated 26 May 2020 and other guidelines issued by the Bank or the RBI from time to time.

Early Warning Signals (“EWS”) Portal

The Bank has deployed an EWS portal for identifying the EWS and deploying in a comprehensive automated system. This includes pushing the alerts to the various operating units for remedial action, attending the alerts in a time frame and, if required, investigating for all business units at overseas territories of the Bank and the people. All the advance accounts having exposure of Rs. 1.0 crore and above irrespective of lending arrangements are covered by this system. The alerts are generated on pre-defined parameters and information available in the CBS in account-based currency.

The operating guidelines include the following:

1. Alerts in medium or low category are to be attended within two working days.
2. All alerts (low and medium risk) generated need to be closed or marked with ‘further investigation is required’ by the branch in two working days. Where further analysis is required, the alert needs to be closed in not more than three working days from marking the trigger for further investigation.
3. All the alerts which are closed by branches need to be overviewed by the Territory office within two working days.
4. All alerts closed by the syndication centre/DIFC need to be reviewed by the Territory office within two working days.
5. High risk customers having exposure of less than Rs. 30 crores to be called upon at Territory office based on recommendations by the branches and the severity of stress in the account to implement a suitable resolution plan. This plan to be kept on record for follow-up and future reference.
6. High risk customers having exposure of Rs. 30 crores and above need to be discussed by the international banking division for taking suitable action by the department.
7. The closure of alerts should be ensured within the stipulated timeline and will be overviewed by Territory/international banking division.
8. The credit monitoring department to ensure timely closure of alerts.

Please refer to the Circular No. BCC/BR/116/247 dated: 12 May 2024 and other guidelines issued by the Bank or the RBI from time to time.

Accounts Causing Concern

Territory offices submit summary reports in the prescribed format on advance accounts causing concern and with exposures of above Rs. 2.50 million to Rs. 50.00 million along with copies of MMRs to corporate offices, at monthly intervals, within seven days of the reporting date for the MMR. The Territory also submits its views/recommendations on the above accounts causing concern, with details of the steps taken by them to safeguard the Bank’s interests and future strategy/recommendations.

Territories place a special focus on sharpening the credit monitoring process by including it on the agenda at monthly Territory committee meetings with regards to improving asset quality, identifying areas of concern/branches requiring special attention, and the working out of strategies and their implementation in a time-bound manner. Brief/precise minutes with action points are sent to the Credit Monitoring Department at the corporate office within three days of the meeting for further follow-up/actions.

Please refer to the circulars and guidance issued by the Bank or RBI from time to time.

CLASSIFICATION OF ASSETS AND PROVISIONING REQUIREMENTS

The Bank classifies its loans and other assets in compliance with the RBI guidelines. The following table describes the various RBI loan classifications as well as the RBI's provisioning guidelines for such categories.

Classification	Description	Provision
Standard	A standard asset is a performing asset which does not entail any issues and does not carry more than the normal risk attached to the Bank's business. A performing asset is one which generates income for the Bank.	A general provision on a standard asset of a minimum of 0.40 per cent. is to be made with the following exceptions: (i) farm credit to the agriculture activities, individual housing loans and small and micro enterprise ("SME") sectors at 0.25 per cent.; (ii) advances to the commercial real estate ("CRE") sector at 1.00 per cent.; (iii) advances to CRE – the residential housing sector at 0.75 per cent.; (iv) housing loans at teaser rates (i.e. at comparatively lower rates of interest in the first few years) at 2.00 per cent. The provisioning on these assets would revert to 0.40 per cent. after one year from the date on which the rates are reset at higher rates if the accounts remain standard; and (v) it is clarified that the medium enterprises will attract 0.40 per cent. Standard asset provisioning. A provision of 5.00 per cent., in addition to the provisions already held for MSME sector, is to be made on restructured standard advances. Delayed Implementation of Resolution Plan An additional provision is to be made as 20 per cent. of total outstanding, if the resolution plan is not implemented within 180 days from the end of review period, and 15 per cent. (i.e. total additional provisioning of 35 per cent. if the resolution plan is not implemented within 365 days from the commencement of review period. The review period is as defined in Prudential Framework for Resolution of Stressed Assets issued by the regulator). The Bank has the option of reversing such provisions at the end of the specified period, subject to the account demonstrating satisfactory performance during the specified period. See "<i>Supervision and Regulation – Provisioning and Write-Offs</i>" for further details. These provisions are eligible for accounting as Tier II capital for capital adequacy purposes up to the permitted extent.

Classification	Description	Provision						
Sub-standard	With effect from 31 March 2005, a sub-standard asset is one which has remained as an Non-Performing Asset (“NPA”) for a period of less than or equal to 12 months.	A general provision of 15.00 per cent. on a total outstanding loan is to be made without making any allowance for any guarantee covered by the Export Credit Guarantee Corporation of India (“ECGC”) and the securities available. Unsecured exposures which are identified as sub-standard would attract an additional provision of 10.00 per cent. (i.e. a total of 25.00 per cent. on the outstanding balance). However, in view of certain safeguards such as escrow accounts available in respect of infrastructure lending, infrastructure loan accounts which are classified as sub-standard will attract a provisioning of 20 per cent. Instead of the aforesaid prescription of 25 per cent. To avail of this benefit of lower provisioning, there must be in place an appropriate mechanism to escrow the cash flows and also have a clear and legal first claim on these cash flows. Unsecured exposure is defined as an exposure where the realisable value of a security, as assessed by the Bank, approved valuers and the RBI’s inspecting officers, is not more than 10.00 per cent., <i>ab initio</i>, of the outstanding exposure. The exposure shall include all funded and non-funded exposures (including underwriting and similar commitments). Security means tangible security properly discharged to the Bank and will not include intangible security such as guarantees and comfort letters.						
Doubtful	With effect from 31 March 2005, an account is classified as doubtful if it has remained in the sub-standard category continuously for more than 12 months. An NPA where erosion in the realisable value of security is more than 50.00 per cent. But less than 90.00 per cent., as assessed by the Bank and as accepted by the RBI at the time of the last inspection, is classified under the doubtful category.	A provision of 100.00 per cent. is to be made for the deficit portion (i.e. to the extent that the advances are not covered by guarantee or the realisable value of the security or the ECGC/Credit Guarantee Fund Trust for Small Industries to which the Bank has valid recourse and the realisable value is estimated on a realistic basis). With regard to the secured portion, provision is to be made at rates ranging from 25.00 per cent. To 100.00 per cent. Of the secured portion depending on the period for which the advance has remained in the doubtful category as detailed below: <table><tr><td>Up to one year</td><td>25.00 per cent.</td></tr><tr><td>One to three years</td><td>40.00 per cent.</td></tr><tr><td>More than three years</td><td>100.00 per cent.</td></tr></table>	Up to one year	25.00 per cent.	One to three years	40.00 per cent.	More than three years	100.00 per cent.
Up to one year	25.00 per cent.							
One to three years	40.00 per cent.							
More than three years	100.00 per cent.							

Classification	Description	Provision
Loss	Loss is one where the loss has been identified by the Bank, internal auditors, external auditors or inspectors of the RBI, but the amount has not been written off wholly or partially. In other words, such an asset is considered uncollectible with little salvage or recovery value. An NPA where the realisable value of the security has eroded to 10.00 per cent. Or less of the outstanding amount is immediately classified as a Loss.	Any loss is to be written off. If a loss asset is permitted to remain in the book for any reason, 100.00 per cent. Of the net outstanding loan is to be provisioned.

Under the RBI guidelines, an NPA is a loan or an advance where:

- the interest and/or the instalments of principal have remained overdue for a period of more than 90 days in respect of a term loan;
- the account has remained out-of-order (as defined below), in respect of an overdraft or cash credit for more than 90 days;
- the bill has remained overdue for a period of more than 90 days in case of bills purchased and discounted;
- a loan granted for short-duration crops will be treated as an NPA if the instalments of principal or interest thereon remain overdue for two crop seasons;
- a loan granted for long-duration crops will be treated as an NPA if the instalments of principal or interest thereon have remained overdue for one crop season; or
- an amount to be received has remained overdue for a period of 90 days in respect of other accounts.

An account is treated as “out-of-order” if the outstanding balance remains continuously in excess of the sanctioned drawing limit. In circumstances where the outstanding balance in the principal operating account is less than the sanctioned drawing limit, but: (i) there is no credit for a period of 90 days as at the date of the balance sheet of the Bank; or (ii) the credit is not sufficient to cover interests debited during the same period, these accounts are treated as “out-of-order”. In addition, any amount due to the Bank under any credit facility is treated as “overdue” if it is not paid on the due date fixed by the Bank.

Each Territory is also regulated by the host country’s regulator and they are obligated to comply with local guidelines including related to the classification of assets and provisioning whichever is more stringent.

Please refer to the Circular No. RBI/2024-25/12 DOR.STR.REC.8/21.04.048/2024-25 dated 2 April 2024 issued by the RBI and other circulars/guidelines issued by the Bank, the RBI or host country regulators from time to time.

NPAs

The following table describes the Bank's net and gross NPA ratios for the operations and as at the dates indicated below.

	As at 31 March 2024		As at 31 March 2025	
	Gross NPA Ratio	Net NPA Ratio	Gross NPA Ratio	Net NPA Ratio
Domestic operations	2.65	0.75	2.33	0.64
Overseas operations	4.18	0.34	1.93	0.29
Total ratio	2.92	0.68	2.26	0.58

The following table sets forth the classification of gross loan assets of the Bank as at the dates indicated below.

	As at 31 March 2024		As at 31 March 2025	
	Domestic	Overseas	Domestic	Overseas
Standard.....	874,329.94	184,342.23	997,321.28	205,304.99
Sub-standard.....	7,276.74	539.26	6,587.13	218.99
Doubtful	12,214.01	903.48	11,386.87	731.84
Loss	4,294.84	6,605.30	5,816.54	3,093.49

The following table sets out the Bank's provisions for possible credit losses as at the dates indicated below.

	31 March 2024	31 March 2025
	(Rs. In billions, except for percentages)	
Provisioning for the following classes of assets:		
Standard	69.17	73.73
Sub-standard.....	37.48	23.54
Doubtful	97.51	93.09
Loss.....	106.76	86.87
Total provision for NPAs	242.50	203.49
Provision held for NPAs as percentage of gross advances....	2.22%	1.65%
Provision held for NPAs as percentage of gross NPAs	76.26%	73.11%

NPA Management

A regular review of each NPA account is carried out to decide on further courses of action, including engagement with borrowers as well as legal recourses.

The Bank is committed to efficiently managing and reducing its NPAs and has implemented the following measures to manage and reduce its NPA ratio:

- Close monitoring of delinquent accounts, detecting early warning signals and monitoring red-flagged large advance accounts at branch, regional, zonal and corporate office levels to avoid slippage into NPA status. The Slippage Prevention Task Force ("SPTF") has been formed at the regional level. Members of the SPTF and/or deputy regional managers visit critical branches with large numbers of overdue accounts and accounts rated as high risk in order to determine prevention strategies and resolve outstanding issues. Reviews of accounts are undertaken by special zonal committees, which meet every three months to formulate action plans. There is also a status review of accounts which is causing concern in the corporate office.

- Undertaking the financial restructuring of accounts in a timely manner, so as to prevent further deterioration of financial conditions. Where an account shows signs of liquidity problems and does not generate enough cash surplus to meet its commitments, such account is reviewed and restructured depending on the financial viability of the account.
- Initiating recovery action immediately on slippage of accounts. This involves taking non-legal recovery action or initiating legal action.
- Conducting recovery meetings at regional and zonal levels to arrive at a compromised settlement which is both cost-effective and mutually beneficial. Recovery meetings involve inviting certain borrowers and defaulting borrowers to the Bank in order to negotiate and reach mutually agreeable settlement proposals.
- Taking an approach that recognises compromise with respect to settlements through the Lok Adalat, which means “the people’s courts”, constituted under the Legal Services Authorities Act 1987, to facilitate a speedy and compromised settlement. Only claims not exceeding Rs. 2.00 million can be brought to a Lok Adalat and its decision is binding on the parties. Given that it does not charge any fees and often resolves disputes faster than regular courts, the Bank strives to recover NPAs through a Lok Adalat to the extent practicable.
- Reporting of wilful defaulters with an overdue amount of at least Rs. 2.50 million to the RBI. The RBI then consolidates the data of such wilful defaulters and disseminates this information among banks. The legal process, wherever warranted, is initiated against the borrowers and the guarantors and foreclosure for recovery of dues. The Bank allows the rehabilitation or restructure of NPAs of wilful defaulters and, from time to time, enters into compromise settlements with such borrowers.
- Close monitoring of “compromised permitted accounts” for recovery in accordance with the terms of settlement. By maintaining an open dialogue with the borrowers of the compromised permitted accounts, the Bank seeks to recover its NPAs within specified periods and at minimum cost.
- Aggressively pursuing and achieving substantial progress in respect of measures allowed to be implemented by the Bank under the SARFAESI Act (as further explained below).
- Filing Debt Recovery Tribunal (“DRT”) suits, which can be filed along with SARFAESI proceedings for all the cases where outstanding amount is more than Rs. 1.00 million. After giving the judgment, the DRT endorses the same to recovery officers. The role of a DRT officer is to liaise with the advocates, branches and debtors and the DRT in debt recovery cases.
- Insolvency proceedings are initiated against borrowers and corporate guarantors under the Insolvency and Bankruptcy Code, 2016 (“IBC”) in cases where the default amount is Rs. 10.00 million or more (as further explained below).

Stressed Assets Resolution

The RBI through its notification dated 12 February 2018, has prescribed guidelines for the resolution of stressed assets. Accordingly, resolution of stressed assets envisages early identification and reporting of stressed assets for immediate resolution by way of recovery and restructuring, including a change in management and a conversion of debt into equity/debenture in a fixed time-frame, failing which lenders will have to file for insolvency under the IBC within 15 days thereafter.

Any resolution plan needs to be approved/implemented by all the lenders, Independent Credit Evaluation (“ICE”) with a minimum RP4 Rating with two ICEs in the event of aggregate exposure of Rs. 5.00 billion and above and at least one such ICE for accounts with aggregate exposure below Rs. 5.00 billion.

Restructuring

Restructuring is an act in which a lender, for economic or legal reasons relating to the borrower's financial difficulty, grants concessions to the borrower. Restructuring would normally involve modification of the terms of the advances/securities, which may include, among other things: alteration of the repayment period/repayable amount/the amount of instalments/rate of interest; rollover of credit facilities; sanction of additional credit facility; enhancement of existing credit limits; and compromise settlements where the time for payment of the settlement amount exceeds three months. In accounts where restructuring has been done, the asset classification and provisioning have to be as per extant Income Recognition and Asset Classification ("**IRAC**") Norms.

Restructured accounts can be upgraded only after recovery of 20.00 per cent. of the principal repayment as per RP and within a "specified period" which is a minimum of one year from the date of commencement of repayment and only with a rating of BBB- or better, i.e. investment grade.

Enforcement of Security Interest under the SARFAESI Act, 2002

In order to assist banks and financial institutions in recovering their NPAs and to ensure financial discipline among borrowers, the Government enacted the SARFAESI Act in December 2002. The SARFAESI Act provides the legal framework for:

- the securitisation of financial assets by setting up a Securitisation Company ("**SC**");
- the reconstruction of financial assets through an SC or a Reconstruction Company ("**RC**"); and
- the foreclosure of NPA accounts by enforcement of the security interest without the intervention of the courts.

Pursuant to the SARFAESI Act, a bank which is a secured creditor may, in respect of loans classified as NPAs, give notice in writing to the borrower or the guarantor (as applicable) requiring it to discharge its liabilities within 60 days, failing which and in the absence of any satisfactory objections or representations made by the borrower or the guarantor, such secured creditor may take the following measures to recover the amount outstanding:

- taking possession of the secured assets, including the right to transfer these assets by way of lease, assignment or sale to realise the secured loans;
- taking over the management of the business, including the right to transfer the secured assets by way of lease, assignment or sale to realise the secured loans;
- appointing any person to manage the secured assets after taking possession; or
- advising any person who has acquired any of the secured assets from the borrower, and from whom any money is due or may become due to, to pay the purchase money directly to the banks and institutions.

If required, the secured creditors may request the chief metropolitan magistrate or the district magistrate to take possession of a part or the whole of the secured assets and other related documents and forward the assets and documents to the secured creditors. The sale proceeds, if any, would first be utilised to meet all the expenses incurred in enforcement of the security interest and then for payment of dues to the secured creditors. The remaining amount, if any, would be paid to the other parties in accordance with their rights and interests.

In the event that the dues are not fully recovered by the sale of the secured assets, the secured creditors may file an application in the district or civil court, depending upon the amount to be recovered,

for the remaining dues. The secured creditors are also entitled to proceed against any guarantors and to sell the charged assets independently of their action for enforcement of the security interest.

As at 31 March 2025, the Bank had issued notices under the SARFAESI Act, and since the enactment of the SARFAESI Act, to 137,726 borrowers with an aggregate outstanding of Rs. 756.14 billion. Out of total notices issued, cases where amount was recovered in 99,882 accounts of 229.86 billion. As on 31 March 2025 the Bank has seized/taken possession of the assets of 15,247 defaulting borrowers/loan accounts under the SARFAESI Act with aggregate outstanding dues of Rs. 359.11 billion.

Insolvency and Bankruptcy Code, 2016

The fulcrum of a robust and resilient banking sector is a comprehensive bankruptcy regime. It enables a sound debtor-creditor relationship by protecting the rights of both, by promoting predictability and by ensuring efficient resolution of indebtedness. It is an effective tool in NPA management in India and in order to tackle the problems of rising NPA, the Government of India enacted the Insolvency and Bankruptcy Code (“**IBC**”) on 28 May 2016.

The institutional infrastructure under the IBC rests on four pillars:

Insolvency Professionals

- (C) They assist in the completion of insolvency resolution, liquidation and bankruptcy proceedings and are governed by ‘Insolvency Professional Agencies’, who develop professional standards and a code of ethics as first-level regulators.

Information Utilities

- (D) They collect, collate, authenticate and disseminate financial information. They maintain electronic databases on lenders and terms of lending, thereby eliminating delays and disputes when a default actually takes place.

Adjudicating Authorities

There are two adjudicating authorities, the National Company Law Tribunal (“**NCLT**”) and Debt Recovery Tribunal (“**DRT**”). NCLT is the forum where cases relating to insolvency of corporate persons are heard, while DRT is the forum for insolvency proceedings relating to individuals and partnership firms. These institutions, along with their Appellate bodies, namely, the National Company Law Appellate Tribunal (“**NCLAT**”) and the Debt Recovery Appellate Tribunal (“**DRAT**”) respectively seek to achieve the smooth function of the bankruptcy process.

The Insolvency and Bankruptcy Board of India (“**IBBI**”)

This body has regulatory oversight over insolvency professionals, insolvency professional agencies and information utilities.

Procedure

Under the provisions of the Code, an insolvency resolution can be triggered at the first instance of default and the process of an insolvency resolution has to be completed within the stipulated time limit. A plea for insolvency is submitted to the adjudicating authority (NCLT in the case of corporate debtors) by financial or operational creditors or the corporate debtor itself. The maximum time allowed to either accept or reject the plea is 14 days, though this time limit is only directory in nature. If the plea is accepted, the tribunal has to appoint an Insolvency Resolution Professional (“**IRP**”) to draft a resolution plan within 180 days (extendable by 90 days). Following which, the Corporate Insolvency Resolution process is initiated by the court. For the said period, the board of directors of the company stands

suspended, and the promoters do not have a say in the management of the company. The IRP, if required, can seek the support of the company's management for day-to-day operations. If the IRP fails in reviving the company the liquidation process is initiated.

For individuals, the Code provides for two distinct processes, namely, "Fresh Start" and "Insolvency Resolution", and it lays down the eligibility criteria for these processes. The Code also establishes a fund – the Insolvency and Bankruptcy Fund of India – for the purposes of insolvency resolution, liquidation and the bankruptcy of persons. The provisions pertaining to insolvency of individuals have not been notified.

On the distribution of proceeds from the sale of assets, the first priority is accorded to the costs of insolvency resolution and liquidation, followed by the secured debt together with workers' dues for the preceding 24 months. Central and State Government dues are ranked lower in priority. The code proposes a paradigm shift from the existing 'debtor in possession' to a 'creditor in control' regime. Priority accorded to secured creditors is advantageous for entities such as banks.

On 19 January 2018, the Parliament passed the Insolvency and Bankruptcy Code (Amendment) Bill, 2017. The amendments aim to keep out such persons who have wilfully defaulted, are associated with non-performing assets, or are habitually non-compliant and, therefore, are likely to be a risk to a successful resolution of insolvency of a company.

The Parliament has further enacted the Insolvency and Bankruptcy Code (Second Amendment) Bill, 2018 and has been deemed to come into force from 6 June 2018. This amendment has revised the norms pertaining to enforcement of third party security which has to be provided by the corporate debtor. Further, the voting threshold has been brought down to 66 per cent. from 75 per cent. for all major decisions such as approval of resolution plans and extension of corporate insolvency resolution process period. Further, in order to facilitate the corporate debtor to continue as a going concern during the corporate insolvency resolution process, the voting threshold for routine decisions has been reduced to 51 per cent. This amendment provides a relief to home buyers who are now to be treated as financial creditors and therefore will be able to decide the future of defaulting builders alongside their lenders.

As at 31 March 2025, the Bank had exposure of Rs.436.81 billion in 463 accounts where a corporate insolvency resolution process ("CIRP") has been initiated under IBC. Out of 463 cases referred to NCLT under IBC 303 case has been resolved and the Bank has received Rs. 41.81 billion as part of the resolution during the FY 24-25.

Central Repository of Information on Large Credit ("CRILC")

As per the framework, the RBI has set up the CRILC to collect, store and disseminate credit data to lenders. Banks will be required to report credit information, including the classification of an account as an SMA, to CRILC concerning all their borrowers having aggregate fund-based and non-fund-based exposures of Rs. 50.00 million and above with them.

SMA Subcategories	Basis for classification
SMA-0	Principal or interest payment not overdue for more than 30 days but account showing signs of incipient stress
SMA-1	Principal or interest payment overdue for 31 to 60 days
SMA-2	Principal or interest payment overdue for 61 to 90 days
INVESTMENT PORTFOLIO	

The table below shows the book value of the Bank's total investment portfolio as at the dates indicated.

Investments	As at 31 March	
	2024	2025
	(Rs. in billions)	
Investments inside India (Net):		
Government securities.....	3,221.49	3,281.08
Other approved securities	0.01	0.55
Shares	21.60	60.32
Debentures and bonds.....	252.16	284.93
Investments in subsidiaries and/or joint ventures	34.67	48.04
Others ⁽¹⁾	5.31	12.16
Total investments in India.....	3,535.24	3,687.11
Investments outside India (Net):		
Government securities.....	75.64	97.52
Other investments ⁽²⁾	87.28	69.34
Total investments outside India	162.92	166.86
Total investments	3,698.16	3,853.98

Notes;

(1) Includes, among other things, mutual funds and commercial paper.

(2) Includes investments in floating rate notes, credit-linked notes, and subsidiaries and joint ventures.

Investments in India

As at 31 March 2025, the Bank had a total net investment of Rs. 3,687.11 billion in India, of which Rs. 0.55 billion (0.0149% per cent.) was held in approved securities in accordance with the SLR requirements. The Bank's bond portfolio is held principally for investment purposes. The Bank's investments are classified as "Held to Maturity" ("HTM"), "Available for Sale" ("AFS") and "Held for Trading" ("HFT") in accordance with regulatory stipulations. See "*Supervision and Regulation – Banks' Investment classification and Valuation Standards*" for further information.

The Bank can now hold securities classified as HFT for more than 90 days per the RBI latest Master Direction on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023. There are also no such restrictions on the holding period for AFS. In respect of HTM securities, as at 31 March 2025, the Bank was permitted to hold SLR securities classified as HTM more than 5 per cent. of its net demand and time liabilities as on the last Friday of the second preceding fortnight. As at 31 March 2025, 72.17 per cent. of the Bank's net investment in India was classified as HTM and 23.59 per cent. was classified as AFS. The remaining 2.94 per cent. was classified as HFT.

The Bank's gross equity portfolio of Rs. 68.63 billion as at 31 March 2025, which represented 1.85 per cent. of its total domestic portfolio, comprised listed stocks, unlisted stocks and unit-type securities. Listed stocks constituted 52.84 per cent. of the equity portfolio, while unlisted stocks constituted 47.16 per cent. of the equity portfolio and were acquired mainly as a strategic stake in corporates and institutions on a long-term basis. Unlisted stock investments in equity were received as part of the restructuring of the Bank's NPAs.

Investments outside India

The market value of the Bank's net investments outside India amounted to Rs. 166.87 billion as at 31 March 2025.

(A) The table below shows the Bank's investments outside India by category as at the dates indicated.

	As at 31 March			
	2024		2025	
	(Rs. in billions)	Percentage	(Rs. in billions)	Percentage
Held to maturity	20.56	0.14	13.82	8.28
Available for sale	142.37	87.39	106.56	63.86
FVTPL.....	0.00	–	26.15	15.67
Subsidiaries, Associates and JVs	20.33	12.48	20.34	12.19
Total	162.92	100	166.87	100

Overview of Funding and Liquidity

The Bank's funding operations are designed to ensure stability of funding, minimise funding costs and effectively manage liquidity. The Bank attempts to maintain a diversified funding base and to concentrate deposits in savings accounts, which offer relatively low rates of interest, and current accounts on which no interest is paid. The Bank's funding is primarily derived from deposits placed with the Bank by its corporate and retail clients. The Bank also derives funding from capital and reserves and borrowing. While the majority of the Bank's funds are denominated in Rupees, the Bank's overseas branches raise foreign currency borrowings from local banks and foreign counterparties through established lines of credit facility arrangements to fund the Bank's overseas operations, in addition to funding undertaken directly by the Bank. The following table shows the breakdown of the Bank's funding profile as at the dates indicated.

	31 March 2024		31 March 2025	
	(Rs. in billions)	Percentage	(Rs. In billions)	Percentage
Total deposits	13,351.36	84.19%	14,720.35	82.64
Rupee deposits.....	13,225.85	83.40%	14,561.69	81.75
Foreign currency deposits.....	125.51	0.79%	158.66	0.89
Total borrowings.....	944.02	5.95%	1,237.16	6.95
Rupee borrowings.....	846.98	5.34%	1,064.44	5.98
Foreign currency borrowings.....	97.05	0.61%	172.72	0.97
Share capital, reserves and surplus.....	1,122.24	7.08%	1,369.26	7.69
Other liabilities and provisions.....	440.35	2.78%	485.71	2.73
Total liabilities	15,857.97	100.00%	17,812.47	100.00%

Regulatory Reserves

The Bank is required to maintain 4.50 per cent. of its NDTL in the form of balances with the RBI in accordance with Section 42 of the RBI Act, 1934. The Bank does not earn any interest on such balances held with the RBI. The Bank undertakes liquidity management in line with regulatory requirements and with the objective of keeping minimum cash balances at its branches for their day-to-day operations. The Bank maintains a proper mix of interest-earning liquid assets and cash balances to maximise income, while also providing adequate liquidity for branch operations.

As per the RBI's master direction dated 20 July 2021, every commercial bank, primary (urban) co-operative bank, state co-operative bank and central co-operative bank shall maintain in India assets (referred to as 'SLR assets' in the above notification) the value of which shall not, at the close of business on any day, be less than 18.00 per cent. of its total net demand and time liabilities in India as on the last Friday of the second preceding fortnight.

As at the date of this Offering Circular, the Bank is required to maintain 18.00 per cent. of its NDTL in approved securities for the purposes of compliance with the SLR requirements. Approved securities consist of sovereign securities such as treasury bills, government loans and loans issued by state governments. The Bank trades actively in such approved securities.

Other than approved securities, the Bank also maintains investments in Government of India special securities (oil bonds), state government special securities (discom bonds), public sector undertaking bonds, corporate bonds and debentures, equity shares, mutual fund units, certificates of deposits (“CDs”), commercial papers (“CPs”), pass through certificates (“PTCs”), security receipts, venture capital funds (“VCFs”) and preference shares, and strategic investments in subsidiaries, joint ventures and associates.

Capital Adequacy

	Basel III
Minimum capital adequacy ratios required by the RBI:	
Tier I Capital Adequacy Ratio	9.50%
Total Capital Adequacy Ratio	11.50%

As at 31 March 2025, the Bank’s total capital adequacy ratio was 17.19 per cent., which was higher than the RBI stipulation of 11.50 per cent., including a capital conservation buffer of 2.50 per cent. and its Tier I capital adequacy ratio was 14.79 per cent. The following table sets out certain capital adequacy data for the Bank as at the dates indicated below.

	As at 31 March 2025
	Basel III
	(Rs. in billions, except percentages)
Tier I Capital	1,293.70
Tier II Capital	209.29
Total Capital	1,502.99
Capital Adequacy Ratios:	
Tier I Capital Adequacy Ratio	14.79
Tier II Capital Adequacy Ratio	2.40
Total Capital Adequacy Ratio	17.19

Liquidity Coverage Ratio (“LCR”)

Against the backdrop of the global financial crisis, as part of liquidity risk management, the Basel Committee on Banking Supervision came out in December 2010 with guidelines on sound liquidity risk management and supervision. In order to adhere to the same, the RBI came out with guidelines on liquidity risk management in banks on 7 November 2012 and the “Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards” on 9 June 2014.

LCR is the stock of High Quality Liquid Assets (“HQLAs”) as a percentage of total net cash outflow over the next 30 calendar days. The LCR requirement is binding on banks from 1 January 2015 onwards. Accordingly, the Bank has implemented the LCR from 1 January 2015. With a view to providing a transition time for banks, the requirement has been set at a minimum of 60.00 per cent. effective from 1 January 2015, and thereafter set to rise in equal steps to reach the minimum required level of 100.00 per cent. on 1 January 2019, as per the following given timeline:

	1 January 2015	1 January 2016	1 January 2017	1 January 2018	1 January 2019
Minimum LCR	60.00%	70.00%	80.00%	90.00%	100.00%

However, the RBI desires that banks strive to achieve a higher ratio than the above minimum prescribed ratio as an effort towards improving liquidity risk management.

With effect from 1 January 2019, i.e. after the phase-in arrangements are complete, the LCR should be at a minimum of 100.00 per cent. on an ongoing basis because the stock of unencumbered HQLA is intended to serve as a defence against the potential onset of liquidity stress.

During a period of financial stress, however, banks may use their stock of HQLA, thereby falling below 100.00 per cent. Banks should immediately report to the RBI's Department of Banking Regulation along with the Department of Banking Supervision any issues regarding the use of HQLA along with reasons for such usage and corrective steps initiated to rectify the situation.

DESCRIPTION OF THE BANK'S FOREIGN BRANCHES

As at 31 March 2025, the Bank has 84 overseas branches and offices across 15 countries. These comprise: (i) 30 overseas branches and offices in territory operations, including the International Banking Unit (IBU) branch at GIFT City, Gandhinagar, Gujarat (India); (ii) nine Electronic Banking Service Units in the United Arab Emirates; and (iii) 45 branches of the Bank's seven overseas subsidiaries.

For further details on the Bank's overseas operations, please see the section "*Description of the Bank – International operations*" in the Offering Circular.

The Bank's London Branch

Background

Bank of Baroda is one of the earliest Indian banks to enter the UK in 1957. Over the last 68 years, the Bank has gathered experience in London, one of the world's most developed financial centres, which continues to remain the major servicing centre for global flows of money. Presently, the Bank operates in the UK as a single branch wholesale banking model. The Bank opened its branch in London on 27 February 1957.

The United Kingdom is an important trade partner for India with a very large Indian population. The Bank's London branch is regarded as one of its most important foreign offices on account of its strategic location.

Key Objectives of the Bank's London Branch

The key objectives of the Bank's London branch are summarised below:

- Raising resources from international market.
- Arranging lines of credit from foreign banks.
- Arranging syndicated loans and guarantees, primarily for Indian corporates, and participating in syndicated facilities in the primary/secondary markets.
- Investing in debt securities and structured products in the primary/secondary markets.
- Dealing in foreign exchange and derivatives.
- International trade financing with a focus on India-related businesses.
- Supporting other foreign offices of the Bank, whenever required.

The technology system at the London branch has been upgraded, with the new core banking and treasury solutions implemented in 2007. The London branch is located at 32 City Road, London EC1Y 2BD.

Regulation of the London Branch

Regulation under the laws of England

The Bank is regulated by the PRA and the FCA. The PRA is responsible for the prudential regulation of deposit takers, insurers and major investment firms, and the FCA is responsible for ensuring that relevant markets function well and for regulating the conduct of all financial services firms. The London branch is in full compliance with the PRA requirements with respect to liquidity maintenance.

Regulation under Indian Law

In addition to being subject to the laws and regulations of the host country, the Bank's London branch is also subject to the regulations and directives of the RBI as applicable to overseas branches of Indian banks.

The Bank's Ifsc at Gift City Branch

Background

The Bank opened its branch in IFSC at GIFT City in November 2017. The GIFT City branch is the 19th Territory out of 23 overseas centres in 2017 (now 16 centres are present including Joint Venture & Associate) where the Bank was having its international banking units. The Branch is located in Gandhinagar, Gujarat in a special economic zone. GIFT City features a benign regulatory regime, tax incentives, low operational cost, and an opportunity for the Bank to avail itself of growing technology and the business ecosystem.

Present Business Profile of Bank's IFSC Banking Unit

At present, the Bank's IFSC Banking Unit has high business volumes by having a state of art international treasury set-up along with a full-fledged syndication and trade finance department the Territory is now having a total business size of U.S.\$9.430 billion as of 31 March 2025.

The GIFT City branch is licensed to conduct the following financial services:

- accepting deposits both corporate and retail clients;
- dealing in investments in both primary and secondary market;
- dealing in derivatives;
- providing syndication, bilateral and/or club loans;
- trading in the foreign exchange markets;
- arranging bilateral loans (medium and long term), money market loans, secured repo markets;
- remittances in IFSCA specified freely convertible currencies; and
- resource management for Territories.

The Bank's IFSC branch offers all lending products (including but not limited to external commercial borrowings, syndicated, bi-lateral facilities, trade finance (both fund based and non-fund based) in all international currencies.

The IFSC branch may accept deposits savings, current and term deposits from offshore clients or free zone clients and is also active in money market operations mobilising deposits and making placements at attractive yields.

MANAGEMENT

Board of Directors

The composition of the board of directors is governed by the provisions of the Banking Regulation Act, the Bank Nationalisation Act and the Scheme.

Section 9(3) of the Bank Nationalisation Act provides as follows: every board of directors of a corresponding new bank constituted under any scheme made pursuant to sub-section (1) shall include:

- not more than four full-time directors, to be nominated by the Government after consultation with the RBI;
- one director who is an official of the Government, to be nominated by the Government;
- one director possessing the necessary expertise and experience in matters relating to regulation or supervision of commercial banks, to be nominated by the Government on the recommendation of the RBI;
- one director from among such of the employees of the corresponding new bank who are workmen under Section 2 of the Industrial Disputes Act, 1947, to be nominated by the Government;
- one director from among the employees of the corresponding new bank who are not workmen under Section 2 of the Industrial Disputes Act, 1947, to be nominated by the Government;
- one director who has been a chartered accountant for not less than 15 years, to be nominated by the Government after consultation with the RBI;
- not more than a total of six directors, less the number of directors elected by the non-Government shareholders as described in the Bank Nationalisation Act, to be nominated by the Government; and
- depending on the percentage of paid-up capital being held by shareholders other than the Government, between one and three directors who are to be elected by the shareholders (other than the Government) from among themselves. (Based on the relevant provisions of the Bank Nationalisation Act, the number of elected directors by the non-Government shareholders as applicable for the Bank is between one and three directors.)

Four full-time directors are appointed by the Government. The remaining directors are non-executive directors, *inter alia*, represent the Government, shareholders and the workmen and non-workmen staff of the Bank. The non-executive directors comprise individuals having special knowledge or practical experience in respect of one or more of the matters, namely: agriculture and the rural economy, banking, co-operation, economics, finance, law, small-scale industry, or any other field or other matter in which the special knowledge and practical experience would be useful, as determined by the RBI or such nominated or elected directors who represent the interests of depositors, farmers, workers and artisans.

The composition of the board of directors as at the date of this Offering Circular is as follows:

	Name	Designation
(i)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(ii)	Shri Lalit Tyagi	Executive Director
(iii)	Shri Sanjay Vinayak Mudaliar	Executive Director
(iv)	Shri Lal Singh	Executive Director
(v)	Smt. Beena Vaheed	Executive Director
(vi)	Dhri Ashish Madhaorao More	Non-Executive Director (GOI Nominee Director)

	<u>Name</u>	<u>Designation</u>
(vii)	Shri Manoranjan Mishra	Non-Executive Director (RBI Nominee Director)
(viii)	Smt. Nina Nagpal	Shareholder Director
(ix)	Shri Ravindran Menon	Shareholder Director
(x)	Shri Vijay Dube	Shareholder Director

The board of directors meets regularly based on the requirements of the Bank. During FY25, the board of directors held 14 meetings compared with the minimum requirement of six meetings as stipulated under the Scheme.

Profile of Directors

Dr. Debadatta Chand

Dr. Debadatta Chand assumed charge as Managing Director & CEO of the Bank on 1 July 2023. Dr. Chand has over 31 years of experience in the banking & financial services industry.

Dr. Chand served as the Executive Director at Bank of Baroda prior to his appointment as MD & CEO of Bank of Baroda. He was managing Corporate & Institutional Credit, Corporate & Institutional Banking, Treasury & Global Markets, Mid-Corporate Business and Trade & Foreign Exchange. In addition, he also successfully oversaw the International Banking Business, Domestic Subsidiaries/Joint Ventures, Wealth Management, Capital Markets, NRI Business as well as key platform functions such as HRM, Finance & Planning, Risk Management, Audit & Inspection, Credit Monitoring, Collections, Legal, Compliance, Learning & Development, Disciplinary Proceedings, Information Security and Estate Management & Security at the Bank.

Dr. Chand began his career in 1994 as an Officer at Allahabad Bank and later worked as a Manager at the Small Industries Development Bank of India (SIDBI) from 1998 to 2005. In 2005, he joined Punjab National Bank (PNB) as Chief Manager and steadily progressed to the position of Chief General Manager. During his over 15-year tenure at PNB, he held various positions, including Head of the Zonal Audit Office in Patna, Circle Head of the Bareilly Circle, Head of Integrated Treasury Operations, and Head of the Mumbai Zone. He has served on the Boards of PNB Principal Mutual Fund and SWIFT India Pvt. Ltd. as nominee director of Punjab National Bank.

Dr. Chand is Chairman on the Boards of BOB Capital Markets Ltd., IndiaFirst Life Insurance Co. Ltd, BOB Financial Solutions Limited, Bank of Baroda (Tanzania) Ltd., and Bank of Baroda (Kenya) Ltd. and member on the Board of National Insurance Company Ltd. and Bank of Baroda (Uganda) Ltd. He is member on the Governing Board of National Institute of Bank Management (NIBM), General Body of Management Development Institute (MDI) Society, Gurgaon and Governing Council of the Indian Institute of Banking & Finance (IIBF). Earlier, he served on the Board of India Infradebt Limited.

Dr. Chand holds a B. Tech. degree, an MBA and CAIIB qualification. Additionally, he has a Post Graduate Diploma in Equity Research and is a Certified Portfolio Manager. Dr. Chand also holds a Ph.D. in Management.

Shri Lalit Tyagi

Shri Lalit Tyagi, having started his career as Probationary Officer in Bank of Baroda in 1996, has over 28 years of rich experience in various spectrum of commercial banking, particularly in Corporate Finance, Risk Management, International Banking and Administrative Roles. He has been an operational banker having vast experience of working in different branches and offices in India and abroad, including two stints in Bank's overseas operations; viz. Brussels, Belgium and New York, USA.

He has successful experience of leading Bank's important units such as Regional Head of Bangalore Region, General Manager & Branch Head of Bank's largest Corporate Financial Services Branch, Mumbai and Chief General Manager (Chief Executive) of Bank's largest overseas territory US Operations, New York.

Prior to his appointment as Executive Director of Bank of Baroda on 21 November 2022, he was the Chief Executive of Bank's US Operations, New York. He has also served as Director in Canbank Computer Services Ltd. (CCSL – a wholly owned subsidiary of Canara Bank) and Non-Executive Chairman of Bank of Baroda (Guyana) Inc. in the past. Currently he is serving as Nominee Director in BOB Capital Markets Ltd, India Infradebt Ltd, Bank of Baroda (Uganda) Ltd and Bank of Baroda (UK) Ltd.

As Executive Director in Bank of Baroda, he currently looks after Corporate & Institutional Banking, Treasury & Global Markets, Mid-Corporate Business, International Banking, Domestic Subsidiaries/Joint Ventures.

In the past, he had also overseen the key platform functions such as Compliance, Risk Management, Audit & Inspection, Credit Monitoring, Collections, Legal and HRM.

Shri Tyagi is known for his leadership and motivational skills.

He has Post Graduate Diploma in Banking & Finance (PGDBF) from National Institute of Bank Management (NIBM), Pune and is also a Certified Associate of Indian Institute of Bankers. He has been identified as one of Public Sector Bankers by Bank's Board Bureau (now known as Financial Services Institutions Bureau) for future leadership roles.

Shri Sanjay Vinayak Mudaliar

Shri Sanjay Vinayak Mudaliar, Executive Director, Indian Overseas Bank has taken charge as Executive Director of Bank of Baroda with effect from 31 January 2024.

He is a Post Graduate in Science and Technology and a Certified Project Management Practitioner from London. Prior to joining Bank of Baroda as Executive Director, Shri Mudaliar was associated with Indian Overseas Bank at their Central Office, Chennai. Earlier, he was holding the position of Chief Technology Officer of Bank of Baroda's Global Operations spanning across 18 countries.

He is a seasoned banker with career spanning over 30 years across industries and financial institutions. Of these, for 25 years he was associated with Bank of Baroda in various capacities across the country and in the United Kingdom.

With his techno-functional knowledge, he contributed immensely in various working groups/committees on product innovation and process refinement. He has also been part of a number of key industry initiatives on Banking Technology. He had been Nominee Director in 5 companies of Bank of Baroda/subsidiaries in India and abroad.

He is analytical, sincere and demonstrates positive approach to the changing requirements. He is an avid traveller, serious reader and has been practicing long distance walking.

Shri Lal Singh

Shri Lal Singh joined Bank of Baroda as an Executive Director on 9 October 2023.

He started his career as a Rural Development Officer in Union Bank of India in 1990. As a career banker, he has 33 years of deep and distinguished experience including MSME Credit, Corporate Finance, Rural and Agri Business, and Human Resource Development.

As the Zonal Head, he has successfully spearheaded large and prestigious zones such as Varanasi, Lucknow, Chennai as well as Regions such as Mumbai West and Udaipur (Rajasthan). Shri Singh has diverse experience across Metro Urban Semi-Urban Rural (MUSR) locations, and has led exponential growth as Regional Head and Branch Head across Rajasthan, Gujarat, Maharashtra and UP.

Post amalgamation of Andhra Bank and Corporation Bank with Union Bank of India, he led the business transformation of the Bank's MSME, Rural and Agri Business. In Shri Singh's last assignment, he was the Chief General Manager for the Bank's strategic HR function. He directly led the Bank's flagship project, Union Prerna, establishing a new performance culture, succession planning and improving talent engagement with the 75,000+ employees of the Bank. Under his leadership, the HR function has won 12+ awards from leading global organisations, and an ISO certification for digital and data enablement. He has also anchored the setup of an advanced L&D unit, through the creation of a rich learning ecosystem to build market-ready skills in employees.

Shri Singh has served multiple board and leadership level positions. He was the Chairman of the Sub Committee of the State Level Bankers' Committee, Uttar Pradesh for Credit Deposit Ratio and Bringing Green Revolution to Eastern India (BGREI). He was a nominee director on the board of the UP Industrial Consultants Limited (UPICO), M/s. Nab Samruddhi Finance Ltd (subsidiary of NABARD), PSB Alliance Pvt. Ltd., Supervisory Board of India Micro Finance Equity Fund (SIDBI), Trustee on the Governing Board of Indian Institute of Bank Management (IIBM), Guwahati and also Union Bank of India Social Foundation Trust (UBSFT) for Corporate Social Responsibility as well as Union Bank of India's Employees Trust for Pension, Provident Fund and Gratuity.

Shri Singh is known for his people development, team building and motivation, and customer engagement skills.

He is a Post Graduate in Agricultural Sciences, Certified Associate of Indian Institute of Bankers (CAIIB) and has completed a Diploma in Treasury, Investment and Risk Management (DITIRM), AMFI & CeBA. He has a Certification in Micro Finance, and has attended the Global Strategy & Leadership Program at UVA Darden School of Business – Virginia USA & ISB, Hyderabad. He was part of the 1st batch of senior executives selected by Banks Board Bureau (now FSIB) for the Leadership Development Program organised by IIM Bangalore and Egon Zehnder International Pvt. Ltd.

Smt. Beena Vaheed Smt. Beena Vaheed joined Bank of Baroda as an Executive Director on 9 August 2024.

She began her career as an Officer at Corporation Bank in 1993, significantly contributing to Corporation Bank's business planning, advertising and publicity efforts, including the successful launch of its IPO in 1997. As a tenured banker, Smt. Vaheed brings in rich and diverse experience of over 30 years across a wide range of verticals including Retail, Agriculture & MSME, Credit Assessment, Human Resources, Government Banking, Credit Card and Merchant Acquisition and Liability franchise. Throughout her career, Smt. Vaheed has held multiple leadership roles. As a Branch Head, she led strong business growth, ensured risk & operational compliance and improved market share. As a Deputy General Manager and, subsequently General Manager, she managed one of the largest regions for the erstwhile Corporation Bank, overseeing major corporate accounts and driving substantial business volume and profitability.

Following the amalgamation of Corporation Bank with Union Bank of India, Smt. Vaheed played a pivotal role in cultural integration. She assumed the role of General Manager – HR Operations of the amalgamated entity. Thereafter, in her next assignment, her strategic acumen was instrumental in managing over Rs 2 lakh crore in business as the Zonal Head – Delhi, the second-largest zone for Union Bank of India, focusing on profitability, operations and compliance. In her last stint as Chief General Manager in charge of the Deposit Mobilisation department at Union Bank of India, Smt. Vaheed was responsible for managing all deposit products and spearheading strategic initiatives & structural changes to enhance the Bank's liability base. She was also in charge of credit cards and Merchant Acquisition.

Smt. Vaheed is recognised for her strategic acumen, people development, team building & motivation, and customer engagement skills, making her a well-rounded and dynamic professional.

Her effectiveness as a leader is evidenced by multiple awards and recognition received for outstanding business performance. Most recently, she received the Distinguished Alumni Award, 2024 from IIM Kozhikode, as a mark of appreciation for her professional accomplishments. Additionally, Smt. Vaheed has served in numerous board and leadership positions. She was a Director on the Board of Union Bank of India Services Ltd. She is currently a Director on the Board of BOB Capital Markets Limited and Baroda BNP Paribas Asset Management India Private Limited besides the board of Bank of Baroda.

Smt. Vaheed holds a Bachelor of Science and a Master of Communication and Journalism from the University of Kerala, has completed an Executive MBA from IIM Kozhikode and has received specialised training in Cybersecurity and Leadership. She was a part of the 3rd batch of senior executives selected by Banks Board Bureau (now FSIB) for the Leadership Development Programme organised by IIM Bangalore and Egon Zehnder International Pvt. Ltd. She has also undergone a Director's certification program in ESG leadership conducted by IICA/MCA.

Ms. Vaheed has also attended a Climate & Nature Risk Symposium hosted by the Global Association of Risk Professionals (GARP) on 3rd – 4th June 2025, in London, UK, reflecting her continued focus on sustainability and evolving global risk frameworks.

Shri Ashish Madhaorao More, IAS

Shri Ashish Madhaorao More is a senior officer of the Indian Administrative Service (IAS), belonging to the AGMUT cadre, with an allotment year of 2005. He holds a Bachelor of Arts degree from Nagpur University and hails from Maharashtra.

After joining the IAS, Shri More has held diverse and impactful roles across the Central Government and various Union Territories and States. His career began with training in the Lal Bahadur Shastri National Academy of Administration (LBSNAA). He has served in key administrative positions in his AGMUT Cadre including Deputy Commissioner in Andaman & Nicobar Islands, Delhi and Mizoram; Director (Finance) in Delhi Jal Board; and Secretary in multiple departments in Goa and Puducherry.

At the Centre, he has held significant roles such as Private Secretary to the Hon'ble Minister of Railways, Director (All India Services Division) in the Department of Personnel and Training and currently serves as Joint Secretary (Banking) in the Ministry of Finance.

Shri More has undergone multiple mid-career training programs at LBSNAA, including Phase III, Phase IV and a Common Mid-Career Training Programme for the 2005 batch.

His career reflects a strong commitment to Public Service, Policy Implementation, Financial Administration and Governance across a wide spectrum of domains.

Shri Manoranjan Mishra

Shri Manoranjan Mishra has been appointed as the RBI nominee Director on the Board of Bank of Baroda vide Government of India notification dated 12th December, 2024.

Shri Manoranjan Mishra has over three decades of experience in the Reserve Bank of India. He has superannuated from RBI services on 30th September 2024. Shri Mishra worked across the RBI departments including Regulation of Banks and NBFCs, Supervision of Banks, Currency Management, Enforcement, Risk Monitoring, External Investments & Operations. Shri Mishra also served as a member of several Working Groups at the national and international levels and contributed to the formulation of regulatory and supervisory policies.

Shri Mishra is a post graduate in Economics and MBA (Banking and Finance). He also holds a Master's degree in Finance and Financial Regulation from Aston Business School, UK.

Smt. Nina Nagpal

Smt. Nina Nagpal has joined as a Director on the Bank's Board with effect from 24th December, 2023 representing shareholders of the Bank for a period of 3 years.

Prior to joining the Bank of Baroda Board, she was the Managing Director & CEO of Citicorp Finance India Ltd (CFIL), a Non-Bank Finance Company (NBFC) of Citigroup.

She was also a Nominee Director on the Board of India Infra Debt Limited (IIDL).

Prior to joining Citigroup in 2014, Smt. Nina Nagpal was the Managing Director and Country Chief Operating Officer of Morgan Stanley India and the CEO of its NBFC. Earlier, she was part of the leadership team at OTC Exchange of India, India's first electronic stock exchange. She also worked with the United States Agency for International Development (USAID), where she conceptualized and documented a USD20 MM US-India bilateral project aimed at the institutional development of the Indian securities markets.

She had been on several regulatory, industry committees and Boards. She is a seasoned financial services industry professional with experience across advisory, project management, capital markets, investment and commercial banking.

Smt. Nagpal did her Graduation in Economics from University of Delhi, Lady Shriram College, Delhi and Masters in Business Economics from University of Delhi. She also did her Post Graduate Research Work in International Development Finance at American University, Washington DC, USA.

Shri Ravindran Menon

Shri Ravindran (Ravi) Menon has joined as a Director on the Board of Bank of Baroda w.e.f. 16th May, 2024 representing shareholders of the Bank for a period of -3- years.

Shri Ravi Menon is a thought leader in the financial services industry with a proven track record of building and growing successful businesses. With thirty-seven years of experience, spanning significant roles at renowned global organisations like HSBC, UBS, ING and ANZ Grindlays, Shri Ravi Menon has witnessed and been part of the transformation of India's economic landscape.

Throughout his career, Shri Ravi Menon has led large teams across multiple functions, including investment management, capital markets, corporate finance, cash management and corporate banking. This breadth of experience equips him with a deep understanding of the sector's complexities and the opportunities for innovation and growth. Some of his key responsibilities included heading the strategy function of the HSBC Group in India and he was a member of the Management Committee (Board Equivalent) of HSBC Bank. He superannuated from HSBC Group as CEO of HSBC Asset Management (India), a leading provider of asset management services to retail and institutional clients in India. He led the USD425 Mn acquisition of L&T Investment Management and the successful integration with HSBC Asset Management, cementing the entity into a leadership position.

Shri Ravi Menon is an M.Sc., MBA. His pursuit of excellence led him to prestigious institutions, BITS Pilani and Symbiosis Institute of Business Management Pune, laying the foundation for a distinguished career in Banking and Financial services.

Shri Vijay Dube

Shri Vijay Dube has been elected as a Director on the Board of Bank of Baroda w.e.f. 9th July, 2024 representing shareholders of the Bank for a period of -3- years.

Shri Dube is a career public sector banker with more than 39 years of experience. He served as Executive Director at Punjab National Bank from April, 2020 to August, 2023 and as Executive Director at Oriental Bank of Commerce from November, 2018 to March, 2020. Prior to this, Shri Dube has worked across all segments of banking viz Customer Service at field level, Branch Head, Regional Head, Corporate Credit, Learning and Development, Internal Audit, Operations and at Head Office. Shri Dube has been associated with number of financial institutions, major tenure of which was with Punjab National Bank and Vijaya Bank. Shri Dube has also served as Chief Vigilance Officer (CVO) at State Bank of Mysore.

Shri Dube has been Chairman of the Governing Board of NIBSCOM, NOIDA and Member of the Governing Boards of SIBSTC, Bangalore and IIBM, Guwahati. Shri Dube has also been member of few banking industry related Committees set up by Government of India.

Shri Dube holds Master's Degree in Business Administration from FMS Delhi, University of Delhi, Master's Degree in Statistics from Lucknow University, Certified Member of Indian Institute of Bankers (CAIIB) and Certificate in Risk in Financial Services (CISI, London). He is currently pursuing PhD in Management – his research interest is in understanding how cultural integration drives Mergers & Acquisitions.

Shri Dube is a travel and fitness enthusiast, having widely travelled in India and other countries. He is PADI Open Water certified Scuba diver, rode a two-wheeler to Khardungla Pass (then highest motorable road in the world), completed the Kailash Mansarovar Yatra and cycled 600 kms to celebrate his 60th birthday (under Project 600@60, It's Possible!).

Committee/Sub-Committee of Directors/Executives

The board of directors has constituted various committees of directors and/or executives to look into different areas of strategic importance in terms of the RBI, SEBI and Government guidelines on corporate governance and risk management. The principal committees are as follows:

- Management Committee of the Board;
- Credit Approval Committee of the Board;
- Audit Committee the Board;
- Risk Management Committee of the Board;
- Stakeholders Relationship Committee;
- Nomination and Remuneration Committee;
- Customer Service Committee;
- Special Committee Of The Board For Monitoring And Follow-Up Of Cases Of Frauds;
- IT Strategy Committee;
- Strategic Advisory Committee of the Board on HR;
- Committee of Directors;
- Committee of the Board for Monitoring of Recovery;
- Steering Committee of the Board on Rural and Financial Inclusion (“**FI**”);
- Corporate Social Responsibility (“**CSR**”) and Sustainability Committee of the Board;
- Review Committee on Wilful Defaulters;
- Committee of the Board to consider Disciplinary Cases; and
- Committee on Performance Evaluation of Annual Performance Appraisal Report (“**APAR**”) of Whole Time Directors.

Management Committee Of The Board

Under clause 13 of the Scheme as amended by the MoF, a management committee of the Board (the “**Management Committee**”) has been constituted to consider various business matters of material significance, such as the sanctioning of high-value credit proposals, compromise/write-off proposals and the sanctioning of capital and revenue expenditure, premises, investments and donations, among others.

The Management Committee consists of full-time directors appointed by the Government under Section 9(3)(a) and directors nominated by the Government under Section 9(3)(c) and three directors from among those appointed under sub-sections (I), (f), (h) and (i) of Section 9(3) of the Bank Nationalisation Act.

The Management Committee as at the date of this Offering Circular is as follows:

(i)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(ii)	Shri Lalit Tyagi	Executive Director
(iii)	Shri Sanjay Vinayak Mudaliar	Executive Director
(iv)	Shri Lal Singh	Executive Director
(v)	Smt. Beena Vaheed	Executive Director
(vi)	Shri Manoranjan Mishra	Non-Executive Director (RBI Nominee Director)
(vii)	Smt. Nina Nagpal	Shareholder Director

Credit Approval Committee of the Board

Pursuant to Government Gazette Notification No. 13/1/2006 dated 5 December 2011, the Bank constituted a credit approval committee of the Board (the “**Credit Approval Committee**”) on 27 February 2012. The Credit Approval Committee exercises the powers of the Board of Directors with regard to credit proposals for up to Rs.4.00 billion, which exceeds the powers delegated to the Managing Director and Chief Executive Officer.

The composition of the Credit Approval Committee as at the date of this Offering Circular is as follows:

(i)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(ii)	Shri Lalit Tyagi	Executive Director
(iii)	Shri Sanjay Vinayak Mudaliar	Executive Director
(iv)	Shri Lal Singh	Executive Director
(v)	Smt. Beena Vaheed	Executive Director
(vi)	Shri I.V.L. Sridhar	Chief Financial Officer
(vii)	Shri Ravindra Singh Negi	Group Chief Risk Officer

Audit Committee of the Board

The Bank, in consonance with the fundamentals of corporate governance and in pursuance of directives of the RBI, has constituted an audit committee of the Board (the “**Audit Committee**”) comprising six directors. A non-executive director, who is a chartered accountant, is the chairman of the Audit Committee.

The composition of the Audit Committee as at the date of this Offering Circular is as follows:

(i)	Shri Vijay Dube	Shareholder Director
(ii)	Shri Manoranjan Mishra	Non-Executive Director (RBI Nominee Director)
(iii)	Shri Ravindran Menon	Shareholder Director
(iv)	Shri Ashish Madhaorao More	Non-Executive Director (GOI Nominee Director) – Invitee

(v)	Shri Lalit Tyagi	Executive Director – Invitee
(vi)	Shri Sanjay Vinayak Mudaliar	Executive Director – Invitee
(vii)	Shri Lal Singh	Executive Director – Invitee
(viii)	Smt. Beena Vaheed	Executive Director – Invitee

The main functions of the Audit Committee include, among other things, are to provide direction and oversee the operations of the audit function and audit plan of the Bank, including the internal audit organisation, its operation and quality, internal control recommendations and follow up of the suggestions of internal/concurrent/statutory/external auditors of the Bank. It also reviews KYC-AML compliance by the Bank, major areas of housekeeping, exception reporting and compliance with regulatory and statutory guidelines.

It reviews the adequacy of internal control systems and reviews the financial, risk management, IS audit and accounting policies/systems policies of the Bank.

The Committee assesses and reviews the Bank’s financial reporting system to ensure that the financial statements are accurate and in compliance with relevant guidelines. It interacts with statutory auditors before finalisation of quarterly/annual financial statements, reviews them and makes recommendations to the Board for approval.

ACB follows up for compliance of all the issues raised by the RBI during Risk Based Supervision of the Bank under Section 35 of B.R. Act 1949. It also follows up on various issues raised in the Long Form Audit Report (“**LFAR**”).

Risk Management Committee of the Board

The Bank has constituted a board-level risk management committee known as the ‘Risk Management Committee of the Board’ (the “**Risk Management Committee**”) to review and evaluate the overall risks assumed by the Bank.

The Risk Management Committee is headed by the Chairman and its composition as at the date of this Offering Circular is as follows:

(i)	Smt. Nina Nagpal	Shareholder Director
(ii)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(iii)	Shri Ravindran Menon	Shareholder Director
(iv)	Shri Vijay Dube	Shareholder Director
(v)	Shri Himadri Bhattacharya	Advisor
(vi)	Shri Lalit Tyagi	Executive Director – Invitee
(vii)	Shri Sanjay Vinayak Mudaliar	Executive Director – Invitee
(viii)	Shri Lal Singh	Executive Director – Invitee
(ix)	Smt. Beena Vaheed	Executive Director – Invitee

The Bank has set up an appropriate risk management architecture comprising a risk management organisational structure, risk principles, risk processes, risk control and risk audits, with the purposes of identifying, managing, monitoring and controlling various categories of risks, including credit risk, market risk and operational risk, among others. The underlying objective is to ensure continuous stability and efficiency in the operations of the Bank, nationally and internationally, and to ensure the safety of the Bank.

Stakeholders Relationship Committee

The stakeholders relationship committee (formerly known as the Shareholders'/Investors' Grievances Committee) ("**Stakeholders Relationship Committee**") has been constituted by the Bank to address shareholders' and investors' complaints, if any.

The Stakeholders Relationship Committee includes the following members:

- (i) executive director(s);
- (ii) two non-executive directors; and
- (iii) a non-executive director as its chairman.

The composition of the Stakeholders Relationship Committee as at the date of this Offering Circular is as follows:

(i)	Shri Ravindran Menon	Shareholder Director
(ii)	Shri Lalit Tyagi	Executive Director
(iii)	Shri Sanjay Vinayak Mudaliar	Executive Director
(iv)	Shri Lal Singh	Executive Director
(v)	Smt. Beena Vaheed	Executive Director
(vi)	Shri Vijay Dube	Shareholder Director

The Stakeholders Relationship Committee monitors the issuance of share certificates within a period of 15 days of the date of lodgement for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls or allotment money. The Stakeholders Relationship Committee further monitors and addresses investors' complaints in a timely manner.

Shri Prashant Agarwal, Company Secretary of the Bank, has been designated as the Compliance Officer of the Bank under Regulation 6 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Nomination and Remuneration Committee

The RBI has laid down "fit and proper" criteria to be fulfilled by persons seeking to be elected as directors on the boards of the nationalised banks under the provisions of Section 9(3)(i) of the Bank Nationalisation Act. In terms of the guidelines issued by the RBI, a nomination committee is required to be constituted from among the independent, non-executive directors. In compliance with the said directives, a nomination committee of the board of directors has been constituted.

Further, in terms of RBI's guidelines, in place of the separate Nomination Committee of the Board and Remuneration Committee of the Board, the Bank has constituted a single committee called the "Nomination and Remuneration Committee" for carrying out the functions entrusted to the said two committees.

The composition of the Nomination and Remuneration Committee as at the date of this Offering Circular is as follows:

(i)	Shri Ravindran Menon	Shareholder Director
(ii)	Smt. Nina Nagpal	Shareholder Director
(iii)	Shri Vijay Dube	Shareholder Director

(iv) Customer Service Committees

The Bank has constituted a sub-committee of the Board known as the “Customer Service Committee” (the “**Customer Service Committee**”).

The Customer Service Committee has the following members as at the date of this Offering Circular:

(i)	Shri Ravindran Menon	Shareholder Director
(ii)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(iii)	Shri Lalit Tyagi	Executive Director
(iv)	Shri Sanjay Vinayak Mudaliar	Executive Director
(v)	Shri Lal Singh	Executive Director
(vi)	Smt. Beena Vaheed	Executive Director
(vii)	Shri Vijay Dube	Shareholder Director

The functions of the Customer Service Committee include creating a platform for making suggestions and implementing innovative measures for enhancing the quality of customer services alongside improving the level of satisfaction for all categories of clientele at all times, which, *inter alia*, comprises the following:

- (i) overseeing the functioning of the Standing Committee on Customer Service (as defined below) and complying with its recommendations;
- (ii) reviewing the status of the awards remaining unimplemented for more than three months from the date of awards and the deficiencies in providing banking services as observed by the banking ombudsman; and
- (iii) reviewing the status of the number of deceased claims remaining pending or outstanding for settlement beyond 15 days pertaining to deceased depositors, locker hirers or depositors of safe custody articles.

Special Committee of the Board for Monitoring and Follow-Up of Cases of Frauds

As per RBI circular no. RBI/2004.15/.DBS.FGV(F)No.1004/23.04.01A/2003-04 dated 14 January 2004, the Bank has formed a special committee of the Board (the “**Committee on High Value Frauds**”) for monitoring high value frauds of Rs.10.00 million.

The major functions of the Committee on High Value Frauds include, *inter alia*, the monitoring and review of all frauds of Rs.10.00 million and above so as to:

- (i) identify the systemic failings (if any) that facilitate the perpetration of fraud and put in place measures to remedy the same;
- (ii) identify the reasons for delays in detection, if any, and report the same to top management of the Bank and the RBI;
- (iii) monitor the progress of the investigation and recovery position by the Central Bureau of Investigation or the police or the Government;
- (iv) ensure that staff accountability is examined at all levels in all cases of fraud and that relevant action, if required, is completed swiftly;
- (v) review the efficacy of the remedial action taken to prevent the recurrence of fraud, such as strengthening internal controls; and
- (vi) put in place other measures as may be considered relevant to strengthen preventive measures against fraud.

As per the relevant RBI guidelines, within the Committee on High Value Frauds there should be five members of the Board of Directors: the Managing Director and Chief Executive Officer, two members from the Audit Committee and two other members from the board of directors, excluding the RBI nominee.

The composition of the Committee as at the date of this Offering Circular is as follows:

(i)	Shri Ravindran Menon	Shareholder Director
(ii)	Smt. Beena Vaheed	Executive Director
(iii)	Shri Vijay Dube	Shareholder Director
(iv)	Shri Lalit Tyagi	Executive Director – Invitee
(v)	Shri Sanjay Vinayak Mudaliar	Executive Director – Invitee
(vi)	Shri Lal Singh	Executive Director – Invitee
(vii)	Shri Ajit Kumar Rath	Chief Vigilance Officer

Information Technology Strategy Committee of the Bank

In accordance with the recommendations of the working group on information security, electronic banking, technology risk management and cyber frauds of the RBI (together, the “**RBI Working Group**”), the Board of Directors held a meeting on 27 February 2012 and constituted an information technology strategy committee (the “**Information Technology Strategy Committee**”).

The composition of the Committee as at the date of this Offering Circular is as follows:

(i)	Shri Ravindran Menon	Shareholder Director
(ii)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(iii)	Shri Sanjay Vinayak Mudaliar	Executive Director
(iv)	Smt. Beena Vaheed	Executive Director
(v)	Shri Vijay Dube	Shareholder Director
(vi)	Dr. Deepak Bhaskar Phatak	Advisor – External IT Expert
(vii)	Shri Lalit Tyagi	Executive Director – Invitee
(viii)	Shri Lal Singh	Executive Director – Invitee

The quorum of the Information Technology Strategy Committee is three members. However, it is mandatorily required to comprise one executive director and another external information technology expert who has substantial information technology expertise, as per the RBI Working Group.

The Information Technology Strategy Committee oversees the functions of the Information Technology Steering Committee of the Bank, as well as working with the other committees of the Board of Directors and senior management to provide input and reviews and amend the aligned corporate and information technology strategies.

Strategic Advisory Committee of the Board on HR

In accordance with the recommendations of the Khandelwal Committee of the Ministry of Finance of the Government on 21 October 2011, a steering committee of the Board of Directors on human resources issues was required to be constituted with a Government director and two other human resources professionals, other than the Managing Director and Executive Directors. Accordingly, the Bank, at a meeting of the board of directors held on 27 February 2012, constituted a steering committee of the board on human resources (the “**Strategic Advisory Committee of the Board on HR**”, formerly known as the “Steering Committee”).

The composition of the Committee as at the date of this Offering Circular is as follows:

(i)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(ii)	Shri Lal Singh	Executive Director
(iii)	Smt. Nina Nagpal	Shareholder Director
(iv)	Shri Ravindran Menon	Shareholder Director

(v)	Shri Lalit Tyagi	Executive Director – Invitee
(vi)	Shri Sanjay Vinayak Mudaliar	Executive Director – Invitee
(vii)	Smt. Beena Vaheed	Executive Director – Invitee
(viii)	Shri Krish Shankar	Advisor

Committee of Directors

A committee of directors (the “**Committee of Directors**”), consisting of the Executive Director with additional charge as the Managing Director and Chief Executive Officer and the nominee directors of the Government and the RBI, has been formed to deal with the promotions of employees at a senior level and the review of disciplinary cases (including vigilance cases) alongside departmental enquiries.

The composition of the Committee as at the date of this Offering Circular is as follows:

(i)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(ii)	Dr. M P Tangirala	Non-Executive Director (GOI Nominee Director)
(iii)	Shri Manoranjan Mishra	Non-Executive Director (RBI Nominee Director)
(iv)	Shri Lal Singh	Executive Director – Invitee
(v)	Shri Ajit Kumar Rath	Chief Vigilance Officer

Committee for Monitoring of Recovery

Pursuant to the guidelines received from the Department of Financial Services, Ministry of Finance, by way of letter no. F.No.7/112/2012-BOA dated 21 November 2012 and letter no. F.No.7/2/2015-Recovery dated 1 January 2016, in order to have a robust monitoring mechanism for the recovery of loans the Bank has constituted a committee of the Board of Directors to monitor progress in recovering loans on a regular basis (the “**Committee for Monitoring of Recovery**”).

The composition of the Committee as at the date of this Offering Circular is as follows:

(i)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(ii)	Shri Lalit Tyagi	Executive Director
(iii)	Shri Sanjay Vinayak Mudaliar	Executive Director
(iv)	Shri Lal Singh	Executive Director
(v)	Smt. Beena Vaheed	Executive Director
(vi)	Smt. Nina Nagpal	Shareholder Director
(vii)	Shri Ravindran Menon	Shareholder Director
(viii)	Shri Vijay Dube	Shareholder Director
(ix)	General Manager	Large Corporate
(x)	General Manager	Credit Monitoring

Share/Bond Transfer Committee

The Bank has constituted a share/bond transfer committee (the “**Share/Bond Transfer Committee**”) comprising full-time directors, two General Managers and a Deputy/Assistant General Manager (to handle legal matters) as its members. The Share/Bond Transfer Committee meets at least once every 15 days to effect transfers of any shares or bonds.

Steering Committee of the Board on Rural and FI

The Bank has constituted a Steering Committee of the Board on Rural and FI; the Committee considers the evolution of FI, review and advise the Bank to adopt technology to achieve rapid reach to large territory including difficult terrains at low cost and advise the Bank on strategy to achieve objectives of FI.

The composition of the Committee as at the date of this Offering Circular is as follows:

(i)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(ii)	Shri Lalit Tyagi	Executive Director
(iii)	Shri Sanjay Vinayak Mudaliar	Executive Director
(iv)	Shri Lal Singh	Executive Director
(v)	Smt. Beena Vaheed	Executive Director
(vi)	Shri Vijay Dube	Shareholder Director

CSR and Sustainability Committee of the Board

The Board has approved carving out a separate 'CSR and Sustainability Committee' from the existing 'Steering Committee of Board on Rural and FI'.

The CSR and Sustainability Committee of the Board shall oversee all CSR activities as per the Corporate Social Responsibility Policy of the Bank and Government or regulatory guidelines.

The composition of the Committee as at the date of this Offering Circular is as follows:

(i)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(ii)	Shri Lalit Tyagi	Executive Director
(iii)	Shri Sanjay Vinayak Mudaliar	Executive Director
(iv)	Shri Lal Singh	Executive Director
(v)	Smt. Beena Vaheed	Executive Director
(vi)	Smt. Nina Nagpal	Shareholder Director
(vii)	Shri Ravindran Menon	Shareholder Director

Review Committee on Wilful Defaulters

The Committee is constituted as per the guidelines of the RBI in the Mechanism for Identification of Wilful Defaulters and to bring in greater transparency and accountability in the due process required to be adopted for identification of wilful defaulters of the updated RBI guidelines.

(i)	Dr. Debadatta Chand	Managing Director and Chief Executive Officer
(ii)	Smt. Nina Nagpal	Shareholder Director
(iii)	Shri Vijay Dube	Shareholder Director

Committee of the Board to Considering Disciplinary Cases

The Board constituted a sub-committee of the Board to deal with the appeals in the matters of the disciplinary cases of the General Managers in TEG/S-VII (Top Executive Grade VII) of the Bank with the following members.

The composition of the Committee as at the date of this Offering Circular is as follows:

(i)	Shri Ashish Madhaorao More	Non-Executive Director (GOI Nominee Director)
(ii)	Shri Manoranjan Mishra	Non-Executive Director (RBI Nominee Director)
(iii)	Smt. Nina Nagpal	Shareholder Director

Committee on Performance Evaluation of Apar of Whole Time Directors

In terms of the Department of Financial Services, Ministry of Finance guidelines, the Board has constituted a Committee for Performance Evaluation of Whole Time Directors on the basis of key performance indicators.

The composition of the Committee as at the date of this Offering Circular is as follows:

(iv)	Shri Ashish Madhaorao More	Non-Executive Director (GOI Nominee Director)
(v)	Smt. Nina Nagpal	Shareholder Director
(vi)	Shri Vijay Dube	Shareholder Director

STRUCTURE OF INDIA'S BANKING INDUSTRY

The information presented in this section has been extracted from publicly available documents from various sources, including officially prepared materials from the Government and its various ministries, the RBI and the Indian Banks Association, and has not been prepared or independently verified by the Bank, the Arrangers, the Dealers, the Trustee or any of their affiliates or advisers.

Introduction

The RBI, the central banking and monetary authority of India, is the central regulatory and supervisory authority and watchdog for Indian banks, financial institutions and non-banking finance companies. A variety of financial intermediaries in the public and private sectors participate in India's financial sector.

Until the 1990s, the Indian financial system was strictly controlled. Interest rates were administered by the Government. Formal and informal parameters governed asset allocation and strict controls limited entry into and expansion within the financial sector. Bank profitability was low, NPAs were comparatively high, capital adequacy was diminished and operational flexibility was hindered. The Government's economic reform program, which began in 1991, encompassed the financial sector. The first phase of the reform process began with the implementation of the recommendations of the Committee on the Financial System, namely the Narasimham Committee I. Following that, reports were submitted in 1997 and 1998 by other committees, such as the second Committee on Banking Sector Reform, namely the Narasimham Committee II, and the Tarapore Committee on Capital Account Convertibility. This, in turn, led to the second phase of reforms relating to capital adequacy requirements, asset classification and provisioning, risk management and merger policies. The deregulation of interest rates, the emergence of a liberalized domestic capital market and the entry of new private sector banks have progressively intensified the competition among banks. Banks in India may be categorized as scheduled banks and non-scheduled banks, where the former are banks which are included in the second schedule to the RBI Act as amended. These banks comprise scheduled commercial banks ("SCBs") and scheduled cooperative banks.

This discussion presents an overview of the role and activities of the RBI and of each of the major participants in the Indian financial system, with a focus on commercial banks. This is followed by a brief summary of the banking reform process along with the recommendations of various committees that have played a key role in the reform process. A brief discussion on the impact of the liberalization process on long-term lending institutions and commercial banks is then presented. Finally, reforms in the non-banking financial sector are briefly reviewed.

Overview of the Indian banking sector

The Reserve Bank of India is the central bank of the country. The Reserve Bank of India Act, 1934 (II of 1934) establishes the legal foundation for the Bank's operations. It was constituted to primarily regulate the issue of banknotes, maintain reserves in order to secure monetary stability and operate the credit and currency system of the country. In order to strengthen the nation's financial infrastructure, the bank also played a key role in the establishment of organizations such as the Unit Trust of India, the Industrial Development Bank of India, the National Bank of Agriculture and Rural Development and others.

The Banking Regulation Act, 1949 followed soon after independence, consolidating control over banking activities under a uniform legal structure. It is one of the most significant legislative frameworks in India, regulating the banking sector to ensure stability, security, and growth.

The State Bank of India Act, 1955 marked the formal establishment of the State Bank of India (SBI), transforming the undertaking of the Imperial Bank of India, with a mandate to expand banking facilities on a large scale, more particularly in the rural and semi-urban areas, and for diverse other public purposes.

In order to better serve the needs of development of the economy in conformity with the national policy objectives, 14 significant Indian Scheduled Commercial Banks with deposits over Rs 50 crores were nationalized in 1969. Further, a fresh Ordinance was issued which was later replaced by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. To promote the welfare of the people, The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 was passed to provide for the acquisition and transfer of the undertakings of certain banking companies.

In addition to these, several important amendments to the RBI Act such as the Banking Regulation (Amendment) Act, 1994, the Banking Companies (Acquisition and Transfer of Undertakings) Amendment Act, 1994 and the Banking Regulation (Amendment) Act, 2007, the Banking Laws (Amendment) Act, 2012 relating to governance, capital flexibility, Statutory Liquidity Ratio (SLR) or Cash Reserve Ratio (CRR) based liquidity management were introduced, reforming India's banking framework.

With The Banking Regulation (Amendment) Act, 2020, additional powers were provided to the Reserve Bank of India for enhanced effective regulation of Co-operative banks. Continuing this momentum, in a recent reform, The Banking Laws (Amendment) Act, 2025 amends five acts viz. the Reserve Bank of India Act, 1934, the Banking Regulation Act, 1949, the State Bank of India Act, 1955, the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980. The move aims to enhance banking governance, improve audit transparency, strengthen depositor protection, and bring cooperative banks under a more robust regulatory framework.

The Banking Amendment Act, 2025 has been introduced amid rapid digital growth and evolving financial challenges. The reform seeks to align governance and compliance frameworks with contemporary industry dynamics and evolving technology. The Banking Laws (Amendment) Act, 2025 represents a significant stride towards modernizing India's financial architecture. By aligning governance norms, depositor safeguards, and audit practices with current economic realities, the Act not only strengthens public confidence but also supports India's vision of a secure, inclusive, and technology-driven banking system. These reforms reinforce stability, transparency, and efficiency essential pillars for sustaining growth in an increasingly digital economy.

The key provisions are as follows:-

- **Depositor-centric:** The Act includes robust measures to safeguard public trust in banking institutions by simplified claim settlement for their families.
- **Enhanced Governance:** The revised threshold for "substantial interest" reflects inflation and growth. The maximum tenure for cooperative bank directors (excluding the Chairperson and whole-time directors) now aligns with the 97th Constitutional Amendment indicating the democratic outlook.
- **Improved Financial Transparency:** Transfer to the Investor Education and Protection Fund aims at creating a more transparent system for fund management.
- **Enhanced Audit Quality:** The PSBs will now be able to attract more qualified professionals and improve audit quality by paying better auditor remuneration.
- **Improved Operational Efficiency:** The Act simplifies certain procedures, such as updating certain operational definitions.

The Reserve Bank of India

The RBI, established on 1 April 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934, is the central banking, monetary and statutory authority in India. Though originally privately owned, since nationalization in 1949, the RBI is fully owned by the Government of India. The RBI manages the country's money supply and foreign exchange and also serves as a bank for the Government and for the country's commercial banks. In addition to these traditional central banking roles, the RBI undertakes certain developmental and promotional roles.

The RBI issues guidelines on exposure limits, income recognition, asset classification, provisioning for non-performing and restructured assets, investment valuation and capital adequacy for commercial banks, long-term lending institutions and non-banking financial companies. The RBI requires these institutions to furnish information relating to their businesses to it on a regular basis.

Commercial Banks

Commercial banks in India have traditionally focused on meeting the short-term financial needs of primary, secondary & tertiary sector. In recent years they have also focused on increasing long-term financing to sectors like infrastructure. As of 31 March 2025, there were 135 SCBs in the country, including 43 regional rural banks (“**RRBs**”). As of 1 May 2025, the number of RRBs has been reduced from 43 to 28 guided by the principle of ‘One State-One RRB’.

SCBs are banks that are listed in the Second Schedule to the RBI Act, and are further categorized as public sector banks, private sector banks and foreign banks. SCBs have a presence throughout India with majority of them located in rural or semi-urban areas of the country. A large number of these branches belong to the public sector banks.

Public Sector Banks

As on 31 March 2025, there were 12 public sector banks in India and these make up the largest category in the Indian banking system. In one of the largest consolidations in the Indian banking industry, the Bank merged its five associate banks, i.e., State Bank of Patiala, State Bank of Bikaner and Jaipur, State Bank of Raipur, State Bank of Travancore, State Bank of Hyderabad as well as Bhartiya Mahila Bank (“**BMB**”) with itself. The merger was effective from 1 April 2019. In fiscal 2019, the ownership of a public sector bank, IDBI Bank, was acquired by LIC, following which IDBI Bank was reclassified as a private sector bank by the RBI.

During the Financial Year ended 31 March 2020, 10 of the Public Sector Banks were merged into 4 entities. These included the merger of United Bank of India and Oriental Bank of Commerce with Punjab National Bank, Syndicate Bank merger with Canara Bank, Allahabad Bank merger with Indian Bank and merger of Andhra Bank and Corporation Bank with Union Bank of India.

Vijaya Bank and Dena Bank merged with Bank of Baroda (“**BoB**”), effective 1 April 2019, creating India’s third-largest public sector lender at the time. The merger integrated 3,898 bank branches, strengthening BoB’s network to over 8,200 branches and 10,000+ ATMs. All customers, accounts, and services were migrated to BoB.

Regional rural banks (RRBs) were established from 1976 to 1987 by the Government, state governments and sponsoring commercial banks jointly with a view to develop the rural economy. RRBs provide credit to small farmers, artisans, small entrepreneurs and agricultural laborers. The National Bank for Agriculture and Rural Development (NABARD), India’s apex specialized development bank, which was established in 1982 under an Act of Parliament to promote sustainable and equitable agriculture, small-scale industries, and rural development, is responsible for supervising the functions of the regional rural banks, and facilitated the transfer of agricultural credit functions from the RBI, aimed at fostering rural prosperity. As at 31 March 2025, there were 43 RRBs functioning in 26 States and 2 UTs. Post amalgamation, there will be 28 RRBs in 26 states and 2 UTs with more than 22000 branches covering 700 districts. Their predominant area of operation is in rural areas with approx. 92% of branches in rural/semi urban areas.

Private Sector Banks

Most large banks in India were nationalized in 1969, resulting in public sector banks making up the largest portion of Indian banking. The Government’s focus on public sector banks was maintained throughout the 1970s and 1980s. In addition, existing private sector banks that showed signs of an eventual default were merged with state-owned banks. In July 1993, as part of the banking reform process and as a measure to induce competition in the banking sector, the RBI permitted entry of the private sector into the banking system. This resulted in the introduction of private sector banks. These banks are collectively known as the “new” private sector banks. As at 31 March 2025, there were a total of 21 private banks and private sector banks.

HDFC Limited merged with HDFC Bank effective from 1 July 2023. This merger of India's largest housing finance company with the country's largest private sector bank has created the third-largest entity in India, in terms of market capitalization. This \$40 billion all-stock merger resulted in the creation of the fourth-largest bank in the world after JPMorgan Chase, the Industrial and Commercial Bank of China and Bank of America.

Foreign Banks

As at 31 March 2025, there are 44 foreign banks operating in India. The primary activity of most foreign banks in India has been in the corporate segment. However, some of the larger foreign banks have made retail banking a significant part of their portfolios. Most foreign banks operate in India through branches of the parent bank. Certain foreign banks also have wholly owned non-banking financial company subsidiaries or joint ventures for both corporate and retail lending.

The RBI has granted in-principle approval to Japan-based Sumitomo Mitsui Banking Corporation to set up a wholly owned subsidiary (WOS) in India. The approval was announced on 14 January 2026, and has been issued under the Reserve Bank of India (Setting Up of Wholly Owned Subsidiaries by Foreign Banks) Guidelines, 2025.

The central bank stated that it would consider granting a licence for the commencement of banking operations once the bank fulfils the conditions attached to the in-principle approval, as required under Section 22(1) of the Banking Regulation Act, 1949.

Under current RBI regulations, foreign banks are permitted to operate in India either through branch mode or as wholly owned subsidiaries. At present, DBS Bank India and SBM Bank India operate as WOS entities. With this approval, SMBC will become the fourth foreign lender to move to the subsidiary model. The approval comes after SMBC acquired a 24.22% stake in Yes Bank for ₹13,482 crore, making it the largest shareholder in the private sector lender. Following the transaction, State Bank of India's holding in Yes Bank was diluted to 10.78%.

Yes Bank had undergone a reconstruction process in March 2020, led by SBI and other lenders, which together acquired a 79% stake to stabilise the bank. The in-principle approval allows SMBC to transition from a branch-based presence to a locally incorporated banking subsidiary in India, subject to regulatory conditions being met.

Co-operative Banks

Cooperative banks cater to the financing needs of agriculture, small industry and self-employed businessmen in urban and semi-urban areas of India. The state land development banks and the primary land development banks provide long-term credit for agriculture. In response to liquidity and insolvency problems experienced by some cooperative banks in fiscal 2001, the RBI undertook several interim measures, pending formal legislative changes, including measures relating to lending against shares, borrowing in the call market and term deposits placed with other urban cooperative banks.

The RBI regulates and supervises Urban Cooperative Banks (UCBs) under the Banking Regulation Act, 1949, focusing on banking operations like capital adequacy and lending, with oversight from the Urban Banks Department. Conversely, Rural Cooperative Banks – comprising State Cooperative Banks (StCBs) and District Central Cooperative Banks (DCCBs) – are supervised by NABARD.

The Banking Regulation Act, 1949 has been amended to provide additional powers to RBI for more effective regulation of Co-operative banks vide Banking Regulation (Amendment) Act, 2020 ("**2020 Act**"). The major amendments pertain to areas such as management, audit, capital, liquidation, reconstruction/amalgamation, etc. The provisions of the 2020 Act have been brought into force for Urban Co-operative Banks (UCBs) with effect from 26 June 2020. Post these amendments, *inter alia*, the governance/management related provisions of the BR Act, (such as Section 10, 10A, 10B, 35B, 36AB, etc.), have become applicable to co-operative banks.

Urban cooperative banks that fulfil certain eligibility criteria are allowed direct access to the negotiated dealing system order matching, subject to obtaining prior approval from the RBI. This helps deepen the bond market by increasing the number of participants.

Long-Term Lending Institutions

The long-term lending institutions were established to provide medium-term and long-term financial assistance to various industries for setting up new projects and for the expansion and modernization of existing facilities. These institutions provided fund-based and non-fund-based assistance to industry in the form of loans, underwriting, direct subscription to shares, debentures and guarantees. The primary long-term lending institutions included Industrial Development Bank of India (now IDBI Bank), IFCI Limited, the Industrial Investment Bank of India and ICICI prior to its amalgamation with ICICI Bank Limited.

The National Bank for Financing Infrastructure and Development Act, 2021 was introduced by the Hon'ble Finance Minister on 22 March 2021, marking a significant shift in the approach to infrastructure financing in India, as it denotes the return of Development Financial Institutions (DFIs) in the country after a few decades. The Act subsequently received the assent of the President on 28 March 2021 and has come into force effective 19 April 2021. Reserve Bank of India (RBI) vide its letter dated 8 March 2022 has advised that the National Bank for Financing Infrastructure and Development (NaBFID) shall be regulated and supervised by RBI as an All- India Financial Institution (AIFI) under sections 45L and 45N of the RBI Act, 1934, respectively.

The long-term lending institutions were expected to play a critical role in Indian industrial growth and, accordingly, had access to concessional Government funding. However, in recent years, the operating environment of the long-term lending institutions has changed substantially. Although the initial role of these institutions was largely limited to providing a channel for Government funding to industry, the reform process required such institutions to expand the scope of their business activities.

The long-term funding needs of Indian companies are now primarily met by banks, Life Insurance Corporation of India and specialized non-banking financial companies such as Infrastructure Development Finance Corporation. Indian banking companies also make bond issuances to institutional and retail investors.

Non-Banking Financial Companies

There were 9,185 non-banking financial companies in India as of 31 March 2025, mostly in the private sector. All non-banking financial companies are required to register with the RBI. The non-banking financial companies have previously been categorized into entities which take public deposits and those which do not. The companies which take public deposits are subject to strict supervision and the capital adequacy requirements of the RBI. Presently, the regulatory structure for NBFCs comprises of four layers based on their size, activity and perceived riskiness. NBFCs in the lowest layer are known as NBFCs-Base Layer (NBFCs-BL). NBFCs in middle layer and upper layer are known as NBFCs-Middle Layer (NBFCs-ML) and NBFCs Upper Layer (NBFCs-UL), respectively. The Top Layer is ideally expected to be empty and will be known as NBFCs-Top Layer (NBFCs-TL).

The Base Layer comprises of non-deposit taking NBFCs below the asset size of ₹1,000 crore. The Middle Layer consists of all deposit taking NBFCs (NBFCs-D), irrespective of asset size, non-deposit taking NBFCs with asset size of ₹1,000 crore and above, and NBFCs undertaking certain specified activities (including but not limited to housing finance companies and core investment companies). The Upper Layer comprises of those NBFCs which are specifically identified by the RBI as warranting enhanced regulatory requirement based on the set of parameters and scoring methodology. The Top Layer will ideally remain empty and may be populated if the RBI is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer. Such NBFCs shall move to the Top Layer from the Upper Layer.

From 1 October 2022, all references to NBFC-ND (i.e., non-systemically important non-deposit taking NBFC) mean NBFC-BL and all references to NBFC-D (i.e., deposit taking NBFC) and NBFC-ND-SI (systemically important non-deposit taking NBFC) mean NBFC-ML or NBFC-UL, as the case may be. However, existing NBFC-ND-SI having asset size of ₹500 crore and above but below ₹1000 crore (except that necessarily featuring in Middle Layer) are known as NBFC-BL.

The primary activities of the non-banking financial companies are providing consumer credit, including automobile finance, home finance and consumer durable products finance, wholesale finance products such as bill discounting for small and medium companies and infrastructure finance, and fee-based services such as investment banking and underwriting.

Housing Finance Companies

Housing finance companies form a distinct sub-group of non-banking financial companies. As a result of the various incentives given by the Government for investing in the housing sector in recent years, the scope of this business has grown substantially. In recent years, several other players, including banks, have entered the housing finance industry. The National Housing Bank (“**NHB**”) and Housing and Urban Development Corporation Limited are the two major financial institutions instituted through acts of Parliament to improve the availability of housing finance in India. The National Housing Bank Act, 1987 (“**NHB Act**”) was enacted to establish the NHB to operate as a principal agency to promote housing finance institutions both at local and regional levels and to provide financial and other support to such institutions. The NHB Act provides for securitization of housing loans, foreclosure of mortgages and setting-up of mortgage credit guarantee schemes. Thus, NHB has played a lead role in starting up mortgage-backed securitisation and development of a secondary mortgage market in the country. Considering the need to promote the development of secondary market for Residential Mortgage Backed Securities (RMBS) in India, the RMBS Policy of NHB envisages to introduce specialized institutional measures for providing credit enhancements for promoting the development of secondary market for residential mortgages. The Credit Risk Guarantee Fund Trust for Low Income Housing (CRGFTLIH), managed by National Housing Bank (NHB), provides collateral-free housing loans to Economically Weaker Section (EWS) and Low-Income Group (LIG) families. The scheme guarantees up to 70% of default amounts for loans up to ₹20 lakh for homes up to 60 sqm (645 sq ft).

Microfinance Institutions

Microfinance institutions (MFIs) also form a distinct sub-group of non-banking financial companies. They focus on providing access to small-scale financial services, especially to the poor. Microfinance institutions differ from other financial services providers as they do not depend on grants or subsidies to provide unsecured loans to borrowers with low incomes and no access to the mainstream banking system.

As per the Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025, an NBFC-MFI is a non-deposit taking NBFC which has a minimum of 60% of its total assets (netted off by intangible assets) deployed towards “microfinance loans” on an ongoing basis. Microfinance loans are collateral-free loans (irrespective of end use and mode of application/processing/disbursal (either through physical or digital channels) given to households having an annual household (an individual family unit, i.e., husband, wife and their unmarried children) income up to ₹300,000.

Other Financial Institutions

Specialized Financial Institutions

In addition to the long-term lending institutions, there are various specialized financial institutions which cater to the specific needs of different sectors. These include NABARD, Export Import Bank of India, Small Industries Development Bank of India, Risk Capital and Technology Finance Corporation Limited, Tourism Finance Corporation of India Limited, National Housing Bank, Power Finance Corporation Limited, Infrastructure Development Finance Corporation Limited, Industrial Investment Bank of India, North Eastern Development Finance Corporation and India Infrastructure Finance Company.

State-level Financial Institutions

State financial corporations operate at the state level and form an integral part of the institutional financing system. State financial corporations were set up to finance and promote SMEs. The state financial institutions are expected to achieve balanced regional socio-economic growth by generating employment opportunities and widening the ownership base of industry. At the state level, there are also state industrial development corporations, which provide finance primarily to medium-sized and large enterprises.

Small Finance Banks and Payments Banks

Payments banks and small finance banks are regulated entities falling under the regulatory purview of the RBI. The primary objective of setting up the payments banks and small finance banks was to further financial inclusion by providing (i) small savings accounts and (ii) payments/remittance services to a migrant labor workforce, low income households, small businesses, other unorganized sector entities and other users, by enabling high-volume low-value transactions in deposits and payments/remittance services in a secured technology driven environment. As at the date of this Offering Circular, there are 6 payments banks and 12 small finance banks operating in India, focusing on financial inclusion, digital payments, and serving small businesses/unserved sectors.

Insurance Companies

As on 31 March 2025, there are 61 insurers operating in India; of which 26 are life insurers, 27 are general insurers, 7 standalone health insurers and 1 re-insurance company. The only reinsurance company is the General Insurance Corporation of India, which operates in the public sector. Life Insurance Corporation of India, General Insurance Corporation of India and public sector general insurance companies also provide long-term financial assistance to the industrial sector.

The insurance sector in India is regulated by the Insurance Regulatory and Development Authority. In December 1999, the Indian Parliament passed the Insurance Regulatory and Development Authority Act, 1999, which amended the Insurance Act, 1938 and opened up the Indian insurance sector for foreign and private investors.

In its monetary and credit policy for fiscal 2001, the RBI issued guidelines governing the entry of banks and financial institutions into the insurance business. The guidelines permit banks and financial institutions to enter the business of insurance underwriting through joint ventures provided they meet stipulated criteria relating to their net worth, capital adequacy ratios, profitability track record, level of non-performing loans and the performance of their existing subsidiary companies.

As per the Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) Directions, 2025, banks can undertake insurance business with risk participation only through a subsidiary/joint venture set up for the purpose, and subject to fulfilment of the eligibility criteria set out in the aforesaid directions.

Mutual Funds

The mutual fund industry in India started in 1963 with the formation of Unit Trust of India at the initiative of the Government and the RBI. From 1963 to 1987, Unit Trust of India was the only mutual fund operating in India. From 1987 onwards, several other public sector mutual funds entered this sector. These mutual funds were established by public sector banks, LIC and General Insurance Corporation of India. The mutual funds industry was opened up to the private sector in 1993. The industry is regulated by the SEBI (Mutual Fund) Regulations, 1996. The SEBI (Mutual Funds) Regulations, 1996, establish the primary legal framework for mutual funds in India, mandating registration with SEBI, structure as trusts, and the appointment of an Asset Management Company (AMC) and Custodian. It ensures investor protection through strict, regularly updated norms for fund management, valuation, and disclosures. The AUM of the Indian MF Industry has grown from ₹12.04 trillion as on 31 May 2015 to ₹72.20 trillion as on 31 May 2025 about 6 fold increase in a span of 10 years.

The Industry's AUM had crossed the milestone of ₹10 Trillion (₹10 Lakh crore) for the first time in May 2014 and in a short span of about three years, the AUM size had increased more than two folds and crossed ₹20 trillion (₹20 Lakh crore) for the first time in August 2017. The AUM size crossed ₹30 trillion (₹30 Lakh crore) for the first time in November 2020. The Industry AUM stood at ₹72.20 Trillion (₹72.20 Lakh crore) as on 31 May 2025.

Committee on Banking Sector Reform

The second Committee on Banking Sector Reform (“**Narasimham Committee II**”) submitted its report in April 1998. The major recommendations of the committee were in respect of capital adequacy requirements, asset classification and provisioning, risk management and merger policies. The RBI accepted and began implementing many of these recommendations in October 1998.

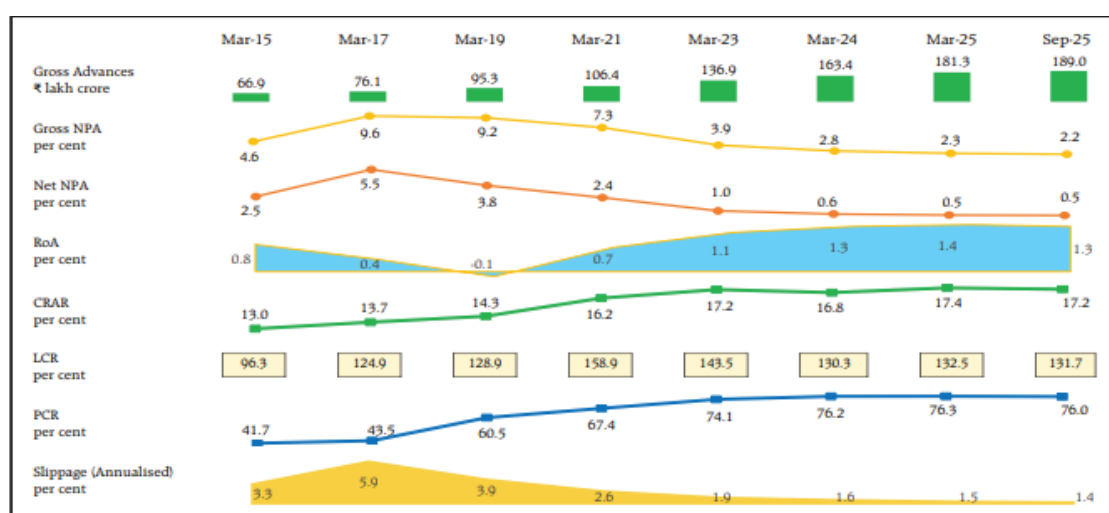
Banks implemented new prudential accounting norms for the classification of assets, income recognition and loan loss provisioning. Following the Bank for International Settlements guidelines, capital adequacy norms were also prescribed. To meet additional capital requirements, public sector banks were allowed to access the market for funds. Interest rates were deregulated, while the rate of directed lending was progressively reduced.

Commercial Banking Trends

Banking System

The resilience of the banking system is paramount in preserving financial stability. The Indian banking system, led by scheduled commercial banks (SCBs), remains healthy with strong capital, liquidity and profitability positions. Alongside, declining non-performing loan ratios and steady slippage are improving overall asset quality. Robust common equity tier 1 (CET1) capital, lower loan losses and credit costs, and healthy return-on-equity reinforce banking system's strong performance.

Chart 1.52: Robust Domestic Banking System

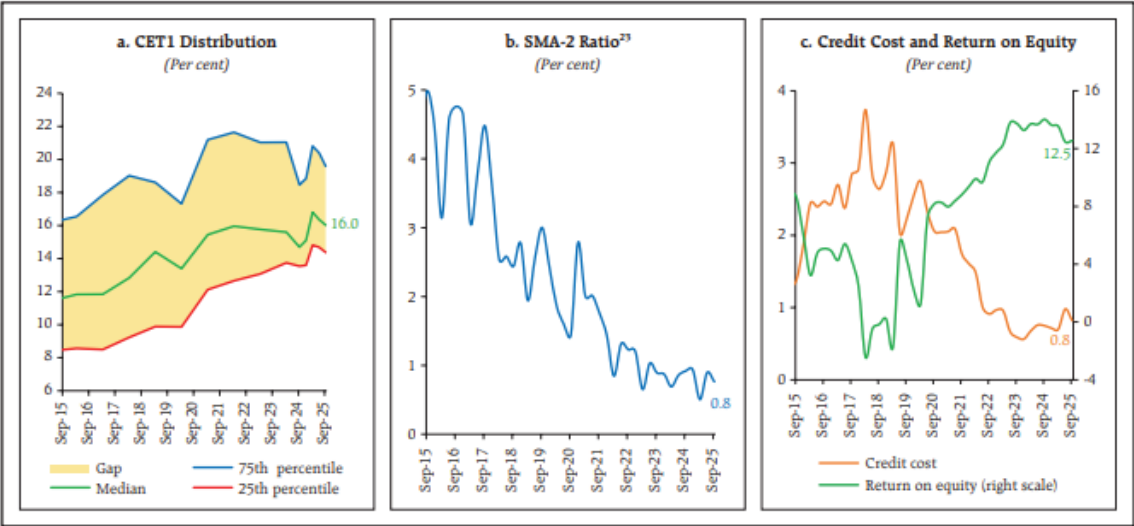


Notes:

- (1) Domestic operations of SCBs, including SFBs (except for CRAR, whose minimum regulatory requirement is higher for SFBs).
- (2) Data as of 10 December 2025.

Source: RBI supervisory returns

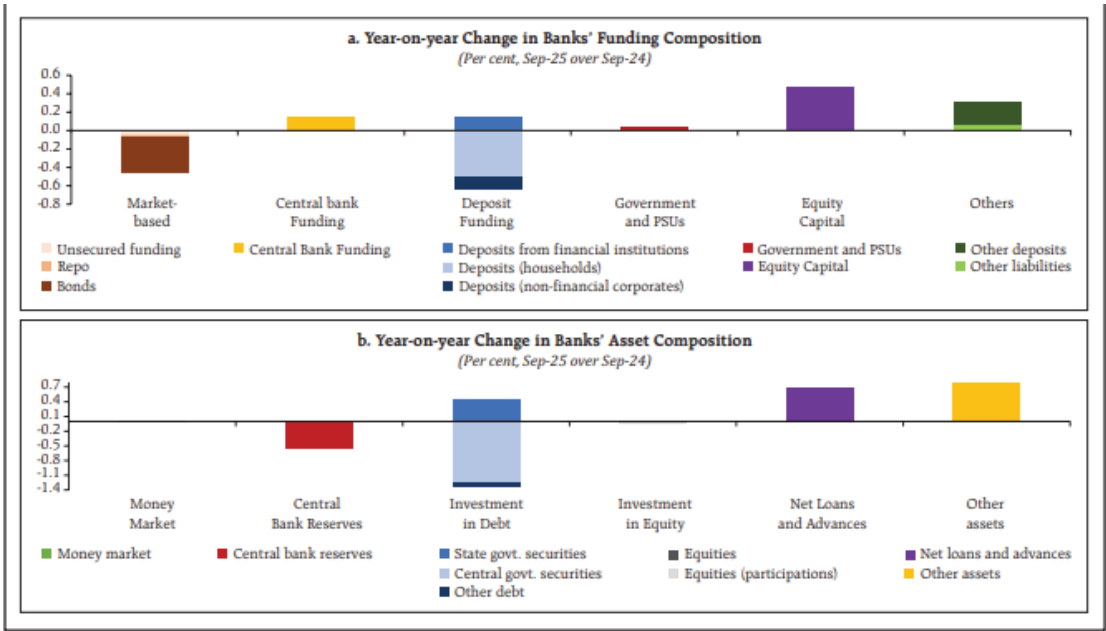
Year-on-year change in bank funding composition shows that over the past year, equity capital has seen a strong increase even as the primary source of funding, viz., deposits from households decreased. A similar change in asset composition shows an increase in net loans and advances, investments in state government securities and other assets. Consequently, the credit-to-deposit (CD) ratio has increased from 78.0 per cent in September 2024 to 78.9 per cent in September 2025. Importantly, the increase in the CD ratio is driven by the substitution of funding from deposits with an increase in equity capital.



Note: In chart (c), Credit Cost = Annualised (Risk provisions + write-offs)/Average gross loans and advances.
Sources: RBI supervisory returns; and staff estimates.

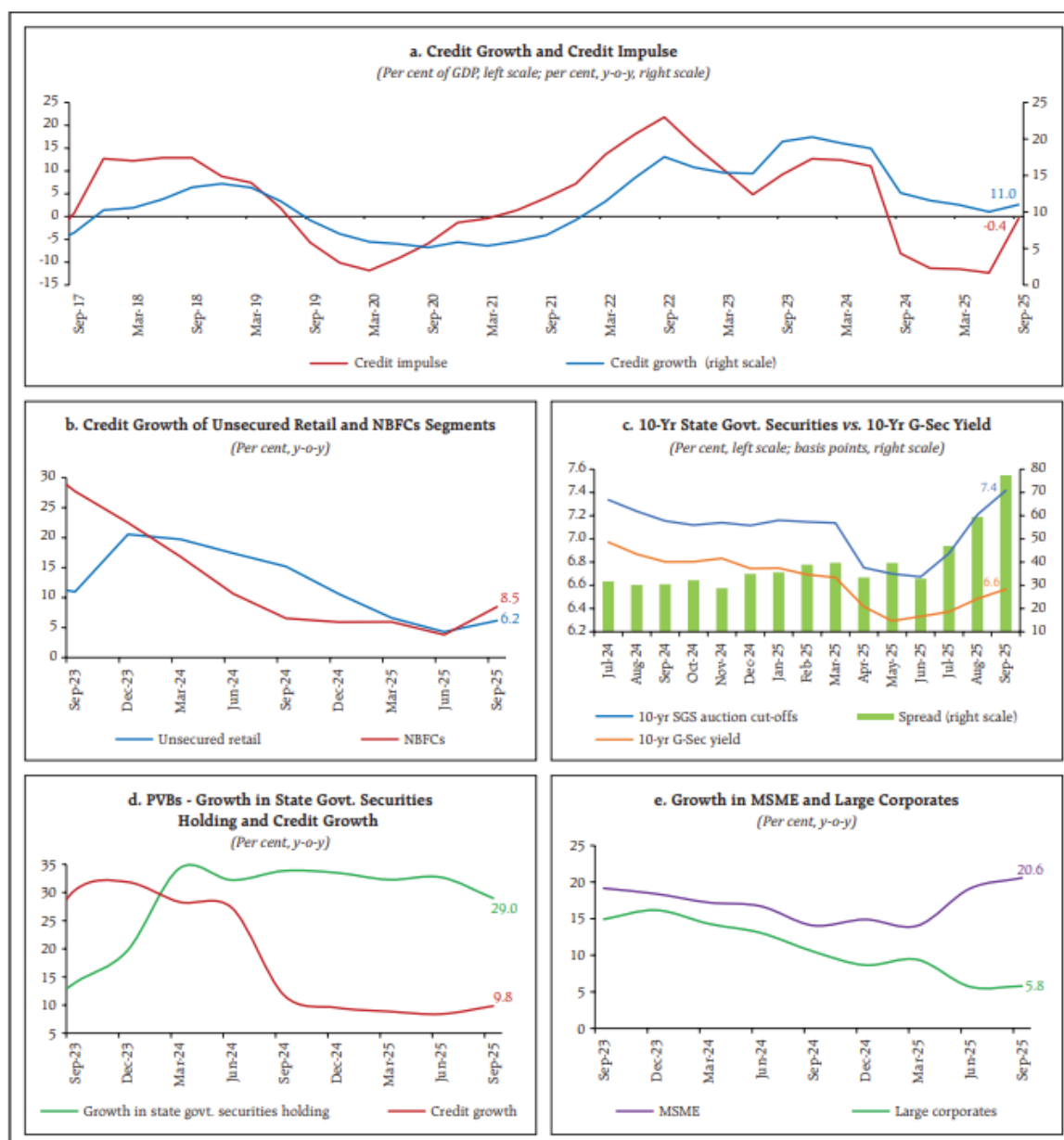
The recent pickup in bank credit growth alongside a recovery in credit impulse reflects a more supportive credit environment for economic activity. Furthermore, the growth in bank lending to NBFCs and unsecured retail, in which risk weights were increased in November 2023, is showing signs of revival. Credit to large corporates, however, remains subdued. Alongside, the yield curve has steepened and the spread between state government securities and G-sec yields have risen. This is driving demand away from loans (except MSMEs), especially in respect of PVBs, as these investments are offering better returns on a risk-adjusted basis.

Chart 1.45: Banks’ Funding and Asset Structures Show No Major Vulnerabilities



Sources: RBI supervisory returns; and staff estimates.

Chart 1.55: Credit Growth Reviving

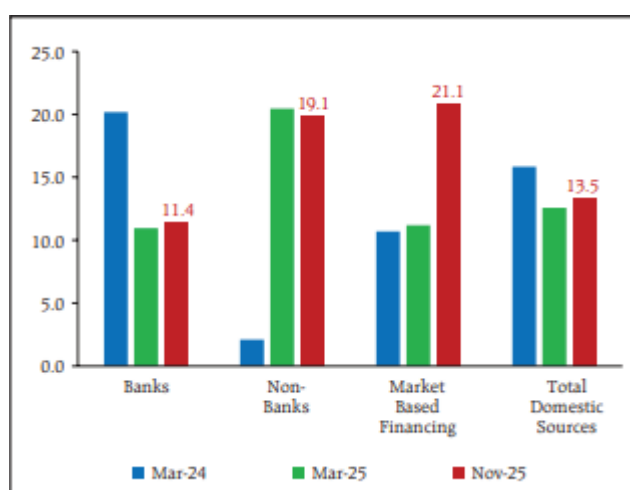


Sources: Bloomberg; CCIL; RBI supervisory returns; and staff estimates.

However, there is significant diversification among sources of credit to the commercial sector with lending from non-banks and market-based financing growing steadily. Thus, credit from these sources has not only substituted bank credit, but also ensured steady flow of funds to the commercial sector.

The share of other operating income (OOI) has increased over the years in the bank's overall earnings, with income generated out of treasury operations emerging as a key source of other operating income, especially in the last two quarters. The current steepening of the yield curve and relatively higher exchange rate volatility, if sustained, could impact treasury income. Thus, even as earnings-at-risk associated with net interest income (NII) have not changed significantly since the last FSR (see section on Interest Rate Risk in Chapter 2), the overall impact on banks' earnings could be higher in the future.

Chart 1.56: Outstanding Credit to Commercial Sector from Domestic Sources
(Growth in per cent, y-o-y)



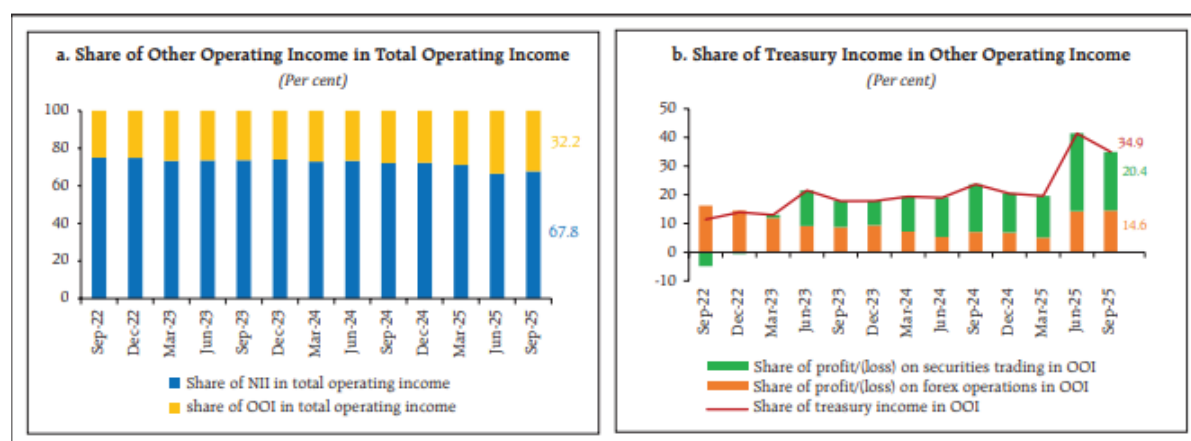
Note: Non-banks include NBFCs, HCFs and AIFIs. Market-based financing refers to corporate bond and commercial paper issuances by non-financial entities.

Sources: RBI; and staff estimates.

Unsecured retail lending, a key driver of bank loan growth during the post-pandemic period, declined sharply after the RBI increased risk weights on certain consumer segment loans in November 2023. Even as asset quality in aggregate remains stable – GNPA ratio at 1.8 per cent vis-à-vis 1.1 per cent for retail advances – slippages in unsecured retail loans constituted 53.1 per cent of the total retail loan slippages of SCBs. Among bank groups, the share of PVBs in fresh slippages of unsecured loans was higher, and their write-offs continue to remain elevated.

Bank credit to the Micro, Small and Medium Enterprises (MSME) rose sharply, aided partly by a change in classification criteria, registering growth of 20.6 per cent (y-o-y) in September 2025 and taking the share of MSME credit to 19 per cent in total non-food bank credit.

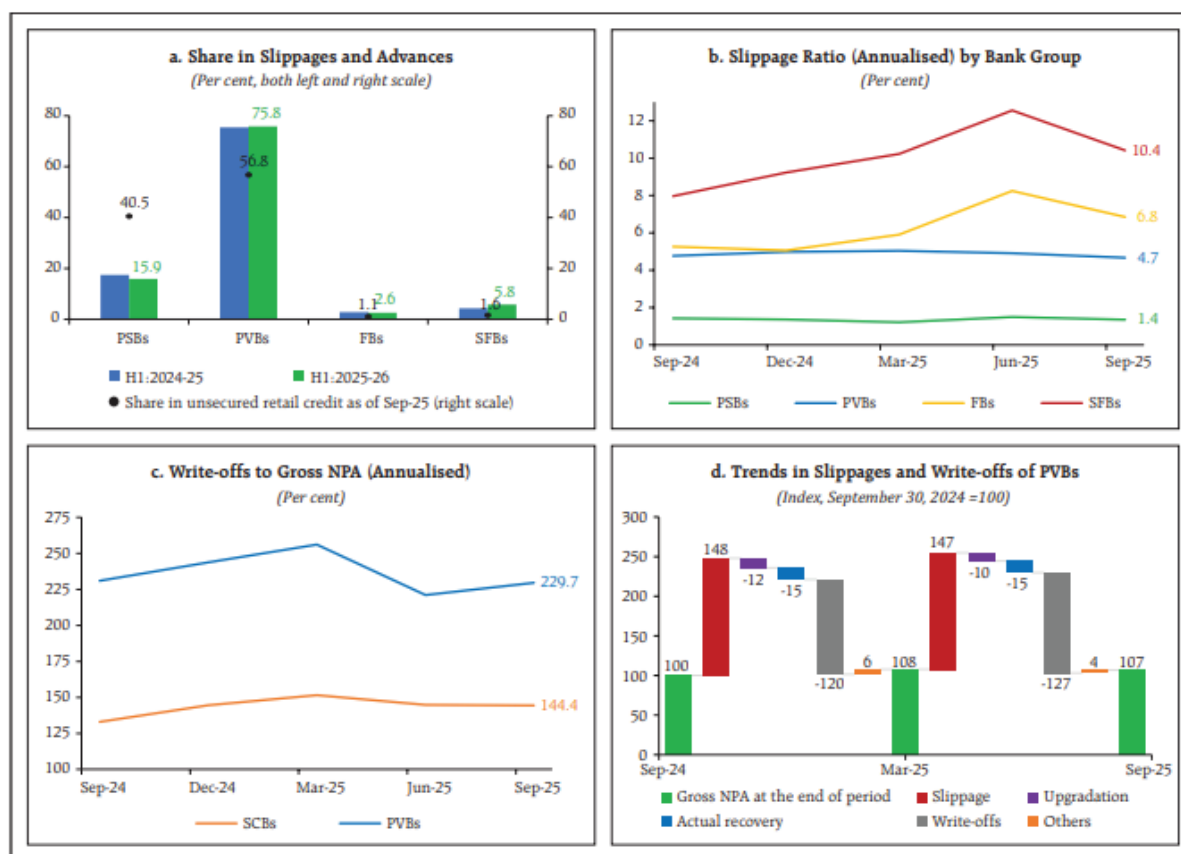
Chart 1.57: Banks' Increasing Reliance on Other Operating Income



Sources: RBI supervisory returns; and staff estimates.

Importantly, advances to the super prime borrower category remained dominant, contributing almost 49 per cent of total MSME advances. Moreover, their asset quality remained sound with the aggregate gross NPA ratio showing further improvement – it fell from 5.2 per cent in September 2023 to 3.3 per cent in September 2025. The improvement is seen across sectors, even though the default rate for micro enterprises remained a tad elevated.

Chart 1.58: Unsecured Retail Lending – Elevated Slippages and Write-offs in PVBs



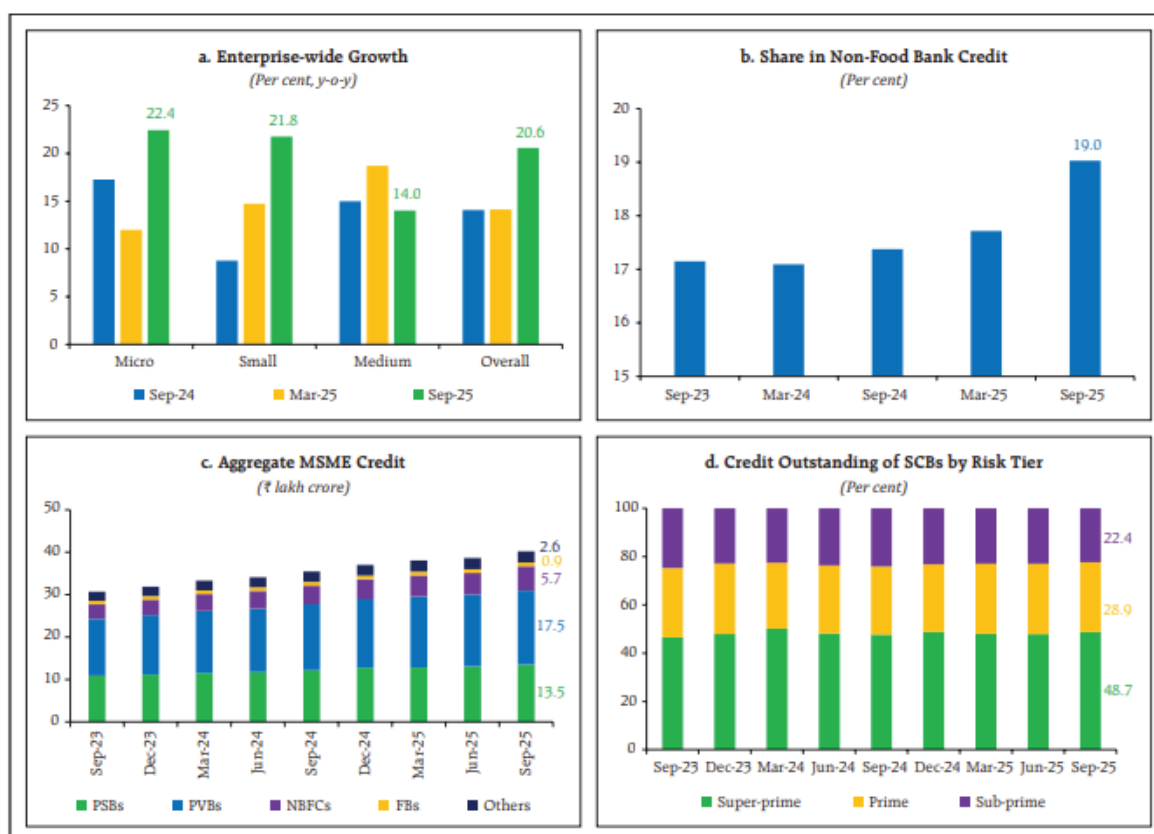
Sources: RBI supervisory returns; and staff estimates.

Analysis of sectors that were potentially exposed to higher US tariffs showed that the share of banks' lending to these sectors remained steady at 12.6 per cent as at end-September 2025 – with advances to the textiles sector forming the largest share. In terms of asset quality, while the SMA ratio in these sectors remained broadly stable, the GNPA ratio remained higher. Overall, these sectors are showing resilience despite the unfavourable external environment.

Small Finance Banks' (SFBs) footprint has been growing in the Indian banking system with their share in total banking sector credit and deposits gradually increasing from 1.3 per cent and 0.9 per cent in September 2022 to 1.6 per cent and 1.4 per cent in September 2025, respectively. Their credit and deposit growth were higher than the banking sector average at 17.2 per cent and 19.3 per cent (y-o-y) in September 2025, respectively. However, profitability remained under pressure even as loan losses, funding costs and slippages remain elevated.

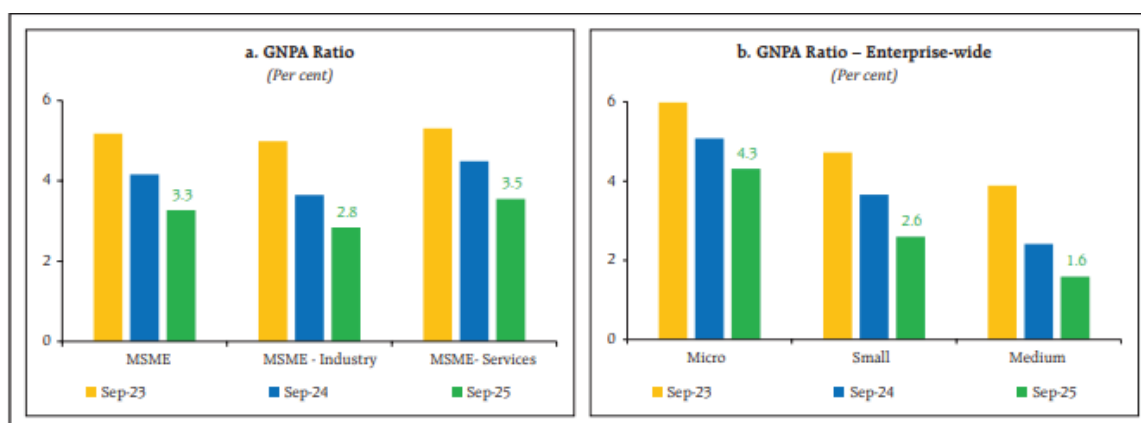
Credit to the microfinance sector declined for the sixth consecutive quarter with a 9.3 per cent fall in H1:2025-26 with the total active borrowers in the sector decreasing by 78 lakh. Bank credit to the sector, which forms 47.7 per cent of total credit outstanding to the sector, contracted by 10.6 per cent during the same period. Asset quality is showing signs of improvement with the ratio of stressed assets declining in three successive quarters. Borrower indebtedness, measured by the share of borrowers availing loans from three or more lenders, rose marginally in September 2025 after declining consistently over the last two years. Though there has been consolidation in the microfinance sector, some stress persists and requires close monitoring.

Chart 1.59: Credit to the MSME Sector Growing



Note: CIBIL MSME Ranks by Risk Tier are: Super-Prime: CMR 1-3, Prime: CMR 4-6, Sub-Prime: CMR 7-10.
Sources: RBI supervisory returns; TransUnion CIBIL; and staff estimates.

Chart 1.60: Asset Quality of MSMEs Improving

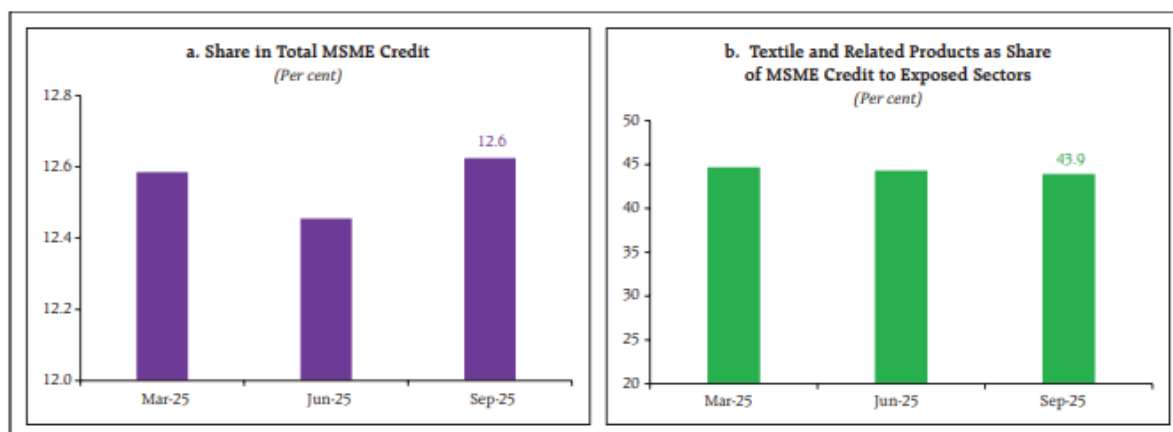


Sources: RBI supervisory returns; and staff estimates.

Consumer segment loans remain a key driver of loan demand for both banks and non-bank finance companies (NBFCs). After registering sharp growth post-pandemic, loans to consumer segment declined following countercyclical regulatory measures by the RBI to arrest the rapid growth in this segment. There are signs of stabilisation in the segment. Enquiry volumes have picked up in the month of September 2025, reflecting a rebound in demand post-GST rate cuts, even as the slowdown in the growth of credit active consumers appears to have bottomed out.

31 Based on survey of seven banks (PSBs and PVBs) with a total share of 61 per cent of gross MSME credit.

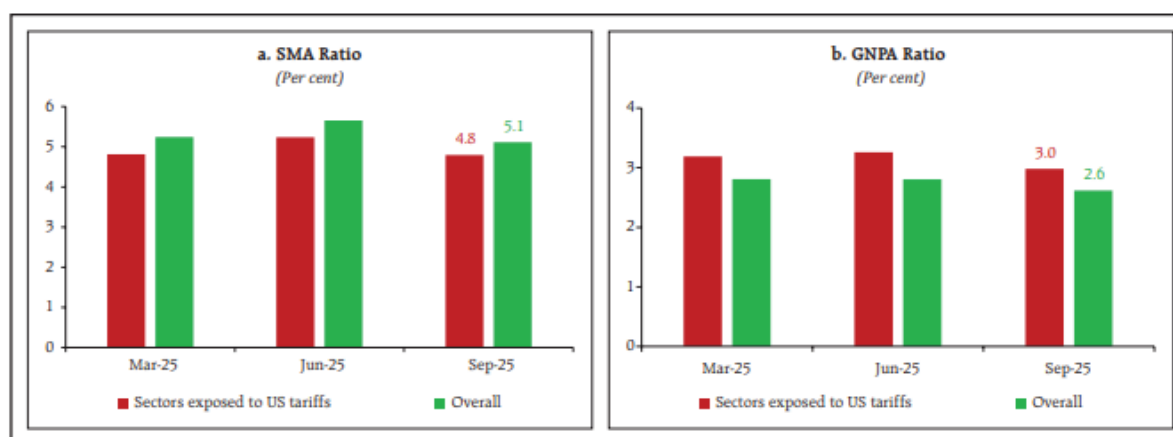
Chart 1.61: MSME Credit in Sectors Exposed to US Tariffs



Note: In chart (b), textiles and related products include cotton yarn/fabs/madeups, handloom products, etc.

Sources: Survey of select banks; and RBI staff estimates.

Chart 1.62: Asset Quality of MSME Credit in Sectors Exposed to US Tariffs

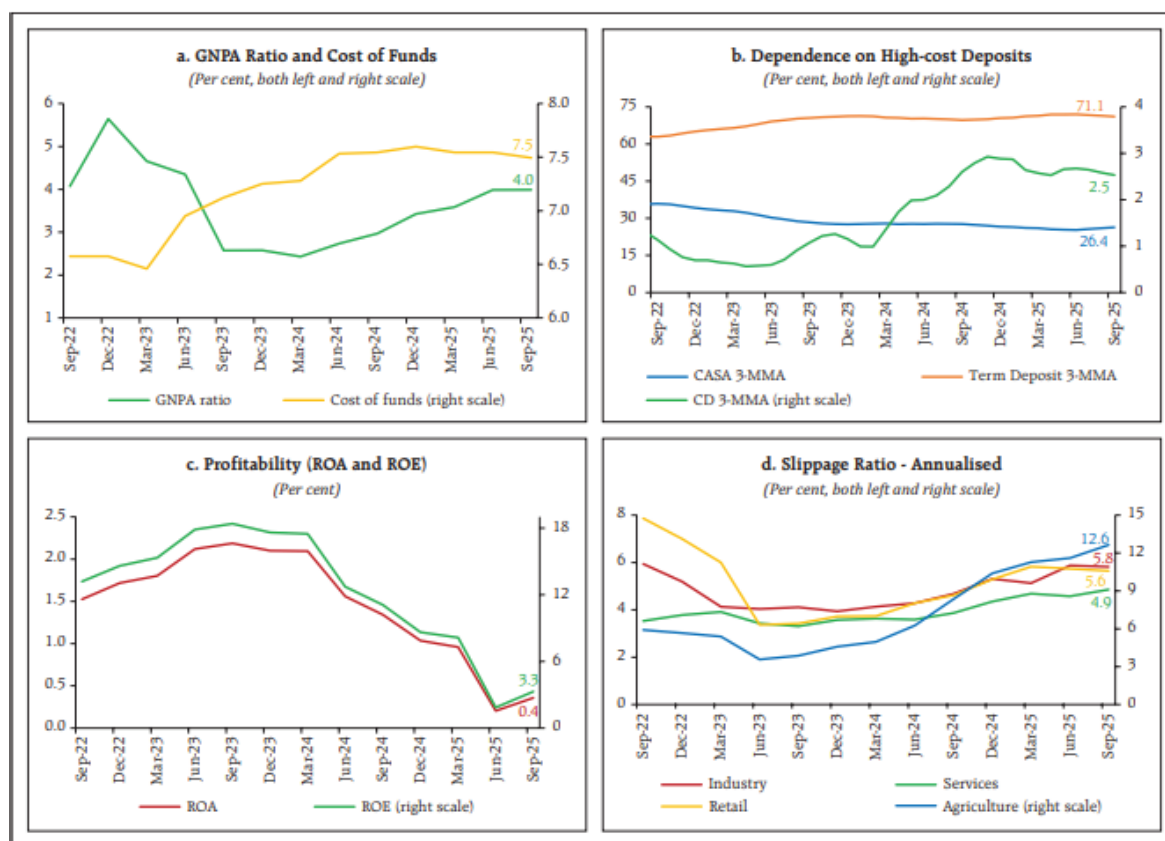


Sources: Survey of select banks; and RBI staff estimates.

Among different product types, gold loans saw sharp growth across SCBs and NBFCs. Similarly, unsecured business loans also grew quickly led by SCBs. The share of outstanding loans held by below prime borrowers in the NBFCs' gold loan portfolio reduced but remained sizeable. In both banks and NBFCs, the outstanding loans held by higher quality borrowers dominated the unsecured business loans category.

The asset quality of the consumer segment loans remained sound across lender and product types with declining levels of non-performing loans. Slippages from SMA-2 accounts also decreased. However, upgradations which saw a jump in Q4:2024-25, are trending lower. Overall, the high share of better-quality borrowers – prime and above categories – augur well for consumer loan performance.

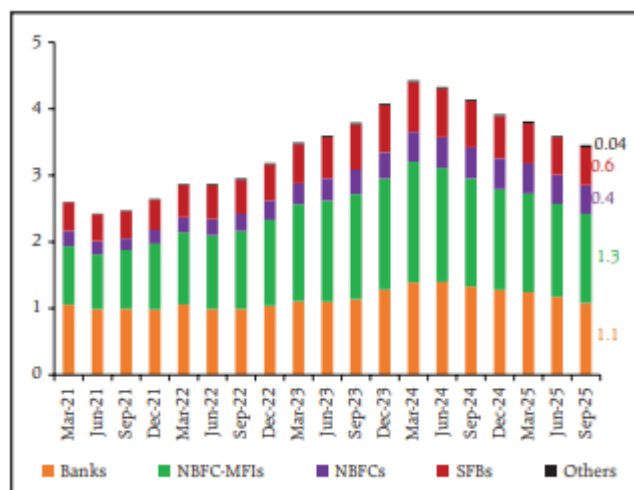
Chart 1.63: SFBs – Asset Quality, Deposit Profile and Profitability



Note: In chart (b), 3-MMA = 3-month moving average.

Sources: RBI supervisory returns; and staff estimates.

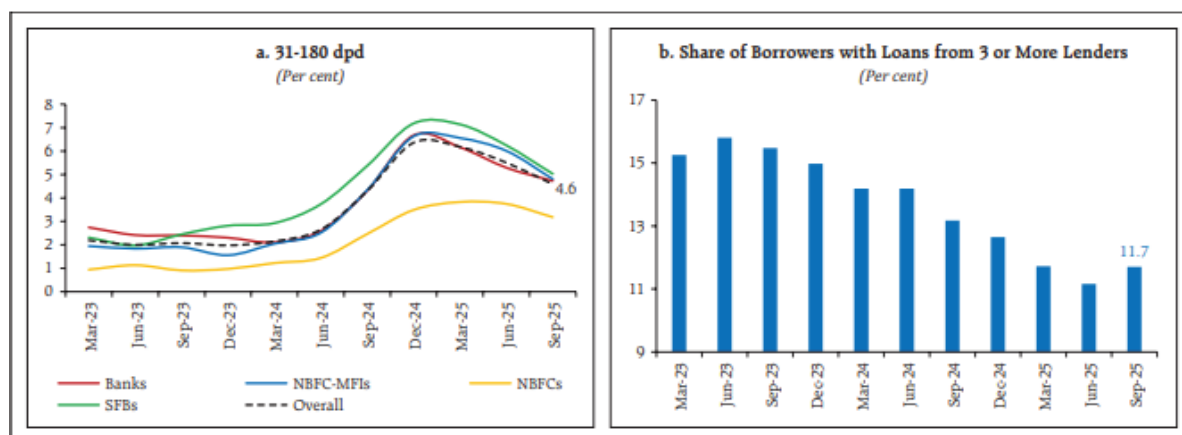
Chart 1.64: Credit to the Microfinance Sector Declining
(₹ lakh core)



Note: In chart (b), textiles and related products include cotton yarn/fabs/madeups, handloom products, etc.

Sources: Survey of select banks; and RBI staff estimates.

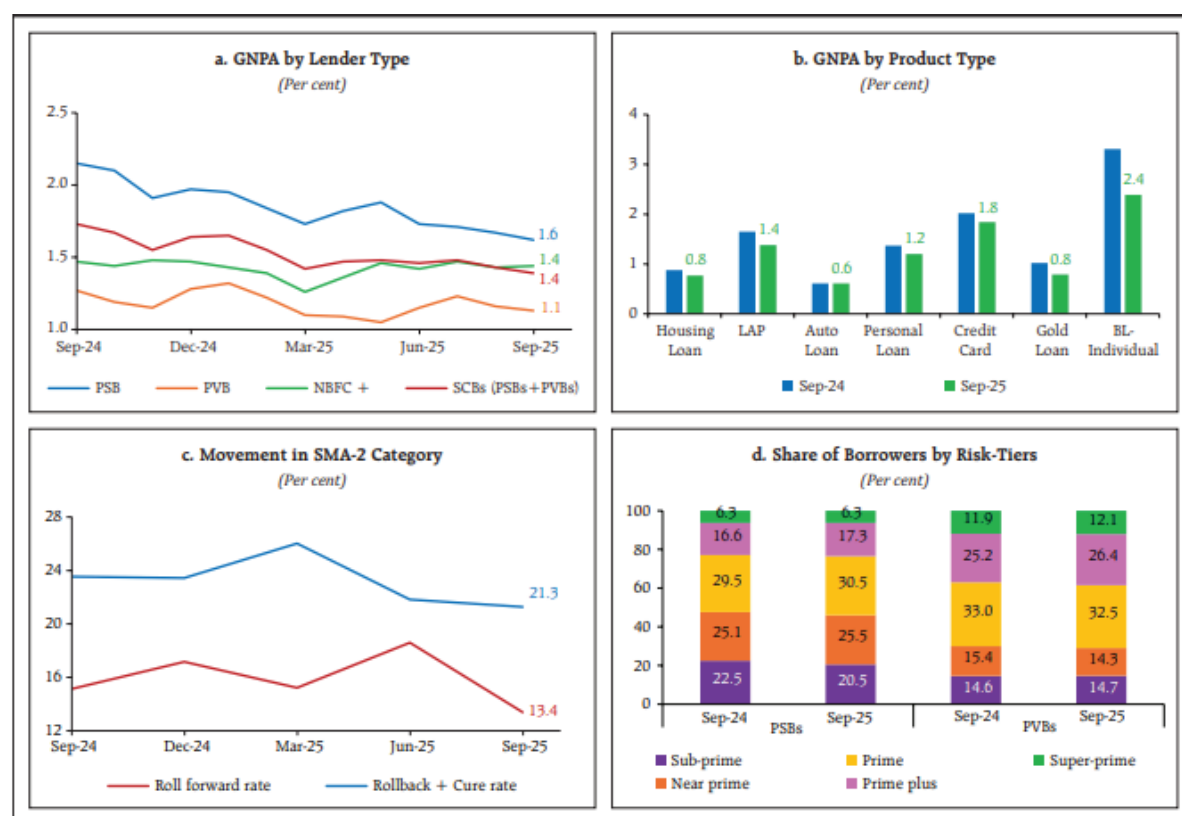
Chart 1.65: Microfinance Sector Stress and Indebtedness Easing



Sources: CRIF High Mark.

The resilience of the banking system remained strong, as reflected in the Banking Stability Indicator (BSI), an aggregate indicator of the banking system's robustness, which remained well below the long-term average. Improved soundness and asset quality, along with easing market risk, have partly offset the weakening in liquidity and profitability indicators.

Chart 1.70: Asset Quality of Consumer Segment Loans Improving



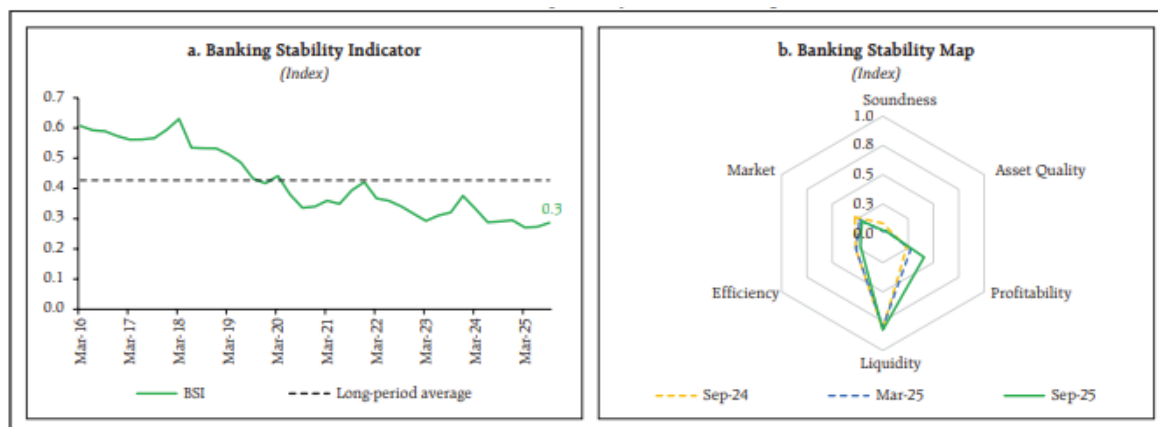
Notes:

- (1) In chart (a), NBFC+ represents NBFCs including HFCs.
- (2) In chart (b), LAP stands for loans against property and BL stands for business loans.
- (3) In chart (c), the roll forward rate is the percentage change (by amount) from the SMA-2 category (61-90 dpd) in the current month, which moved to the NPA category (90+dpd) in the next month (aggregated quarterly). Rollback + cure rate is the percentage change (in amount) in the SMA-2 category in the current month, which rolled back to SMA-1/SMA-0/0 dpd in the next month (aggregated quarterly).

Source: TransUnion CIBIL.

The growth in non-bank financial intermediaries (NBFIs) and their increasing interlinkages with the banking system is a key concern globally. In India too, banks asset exposures to NBFIs are rising. PSBs predominantly hold funded exposures, whereas PVBs have nearly half of their total exposure in non-funded facilities, which may be invoked by NBFIs during periods of liquidity stress.

Chart 1.71: Banking Stability Indicator and Map



Notes:

- (1) In chart (a), average of the last 40 quarters considered.
- (2) In chart (b), away from the centre indicates an increase in risk.

Sources: RBI supervisory returns; and staff estimates.

Recent Structural Reforms

Prudential Framework for Resolution of Stressed Assets

In 2019, RBI issued Reforms in the form of a framework for resolution of Stressed Assets. The directions came into force with immediate effect. The provisions of these directions applied to the following entities:

- (a) SCBs (excluding Regional Rural Banks);
- (b) All India Term Financial Institutions (NABARD, NHB, EXIM Bank, and SIDBI);
- (c) Small Finance Banks; and
- (d) Systemically Important Non-Deposit taking Non-Banking Financial Companies (NBFC-ND-SI) and Deposit taking Non-Banking Financial Companies (NBFC-D).

Purpose:

- (e) These directions were issued with a view to providing a framework for early recognition, reporting and time bound resolution of stressed assets.
- (f) These directions were issued without prejudice to issuance of specific directions, from time to time, by the Reserve Bank to banks, in terms of the provisions of Section 35AA of the Banking Regulation Act, 1949, for initiation of insolvency proceedings against specific borrowers under the Insolvency and Bankruptcy Code, 2016 (IBC).

Pursuant to the RBI's regulatory overhaul, the aforementioned directions have been withdrawn and the provisions have been consolidated in the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025. Similar directions have been issued for various regulated entities.

Early identification and reporting of stress

Lenders shall recognize incipient stress in loan accounts, immediately on default, by classifying such assets as special mention accounts (“SMA”) as per the following categories:

SMA Sub-categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue between
SMA-0	1-30 days
SMA-1	31-60 days
SMA-2	61-90 days

In the case of revolving credit facilities like cash credit, the SMA sub-categories will be as follows:

SMA Sub-categories	Basis for classification – Outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for a period of:
SMA-1	31-60 days
SMA-2	61-90 days

Timeline for implementation of viable resolution plan	Additional provisions to be made as a percentage of total outstanding, if resolution plan not implemented within the timeline
180 days from the end of review period	20%
365 days from the commencement of review period	15% (i.e. total additional provisioning of 35%)

National Asset Reconstruction Company Limited (“NARCL”)

In the Union Budget for 2021-22, the Government announced a proposal for setting up NARCL, popularly termed as a “bad bank”, to consolidate and take over stressed debt from banks, based on decided characteristics. The aggregation of assets is expected to assist in turning around the assets and eventually offloading them to AIFs and other potential investors for further value unlocking. Drawing from established market principles and global experience, the success of a bad bank initiative would eventually depend upon design aspects, viz., fair pricing; complete segregation of risk from selling banks; investment of external capital; independent and professional management of the new entity; minimizing moral hazard; and adequate capitalization of the banks post-sale of assets to invigorate fresh lending.

NARCL is registered with the RBI as an asset reconstruction company set up with a strategic initiative to clean up the legacy stressed assets above a specified exposure in the Indian Banking system.

Base Rate System

The RBI issued a circular on 4 September 2019 making it mandatory for banks to link all floating rate personal or retail loans and floating rate loans to micro and small enterprise borrowers to an external benchmark with effect from 1 October 2019. The banks are free to choose one of the several benchmarks indicated in the circular. The banks are also free to choose their spread over the benchmark rate, subject to the condition that the credit risk premium may undergo change only when borrower’s credit assessment undergoes a substantial change, as agreed upon in the loan contract.

Following the introduction of an external benchmark system, the monetary policy transmission has improved in respect of the sectors where new floating rate loans have been linked to external benchmarks. With a view to further strengthening monetary policy transmission, it has been decided that all new floating rate loans to medium-sized enterprises extended by banks from 1 April 2020, shall be linked to the external benchmarks.

As per the Reserve Bank of India (Commercial Banks – Interest Rates on Advances) Directions, 2025, all floating rate loans are to be priced with reference to a benchmark. A bank can offer all categories of advances on fixed or floating interest rates. When the floating rate advances are linked to a reference benchmark rate, banks can determine actual lending rates by adding the components of spread to the reference benchmark rate. Banks cannot lend below the benchmark rate for a particular maturity for all loans linked to that benchmark.

RBI Monetary Policy Report and Monetary Policy Committee (“MPC”) discussion

The fifty-ninth meeting of the Monetary Policy Committee (MPC), constituted under Section 45ZB of the Reserve Bank of India Act, 1934, was held during 4 to 6 February 2026.

The meeting was chaired by Shri Sanjay Malhotra, Governor and was attended by all the members – Dr. Nagesh Kumar, Director and Chief Executive, Institute for Studies in Industrial Development, New Delhi; Shri Saugata Bhattacharya, Economist, Mumbai; Professor Ram Singh, Director, Delhi School of Economics, Delhi; Dr. Poonam Gupta, Deputy Governor in charge of monetary policy and Shri Indranil Bhattacharyya, Executive Director (the officer of the Reserve Bank nominated by the Central Board under Section 45ZB(2)(c) of the Reserve Bank of India Act, 1934).

According to Section 45ZL of the Reserve Bank of India Act, 1934, the Reserve Bank shall publish, on the fourteenth day after every meeting of the Monetary Policy Committee, the minutes of the proceedings of the meeting which shall include the following, namely:

- (a) the resolution adopted at the meeting of the Monetary Policy Committee;
- (b) the vote of each member of the Monetary Policy Committee, ascribed to such member, on the resolution adopted in the said meeting; and
- (c) the statement of each member of the Monetary Policy Committee under sub-section (11) of section 45ZI on the resolution adopted in the said meeting.

The MPC reviewed in detail the staff’s macroeconomic projections, and alternative scenarios around various risks to the outlook. The MPC also reviewed the surveys conducted by the Reserve Bank to gauge consumer confidence, households’ inflation expectations, corporate sector performance, credit conditions, the outlook for the industrial, services and infrastructure sectors, and the projections of professional forecasters. Drawing on the above and after extensive discussions on the stance of monetary policy, the MPC adopted the resolution that is set out below.

Resolution

The Monetary Policy Committee (MPC) held its 59th meeting from 4 to 6 February 2026, under the chairmanship of Shri Sanjay Malhotra, Governor, Reserve Bank of India. The MPC members Dr. Nagesh Kumar, Shri Saugata Bhattacharya, Prof. Ram Singh, Dr. Poonam Gupta and Shri Indranil Bhattacharyya attended the meeting.

After a detailed assessment of the evolving macroeconomic and financial developments and the outlook, the MPC voted unanimously to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 5.25 per cent. Consequently, the standing deposit facility (SDF) rate remains at 5.00 per cent and the marginal standing facility (MSF) rate and the Bank Rate remains at 5.50 per cent. The MPC also decided to continue with the neutral stance.

Growth and Inflation Outlook

The global economy showed remarkable resilience in 2025, aided and supported by trade front-loading, a milder-than-anticipated impact of tariffs, broad fiscal stimulus and accommodative monetary policy. Inflation is on a path of gradual decline, although it remains above target in several advanced economies. US yields are trading with an upward bias amidst receding expectations of imminent rate cuts underpinned by firm economic data. Equities, supported by sustained investment in tech stocks, have advanced, even as fiscal strains, geopolitical uncertainty and monetary policy divergence continue to impart volatility to financial markets.

On the domestic front, real gross domestic product (GDP), as per the First Advance Estimates (FAE), is estimated to grow at 7.4 per cent (y-o-y) in 2025-26. Private consumption and fixed investment contributed significantly to overall growth. Net external demand, however, continued to be a drag, with imports outpacing exports. On the supply side, real GVA growth of 7.3 per cent is driven by buoyant services sector, resilient agricultural sector and revival in manufacturing activity.

Looking ahead, sustained buoyancy in services sector, GST rationalisation, healthy rabi prospects, monetary easing and benign inflation environment should support private consumption. Investment activity, supported by high capacity utilisation, conducive financial conditions, healthy balance sheets of financial institutions and corporates, robust credit growth and Government's continued thrust on capital expenditure, is expected to maintain its momentum. Moreover, robust domestic demand is likely to attract fresh investments by the private sector. While services exports are expected to remain strong, merchandise exports will get a boost from the prospective trade deal with the US. The landmark comprehensive trade pact with the European Union coupled with trade deals with New Zealand and Oman should help diversify exports and strengthen the external sector. On the other hand, headwinds from geopolitical tensions, uncertain global trade environment, volatility in global financial markets and international commodity prices continue to pose downside risks to the outlook. Taking all these factors into consideration, real GDP growth projections for Q1:2026-27 and Q2 are revised upwards to 6.9 per cent and 7.0 per cent, respectively. The risks are evenly balanced.

Headline CPI inflation remained low at 0.7 per cent in November and 1.3 per cent in December, 2025. While food group continued to be in deflation, inflation within the fuel group remained moderate in November and December. Core inflation (CPI excluding food and fuel) too remained benign, despite the pick-up in prices of precious metals. Excluding gold, core inflation remained stable at 2.6 per cent in December.

Near-term outlook suggests that food supply prospects remain bright on the back of healthy kharif production, adequate buffer stocks of food grains and favourable rabi sowing. Core inflation, barring potential volatility induced by prices of precious metals, is expected to be range-bound. Geopolitical uncertainty coupled with volatility in energy prices and adverse weather events are other possible upside risks to inflation. In terms of headline inflation trajectory, unfavourable base effects stemming from large decline in prices observed in Q4:2024-25 would lead to an uptick in y-o-y inflation in Q4:2025-26, despite the anticipated momentum being muted. Considering all these factors, CPI inflation for 2025-26 is now projected at 2.1 per cent with Q4 at 3.2 per cent. CPI inflation for Q1:2026-27 and Q2 are projected at 4.0 per cent and 4.2 per cent, respectively. Excluding precious metals, the underlying inflation pressures remain muted. The risks are evenly balanced.

Rationale for Monetary Policy Decisions

The MPC noted that since the last policy meeting, external headwinds have intensified though the successful completion of trade deals augurs well for the economic outlook. Overall, the near-term domestic inflation and growth outlook remain positive.

Headline inflation during November-December remained below the tolerance band of the inflation target. The outlook for CPI inflation in Q1:2026-27 and Q2 continues to be benign and near the inflation target. The slight upward revision in the inflation outlook is primarily due to increase in prices of precious metals, which contribute about 60-70 basis points. The underlying inflation continue to be low.

On the growth front, economic activity remains resilient. The First Advance Estimates suggest continuing growth momentum, driven by domestic factors amidst a challenging external environment. The growth outlook remains favourable.

Based on a comprehensive review of the domestic macroeconomic conditions and the outlook, the MPC is of the view that the current policy rate is appropriate. Accordingly, the MPC voted to continue with the existing policy rate. The MPC also agreed to retain the neutral stance. However, Prof. Ram Singh retained his view that the stance be changed from neutral to accommodative. Going forward, the MPC will be guided by the evolving macroeconomic conditions and the outlook based on data from the new series in charting the future course of monetary policy. Voting on the Resolution to keep policy repo rate unchanged at 5.25 per cent has been positive and in majority.

The next meeting of the MPC is scheduled for 6-8 April, 2026.

Consolidation of Master Directions by The Reserve Bank of India

1. The RBI has issued numerous directions over the years, under the statutory powers conferred upon it by various Acts. While increase in regulatory guidelines is a natural process as the financial system evolves, this was further driven by an expanding regulatory perimeter, distributed supervisory/regulatory jurisdiction over certain regulated entities, and non-repeal of some of the earlier instructions when new ones were issued. Being mindful of compliance burden to the Regulated Entities (REs), the RBI has continuously endeavoured to optimise its regulatory framework. RBI issues directions and notifications on credit facilities, prudential norms, governance, asset classification, and compliance for banks and financial institutions.
2. Against this backdrop, the RBI has recently undertaken a fundamental reorganisation of the regulatory instructions administered by its Department of Regulation – marking a paradigm shift in its regulatory communication. On 28 November 2025, the Reserve Bank of India (RBI) issued a landmark circular consolidating and streamlining regulatory directions across various banking and financial sectors. This pivotal move aims to enhance compliance, promote transparency, and ensure uniformity in regulatory guidelines. On 28-11-2025, the Reserve Bank of India ('RBI') issued Directions and Notifications. The Directions are 244 and 3 guidelines covering a wide spectrum of regulatory and operational aspects for the financial sector. These span credit card facilities, credit resource management, prudential norms, governance standards, Cash Reserve Ratio ('CRR'), Statutory Liquidity Ratio ('SLR'), interest rate regulations, asset liability management, income recognition, asset classification, and treatment of wilful defaulters.

The comprehensive framework applies to commercial banks, NBFCs, small finance banks, payment banks, local area banks, regional rural banks, urban cooperative banks, all-India financial institutions, and rural cooperative banks, reflecting RBI's intent to strengthen prudential oversight and ensure stability across India's diverse financial ecosystem. In addition, notifications on KYC compliance and consolidation of regulations were also issued, superseding and replacing earlier circulars.

The comprehensive exercise involved consolidation of more than 9,000 existing circular/guidelines administered by Department of Regulation into 238 function-wise Master Directions (MDs), specific to each category of regulated entity. Instructions issued by NABARD to Regional Rural Banks, State Co-operative Banks and Central Co-operative Banks were also consolidated in consultation with NABARD. This exercise is expected to enhance clarity, ease of access, and reduce compliance burden for REs, thereby supporting the broader objective of improving ease of doing business.

3. Under this consolidation effort, instructions contained in approximately 3,500 directions, circulars, and guidelines, were consolidated into 238 Master Directions, across 11 types of regulated entities. For this purpose, the 11 types of regulated entities identified are: (a) Commercial Banks; (b) Small Finance Banks; (c) Payments Banks; (d) Local Area Banks; (e) Regional Rural Banks; (f) Urban Co-operative Banks; (g) Rural Co-operative Banks; (h) All India Financial Institutions; (i) Non-Banking Financial Companies; (j) Asset Reconstruction Companies; and (k) Credit Information Companies. Instructions contained in remaining directions/circulars were identified as obsolete and marked for repeal once the consolidated MDs are issued.
4. Accordingly, the drafts of these 238 MDs were placed on website of the Reserve Bank for public comments regarding completeness and accuracy vide press release dated 10 October 2025. The list of circulars that were proposed to be repealed following the issue of consolidated MDs as well as a list of notifications that were to be retained as standalone were also provided.
5. The Reserve Bank had received over 770 comments from various stakeholders on the draft MDs. Several suggestions were for regulatory changes, which were outside the scope of this consolidation exercise, and hence have not been considered for the purpose of consolidation. The remaining comments, relevant to the finalisation of the MDs have been duly considered while finalising the consolidated MDs.
6. Consequently, **the following set of final documents were issued by the RBI on 28 November 2025:**
 - i. 244 Master Directions consolidating the instructions currently administered by the Department of Regulation on an 'as-is' basis. These instructions have been issued separately for 11 types of regulated entities and are cohesively organised across various regulatory areas. These documents can be accessed through Notifications → Master Directions → Department of Regulation. These Master Directions will serve as the sole library of regulations administered by the Department of Regulation.
 - ii. List of 9445 circulars that are being repealed/withdrawn following the issue of these consolidated Master Directions can be accessed through Notifications → Circulars Withdrawn → Circulars withdrawn by the Department of Regulation.

SUPERVISION AND REGULATION

The primary legislation governing commercial banks in India is the Banking Regulation Act. The provisions of the Banking Regulation Act are in addition to, and not (save as expressly provided in the Banking Regulation Act) in derogation of the Companies Act or any other law for the time being in force. Other important laws and legislations include the Reserve Bank of India Act, 1934, the Negotiable Instruments Act, 1881, the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the “**SARFAESI Act**”), the IBC and the Bankers’ Books Evidence Act, 1891. Additionally, the RBI, from time to time, issues directions, guidelines, regulations, notifications, circulars, etc. to be followed by the Bank. Compliance with all regulatory requirements is evaluated with respect to financial statements under Indian Generally Accepted Accounting Principles (“**GAAP**”). Banks in India are subject to detailed regulation and supervision by the RBI. The RBI sets guidelines, inter alia, on, matters related to the Bank’s business including cash reserve ratios, statutory liquidity ratios, capital adequacy ratio, priority sector lending, recognition and provisioning for Non-Performing Assets (“**NPA**s”), export credit, market risk and branch licensing.

Additionally, the RBI, from time to time, issues guidelines and regulations, etc. to be followed by the Bank. Banking companies in India are also subject to the purview of the Companies Act, as amended, and if such companies are listed on a stock exchange in India, then various regulations of the Securities Exchange Board of India (“**SEBI**”) shall additionally apply to such companies.

The Bank is India’s second largest state-owned international banking and financial services banking company.

The Bank is also governed by the provisions of the Banks Nationalisation Act and the Nationalised Banks Scheme. Under the Banks Nationalisation Act and the Nationalised Banks Scheme, existing banking companies were acquired and new banks were established as public sector banks. Initially, the entire capital of the nationalised banks was held by the Government of India, but through an amendment in 1994 to the Banks Nationalisation Act, the Government of India reduced its stake in the nationalised banks by issuing shares to the public. However, under Section 3(2-B)(c) of the Banks Nationalisation Act, the Government of India shall continue to hold no less than 51.00 per cent. of the paid-up capital of the banks.

The Banks Nationalisation Act and the Scheme

While the primary legislation governing commercial banks in India is the Banking Regulation Act and some of these provisions are applicable to the Bank, the Bank is mainly governed by the provisions of the Banks Nationalisation Act and the Nationalised Banks Scheme. The provisions of the Banking Regulation Act apply in addition to the Banks Nationalisation Act and the Nationalised Banks Scheme and any other law in force. As the Bank was constituted under the Banks Nationalisation Act and the Nationalised Banks Scheme, the provisions of the Companies Act are inapplicable. In particular, Section 18 of the Banks Nationalisation Act provides that no provision of law relating to the winding up of the companies shall apply to the Bank and the Bank shall not be placed in liquidation except by order of the Government of India and in such manner as it may direct.

Under the Banks Nationalisation Act, the entire paid-up capital of a corresponding new bank set up under the Banks Nationalisation Act, except the paid-up capital raised from the public by a public issue or rights issue or by issue of bonus shares or preferential allotment or private placement, will stand vested in and allotted to the Government of India. The Government of India will, at all times, hold not less than 51 per cent. of the paid-up capital consisting of equity shares of each corresponding new bank. No shareholder of a corresponding new bank, other than the Government of India, is entitled to exercise voting rights in respect of any shares held by him in excess of 10.00 per cent. of the total voting rights of all the shareholders of the corresponding new bank. However, a shareholder holding any preference share capital in the corresponding new bank will have, in respect of such capital, a right to vote only on resolutions placed before such corresponding new bank, which directly affects the rights attached to his preference shares and no preference shareholder, other than the Government of India, is entitled to exercise voting rights in respect of preference shares held by him in excess of 10.00 per cent. of the total

voting rights of all the shareholders holding preference share capital only. Furthermore, not more than 20.00 per cent. of the shareholding of all corresponding new banks, including the Bank, can be held by foreign entities. Raising of further capital is permitted under the Banks Nationalisation Act subject to consultation with the RBI and obtaining the prior approval of the Government of India.

The nationalisation of banks, including the Bank, was to enable banks to progressively meet and better serve the needs of the development of the economy in conformity with the national policy and objectives. Therefore, under the Banks Nationalisation Act, the Bank is guided by such directions in matters of policy involving the public interest as the Government of India may, in consultation with the Governor of the RBI, give to the Bank. The Bank is managed by the board of directors, which includes the MD & CEO who are appointed by the Government of India under the Banks Nationalisation Act as well as other elected Directors from the shareholders and other directors who may be appointed by the Government of India. The directors are required to (a) have a special knowledge in one or more of: agricultural and rural economy, banking, co-operation, economics, finance, law and small-scale industry; (b) represent the interest of depositors or of farmers, workers and artisans.

An annual general meeting has to be held at the place of the head office of the Bank in each year at such time to be specified by the board of directors of the Bank. However, such annual general meeting has to be held before the expiry of six weeks from the date on which the balance sheet, the profit and loss account and the auditor's report are forwarded to the Government of India or to the RBI, whichever date is earlier.

The Nationalised Banks Scheme was enacted by the Government of India in consultation with the RBI pursuant to powers granted to it under Section 9 (*Power of Central Government to make scheme*) of the Banks Nationalisation Act. The terms of the Scheme prescribe the procedure for the constitution and operation of the board of directors, the appointment of the MD & CEO, their terms of office and the remuneration payable to a whole-time managing director, the terms of office of the other directors of the board, the mode and procedure for the removal and disqualification of directors, including the manner of retirement of the nominee directors. The Scheme also prescribes the procedure for: (a) conducting meetings of the board of directors; (b) the constitution of various advisory committees, including the Management Committee; and (c) the manner and procedure for the increase in the paid-up capital of the company. Meetings of the board of directors should ordinarily be held at least six times in a year and at least once in each quarter.

The Banking Regulation Act and recent amendments thereto

The Banking Regulation (Amendment) Act, 2017

The Government of India enacted the Banking Regulation (Amendment) Act, 2017 (“**2017 Amendment**”), which was deemed to have come into force on 4 May 2017. This amendment inserted two new sections in the Banking Regulation Act, i.e., sections 35AA and 35AB. The sections enabled the Government of India to authorise the RBI to direct banking companies to resolve specific stressed assets by initiating an insolvency resolution process, where required. The RBI has also been empowered to issue other directions for resolution, and appoint or approve for appointment, authorities or committees to advise banking companies for stressed assets resolution. This measure had a direct impact on effective resolution of stressed assets, particularly in consortium or multiple banking arrangements, as the RBI was empowered to intervene in specific cases of resolution of non-performing assets, to bring them to a definite conclusion. The 2017 Amendment was intended to lead to effective resolution of stressed assets, particularly in consortium or multiple banking arrangements.

The Banking Regulation (Amendment) Act, 2020

The Government of India enacted the Banking Regulation (Amendment) Act, 2020 (“**2020 Amendment**”) which brought co-operative banks under the supervision of the RBI. The amendment also allowed the RBI to prepare a scheme for the reconstruction or amalgamation of a banking company without the necessity of first making an order of moratorium.

Further, the 2020 Amendment also stated that a co-operative bank may, with the prior approval of the RBI, issue, by way of public issue or private placement – (i) equity shares or preference shares or special shares, on face value or at premium; and (ii) unsecured debentures or bonds or other like securities with initial or original maturity of not less than ten years, to any member of such co-operative bank or any other person residing within its area of operation, subject to conditions, ceiling, limits or restrictions as specified by the RBI.

The Banking Regulation (Amendment) Act, 2025

The Banking Laws (Amendment) Act, 2025 (“**2025 Amendment**”) was enacted as a step towards strengthening governance standards in the Indian banking sector by ensuring uniformity in reporting by banks to the RBI along with improved audit quality in public sector banks (PSBs). The 2025 Amendment enhances depositor and investor protection by promoting customer convenience through improved nomination facilities. The 2025 Amendment amends five legislations, i.e., the Reserve Bank of India Act, 1934, the Banking Regulation Act, 1949, the State Bank of India Act, 1955, the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980. The various amendments reinforce the ongoing efforts to enhance banking oversight and governance and aim to enhance improve audit transparency, strengthen depositor protection and bring cooperative banks under a more robust regulatory framework. In view of the rapid digital growth and evolving financial challenges, the reforms proposed hereunder seek to align governance and compliance frameworks with contemporary industry dynamics and evolving technology.

The 2025 Amendment provides for a modernised nomination framework, allowing depositors to nominate up to 4 (four) persons for their bank accounts either through simultaneous or successive nominations. Certain operational definitions have been updated, and certain procedures have been simplified to improve operational efficiency. Further, financial transparency has been prioritised. Additionally, the definition of “substantial interest” has been increased to INR 2 crore (previously, INR 5 lakhs).

The RBI Act and other RBI Regulations

Since the Bank is classified as a scheduled bank in the Second Schedule to the RBI Act, the provisions of the RBI Act applicable to scheduled banks are applicable to the Bank. Under Section 42 of the RBI Act, every scheduled bank is required to maintain, with the RBI, an average daily balance of an amount not less than such percentage of the total of the demand and time liabilities in India as shown in the return of the Bank submitted with the RBI and as the RBI may, from time to time, having regard to the needs of securing the monetary stability in the country, notify in the Gazette of India. Notwithstanding the above, the RBI may, by notification in the Gazette of India, direct every scheduled bank to maintain, in addition to the balance mentioned above, an additional average daily balance the amount of which shall not be less than the rate specified in such notification, such additional balance being calculated with reference to the excess of the total of the demand and time liabilities of the bank as shown in the aforementioned return over the total of its demand and time liabilities, at the close of business on the date specified in the notification as shown by such return so however, that the additional balance shall, in no case, be more than such excess.

Further, every scheduled bank is required to comply with the certain directives, including sending specified returns to the RBI indicating the following, viz, (i) the demand and time liabilities, (ii) the total amount of legal tender notes held by it in India, (iii) the balances held by it at other banks in current account; (iv) the money at call and short notice in India; (v) its investments (at book value) in central and state government securities including treasury bills and treasury deposit receipts; (vi) the amount of advances in India; and (vii) the inland bills purchased and discounted in India and foreign bills purchased and discounted.

The Bank, being licensed by the RBI, is regulated and supervised by the RBI. The RBI requires the Bank to furnish statements, information and certain details relating to its business. It has issued guidelines for commercial banks on recognition of income, classification of assets, valuation of investments, maintenance of capital adequacy and provisioning for non-performing and restructured assets.

The RBI has set up a Board for Financial Supervision (the “BFS”), under the chairmanship of the Governor of the RBI. The auditors of the Bank are appointed by the RBI. The primary objective of the BFS is to undertake consolidated supervision of the financial sector comprising commercial banks, financial institutions and non-banking finance companies. The appointment of the auditors of banks is subject to the approval of the RBI. The RBI can direct a special audit in the interest of the depositors or in the public interest.

Regulations relating to the opening of branches

The opening of new branches and shifting of existing branches of banks is governed by the provisions of Section 23 of the Banking Regulation Act read with the Reserve Bank of India (Commercial Banks – Branch Authorisation) Directions, 2025 dated 28 November 2025 (the “**Branch Authorisation Directions**”). In terms of these provisions, banks cannot, without the prior approval of the RBI, open or change a place of business in India or abroad or change, other than within the same city, town or village, the location of the existing place of business. Before granting such permission, the RBI may require an inspection or otherwise of, (a) the financial condition and history of the banking company, (b) the general character of its management, (c) the adequacy of its capital structure and earning prospects, and (d) whether public interest will be served by the opening or, as the case may be, change of location of the existing place of business.

The RBI issued a liberalised branch authorisation policy in September 2005, as amended from time to time, under which the existing system of granting authorisations for opening individual branches from time to time will be replaced by a system of aggregated approvals on an annual basis. The updated and consolidated Master Circular dated 1 July 2015 on Area of Operation, Branch Authorisation Policy, Opening/Upgradation of Extension Counters, ATMs and Shifting/Splitting/Closure of Offices, defines the term “branch” to also include extension counters, off-site ATMs, mobile branches, satellite offices, controlling offices, administrative offices and service branches (back offices or processing centres) where banking transactions are undertaken. A call centre will not be treated as a “branch”.

The medium-term framework and the specific proposals would cover the opening, closing, shifting, merger and conversion of all categories of branches. Banks are free to submit their Annual Branch Expansion Plan (“ABEP”) any time during the year. Notwithstanding the above, banks may approach the RBI for any urgent proposals regarding the opening of branches, especially in under-banked areas (districts) anytime during the year, in addition to the authorisations granted under the annual plan, which would be considered on merit. Effective from 15 July 2011, banks were advised, in the preparation of their ABEP, to allocate at least 25.00 per cent. of the total number of branches proposed to be opened during a year in unbanked rural (Tier 5 and Tier 6) centres. An unbanked rural centre would mean a rural (Tier 5 and Tier 6) centre that does not have a brick and mortar structure of any scheduled commercial bank for customer-based banking transactions.

As per the Branch Authorisation Directions, with RBI push for financial inclusion being the overarching objective of banking expansion and in view of the operational flexibility being given to banks, a scheduled commercial bank is permitted to open Banking Outlets (*as defined below*) in Tier 1 to Tier 6 centres without having the need to obtain permission from RBI in each case, unless otherwise specifically restricted.

On 18 May 2017, the RBI issued a revision to the ‘Rationalization of Branch Authorization Policy’. A significant change as per this circular is that in place of a branch, a banking outlet has been defined as follows:

- Banking Outlet – A ‘Banking Outlet’ for a domestic scheduled commercial bank, a Payment Bank or a Small Financial Bank (SFB) is a fixed point service delivery unit, manned by either the bank’s staff or its Business Correspondent where services such as the acceptance of deposits, encashment of cheques/cash withdrawal or lending of money are provided for a minimum of 4 hours per day for at least five days a week.
- Part time Banking Outlets – Any fixed point service delivery unit of a bank which does not comply with the prescriptions regarding minimum working hours/days will be considered to be a ‘part-time Banking Outlet’.

- The Branch Authorisation Directions clarified and expanded the definition of ‘Banking Outlet’ and ‘Part-time Banking Outlet’ as follows:
 - ‘Banking Outlet’ is a fixed point service delivery unit, manned by either bank’s staff or its Business Correspondent where services of acceptance of deposits, encashment of cheques/cash withdrawal, or lending of money are provided for a minimum of four hours per day for at least five days a week. It carries uniform signage with name of the bank and authorisation from it, contact details of the controlling authorities and complaint escalation mechanism. The bank should have a regular off-site and on-site monitoring of the ‘Banking Outlet’ to ensure proper supervision, ‘uninterrupted service’ except temporary interruptions due to telecom connectivity, etc. and timely addressing of customer grievances. The working hours/days need to be displayed prominently.
 - A Banking Outlet which does not provide delivery of service for a minimum of four hours per day and for at least five days a week will be considered a ‘Part-time Banking Outlet’.

CAPITAL ADEQUACY REQUIREMENTS

Pursuant to the guidelines issued by the RBI in April 1992, the Bank is subject to capital adequacy requirements in line with the Capital Adequacy Norms prescribed by the Basel Committee on Banking Regulations and Supervisory Practices, 1998 (“**BCBS**”). The BCBS is the primary global standard setter for the prudential regulation of banks and provides a forum for regular cooperation on banking supervisory matters.

The RBI prescribes certain risk weights for the balance sheet assets, non-funded items and other off-balance sheet exposures, the minimum capital funds to be maintained as a ratio to the aggregate of the risk weighted assets and other exposures, and capital requirements in the trading book, on an ongoing basis. The RBI has implemented the Basel III framework in India with effect from 1 April 2013 in phases and the framework was fully implemented on 1 October 2021.

Furthermore, the Bank is required to maintain a minimum Pillar 1 capital to risk (weighted) assets ratio (“**CRAR**”) of 9.00 per cent. on an ongoing basis (other than capital buffers). However, taking into account the relevant risk factors and internal capital adequacy assessments of a bank, the RBI may prescribe a higher level of minimum capital ratio for each bank under the Pillar 2 framework to ensure that the capital held by a bank is commensurate with its overall risk profile.

The object of such a capital adequacy framework is that a bank should have sufficient capital to provide a stable resource to absorb any losses arising from the risks in its business. Capital is divided into tiers according to the characteristics/qualities of each qualifying instrument. For supervisory purposes, capital is split into two categories: Tier I and Tier II. These categories represent different qualities of capital investment. The loss absorption capacity of Tier II capital is lower than that of Tier I capital. The Bank is required to maintain, at both solo and consolidated level, a minimum Tier I ratio of at least 7.00 per cent.

SUMMARY OF THE BASEL III CAPITAL REQUIREMENTS

The RBI has, from time to time, notified certain master circulars, consolidating all the amendments and notifications under Basel III capital regulations. In the master circular dated 1 April 2022, the RBI mandated that all commercial banks in India (excluding Local Area Banks and Regional Rural Banks) should adopt Standardised Approach for credit risk. The Supervisory Review and Evaluation Process (SRP) was introduced with the objective to ensure that banks have adequate capital to support all the risks in their business and to encourage them to develop and use better risk management techniques for monitoring and managing their risks. This master circular aims to encourage market discipline by developing a set of disclosure requirements which will allow market participants to assess key pieces of information on the scope of application, capital, risk exposures, risk assessment processes and hence, the

capital adequacy of the institution. It also introduces a countercyclical capital buffer framework which requires banks to build up a buffer of capital in profitable periods which may be used to maintain flow of credit to the real sector in adverse periods. On 12 May 2023, the RBI issued a Master Circular titled 'Basel III Capital Regulations' consolidating all the amendments and notifications under Basel III capital regulations. In this circular, directions were issued for Commercial Banks (excluding Local Area Banks and Regional Rural Banks) regarding disclosure requirements for procuring a bank loan rating for the purpose of capital computation. According to the directions, a bank loan rating issued by External Credit Assessment Institutions without disclosing the name of the banks and the corresponding credit facilities rated by them shall not be eligible for being reckoned for the purpose of capital computation by banks. Banks shall treat such exposures as unrated and assign risk weights accordingly. The pre-specified trigger for loss absorption through conversion/write-down of AT1 instruments (Perpetual Non-Convertible Preference Shares and Perpetual Debt Instruments) remained unchanged since October 2021.

The latest master circular was introduced on 1 April 2025, which consolidated the prudential guidelines on Basel III capital adequacy issued until such date. However, all such master circulars stand withdrawn by the RBI as of 28 November 2025. The current Basel III and capital adequacy framework applicable to the Bank stands consolidated in the Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Directions, 2025 dated 28 November 2025 (“**Capital Adequacy Directions**”). The Capital Adequacy Directions have been subsequently amended on 4 December 2025 and 9 January 2026.

Under the Basel II guidelines, Tier I capital comprised paid-up equity capital, reserves consisting of any statutory reserves, other disclosed free reserves, capital reserves representing surplus arising out of sale proceeds of assets, innovative perpetual debt instruments, perpetual non-cumulative preference shares and any other type of instrument generally notified by the RBI from time to time for inclusion in Tier I capital. Tier II capital included undisclosed reserves, revaluation reserves, general provisions and loss reserves, subordinated debt capital instruments classified into upper Tier II and lower Tier II, and any other type of instrument generally notified by the RBI from time to time for inclusion in Tier II capital. In January 2011, the RBI directed banks not to issue Tier I or Tier II capital instruments with step-up options as such instruments shall not qualify as regulatory capital under the Basel III capital framework agreed upon by the Basel Committee.

The Basel III guidelines, *inter alia*, establish common equity Tier I as a new tier of capital; impose a minimum CET1 risk-based capital ratio of 5.5 per cent. and a minimum Tier I risk-based capital ratio of 7.0 per cent. while retaining the minimum total risk-based capital ratio of 9.0 per cent.; require banks to maintain a CET1 capital conservation buffer of 2.5 per cent. of risk-weighted assets (“**RWAs**”) above the minimum requirements to avoid restrictions on capital distributions and discretionary bonus payments; establish new eligibility criteria for capital instruments in each tier of regulatory capital; require more stringent adjustments to and deductions from regulatory capital; provide for more limited recognition of minority interests in the regulatory capital of a consolidated banking group and impose a 4.5 per cent. Basel III leverage ratio of Tier I capital to exposure measure.

Capital Conservation Buffer

The capital conservation buffer (“**CCB**”) is designed to ensure that banks build up capital buffers during normal times (i.e. outside periods of stress) which can be drawn on as losses are incurred during a period of stress. The requirement is based on simple capital conservation rules designed to avoid breaches of minimum capital requirements. Therefore, in addition to the minimum total of 9.00 per cent. as indicated above, banks will be required to hold a capital conservation buffer of 2.50 per cent. of RWAs in the form of common equity to withstand future periods of stress bringing the total common equity requirement of 8.00 per cent. of RWAs and total capital of RWAs to 11.50 per cent.

Countercyclical Capital Buffer

A countercyclical capital buffer within a range of 0.00-2.50 per cent. of RWAs of the bank is required to be maintained. The purpose of a countercyclical capital buffer is that it requires banks to build up a buffer of capital in good times which may be used to maintain flow of credit to the real sector in difficult times and it achieves the broader macro-prudential goal of restricting the banking sector from indiscriminate lending in the periods of excess credit growth that have often been associated with the building up of system-wide risk.

As per the Capital Adequacy Directions, it is noted that presently, the CCCB requirement has not yet been activated. The decision to activate CCCB shall normally be pre-announced by the RBI with a lead time of four quarters. However, depending on the CCCB indicators, a bank may be advised to build up the requisite buffer in a shorter span of time. The main indicator considered by the RBI for invoking CCCB is the credit-to-GDP gap (which will be used in conjunction with the GNPA growth).

Liquidity Coverage Ratio (LCR, FALLCR against credit disbursed to NBFCs and HFCs)

The Basel III framework on 'Liquidity Standard' includes 'Liquidity Coverage Ratio' ("LCR"), 'Net Stable Funding Ratio' and liquidity risk monitoring tools. The erstwhile instructions in this regard stand withdrawn as of 28 November 2025.

Presently, the concept of LCR is covered Reserve Bank of India (Small Finance Banks – Asset Liability Management) Directions, 2025. The LCR promotes the short-term resilience of a bank by ensuring that it has sufficient high-quality liquid assets (HQLA) to survive a significant stress scenario lasting 30 calendar days. Under the LCR framework, a bank is required to maintain an adequate level of unencumbered HQLA that can be converted into cash to meet its liquidity needs for a 30 calendar days' time under a significantly severe liquidity stress scenario specified by the RBI. At a minimum, the stock of liquid assets should be sufficient to enable a bank to survive until day 30 of the stress scenario, by which time it is assumed that appropriate corrective action can be taken. The LCR will be used on an ongoing basis to help monitor and control liquidity risk. Banks are required to maintain an LCR of minimum 100 per cent (i.e., the stock of HQLA shall be at least equal to total net cash outflows) on an ongoing basis. As stock of unencumbered HQLA is intended to serve as a defense against the potential onset of liquidity stress, banks should strive to achieve a higher ratio than the minimum ratio prescribed as an effort towards better liquidity risk management. However, during a period of financial stress, banks have the option to use its stock of HQLA and thereby allowing LCR to fall below 100%. In such a case, banks need to immediately report the shortfall to the RBI, including reasons for such usage and corrective steps initiated to rectify the situation.

Disclosure Requirement under Basel III Regulations

As per the Capital Adequacy Directions issued by the RBI, the disclosure – related provisions stipulated in the aforesaid directions are as follows:

Banks must ensure and indicate in the offer document that they have full discretion at all times to cancel distributions/payments of coupons in order to meet the eligibility criteria for inclusion of perpetual debt instruments ("PDIs") in additional tier 1 capital.

Further, if a bank goes into liquidation before the additional tier 1 instruments have been written-down, or converted, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after the additional tier 1 instruments have been written down, the holders of these instruments shall have no claim on the proceeds of liquidation.

Banks should clearly indicate in the offer document, the order of conversion/write-down of the instrument in question vis-à-vis other capital instruments which the bank has already issued or may issue in future, based on the advice of its legal counsels.

As per the Master Circular on Basel III Capital Regulations, banks issuing PDIs shall submit a report to the Chief General Manager-in-Charge, Department of Regulation, RBI, Mumbai, giving details of the instrument as per the format prescribed in Annex II of the Capital Adequacy Directions which shall be duly certified by the compliance officer of the bank, soon after the issue is completed.

Non-Performing Assets (NPA)

As per the RBI's Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Directions, 2025 dated 28 November 2025 which consolidated the existing RBI directions in relation to prudential norms including the Master Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, an asset, including a leased asset, becomes non-performing when it ceases to generate income for the Bank. An NPA is an asset in respect of which either the principal or interest remains overdue for more than 90 days.

The RBI guidelines stipulate the criteria for determining and classifying an NPA. An NPA is a loan or an advance where:

- interest and/or an instalment of principal remains overdue for a period of more than 90 days in respect of a term loan;
- the account remains “out-of-order” (as defined below) in respect of an overdraft or cash credit for more than 90 days;
- a bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted;
- a loan granted for short duration crops is treated as an NPA if the instalments of principal or interest thereon remain overdue for two crop seasons;
- a loan granted for long duration crops will be treated as an NPA if the instalments of principal or interest thereon remain overdue for one crop season;
- an amount received remains overdue for a period of 90 days in respect of other accounts;
- the amount of liquidity facility remains outstanding for more than 90 days in respect of a securitisation transaction undertaken in terms of the Reserve Bank of India (Commercial Banks – Securitisation Transactions) Directions, 2025 dated 28 November 2025 and as updated from time to time; and
- in respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract remain unpaid for a period of 90 days from the specified due date for payment.

Banks should classify an account as an NPA only if the interest imposed during any quarter is not fully repaid within 90 days from the end of the relevant quarter.

“Out-of-Order” Status

An account should be treated as “out-of-order” if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power. In cases where the outstanding balance in the principal operating account is less than the sanctioned limit or drawing power, and there are no credits continuously for 90 days as at the date of balance sheet of the Bank, or credits are not sufficient to cover the interest debited during the same period, these accounts should be treated as “out of order”.

ASSET CLASSIFICATION

Under the RBI's Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Directions, 2025 dated 28 November 2025 which consolidated the existing RBI directions in relation to prudential norms including the Master Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, NPA's are classified as described below:

- **Sub-Standard Assets:** a sub-standard asset would be one, which has remained an NPA for a period less than or equal to 12 months. Such an asset will have well defined credit weaknesses that jeopardise the liquidation of the debt and are characterised by the distinct possibility that the banks will sustain some loss, if deficiencies are not corrected.
- **Doubtful Assets:** an asset would be classified as doubtful if it has remained in the sub-standard category for a period of 12 months. A loan classified as doubtful has all the weaknesses inherent in assets that were classified as sub-standard, with the added characteristic that the weaknesses make collection or liquidation in full – on the basis of currently known facts, conditions and values – highly questionable and improbable.
- **Loss Assets:** a loss asset is one where a loss has been identified by the Bank or by the internal or external auditors or upon an RBI inspection but the amount has not been written off wholly. In other words, such an asset is considered uncollectible and of such little value that its continuance as a bankable asset is not warranted although there may be some salvage or recovery value.

See “Description of the Bank's Assets and Liabilities – Classification of Assets and Provisioning Requirements” for further details on the different asset types and classification.

There are separate guidelines for projects under implementation which are based on the achievement of financial closure and the date of approval of project financing in terms of the Reserve Bank of India (Commercial Banks – Credit Facilities) Directions, 2025 dated 28 November 2025.

The RBI also has separate guidelines for restructured assets in terms of the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025 dated 28 November 2025.

As per the RBI circular dated 17 April 2017, the RBI assesses compliance by banks with extant prudential norms on income recognition, asset classification and provisioning (“IRACP”) as part of its supervisory processes. In order to ensure greater transparency and promote better discipline with respect to compliance with IRACP norms, it has been decided that banks shall make suitable disclosures, wherever either (a) the additional provisioning requirements assessed by the RBI exceed 15 percent of the published net profits after tax for the reference period or (b) the additional Gross NPAs identified by the RBI exceed 15 per cent. of the published incremental Gross NPAs¹ for the reference period, or both.

Banks are required to report credit information, including classification of an account as SMA to the Central Repository for Information on Large Credit (“CRILC”) on all borrowers having aggregate exposure of Rs. 50 million and above. The CRILC-Main Report will now be required to be submitted on a monthly basis effective 1 April 2018. In addition, the lenders shall report to CRILC, all borrower entities in default (with aggregate exposure of Rs. 50 million and above), on a weekly basis, at the close of business every Friday, or the preceding working day if Friday is a holiday.

The RBI has specified that during the pendency of the application for restructuring of the advance, the usual asset classification norms continue to apply. The RBI, by way of its circular dated 14 September 2020 (titled ‘Automation of Income Recognition, Asset Classification and Provisioning processes in banks’), stated that in order to ensure the completeness and integrity of the automated asset classification, provisioning calculation and income recognition processes, banks are required to upgrade their systems to

conform to the guidelines dated 4 August 2011, issued by the RBI, in terms of which banks were advised, among others, to have appropriate information technology systems in place for identification of NPAs and generation of related data, both for regulatory reporting and bank's own record requirements.

On 24 September 2021, the RBI released the Master Direction on Transfer of Loan Exposures, 2021 for providing guidelines relating to the sale of non-performing assets banks to securitisation companies, reconstruction companies, banks, non-financial banking companies and financial institutions. The same was consolidated under the Reserve Bank of India (Commercial Banks – Transfer and Distribution of Credit Risk) Directions, 2025 dated 28 November 2025 for providing guidelines relating to the sale of non-performing assets banks to securitisation companies, reconstruction companies, banks, non-financial banking companies and financial institutions.

To put in place an institutional mechanism for the restructuring of corporate debt, the RBI has devised a corporate debt restructuring system. See “The Indian Financial Sector – Recent Structural Reforms”.

RESOLUTION OF STRESSED ASSETS DIRECTIONS

On 8 June 2023, the RBI issued a regulatory framework for governing compromise settlements and technical write-offs which will be applicable to all Regulated Entities (“RE”). The framework requires the REs to have a board approved policy laying down the process to be followed when undertaking compromise settlements and technical write-offs. Among other things, the framework provides that:

- in case of compromise settlements, if the time for payment of the agreed settlement amount exceeds three months, then it shall be treated as restructuring in accordance with the “Prudential Framework on Resolution of Stressed Assets” dated 7 June 2019; and
- in case of partial technical write-offs, the prudential requirements in respect of residual exposure, including provisioning and asset classification, shall be with reference to the original exposure.

On 28 November 2025, the RBI released the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025, with a view to providing a framework for early recognition, reporting and time bound resolution of stressed assets. As compromise settlements are a valid resolution plan, the aforementioned Directions also rationalised and harmonised the instructions on compromise settlements and technical write-offs, in order to provide impetus to resolution of stressed assets in the system.

PROVISIONING AND WRITE-OFFS

As per the Reserve Bank of India (Commercial Banks – Income Recognition, Asset Classification and Provisioning) Directions, 2025, dated 28 November 2025, the provisions are based on guidelines specific to the classification of the assets. The following guidelines apply to the various asset classifications:

- **Standard Assets.** With regard to standard assets, banks should make general provision for standard assets at the following rates for the funds outstanding on the global loan portfolio basis:
 - (iii) farm credit to agricultural activities, individual housing loans and Small and Micro Enterprises (SMEs) sectors and SME sectors at 0.25 per cent.;
 - (iv) advances to Commercial Real Estate (“CRE”) Sector at 1.00 per cent.;
 - (v) advances to Commercial Real Estate – Residential Housing Sector (“CRE – RH”) at 0.75 per cent.;

- (vi) housing loans extended at teaser rates at 2.00 per cent.;
 - (vii) advances restructured and classified as standard in terms of the Master Direction – Reserve Bank of India (Relief Measures by Banks in Areas affected by Natural Calamities) Directions 2018 – SCBs, as updated from time to time, at 5.00 per cent;
 - (viii) restructured advances – as stipulated in the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025; and
 - (ix) all other loans and advances not included in (i), (ii), (iii), (iv), (v) and (vi) above at 0.40 per cent.
- **Unsecured exposure.** Is defined as an exposure where the realisable value of security, as assessed by the Bank, approved valuers and the RBI's inspecting officers, is not more than 10.00 per cent., *ab initio*, of the outstanding exposure. “**Exposure**” shall include all funded and non-funded exposures (including underwriting and similar commitments). “**Security**” shall mean tangible security properly discharged to the bank and shall not include intangible securities such as guarantees and comfort letters.
 - **Sub-Standard Assets.** It means an asset, which has remained a non-performing asset (NPA) for a period less than or equal to twelve months. A general provision of 15.00 per cent. on the total outstanding should be made without making any allowance for Export Credit Guarantee Corporation (ECGC) guarantee cover and securities available. The unsecured exposures which are identified as sub-standard would attract additional provision of 10.00 per cent., i.e. a total of 25.00 per cent. on the outstanding balance. However, unsecured exposures in respect of infrastructure loans classified as sub-standard, where certain safeguards such as escrow accounts are available, attract an additional provision of 5.0 per cent. (i.e., a total of 20.0 per cent. on the outstanding balance).
 - **Doubtful Assets.** A 100.00 per cent. of the extent to which the advance is not covered by the realisable value of the security to which the bank has valid recourse and the realisable value is estimated on a realistic basis. With regard to the secured portion, provision may be made on the following basis, at the rates ranging from 25.00 per cent. to 100.00 per cent. of the secured portion depending on the period for which the asset has remained doubtful:
 - (x) up to one year: 25.00 per cent. provision;
 - (xi) one to three years: 40.00 per cent. provision; and
 - (xii) more than three years: 100.00 per cent. provision.

With a view to bringing down divergence arising out of differences in assessment of the value of security, in cases of NPAs with a balance of Rs. 50.00 million and above, a stock audit at annual intervals by external agencies appointed as per the guidelines approved by the board of directors would be mandatory in order to enhance the reliability on stock valuation. Collateral such as immovable properties charged in favour of the Bank should be subjected to value evaluation once in three years by valuers appointed as per the guidelines approved by the board of directors.

- **Loss Assets.** The entire asset should be written off. If, for any reason, an asset is allowed to remain in the books, 100.00 per cent. of the sum of the net investment should be provided for.
- **Floating Provisions.** The RBI has issued prudential guidelines on the creation and utilisation of floating provisions. The floating provisions must not be used for making

specific provisions as per the extant prudential guidelines in respect of NPAs or for making regulatory provisions for standard assets. The guidelines state that floating provisions can be used only for contingencies under extraordinary circumstances for making specific provisions in impaired accounts after obtaining approval from the bank's board of directors and with prior permission from the RBI. Floating provisions for advances and investments must be held separately and cannot be reversed by credit to the profit and loss account. Until the utilisation of such provisions, they can be netted off from gross NPAs to arrive at disclosure of net NPAs, or, alternatively, can be treated as part of tier 2 capital within the overall ceiling of 1.25 per cent. of total RWAs. Floating provisions do not include specific voluntary provisions made by banks for advances that are higher than the minimum provision stipulated by the RBI guidelines. The banks have a choice between deducting their existing floating provisions from gross NPAs to arrive at net NPAs or reckon it as part of tier 2 capital subject to the overall ceiling of 1.25 per cent. of total RWAs.

Whilst the provisions indicated above are mandatory, a higher provision in a loan amount would be required if considered necessary. For more information, see "The Indian Financial Sector – Credit Policy Measures".

REGULATIONS RELATING TO MAKING LOANS

The provisions of the Banking Regulation Act govern the making of loans by banks in India. The RBI issues directions covering the loan activities of banks. Some of the major guidelines of the RBI, which are now in effect, are as follows:

- The RBI has prescribed standards for the financing of non-banking finance companies and the financing of public sector disinvestment.
- Banks are free to determine their own lending rates but each bank must declare its base rate as approved by its board of directors. Each bank should also indicate the maximum spread over the prime lending rate for all credit exposures other than retail loans. Interest rates for certain categories of advances are regulated by the RBI.
- In terms of Section 20(1) of the Banking Regulation Act, a bank cannot grant any loans and advances against the security of its own shares, and a banking company is prohibited from entering into any commitment for granting any loans or advances to or on behalf of any of its directors, or any firm in which any of its directors is interested as partner, manager, employee or guarantor, or any company (not being a subsidiary of the banking company or a company registered under Section 8 of the Companies Act or a Government company) of which, or the subsidiary or the holding company of which, any of the directors of the Bank is a director, managing agent, manager, employee or guarantor or in which he holds substantial interest, or any individual in respect of whom any of its directors is a partner or guarantor. There are certain exemptions in this regard which exclude any transaction which the RBI may specify by general or special order as not being a loan or advance for the purpose of such section. The Bank is in compliance with these requirements.
- Under Section 19(2) of the Banking Regulation Act, banks must not hold shares in any company except as provided in Sub-section (1) of Section 19 of the Banking Regulation Act whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30.00 per cent. of the paid-up share capital of that company or 30.00 per cent. of its own paid-up share capital and reserves, whichever is less. Further, in terms of Section 19(3) of the Banking Regulation Act, banks must not hold shares whether as pledgee, mortgagee or absolute owner, in any company in the management of which any managing director or manager of the Bank is in any manner concerned or interested.
- The RBI may, subject to conditions as it may deem fit to impose, exempt any banking company from the restriction on lending to the subsidiary, holding company or any other

company in which any of the directors of the banking company is a director, managing agent, manager, employee or guarantor or in which such person holds a substantial interest.

Under the RBI's Master Circular on Loans and Advances – Statutory and Other Restrictions dated 1 July 2015, banks must, while appraising loan proposals involving real estate, ensure that the borrowers have obtained prior permission from government or local governments or other statutory authorities for the project, wherever required. In order that the loan approval process is not hampered on account of this, while the proposals could be sanctioned in normal course, the disbursements should be made only after the borrower has obtained requisite clearances from the government authorities.

The RBI's Master Circular on Loans and Advances – Statutory and Other Restrictions was withdrawn and subsequently consolidated as part of the Reserve Bank of India (Commercial Banks – Credit Risk Management) Directions, 2025. All banks, whether lending banks or otherwise, shall monitor all accounts regularly, at least on a half-yearly basis, specifically with respect to the aggregate exposure of the banking system to the borrower, and the bank's share in that exposure, to ensure compliance with these instructions. If there is a change in exposure of a particular bank or aggregate exposure of the banking system to the borrower which warrants implementation of new banking arrangements, such changes shall be implemented within a period of three months from the date of such monitoring.

The banks may extend financial assistance to Indian companies for acquisition of equity in overseas joint ventures or wholly-owned subsidiaries or in other overseas companies, new or existing, as strategic investment, in terms of a board approved policy, duly incorporated in the loan policy of the banks. The finance would be subject to compliance with the statutory requirements under Section 19(2) of the Banking Regulation Act.

The RBI, on 13 February 2026, notified amendments to the Commercial Banks – Credit Facilities Directions, 2025 and the Commercial Banks – Concentration Risk Management Directions, 2025 and implemented the proposal for permitting banks to fund acquisitions, which will be effective from 1 April 2026 (or earlier, if banks choose to adopt them) (the “**Acquisition Financing Amendments**”). Banks in India were largely restricted from lending to finance the acquisition of shares, with limited exceptions, notably in the context of acquisitions in the infrastructure sector, and overseas acquisitions.

In terms of the Acquisition Financing Amendments, the banks have now been permitted to extend finance for the acquisition of shares or compulsorily convertible debentures of a target entity or the holding company of the target where the objective is to secure long-term strategic ‘control’. Banks can therefore finance up to 75% of the acquisition value. The valuation must be independently determined in line with RBI prescribed parameters. The balance 25% must come from the acquirer's own funds either through internal accruals, fresh equity, or other non-debt sources. It may be noted that the banks can only extend acquisition finance to non-financial entities.

Notwithstanding the above, following loans by a bank shall not be permitted to give loans against its own securities.

Reserve Bank of India (Commercial Banks – Responsible Business Conduct) Directions, 2025 dated 28 November 2025

As per the Key Facts Statement (“KFS”) for loans and advances dated 15 April 2024, to reduce information asymmetry on retail and MSME term loan products offered by regulated entities, such as banks and NBFCs, instructions on a KFS for loans and advances are harmonised. All new retail and MSME term loans sanctioned on or after 1 October 2024, including fresh loans to existing customers, must comply with these instructions and the KFS directions were further consolidated as per the Reserve Bank of India (Commercial Banks – Responsible Business Conduct) Directions, 2025. Some of the key instructions are as follows:

- regulated entities must provide a KFS in the prescribed standardised format to all prospective borrowers to help them take an informed view before executing the loan contract;

- the KFS will have a validity period of at least 3 (three) working days for loans having tenor of 7 (seven) days or more, and a validity period of 1 (one) working day for loans having tenor of less than 7 (seven) days;
- the KFS must form a part of the loan documentation as part of a summary box; and
- the KFS must include a computation sheet of annual percentage rate and the amortisation schedule of the loan over the loan tenor.

GUIDELINES RELATING TO USE OF RECOVERY AGENTS BY BANKS

In April 2008, the RBI issued guidelines for banks engaging recovery agents which was further consolidated by way of the Reserve Bank of India (Commercial Banks – Responsible Business Conduct) Directions, 2025 dated 28 November 2025.

The RBI has directed the banks to put in place a due diligence process for the engagement of recovery agents, structured to cover individuals involved in the recovery process. Banks are expected to communicate details of recovery agents to borrowers and have in place a grievance redressal mechanism pertaining to the recovery process. The RBI has advised banks to initiate a training course for current and prospective recovery agents to ensure prudent recovery practices.

REGULATIONS RELATING TO SALE OF ASSETS TO ASSET RECONSTRUCTION COMPANIES

The SARFAESI Act provides for the sale of financial assets by banks and financial institutions to asset reconstruction companies. The RBI has issued guidelines to banks by way of the same was consolidated under the Reserve Bank of India (Commercial Banks – Transfer and Distribution of Credit Risk) Directions, 2025 dated 28 November 2025 read with the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025, on the process to be followed for the sale of financial assets to asset reconstruction companies.

These guidelines provide that a bank may sell financial assets to an asset reconstruction company provided the asset is an NPA. These assets are to be sold on a “recourse” basis with the entire credit risk associated with the financial assets being transferred to the securitisation company/reconstruction company, as well as on “with recourse” basis, i.e. subject to the unrealised part of the asset reverting to the seller bank/financial institution. Banks/financial institutions are, however, directed to ensure that the effect of the sale of the financial assets should be such that the asset is taken off the books of the bank/financial institution and after the sale there should not be any known liability devolving on the bank/financial institution. A bank may sell a standard asset only if the borrower has a consortium or multiple banking arrangement, and at least 75.00 per cent. by value of the total loans to the borrower are classified as non-performing and at least 75.00 per cent. by value of the banks and financial institutions in the consortium or multiple banking arrangement agree to the sale. The banks selling financial assets should ensure that there is no known liability devolving on them and that they do not assume any operational, legal or any other type of risks relating to the financial assets sold.

Furthermore, banks may not sell financial assets at a contingent price with an agreement to bear a part of the shortfall on ultimate realisation. However, banks may sell specific financial assets with an agreement to share in any surplus realised by the asset reconstruction company in the future. Whilst each bank is required to make its own assessment of the value offered in the sale before accepting or rejecting an offer for purchase of financial assets by an asset reconstruction company, in consortium or multiple banking arrangements where more than 75.00 per cent. by value of the banks or financial institutions accept the offer, the remaining banks or financial institutions are obliged to accept the offer. Consideration for the sale may be in the form of cash, bonds, debentures, security receipts or pass through certificates issued by the asset reconstruction company or trusts set up by it to acquire the financial assets. The bank is permitted to treat a pool of stressed loans acquired on a portfolio basis as a single asset in their books

provided that the pool consists of homogeneous personal loans. Homogeneity should be assessed on the basis of common risk drivers, including similar risk factors and risk profiles. In all other cases, the stressed loans acquired shall be treated as separate assets for the purpose of prudential requirements such as asset classification, capital computation, income recognition etc.

The RBI has issued guidelines for the securitisation of standard assets dated 24 September 2021, updated on 5 December 2022 and as subsequently updated from time to time, most recently by way of the Reserve Bank of India (Commercial Banks – Transfer and Distribution of Credit Risk) Directions, 2025. The guidelines provide that for a transaction to be treated as a securitisation, a two-stage process must be followed. In the first stage, there should be pooling and transferring of assets to a bankruptcy remote special purpose vehicle (“SPV”) and in the second stage, repackaging and selling of the security interests representing claims on incoming cash flows from the pool of assets to the third party investors should be effected. Furthermore, for enabling the transferred assets to be removed from the balance sheet of the seller in a securitisation structure, the isolation of assets or “true sale” from the seller or originator to the SPV is an essential prerequisite. Also, an arm’s length relationship shall be maintained between the originator and seller and the SPV. Certain regulatory standards for capital adequacy, valuation, profit and loss on sale of assets, income recognition and provisioning for originators and service providers like credit enhancers, liquidity support providers, underwriters as well as investors and also the accounting treatment for securitisation transactions and disclosure standards have been prescribed. Quarterly reporting to the audit sub-committee of the board of directors by originating banks of the securitisation transactions has also been prescribed. Apart from banks, these guidelines are also applicable to financial institutions and non-banking finance companies.

The SARFAESI Act provides for the enforcement of security interest without the intervention of the courts. Under the provisions of the SARFAESI Act, a secured creditor can recover dues from its borrowers by taking any of the measures as provided therein. Rights, with respect to the enforcement of security interest, under the SARFAESI Act cannot be enforced unless the account of the borrower has been classified as an NPA in the books of account of the secured creditor in accordance with the directions or guidelines issued by the RBI or any other applicable regulatory authority.

The secured creditors must serve a 60-day notice on the borrower demanding repayment of the amount due and specifying the borrower’s assets over which the bank proposes to exercise remedies. If the borrower still fails to pay, the secured creditors, on expiry of the 60-day notice period, can: (i) take possession of the secured assets; (ii) take over the management of the secured assets along with the right to transfer by way of lease, assignment or sale of the secured assets; (iii) appoint any person to manage the secured assets; and (iv) require any person who has acquired any of the secured assets from the borrower to pay amounts necessary to satisfy the debt. The security interests covered by the SARFAESI Act are security interests over immovable and movable property, existing or future receivables, certain intangible assets (such as know-how, patents, copyrights, trademarks, licenses, franchises) and any debt or any right to receive payment of money, or any receivable, present or future, and in which security interest has been created.

The SARFAESI Act focuses on improving the rights and simplifying the procedures for enforcement of security interest of banks and financial institutions and other specified secured creditors as well as asset reconstruction companies (“ARCs”) as such secured creditors can take over management control of a borrower company upon default and/or sell assets without the intervention of courts, in accordance with the provisions of the SARFAESI Act. Secured creditors may take possession of the security for the loan after specified prior notice. Furthermore, they also have rights to sell or dispose of the underlying securities. It also provides for establishment of ARCs regulated by the RBI to acquire assets from banks and financial institutions.

The SARFAESI Act also provides for sale of financial assets by banks and financial institutions to ARCs. The financial assets can be sold to ARCs in accordance with the extant guidelines and prudential norms issues by the RBI. In accordance with the extant guidelines, a bank may sell only those assets classified as an SMA-2 or an NPA to ARCs. The banks may not sell financial assets at a contingent price with an agreement to bear a part of the shortfall on ultimate realisation. However, banks may sell specific

financial assets with an agreement to share in any surplus realised by the asset reconstruction company in the future. If the secured creditor is unable to recover the entire sum due by exercise of the remedies under the SARFAESI Act in relation to the assets secured, such secured creditor may approach the relevant court for the recovery of the balance amounts. A secured creditor may also simultaneously pursue its remedies under the SARFAESI Act as well as the debt recovery tribunal.

On 25 January 2023, the RBI released a discussion paper titled ‘Securitisation of Stressed Assets Framework’. The paper proposes to enable securitisation of NPAs through a special purpose entity, similar to the process of securitisation of standard assets. While currently, there is no corresponding mechanism for securitisation of NPAs through this route, the SARFAESI Act provides for the sale of NPAs through ARCs. Pursuant to this, a draft framework for securitisation of stressed assets by way of this new route has been released by the RBI, on 09 April 2025, for comments (‘Draft Framework’). The Draft Framework is proposed to supplement the specific areas covered under the SARFAESI Act by strengthening the mechanism for pooling and resolving stressed assets.

The Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (“RDDBFI Act”), as amended by Chapter III of the Enforcement of Security Interest and Recovery of Debts Laws and Miscellaneous Provisions (Amendment) Act, 2016 was enacted for adjudication of disputes pertaining to debts due to banks and financial institutions exceeding Rs. 1 million. The RDDBFI Act provides for the constitution of debt recovery tribunals before which banks and financial institutions may file applications for recovery of debts. Further, no court or other authority, except the Supreme Court or a High Court exercising jurisdiction under Articles 226 and 227 of the Constitution of India, shall have, or is entitled to exercise, any jurisdiction, powers or authority in relation to the aforementioned matter.

The tribunals may pass orders for directions including inter-alia recovery of such dues by the bank as may be deemed fit along with a recovery certificate to such effect from the presiding officer of the respective tribunal; attachment of the secured properties towards the dues to the bank; injunctive orders restraining the debtors from alienating, transferring or disposing of such secured properties; appointment of receivers and/or local commissioners with respect to such secured properties and distribution of proceeds from sale of such secured properties towards dues. Pursuant to the recovery certificate being issued, the recovery officer of the respective debt recovery tribunal shall effectuate the final orders of the debt recovery tribunal in the application. Unless such final orders of the debt recovery tribunal have been passed with the consent of the parties to an application, an appeal may be filed against such final orders of the debt recovery tribunal before the debt recovery appellate tribunal, which is the appellate authority constituted under the RDDBFI Act.

The Enforcement of Security Interest and Recovery of Debts Laws and Miscellaneous Provisions (Amendment) Act, 2016 (“ESIRDA Amendment Act”) received Presidential Assent on 12 August 2016. It seeks to amend certain provisions of the SARFAESI, RDDBFI Act, the Indian Stamp Act, 1899 and the Depositories Act, 1996.

The key amendments to the SARFAESI include: (a) debenture trustees registered with SEBI have now been included in the definition of ‘secured creditor’ and can take enforcement action under Section 13 of the SARFAESI, as the remedies under SARFAESI have been extended to apply to listed debt securities. The scope of SARFAESI has been widened to include hire purchase, financial leasing and conditional sale transactions; (b) the process of taking possession over collateral against which a loan has been provided by a secured creditor, with the assistance of the Chief Metropolitan Magistrate or District Magistrate, has been made time-bound, requiring an order to be passed within 30 days from the date of the application by the secured creditor; and (c) amendments in relation to registration of security interest have been introduced, including inter alia setting up of a central database to integrate records of security registered under various registration systems.

The key amendments to the RDDBFI Act include (a) debenture trustees registered with SEBI can initiate proceedings under the RDDBFI Act regarding defaults in listed debt securities; (b) a bank or a financial institution has now been permitted to take proceedings under the RDDBFI Act before a tribunal in whose jurisdiction where the defaulted account is maintained/located; (c) a defendant, upon service of

summons under the RDDBFI act, is restricted from transferring the secured assets or other assets disclosed in the application made by the bank of financial institution without the approval of the tribunal, except in the ordinary course of business; and (d) electronic filing of recovery application, documents and written statements has been introduced.

Master Direction – Reserve Bank of India (Asset Reconstruction Companies (“ARCs”)) Directions, 2024 (“Master Direction”) dated 24 April 2024 as consolidated by the: (i) Reserve Bank of India (Asset Reconstruction Companies – Know Your Customer) Directions, 2025; (ii) Reserve Bank of India (Asset Reconstruction Companies – Know Your Customer) Directions, 2025; (iii) Reserve Bank of India (Asset Reconstruction Companies – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025; and (iv) Reserve Bank of India (Asset Reconstruction Companies – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025 (collectively, the “ARC Directions”).

To ensure prudent and efficient functioning of ARCs and to protect the interest of investors, the RBI has issued the ARC Directions. The key provisions are as follows:

- before commencement of the business of securitisation or asset reconstruction, an ARC must apply for registration and obtain a Certificate of Registration (“CoR”);
- an ARC, which has obtained a CoR from the RBI, can undertake both securitisation and asset reconstruction activities;
- to commence the business of securitisation or asset reconstruction, an ARC is required to have a minimum net owned fund (“NOF”) of INR 300 crore and thereafter, on an ongoing basis;
- ARCs existing as on 11 October 2022, have been provided the following glide path to achieve the minimum required NOF of INR 300 crore: (i) Minimum required NOF on 11 October 2022: INR 100 crore; (ii) by 31 March 2024: INR 200 crore; and (iii) by 31 March 2026: INR 300 crore; and
- an ARC must not raise monies by way of deposit.

Guidelines on Sale and Purchase of NPAs

The ARC Directions require that the board of directors of the Bank must establish a policy for purchases and sales of NPAs. The estimated cash flows are normally expected to be realised within a period of three years and at least 10.00 per cent. of the estimated cash flows should be realised in the first year and at least 5.00 per cent. in each half year thereafter, subject to full recovery within three years. Banks should ensure that subsequent to the sale of non-performing financial assets to other banks, they do not have any involvement with reference to assets sold and do not assume operational, legal or any other type of risks relating to the financial assets sold.

An ARC can sell financial asset to another ARC subject to the following conditions: (i) The transaction is settled on cash basis; (ii) Price discovery for such transaction shall not be prejudicial to the interest of security receipt holders; (iii) The selling ARC shall utilize the proceeds so received for the redemption of underlying security receipts (SRs); and (iv) The date of redemption of underlying SRs and total period of realisation shall not extend beyond eight years from the date of acquisition of the financial asset by the first ARC.

Consequently, the specific financial asset should not enjoy the support of credit enhancements or liquidity facilities in any form or manner. Each bank will make its own assessment of the value offered by the purchasing bank for the financial asset and decide whether to accept or reject the offer.

Furthermore, the ARC Directions read with the Reserve Bank of India (Commercial Banks – Transfer and Distribution of Credit Risk) Directions, 2025, mandate that under no circumstances can a sale to other banks be made at a contingent price whereby, in the event of shortfall in the realisation by the purchasing banks, the selling banks would have to bear a part of the shortfall. Banks may only sell non-performing financial assets to other banks on a cash basis. The entire sale consideration should be received upfront

and the asset can be taken out of the books of the selling bank only on receipt of the entire sale consideration. Banks are also permitted to sell/buy from a homogeneous pool within retail non-performing financial assets on a portfolio basis provided each of the non-performing financial assets of the pool has remained as non-performing financial asset for at least two years in the books of the selling bank. The pool of assets would be treated as a single asset in the books of the purchasing bank. The selling bank shall pursue the staff accountability aspects as per the existing instructions in respect of the non-performing assets sold to other banks. Purchases and sales of NPAs must be without recourse to the seller and on a cash basis, with the entire consideration being paid upfront. An asset must have been classified as non-performing for at least two years by the seller to be eligible for sale. The purchasing bank must hold the NPA on its books for at least 6 (six) months before it can sell the asset to another bank. The asset cannot be sold back to the original seller.

DIRECTED LENDING

Priority Sector Lending

The Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2020 dated 4 September 2020 and further consolidated by way of the Master Directions – Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2025 dated 28 November 2025, set out the broad policy in relation to priority sector lending.

The RBI also requires foreign banks to make loans to exporters at concessional rates of interest. This enables exporters to have access to an internationally competitive financing option. Pursuant to existing guidelines, 32.0 per cent. of the Adjusted Net Bank Credit (“ANBC”) of a foreign bank whose number of branches is less than 20 is required to be in the form of export credit and not less than 8 per cent can be in any other priority sector. While for domestic banks, incremental export credit over the corresponding date of the preceding year, is up to 2 per cent. of ANBC or Credit Equivalent Amount of Off-Balance Sheet Exposure, whichever is higher, subject to a sanctioned limit of up to Rs. 500 million per borrower.

Credit Exposure Limits

As a prudential measure aimed at better risk management and the avoidance of concentration of credit risks, the RBI has advised banks by way of the consolidated Reserve Bank of India (Commercial Banks – Concentration Risk Management) Directions, 2025 (“**CRM Directions**”), to fix limits on their exposure to specific industries or sectors and has prescribed regulatory limits on banks’ exposure to individual and group borrowers in India. In addition, banks are also required to observe certain statutory and regulatory exposure limits in respect of advances against or investments in shares, convertible debentures or bonds, units of equity-oriented mutual funds and all exposures to Alternative Investment Funds.

The aggregate exposure of a bank to the capital markets in all forms (both fund -based and non-fund based) must not exceed 40.0 per cent. of its net worth, as on 31 March of the previous year. Within this overall ceiling, the bank’s direct investment in shares, convertible bonds and debentures, units of equity-oriented mutual funds and all exposures to Alternate Investment Funds (AIFs) must not exceed 20.0 per cent. Of its net worth.

As per the CRM Directions, the RBI has mandated that a bank’s exposure to a single NBFC (excluding gold loan companies) will be restricted to 20 per cent. of such bank’s eligible capital base. However, based on the risk perception, more stringent exposure limits in respect of certain categories of NBFCs may be considered. Further, a bank’s exposure to a single NBFC which is predominantly engaged in lending against collateral gold jewellery (hereafter referred to as ‘gold loans’) i.e. such loans comprising 50 percent or more of its financial assets, shall not exceed 7.5 percent of the bank’s capital funds (Tier I plus Tier II Capital). However, this exposure ceiling may go up by 5 percent, i.e., up to 12.5 percent of a bank’s capital funds if the additional exposure is on account of funds on-lent by such NBFCs to the infrastructure sector.

Credit exposure is the aggregate of:

- (i) all types of funded and non-funded credit limits; and
- (ii) facilities extended by way of equipment leasing, hire purchase finance and factoring services.

As on 31 March 2025, the Bank was in compliance with these limits.

REGULATIONS RELATING TO INVESTMENTS AND CAPITAL MARKET EXPOSURE LIMITS AS PER THE CRM DIRECTIONS

Regulatory Limit

Solo Basis – Pursuant to the RBI guidelines, the aggregate exposure of a bank to the capital markets in all forms (both fund based and non-fund based) should not exceed 40.00 per cent. of its net worth as at 31 March of the previous year. Within this overall ceiling, the Bank's direct investment in shares, convertible bonds/debentures, units of equity-oriented mutual funds and all exposures to AIFs, both registered and unregistered, should not exceed 20.00 per cent. of its net worth.

Consolidated Basis – Pursuant to the RBI guidelines, the aggregate exposure of a consolidated bank to capital markets (both fund based and non-fund based) should not exceed 40.00 per cent. of its consolidated net worth as at 31 March of the previous year. Within this overall ceiling, the aggregate direct exposure by way of the consolidated bank's investment in shares, convertible bonds/debentures, units of equity-oriented mutual funds and all exposures to AIFs, both registered and unregistered, should not exceed 20.00 per cent. of its consolidated net worth. A "consolidated bank" is defined as a group of entities, which includes a licensed bank, which may or may not have subsidiaries.

Under Section 19(2) of the Banking Regulation Act, no banking company shall hold shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30.00 per cent. of the paid-up share capital of that company or 30.00 per cent. of its own paid-up share capital and reserves, whichever is lower, except as provided in sub-section (1) of Section 19 of the Banking Regulation Act. Shares held in dematerialised form should also be included for the purpose of determining the exposure limit. This is an aggregate holding limit for each company. While granting any advance against shares, underwriting an issue of shares, or acquiring any shares on investment account or even in lieu of debt of any company, these statutory provisions must be strictly observed.

As indicated in the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025, the acquisition of shares due to conversion of debt to equity during a restructuring process, as permitted in the Master Direction *ibid*, will be exempted from regulatory ceilings/restrictions on Capital Market Exposures, investment in Para-Banking activities and intra-group exposure. However, these will require reporting to RBI and disclosure by banks. Nonetheless, banks shall comply with the provisions of Section 19(2) of the Banking Regulation Act, 1949.

Investment exposure comprises the following elements:

- (i) investments in shares and debentures of companies;
- (ii) investments in public sector undertaking bonds;
- (iii) investments in commercial paper; and
- (iv) investments in debentures, bonds, security receipts and pass through certificates issued by a securitisation or reconstruction company as compensation from the sale of financial assets will constitute exposure on the securitisation company/reconstruction company. In view of the extraordinary nature of the event, banks of financial institutions will be allowed, in the initial years, to exceed the prudential exposure ceiling on a case-to-case basis.

To ensure that exposures are evenly spread, the RBI requires banks to fix internal limits of exposure to specific sectors. These limits are subject to periodical review by the banks.

In December 2007, the RBI advised that banks should be judicious in extending finance to mutual funds and grant loans and advances to mutual funds only to meet their temporary liquidity needs for the purpose of repurchase and redemption of units within the ceiling of 20.00 per cent. of the net assets of the scheme and for a period not exceeding six months. Such finance, if extended to equity-oriented mutual funds, will form part of banks' capital market exposure. The RBI further advised that Irrevocable Payment Commitments ("IPCs") are in the nature of non-fund based credit facilities for the purchase of shares and are to be treated at par with guarantees issued for the purpose of capital market operations. Such exposure of banks will, therefore, form part of their capital market exposure. Entities such as financial institution investors are not permitted to be granted fund or non-fund based facilities such as IPCs by banks.

However, in terms of the CMR Directions, the following items are, *inter alia*, should be excluded from the aggregate exposure ceiling of 40 percent of net worth and direct investment exposure ceiling: (i) Tier I and Tier II debt instruments issued by other banks; (ii) investment in Certificate of Deposits (CDs) of other banks; (iii) investment by a bank in preference shares; (iv) investment by a bank in non-convertible debentures and non-convertible bonds; and (v) investment by a bank in units of Mutual Funds under schemes where the corpus is invested exclusively in debt instruments.

CONSOLIDATED SUPERVISION GUIDELINES

The RBI is empowered under the Banking Regulation Act to inspect a bank. The RBI monitors prudential parameters at quarterly intervals. To enable off-site monitoring and surveillance by the RBI, banks are required to report to the RBI on various aspects. The RBI also conducts periodical on-site inspections on matters relating to the bank's portfolio, risk management systems, internal controls, credit allocation and regulatory compliance, at intervals ranging from one to three years. The RBI also conducts on-site supervision of selected branches with respect to general operations and foreign exchange related transactions.

BANKS' INVESTMENT CLASSIFICATION AND VALUATION STANDARDS

Based on the comments to the Report of the Informal Group on Banks' Investment Portfolio, effective 3 September 2000, the Master Circular on 'Prudential Norms for Classification, Valuation and Operating of Investment Portfolios by banks' dated 1 July 2015, as amended from time to time, most recently consolidated by way of the Reserve Bank of India (Commercial Banks – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025 ("**Investment Portfolio Directions**") sets out guidelines on classification and valuation of banks' investment portfolio.

The valuation, classification and other norms applicable to investment in non- (Statutory Liquidity Ratio) SLR instruments prescribed by RBI from time to time shall be applicable to lenders' investment in debentures/bonds/SRs/PTCs issued by ARC. However, if any of the above instruments issued by ARC is limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the lender shall reckon the NAV obtained from ARC from time to time, for valuation of such investments.

Investment in Alternative Investment Funds (AIFs) shall be basis of the quoted equity shares, bonds, units of AIFs in the bank's portfolio shall be valued *mutatis mutandis* as per instructions given in the Investment Portfolio Directions for quoted securities.

Investments in security receipts or pass-through certificates issued by ARCs or trusts set up by ARCs, shall be in compliance with the Reserve Bank of India (Commercial Banks – Transfer and Distribution of Credit Risk) Directions, 2025, and must be valued at the lower of: (a) the redemption value of the security receipts or pass-through certificates; and (b) the net book value of the financial asset. However, if the instrument issued by the securitisation company or ARCs is limited to the actual realisation of the financial asset assigned to the instrument, the net asset value or the NAV, must be obtained from the securitisation company or ARCs for valuation of the investments.

Restrictions on Investments in a Single Company

In terms of Section 19(2) of the Banking Regulation Act, no bank may hold shares in any company exceeding 30.00 per cent. of the paid-up share capital of that company or 30.00 per cent. of its own paid-up share capital and reserves, whichever is less. This limit also includes holdings in a capacity of a pledgee, mortgagee, or absolute owners. However, a bank may hold shares in a subsidiary company in accordance with the provisions of the Banking Regulation Act.

In December 2011, the RBI issued the following guidelines for banks' investments in subsidiaries and other companies, which were further consolidated in the Master Circular on Para-banking Activities dated 1 July 2015 and further incorporated in the Investment Portfolio Directions. Some of the important features of the directions are as follows:

- Banks are required to obtain prior approval from the RBI for the setting up of subsidiary companies and for any equity investment in financial services companies. Equity investments by a bank in a subsidiary company, or a financial services company (including financial institutions, stock and other exchanges, depositories, etc.), which is not a subsidiary, should not exceed 10.00 per cent. of a bank's paid-up share capital and reserves and the total investments made in all subsidiaries and all non-subsidiary financial services companies should not exceed 20.00 per cent. of a bank's paid-up share capital and reserves. However, the cap of 20.00 per cent. does not apply, nor is prior approval of the RBI required, if investments in financial services companies are held under the HFT category, and are not held beyond 90 days.
- Equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10.00 per cent. of the investee company's paid-up share capital, or 10.00 per cent. of the bank's paid-up share capital and reserves, whichever is less. Equity investments held under the HFT category would also be taken into account for this purpose.
- Equity investments in any non-financial services company held by: (i) a bank; (ii) entities which are the bank's subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and (iii) mutual funds managed by asset management companies controlled by the bank should in the aggregate not exceed 20.00 per cent. of the investee company's paid-up share capital.
- Investment in units of mutual fund schemes, AIFs, etc., having an exposure to unlisted securities of 10 per cent or more of the corpus of the fund, shall be treated as unlisted for the purpose of compliance with the ceiling of 10 per cent.
- Equity investments (excluding the HFT category and which are not held beyond 90 days) of a bank in subsidiaries and other entities that are engaged in financial services together with equity investments in entities engaged in non-financial services activities should not exceed 20.00 per cent. of the bank's paid-up share capital and reserves. The cap of 20.00 per cent. does not apply to investments classified in the HFT category and which are not held beyond 90 days.

LIMIT ON TRANSACTIONS THROUGH INDIVIDUAL BROKERS

Guidelines have been issued by the RBI which require banks to empanel brokers for transactions in securities. These guidelines also require that a disproportionate part of the bank's business should not be transacted only through one broker or a few brokers. The RBI specifies that not more than 5.00 per cent. of the total transactions through empanelled brokers may be transacted through one broker. If, for any reason, it becomes necessary to exceed the aggregate limit for any broker, the specific reasons for the same should be recorded, in writing, by the authority empowered to put through the deals. Furthermore, the

board should be informed of this, post facto. However, the norm of 5.00 per cent. would not be applicable to banks' dealings through PDs. Provided further that if for any reason it becomes necessary to exceed the aggregate limit for any broker, the bank shall record in writing the specific reasons for such breach and the Board shall be informed, post-facto.

PROHIBITION ON SHORT-SELLING

The RBI permits short-selling of securities by banks for a maximum period of five trading days including the day of trading. The RBI has permitted banks to sell Government securities already contracted for purchase provided the purchase contract is confirmed and the contract is guaranteed by Clearing Corporation of India Limited or the security is contracted for purchase from the RBI. Each security is deliverable or receivable on a net basis for a particular settlement cycle.

INTRODUCTION OF CREDIT DEFAULT SWAPS FOR CORPORATE BONDS

On 10 February 2022, the RBI introduced a revised regulatory regime for the credit default swaps market in India with the introduction of the Master Direction – RBI (Credit Derivatives) Directions, 2022 (“CDS Directions”).

The RBI introduced the following main provisions:

- The list of debt instruments that are eligible to be hedged under the CDS Directions remains largely the same as the erstwhile CDS Framework. It includes various instruments issued in dematerialised form by Indian entities in the over-the-counter (OTC) market and on exchanges.
- Market-makers are responsible for overseeing credit derivative transactions, including determination of price and settlement of transactions. Currently, the CDS Directions define market-makers as entities that ‘provide prices to users and other market-makers’. Under the erstwhile CDS Framework, in addition to quoting CDS spread, market-makers were expressly permitted to buy and/or sell protection. However, the CDS Directions do not provide clarity on whether market-makers can buy and/or sell protection.
- In offshore markets where CDS transactions are common the participation of retail investors is usually limited owing to the need for ‘significant capital requirements’ to buy protection, as available with institutional investors. Given this, it is unclear as to how the RBI intends to promote eligible users to sell protection to retail protection buyers. In the interest of investor protection, the RBI may in consultation with SEBI consider incentivising debtor-issuers to issue securities with embedded CDS in compliance with CDS Directions.

HOLDING COMPANIES

In May 2011, the RBI released its report on the “Introduction of Financial Holding Structure in India”. In its report the working group recommended that the financial holding structure (“FHC”) model should be the preferred model for all financial groups, irrespective of whether they have a banking company or not. The introduction of the FHC model would allow commercial banking, insurance, investment banking and other financial activities to be conducted under the same corporate umbrella. The report recommends two options to warehouse the Government of India’s holding in public sector banks, in view of the constraint of minimum Government of India shareholding of 51.00 per cent. in these banks. Under the first option, the Government holding in public sector banks will be transferred to a holding company, which also holds shares in demerged bank subsidiaries. Under the second option, the government would continue to have a direct holding in the Bank while the shareholding of all private shareholders will be transferred to a holding company. The report also recommends a separate regulatory framework for banks with the FHC model.

As per the Reserve Bank of India (Universal Banks – Licensing) Guidelines, 2025, the corporate structure of a bank can be as follows:

Structure without NOFHC

- In the case of promoters being individuals or standalone promoting/converting entities who/which do not have other group entities, the requirement of Non-Operative Financial Holding Company (NOFHC) is not mandatory and such promoters would have the option of setting up/converting into a banking company under the Companies Act, 2013. However, in case other group entities are proposed to be established after the bank is incorporated, the bank should move to the NOFHC structure.
- In case the proposal is for setting up/conversion into a bank, any change in shareholding within the promoting/converting entity from the date of application to the RBI as a result of which a shareholder acquires or transfers five per cent or more of the voting equity capital of the promoting/converting entity, shall be reported to the RBI.

Structure with NOFHC

- In case the individual promoters/promoting entities/converting entities have other group entities, the bank shall be set up only through a NOFHC. The bank shall be guided by the instructions contained in Reserve Bank of India (Non-Operative Financial Holding Company) Directions, 2025. The NOFHC shall be registered with RBI as a non-banking financial company (NBFC) and less than 51 per cent of the total paid-up equity capital of the NOFHC shall be owned by the promoter/promoter group.

REGULATIONS RELATING TO DEPOSITS

The RBI has issued ‘Reserve Bank of India – Interest rate on Deposits Directions, 2016 dated 3 March 2016 as consolidated by the Reserve Bank of India (Commercial Banks – Interest Rate on Deposits) Directions, 2025 dated 28 November 2025, and under these directions, Scheduled Commercial Banks are required to pay interest on deposits of money (other than current account deposits) accepted by them or renewed by them in their domestic, ordinary non-resident (“NRO”), non-resident (external) (“NRE”) accounts and foreign currency (non-resident) accounts (banks) scheme deposit account), subject to certain conditions prescribed by these directions. Banks are required to put in place a comprehensive policy on interest rates on deposits duly approved by the board of directors or any committee thereof. Further, certain additional restrictions have been prescribed to determine interest rates for savings deposits and term deposits (“TDs”). Additionally, interest rates offered by banks on NRO and NRE deposits cannot be higher than those offered by them on comparable domestic rupee TDs. In accordance with the aforesaid direction, a bank shall have the freedom to offer NRE/NRO term deposits without premature withdrawal option. Provided that all NRE/NRO term deposits accepted from individuals (held singly or jointly) for amount of ₹1 crore and below shall have premature withdrawal facility. Further, a bank shall not mark any type of lien, direct or indirect, against NRE saving deposits.

DEPOSIT INSURANCE

Demand and time deposits of accepted by Indian banks have to be mandatorily insured with the Deposit and Insurance Credit Guarantee Corporation (“DICGC”), a wholly-owned subsidiary of the RBI. The DICGC insures all bank deposits, such as saving, fixed, current, recurring deposit for up to the limit of Rs. 500,000 of each depositor in a bank. Banks are required to pay the insurance premium for the eligible amount to the DICGC on a semi-annual basis. The cost of the insurance premium cannot be passed on to the customer.

REGULATIONS RELATING TO KYC, AML AND COMBATING FINANCING TERRORISM (“CFT”)

The RBI has issued several guidelines relating to the identification of depositors and has advised banks to put in place systems and procedures to control financial frauds, identify money laundering and suspicious activities, and monitor high value cash transactions. The RBI has also issued guidelines from time to time advising banks to be vigilant whilst opening accounts for new customers to prevent misuse of the banking system for perpetration of fraud.

In line with regulatory requirements and requirements under the PMLA, the Bank established its KYC-AML-CFT Policy as amended from time to time on the basis of guidelines issued by the RBI up to 1 July 2015, which is now in line with the latest guidance from the RBI.

The Bank is in compliance with the national and international requirements relating to KYC, AML and CFT.

India became a member of the Financial Action Task Force (FATF) in 2010. The FATF is an international body which sets international standards enabling national authorities to effectively track and act against illicit funds linked to serious crimes. The Government of India had constituted a National Money Laundering/Financing of Terror Risk Assessment Committee to assess money laundering and terror financing risks as a national AML/CFT strategy and an institutional framework for AML/CFT in India.

All instructions and guidelines issued by the RBI on KYC norms, AML standards and obligations under the PMLA to be followed by banks have been consolidated under the latest Reserve Bank of India (Commercial Banks – Know Your Customer) Directions, 2025 notified by the RBI on 28 November 2025 (“**KYC Directions**”). The previous instructions in this regard were contained in the Reserve Bank of India (Know Your Customer (KYC)) Directions dated 25 February 2016 (as amended from time to time).

Banks should treat information sought and collected from the customer for the purpose of opening of account (and thereby satisfaction of its KYC, AML and CFT requirements) as confidential, and should not divulge this information for cross selling or any other like purpose without the express permission of the customer. Banks should ensure that any remittance of funds by way of demand draft, mail or telegraphic transfer or any other mode and issue of travellers’ cheques for value of Rs. 50,000 and above is effected by debit to the customer’s account or against cheques and not against cash. The KYC Directions also provide for the requirement for banks to have in place a KYC policy (which would provide for Customer Acceptance Policy, risk management, monitoring of transactions and Customer Identification Procedure). The KYC Directions also provide for Countering Financial Terrorism in accordance with the United Nations Security Council resolutions and transactions which give rise to reasonable grounds for suspicion.

The erstwhile directions have been updated/amended from time to time to bring the provisions in line with global practices. For example, on 20 April 2020, the RBI amended the erstwhile master directions, requiring banks and financial institutions regulated by the RBI to periodically carry out money laundering and terrorist financing risk assessments to identify, assess and take effective measures to mitigate its money laundering and terrorist financing risk including for clients, countries or geographic areas, products, services, transactions or delivery channels. Banks and financial institutions were required to apply a risk-based approach for mitigation and management of the identified risk and have Board approved policies, controls and procedures which take into consideration sector-specific vulnerabilities which are shared by the regulators. On 10 May 2021, the RBI amended the erstwhile master directions to further leverage the Video based Customer Identification Process and to simplify and rationalize the process of periodic updating of KYC for customers. On 4 May 2023, the erstwhile master directions were amended and required the banks to swiftly make available identification records and transaction data to competent authorities upon their request. The amendment issued on 17 October 2023 aligned the erstwhile master directions with the Prevention of Money Laundering (Maintenance of Records) Rules, 2005.

On 5 June 2023, a committee constituted by the RBI submitted its report on ‘Customer Service Standards in RBI Regulated Entities’. The report recommended: (i) establishing a centralised database of KYC linked to a unique customer identifier, (ii) updating model operating procedure (MOP) for hassle-free settlement of claims in accounts of deceased accountholders and (iii) compensating customers in case of any injury suffered on the entities’ premises. The committee also recommended that REs to adopt a nuanced approach for risk categorisation of customers.

In terms of the erstwhile master directions, REs had to undertake Customer Due Diligence (CDD), as per the process laid out therein, for their customers.

Vide RBI’s amendment dated 4 January 2024, the definition of PEPs was added as an explanation to Section 41 of the Master Direction. The definition is contained in the KYC Directions as well and is as follows:

“Politically Exposed Persons” (PEPs) are individuals who are or have been entrusted with prominent public functions by a foreign country, including the Heads of States/Governments, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials.

The aforementioned amendments have broadly been set out in the most recent KYC Directions.

Bank Finance to Non-Banking Financial Companies (NBFCs)

The credit related matters of banks have been progressively deregulated by RBI. Consistent with the policy of bestowing greater operational freedom to banks in the matter of credit dispensation and in the context of mandatory registration of NBFCs with the RBI, most of the aspects relating to financing of NBFCs by banks have also been deregulated. However, in view of the sensitivities attached to financing of certain types of activities undertaken by NBFCs, restrictions on financing of such activities continue to be in force. The RBI, from time to time, issued guidance to banks on “Bank Finance to NBFCs” in the form of master circulars, the latest of which was issued on 1 April 2025. These circulars stand withdrawn as of 28 November 2025, and the provisions in relation to bank finance to NBFCs have been consolidated and incorporated in the Reserve Bank of India (Commercial Banks – Credit Facilities) Directions, 2025 dated 28 November 2025 (“**Credit Facilities Directions**”).

Finance to NBFCs registered with RBI

The ceiling on bank credit linked to Net Owned Fund (NOF) of NBFCs has been withdrawn in respect of all NBFCs which are statutorily registered with RBI and are engaged in principal business of asset financing, loan, factoring and investment activities. Accordingly, banks may extend need based working capital facilities as well as term loans to all NBFCs registered with RBI and engaged in infrastructure financing, equipment leasing, hire-purchase, loan, factoring and investment activities subject to the provisions pertaining to bank finance to NBFCs contained in the Credit Facilities Directions. Banks may also extend finance to NBFCs against secondhand assets financed by them.

Banks are also required to formulate a suitable loan policy with the approval of their Boards of Directors within the prudential guidelines and exposure norms prescribed by the RBI to extend various kinds of credit facilities to NBFCs subject to the condition that certain activities specified therein are not financed by them.

Finance to NBFCs not requiring registration with the RBI

A few categories of NBFCs are exempted from the requirement of being registered with the RBI. For such NBFCs, banks can take credit decisions based on usual factors like the purpose of credit, nature and quality of underlying assets, repayment capacity of borrowers as also risk perception, etc. Further, while financing NBFCs, which do not require registration with RBI, banks shall also refer to the guidelines/notifications issued in this regard from time to time by the Ministry of Corporate Affairs, Government of India.

Other provisions

The Credit Facilities Directions also provide, in relation to bank finance to NBFCs, provisions pertaining to bank finance to factoring companies, along with provisions on restrictions on guarantees for placement of funds with NBFCs. RBI has mandated that banks should not grant bridge loans of any nature, or interim finance against capital/debenture issues and/or in the form of loans of a bridging nature pending raising of long-term funds from the market by way of capital, deposits, etc. to all categories of NBFCs. The guidelines also prescribe prudential ceilings for exposure of banks to NBFCs and lay down restrictions regarding investments made by banks in securities/instruments issued by NBFCs.

LEGAL RESERVE REQUIREMENTS

The RBI issued the Reserve Bank of India (Commercial Banks – Cash Reserve Ratio and Statutory Liquidity Ratio) Directions, 2025 on 28 November 2025 (“**CRR and SLR Directions**”).

Cash Reserve Ratio (“CRR”)

Every bank in India is required to maintain by way of a cash reserve, a sum equivalent to such percentage of the total of its net demand and time liabilities (“**NDTL**”), in such manner and for such dates, as the RBI may notify from time to time having regard to the needs of securing the monetary stability in the country. The RBI may also require a bank to maintain an additional average daily balance As per the CRR and SLR Directions, every bank is required to maintain in India with the RBI an average daily balance the amount of which cannot be less than 3.75%, 3.5%, 3.25% and 3.0% of its NDTL, as on the last day of the second preceding fortnight, effective from the reporting fortnight beginning 6 September, 4 October, 1 November and 29 November 2025, respectively. Further, every scheduled bank is required to maintain a minimum CRR of not less than 90% of the required CRR on every day during the reporting fortnight, so that the average of CRR maintained daily shall not be less than the CRR prescribed by the RBI.

The CRR and SLR Directions also prescribe the method of computation of NDTL. The NDTL of a bank includes (a) liabilities towards the banking system net of assets with the banking system as defined in Section 42 of the RBI Act (for scheduled commercial banks) and (b) liabilities towards others in the form of demand and time deposits or borrowings or other miscellaneous items of liabilities.

The RBI does not pay any interest on cash reserve ratio balances held by scheduled commercial banks.

Statutory Liquidity Ratio (“SLR”)

In addition to the CRR, a bank is required to maintain a specified percentage of its total demand and time liabilities (“**DTL**”) by way of liquid assets like cash, gold or approved securities. The percentage of this liquidity ratio is fixed by the RBI from time to time. The RBI fixes the percentage of this liquidity ratio from time to time under section 24 of the Banking Regulation Act.

As per the CRR and SLR Directions, the value of SLR cannot be less than such percentage not exceeding 40% of the total DTL in India as on the last day of the second preceding fortnight as the RBI may notify in the Official Gazette from time to time. The SLR assets to be maintained by every bank in India cannot be less than 18% of its total NDTL on such day, as at the close of business on any day, in accordance with the method of valuation specified by RBI from time to time.

The CRR and SLR Directions also provide the procedure for computation of NDTL for SLR. Total NDTL for the purpose of SLR under Section 24 (2A) of Banking Regulation Act shall be computed on the similar procedure as followed for CRR. Additionally, the CRR and SLR Directions provide that certain liabilities will not form part of the liabilities computed for CRR and SLR. These directions also contain the reporting requirements for CRR and SLR and specify the applicable penalties in case of default in maintenance of the CRR and SLR.

FOREIGN CURRENCY DEALERSHIP

The foreign exchange and cross border transactions undertaken by banks, both on their own account and also on behalf of customers, are subject to the provisions of the FEMA and rules, regulations, directions and notifications issued thereunder.

The 'Master Direction on Risk Management and Interbank Dealings', dated 5 July 2016 and as updated from time to time, states that all categories of overseas foreign currency borrowings of AD Banks, including existing ECBs and loans or overdrafts from their head office, overseas branches and correspondents outside India, international/multilateral financial institutions or any other entity as permitted by the RBI and overdrafts in nostro accounts (not adjusted within five days), shall not exceed 100 per cent. of their unimpaired Tier I Capital or U.S.\$10 million (or its equivalent), whichever is higher. However, the following borrowings are outside the aforementioned limit: (a) overseas borrowings by AD Banks for the purpose of financing export credit, (b) subordinated debt placed by head offices of foreign banks with their branches in India as Tier II capital, (c) capital funds raised/augmented by the issue of Innovative Perpetual Debt Instruments and Debt Capital Instruments in foreign currency, and (d) any other overseas borrowing with the specific approval of the RBI.

Pursuant to the FEMA, the RBI has granted the Bank a full-fledged authorised dealers' licence to deal in foreign exchange through its designated branches. Under this licence, the Bank has been granted permission to: (i) engage in foreign exchange transactions in all currencies; (ii) open and maintain foreign currency accounts abroad; (iii) raise foreign currency and Rupee denominated deposits from NRIs; (iv) grant foreign currency loans to on-shore and off-shore corporations; (v) open documentary credits; (vi) grant import and export loans; (vii) handle collection of bills, funds transfer services; (viii) issue guarantees; and (ix) enter into derivative transactions and risk management activities that are incidental to its (x) normal functions authorised under its organisational documents.

The Bank's foreign exchange operations are subject to the guidelines specified by the RBI in the exchange control manual. As an authorised dealer, the Bank is required to enroll as a member of the Foreign Exchange Dealers' Association of India, which prescribes the rules relating to foreign exchange business in India.

On 6 June 2023, the RBI amended the Master Direction on Risk Management and Inter-Bank Dealings, 2016, pursuant to which banks having an authorised dealer category-I license as well as operating IFSC Banking Units shall be eligible to offer non-deliverable foreign exchange derivative contracts involving INR to resident non-retail users from their branches in India.

STATUTES GOVERNING FOREIGN EXCHANGE AND CROSS-BORDER BUSINESS TRANSACTIONS

The foreign exchange and cross-border transactions undertaken by banks are subject to the provisions of FEMA. All branches should monitor all non-resident accounts to prevent money laundering.

Borrowing and lending transactions are regulated by the RBI pursuant to FEMA and the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 ("**Borrowing and Lending Regulations**"). Under the Borrowing and Lending Regulations, an AD Bank can borrow from any entity outside India up to the limit specified by and subject the terms and conditions specified by the RBI in consultation with the Government of India. Additionally, eligible borrowers in India may raise ECBs from outside India in accordance with the provisions of the Borrowing and Lending Regulations.

The Bank's London Branch is permitted to borrow in foreign currency in the normal course of their banking business from outside India pursuant to Regulation 4 (A) (ii) of the Borrowing and Lending Regulations, subject to the directions and guidelines issued by the RBI and the regulatory authority of the country where the branch is located.

The Bank plans for the proceeds of any Notes issued under the Programme to be used as follows:

- meet the funding requirements of the foreign offices;
- develop and expand business in the foreign offices;
- strengthen the capital base of the foreign offices, with respect to the issuance of Upper Tier II Tier 2 Notes and Additional Tier 1 Notes;
- increase the Bank's capital in accordance with relevant regulatory guidelines; and
- meet its general corporate purposes.

External Commercial Borrowings

ECBs are commercial loans raised by eligible resident Indian borrowers from recognised non-resident entities. ECBs are governed by the Borrowing and Lending Regulations issued by the RBI.

The Reserve Bank of India has issued the Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026 on 16 February 2026. It substantially revises the framework governing External Commercial Borrowings. The revised regime consolidates eligibility, end-use, maturity, cost, security, refinancing, conversion and reporting requirements into a more structured framework, while introducing substantive changes to borrowing limits, strategic use of proceeds, and compliance obligations.

As per the latest updated ECB framework, including the Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026, dated 9 February 2026, any person resident in India (other than an individual) that is incorporated, established or registered under a central or state legislation in India can be an eligible borrower to raise ECBs. Further, the following will be considered as 'recognised lenders' for the purpose of ECBs: (a) a person resident outside India; (b) a branch outside India of an entity whose lending business is regulated by the RBI; and (c) a financial institution or a branch of a financial institution set up in IFSC.

The limit for eligible borrowers (other than eligible borrowers that are regulated by financial sector regulators) to raise ECBs is up to the higher of: (a) outstanding ECB up to USD1 billion; or (b) total outstanding borrowing (external and domestic) up to 300% (three hundred per cent) of the net worth as per the last audited standalone balance sheet of the borrower. However, outstanding borrowings referred here shall not include non-fund based credit and funds raised through issuance of securities which are mandatorily convertible to equity. Additionally, the proposed ECB (other than ECB for refinancing) shall be taken into consideration while checking for compliance with the borrowing limit.

Under the Borrowing and Lending Regulations, an ECB i.e., loans or credit facilities by a foreign lender to an Indian borrower may be availed in any form of a commercial borrowing arrangement that involves payment of agreed interest, if any, by whatever name called, and repayment of principal. However, the following funds raised by eligible borrowers will not be considered as ECBs: The following funds raised by an eligible borrower shall not be treated as ECB: (a) trade credit with original maturity up to three years; (b) export advances; (c) investments received in terms of the Foreign Exchange Management (Debt Instruments) Regulations, 2019; (d) investments received through convertible notes or from foreign venture capital investors through debt instruments issued in terms of the Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

ECBs are required to be in compliance with the restrictions imposed under the Borrowing and Lending Regulations in relation to, *inter alia*, the minimum average maturity period. Under the Borrowing and Lending Regulations, funds borrowed under the regulations cannot be used for certain restricted end-uses. The negative list, for which the ECB proceeds cannot be utilised, include the following:

- (a) chit funds;
- (b) Nidhi Company;
- (c) real estate business and construction of farmhouses;
- (d) agricultural and animal husbandry, except floriculture, horticulture and cultivation of vegetables and mushrooms under controlled conditions, development and production of seeds and planting material, animal husbandry (including breeding of dogs), pisciculture, aquaculture and apiculture and services related to agro and allied sectors;
- (e) plantation except tea, coffee, rubber, cardamom, palm oil tree, olive oil tree plantation;
- (f) trading in transferable development rights (TDR);
- (g) transacting in listed/unlisted securities, except for transactions undertaken by an Indian entity for corporate actions such as merger, demerger, amalgamation, arrangement, or acquisition of control in accordance with the relevant legislations;
- (h) repayment of a domestic INR loan (i) which was availed for an end-use restricted under the Borrowing and Lending Regulations or (ii) which is classified as a non-performing asset (NPA) as per the applicable prudential norms;
- (i) on-lending for any of the purposes for which funds cannot be borrowed and utilised in the Borrowing and Lending Regulations.

Filings and Reporting Requirements in relation to Issuance of Notes

An ECB borrower is required to obtain a loan registration number (“LRN”) from the RBI before an issuance of Notes is effected. To obtain the LRN, ECB borrowers are required to submit a completed Form ECB duly certified to the designated AD Bank of the ECB borrower. Additionally, an ECB borrower will file a ‘Revised Form ECB 1’ for reporting any change in previously reported ECB parameters or information reported in ‘Form ECB 1’, within 7 calendar days from the end of the month in which such change was given effect. An ECB borrower is also required to submit a ‘Form ECB 2’ for reporting receipt of ECB proceeds and debt servicing, within 7 calendar days from the end of the month in which the proceeds were received or debt servicing was undertaken. The designated AD Bank will submit the return received from the ECB borrower along with due certification to the RBI.

Any borrower with an active LRN shall be treated as an untraceable borrower (a) in case such borrower fails to submit any of the specified return(s) for four consecutive quarters or more after the quarter in which a drawdown or debt servicing was scheduled to be made as per the last reported ‘Form ECB 1’; and (b) the designated AD Bank, after completion of such period of four quarters, is satisfied that: (i) neither the borrower nor its auditor(s)/director(s)/promoter(s) were reachable or responsive despite multiple attempts of communication undertaken and documented by the bank; and (ii) the borrower was not found to be operative at the registered office address as per the records available with the bank.

Procedure in relation to any change to the Terms and Conditions of the Notes

Changes to the parameters, terms and conditions governing the ECB may be made, subject to the lender’s consent and compliance with the provisions of the Borrowing and Lending Regulations. In case of extension of the tenor of the borrowing, the prudential regulations, including those on restructuring, shall also be applicable if the borrower has availed credit facilities from an entity (including its foreign branch or subsidiary) regulated by the RBI. Change of the designated AD Bank will be subject to the obtaining a ‘no objection certificate’ from the existing designated AD Bank.

SPECIAL PROVISIONS OF THE BANKING REGULATION ACT

Under Sections 35A and 36 of the Banking Regulation Act (which apply to the Bank), the RBI is empowered to give directions to the Bank, prohibit the Bank from entering into any transactions, and generally advise the Bank. Consequently, the performance of obligations by the Bank under the Programme Agreement, the Trust Deed, the Agency Agreement and the Notes may be restricted by the directions or advice given by the RBI under the aforesaid provision. Further, the Banking Regulation (Amendment) Act, 2017, has inserted Section 35AA and Section 35AB. Under Section 35AA, the RBI can issue directions to banking companies to initiate processes under the Insolvency and Bankruptcy Code, 2016 in respect of a default. Under Section 35AB, the RBI may issue directions to any banking company for the resolution of stressed assets and it may further specify an authority or committee to advise any banking company on the resolution of stressed assets. The banking companies are bound to comply with all such directions from the RBI.

Under Section 50 of the Banking Regulation Act (which also applies to the Bank), no person shall have a right, whether in contract or otherwise, to any compensation for any loss incurred by reason of the operation of certain provisions of the Act, including Sections 35A and 36. Therefore, a party may not be able to claim any compensation for a failure by the Bank to perform its obligations under the Programme Agreement, the Trust Deed, the Agency Agreement and the Notes, due to the operation of the aforesaid provisions.

As per Section 51 of the Banking Regulation Act, only some of the sections in the said Act are applicable to nationalised banks.

PROHIBITED BUSINESS

Section 6(1) of the Banking Regulation Act specifies the business activities in which a bank may engage. Pursuant to Section 6(2) of the Banking Regulation Act, banks are prohibited from engaging in business activities other than the activities specified in Section 6(1) of the Banking Regulation Act. In particular, banks are not permitted to offer portfolio management services or other schemes to their customers, except with the prior approval of the RBI and subject to the guidelines prescribed by the RBI and the SEBI in that regard.

In addition, the Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) (Amendment) Directions, 2025 dated 28 November 2025 contains the relevant provisions in relation to the forms of business which a bank may undertake. As a principle, any form of business shall be undertaken by one entity in a bank group. However, if a bank undertakes a form of business through more than one entity in a bank group, the same shall be done with proper rationale such as business segmentation/specialization, duly recorded and approved by the board of directors of the bank. These directions clarify that mutual fund business, insurance business, pension fund management, investment advisory and management services, portfolio management services and broking services cannot be carried out departmentally, but only through a group entity. A bank requires prior approval of the RBI to undertake any new form of business through the bank or a group entity, other than those permitted in the aforesaid directions.

RESERVE FUND

Pursuant to Section 17 of the Banking Regulation Act, and guidelines prescribed by the RBI effective from 31 March 2001, every bank incorporated in India is required to create a reserve fund to which it must transfer not less than 20.0 per cent. of the balance of profits as disclosed in the profit and loss account of each year before declaring any dividends. If there is an appropriation from the reserve, the bank is required to report the fact to the RBI within 21 days, explaining the circumstances leading to such appropriation. The Government may, on the recommendation of the RBI, exempt a bank from requirements relating to its reserve fund.

DECLARATION OF DIVIDENDS AND REMITTANCE OF PROFIT

Pursuant to the provisions of the Banking Regulation Act, read with the Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividends and Remittance of Profits) Directions, 2026, dated 10 March 2026 (“**Dividend Directions**”), the dividend has to be paid as a percentage of adjusted profit after tax (“**PAT**”). Adjusted PAT is the PAT of the financial year for which the dividend is proposed to be paid minus 50% of Net NPA as on 31 March of the financial year for which the dividend is to be paid.

Under the earlier directions *i.e.* the Reserve Bank of India (Commercial Banks – Prudential Norms on Declaration of Dividends and Remittance of Profits) Directions, 2025, whether a bank could declare dividend or not depended, *inter-alia*, on a matrix combining CRAR and NNPA ratios and the maximum dividend payout ratio was capped at 40% of net profit, depending on capital adequacy and asset quality. The Dividend Directions replace the earlier CRAR-NNPA based matrix with a CET1 capital ratio bucket framework. Under the new system, banks fall within the various ranges of CET1 capital buckets (10 in total), each prescribing the maximum percentage of dividend that may be declared out of Adjusted PAT. At the same time, the overall dividend distribution is capped at 75% of PAT.

Dividend has been clarified to mean to include interim dividend as well. Further, it shall consider dividend payable on equity shares and excludes dividend on Perpetual Non-Cumulative Preference Shares (PNCPS). Dividend payable on compulsorily convertible preference shares will, however, be included.

The Dividend Directions identify 4 (four) kinds of profits that cannot be used for payment of dividends or remittance of profits:

- (a) Extra-ordinary or exceptional profits: banks cannot distribute one-time or abnormal profits. The definition of exceptional profits has to be taken from the applicable accounting standards. Banks will therefore have to ascertain the items which lead to extraordinary profits and exclude them while declaring dividends. Any profits from activities or transactions that are not in the ordinary course of business will therefore have to be excluded.
- (b) Overstatement of PAT flagged by auditor: If the audit report contains a modified opinion indicating overstatement of PAT, the overstated portion cannot be used for dividend payments.
- (c) Unrealised gains on level 3 financial instruments: RBI (Commercial Banks – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025 provides that dividends cannot be paid out of net unrealised gains recognised in the Profit and Loss Account arising on fair valuation of Level 3 investments on its Balance Sheet. The same has now been specified under the Dividend Directions as well.
- (d) Reversal of excess provisions or unrealised gains from transfer of loans/SRs guaranteed by GoI: In terms of the RBI (Commercial Banks – Transfer and Distribution of Credit Risk) Directions, 2025, the non cash component of the excess provision remaining with the bank at the time of transfer (Excess provision minus cash received as consideration for transfer) cannot be used for the payment of dividend. Further, with respect to the SRs guaranteed by the GOI, it has been provided that any unrealised gain recognised in the Profit and Loss Account on account of fair valuation of such SR investments shall be deducted from CET 1 capital, and no dividends can be paid out of such unrealised gains.

RESTRICTION ON SHARE CAPITAL AND VOTING RIGHTS

Banks were earlier permitted to issue only ordinary shares. In January 2013, the Banking Regulation Act was amended to, *inter alia*, permit banks to also issue preference shares. The amended Banking Regulation Act also permits the RBI to increase the cap on the voting rights of a single shareholder of a

private bank from the existing cap of 10.0 per cent. to 26.0 per cent. in a phased manner. The RBI issued the Ownership in Private Sector Banks, Directions, 2016, which stated that the voting rights in private sector banks shall be limited to the level notified by the RBI from time to time.

On 16 January 2023, the RBI issued the Master Direction titled ‘Acquisition and Holding of Shares or Voting Rights in Banking Companies, 2023’. The Master Direction was to be read in conjunction with the Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies issued by the RBI. In accordance with the master directions, any person who intends to make an acquisition that is likely to result in the person’s aggregate holding in a banking company reaching 5 percent or more of the paid-up capital or voting rights, is required to seek the prior approval of the RBI before such acquisition. Further, if a person has been permitted by the RBI to have a shareholding that ranges between 10 percent to 40 percent of the paid-up equity share capital of a banking company, then such acquired shares will mandatorily remain locked-in for the first 5 years from the date of the acquisition.

The relevant provisions have now been consolidated in the Reserve Bank of India (Commercial Banks – Acquisition and Holding of Shares or Voting Rights) Directions, 2025 dated 28 November 2025 (“**Acquisition Directions**”). As per the Acquisition Directions, any person who intends to make an acquisition which is likely to result in major shareholding in a banking company is required to seek previous approval of the RBI. The Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies form part of the Acquisition Directions.

As per the Acquisition Directions, no shareholder in a banking company can exercise voting rights on poll in excess of 26% of the total voting rights of all the shareholders of the banking company.

REGULATORY REPORTING AND EXAMINATION PROCEDURES

The RBI is empowered under the Banking Regulation Act to inspect a bank. The RBI monitors prudential operating parameters at quarterly intervals.

The RBI also conducts periodical on-site inspections of branches, regional offices and zones on regulatory matters relating to the bank’s portfolio, risk management systems, internal controls, credit allocation and regulatory compliance, at intervals ranging from one to three years. The RBI, which is the central bank and regulator of the banking operations in the country, carries out regulatory on-site inspections of the Bank as a whole on an annual basis. The inspection report, along with the report on actions taken by the Bank, has to be placed before the board of directors. On approval by the board of directors, the Bank is required to submit the report on actions taken by it to the RBI. The RBI also discusses the report with the management team, including the MD & CEO and the executive directors.

The RBI also conducts on-site supervision of selected branches of the Bank with respect to their general operations and foreign exchange related transactions.

APPOINTMENT AND REMUNERATION OF THE MD & CEO AND OTHER DIRECTORS

Directors on the board of directors of the Bank are appointed by the Government in terms of Section 9 of the Banks Nationalisation Act. The MD & CEO and executive director (whole-time directors) are appointed by the Government in consultation with the RBI. The other Directors nominated/appointed include one official each from the Government and the RBI and one Director representing the officer employees of the Bank. Furthermore, a specified number of Directors are elected by the shareholders. The whole-time Directors appointed by the Government and the officials of the Government and the RBI who serve as the nominee directors of the Government and the RBI cannot be a director of any other “corresponding new bank” as defined under the Banks Nationalisation Act.

Remuneration paid to Directors is determined by the Government in consultation with the RBI.

PENALTIES

The RBI may impose penalties on banks and its employees in the case of infringement of regulations under the Banking Regulation Act. The penalty may be a fixed amount or may be related to the amount involved in any contravention of the regulations. The penalty may also include imprisonment.

ASSETS TO BE MAINTAINED IN INDIA

Every bank is required to ensure that its assets in India (including import-export bills drawn in India and RBI approved securities, even if the bills and the securities are held outside India) are not less than 75.00 per cent. of its demand and time liabilities in India. The RBI is empowered under the Banking Regulation Act, to impose penalties on banks and their employees in case of infringement of any provision of the Act. The penalty may be a fixed amount or may be related to the amount involved in any contravention of the regulations. The penalty may also include imprisonment.

SUBSIDIARIES AND OTHER INVESTMENTS

As per section 19(1) of the Banking Regulation Act, no banking company can form any subsidiary company except a subsidiary company formed for one or more of the following purposes, namely (a) the undertaking of any business which is permissible under specified sections of the Banking Regulation Act for a banking company to undertake, or (b) with the previous permission in writing of the RBI, the carrying on of the business of banking exclusively outside India, or (c) the undertaking of such other business, which the RBI may, with the prior approval of the Central Government, consider to be conducive to the spread of banking in India or to be otherwise useful or necessary in the public interest.

As per the Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) Directions, 2025 dated 28 November 2025, the Bank is required to maintain an arm's length relationship in respect of the subsidiaries sponsored by it. The subsidiary cannot set up another subsidiary or promote a new company which is not a subsidiary thereof or undertake any new business without prior approval of the RBI. The bank cannot grant any unsecured advances to the subsidiary without prior approval of the RBI. Transactions between a bank and its subsidiary shall be at arm's length. No preferential treatment shall be given to the subsidiary vis-à-vis a counterparty with similar risk characteristics.

RESTRICTION ON CREATION OF FLOATING CHARGE

Prior approval of the RBI is required for creating a floating charge on the Bank's undertaking or its property and for the RBI to verify the details of the floating charge under Section 14A of the Banking Regulation Act. Banks are permitted to invest in tri-party repo products. As per the Master Direction – Reserve Bank of India (Repurchase Transactions (Repo)) Directions, 2025, borrowings by a bank through repo in corporate bonds and debentures shall be reckoned as liabilities for cash reserve ratio/statutory liquidity ratio CRR/SLR requirement and, to the extent these liabilities are to the banking system, they shall be netted as per Section 42(1) of the RBI Act, 1934. Repo transactions traded on a multilateral trading platform shall be governed by the rules and regulations of the platform where it is traded. In terms of the aforesaid directions, the scope of securities eligible for repo has been expanded to include, (i) municipal debt securities; and (ii) any other security of a local authority as may be specified in this behalf by the Central Government.

MAINTENANCE OF RECORDS

The Banking Companies (Period of Preservation of Records) Rules, 1985 require a bank to retain records of books, accounts and other documents relating to stock and share registers for a period of eight years.

The KYC guidelines framed by the RBI also provide for certain records to be maintained for a minimum period of ten years.

ISSUE OF BONUS SHARES

The issue of bonus shares by the Bank is regulated by the Banks Nationalisation Act. Section 3(2-B) of the Banks Nationalisation Act provides that the paid-up capital of every public sector bank may from time to time be increased by the board of directors of that public sector bank, after consultation with the RBI and after obtaining the previous sanction of the Government. However, the Government shall, at all times, hold no less than 51.00 per cent. of the paid-up capital consisting of equity shares. After complying with the stipulated requirements, the Bank may transfer from the reserve fund established by such bank to such paid-up capital.

SECRECY OBLIGATIONS

The Bank's obligations relating to maintaining secrecy arise under Section 13 of the Banks Nationalisation Act and common law principles governing its relationship with its customers. The Bank cannot disclose any information to third parties except under clearly defined circumstances. The following are the exceptions to this general rule:

- (i) where there is an obligation to disclose to the public;
- (ii) where the Bank needs to disclose information in its own interest;
- (iii) where disclosure is made with the express or implied consent of the customer; and
- (iv) where disclosure is required to be made under any law or practice or usage customary among bankers.

The Bank is required to comply with the above in furnishing any information to any parties. The Bank is also required to disclose information if ordered to do so by a court. The RBI may, in the public interest, publish the information obtained from the Bank. Under the provisions of the Bankers' Books Evidence Act, a copy of any entry in a banker's book, such as ledgers, day books, cash books and account books, certified by an officer of the Bank may be treated as *prima facie* evidence of the transaction in any legal proceedings. Under the Right to Information Act, 2005, the Bank may also be required to disclose certain matters to the applicant(s) if the same are not specifically exempted under Section 8 of the said Act.

RBI RESTRICTION ON OFFSHORE PAYMENTS

Any offshore payments to be made under the Notes by the head office of the Bank would require prior approval of the RBI.

REGULATIONS GOVERNING OFFSHORE BANKING UNITS

The Government and the RBI have permitted banks to set up offshore banking units in Special Economic Zones, which are specially delineated duty- free enclaves deemed to be foreign territory for the purpose of trade operations, duties and tariffs. The Bank has an offshore banking unit located in Mumbai.

The Special Economic Zone Act, 2005 permitted offshore banking units to additionally undertake the following activities: lend outside India and take part in international syndications/consortiums at par with foreign offices; invest in foreign currency denominated debt of Indian units (bonds); and extend facilities to subsidiaries/units of Indian entities located outside India. Further to this, banks in India have been allowed to open an IBU at GIFT City SEZ in Gandhinagar, Gujarat with the following requirements: (i) a minimum alternate tax of 9 per cent.; (ii) 100 per cent. income tax rebate for consecutive 20 years out of the first 25 years for the IBU. The Bank has started operations at its GIFT City IBU since June 2017. Government of India established the International Financial Services Centre Authority ("IFSCA") under the International Financial Services Centres Authority Act, 2019 (the "IFSCA Act").

As per the IFSCA Act, the IFSCA has the mandate to develop and regulate IFSC's in India, and for this the IFSCA has been vested with powers of four sectoral regulators namely the RBI, SEBI, IRDAI and PFRDA i.e. a unified authority for the development and regulation of financial products, financial services and financial institutions in the IFSC in India.

IBU (IFSC Banking Units) are governed under the International Financial Services Centres Authority (Banking) Regulations, 2020 dated 18 November 2020 (the "Regulations") issued by the IFSCA under the Government of India's Ministry of Finance.

The IFSCA on 29 June 2022, published the International Financial Services Centres Authority (Banking) (Amendment) Regulations, 2022 to further amend certain key definitions of the International Financial Services Centres Authority (Banking) Regulations, 2020.

The IFSC Authority and the RBI have entered into a memorandum of understanding dated 16 November 2022 for collaboration in the field of regulation and supervision of REs in their respective jurisdictions. This shall facilitate technical cooperation and exchange of information.

On 6 July 2023, the IFSCA issued the International Financial Services Centres Authority (Banking) (Amendment) Regulations, 2023 to amend definitions of IFSC Banking Company, IFSC Banking Unit, Specified foreign currency and Subsidiary company. The IFSCA also inserted a schedule for laying down the categories of specified foreign currencies available under the regulation. The IFSCA has made significant changes to the parent regulations and introduced inter alia new types of banking units that can operate in an IFSC, licensing norms and capital provisioning norms to be followed by banking units in an IFSC.

On 4 July 2024, the IFSCA issued the International Financial Services Centres Authority (Banking) (Amendment) Regulations, 2024 expanded the scope of specified foreign currency to include Swedish Krone, Norwegian Krone, New Zealand Dollar and Danish Krone.

Chapter IV of the Banking Regulation Act lists out permissible activities that can be undertaken by IBUs, this includes to undertake investments, including subscribing, acquiring, holding, underwriting or transferring securities or such other instruments, as may be specified by the Authority, as principal or agent. IBUs shall conduct the business in freely convertible foreign currencies other than INR.

REGULATIONS AND GUIDELINES OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

The SEBI was established to protect the interests of public investors in securities and to promote the development of, and to regulate, the Indian securities market. The Bank is subject to regulations of the SEBI for its capital issuances, as well as its underwriting, custodial, depositary participant, investment banking, registrar and transfer agents, brokering and debenture trusteeship activities and since its equity shares are listed on Indian stock exchanges. These regulations provide for its registration with the SEBI for each of these activities, functions and responsibilities. The Bank has been adhering to the extant regulations and guidelines issued by the SEBI for various activities, in view of its equity shares being listed on the Indian national stock exchanges, viz. NSE as well as BSE.

FOREIGN OWNERSHIP RESTRICTION

Aggregate foreign investment in the Bank from all sources (including from Foreign Portfolio Investors ("FPIs")) cannot exceed 74.0 per cent. of the Bank's paid-up equity share capital. FIIs holding shares under portfolio investment schemes through stock exchanges are also allowed to invest up to 74.0 per cent. of the Bank's paid-up equity share capital. Further, in accordance with the existing policy of the RBI, any allotment or transfer of shares which will take the aggregate shareholding of an individual or a group to an equivalent of 5.0 per cent. or more of the paid-up capital of the Bank will require the prior acknowledgement of the RBI before the Bank can effect the allotment or transfer of shares. The RBI, while granting acknowledgement, may take into account all matters that it considers relevant to the application, including ensuring that shareholders whose aggregate holdings are above specified thresholds meet fitness and propriety tests.

As of 31 March 2025, foreign investment in the Bank, constituted 9.47% percent of the paid-up capital of the Bank.

In accordance with the Foreign Exchange Management Act 1999 (the “Foreign Exchange Management Act”), and the Foreign Exchange Management (Non-debt) Instruments Rules, 2019 (the “NDI Rules”) an FPI may invest in the capital of an Indian banking company in the private sector under the portfolio investment scheme which limits the individual holding of an FPI below 10.0 percent of the capital of the Indian banking company. The aggregate limit for FPI investment is limited by the sectoral caps applicable to an Indian company in relation to FDI in accordance with the NDI Rules. With respect to the Bank, this limit is 74.0 percent. Subject to a resolution of the board of directors, and a special resolution of the shareholders of the Indian banking company, this limit could be decreased to 24.0 percent or 49.0 percent of the total paid-up capital of a private sector banking company before 31 March 2020. An Indian banking company which has decreased its aggregate limit of FDI investment can increase it again, to the aggregate limit of 49.0 percent or 74.0 percent. However, once the aggregate limit of FPI investment is increased, such limit cannot be reduced to a lower threshold by the Indian banking company. Further, in accordance with the existing policy of the RBI, any allotment or transfer of shares which will take the aggregate shareholding of an individual or a group to an equivalent of 5.0 percent or more of the Bank’s paid-up capital would require the prior acknowledgement of the RBI before we can affect the allotment or transfer of shares. Foreign banks are permitted to have presence in India either by opening banking outlets or through wholly owned subsidiaries, but not both.

MORATORIUM, RECONSTRUCTION AND AMALGAMATION OF BANKS

The RBI can apply to the Government of India for the suspension of business by a banking company. The Government, after considering the application of the RBI, may order a moratorium staying commencement of action or proceedings against the relevant banking company for a maximum period of six months. During such period of moratorium, if the RBI is satisfied that: (a) in the public interest; or (b) in the interest of the depositors; or (c) in order to secure the proper management of the Bank; or (d) in the interests of the banking system of the country as a whole, it may prepare a scheme for the reconstruction of the Bank or amalgamation of the Bank with any other bank. In circumstances entailing reconstruction of the Bank or amalgamation of the Bank with another bank, the RBI would invite suggestions and objections on the draft scheme prior to placing the scheme before the Government for its sanction. The Government may sanction the scheme with or without modifications. The law does not require consent of the shareholders or creditors of such banks. As per Section 44A of the Banking Regulation Act, the scheme of amalgamation should be approved by the requisite majority of shareholders and submitted to the RBI for sanction, and if sanctioned by the RBI, the same shall be binding on the banking company and also on all the shareholders. The Government also has powers to provide for amalgamation of two or more banking companies under Section 237 of the Companies Act but only after consultation with the RBI.

The RBI issued the Commercial Banks – Acquisition Directions on 28 November 2025, which prescribe the requirements (including restrictions, limits, eligible criteria and arrangements) for acquiring the shareholding in a commercial bank.

SPECIAL STATUS OF BANKS IN INDIA

The special status of banks is recognised under various statutes including Recovery of Debts Due to Banks and Financial Institutions Act, 1993, and the SARFAESI Act. As a bank, the Bank is entitled to certain benefits under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 which provides for establishment of DRTs for expeditious adjudication and recovery of debts due to any bank or Public Financial Institution or to a consortium of banks and Public Financial Institutions. Under this Act, the procedures for recovery of debt have been simplified and indicative time frames have been fixed for speedy disposal of cases. Upon establishment of the DRT, no court or other authority can exercise jurisdiction in relation to matters covered by this Act, except the higher courts in India in certain circumstances.

The SARFAESI Act focuses on improving the rights and simplifying the procedures for enforcement of security interest of banks and financial institutions and other specified secured creditors as well as asset reconstruction companies by providing that such secured creditors can take over management control of a borrower company upon default and/or sell assets without the intervention of courts, in accordance with the provisions of the SARFAESI Act. It also provides the legal framework for the securitisation and reconstruction of financial assets.

The Insolvency and Bankruptcy Code, 2016 (the “Code”) was passed by the Parliament on 11 May 2016, with a view to creating a unified framework for resolving insolvency and bankruptcy in India. The Code seeks to repeal the Presidency Towns Insolvency Act, 1909 and Provincial Insolvency Act, 1920. The Code also amends eleven laws, including, inter alia, the Companies Act; the Recovery of Debts and Bankruptcy Insolvency Resolution and Bankruptcy of Individuals and Partnership Firms Act, 1993; and the Sick Industrial Companies (Special Provisions) Repeal Act, 2003. The Code consolidated the laws relating to insolvency of companies and limited liability entities (including limited liability partnerships and other entities with limited liability), unlimited liability partnerships and individuals into a single legislation. The Code classifies creditors into financial creditors and operational creditors which includes the financial loans for interest and loans arising from the operational nature of the debtor, respectively. According to the Code, the insolvency resolution process may be initiated by either the debtor or the creditors. Some of the new concepts introduced by this Code include, inter alia, the Insolvency and Bankruptcy Board of India, the Insolvency and Bankruptcy Fund and two separate tribunals, namely the National Company Law Tribunal (which shall have jurisdiction over companies and limited liability partnerships) and the DRT (which shall have jurisdiction over individuals and partnership firms). The Code provides a 180-day timeline, which may be extended by 90 days, for dealing with insolvency resolution applications. Subsequently, the insolvency resolution plan prepared by the resolution professional has to, subsequent to the amendment detailed below, be approved by 66.00 per cent. of the creditors and, if rejected, the adjudicating authority will order liquidation. In a bid to boost the sentiment among lenders, even repayment of dues to unsecured creditors has been given a higher priority as against payment of taxes to the Government.

CREDIT INFORMATION BUREAUS

The Parliament of India has enacted the Credit Information Companies (Regulation) Act, 2005 pursuant to which every credit institution, including a bank, has to become a member of a credit information bureau and furnish to it such credit information as may be required of the credit institution by the credit information bureau about persons who enjoy a credit relationship with it. Other credit institutions, credit information bureaus and such other persons as the RBI specifies may access such disclosed credit information.

Furthermore, the RBI had released the Master Direction – Reserve Bank of India (Credit Information Reporting) Directions, 2025 dated 06 January 2025. The aforementioned directions ensure standardization and transparency in credit reporting, safeguarding borrower information while fostering accountability and robust data management practices.

THE REGIONAL RURAL BANKS ACT, 1976

Regional Rural Banks are established under the Regional Rural Banks Act, 1976 by the Government at the instance of a sponsor bank. The Government may also issue notifications specifying the local limits within which a given regional rural bank shall operate. The sponsor bank shall subscribe to the share capital of the regional rural bank, train personnel and provide managerial and financial assistance to the regional rural bank during the first five years of its operations.

The Regional Rural Banks Act, 1976 stipulates the limit of the paid-up capital of a regional rural bank and further stipulates that the shares shall always be fully paid-up shares of Rs. 100 each. Of this, 50.00 per cent. shall be subscribed to by the Government, 15.00 per cent. by the concerned state government and 35.00 per cent. by the sponsor bank. The issued capital can be changed by the board of directors of the regional rural bank (with the prior approval of the Government) after consultation with NABARD, the concerned state government and the sponsor bank.

Every regional rural bank shall carry on the business of banking as defined in Section 5(b) of the Banking Regulation Act and may engage in one or more forms of business specified in Section 6(1) of the Banking Regulation Act.

Every regional rural bank shall prepare an annual report within three months from the date of closure of the accounting year or such further period, not exceeding three months, as may be permitted by the RBI. Such annual report shall be sent to all of its shareholders.

The Government is empowered to give directions to the regional rural bank and the regional rural banks must follow such directions.

TAXATION

Goods and Services Tax and General Anti-Avoidance Rules

The Government had introduced major reforms in Indian indirect tax laws, namely the GST taking effect from 1 July 2017. Under the GST, unified structures have been introduced to expand the tax base, rationalise the input tax credit and harmonise the current multiple taxation laws in India. The GST has replaced the indirect taxes on goods and services such as central excise duty, service tax, additional customs duty under section 3 of the Customs Tariff Act, 1975, central sales tax, state VAT, surcharge and excise currently being collected by the central and state governments.

The GAAR provisions became effective from 1 April 2017 and would apply to arrangements declared as “impermissible avoidance arrangements”, which is defined to mean an arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the (Indian) Income-tax Act, 1961 and (Indian) Income-tax Act, 2025; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty.

Corporate Law

Companies in India, including banks, in addition to the sector-specific statutes and the regulations and guidelines prescribed by the sectoral regulators, are required to comply with the relevant provisions of the Companies Act.

The provisions of the Companies Act will apply in relation to “sick” companies (under the previous Sick Industrial Companies Act, 1985, which has now been repealed) and all references must be made to the National Company Law Tribunal, instead of the BIFR.

INCOME TAX BENEFITS

As a banking company, the Bank is entitled to certain tax benefits under the (Indian) Income-tax Act, 1961 and (Indian) Income-tax Act, 2025. These benefits include an entitlement to a tax deduction on the provisioning of bad and doubtful debts of an amount not exceeding 8.5 per cent. of the Bank’s total income (calculated before making any deductions prescribed under Section 36(1)(viia) and Chapter VIA of the (Indian) Income-tax Act, 1961), and an amount not exceeding 10.0 per cent. of the aggregate average advances made by the Banks’s rural branches calculated in the prescribed manner.

RBI GUIDELINES FOR REVITALISING STRESSED ASSETS

The RBI has, in the past, issued various guidelines which aim at revitalising stressed assets in the economy. The measures taken in this direction include issuance of notifications with respect to Strategic Debt Restructuring Mechanism (by notification dated 8 June 2015), Framework to revitalise the Distressed Assets in the Economy – Guidelines on Joint Lenders’ Forum and Corrective Action Plan (by notification dated 26 February 2014), Review of Prudential Guidelines on Restructuring of Advances by Banks and Financial Institutions (by notification dated 30 May 2013), Flexible structuring of Long Term Project Loans to Infrastructure and Core Industries (by notification dated 15 December 2014) and amendments to guidelines on Sale of Financial Assets to Securitisation Companies (SC)/Reconstruction Companies (“RC”) (by notification dated 28 March 2014), and a revised, consolidated, comprehensive binding framework for resolution of stressed assets on 12 February 2018 (“12 February Circular”). On 7 June 2019, the RBI issued the ‘Prudential Framework for Resolution of Stressed Assets Directions, 2019’. On 1 October 2021, the RBI released Master Direction on ‘Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances’, consolidating past circulars and notifications (“Stressed Asset Directions”).

Certain clarifications were released regarding the Stressed Asset Directions on 12 November 2021. The Stressed Asset Directions have been issued by the RBI in the wake of the judgement of the Supreme Court of India (in the matter of Dharani Sugars & Chemicals Limited v. Union of India & Ors.) holding the RBI circular dated 12 February 2018 on Resolution of Stressed Assets – Revised Framework as ultra vires. These directions are issued with a view to providing a framework for early recognition, reporting and time bound resolution of stressed assets. These directions are issued without prejudice to the issuance of specific directions, from time to time, by the RBI to banks, in terms of the provisions of Section 35AA of the Banking Regulation Act, for initiation of insolvency proceedings against specific borrowers under the IBC. On 1 April 2023, the Master Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, 2023 was issued, consolidating all instructions issued up to 31 March 2023.

As per the Stressed Asset Directions, in the event of a default by a borrower, all lenders to the borrower would put in place a resolution plan (“RP”) within 30 days of such default (“**Review Period**”). During this Review Period, the lenders would decide on a resolution strategy, which includes sale of loans, legal action for debt recovery, immediate referral to NCLT, restructuring or change in ownership. In the event a RP is implemented, the lenders would enter into an intercreditor agreement during the Review Period.

In respect of accounts where the Review Period was over, but the 180-day resolution period had not expired as on 1 March 2020, the timeline for resolution gets extended by 180 days from the date on which the 180-day period was originally set to expire. Consequently, the requirement of making additional provisions under the Stressed Assets Directions is triggered as and when the extended resolution period, as stated above, expires.

The Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025 dated 28 November 2025, consolidated the extant RBI directions in relation to stressed assets. As per the directions, instructions on classification of borrower accounts into SMA categories are applicable for all loans (including retail loans), other than agricultural advances governed by crop season-based asset classification norms, irrespective of size of exposure of the bank. The aforesaid directions lay down the consolidated regulatory treatment upon change in the Date of Commencement of Commercial Operations of projects in infrastructure and non-infrastructure (including commercial real estate and commercial real estate- residential housing).

Reserve Bank of India (Investment in AIF) Directions, 2025 dated 29 July 2025 (“AIF Directions”)

The RBI had issued the AIF Directions to prescribe the regulatory guidelines in respect of investment by the regulated entities in the Alternative Investment Funds (AIFs). The key aspects of the AIF Directions include, *inter alia*, the following:

Limits on Investments and Provisioning

- (i) No regulated entity shall individually contribute more than 10% (ten per cent) of the corpus of an AIF scheme.
- (ii) The collective contribution by all regulated entities in any AIF scheme shall not be more than 20% (twenty per cent) of the corpus of that scheme.

Exemptions to Certain AIFs

The RBI, in consultation with the Government of India, exempts certain AIFs from the scope of the AIF Directions (except for the general requirement prescribed thereunder). Presently, outstanding investments or commitments of a regulated entity, made with prior approval from the RBI under the provisions of Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, are excluded from the scope of the limits on investments and provisioning. Further, the SWAMIH (Special Window for Affordable and Mid-Income Housing) Investment Fund-I was exempted by way of an updated notification dated 24 October 2025.

REGULATIONS RELATING TO MAKING LOANS

Under Section 20(1) of the Banking Regulation Act, a bank cannot grant any loans and advances against the security of its own shares. A banking company is prohibited from entering into any commitment for granting any loans or advances to or on behalf of any of its directors, or any firm in which any of its directors is interested as partner, manager, employee or guarantor, or any company (not being a subsidiary of the banking company or a company registered under Section 8 of the Companies Act or a government company) of which, or the subsidiary or the holding company of which any of the directors of the bank is a director, managing agent, manager, employee or guarantor or in which he holds substantial interest, or any individual in respect of whom any of its directors is a partner or guarantor.

The RBI issued a notification dated 24 June 2020 titled ‘Loans Sourced by Banks and NBFCs over Digital Lending Platforms: Adherence to Fair Practices Code and Outsourcing Guidelines’, which stipulates that any bank or NBFC engaging digital lending platforms as their agents to source borrowers and/or recover dues shall disclose names of such agents on their website, direct the digital agents engaged by the bank or NBFC to disclose the name of bank or NBFC to the customer and ensure effective oversight and monitoring over digital agents. Adequate efforts shall be made towards the creation of awareness about the grievance redressal mechanism within the organisation.

Further, on 2 September 2022, the RBI issued ‘Guidelines on Digital Lending’ to banks and NBFCs for existing customers availing fresh loans and new customers. REs were given until 30 November 2022 to put in place adequate systems and processes to ensure that ‘existing digital loans’ are also in compliance with the guidelines. The digital lending guidelines were introduced to smoothen the digital lending process and protect consumers from unusually high interest rates from lenders.

On 8 June 2023, the RBI has issued the ‘Guidelines on Default Loss Guarantee in Digital Lending’ which allows REs to enter into contractual arrangements with other eligible entities under which the latter guarantees to compensate the RE’s loss which has occurred due to a default. The percentage of the loan portfolio which is to be guaranteed shall not be more than the equivalent of 5% of the loan portfolio. The Reserve Bank of India (Commercial Banks – Credit Facilities) Directions, 2025 dated 28 November 2025 consolidated the aforementioned directions in relation to digital lending guidelines and default loss

guarantee. As per the aforementioned directions, ‘Digital Lending’ means a remote and automated lending process, largely by use of seamless digital technologies for customer acquisition, credit assessment, loan approval, disbursement, recovery, and associated customer service.

REGULATIONS RELATING TO SALE OF ASSETS TO ASSET RECONSTRUCTION COMPANIES

The SARFAESI Act provides for sale of financial assets by banks and financial institutions to Asset Reconstruction Companies. The RBI has issued guidelines, namely the Reserve Bank of India (Commercial Banks – Transfer and Distribution of Credit Risk) Directions, 2025, to banks on the process to be followed for the sale of financial assets to ARCs. These guidelines provide that a bank may sell financial assets to an ARC provided the asset is a non-performing asset (“NPA”). These assets are to be sold on a ‘non-recourse’ basis only.

REGULATIONS GOVERNING BANKING UNITS IN INTERNATIONAL FINANCIAL SERVICES CENTRES IN INDIA

In April 2015, the RBI issued guidelines relating to Indian banks setting up banking units in International Financial Services Centres in India. According to the guidelines, public and private sector banks dealing in foreign exchange would be permitted to set up one banking unit in each International Financial Services Center (“IFSC”) in India. Banks will have to take prior approval of the RBI for opening a banking unit, and this will be treated on par with a foreign branch of an Indian bank. The minimum capital requirement for these banking units would be U.S.\$20 million. Funds raised by the banking units, including borrowings in foreign currency, would have to be from persons not resident in India and not overseas branches of Indian banks. Deployment of funds can be with residents in India as well as non-resident in India. Liabilities of these units would be exempted from CRR and the SLR.

The SEBI (IFSC) Guidelines were promulgated to regulate financial services relating to securities in an IFSC created under Section 18(1) of the Special Economic Zones Act, 2005. The guidelines apply to any entity that intends to operate in an IFSC to render financial services relating to securities market and prescribe the eligibility and shareholding limit for stock exchanges, clearing corporations and depositories. The guidelines also prescribe conditions to be complied with for issuing capital in an IFSC.

In order to further streamline the operations of the IFSC, vide its circulars dated 9 July 2020, 7 August 2020 and 21 August 2020, the SEBI notified amendments to the SEBI (IFSC) Guidelines, 2015. By way of the RBI circular dated 9 July 2020, SEBI amended the ‘*Eligibility and shareholding limit for stock exchange desirous of operating in IFSC*’. Recently the Government has also come out with International Financial Services Centre Authority (Issuance and Listing Securities) Regulations, 2021 which permits debt securities to be issued by an issuer incorporated in IFSC.

Further, vide the circular dated 7 August 2020, SEBI amended the ‘*Eligibility and shareholding limit for clearing corporations desirous of operating in IFSC*’. As per this amendment, a banking company, or a public financial institution of Indian jurisdiction, *inter alia* may acquire or hold, either directly or indirectly, either individually or together with persons acting in concert, up to fifteen percent of the paid-up equity share capital of such clearing corporation. The provisions of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 should also be complied with.

The International Financial Services Centre Authority on 29 June 2022, published the International Financial Services Centres Authority (Banking) (Amendment) Regulations, 2022 to further amend certain key definitions of the International Financial Services Centres Authority (Banking) Regulations, 2020.

IFSCA has expanded the scope of “specified foreign currencies” to include Swedish Krona (SEK), Norwegian Krone (NOK), New Zealand Dollar (NZD), and Danish Krone (DKK) for transactions within GIFT IFSC. This amendment to the IFSCA (Banking) Regulations, 2020, aims to facilitate a wider range of foreign currency options for financial services.

The IFSC Authority and the RBI have entered into a memorandum of understanding dated 16 November 2022 for collaboration in the field of regulation and supervision of REs in their respective jurisdictions. This shall facilitate technical cooperation and exchange of information.

On 6 July 2023, the IFSCA issued the International Financial Services Centres Authority (Banking) (Amendment) Regulations, 2023, to amend definitions of IFSC Banking Company, IFSC Banking Unit, Specified foreign currency and Subsidiary company. The IFSCA also inserted a schedule for laying down the categories of specified foreign currencies available under the regulation. The IFSCA has made significant changes to the parent regulations and introduced inter alia new types of banking units that can operate in an IFSC, licensing norms and capital provisioning norms to be followed by banking units in an IFSC.

International Financial Services Centres Authority (Listing) Regulations, 2024 dated 20 August 2024

The IFSCA (Listing) Regulations, 2024 (“New Listing Regulations”) provide a unified regulatory framework for listing of securities and other permitted financial products. The New Listing Regulations give an impetus to listing of equity instruments (primarily by unlisted Indian companies as well as foreign companies), bonds and other permitted financial products on the stock exchanges in the IFSC. These regulations are expected to provide a fillip to the IFSC as an investment and capital raising financial centre. This is expected to bring investors and companies together to contribute to the growth of the financial centre.

The New Listing Regulations provide for eligibility and procedure for IPO, rights issue, listing of debt securities, CD certificate of deposit listings and listing of depositary receipts in the stock exchanges in the IFSC. An issuer shall be eligible to list its securities or any other permitted financial product on a recognised stock exchange subject to the following conditions: (a) the issuer is incorporated or set up either in an IFSC or in India or in a Foreign Jurisdiction, in accordance with the relevant laws of its home jurisdiction; (b) the issuer operates in conformity with its constitution; and (c) the issuer is eligible to issue such securities or other financial products, that are proposed to be listed on the recognised stock exchange, in conformity with the relevant laws of its home jurisdiction.

The regulations prescribe disclosures to be made in offer documents. An issuer, having its specified securities listed in a jurisdiction outside IFSC, may list those specified securities on a recognised stock exchange(s), without making public offer, subject to the following conditions: (a) It shall file listing application, in the manner specified by the recognised stock exchange(s); and (b) It shall comply with the listing requirements of the recognised stock exchange(s) and such other conditions as may be specified by the Authority.

An issuer may list its debt securities on a recognised stock exchange: The debt securities proposed to be issued and listed on a recognised stock exchange may be offered on a standalone basis or through a series of issuances (including medium term note programme). The issuer desirous of listing its debt securities on a recognised stock exchange shall file the listing application along with a copy of the offer document or information memorandum, as applicable, with the recognised stock exchange in accordance with the requirements specified by the recognised stock exchange. The issuer shall file the listing application with a recognised stock exchange along with applicable regulatory fee and the same shall be remitted to the Authority in the manner specified by the Authority.

The Notes listed on India INX or NSE IX are in compliance with the IFSCA Regulations, from time to time, on a continuing basis.

IFSCA (Payment Services) Regulations, 2024 dated 2 April 2024

The key provisions are as follows:

- any person seeking to provide payment services in or from IFSC requires a certificate of authorisation under these regulations;

- an applicant making an application for authorisation must be incorporated as a company with its registered office in an IFSC;
- a payment service provider must, inter-alia, comply with the minimum net worth requirements, as prescribed under Schedule V of these regulations, on an ongoing basis; and
- the payment service provider must commence its operations within 6 (six) months from the date of issuance of certificate of authorisation.

Implementation of Indian Accounting Standards

The Ministry of Corporate Affairs (“MCA”), in its press release dated 18 January 2016, issued a roadmap for the implementation of Ind AS converged with the International Financial Reporting Standards issued by the International Accounting Standards Board, with certain carve-outs for Scheduled Commercial Banks, insurance companies and non-banking financial companies (“**2016 roadmap**”).

The 2016 roadmap required such institutions to prepare Ind AS based financial statements for accounting periods commencing on or after 1 April 2018, and to prepare comparative financial information for accounting periods commencing on or after 1 April 2017. The MCA notified the Companies (Indian Accounting Standards) Rules, 2015 on 16 February 2015, pursuant to which banking companies were exempted from complying with Ind AS for preparation of financial statements. However, in terms of the MCA press release dated 18 January 2016, Scheduled Commercial Banks were required to prepare Ind AS based financial statements on a consolidated and standalone basis for accounting periods beginning from 1 April 2018 onwards, with comparatives for the period ending 31 March 2018 or thereafter.

The RBI, in its circular dated 11 February 2016, required all Scheduled Commercial Banks to comply with Ind AS for financial statements for the periods stated above. It also advised Scheduled Commercial Banks to set up a Steering Committee headed by an official of the rank of an Executive Director (or equivalent) comprising members from cross-functional areas of the bank to immediately initiate the Ind AS implementation process. The RBI through a notification dated 22 March 2019, has further deferred the Ind-AS implementation till further notice.

The RBI does not permit banks to voluntarily adopt Ind AS earlier. The new accounting standards are expected to change, among other things, the methodologies for estimating allowances for probable loan losses and classifying and valuing the Bank’s investment portfolio, as well as its revenue recognition policy. On 13 March 2020 and 24 July 2020, the RBI issued notifications updating the implementation of Indian accounting standards guidelines. The RBI issued a notification dated 20 February 2023, clarifying the treatment of management fees, in accordance with Ind-AS for ARCs.

The Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) Directions, 2025, implementation of Indian Accounting Standards (Ind AS) for banks has been deferred till further notice, as the legislative amendments recommended by the RBI are under consideration of the Government of India. However, a bank shall continue to disclose the strategy for Ind AS implementation, including the progress made in this regard. These disclosures shall be made until implementation of Ind AS.

RBI GUIDELINES FOR FINANCIAL INCLUSION FUND (FIF)

The Government has merged the FIF and Financial Inclusion Technology Fund (FITF) to form a single Financial Inclusion Fund. The RBI (*vide* its notification dated 15 October 2015) finalised the new scope of activities and guidelines for utilisation of the new FIF. It will be administered by the reconstituted Advisory Board constituted by the Government and will be maintained by NABARD.

IMPLEMENTATION OF THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

The SEBI announced the implementation of the Multilateral Competent Authority Agreement and FATCA on 26 August 2015. Moreover, the Government of India published a “Guidance Note on Implementation of Reporting Requirements under Rules 114F to 114H of the Income-Tax Rules”³, updated on 31 December 2015. This note provides regulatory guidance to financial institutions, regulators and officers of the tax department for ensuring compliance with the reporting requirements under the said Rules. It intends to explain the complex reporting requirements and provide further guidance wherever required.

Among other things, it enshrines guidelines for new global standards on Automatic Exchange of Information (“AEOI”), enactment of FATCA and signing of the Inter-Governmental Agreement (“IGA”) with the US, commitment to implement CRS on AEOI, etc.

RBI GUIDELINES ON BENCHMARK LENDING RATE

The RBI released guidelines on computing interest rates on advances based on the marginal cost of funds dated 17 December, 2015. In order to make banks pass on policy rate cut benefits to borrowers, the RBI has brought out a new methodology, namely the Marginal Cost of Funds based on Lending Rate (“MCLR”). Marginal Rates refer to money raised by banks in the last month or quarter before the lending rate review. The new methodology came into effect from 1 April 2016 and is also expected to ensure availability of bank credit at interest rates which are fair to the borrowers as well as the banks. Further, marginal cost pricing of loans will help the banks become more competitive and enhance their long run value and contribution to economic growth.

The circular dated 17 December 2015 on ‘Interest Rates on Advances’ was repealed vide the Master Direction – Reserve Bank of India (Interest Rate on Advances) Directions, 2016 dated 3 March 2016 (as updated from time to time). The aforesaid master direction now stands withdrawn, and the provisions have been consolidated in the Reserve Bank of India (Commercial Banks – Interest Rates on Advances) Directions, 2025 dated 28 November 2025. As per the new directions, all floating rate rupee loans sanctioned and renewed w.e.f. 1 April 2016 are required to be priced with reference to the MCLR which will be the internal benchmark for such purposes subject to the provisions on external benchmark contained in the said directions. The MCLR comprises of: (1) marginal cost of funds; (2) negative carry on account of CRR; (3) operating costs; (4) tenor premium. Banks are required to review and publish its MCLR of different maturities every month on a pre-announced date with the approval of their board of directors or any other committee to which such powers have been delegated.

Recent Regulatory Developments

Statement on Developmental and Regulatory Policies dated 6 August 2025 by the RBI

Standardisation of procedure for settlement of claims in respect of deposit accounts of deceased customers of banks

Under the provisions of Banking Regulation Act, 1949, nomination facility is available in respect of deposit accounts, articles kept in safe custody or safe deposit lockers. This is intended to facilitate expeditious settlement of claims or return of articles or release of contents of safe deposit locker upon death of a customer and to minimise hardship caused to family members. The extant instructions require banks to adopt a simplified procedure to facilitate expeditious and hassle-free settlement of claims made by survivors/nominees/legal heirs, the procedures vary across banks. With a view to enhance customer service standards, it has been decided to streamline the procedures and standardise the documentation to be submitted to the banks.

3 Please note that draft Income-tax Rules, 2026 have been published by the Indian Government with the intention of replacing Income-tax Rules, 1962.

Introduction of Auto-bidding facilities in RBI Retail Direct for Investment and Re-investment in T-bills

The Retail Direct portal was launched in November 2021 to facilitate retail investors to open their Gilt accounts with the Reserve Bank under the Retail Direct Scheme. The scheme allows retail investors to buy Government Securities (G-Secs) in primary auctions as well as buy and sell G-Secs in the secondary market. Since the launch of the Scheme, various new features, in terms of product as well as payment options, have been introduced, including launch of a mobile app in May 2024. To enable investors to systematically plan their investments, an auto-bidding facility for Treasury bills (T-bills), covering both investment and re-investment options, has been enabled in Retail Direct. The new functionality helps investors to mandate automatic placement of bids in primary auctions of T-bills.

Statement on Developmental and Regulatory Policies dated 9 April 2025 by the RBI

Securitisation of Stressed Assets Framework

A prudentially structured securitisation transaction can be an enabler for resolution of stressed assets as it is expected to improve risk distribution and provide an exit route from such exposures for lenders. With this objective, RBI had released a discussion paper on ‘Securitisation of Stressed Assets Framework’ in January 2023, to seek comments from market participants on various aspects of the framework. After factoring in the suggestions received from the stakeholders on the discussion paper, the draft framework for securitisation of stressed assets is being issued for public comments. The RBI issued the **Draft Reserve Bank of India (Securitisation of Stressed Assets) Directions, 2025** on 9 April 2025, to create a market-based mechanism for resolving non-performing assets (NPAs). The framework intends to enable securitisation of stressed assets through a market-based mechanism, in addition to the existing ARC route under SARFAESI Act, 2002.

Framework on Co-lending arrangements (CLA)

The extant guidelines on co-lending are applicable only to arrangements between banks and NBFCs for priority sector loans. In light of the evolution of such lending practices, and the potential of such lending arrangements in catering to the credit needs of a wider segment in a sustainable manner, it has been decided to expand the scope for co-lending and issue a generic regulatory framework for all forms of co-lending arrangements among REs.

Review of Guidelines for Lending against Gold Jewellery

Loans against the collateral of gold jewellery and ornaments are extended by regulated entities (REs) for both consumption and income-generation purposes. Prudential and conduct related regulations for such loans have been issued from time to time and they vary for different categories of REs. With a view to harmonizing such regulations across REs while keeping in view their risk-taking capabilities, and also to address a few concerns that have been observed, it has been decided by the RBI to issue comprehensive regulations, on prudential norms and conduct related aspects, for such loans.

Review of Non-Fund Based Facilities

Non-fund based (NFB) facilities like Guarantees, Letters of Credit, Co-Acceptances etc. play a significant role in facilitating effective credit intermediation, besides enabling seamless business transactions, including trade transactions. It has now been decided to harmonize and consolidate guidelines covering these facilities across all REs. The revised guidelines include a review of instructions on issuance of partial credit enhancement by REs, with a view to, *inter alia*, broadening funding sources for infrastructure financing.

Enhancing transaction limits in UPI

At present, the transaction amount for UPI, covering both Person to Person (P2P) and Person to Merchant payments (P2M), is capped at ₹1 lakh except for specific use cases of P2M payments which have higher limits, some at ₹2 lakh and others at ₹5 lakh.

To enable the ecosystem to respond efficiently to new use cases, it is proposed that NPCI, in consultation with banks and other stakeholders of the UPI ecosystem, may announce and revise such limits based on evolving user needs. Appropriate safeguards will be put in place to mitigate risks associated with higher limits. Banks shall continue to have the discretion to decide their own internal limits within the limits announced by NPCI. P2P transactions on UPI shall continue to be capped at ₹1 lakh, as hitherto.

Statement on Developmental and Regulatory Policies dated 7 February 2025 by the RBI

Introduction of forward contracts in Government securities

Over the past few years, the RBI has been expanding the suite of interest rate derivative products available to market participants to manage their interest rate risks. In addition to Interest Rate Swaps, products such as Interest Rate Options, Interest Rate Futures, Interest Rate Swaptions, Forward Rate Agreements, etc. are available to market participants. We have been receiving feedback about the need to allow forward contracts in Government securities to enable further market development. Such forward contracts will enable long-term investors such as insurance funds to manage their interest rate risk across interest rate cycles. They will also enable efficient pricing of derivatives that use bonds as underlying instruments. Draft directions in this regard were issued in December 2023.

Access of SEBI-registered non-bank brokers to NDS-OM

The Negotiated Dealing System – Order Matching (NDS-OM) is an electronic trading platform for secondary market transactions in government securities. Access to NDS-OM is, at present, available to regulated entities and to the clients of banks and standalone primary dealers. With a view to widening access, it has been decided by the RBI that non-bank brokers registered with SEBI can directly access NDS-OM, on behalf of their clients. These brokers may access NDS-OM subject to the regulations and conditions laid down by the Reserve Bank in this regard.

Enhancing Trust in the Financial Sector through ‘bank.in’ and ‘fin.in’ domains

Increased instances of fraud in digital payments are a significant concern. To combat the same, the RBI is introducing the ‘bank.in’ exclusive Internet Domain for Indian banks. This initiative aims to reduce cyber security threats and malicious activities like phishing; and streamline secure financial services, thereby enhancing trust in digital banking and payment services. The Institute for Development and Research in Banking Technology (IDRBT) will act as the exclusive registrar. The actual registrations will commence from April 2025. Going forward, it is planned to have an exclusive domain viz., “fin.in” for other non-bank entities in the financial sector.

Statement on Developmental and Regulatory Policies dated 1 October 2025 by the RBI

Expected Credit Loss (ECL) framework for provisioning

With a view to strengthen the resilience of the banking sector, it is proposed to issue the draft Reserve Bank (Asset Classification, Provisioning and Income Recognition) Directions, 2025 for Scheduled Commercial Banks (excluding Small Finance Banks, Payments Banks and Regional Rural Banks) and All India Financial Institutions. The draft directions inter alia, propose to replace the extant framework based on incurred loss with an Expected Credit Loss (ECL) approach, subject to a prudential floor, while retaining the existing asset classification norms. The guidelines are expected to enhance credit risk management practices, promote better comparability of reported financials across institutions. The framework is designed to be implemented in a non-disruptive manner with a suitable glide-path.

Basel III Guidelines on Capital Charge for Credit Risk – Standardised Approach

As a part of the broader objective of improving the resilience of the banking sector and aligning the regulatory framework with the best international practices, it is proposed to issue the draft guidelines on implementation of the revised Basel framework on Standardised Approach for Credit Risk for Scheduled

Commercial Banks (excluding Small Finance Banks, Payments Banks, and Regional Rural Banks). The revised framework aims to improve the robustness, granularity and risk sensitivity of the standardized approach for calculating the capital charge for credit risk. The draft guidelines shall be issued shortly.

Forms of Business and Prudential Regulation for Investments

The draft guidelines on forms of business and investment for banks which was issued in October 2024 has been finalised and shall be issued shortly. The proposed bar on overlap in the businesses undertaken by a bank and its group entity is being removed. The circular envisages to streamline the activities being undertaken by banks and their group entities while providing more operational freedom to the banks and NOFHCs for equity investments and setting up group entities respectively.

Introduction of Risk Based Premium Framework for Deposit Insurance in India

Deposit Insurance and Credit Guarantee Corporation (DICGC), under the DICGC Act, 1961 has been operating the deposit insurance scheme since 1962 on a flat rate premium basis. At present, the banks are charged a premium of 12 paise per ₹100 of assessable deposits. While the existing system is simple to understand and administer, it does not differentiate between banks based on their soundness. It is, therefore, proposed to introduce a Risk Based Premium model which will help banks that are more sound to save significantly on the premium paid.

Review of Capital Market Exposures Guidelines for banks

Capital market exposures (CME) of the regulated entities (REs) which include, inter alia, lending against securities to individuals and lending to capital market intermediaries, have been subject to prudential regulations relating to sectoral exposure limits, single borrower limits, margin requirements, etc. Further, bank finance for acquisition of shares has been generally disallowed. There has been significant growth and development in the capital market structure, along with strengthening of the banking system in recent years. With the objective of rationalising the extant guidelines and broadening the scope for capital market lending by banks and other regulated entities, it is proposed to, *inter alia*:

- provide an enabling framework for banks to finance acquisitions by Indian corporates;
- enhance the limit for lending by banks against shares, units of REITs, units of InvITs while removing the regulatory ceiling altogether on lending against listed debt securities; and
- put in place a more principle-based framework for lending to capital market intermediaries.

Guidelines on Enhancing Credit Supply for Large Borrowers through Market Mechanism – Withdrawal

The Guidelines on Enhancing Credit Supply for Large Borrowers through Market Mechanism were introduced in August, 2016, with an objective to address the concentration risk arising from the aggregate credit exposure of the banking system to a single large corporate and encourage such large corporates to diversify their sources of funding. Upon review, considering, *inter-alia*, the changes evident in the profile of bank funding to corporate sector since the introduction of the Guidelines, it is proposed to withdraw the guidelines. While the Large Exposures Framework since put in place for banks addresses concentration risk at an individual bank-level, concentration risk at the banking system level, as and when considered as a risk, will be managed through specific macroprudential tools. These macroprudential tools, such as sector-specific capital buffers or stricter provisioning for concentrated sectors, are designed to address risks that are systemic rather than firm-specific.

Review of Restrictions on Transaction Accounts

With the objective of enforcing credit discipline among borrowers as well as to facilitate better monitoring by lenders, certain restrictions were placed on the operation of Current Accounts (CA), Cash

Credit Accounts (CC) and Overdraft Accounts (OD) (“Transaction Accounts”) offered by banks vide various circulars issued from time to time. These instructions have been reviewed by the RBI and it is proposed to ease some of the stipulations and provide greater flexibility to the banks in this regard, particularly in case of borrowers being entities regulated by a financial sector regulator.

Foreign Currency accounts by Indian exporters – extension of time period for repatriation from accounts held in IFSC in India

In January 2025, RBI had permitted Indian exporters to open foreign currency accounts with a bank outside India for realisation of export proceeds. Funds in these accounts can be used for making import payment or have to be repatriated by the end of next month from the date of receipt of the funds. It has now been decided to extend the time period for repatriation, from one month to three months, in case of such foreign currency accounts maintained in IFSC in India. This will encourage Indian exporters to open accounts with IFSC Banking Units and also increase forex liquidity in IFSC.

Merchanting Trade Transactions (MTT)

Global uncertainties in trade are resulting in supply chain disruptions, making it challenging for Indian merchants to meet their contractual obligations in time. In terms of extant guidelines on MTT, outlay of foreign exchange is allowed up to four months. It has now been decided to increase the period for the forex outlay from four months to six months, in case of MTT. This relaxation is expected to help Indian merchants overcome the challenges they face in completing their business transactions efficiently while maintaining profitability.

Relaxation in compliance requirements for Small Value Exporters/Importers

With a view to ease compliance for exporters/importers, especially of small value goods and services, it has been decided to simplify the process of reconciliation in Export Data Processing and Monitoring System (EDPMS) and Import Data Processing and Monitoring System (IDPMS).

As per the revised guidelines, bills can be reconciled and closed by an AD bank in EDPMS or IDPMS, based on a declaration by the concerned exporter or importer, as the case may be, that the amount has been realised, for a shipping bill, or paid against a Bill of Entry, for entries (including outstanding entries) in EDPMS/IDPMS of value equivalent to INR 10 lakh per bill, or less. The revised procedure will also enable reduction in the realisable value of bills by AD banks based on such declaration. This measure is expected to reduce compliance burden on small value exporters and importers and enhance ease of doing business.

Review of External Commercial Borrowing Framework

With an objective to rationalise and simplify the regulations governing External Commercial Borrowings (ECB), the RBI has undertaken a review of the existing provisions under the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018.

Based on the review, a revised framework that provides for expansion of eligible borrower and recognized lender base, rationalization of borrowing limits, rationalization of restrictions on average maturity period, removal of restrictions on the cost of borrowing for ECBs, review of end-use restrictions and simplification of reporting requirements, is proposed to be introduced.

Rationalisation of regulations for Establishment in India of a Branch Office or a Liaison Office or a Project Office or any other place of business

The extant regulations for “Establishment in India of a Branch Office or a Liaison Office or a Project Office or any other place of business” were issued by the Reserve Bank in 2016. The regulations have been comprehensively reviewed. The revised regulations are principle driven and enable delegation of more powers to AD banks and reduction of compliance burden, thereby further enhancing the ease of doing business in India.

Review of instructions on Basic Savings Bank Deposit (BSBD) Account

BSBD Account is a savings bank account which was introduced with the objective of promoting financial inclusion. The extant instructions on BSBD account require banks to provide certain minimum facilities free of charge, without the requirement of minimum balance, to the holders of such accounts. The ongoing digitalization in the banking sector necessitates a BSBD account that is in sync with the customer's changing requirements. Therefore, it has been decided by the RBI to review the extant instructions on BSBD account to provide affordable banking facilities to the public and drive enhanced usage of BSBD accounts to deepen financial inclusion.

Measures for strengthening the Internal Ombudsman mechanism in REs

The RBI has institutionalized the Internal Ombudsman (IO) mechanism in select Regulated Entities (REs) which enables an independent apex level review of complaints that are being rejected by the RE. To further improve upon the efficacy of this mechanism, it is proposed that the IOs be equipped with compensation powers and be allowed access to the complainant, aligning the role of IOs more closely with that of the RBI Ombudsman. Additionally, a two-tiered structure may be introduced within REs for grievance redress prior to escalation to the IO. These measures aim to provide meaningful and timely resolution of customer grievances within the REs, thereby improving service standards and consumer confidence.

Review of the Reserve Bank – Integrated Ombudsman Scheme, 2021

The Reserve Bank – Integrated Ombudsman Scheme (RB-IOS) (the Scheme), 2021 launched on 12 November 2021, provides customers of Regulated Entities (REs) a speedy, cost-effective and expeditious alternate grievance redress mechanism. The REs currently covered under the Scheme include Commercial Banks, Regional Rural Banks, Scheduled Primary (Urban) Co-operative Banks, Non-Scheduled Primary (Urban) Co-operative Banks with deposits size of ₹50 crore and above, select Non-Banking Financial Companies and Credit Information Companies.

To enable the customers of the rural co-operative banks to access the mechanism of RBI Ombudsman, it has been decided to bring State Co-operative Banks and District Central Cooperative Banks, hitherto with NABARD, within the scope of the RBI Ombudsman Scheme. The RBI has undertaken a comprehensive review of the Scheme. The review seeks to enhance clarity, simplify procedures and reduce timelines to further improve timely, fair, and effective redress.

Lending in Indian Rupees (INR) by Authorised Dealer (AD) banks to Persons Resident Outside India

In order to promote the settlement of cross border transactions in INR and local currencies, the RBI has been progressively liberalising regulations under the Foreign Exchange Management Act. To take this initiative further, it is essential that INR liquidity is made available and accessible to residents of other countries. As a calibrated step in this direction, it has been decided that AD banks in India and their overseas branches may be permitted to lend in INR to persons resident in Bhutan, Nepal, and Sri Lanka, including a bank in these jurisdictions, to facilitate cross border trade transactions.

Additional Reference Rates to be published by Financial Benchmarks India Limited

The development of forex market has facilitated the growing integration of the Indian economy with the rest of the world in terms of trade and capital flows. At present, Financial Benchmarks India Limited (FBIL) publishes reference rates for USD, EUR, GBP and JPY against INR. These rates are widely used for settlement of forex transactions including derivatives. It is now proposed to include select currencies of India's major trading partners in the list of reference rates published by FBIL. This is expected to further deepen the onshore forex market and encourage banks to quote directly in a larger set of currency pairs, thus eliminating the need for multiple currency conversions and making trade more efficient. FBIL has been advised to publish the new reference rates in consultation with the market.

Expanding the bouquet of investments for Special Rupee Vostro Accounts (SRVA) holders

To promote exports from India and to support increasing interest of global trading community in INR, RBI had permitted Special Rupee Vostro Accounts (SRVA) in July 2022 to facilitate invoicing, payment, and settlement of exports/imports in INR. The arrangement permitted, *inter alia*, Rupee surplus balances in SRVA to be invested in government securities including treasury bills. To expand investment opportunities in India for SRVA holders, it has now been decided to permit balances of these accounts to be invested in corporate bonds and commercial papers.

Statement on Developmental and Regulatory Policies dated 6 February 2026 by the RBI

This statement sets out developmental and regulatory policy measures relating to (a) regulations; (b) payments system; (c) financial inclusion; (d) financial markets; and (e) capacity building. A few of the points have been provided below. Draft instructions in relation to each of the topics mentioned below are intended to be issued for public consultation.

i. Regulations:

- (i) Advertising, Marketing and Sales of Financial Products and Services by Regulated Entities (REs):

Mis-selling financial products and services by any RE has significant consequences for both customers as well as the RE and accordingly it was decided to issue comprehensive instructions to REs on advertising, marketing and sales of financial products and services.

- (ii) Conduct of Regulated Entities in Recovery of Loans and Engagement of Recovery Agents:

It has been decided to review and harmonise all the extant conduct related instructions on engagement of recovery agents and other aspects related to recovery of loans applicable to different categories of REs.

- (iii) Review of framework of Limiting Customer Liability in digital transactions:

In view of the rapid adoption of technology in the banking sector and payments systems the existing instructions on limiting the liability of customers in unauthorised electronic banking transactions have been reviewed and draft revised instructions will include a framework for compensation in case of small value fraudulent transactions.

- (iv) Bank Lending to Real Estate Investment Trusts (REITs):

REITs and Infrastructure Investment Trusts (InvITs) were conceptualised in India with a view to free up banks' funds in completed and operational real estate and infrastructure projects by refinancing such exposures with pooled funds of institutional as well as retail investors. Consistent with these objectives, commercial banks were not permitted, *ab initio*, to lend to these entities. While bank lending to InvITs was allowed subsequently, lending to REITs was not permitted. Upon review and considering the presence of strong regulatory and governance framework for listed REITs, it is proposed to permit commercial banks to extend finance to REITs, subject to appropriate prudential safeguards. The existing guidelines in respect of lending to InvITs are also being harmonised for parity with prudential safeguards proposed for lending to REITs.

ii. Payments System

(i) Discussion Paper on “Exploring safeguards in digital payments to curb frauds”:

In alignment with the objective of promoting digital payments in a safe and secure manner, it is proposed to issue a discussion paper exploring the introduction of calibrated safeguards in digital payments such as introduction of lagged credits, additional authentication for specific class of users like senior citizens, etc. The proposed measures are intended to mitigate frauds and strengthen customer protection.

iii. Financial Inclusion

(i) Review of guidelines relating to use of Business Correspondents (BCs) by banks:

Business Correspondents have been functioning as critical enablers of last mile access to financial services, particularly in respect of underserved, rural, and remote locations. The RBI had set up a committee to comprehensively examine their operations and make suitable recommendations for enhancing their efficiency and basis the committee’s recommendations, the related regulatory guidelines are being reviewed.

(ii) Enhancement in Collateral free loan limit from ₹10 lakh to ₹20 lakh:

With a view to facilitate improved access to formal credit, support entrepreneurial activity and strengthen last mile credit delivery for Micro and Small Enterprises (MSEs) with limited collateral, it has been decided to enhance the limit of collateral free loans to MSEs from ₹10 lakh to ₹20 lakh. The above provisions shall be applicable to all loans to MSE borrowers sanctioned or renewed on or after 01 April 2026.

iv. Financial Markets

(i) Development of corporate bond market

An active derivatives market can facilitate efficient management of credit risks, improve liquidity and efficiency in the corporate bond market and facilitate issuance of corporate bonds across the rating spectrum. An announcement was made in the Union Budget speech delivered on 1 February 2026, that total return swaps on corporate bonds and derivatives on corporate bond indices will be introduced. Accordingly, a regulatory framework to enable the introduction of derivatives on credit indices and total return swaps on corporate bonds is intended to be issued shortly for public feedback.

(ii) Foreign Exchange Dealings of Authorised Dealers

Banks and standalone primary dealers authorised under FEMA access the foreign exchange market for market making, balance sheet management and hedging of risks. The regulatory framework governing the facilities for such Authorised Dealers (ADs) has been reviewed, rationalised and refined in view of the current market practices and requirements, domestically and globally. The revised framework provides these ADs with greater flexibility with respect to foreign exchange products, risk management and platforms.

(iii) Review of the Voluntary Retention Route for FPI investment in debt instruments

The Voluntary Retention Route (VRR) was introduced by the RBI in March 2019 to provide an additional channel for investments by Foreign Portfolio Investors (FPIs) with long-term investment interest in the Indian debt markets. Over the years, the Bank has been recalibrating the Route to improve operational flexibilities and ease of doing business. With a view to

ensuring predictability about the availability of investment limits under the VRR and to further increase ease of doing business, it has been decided that (A) investments under the VRR shall now be reckoned under the limit for FPI investments under the general route; and (B) certain additional operational flexibilities will be provided to FPIs investing under the VRR.

Risk-based Premium Framework for Deposit Insurance in India dated 6 February 2026

In pursuance of the announcement made in the Statement on Developmental and Regulatory Policies dated 01 October 2025, Deposit Insurance and Credit Guarantee Corporation (DICGC), with approval of Reserve Bank of India (RBI), has advised the insured banks on implementation of Risk Based Premium (RBP) framework. The framework aims to incentivise sound risk management by banks and reduce premium to be paid by better rated banks.

DICGC has been operating the deposit insurance since 1962 on a flat rate premium system presently 12 paise per ₹100 of assessable deposits (AD). Flat rate premium system is simple to understand and administer but does not differentiate banks which manage the risks better. DICGC Act, 1961 Section 15(1) provides for differential premium rates for different categories of insured banks. The proposal to introduce RBP for deposit insurance has been approved by the Central Board of RBI on 19 December 2025.

Salient features of the RBP framework issued on 9 February 2026 are as under:

- There shall be two risk assessment models – Tier 1 Model and Tier 2 Model. Tier 1 Model is applicable to Scheduled Commercial Banks other than Regional Rural Banks (RRBs), and based on supervisory ratings, quantitative assessment (CAMELS parameters) and potential loss to Deposit Insurance Fund (DIF) in case of failure of insured bank.
- The framework envisages a rating override policy in case of adverse material information/development, subsequent to the initial risk rating.
- The banks will be required to maintain confidentiality of ratings and not to disclose ratings or amount of premium paid to DICGC.
- The RBP framework shall be effective from 1 April 2026, and will be reviewed at least once in three years.

TAXATION

The information provided below does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, the information does not consider any specific facts of circumstances that may apply to a particular purchaser. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements do not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules.

Prospective purchasers of the Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of the Notes, including the effect of any state or local taxes, under the tax laws applicable in India or the UK and each country of which they are residents, or countries of purchase, holding or disposal of the Notes. Additionally, in view of the number of jurisdictions where local laws may apply, this Offering Circular does not discuss the local tax consequences to a potential holder, purchaser, seller arising from the acquisition, holding or disposal of the Notes. Prospective investors must therefore inform themselves as to any tax, exchange control legislation or other laws and regulations in force relating to the subscription, holding or disposal of the Notes at their place of ordinance, and the countries of which they are citizens or countries of purchase, holding or disposal of the Notes.

Indian Taxation

The following is a summary of the principal Indian tax consequences for non-resident investors subscribing to the Notes issued by the Issuer through its Head Office, its London Branch, its GIFT City Branch or any other foreign branch. The summary is based on taxation law and practice in force at the date of this Offering Circular and is subject to change. The summary does not constitute legal or tax advice and is not intended to represent a complete analysis of the tax consequences under Indian law of the acquisition, ownership or disposal of the Notes. Prospective investors should, therefore, consult their own tax advisors regarding the Indian tax consequences, as well as the tax consequences under any applicable taxing jurisdiction, of acquiring, owning and disposing of the Notes. Please note that the (Indian) Income-tax Act, 1961 will be replaced by the (Indian) Income-tax Act, 2025 with effect from 1 April 2025.

Payments through its Head Office, its London Branch, its GIFT City Branch or other foreign branch

There is currently no requirement to withhold Indian tax on interest payments made on the Notes by Bank of Baroda's offshore branches, if the amounts raised through these Notes are utilized outside India for the purposes of a business carried out by the Issuer outside India or for the purposes of making or earning income from any other source outside India. If and to the extent the amounts so raised are utilized in India, Indian tax consequences would be applicable as detailed under the paragraphs "Withholding Tax" and "Taxation of Interest" which are set out below.

Payments made through India

Any payments on the Notes, including additional amounts, made through India would be subject to the regulations of the RBI.

Withholding of Taxes on Interest Paid by BOB through India

No withholding tax would be applicable on interest income by way of interest payable to a non-resident by a unit located in an International Financial Services Centre ("IFSC") in respect of monies borrowed by it on or after 1 September 2019. If the proceeds of the Notes are used for the purposes of the

business of the Issuer in India, Non-resident Investors will be liable to pay tax on the interest paid on the Notes. There may be a requirement to withhold tax at the rate of 20.00 per cent. (plus applicable surcharge, and health and education cess) on interest payments made on the Notes to non-residents where the Notes are issued after 30 June 2023 or at the rate of 35.00 per cent. (plus applicable surcharge and health and education cess) in case of Rupee Denominated Notes in accordance with the existing conditions contained in the Income-tax Act, 1961 (“IT Act”). This rate may be reduced under Section 194LC of the IT Act and tax would be withheld at the applicable rate, i.e., at 9.00 per cent. (plus applicable surcharge and health and education cess), subject to satisfaction of conditions specified in Section 194LC of the IT Act. An applicable tax treaty, read with Multilateral Instruments (“MLI”) (if and to the extent applicable), may reduce such tax liability to rates further subject to fulfilment of the conditions prescribed therein.

Tax may also be withheld at higher rates under Section 206AA of the IT Act (described below).

Under Section 206AA of the IT Act, non-resident holders of Notes, issued in accordance with Section 194LC of the IT Act and listed exclusively in an IFSC, are not required to provide any permanent account number to the payer in respect of the interest income on such Notes. In respect of all other Notes issued to non-residents, Noteholders are required to provide their permanent account number to the payer, failing which, tax will be deducted at a higher rate. However, where such Noteholders do not have a permanent account number, provisions of Section 206AA of the IT Act should not apply, provided such Noteholders furnish documentation including a tax residency certificate, a tax identification number and other details including their name, address, email details and contact number in respect of the instruments set out in Section 206AA(7) of the IT Act and Rule 37BC of the Income-tax Rules, 1962, as amended.

In the event that the tax withheld from interest on the Notes payable to a Non-resident Investor is determined to be in excess of, or less than, its ultimate Indian tax liability on such interest, the non-resident Noteholder will be entitled to a refund of, or obligated to pay, such differential income tax, as the case may be, subject to and in accordance with the provisions of the IT Act.

For the purpose of tax withholding, the Non-resident Investor shall be obliged to provide the prescribed information or documents, including a tax residency certificate (issued by the tax authorities of the country in which the investor is resident), to claim tax treaty benefits, read with MLI (if and to the extent applicable).

Pursuant to the Terms and Conditions of the Notes, all payments of, or in respect of, principal and interest on the Notes, will be made free and clear of and without withholding or deduction on account of any present or future taxes within India unless it is required by law, in which case, the Issuer will pay additional amount as may be necessary in order that the net amount received by the Noteholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or the deduction, subject to certain exceptions.

Taxation of interest

Generally, any income by way of interest payable to a non-resident by a unit located in an IFSC in respect of monies borrowed by it on or after 1 September 2019, would be exempt from Indian income tax under Section 10(15) of the IT Act. If this exemption is not available, then a Non-resident Investor may be liable to pay income tax at a rate of 20.00 per cent. under Section 115A of the IT Act (plus applicable surcharge, and health and education cess) on interest paid on the Notes through India subject to and in accordance with the existing conditions contained in the IT Act. This tax may stand reduced to 9.00 per cent. (plus applicable surcharge and health and education cess) under Section 194LC read with Section 115A of the IT Act if the interest is paid pursuant money borrowed by the Issuer from a source outside India by way of issuance of long-term bonds or rupee denominated bonds on or after 1 July 2023, which is listed only on the recognised stock exchange located in any IFSC subject to satisfaction of conditions mentioned therein. However, an applicable tax treaty, read with MLI (if and to the extent applicable), may further reduce such tax liability subject to fulfilment of the conditions prescribed therein. The Noteholder may be required to provide certain documents or other information as prescribed by law to apply the tax rate in accordance with the applicable tax treaty, read with MLI (if and to the extent applicable). A

Non-resident Investor would be obligated to pay such income tax in an amount equal to, or would be entitled to a refund of, as the case may be, any difference between amounts withheld in respect of interest paid on the Notes through India and its ultimate Indian tax liability for such interest, subject to and in accordance with the provisions of the IT Act.

Taxation of Gains Arising on Disposal of Notes Denominated in any Currency other than Indian Rupees

Any gains arising to a Non-resident Investor from disposal of the Notes held (or deemed to be held) as a capital asset will generally be chargeable to income tax in India if the Notes are regarded as property situated in India. A Non-resident Investor will generally not be chargeable to income tax in India from a disposition of the Notes held as a capital asset provided the Notes are regarded as being situated outside India. The issue as to where the Notes should properly be regarded as being situated is not free from doubt. The ultimate decision, however, will depend upon the view taken by the Indian tax authorities on the position with respect to the situs of the rights being offered in respect of the Notes. There is a possibility that the Indian tax authorities may treat the Notes as being situated in India as the Bank is incorporated in and resident in India. In the event capital gains arising on transfer of a capital asset are chargeable to tax in India, then, the rate of tax shall depend upon the residential status of the Noteholder as defined under the applicable provisions of Indian Law and the rates of tax prevailing at the time of transfer, in accordance with the relevant provisions of the IT Act. The views explained above are as per the provisions of the prevailing IT Act and potential investors should, in any event, consult their own tax advisers on the tax consequences on transfer of the Notes.

If the Notes are regarded as situated in India by the Indian tax authorities, upon disposition of a Note:

- (a) a Non-resident Investor, who has held the Notes for a period of more than 24 months preceding the date of their dispositions, would be liable to pay capital gains tax at rates ranging up to 12.50 per cent. of the capital gains (plus applicable surcharge, and health and education cess). In the case of Notes which are listed on a recognized stock exchange located in IFSC, such Notes would be considered as a long-term capital asset when held for more than 12 months;
- (b) a Non-resident Investor who has held the Notes for 24 months or less would be liable to pay capital gains tax at rates ranging up to 35.00 per cent. of the capital gains (plus applicable surcharge, and health and education cess), depending on the legal status of the Non-resident Investor, and his taxable income in India. In the case of Notes which are listed on a recognized stock exchange located in IFSC, such Notes would be considered as a short term capital asset when held for 12 months or less;
- (c) any surplus realized by a Non-resident Investor from a disposition of the Notes held as stock-in-trade would be subject to income tax in India to the extent, if any, that the surplus is attributable to a “business connection in India” or, where a tax treaty applies, read with MLI (if and to the extent applicable), to a “permanent establishment” of the Non-resident Investor in India. A Non-resident Investor would be liable to pay Indian tax on the profits which are so attributable to such “business connection” or “permanent establishment” at a rate of tax ranging up to 35.00 per cent. (plus applicable surcharge, and health and education cess), depending on the legal status of the Non-resident Investor and his taxable income in India;
- (d) if unlisted USD Denominated Notes are regarded as unlisted bonds or unlisted debentures, and are transferred, redeemed or mature on or after 23 July 2024, they would be considered as short term capital assets irrespective of the period for which they were held and would be subject to capital gains tax at rates ranging up to 35.00 per cent. (plus applicable surcharge and health and education cess); and;
- (e) Where the Notes listed on the recognised stock exchange located in any IFSC for a consideration payable in foreign exchange, capital gains derived from such transfer by the Non-resident are exempt from tax in India.

The taxation, if any, of capital gains would also depend upon the provisions/benefits available under the relevant tax treaty, read with MLI (if and to the extent applicable), subject to fulfilment of the conditions prescribed therein and under the IT Act 1961.

Taxation of Capital Gains on disposal of Rupee Denominated Notes

Capital gains if any arising pursuant to any transfer, made outside India by a non-resident to another non-resident, of a capital asset being Rupee Denominated Notes of the Issuer being an Indian company issued outside India are not subject to tax in India. Any gains arising to a Non-resident Investor from transfer of Notes held as a capital asset will generally be chargeable to income tax in India if the Notes are transferred to an Indian resident.

If the Rupee denominated Notes are transferred to an Indian resident upon disposition of a Note:

- (a) a Non-resident Investor, who has held the Notes as capital asset for a period of more than 24 months immediately preceding the date of their disposition, would be liable to pay long-term capital gains tax at the rate of 12.50 per cent. (plus applicable surcharge and health and education cess) of the capital gains in accordance with the provisions of the IT Act. In the case of Notes which are listed on a recognized stock exchange located in IFSC, such Notes would be considered as a long-term capital asset when held for more than 12 months;
- (b) a Non-resident Investor who has held the Notes as capital asset for 24 months or less would be liable to pay capital gains tax at rates ranging up to 35.00 per cent. (plus applicable surcharge and health and education cess) of the capital gains, depending on the legal status of the Non-resident Investor, and his taxable income in India; and any taxation of capital gains would also depend upon the provisions/benefits available under the relevant tax treaty read with MLI, if and to the extent applicable, subject to fulfilment of the conditions prescribed under the relevant Tax Treaty, read with MLI (if and to the extent applicable), as well as the IT Act. In the case of Notes which are listed on a recognized stock exchange located in IFSC, such Notes would be considered as a short term capital asset when held for 12 months or less;
- (c) in respect of a Non-resident Investor holding Rupee denominated Notes, the IT Act provides that any gains arising on account of appreciation of the Rupee against a foreign currency at the time of redemption of Rupee denominated Notes held by a Non-resident Investor, shall be ignored for the computation of full value of consideration. Accordingly, gains accruing to the Non-resident Investor due to appreciation of the Rupee against a foreign currency at the time of redemption of the Rupee denominated Notes held by such Non-resident Investor, shall not be taxable;
- (d) if unlisted Rupee Denominated Notes are regarded as unlisted bonds or unlisted debentures, and are transferred, redeemed or mature on or after 23 July 2024, they would be considered as short term capital assets irrespective of the period for which they were held and would be subject to capital gains tax at rates ranging up to 35.00 per cent. (plus applicable surcharge and health and education cess); and
- (e) any surplus realized by a Non-resident Investor from a disposition of the Notes held as stock-in-trade would be subject to income tax in India to the extent, if any, that the surplus is attributable to a “business connection in India” or, where a tax treaty, read with MLI (if and to the extent applicable), applies, to a “permanent establishment” of the Non-resident Investor in India. A Non-resident Investor would be liable to pay Indian tax on the profits which are so attributable to such “business connection” or “permanent establishment” at a rate of tax ranging up to 35.00 per cent. (plus applicable surcharge and health and education cess), depending on the legal status of the Non-resident Investor and his taxable income in India.

In the event capital gains arising on transfer of a capital asset are chargeable to tax in India, then, the rate of tax shall depend upon the residential status of the Noteholder as defined under the applicable provisions of Indian Law and the rates of tax prevailing at the time of transfer, in accordance with the relevant provisions of the IT Act.

Taxation of deemed Income

As a measure to prevent laundering of unaccounted income, the IT Act provides that any person receiving certain specified assets (including the Notes) at a price less than their fair market value, shall be subject to income tax in India on the benefit accruing to him. Tax shall be payable at the rates applicable for the regular income. However, it may be noted that this provision would not be applicable if the asset is received from a relative or under a will or by way of inheritance or any other specific instances provided under Section 56(2)(x) of the IT Act.

In case a non-resident receives Notes under the above mechanism, the taxability of the same shall also be subject to the provisions of the applicable tax treaty, read with MLI (if and to the extent applicable), assuming the non-resident is entitled to claim benefits of the tax treaty, read with MLI (if and to the extent applicable).

Compliance under the Income Tax Act

A Non-resident Investor is obliged to pay such income tax in an amount equal to, or would be entitled to a refund of, as the case may be, any difference between amounts withheld in respect of interest paid on the Rupee denominated Notes and its ultimate Indian tax liability for such interest, in accordance with provisions of the Income Tax Act.

Taxation of persons ordinarily resident in India

Any income received in respect of the Notes by a person ordinarily resident in India under the provisions of the IT Act, may generally be subject to tax in India according to the personal or corporate rate of tax, as applicable.

Anti Avoidance Provisions

Under the IT Act, there are both specific as well as generic anti-avoidance provisions relating to tax-like transfer pricing provisions and GAAR. Under the transfer pricing provisions, any income arising from an international transaction between two associated enterprises must be computed having regard to the arm's length price ("ALP"). In the event that the Notes are transferred by a Non-resident Investor to another Non-resident Investor and such Non-resident Investors are associated enterprises, then the transactions must be at ALP and there are necessary consequential compliances. The GAAR provisions are intended to catch arrangements declared as "impermissible avoidance arrangement" which are defined under Section 96 of the IT Act, as any arrangement, the main purpose of which is to obtain a tax benefit and which: creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act; lacks commercial substance or is deemed to lack commercial substance, as set out in Section 97 of the IT Act, in whole or in part; or is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. The aggregate monetary limit to invoke the GAAR provisions is Rs. 30 million. The onus to prove that the transaction is an "impermissible avoidance arrangement" is on the tax authorities. If the GAAR provisions are invoked, then the tax authorities have wide powers, including, inter alia, disregarding, combining or re-characterising any step in or part or whole of the impermissible avoidance arrangement, considering or looking through any arrangement by disregarding any corporate structure, denial of tax benefit claimed by a taxpayer or the denial of a benefit under a tax treaty, read with MLI (if and to the extent applicable). Arrangements are presumed to have been entered into or carried out for the main purpose of obtaining a tax benefit when the main purpose of a step in, or a part of, the arrangement is to obtain a tax benefit, notwithstanding the fact that the main purpose of the whole arrangement is not to obtain a tax benefit.

Potential investors should, in any event, consult their own tax advisers on the tax consequences of transfer of the Notes.

Wealth Tax

No wealth tax is payable at present in relation to the Notes in India.

Estate Duty

No estate duty is payable at present in relation to the Notes in India. There are no inheritance taxes or succession duties currently imposed in respect of the Notes held outside India.

Gift Tax

No gift tax is payable at present in relation to the Notes held outside India.

Stamp Duty

A transfer of Notes outside India will not give rise to any Indian stamp duty liability unless the Notes are brought into India. In the event that Notes are brought into India for enforcement or for any other purpose, the same will attract stamp duty as payable in the relevant state. This stamp duty will have to be paid within a period of 3 months from the date the Notes are first received in India.

United Kingdom Taxation

The following is a summary of the Issuer's understanding of current United Kingdom tax law as applied in England and Wales and published HM Revenue and Customs' practice, in each case relating only to the UK withholding tax treatment of payments of interest (as that term is understood for UK tax purposes) in respect of Notes. It does not deal with any other UK taxation implications of acquiring, holding or disposing of Notes. The UK tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the UK or who may be unsure as to their tax position should seek their own professional advice.

Payments of interest on the Notes that do not have a United Kingdom source may be made without deduction or withholding on account of United Kingdom income tax.

If payments of interest on the Notes do have a United Kingdom source, such payments may be made without deduction or withholding on account of United Kingdom income tax in any of the following circumstances.

Payments of interest on the Notes may be made without deduction or withholding for or on account of UK income tax provided that the Issuer is and continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the "**Act**") and the interest on the Notes is and continues to be paid in the ordinary course of its business within the meaning of section 878 of the Act.

Payments of interest on the Notes may also be made without deduction of or withholding on account of UK income tax provided that the Notes carry a right to interest and are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Act. The SGX-ST is a recognised stock exchange for these purposes. The Notes will be treated as listed on the SGX-ST if they are both officially listed in Singapore in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Main Board of the SGX-ST. Provided, therefore, that the Notes carry a right to interest and are and remain so listed on a "recognised stock exchange", interest on the Notes will be payable without withholding or deduction on account of UK tax whether or not the Issuer is a bank and whether or not the interest is paid in the ordinary course of its business. Please note, however, that the INX is not a recognised stock exchange for these purposes. Therefore, payments of interest on Notes that are listed on the INX will not be able to benefit from the exemption described in this paragraph, and would need to satisfy the exemption set out in the paragraph immediately above or immediately below in order to be paid free of any deduction or withholding on account of UK income tax.

Interest on the Notes may also be paid without withholding or deduction on account of UK income tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, where the relevant payments of interest are treated as having a UK source, an amount must generally be withheld from payments of interest on the Notes on account of UK income tax at the basic rate (currently 20.00 per cent.), subject to any other available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the Issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the Code, commonly known as FATCA, withholding may be required on, among other things, (i) certain payments made by “foreign financial institutions” (“**foreign passthru payments**”), and (ii) dividend equivalent payments (as described above in “*U.S. Dividend Equivalent Withholding*”), in each case, to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including India) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to foreign passthru payments, are uncertain and may be subject to change. If withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. Additionally, Notes characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or before the relevant grandfathering date would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. The grandfathering date for (A) Notes that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, and (B) Notes that give rise to a dividend equivalent pursuant to Section 871(m) of the Code and the U.S. Treasury regulations promulgated thereunder, is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalents. If additional notes (as described under “*Terms and Conditions of the Notes – Further Issues*”) that are not distinguishable from such previously issued grandfathered Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

BOOK-ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Arrangers, the Dealers, the Trustee nor any Agent (as defined in the Agency Agreement) will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Information in this section has been derived from the Clearing Systems.

Book-entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organised under the New York Banking Law, a member of the Federal Reserve System, a “banking organisation” within the meaning of the New York Banking Law, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Direct Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. “**Direct Participants**” include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is a wholly owned subsidiary of The Depository Trust and Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC System is also available to others, such as securities brokers and dealers, banks and trust companies, that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**” and, together with Direct Participants, “**Participants**”). More information about DTC can be found at www.dtcc.com and www.dtc.org but such information is not incorporated by reference in and does not form part of this Offering Circular.

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “**DTC Rules**”), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (“**DTC Notes**”) as described below and receives and transmits distributions of principal and interest on DTC Notes. The DTC Rules are on file with the United States Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (“**Owners**”) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the DTC Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC’s records. The ownership interest of each actual purchaser of each DTC Note (“**Beneficial Owner**”) is in turn to be recorded on the Direct Participant’s and Indirect Participant’s records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant’s or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership

interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other name as may be requested by an authorised representative of DTC. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Notes unless authorised by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to Cede & Co., or such other nominee as may be requested by an authorised representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the relevant agent (or such other nominee as may be requested by an authorised representative of DTC), on the relevant payment date in accordance with their respective holdings shown in DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participants and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of the Direct Participants and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to the Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "*Subscription, Sale, Transfer and Selling Restrictions*".

A Beneficial Owner shall give notice to elect to have its DTC Notes purchased or tendered, through its Participant, to the relevant agent, and shall effect delivery of such DTC Notes by causing the Direct Participant to transfer the Participant's interest in the DTC Notes, on DTC's records, to the relevant agent. The requirement for physical delivery of DTC Notes in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the DTC Notes are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered DTC Notes to the relevant agent's DTC account.

DTC may discontinue providing its services as depository with respect to the DTC Notes at any time by giving reasonable notice to the Issuer or the relevant agent. Under such circumstances, in the event that a successor depository is not obtained, DTC Note certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, DTC Note certificates will be printed and delivered to DTC.

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective accountholders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an accountholder of either system.

Book-entry Ownership of and Payments in respect of DTC Notes

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositories of Euroclear and Clearstream. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to the interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' accounts.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings, as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participants and not the responsibility of DTC, the Principal Paying Agent, the Registrar or the Issuer. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system, who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under “*Subscription, Sale, Transfer and Selling Restrictions*”, cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Principal Paying Agent and any custodian with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Principal Paying Agent and the custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream or Euroclear (or their respective direct or indirect participants or accountholders) of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

SUBSCRIPTION, SALE, TRANSFER AND SELLING RESTRICTIONS

The Dealers have, in an amended and restated programme agreement dated 30 March 2026 (as amended and/or supplemented from time to time, the “**Programme Agreement**”), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain expenses in connection with the establishment of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe for Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Each of the Dealers and its affiliates may engage in investment or commercial banking and other dealings in the ordinary course of business with the Issuer or its affiliates from time to time and may receive fees and commissions for these transactions. In addition to the transactions noted above, each Dealer and its affiliates may, from time to time after completion of the Offering, engage in other transactions with, and perform services for, the Issuer or its affiliates in the ordinary course of their business. Each Dealer or its affiliates may also purchase Notes for asset management and/or proprietary purposes but not with a view to distribution or may hold the Notes on behalf of clients or in the capacity of investment advisors. While each Dealer and its affiliates has policies and procedures to deal with conflicts of interests, any such transactions may cause a Dealer or its affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Notes. Each Dealer may receive returns on such transactions and has no obligation to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Notes. Further, each of the Dealers and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Dealers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its subsidiaries, jointly controlled entities or associated companies from time to time. In the ordinary course of their various business activities, the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer or its subsidiaries, jointly controlled entities or associated companies, including Notes issued under the Programme, may be entered into at the same time or proximate to offers and sales of Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Notes. Notes issued under the Programme may be purchased by or be allocated to any Dealer or an affiliate for asset management and/or proprietary purposes but not with a view to distribution.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Circular and/or the applicable Pricing Supplement.

CMIIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIIs). CMIIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIIs should not place “X-orders” into the order book.

CMIIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a “principal” basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the “proprietary orders” requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIIs (including private banks) that are subject to the SFC Code should disclose underlying investor information, in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- the name of each underlying investor;
- a unique identification number for each investor;
- whether an underlying investor has any “Associations” (as used in the SFC Code);
- whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code); and
- whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIIs and investors is personal and/or confidential in nature, CMIIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that it and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Registered Notes (other than a person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note) or any person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or *vice versa*, will be required to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (i) that either: (a) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A; or (b) it is outside the United States and, in the case of Notes offered or sold in reliance on Category 2 of Regulation S, it is outside the United States and is not a U.S. person;
- (ii) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. state securities laws and may not be offered or sold within the United States or, in the case of Notes offered or sold in reliance on Category 2 of Regulation S, is outside the United States to, or for the account or benefit of, U.S. persons except as set forth below;
- (iii) that, unless it holds an interest in a Regulation S Global Note and is a person located outside the United States or, in the case of Notes offered or sold in reliance on Category 2 of Regulation S, is outside the United States and is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, prior to the date which is one year after the later of the last Issue Date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Notes, only (a) to the Issuer or any affiliate thereof, (b) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (c) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act or (d) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available), in each case in accordance with all applicable U.S. state securities laws;
- (iv) that it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (iii) above, if then applicable;

- (v) that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes;
- (vi) that the Notes, other than Bearer Notes and the Regulation S Global Notes, will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, (I) MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR, (II) IN THE CASE OF SECURITY ISSUED IN RELIANCE ON CATEGORY 2 OF REGULATION S UNDER THE SECURITIES ACT, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES AND TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, IN EACH CASE EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT OR (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).”;

- (vii) that, if it is outside the United States and it should resell or otherwise transfer the Notes, it will do so only (a)(i) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act or (ii) to a QIB in compliance with Rule 144A and (b) in accordance with all applicable U.S. state securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

“THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, (I) MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR (II) IN THE CASE OF SECURITY ISSUED IN RELIANCE ON CATEGORY 2 OF REGULATION S UNDER THE SECURITIES ACT, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES AND TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, IN EACH CASE EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. IN THE CASE OF SECURITY ISSUED IN RELIANCE ON CATEGORY 2 OF REGULATION S UNDER THE SECURITIES ACT, THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.”; and

- (viii) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and, if it is acquiring any Notes as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make, and does make, the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.\$100,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-banking fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 (or its foreign currency equivalent) principal amount of Registered Notes.

Selling Restrictions

United States of America

- (a) In respect of Notes offered or sold in reliance on Category 1 as specified in the applicable Pricing Supplement, the Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold, and will not offer or sell, any Notes constituting part of its allotment except in accordance with Rule 903 of Regulation S under the Securities Act or pursuant to another exemption from the registration requirements of the Securities Act.

In respect of Notes offered or sold in reliance on Category 2 as specified in the applicable Pricing Supplement, the Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. Subject to paragraphs (g) to (i) below, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold and delivered any Notes, and will not offer, sell and deliver any Notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified as provided below, within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S of the Securities Act. Each Dealer who has purchased Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and certify to the Principal Paying Agent the completion of the distribution of the Notes of such Tranche. On the basis of such notification or notifications, the Principal Paying Agent has agreed to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche. Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the Securities Act) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the relevant Lead Manager, in the case of a syndicated issue, and except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Terms used in this subclause (a) have the meanings given to them by Regulation S.

- (b) Each Dealer has further represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.
- (c) The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder.
- (d) In respect of Bearer Notes where TEFRA D is specified in the applicable Pricing Supplement, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:
 - (i) except to the extent permitted under U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (or any substantially identical successor United States Treasury regulation section, including without limitation, substantially identical regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of

- 2010) (the D Rules), (i) it has not offered or sold, and during the restricted period it will not offer or sell, Bearer Notes to a person who is within the United States or its possessions or to a United States person, and (ii) it has not delivered and it will not deliver within the United States or its possessions definitive Bearer Notes that are sold during the restricted period;
- (ii) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling definitive Bearer Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
 - (iii) if it is a United States person, it is acquiring definitive Bearer Notes for purposes of resale in connection with their original issuance and if it retains Notes definitive Bearer Notes for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D)(6) (or any substantially identical successor United States Treasury regulation section, including without limitation, substantially identical successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010);
 - (iv) with respect to each affiliate that acquires definitive Bearer Notes from a Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer repeats and confirms the representations and agreements contained in subparagraphs (d)(i), (d)(ii), (d)(iii) on such affiliate's behalf;
 - (v) it will obtain from any distributor (within the meaning of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D)(4)(ii) (or any substantially identical successor United States Treasury regulation section, including without limitation, substantially identical successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010)) that purchases any definitive Bearer Notes from it pursuant to a written contract with such Dealer (except a distributor that is one of its affiliates or is another Dealer), for the benefit of the Issuer and each other Dealer, the representations contained in, and such distributor's agreement to comply with, the provisions of subparagraphs (d)(i), (d)(ii), (d)(iii) and (d)(iv) insofar as they relate to the D rules, as if such distributor were a Dealer hereunder.
- (e) In respect of Bearer Notes where TEFRA C is specified in the applicable Pricing Supplement, such Bearer Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, such Bearer Notes within the United States or its possessions in connection with their original issuance. Further, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree in connection with the original issuance of such Bearer Notes that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of such Bearer Notes.
 - (f) Terms used in subparagraphs (d) and (e) have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C) (or any substantially identical successor United States Treasury regulation section, including without limitation, substantially identical successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010).

- (g) Notwithstanding anything above to the contrary, it is understood that Registered Notes may be offered and sold to QIBs (as defined below) in the United States in reliance on Rule 144A, and in connection therewith each Dealer represents and agrees that:
 - (i) offers, sales, resales and other transfers of Registered Notes made in the United States made or approved by a Dealer (including offers, resales or other transfers made or approved by a Dealer in connection with secondary trading) shall be made with respect to Registered Notes only and shall be effected pursuant to an exemption from the registration requirements of the Securities Act;
 - (ii) offers, sales, resales and other transfers of Notes made in the United States will be made only in private transactions to institutional investors that are reasonably believed to qualify as qualified institutional buyers within the meaning of Rule 144A (each such institutional investor being hereinafter referred to as a “**QIB**”);
 - (iii) the Registered Notes will be offered in the United States only by approaching prospective purchasers on an individual basis. No general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act will be used in connection with the offering of the Registered Notes in the United States; and
 - (iv) no sale of Registered Notes in the United States to any one QIB will be for less than U.S.\$200,000 principal amount or its equivalent rounded upwards and no Registered Note will be issued in connection with such a sale in a smaller principal amount. If such purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$200,000 principal amount of the Registered Notes;
- (h) each Registered Note sold as a part of a private placement in the United States and each Regulation S Global Note shall contain a legend in substantially the form set out on the face of such Registered Note in the Trust Deed.
- (i) The Issuer has represented and agreed that any resale or other transfer, or attempted resale or other transfer of Notes sold as part of a private placement in the United States made other than in compliance with the restrictions set out in paragraph (g) shall not be recognised by the Issuer or any agent of the Issuer and shall be void.
- (j) Each issue of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement. The relevant Dealer will be required to represent and agree that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

Prohibition of Sales to European Economic Area Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”);

- (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”); and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the EEA, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the final terms in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is either one (or both) of the following:
 - (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
 - (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (“**POATRs**”); and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;
- (b) to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) in any other circumstances falling within Part 1 of Schedule 1 to the POATRs,

For the purposes of this provision, the expression an “**offer of Bonds to the public**” in relation to any Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to buy or subscribe for the Bonds and the expression “**POATRs**” means the Public Offers and Admissions to Trading Regulations 2024.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold, and will not offer or sell, any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act, 2000 (“**FSMA**”) by the Issuer;

- (b) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Offering Circular or of any other document relating to any Notes be distributed in Italy, except, in accordance with any Italian securities, tax and other applicable laws and regulations.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or delivered, and will not offer, sell or deliver any Notes or distribute any copy of this Offering Circular or any other document relating to the Notes in Italy except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree no. 58 of 24 February 1998 (the “**Financial Services Act**”) and Article 34-ter, paragraph 1, letter (b) of CONSOB regulation No. 11971 of 14 May 1999 (the “**Issuers Regulation**”), all as amended from time to time; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Issuers Regulation.

In any event, any offer, sale or delivery of the Notes or distribution of copies of this Offering Circular or any other document relating to the Notes in Italy under paragraphs (a) or (b) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of 1 September 1993 (the “**Banking Act**”) and CONSOB Regulation No. 20307 of 15 February 2018, all as amended from time to time;
- (b) in compliance with Article 129 of the Banking Act, as amended from time to time, and the implementing guidelines of the Bank of Italy, as amended from time to time; and
- (c) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time by CONSOB or the Bank of Italy or other competent authority.

Investors should note that, in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies under paragraphs (a) and (b) above, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and the Issuers Regulation. Furthermore, where no exemption from the rules on public offerings applies, the Notes which are initially offered and placed in Italy or abroad to professional investors only but in the following year are “systematically” distributed on the secondary market in Italy become subject to the public offer and the prospectus requirement rules provided under the Financial Services Act and Issuers Regulation. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the purchasers of Notes who are acting outside of the course of their business or profession.

The Netherlands

Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that any Notes will be offered in the Netherlands only to Qualified Investors (*gekwalficeerde beleggers*, as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*)).

Zero Coupon Notes in definitive form may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of the Issuer or a member firm of Euronext Amsterdam N.V., admitted in a function on one or more markets or systems held or operated by Euronext Amsterdam N.V., in accordance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Global Note; (b) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals who do not act in the conduct of a business or profession; (c) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof; or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series or Tranche are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter. In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with. As used herein, “**Zero Coupon Notes**” are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

India

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) the Offering Circular has not been and will not be registered, produced, published or made available as an offer document (whether as a prospectus or statement in lieu of a prospectus in respect of a public offer or an information memorandum or placement memorandum or private placement offer letter or other offering material in respect of a private placement or general information document or key information document in respect of any public offer or private placement under the Companies Act, 2013, as amended from time to time, and the rules framed thereunder the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, or any regulations issued by SEBI, or any other applicable Indian laws) with any registrar of companies, SEBI, the RBI or any Indian stock exchange or any other statutory, regulatory or adjudicatory body of like nature in India, except:
 - (i) any information from any part of the Offering Circular which is mandatorily required to be disclosed or filed in India under any applicable Indian laws including, but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended, and under the listing agreements with any Indian stock exchanges pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended;

- (ii) regulations and guidelines issued by the IFSCA or SEBI as may be applicable from time to time;
 - (iii) the Offering Circular will be made available to the India INX and NSE IX for the purpose of listing the Programme and any Notes; or
 - (iv) pursuant to the directives of any statutory, regulatory or adjudicatory body in India;
- (b) the Notes have not been and will not be offered or sold in India by means of the Offering Circular or any document other than to persons permitted to acquire the Notes under Indian law, whether as principal or agent, and
- (c) neither the Offering Circular nor any other offering document or material relating to the Notes has been and nor will it be circulated or distributed, directly or indirectly, to any person or the public in India or otherwise generally distributed or circulated in India which would constitute an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities in violation of applicable Indian laws for the time being in force. The Notes have not been offered or sold and will not be offered or sold in India in circumstances which would constitute an offer of securities (whether to the public or by way of private placement) within the meaning of the Companies Act or any other applicable Indian laws for the time being in force. The Notes will not be offered, directly or indirectly, in Gujarat International Finance Tec-City IFSC, India (“**GIFT IFSC**”) or to, or for the account or benefit of any person who is a resident in GIFT IFSC.

Each Dealer has represented and agreed that:

- (a) the Offering Circular or any other material relating to any Notes has only been circulated or distributed to prospective or actual investors meeting the criteria laid down under the ECB Regulations (including that of a ‘recognised lender’, i.e., (i) being a person resident outside India; (ii) being a branch outside India of an entity whose lending business is regulated by the RBI; or (iii) being a financial institution or a branch of a financial institution set up in an IFSC) (“**ECB Investor Requirements**”); and
- (b) that the Notes will not be offered, sold or transferred and have not been offered, sold or transferred as part of the primary issuance to any person who does not meet the ECB Investor Requirements. Other requirements as specified by the RBI from time to time may apply.

Eligibility of holders of the Notes

The Offering Circular has not been and will not be reviewed or approved by any registrar of companies, SEBI, the RBI, the IFSCA or any other statutory, regulatory or adjudicatory authority in India or by any Indian stock exchange. Holders and beneficial owners of the Notes shall be responsible for compliance with restrictions on the ownership of the Notes imposed from time to time by applicable laws or by any statutory, regulatory or adjudicatory authority or otherwise. In this context, holders and beneficial owners of Notes shall be deemed to have acknowledged, represented and agreed that such holders and beneficial owners are eligible to purchase the Notes under applicable laws and regulations and are not prohibited under any applicable law or regulation from acquiring, owning or selling the Notes. Potential investors should seek independent advice and verify compliance prior to any purchase of the Notes. The ECB Investor Requirements apply in respect of the transfer of any ECB, including the transfer of any of the Notes.

Disclosure of information relating to holders of Notes

The holders and beneficial owners of Notes shall be deemed to confirm that for so long as they hold any Notes they will meet the ECB Investor Requirements and comply with the ECB Regulations. Further, all Noteholders represent and agree that the Notes will not be offered or sold on the secondary market to any person who does not meet the ECB Investor Requirements or who do not comply with ECB Regulations. In relation to any issuance of Notes, the holder and beneficial owners represent and agree that they will provide all information and details about themselves to the Issuer, to enable the Issuer to provide such information to the RBI or any other statutory, regulatory or adjudicatory authority in India as and when such information is required.

The holders and beneficial owners of Notes will provide all information and details that they have or can procure about any subsequent transferee Noteholders (and shall provide all assistance in relation thereto) to the Issuer so as to enable the Issuer to obtain the details of the transferee Noteholder or any other information pertaining to such transferee Noteholders to enable the Issuer to provide such information to the RBI or any other statutory, regulatory or adjudicatory authority in India as and when such information is required.

To comply with applicable laws and regulations, the Issuer or its duly appointed agent may from time to time request Euroclear or Clearstream to provide them with details of the accountholders within Euroclear or Clearstream, as may be appropriate, that hold the Notes and the number of Notes held by each such accountholder. Euroclear or Clearstream participants which are holders of the Notes or intermediaries acting on behalf of such Noteholder would be deemed to have hereby authorised Euroclear or Clearstream, as may be appropriate, to disclose such information to the Issuer or its duly appointed agent.

In accordance with applicable provisions of Indian regulations only (i) a person resident outside India; (ii) a branch outside India of an entity whose lending business is regulated by the RBI; or (iii) a financial institution or a branch of a financial institution set up in an IFSC, are eligible to subscribe for the Notes, and should be in compliance with other requirements as may be specified by the RBI from time to time in relation to external commercial borrowings by Indian entities who are not otherwise prohibited under any applicable laws or regulations from acquiring, owning or selling the Notes.

Singapore

Each Dealer has represented, and agreed, and each further Dealer appointed under the Programme will be required to represent, and agree this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer represents, and agrees, and each further Dealer appointed under the Programme will be required to represent, and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase and has not circulated or distributed, nor will it circulate or distribute the Offering Circular or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under

the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

- (b) it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the UAE other than in compliance with any laws applicable in the UAE governing the issue, offering and sale of securities.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Notes to be issued under the Programme to any person in the DIFC unless such offer is:

- (a) an “Exempt Offer” in accordance with the Markets Rules (MKT) module of the Dubai Financial Services Authority (the “**DFSA**”) rulebook; and
- (b) made only to persons who meet the “Professional Client” criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

General

Each Dealer represents, warrants and undertakes that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, subscribes or procures subscribers for, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, subscription, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscriptions, offers, sales or deliveries and none of the Issuer nor any of the other Dealers shall have any responsibility therefor.

If a jurisdiction requires that an offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, such offering shall be deemed to be made by the Dealers or such affiliate on behalf of the Issuer (as defined in this Offering Circular) in such jurisdiction.

None of the Issuer, the Trustee and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer and the relevant Dealer and set out in the Subscription Agreement, Dealer Accession Letter, as relevant, or in the applicable Pricing Supplement.

GENERAL INFORMATION

Authorisation

1. The establishment and update of the Programme and the issue of Notes have been duly authorised by resolutions of the Board of Directors of the Issuer dated 23 December 2006, 22 December 2011, 13 February 2016, and 21 April 2023.

Currently, the issuance of Notes by the Issuer acting through its London Branch, its GIFT City Branch or any other foreign branch for borrowings in foreign currency for the purpose of funding its foreign offices in the normal course of banking business outside India, does not require any approval from the RBI and/or the Ministry of Finance provided that such Notes are within the limits prescribed by the RBI and subject to directions, regulations and guidelines issued by the RBI from time to time. The Issuer is, however, required to: (i) comply with reporting requirements specified under the Master Direction – Reporting under Foreign Exchange Management Act, 1999 dated 1 January 2016 (as may be updated, amended or modified from time to time), and (ii) make any other filing or regulatory reporting to the RBI as may be required under the relevant RBI directions/circulars/notifications.

2. Any payments (other than the principal and interest) under the Notes by the Issuer from its Head Office in India or any branch in India will require prior approval under applicable regulations and guidelines of the RBI.

Listing

3. Application has been made to the SGX-ST for permission to deal in, and quotation of any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST.
4. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Notes if traded, will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies).
5. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Group, its subsidiaries, its associated companies, the Programme or the Notes. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that a Global Note is exchanged for definitive Notes. In addition, in the event that a Global Note is exchanged for definitive Notes, an announcement of such exchange will be made by the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore.
6. Application has been made to the India INX and NSE IX for the trading on the India INX and NSE IX of the Notes that may be issued pursuant to the Programme. The listing of the Notes is in compliance with the IFSCA Regulations.

Clearing systems

7. The Notes to be issued under the Programme have been accepted for clearance through Euroclear and Clearstream. The appropriate common code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream will be specified in the applicable Pricing Supplement. In addition, the Issuer may make an application for any Registered Notes to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of Registered Notes, together with

the relevant ISIN and common code, will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Pricing Supplement.

No significant change

8. Save as disclosed in this Offering Circular, there has been no significant or material adverse change in the financial or trading position of the Bank since 31 March 2025.

Litigation

9. The Bank is not involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Bank is aware) which may have or have had in the 12 months preceding the date of this Offering Circular a significant effect on the financial position of the Bank.

Accounts

10. The auditors of the Bank in respect of the financial statements as at and for the years ended 31 March 2024 and 31 March 2025 and for the nine months ended 31 December 2025 were as follows:

31 March 2024

Batliboi & Purohit Chartered Accountants

31 March 2025 and for the nine months ended 31 December 2025

Khandelwal Jain & Co, S Venkatram & Co LLP, Batliboi & Purohit, Shah Gupta & Co & V Sankar Aiyar & Co

11. The auditors mentioned above have respectively audited and reviewed the Issuer's consolidated and non-consolidated accounts for the years ended 31 March 2024 and 31 March 2025 and for the nine months ended 31 December 2025, without qualification, in accordance with Indian GAAP to each of the periods mentioned above.
12. The Trust Deed provides that the Trustee may rely on certificates or reports from the Auditors (as defined in the Trust Deed) or any other person in accordance with the provisions of the Trust Deed as sufficient evidence of the facts stated therein whether or not called for by or addressed to the Trustee and whether or not any such certificate or report or engagement letter or other document entered into by the Trustee and the Auditors or such other person in connection therewith contains a monetary or other limit on the liability of the Auditors or such other person. However, the Trustee will have no recourse to the Auditors or such other person in respect of such certificates or reports unless the Auditors or such other person have agreed to address such certificates or reports to the Trustee.

Documents Available

13. So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection at the corporate office of the Issuer and at the specified office of the Principal Paying Agent in London:
 - (a) the audited financial statements of the Bank and the Group in respect of the financial years ended 31 March 2024 and 2025;

- (b) the most recently published audited annual financial statements of the Bank and the most recently published audited or reviewed, as the case may be, non-consolidated interim financial results of the Bank (the Bank currently prepares unaudited non-consolidated interim results on a quarterly basis under Indian regulatory requirements);
- (c) the Trust Deed, the Agency Agreement and the forms of the Temporary Global Notes, the Permanent Global Notes, the Definitive Bearer Notes, the Receipts, the Coupons, the Talons, the Regulation S Global Notes, the Restricted Global Notes and the Definitive Registered Notes;
- (d) a copy of this Offering Circular; and
- (e) any future offering circulars, prospectuses, information memoranda and supplements including Pricing Supplements (save that a Pricing Supplement relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Principal Paying Agent as to its holding of Notes and its identity) to this Offering Circular and any other documents incorporated herein or therein by reference.

Conditions for determining price

14. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Dealers transacting with the Issuer

15. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for the Issuer and its affiliates in the ordinary course of business.

SUMMARY OF PRINCIPAL DIFFERENCES BETWEEN INDIAN GAAP AND IFRS

The Financial Statements of the Issuer included in this Offering Circular have been prepared in accordance with the accounting policies followed by the Issuer which conform to Indian GAAP as applicable to the Issuer. The following is a general summary of certain principal differences between Indian GAAP and IFRS as applicable to the Issuer. The differences identified below are limited to those significant differences that are appropriate to the Issuer's financial statements. However, they should not be construed as being exhaustive, and no attempt has been made to identify possible future differences between Indian GAAP and IFRS as a result of prescribed changes in accounting standards nor to identify future differences that may affect the Issuer's financial statements as a result of transactions or events that may occur in the future.

	IFRS	INDIAN GAAP
1 Contents of financial statements – General.....	A complete set of financial statements comprises a statement of financial position (balance sheet), a statement of comprehensive income (profit and loss account), cash flow statement and statement showing changes in equity, accounting policies and other explanatory notes to financial statements with corresponding figures from the previous year.	A complete set of financial statements normally includes a balance sheet, statement of profit and loss account and cash flow statement as of and for the last fiscal year, accounting policies, notes to financial statements. The presentation of these financial statements differs in certain respects compared to IFRS. Listed as well as unlisted entities, having subsidiaries and joint ventures are required to produce consolidated financial statements and the related notes along with standalone financial statements.
2 Contents of financial statements – Disclosures.....	No particular format is prescribed for the statement of comprehensive income, although International Accounting Standard 1 prescribes certain specified line items to be presented in the statement of comprehensive income. However, an analysis of expenses must be presented in one of two formats (function or nature). Certain items must be presented on the face of the Statement of comprehensive income.	The Indian “Companies Act, 2013” prescribes the balance sheet as well as statement of profit and loss format. There is a prescribed format for the profit and loss account and there are disclosure norms for income and expenditure items. In the case of banks, the format of the balance sheet and profit and loss account is prescribed in Schedule 3 to the Banking Regulations Act, 1949. Further, the RBI prescribes various disclosures from time to time.

	IFRS	INDIAN GAAP
	Similarly, no particular format is prescribed for the statement of financial position although International Accounting Standard 1 prescribes certain specified line items to be presented in the statement of financial position; an entity may use a liquidity presentation of assets and liabilities, instead of a current/non-current presentation, only when a liquidity presentation provides more relevant and reliable information. Certain items must be presented on the face of the statement of financial position. However, banks shall present a Statement of comprehensive income which groups income and expenses by nature and disclose the amounts of principal types of income and expenses. Further, banks shall present a statement of financial position that groups assets and liabilities by nature and lists them in order that reflects their relative liquidity. Minority interest is presented as a component of equity.	Minority interests are presented separately from liabilities and equity. Amounts attributable to minority interests are presented as a component of net income or loss.
3 Contents of financial statements – Disclosures.....	An explicit statement in the financial statements of compliance with all the IFRS needs to be given.	No such statement is required to be made.
4 Correction of errors	Mandatory restatement of comparative amounts for the prior year period(s) presented in which errors have occurred. Material prior period errors are corrected retrospectively by adjusting the opening retained earnings.	No restatement. The nature and amount of material prior period items should be separately disclosed in the current year's profit and loss and the effect of the error must also be disclosed. Further for the banks recognition/de-recognition of income/expenses as per RBI guidelines and accounting norms are reflected as part of natural head of accounts.

	IFRS	INDIAN GAAP
5 Changes in accounting policies.....	Changes in accounting policies are applied retrospectively. Comparatives are restated and the effect of period(s) not presented is adjusted against opening retained earnings of the earliest year presented. Policy changes made on the adoption of a new standard are made in accordance with that standard's transitional provisions.	Does not specify how change in accounting policies should be accounted for material impact of and adjustments resulting from the change to be shown in the income statement of the period in which the change is made.
6 Statement of recognised gains and losses.....	The total of gains and losses recognised in a period is comprised of net income together with the following gains and losses which are recognised directly in other comprehensive income/equity: • revaluation increase/decrease; • fair value gains/(losses) on land and buildings, AFS, investments and certain financial instruments; • foreign exchange translation differences; • the cumulative effect of changes in accounting policy; • changes in fair values of certain financial instruments if designated as cash flow hedges, net of tax, and cash flow hedges reclassified to income and/or the relevant hedged asset/liability; and • actuarial gain or losses on defined employee benefits. Recognised gains and losses can be presented either in the notes to financial statements or highlighted separately within the primary statement of changes in shareholders' equity.	No concept of comprehensive income. However, accounting standards, statute and industry practices allow for certain adjustments in reserves. RBI specifically requires gain on sale of held-to-maturity securities to be appropriated from the profit and loss account to capital reserve.

	IFRS	INDIAN GAAP
7 Statement of Changes in Shareholders' Equity	The statement must be presented as a primary statement. The statement must show capital transactions with owners, the movement in accumulated profit and a reconciliation of all other components of equity.	Not required.
8 Cash-flow statement – Formats and method	Headings are standardised but there is a limited flexibility over content. Direct or indirect method may be used.	Headings are standardised and the direct or indirect method may be used. Banks in India generally use the indirect method.
9 Cash-flow statements – Definition of cash and cash equivalents	Cash and cash equivalents include overdrafts repayable on demand and investments with original short-term maturities (less than three months). Investments with original short term maturities more than three months and less than 12 months to be taken as other current assets.	Cash includes cash on hand and demand deposits with bank and cash equivalents are short-term (less than three months), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.
10 Liabilities and equity	A financial instrument is classified as a liability where there is a contractual obligation to deliver either cash or another financial asset to the holder of that instrument, regardless of the manner in which the contractual obligation will be settled. Preference shares, which carry a mandatory coupon or are redeemable on a specific date or at the option of the shareholder, are classified as financial liabilities and are presented in other borrowed funds. The dividends on these preference shares are recognised in the income statement as interest expense on an amortised cost basis using the effective interest method.	Classification is based on the legal form rather than substance. All preference shares are disclosed separately as share capital under shareholders' funds.

	IFRS	INDIAN GAAP
11 Consolidation of subsidiaries	The consolidated financial statements include all subsidiaries, associate and joint venture companies of the parent. IFRS focuses on the concept of the power to control in determining whether a parent-subsidiary relationship exists. Control is present when an investor is exposed, or has right to variable returns from its involvement with investee and has the ability to affect those returns through its power over the investee. Control is presumed to exist where the parent company owns, directly or indirectly through subsidiaries, more than one half of the voting power of an enterprise unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control can also exist in certain situations where the parent company owns one half or less of the voting power of an enterprise. Companies acquired (disposed off) are included in (excluded from) consolidation from the date on which control passes (lost). Presently exercisable potential voting rights should also be considered. A subsidiary which meets the criteria to be classified as held for sale in accordance with IFRS 5 should be shown as an asset held for sale rather than being consolidated. A subsidiary can be excluded when there is evidence that control is intended to be temporary and such a subsidiary should be shown as an asset held for sale. The difference between reporting date of parent and subsidiary should not be more than three months. In consolidated financial statement, uniform accounting policies to be used. There is no exception based on impracticability.	Consolidation is required only when there is controlling interest, directly or indirectly through subsidiaries (including associate and joint venture companies), by virtue of holding the majority of the voting shares of an enterprise or controlling the board of directors of an enterprise except in case of entities such as gratuity trust where the objective is not to obtain economic benefits from their activities. A subsidiary should be excluded from consolidation when: - control is intended to be temporary because the subsidiary is acquired and held exclusively with a view to its subsequent disposal in the near future; or - it operates under severe long-term restrictions that significantly impair its ability to transfer funds to the parent. The reasons for not consolidating a subsidiary should be disclosed in the consolidated financial statements. In separate financial statements of banks, investments in such subsidiaries should be accounted for in accordance with guidelines prescribed by the RBI. The difference between reporting date of parent and subsidiary should not be more than six months. It provides exemption for application of similar accounting policies when it is impracticable to do so but this fact has to be disclosed with brief description.

	IFRS	INDIAN GAAP
12 Accounting for joint ventures in the form of a jointly controlled entity	Both the proportional consolidation method and equity method are permitted. A venturer with an interest in a jointly controlled entity is exempted from proportionate consolidation and equity method accounting when it meets the following conditions: • there is evidence that the interest is acquired and held exclusively with a view to its disposal generally within twelve months, (which may vary depending on facts and circumstances of the case), from acquisition and that management is actively seeking a buyer; • the exception in paragraph 10 of IAS 27 Consolidated and Separate Financial Statements allowing a parent that also has an interest in a jointly controlled entity not to present consolidated financial statements is applicable; or • all of the following apply: • the venturer is a wholly-owned subsidiary, or is a partially-owned subsidiary of another entity and its owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the venturer not applying proportionate consolidation or the equity method; • the venturer's debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets);	In its separate financial statements, the venturer must recognise its interest in a joint venture as an investment. In the consolidated financial statements, the venturer should consolidate the joint venture using the proportionate consolidation method.

	IFRS	INDIAN GAAP
	- the venturer did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation, for the purpose of issuing any class of instruments in a public market; and - the ultimate or any intermediate parent of the venturer produces consolidated financial statements available for public use that comply with IFRS. Interests in jointly controlled entities that meet the condition mentioned above shall be classified as HFT and accounted for in accordance with IAS 39.	
13 Presentation of associate results	Equity method must be used. Presentation must show share of post-tax results. IFRS require that similar accounting policies should be used for preparation of investor's financial statements.	Similar to IFRS. However, the accounting for associate results using the equity method was not required under Indian GAAP until 1 April 2003. Upon transition to the equity method from the cost method, an increase in Investment in Associate in Shareholders' Equity should be recorded as an adjustment to reserves for the period of change. The equity method of accounting is not required in the separate/standalone financial statements of the investor. It provides exemption for application of similar accounting policies when it is impracticable to do so but this fact has to be disclosed with brief description.
14 Business Combination.....	Bargain purchase gain to be recognised in statement of profit and loss. Prescribes only the acquisition method for every business combination.	Bargain purchase gain to be recognised directly in equity as capital reserve. There are two methods of accounting for amalgamation: the pooling of interest method and the purchase method.

	IFRS	INDIAN GAAP
	Acquired identifiable assets liabilities and non-controlling interest to be recognised at fair value under acquisition method. Goodwill is not amortised but tested for impairment on annual basis.	Acquired assets and liabilities are recognised at their existing book values or at fair values under the purchase method. Goodwill arising on amalgamation in the nature of purchase is amortised over a period not exceeding five years.
15 Employee benefits	Actuarial assumptions required to measure the obligation, must use the projected unit credit method to determine benefit obligation. Rules are also given for termination benefits arising from redundancies and other post-employment benefits (short-term and long-term). Account for termination indemnity plans as pensions. IAS 19 provides options to recognise actuarial gains and losses as fully recognised changes in the net defined benefit liability of an asset including immediate recognition of defined benefit costs and requires disaggregation of the overall defined benefit cost into components and requires the recognition of remeasurements in other comprehensive income thereby eliminating the 'corridor' approach.	The AS 15 does not admit options and requires that actuarial gains and losses should be recognised immediately in the statement of profit and loss as income or expense. No such requirement as per AS-15.
16 Property, plant and equipment .	Use historical cost or revalued amounts. Frequent valuations of entire classes of assets are required when the revaluation option is chosen. Further residual value needs to be reviewed each year end. Annual reassessment of useful life and depreciation is also required. Does not deal with the assets 'Held for Sale' because treatment of such assets is covered in IFRS 5.	Similar to IFRS except It deals with accounting for fixed retired from active use and held for sale.

	IFRS	INDIAN GAAP
17 Depreciation	Depreciation is recorded over the asset's estimated useful life. The residual value and the useful life of an asset and the depreciation method shall be reviewed at least at each financial year-end. Further change in depreciation is considered as change in the accounting estimate and is applied prospectively.	Similar to IFRS.
18 Capitalisation of borrowing costs	Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are required to be capitalised as part of the cost of that asset. Further the accounting policy adopted for borrowing cost and the amount of borrowing cost capitalised needs to be disclosed in the financial statement.	Similar to IFRS.
19 Revenue	It does not deal with revenue from 'interest' and 'dividend' which are covered in financial instruments standard. Revenue is recognised when the control is transferred to the customer.	It deals with recognitions of interest and dividend income. Revenue is recognised when significant risks and rewards of ownership is transferred to the buyer.
20 Deferred expenditure.....	Costs in respect of any start up are expensed as incurred. Costs for advertising are expensed as incurred. Equity issue costs should be accounted for as a deduction from equity (net of any related income tax benefit).	Costs are not allowed to be deferred unless permitted by RBI. Equity issue costs can be adjusted against the securities premium account to the extent available as provided for by the Companies Act, 2013.
21 Provisions for liabilities and charges.....	Provisions are required for both legal and constructive obligations. The amount recognised as a provision is the best estimate at the balance sheet date of the expenditure required to settle the obligation, discounted using a pre-tax market discount rate if the effect is material.	Similar to IFRS except: (i) no concept of constructive obligation and (ii) discounting is not permitted other than decommissioning liability.

	IFRS	INDIAN GAAP
22 Segment Reporting other than decommissioning liability	Identification of segments is based on ‘management approach’ i.e., operating segments are identified based on the internal reports regularly reviewed by the entity’s chief operating decision maker.	Requires identification of two sets of segments; one based on related products and services, and the other on geographical areas based on the risks and returns approach. One set is regarded as primary segments and the other as secondary segments.
23 Financial Assets – Classification.	Financial assets are to be classified as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both: - the entity’s business model for managing the financial assets; and - the contractual cash flow characteristics of the financial asset.	AS-13, Accounting for Investments is not applicable to banks. The RBI has given guidelines for classification of investments into: - HTM; - AFS; and - FVTPL. Loans and advances are classified on the basis of the Income Recognition and Asset Classification norms of RBI.
24 Financial Assets – Measurement.	Initially, a financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Subsequent recognition depends on the classification of the investment – if HTM investments and loan receivables, carry at amortised cost, using effective interest method otherwise state at fair value. Unrealised gains and losses on fair value through Profit or Loss classification (including trading securities) recognised in the income statement and on available-for-sale investments recognised in equity. Entity can also transfer from the available-for-sale category to the loan and receivable category by satisfying certain conditions.	Investments are measured and valued on the basis of the guidelines issued by the RBI from time to time. Loans and advances are measured in accordance with the Income Recognition and Asset Classification norms of the RBI. Investments classified as AFS or FVTPL are measured at fair value or market value, those classified as HTM are measured at amortised cost.

	IFRS	INDIAN GAAP
25 Financial liabilities – Classification.....	Capital instruments are classified depending on the substance of the obligations of the issuer. There are two categories of financial liabilities: - financial liabilities at fair value through the Profit and Loss Account; and - others. Preference shares that are mandatory to redeem are classified as liabilities.	Generally accepted accounting practice follows legal form rather than substance.
26 Financial Liabilities – Measurement....	Initially, a financial liability is measured at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. After initial recognition, an entity shall measure all financial liabilities at amortised cost using the effective interest method, except for: - financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be measured at fair value except for a derivative liability that is linked to and must be settled by delivery of an unquoted equity instrument whose fair value cannot be reliably measured, which shall be measured at cost less impairment until settlement; and - financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or is accounted for using the continuing involvement approach. Financial liabilities that are designated as hedged items are subject to measurement under the hedge accounting requirements.	Liabilities are recognised based on the legal obligation of the entity.

	IFRS	INDIAN GAAP
27 Debt Issue Costs	Direct incremental costs of issuing debt are reduced from debt and the debt is carried at amortised cost. Issue costs are included in the calculation of the effective interest rate over the life of the instrument.	Expensed as incurred.
28 Discount on issue of debt	Amortised as an adjustment to the yield.	Amortised on a straight line basis.
29 Dividends	Financial instrument classified as equity: Dividends to holders of equity instruments, when proposed or declared after the balance sheet date, should not be recognised as a liability on the balance sheet date. A company, however, is required to disclose the amount of dividends that were proposed or declared after the balance sheet date but before the financial statements were authorised for issue. Financial instrument classified as financial liability: Dividend is recognised as a liability at year end by classifying it as interest expense based on effective interest method even if such dividend is proposed or declared after the balance sheet date.	Dividends to holders of equity instruments, when proposed or declared after the balance sheet date, should not be recognised as a liability on the balance sheet date. A company, however, is required to disclose the amount of dividends that were proposed or declared after the balance sheet date but before the financial statements were authorised for issue.
30 Deferred Income taxes	Deferred tax is determined on balance sheet approach. Deferred tax is determined based on temporary differences, being the difference between the carrying amount and tax base of assets and liabilities, subject to certain exceptions. Deferred tax assets are recognised if it is probable (more likely than not) that sufficient future taxable profits will be available to utilise to deferred tax assets.	Deferred tax is determined on income statement approach. Deferred tax is determined based on timing differences, being the difference between accounting income and taxable income for a period that is capable of reversal in one or more subsequent periods. Deferred tax assets recognised only if virtually certain with entities with tax losses carried forward or if reasonably certain with entities with no tax losses.

	IFRS	INDIAN GAAP
31 Post balance sheet events	Adjustments in the financial statements for events occurring after the balance sheet date, providing evidence of conditions at balance sheet date and materially affecting amounts in financial statements adjusting events. Disclose non-adjusting events.	Similar to IFRS for adjusting events, except that non-adjusting events are not required to be disclosed in the financial statement but are disclosed in the report of the approving authority.
32 Interim financial reporting	Not mandatory to prepare interim statements but must use standard if prepared. Basis should be consistent with the full-year statements and include comparatives. Publicly traded companies are encouraged to provide interim financial reports	Interim financial reporting is not mandatory, but AS-25 “Interim Financial Reporting” under the accounting standards must be used, while preparing interim financial statements. Basis should be consistent with the full year statements and included comparatives. Publication of quarterly results is mandatory for listed entities as specified by the Securities and Exchange Board of India (“SEBI”).
33 Guarantees	Recognise a liability at fair value in the statement of financial position at the inception of the guarantee.	Guarantees (except counter guarantees) must be disclosed as a contingent liability.
34 Related Party Disclosures	Disclose the name of the related party, amount of transaction, outstanding balance amount and the nature of relationship and types of transactions. For control relationships, disclosures are mandatory regardless of whether the transactions occur. Exemptions are available from disclosure requirements for transactions between state-controlled entities regardless of whether influence actually exists in such relationship. Some exemptions are available for separate financial statements of subsidiaries.	Similar to IFRS. RBI has also laid down guidelines for disclosure of related party transactions.

	IFRS	INDIAN GAAP
35 Accounting for Foreign Currency Transactions	Most exchange differences are recognised in profit or loss (net income) in the period in which they arise.	Similar to IFRS except as per AS 11 to allow amortisation or capitalisation of foreign exchange difference arising on long-term monetary items, in respect of accounting periods commencing on or after 7 December 2006 and ending on or before 31 March 2020. Such exchange differences are adjusted to the carrying cost of the assets, if the item relates to the acquisition of a depreciable capital asset or in other cases accumulated in the foreign currency monetary item translation difference Accounts and amortised over the life of the monetary items but not beyond 31 March 2020.
36 Contingent Assets	A contingent asset is disclosed in financial statements where an inflow of economic benefits is probable.	A contingent asset cannot be disclosed in Financial Statements. However, the same can be disclosed in the Director's report.
37 Extraordinary items	Disclosure as extraordinary items either on the face of the income statement or in the notes prohibited.	Are defined as income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly. Each such item should be separately disclosed in the statement of profit and loss together with its nature so that its impact on net profit or loss for the period can be ascertained.
38 Acquired and internally generated intangible assets	Intangible assets are recognised if the specific criteria are met. Assets with finite useful life are amortised on systematic basis over their useful life. An asset with an indefinite useful life and which is not yet available for use should be tested for impairment annually.	Intangible assets are capitalised if specific criteria are met and are amortised over their useful life, generally not exceeding 10 years. The recoverable amount of an intangible asset that is not available for use or is being amortised over a period exceeding 10 years should be reviewed at least at each financial year-end even if there is no indication that the asset is impaired.
39 Interest income and expense	Interest income and expense is recognised in the income statement using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument.	In the absence of a specific effective interest rate requirement, premiums and discounts are usually amortised on a straight line basis over the term of the instrument.

FINANCIAL STATEMENTS

Index to Financial Statements

Non-Consolidated Financials

Nine months ended 31 December 2025

Auditor's Limited Review Report on the Non-consolidated Financial Statements of the Bank.....	F-12
Reviewed Non-consolidated Financial Statements for the nine months ended 31 December 2025	F-25

Year ended 31 March 2025

Auditor's Report on the Non-consolidated Financial Statements of the Bank	F-35
Non-consolidated Balance Sheet as at 31 March 2025	F-36
Non-consolidated Profit and Loss Account for the year ended 31 March 2025	F-36
Schedules to the Non-consolidated Balance Sheet as at 31 March 2025 and Non-consolidated Profit and Loss Account for the year ended 31 March 2025	F-37
Statement of Cash Flow for the year ended 31 March 2025.....	F-37

Year ended 31 March 2024

Auditor's Report on the Non-consolidated Financial Statements of the Bank	F-49
Non-consolidated Balance Sheet as at 31 March 2024	F-50
Non-consolidated Profit and Loss Account for the year ended 31 March 2024.....	F-50
Schedules to the Non-consolidated Balance Sheet as at 31 March 2024 and Non-consolidated Profit and Loss Account for the year ended 31 March 2024	F-51
Statement of Cash Flow for the year ended 31 March 2024.....	F-51

Consolidated Financials

Year ended 31 March 2025

Auditor's Report on the Consolidated Financial Statements of the Bank	F-66
Consolidated Balance Sheet as at 31 March 2025	F-67
Consolidated Profit and Loss Account for the year ended 31 March 2025	F-67
Schedules to the Consolidated Balance Sheet as at 31 March 2024 and Consolidated Profit and Loss Account for the year ended 31 March 2025.....	F-68
Statement of Consolidated Cash Flow for the year ended 31 March 2025	F-68

Year ended 31 March 2024

Auditor's Report on the Consolidated Financial Statements of the Bank	F-93
Consolidated Balance Sheet as at 31 March 2024	F-94
Consolidated Profit and Loss Account for the year ended 31 March 2024.....	F-94
Schedules to the Consolidated Balance Sheet as at 31 March 2024 and Consolidated Profit and Loss Account for the year ended 31 March 2024.....	F-95
Statement of Consolidated Cash Flow for the year ended 31 March 2024	F-95



बैंक ऑफ़ बड़ौदा Bank of Baroda



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30th January 2026

The Vice-President, B S E Ltd., Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 BSE CODE-532134	The Vice-President, National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 CODE-BANKBARODA

Dear Sir/ Madam,

Re: Bank of Baroda –Financial Results – Q3 (FY2025-26)

We refer to our Stock Exchange notification dated 19th January 2026 and advise that Board of Directors of Bank of Baroda at its meeting held today i.e. 30th January 2026 interalia considered & approved the Un-audited (Reviewed) Standalone & Consolidated Financial Results of the Bank together with relevant segment reporting, for the quarter / nine month ended 31st December 2025.

We enclose following:

1. Financial Results (Standalone and Consolidated) along with Segment Reporting, Audit Report, unmodified opinion report, etc.
2. Press Release.
3. Security Cover Certificate under Regulation Section 54(2) & 54(3) (LODR).
4. Statement of utilization of issue proceeds of non-convertible securities under Regulation Section 52(7) & 52(7A) (LODR).

The Meeting commenced at 10.30 a.m and concluded at 04.30 p.m.

We request you to take a note of the above under Regulation 33 and 52 of SEBI (LODR) Regulations, 2015 and upload the information on your website.

Yours faithfully,

S BALA
KUMAR

Digitally signed
by S BALA
KUMAR
Date: 2026.01.30
16:45:54 +05'30'

S Balakumar
Company Secretary

Encl. - As Above



बैंक ऑफ बड़ोदा Bank of Baroda



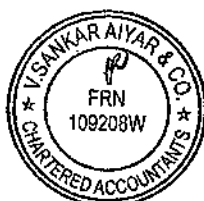
Regd Office: Baroda House P B No.506 Maodvi Baroda- 390006
Corporate Office: C-26 G-Block Bandra Kurla Complex Bandra (E) Mumbai- 400051

Un-Audited Standalone Financial Results for the Quarter/ Nine Months Ended 31st December, 2025

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2025	30.09.2025	31.12.2024	31.12.2025	31.12.2024	31.03.2025
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	3174951	3151081	3127674	9435181	9118387	12230061
(a)	Interest /discount on advances / bills	2405617	2350487	2381107	7119710	6952909	9305088
(b)	Income on investments	626196	637600	655323	1895874	1952734	2594876
(c)	Interest on balances with Reserve Bank of India and other inter bank funds	64601	70026	41518	195724	119193	175637
(d)	Others	78537	92968	49726	223873	93551	154460
2	Other Income	360040	351495	339973	1178988	1105325	1578836
3	Total Income (1 + 2)	3534991	3502576	3467647	10614169	10223712	13808897
4	Interest Expended	1994911	1955720	1949072	5916302	5616057	7578296
5	Operating Expenses (a)+ (b)	802368	789261	752151	2378913	2177404	2987138
(a)	Employees cost	411116	406072	420668	1247960	1226040	1660764
(b)	Other operating expenses	391252	383189	331483	1130953	951364	1326374
6	Total Expenditure (4+5) excluding provisions and contingencies	2797279	2744981	2701223	8295215	7793461	10565434
7	Operating Profit (3-6) before Provisions and Contingencies	737712	757595	766424	2318954	2430251	3243463
8	Provisions (other than tax) and Contingencies	79893	123247	108234	399834	442874	598025
9	Exceptional Items	-	-	-	-	-	-
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	657819	634348	658190	1919120	1987377	2645438
11	Provision for Taxes	152356	153409	174456	478582	534035	687323
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	505463	480939	483734	1440538	1453342	1958115
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
14	Net Profit (+) / Loss (-) for the period (12-13)	505463	480939	483734	1440538	1453342	1958115
15	Paid-up equity share capital (Face Value of ₹ 2 each)	103553	103553	103553	103553	103553	103553
16	Reserve excluding Revaluation Reserve	-	-	-	-	-	12641983
17	Analytical Ratios	-	-	-	-	-	-
i)	Percentage of shares held by Government of India	63.97	63.97	63.97	63.97	63.97	63.97
ii)	Capital Adequacy Ratio(%) -Basel-III	15.29	16.54	15.96	15.29	15.96	17.19
a)	CET 1 Ratio (%)	12.45	13.36	12.38	12.45	12.38	13.78
b)	Additional Tier 1 Ratio (%)	0.65	0.79	1.06	0.65	1.06	1.01
iii)	Earnings Per Share	-	-	-	-	-	-
(a)	Basic EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	9.77	9.30	9.35	27.86	28.10	37.86
(b)	Diluted EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	9.77	9.30	9.35	27.86	28.10	37.86
iv)	NPA Ratios	-	-	-	-	-	-
a)	Gross NPA	2739944	2759975	2847122	2739944	2847122	2783488
b)	Net NPA	761496	714088	682506	761496	682506	699424
c)	Gross NPA to Gross Advances %	2.04	2.16	2.43	2.04	2.43	2.26
d)	Net NPA to Net Advances %	0.57	0.57	0.59	0.57	0.59	0.58
v)	Return on Assets (annualized) %	1.09	1.07	1.15	1.05	1.17	1.16
vi)	Debt Equity ratio*	0.51	0.63	0.56	0.51	0.56	0.59
vii)	Total Debt to Total Assets Ratio**	0.07	0.07	0.08	0.07	0.08	0.07
viii)	Capital Redemption Reserve/ Debenture Redemption Reserve	NA	NA	NA	MA	NA	NA
ix)	Outstanding Redeemable Preference Shares	NA	NA	NA	MA	NA	NA
x)	Net Worth	12970864	12512601	11377482	12970864	11377482	11545735
xi)	Operating Profit Margin %	20.87	21.63	22.10	21.85	23.77	23.49
xii)	Net Profit Margin %	14.30	13.73	13.95	13.57	14.22	14.18

* Debt represents borrowings with residual maturity of more than one year. ** Total Debt represents total borrowings of the Bank.





बैंक ऑफ बड़ौदा Bank of Baroda



Un-Audited Standalone Segment Reporting for the Quarter/ Nine Months Ended 31st December, 2025

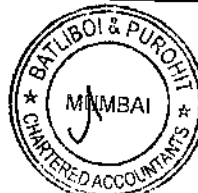
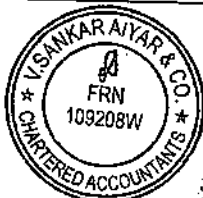
Part A-Business Segments

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2025	30.09.2025	31.12.2024	31.12.2025	31.12.2024	
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	
1	Segment Revenue						
	(a) Treasury Operations	806317	843566	784851	2583413	2354516	3223469
	(b) Wholesale Banking	1236422	1194034	1312243	3624936	3866562	5174021
	(c) Retail Banking	1480435	1452473	1357782	4372154	3969448	5362877
	(i) Digital Banking	44	39	31	118	84	114
	(ii) Other Retail Banking	1480391	1452434	1357751	4372036	3969364	5362763
	(d) Other Banking Operations	11817	12503	12771	33666	33186	48530
	Total Revenue	3534991	3502576	3467647	10614169	10223712	13808897
2	Segment Results						
	(a) Treasury Operations	143072	222041	132248	683376	460601	694709
	(b) Wholesale Banking	235785	241234	441039	701301	1346215	1692486
	(c) Retail Banking	421064	317414	252047	998937	609700	843949
	(i) Digital Banking	(393)	(424)	(368)	(1180)	(1103)	(1531)
	(ii) Other Retail Banking	421457	317838	252415	1000117	610803	845480
	(d) Other Banking Operations	11817	12503	12771	33666	33186	48530
	Total	811738	793192	838105	2417280	2449702	3279674
	Unallocated Expenditure	153919	158844	179915	498160	462325	634236
	Profit before Tax	657819	634348	658190	1919120	1987377	2645438
	Provision for Tax	152356	153409	174456	478582	534035	687323
	Net Profit	505463	480939	483734	1440538	1453342	1958115
3	Segment Assets						
	(a) Treasury Operations	50568240	51862008	52026309	50568240	52026309	52214415
	(b) Wholesale Banking	75271941	71381647	67246934	75271941	67246934	70978949
	(c) Retail Banking	58154474	5582320	49758968	58154474	49758968	51941642
	(i) Digital Banking	2271	1854	1605	2271	1605	1703
	(ii) Other Retail Banking	58152203	5580466	49757363	58152203	49757363	51939939
	(d) Other Banking Operations	-	-	0	0	0	-
	(e) Unallocated	4078093	3813983	2465582	4078093	2465582	2989726
	Total Assets	188072748	182639958	171497793	188072748	171497793	178124732
4	Segment Liabilities						
	(a) Treasury Operations	46486576	47687950	48051087	46486576	48051087	48200657
	(b) Wholesale Banking	69196295	65636572	62108736	69196295	62108736	65522749
	(c) Retail Banking	53460481	51108837	45956988	53460481	45956988	47948853
	(i) Digital Banking	2088	1705	1482	2088	1482	1572
	(ii) Other Retail Banking	53458393	51107132	45955506	53458393	45955506	47947281
	(d) Other Banking Operations	-	-	0	0	0	-
	(e) Unallocated	3748926	3507019	2277194	3748926	2277194	2759905
	Total Liabilities	172892278	167940378	158394005	172892278	158394005	164432164
5	Capital Employed						
	(a) Treasury Operations	4081664	4174058	3975222	4081664	3975222	4013758
	(b) Wholesale Banking	6075646	5745075	5138198	6075646	5138198	5456200
	(c) Retail Banking	4693993	4473483	3801980	4693993	3801980	3992789
	(i) Digital Banking	183	149	123	183	123	131
	(ii) Other Retail Banking	4693810	4473334	3801857	4693810	3801857	3992658
	(d) Other Banking Operations	-	-	0	-	-	-
	(e) Unallocated	329167	306964	188388	329167	188388	229821
	Total Capital Employed	15180470	14699580	13103788	15180470	13103788	13692568

Part-B : Geographic Segments

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2025	30.09.2025	31.12.2024	31.12.2025	31.12.2024	
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	
1	Revenue						
	(a) Domestic	3128181	3105625	3082342	9439560	9058458	12280845
	(b) International	406810	396951	385305	1174609	1165254	1528052
	Total	3534991	3502576	3467647	10614169	10223712	13808897
2	Assets						
	(a) Domestic	153901513	151380722	142909321	153901513	142909321	148817816
	(b) International	34171235	31259236	28588472	34171235	28588472	29306916
	Total	188072748	182639958	171497793	188072748	171497793	178124732





बैंक ऑफ बड़ौदा Bank of Baroda



STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

Particulars	Standalone		
	As on 31 st December 2025	As on 31 st December 2024	As on 31 st March 2025
	Un-Audited	Un-Audited	Audited
<u>CAPITAL & LIABILITIES</u>			
Capital	103553	103553	103553
Reserves and Surplus	15076916	13000235	13589015
Deposits	154674878	140290927	147203485
Borrowings	12891187	12895022	12371618
Other Liabilities and Provisions	5326214	5208056	4857061
TOTAL	188072748	171497793	178124732
<u>ASSETS</u>			
Cash and Balances with Reserve Bank of India	4828247	5229435	5606849
Balances with Banks and Money at Call and Short Notice	8945212	6509170	6978071
Investments	35852835	38879157	38539845
Advances	132507402	115131555	120955790
Fixed Assets	1173903	740153	1237626
Other Assets	4765149	5008323	4806551
TOTAL	188072748	171497793	178124732



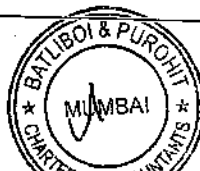
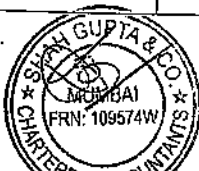
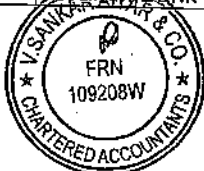


NOTES TO STANDALONE FINANCIAL RESULTS:

1. The Standalone financial results for the quarter and nine months ended December 31, 2025 have been drawn from financial statements prepared in accordance with Accounting Standard (AS-25) on 'Interim Financial Reporting', the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time, other accounting principles generally accepted in India and as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
2. The above standalone financial results have been recommended by the Audit Committee of the Board of Bank of Baroda (hereinafter referred as "Bank") and approved at the meeting of the Board of Directors held on January 30, 2026. The results have been subjected to a limited review by the Statutory Central Auditors (SCAs) of the Bank in line with the guidelines issued by the Reserve Bank of India and as per SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, as amended thereafter.
3. The above standalone financial results have been arrived at after considering necessary provisions for Non-Performing Assets (NPAs), standard assets, restructured assets, depreciation/amortisation on investments & fixed assets, employee benefits and direct taxes (after adjustment of deferred tax) and other provisions and contingencies, considering RBI's specific directions, judicial pronouncements and applicable Accounting Standards.
4. In terms of Reserve Bank of India (RBI) guidelines, Pillar 3 disclosures including leverage ratio under the Basel- III framework are being made available on our website in the following link: <https://www.bankofbaroda.in/shareholders-corner/disclosures-under-basel-iii>. Additionally, disclosures under NSFR & LCR framework are being made available on the following link: <https://www.bankofbaroda.in/shareholders-corner/financial-reports/>. These disclosures have not been subjected to review by the SCAs of the Bank.
5. The Bank has continued to follow the same accounting policies and practices in preparation of financial results for the quarter and nine months ended December 31, 2025 as followed in the previous year ended March 31, 2025.
6. The Government of India, vide gazette notification CG-DL-E-07042025-262329 dated 05.04.2025, has provided for the amalgamation of Regional Rural Banks (RRBs) into a single Regional Rural Bank (RRB) in different states effective from 01.05.2025.

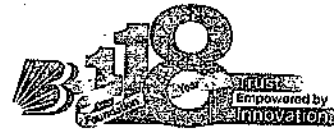
Details of the Amalgamation of RRBs sponsored by the Bank of Baroda are as under:

State	Transferor RRB	Sponsor Bank of Transferor RRB	Amalgamated RRB	Sponsor Bank of transferee RRBs
Gujarat	Baroda Gujarat Gramin Bank	Bank of Baroda	Gujarat Gramin Bank	Bank of Baroda
	Saurashtra Gramin Bank	State Bank of India		
Uttar Pradesh	Baroda U P Bank	Bank of Baroda	Uttar Pradesh Gramin Bank	Bank of Baroda
	Aryavart Bank	Bank of India		
	Prathama U P Gramin Bank	Punjab National Bank		
Rajasthan	Rajasthan Marudhara Gramin Bank	State Bank of India	Rajasthan Gramin Bank	State Bank of India
	Baroda Rajasthan Kshetriya Gramin Bank	Bank of Baroda		



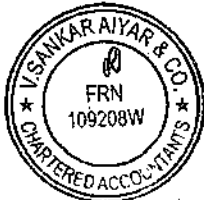


बैंक ऑफ़ बड़ौदा Bank of Baroda



Accordingly, during the period, the Bank has subscribed an amount aggregating to ₹ 3599 lakhs and ₹ 34143 lakhs towards 35% of the share capital of Gujarat Gramin Bank and Uttar Pradesh Gramin Bank respectively, being the sponsor bank of the Amalgamated RRBs. Further, during the period, the Bank has received a capital redemption of ₹ 10827 lakhs in case of Baroda Rajasthan Kshetriya Gramin Bank, being the face value of its investment in the RRB. The same does not have any impact on the standalone profit and loss account of the Bank.

7. During the quarter, India International Bank (Malaysia) Berhad, a joint venture of Bank of Baroda, was placed under liquidation on November 06, 2025. Bank has received the capital repatriation on account of member's voluntary liquidation (MVL).
8. The Bank has estimated an additional liability on account of revision in family pension for employees as per IBA Joint Note dated November 11, 2020, amounting to ₹ 145441 lakhs. RBI vide their Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 04, 2021 has permitted Banks to amortize the said additional liability over a period of not exceeding 5 (five) years, beginning with financial year 2021-22, subject to a minimum of 1/5th of the total amount being expensed every year. Bank has opted for the said provision of RBI and accordingly had charged an amount of ₹ 116352 lakhs to the Profit & Loss account upto March 31, 2025. Further, the Bank has charged an amount of ₹ 7272 lakhs and ₹ 21816 lakhs to the Profit & Loss account for the quarter and nine months ended December 31, 2025, respectively and the balance unamortized expense of ₹ 7273 lakhs has been carried forward. Had the Bank charged the remaining additional liability to the Profit and Loss Account, the net profit for the quarter and nine months ended December 31, 2025 would have been lower by ₹ 5442 lakhs (net of taxes).
9. The Government of India has notified New Labour Codes effective from November 21, 2025. Based on the broad assessment carried out by the Bank on certain estimates and assumptions, the impact of the same on employee benefits is not material. Currently, the finalisation of Central and State Rules on the New Labour Codes is awaited based on which the above estimates and assumptions will be re-assessed.
10. As per the RBI Master Direction - RBI/DOR/2025-26/164 DOR.STR.REC.83./21.04.048/2025-26 dated November 28, 2025, Bank has in place an approved Floating Provision Policy. As on December 31, 2025, the Bank has floating provision of ₹ 100000 lakhs (₹ NIL and ₹ 40000 lakhs created during the quarter and nine months period ended December 31, 2025 respectively) in accordance with the policy.
11. Non-Performing Assets Provisioning Coverage Ratio (including TWO/PWO) is 92.73% as on December 31, 2025.
12. Disclosure as per the RBI Master directions ref no. RBI/DOR/2025-26/159 DOR.STR.REC.No.78/21.04.048/2025-26 Reserve Bank of India (Commercial Banks- Transfer and Distribution of Credit Risk) Directions, 2025 dated November 28, 2025 for the nine months ended December 31, 2025 is as under:





बैंक ऑफ बड़ौदा Bank of Baroda



a) In respect of "loan accounts not in default" # acquired from other entities as per the guidelines.

Reporting for nine months ended December 31, 2025		Syndication		Others*	
	Particulars	Transferred to	Acquired From	Transferred to	Acquired From
(i)	Loans acquired / transferred through "assignment"				
	- Aggregate amount of loans acquired (₹ in lakhs)	-	1836450	-	472594
	- Weighted average residual maturity (In months)	-	48.86	-	154.17
	- Weighted average holding period (In Months)	-	NA	-	29.04
	- Weighted average Retention of beneficial economic interest by the transferor	-	NA	-	10%
	- Tangible security coverage of loans acquired (times)		0.57	-	1.63
(ii)	Loans acquired / transferred through "novation" (₹ in lakhs)	21391	603189	-	-
(iii)	Loans acquired through "Loan participation" (₹ in lakhs)	-	-	-	-

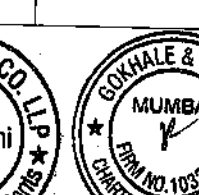
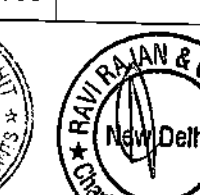
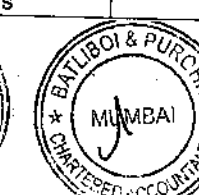
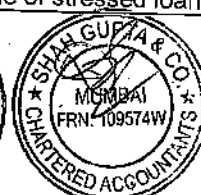
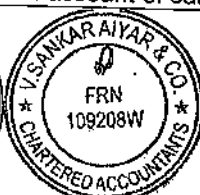
The Loans not in default are identified on the basis of DPD in each underlying account at the time of purchase.
* Pools purchased under TLE guidelines are not rated by the Bank.

Rating wise breakup of rated loans is as below:

External Rating	(₹ in lakhs)	
	Transferred to	Acquired from
A and Above	13481	708607
B and Above	7910	1469995
Below B	-	-
Unrated	-	261037

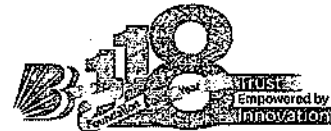
b) Details of stressed loans transferred is as under:

Details of stressed loans (NPA Accounts) transferred during the period April 01, 2025 to December 31, 2025			
	To ARCs	To permitted transferees	To other transferees
No. of NPA accounts	4	-	-
Aggregate principal outstanding of loans transferred	24969	-	-
Weighted average residual tenor of the loans transferred	-	-	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration	16560	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Quantum of excess provision reversed to the profit & loss account on account of sale of stressed loans	14799	-	-





बैंक ऑफ बड़ौदा Bank of Baroda



c) Details of stressed Loan (NPAs) Acquired during nine months ended December 31, 2025 – NIL

d) The Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit Rating Agencies as on 31.12.2025

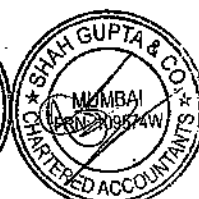
Distribution of the SRs held in Investment Categories (Sch-8) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on December 31, 2025	
Recovery Rating Band	Carrying Value (₹ In lakhs) *
RR1	34112
RR2	5890
RR3	-
RR4	-
RR5	-
Rating withdrawn	610
Grand Total	40612

*The Standard Investments in SRs are fair valued. Further, SRs under NPI category are fully provided.

Distribution of the SRs which are part of Matured Investment (Sch-11) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on December 31, 2025	
Recovery Rating Band	Carrying Value (₹ In lakhs)*
RR1	-
RR2	-
RR3	-
RR4	-
RR5	-
Rating withdrawn	71679
Grand Total	71679

*The Standard Investments in SRs are fair valued. Further, SRs under NPI category are fully provided.

13. As per RBI Master Direction RBI/DOR/2025-26/165 DOR.STR.REC.84/21.04.048/2025-26 Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025 dated 28th November, 2025 read with RBI/DOR/2025-26/167 DOR.ACC.REC.No.86/21.04.018/2025-26 Reserve Bank of India (Commercial Banks - Financial Statements: Presentation and Disclosures) Directions, 2025 Dated 28th November, 2025 disclosures related to project finance as on December 31, 2025 are given below :





बैंक ऑफ बड़ौदा Bank of Baroda

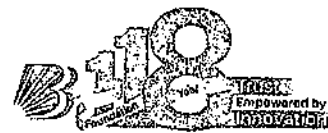


SI No.	Item Description	Number of Accounts	Total Outstanding (₹ in lakhs)
1	Projects under implementation accounts at the beginning of the quarter	123	2063340
2	Projects under implementation accounts sanctioned during the quarter	12	18727
3	Projects under implementation accounts where DCCO has been achieved during the quarter	11	73653
4	Projects under implementation accounts at the end of the quarter. (1+2-3)	124	2008414
5	Out of '4' – accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked	14	123846
5.1	Out of '5' – accounts in respect of which Resolution plan has been implemented	12	32490
5.2	Out of '5' – accounts in respect of which Resolution plan is under implementation.	2	91356
5.3	Out of '5' – accounts in respect of which Resolution plan has failed.	-	-
6	Out of '5', accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked due to change in scope and size of the project	-	-
7	Out of '5', account in respect of which cost overrun associated with extension in original / extended DCCO, as the case may be, was funded	-	-
7.1	Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously	-	-
7.2	Out of '7', accounts where SBCF was not presanctioned or renewed continuously	-	-
8	Out of '4' – accounts in respect of which resolution process not involving extension in original / extended DCCO, as the case may be, has been invoked	-	-
8.1	Out of '8' – accounts in respect of which Resolution plan has been implemented.	-	-
8.2	Out of '8' – accounts in respect of which Resolution plan is under implementation.	-	-
8.3	Out of '8' – accounts in respect of which Resolution plan has failed.	-	-





बैंक ऑफ बड़ोदा Bank of Baroda

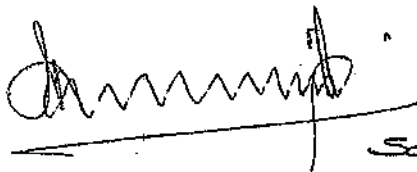


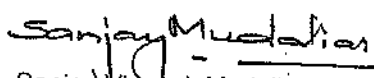
14. Notes on Segment Reporting:-

- As per the guidelines of the RBI on compliance with the Accounting Standards, the bank has adopted "Treasury Operations", "Wholesale", "Retail" and "Other Banking Operations", as primary business segments and "Domestic" and "International" as secondary / geographic segments for the purpose of compliance with Accounting Standard 17 on Segment Reporting issued by ICAI.
- Digital Banking sub-segment under retail segment represents balances of Digital Banking units (DBUs) opened by Bank as per RBI guidelines.
- Segment revenue represents revenue from external customers.
- Capital employed for each segment has been allocated proportionate to the assets of the respective segment.

15. The figures of the previous period have been regrouped / rearranged, wherever necessary, to conform to the current period classifications.

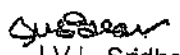

Desadatta Ch
Managing Director


Lalit Tyagi
Executive Director


Sanjay Vinayak Mudaliar
Executive Director


Lal Singh
Executive Director


Beena Vaheed
Executive Director


I.V.L. Sridhar
Chief Financial Officer


Rankaj Khatri
Dy. Chief Financial Officer

Place: Mumbai

Date: January 30, 2026



V Sankar Aiyar & Co
Chartered Accountants
601, A-Wing, Mangalya Building
Off. Marol Maroshi Road, Marol
Andheri (East), Mumbai 400 059

Shah Gupta & Co
Chartered Accountants
38, Bombay Mutual Building,
2nd floor, Dr. D.N. Road, Fort
Mumbai – 400 001

Batliboi & Purohit
Chartered Accountants
204, National Insurance Building,
D.N. Road, Fort,
Mumbai - 400 001

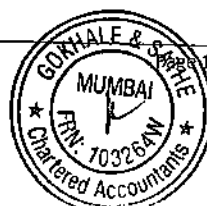
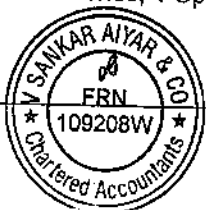
Ravi Rajan & Co LLP
Chartered Accountants
505C, D4 Rectangle - 1,
District Centre Saket,
New Delhi 110017

Gokhale & Sathe
Chartered Accountants
304/308/309/311,
Udyog Mandir No.1, 7C
Bhagoji Keer Marg Mahim
Mumbai - 400016

Independent Auditors' Review Report on Unaudited Standalone Financial Results of Bank of Baroda for the quarter and nine months ended December 31, 2025 pursuant to Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors
Bank of Baroda
Mumbai

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Bank of Baroda** (the "Bank") for the quarter and nine months ended December 31, 2025 (the "Statement") attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, as amended (the "Regulations") except for the disclosures relating to ' Consolidated Pillar 3 disclosures as at December 31, 2025 including Leverage Ratio, liquidity coverage ratio and Net stable funding ratio under Basel III Capital Regulations' as disclosed on the Bank's website and in respect of which a link is being provided in the aforesaid Statement, and has not been reviewed by us.
2. The Statement, which is the responsibility of the Bank's Management and has been approved by the Bank's Board of Directors, has been prepared by the Bank's Management in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" issued by the Institute of Chartered Accountants of India, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accounts of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The unaudited standalone financial results of the Bank incorporate the relevant returns of 20 domestic branches, 1 Specialised Integrated Treasury branch reviewed by us and 1 International Banking Unit



Page 1 of 3

situated in Gift City reviewed by one of the Statutory Central Auditors and 21 foreign branches reviewed by local auditors of foreign branches specially appointed for this purpose. These review reports cover 46.66% of the advance portfolio of the Bank (excluding the advances of Asset Recovery branches and outstanding food credit) and 15.23% of the non-performing assets of the Bank.

In the conduct of our review of the Bank, we have also considered review reports in respect of non-performing assets (NPAs) submitted by the concurrent auditors of 444 domestic branches to the Bank Management and review of NPA of 500 additional branches by one of the Statutory Central Auditors. These review reports cover 11.33% of the advance portfolio of the Bank (excluding the advances of Asset Recovery branches and outstanding food credit) and 35.38% of the non-performing assets of the Bank. Apart from these review reports, we have also considered various management certified returns received from the Zonal offices of the Bank. The unaudited standalone financial results also include interim financial information in respect of 7535 branches which have not been reviewed by us. We have also relied upon various information and returns of these un-reviewed branches generated through the centralized data base at Bank's Head Office.

5. Based on our review conducted as above and subject to limitation in scope as mentioned in paragraph 3 and 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement read with notes to the unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standards, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulations, including the manner in which it is to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosure as at December 31, 2025, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of Matter

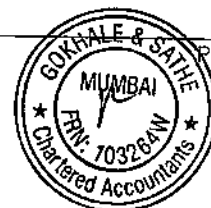
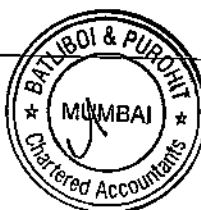
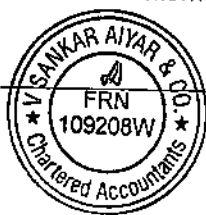
6. We draw attention to:

Note No. 8 of the Statement regarding amortization of additional liability on account of revision in family pension amounting to ₹ 1,45,441 lakhs. The Bank has charged an amount of ₹ 7,272 Lakhs and ₹ 21,816 lakhs to the Profit and Loss Account for the quarter and nine months ended December 31, 2025 respectively and the balance unamortized expense of ₹ 7,273 lakhs has been carried forward in terms of RBI Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021. (An amount of ₹1,16,352 lakhs has been charged to the Profit and Loss Account up to March 31, 2025).

Our conclusion is not modified in respect of the above matter.

Other Matter

7. We did not review the interim financial information of 21 foreign branches included in the Unaudited Standalone Financial Results of the Bank, whose results reflect total revenues of ₹ 3,15,468 lakhs and ₹ 9,23,960 lakhs for the quarter and nine months ended December 31, 2025 respectively. This interim financial information have been reviewed by other auditors whose reports have been furnished to us and



V Sankar Aiyar & Co
Chartered Accountants

Shah Gupta & Co
Chartered Accountants

Batliboi & Purohit
Chartered Accountants

Ravi Rajan & Co LLP
Chartered Accountants

Gokhale & Sathe
Chartered Accountants

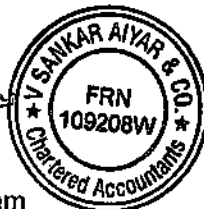
our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these branches is based solely on the reports of other auditors and the procedures performed by us as stated in paragraph 3 above.

8. The review of unaudited standalone financial results of the Bank for the quarter and nine months ended December 31, 2024 and for the quarter ended September 30, 2025, and audit of annual standalone financial results for the year ended March 31, 2025 were conducted by the joint auditors of the bank, two of whom are the predecessor audit firms. Accordingly, Ravi Rajan & Co. LLP and Gokhale & Sathe Chartered Accountants, do not express any conclusions / opinion, as the case may be, on the figures reported in the Statement for the quarter and nine months ended December 31, 2025 and quarter ended September 30, 2025 and year ended March 31, 2025.

Our conclusion is not modified in respect of the above matter.

For V Sankar Aiyar & Co
Chartered Accountants
FRN: 109208W

S Nagabhushanam



S. Nagabhushanam
Partner
M. No.: 107022
UDIN:26107022HURVRY2633

For Shah Gupta & Co
Chartered Accountants
FRN: 109574W

D.V Ballal



D.V Ballal
Partner
M. No.: 013107
UDIN:26013107ZSKGES4824

For Batliboi & Purohit
Chartered Accountants
FRN: 101048W

Achinto Das



Achinto Das
Partner
M. No.: 619017
UDIN: 26619017BPIPPF7692

For Ravi Rajan & Co LLP
Chartered Accountants
FRN: 009073N / N500320

Sumit Kumar



Sumit Kumar
Partner
M. No.: 512555
UDIN:26512555WRHOWC9910

For Gokhale & Sathe
Chartered Accountants
FRN: 103264W

Rahul Joglekar



Rahul Joglekar
Partner
M. No.: 129389
UDIN:26129389FXDWAV1338

Date: January 30, 2026
Place: Mumbai



बैंक ऑफ बड़ोदा Bank of Baroda



Regd Office: Baroda House P B No.506 Mandvi Baroda- 390006
Corporate Office: C-26 G-Block Bandra Kurla Complex Bandra (E) Mumbai- 400051

Un-Audited Consolidated Financial Results for the Quarter/Nine Months Ended 31st December 2025

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2025	30.09.2025	31.12.2024	31.12.2025	31.12.2024	31.03.2025
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	3359984	3331824	3293898	9978439	9598416	12890409
(a)	Interest /discount on advances / bills	2493022	2435325	2457428	7375310	7174929	9610654
(b)	Income on investments	719141	728440	765570	2169845	2199739	2928419
(c)	Interest on balances with Reserve Bank of India and other inter bank funds	70337	75680	22936	211948	136310	198189
(d)	Others	77484	92379	47964	221336	87438	143147
2	Other Income	639916	511586	479351	1705287	1700425	2408005
3	Total Income (1 + 2)	3999900	3843410	3773249	11683726	11298841	15288414
4	Interest Expended	2058582	2019135	2014322	6108371	5799171	7826492
5	Operating Expenses (a)+ (b)	976154	974997	915755	2902350	2657712	3672075
(a)	Employees cost	448914	441150	452105	1357250	1317704	1791045
(b)	Other operating expenses	527240	533847	463650	1545100	1340008	1881030
6	Total Expenditure (4+5) excluding provisions and contingencies	3034736	2994132	2930077	9010721	8456883	11498567
7	Operating Profit (3-6) before Provisions and Contingencies	965164	849278	843172	2673005	2841958	3789847
8	Provisions (other than tax) and Contingencies	262811	179781	149689	784189	771147	1027950
9	Exceptional Items	-	-	-	-	-	-
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	702353	669497	693483	1888816	2070811	2761897
11	Provision for Taxes	161651	162467	181801	505896	555576	715962
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	540702	507030	511682	1382920	1515235	2045935
13	Less: Minority Interest	5774	4707	3602	15283	12211	14893
14	Add: Share of earnings in Associates	9364	11033	13292	36927	26639	40591
15	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
16	Net Profit (+) / Loss (-) for the period (12-13+14+15)	544292	513386	521372	1404564	1529663	2071633
17	Paid-up equity share capital (Face Value of ₹ 2 each)	103553	103553	103553	103553	103553	103553
18	Reserve excluding Revaluation Reserve	-	-	-	-	-	-
19	Analytical Ratios	-	-	-	-	-	13595395
i)	Percentage of shares held by Government of India	63.97	63.97	63.97	63.97	63.97	63.97
ii)	Capital Adequacy Ratio(%) -Basel-III	15.75	16.97	16.36	15.75	16.36	17.60
(a)	CET 1 Ratio (%)	12.97	13.88	12.86	12.97	12.86	14.28
(b)	Additional Tier 1 Ratio (%)	0.63	0.77	1.04	0.63	1.04	0.99
iii)	Earnings Per Share	-	-	-	-	-	-
(a)	Basic EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	10.53	9.93	10.08	27.16	29.58	40.06
(b)	Diluted EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	10.53	9.93	10.08	27.16	29.58	40.06
iv)	NPA Ratios	-	-	-	-	-	-
(a)	Gross NPA	-	-	-	-	-	-
(b)	Net NPA	-	-	-	-	-	-
(c)	Gross NPA to Gross Advances %	-	-	-	-	-	-
(d)	Net NPA to Net Advances %	-	-	-	-	-	-
v)	Return on Assets (annualized) %	-	-	-	-	-	-
vi)	Debt Equity ratio*	1.13	1.09	1.19	0.98	1.18	1.18
vii)	Total Debt to Total Assets Ratio**	0.49	0.67	0.59	0.49	0.59	0.61
viii)	Capital Redemption Reserve/ Debenture Redemption Reserve	0.07	0.08	0.08	0.07	0.08	0.07
ix)	Outstanding Redeemable Preference Shares	NA	NA	NA	NA	NA	NA
x)	Net Worth	NA	NA	NA	NA	NA	NA
xi)	Operating Profit Margin %	13746492	13253743	12095342	13746492	12095342	12322724
xii)	Net Profit Margin %	24.13	22.10	22.35	22.88	25.15	24.79
		13.61	13.36	13.82	12.02	13.54	13.55

* Debt represents borrowings with residual maturity of more than one year. ** Total Debt represents consolidated borrowings of the Group.





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Un-Audited Consolidated Segment reporting for the Quarter/Nine Months Ended 31st December 2025

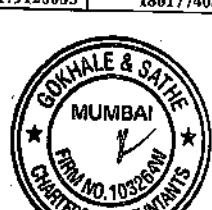
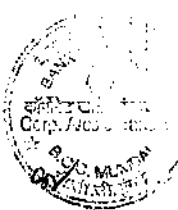
Part A-Business Segments

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2025	30.09.2025	31.12.2024	31.12.2025	31.12.2024	31.03.2025
		Un-Audited	Un-Audited	Un-Audited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	(a) Treasury Operations	855379	892025	831338	2727264	2488250	3400427
	(b) Wholesale Banking	1264388	1220773	1344703	3705013	3952472	5265685
	(c) Retail Banking	1546855	1512607	1412772	4570596	4137074	5623816
	(i) Digital Banking	44	39	31	118	84	114
	(ii) Other Retail Banking	1546811	1512568	1412741	4570478	4136990	5623702
	(d) Other Banking Operations	333278	218005	184436	680853	721045	998486
	Total Revenue	3999900	3843410	3773249	11683726	11298841	15288414
2	Segment Results						
	(a) Treasury Operations	162218	239959	148877	734382	507289	763852
	(b) Wholesale Banking	242762	256563	453061	734613	1381557	1715685
	(c) Retail Banking	425516	325635	256290	1020621	625662	872616
	(i) Digital Banking	(393)	(424)	(368)	(1180)	(1103)	(1531)
	(ii) Other Retail Banking	425909	326059	256658	1021801	626765	874147
	(d) Other Banking Operations	28195	15415	27886	53698	42413	93002
	Total	858691	837572	886114	2543314	2556921	3445155
	Unallocated Expenditure	152748	161749	182941	632854	471682	657560
	Profit before Tax	705943	675823	703173	1910460	2085239	2787595
	Provision for Tax	161651	162467	181801	505896	555576	715962
	Net Profit	544292	513356	521372	1404564	1529663	2071633
3	Segment Assets						
	(a) Treasury Operations	52761139	54077824	54001211	52761139	54001211	54128036
	(b) Wholesale Banking	76325283	72372101	68291694	76325283	68291694	71968839
	(c) Retail Banking	59717702	57139496	50979659	59717702	50979659	53482702
	(i) Digital Banking	2271	1854	1605	2271	1605	1703
	(ii) Other Retail Banking	59715431	57137642	50978054	59715431	50978054	53480999
	(d) Other Banking Operations	4231698	3943269	3365077	4231698	3365077	3600649
	(e) Unallocated	4081604	3821043	2490444	4081604	2490444	2997182
	Total Assets	197117426	191355733	179128085	197117426	179128085	186177408
4	Segment Liabilities						
	(a) Treasury Operations	48365688	49587392	49785820	48365688	49785820	49868709
	(b) Wholesale Banking	69966739	66362577	62960773	69966739	62960773	66305622
	(c) Retail Banking	54742710	52394833	47000134	54742710	47000134	49274156
	(i) Digital Banking	2082	1700	1480	2082	1480	1569
	(ii) Other Retail Banking	54740628	52393133	46998654	54740628	46998654	49272587
	(d) Other Banking Operations	3879162	3617668	3102396	3879162	3102396	3317314
	(e) Unallocated	3741572	3503759	2296036	3741572	2296036	2761336
	Total Liabilities	180695871	175466229	165145159	180695871	165145159	171527137
5	Capital Employed						
	(a) Treasury Operations	4395451	4490432	4215391	4395451	4215391	4259327
	(b) Wholesale Banking	6358544	6009524	5330921	6358544	5330921	5663217
	(c) Retail Banking	4974992	4744663	3979525	4974992	3979525	4208546
	(i) Digital Banking	189	154	125	189	125	134
	(ii) Other Retail Banking	4974803	4744509	3979400	4974803	3979400	4208412
	(d) Other Banking Operations	352536	327601	262681	352536	262681	283335
	(e) Unallocated	340032	317284	194408	340032	194408	235846
	Total Capital Employed	16421555	15889504	13982926	16421555	13982926	14650271

Part-B : Geographic Segments

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2025	30.09.2025	31.12.2024	31.12.2025	31.12.2024	31.03.2025
		Un-Audited	Un-Audited	Un-Audited	Unaudited	Unaudited	Audited
1	Revenue						
	(a) Domestic	3515217	3371007	3316099	10282085	9927645	13481784
	(b) International	484683	472403	457150	1401641	1371196	1806630
	Total	3999900	3843410	3773249	11683726	11298841	15288414
2	Assets						
	(a) Domestic	159840688	157069295	147810652	159840688	147810652	154027089
	(b) International	37276738	34286438	31317433	37276738	31317433	32150319
	Total	197117426	191355733	179128085	197117426	179128085	186177408





बैंक ऑफ बड़ोदा Bank of Baroda



STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

Particulars	Consolidated		
	As on 31 st December 2025	As on 31 st December 2024	As on 31 st March 2025
	Un-Audited	Un-Audited	Audited
<u>CAPITAL & LIABILITIES</u>			
Capital	103553	103553	103553
Reserves and Surplus	16318002	13879373	14546718
Minority Interest	142858	116882	124756
Deposits	157276561	142582827	149668796
Borrowings	14311336	14115160	13581278
Other Liabilities and Provisions	8965116	8330290	8152307
TOTAL	197117426	179128085	186177408
<u>ASSETS</u>			
Cash and Balances with Reserve Bank of India	5020624	5408542	5819084
Balances with Banks and Money at Call and Short Notice	9466819	6948374	7428689
Investments	40741665	42967177	42737968
Advances	135512876	117730748	123724040
Fixed Assets	1204001	764162	1263374
Other Assets	5080363	5218004	5113175
Goodwill on Consolidation	91078	91078	91078
TOTAL	197117426	179128085	186177408



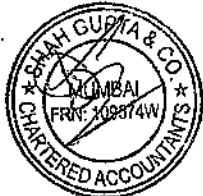


बैंक ऑफ बड़ौदा Bank of Baroda



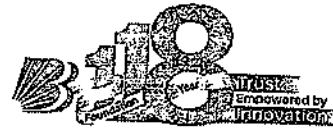
NOTES TO CONSOLIDATED FINANCIAL RESULTS:

1. The consolidated financial results have been prepared following the provisions/guidelines of Accounting Standards (AS) 21 "Consolidated Financial Statements", AS 23 "Accounting for investments in Associates in Consolidated Financial Statements", AS 25 "Interim Financial Reporting", AS 27 "Financial Reporting of Interests in Joint Ventures", the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time, other accounting principles generally accepted in India and as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
2. The above consolidated financial results of Bank of Baroda (hereinafter referred as "Bank") including Subsidiaries (hereinafter referred as "Group"), Joint Ventures and Associates have been recommended by the Audit Committee of the Board and approved at the meeting of the Board of Directors held on January 30, 2026. The same have been reviewed by the Statutory Central Auditors (SCAs) of the Bank in line with the guidelines issued by the Reserve Bank of India and as per SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, as amended thereafter.
3. The above consolidated financial results have been arrived at after considering necessary provisions for Non-Performing Assets (NPAs), standard assets, restructured assets, depreciation/ amortisation on investments & fixed assets, employee benefits and direct taxes (after adjustment of deferred tax) and other provisions and contingencies are made considering RBI's specific directions, judicial pronouncements and applicable Accounting Standards.
4. In terms of Reserve Bank of India (RBI) guidelines, Pillar 3 disclosures including leverage ratio under the Basel- III framework are being made available on our website in the following link: <https://www.bankofbaroda.in/shareholders-corner/disclosures-under-basel-iii>. Additionally, disclosures under NSFR & LCR framework are being made available on the following link: <https://www.bankofbaroda.in/shareholders-corner/financial-reports/>. These disclosures have not been subjected to audit / review by the SCAs of the Bank.
5. In accordance with Securities and Exchange Board of India (SEBI) regulations 2015 (as amended), for the purpose of consolidated financial results for the quarter/ nine months ended December 31, 2025, minimum eighty percent (80%) of each of consolidated revenue, assets and profits have been subjected to review.
6. The Group has continued to follow the same accounting policies and practices in preparation of financial results for the quarter/ nine months ended December 31, 2025 as followed in the previous year ended March 31, 2025.





बैंक ऑफ बड़ोदा Bank of Baroda



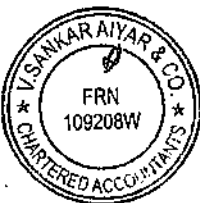
7. The Consolidated Financial Results comprises the financial results of 8 Domestic Subsidiaries, 7 Overseas Subsidiaries, 1 Joint Venture and 3 Associates including 2 Regional Rural Banks (RRBs) as under:-

A. Subsidiaries		Country of Incorporation	Type	Percentage of Holding
i	The Nainital Bank Limited	India	Banking	98.62%
ii	BOBCARD LIMITED	India	Non-Banking	100%
iii	BOB Capital Markets Limited	India	Non-Banking	100%
iv	Baroda Global Shared Services Limited	India	Non-Banking	100%
v	Baroda Sun Technologies Limited	India	Non-Banking	100%
vi	Baroda BNP Paribas Asset Management India Private Limited	India	Non-Banking	50.10%
vii	Baroda BNP Paribas Trustee India Private Limited	India	Non-Banking	50.10%
viii	IndiaFirst Life Insurance Company Limited	India	Non-Banking	64.92%
ix	Bank of Baroda (Uganda) Limited	Uganda	Banking	80%
x	Bank of Baroda (Kenya) Limited	Kenya	Banking	86.70%
xi	Bank of Baroda (Botswana) Limited	Botswana	Banking	100%
xii	Bank of Baroda (New Zealand) Limited	New Zealand	Banking	100%
xiii	Bank of Baroda (Guyana) Inc.	Guyana	Banking	100%
xiv	Bank of Baroda (UK) Limited	United Kingdom	Banking	100%
xv	Bank of Baroda (Tanzania) Limited	Tanzania	Banking	100%
B. Joint Ventures				
i	India Infradebt Limited	India	Non-Banking	40.99%
ii	India International Bank (Malaysia) Berhad***	Malaysia	Banking	40%
C. Associates				
i	Baroda U.P. Bank*	India	RRB	35%
ii	Baroda Rajasthan Kshetriya Gramin Bank*	India	RRB	35%
iii	Baroda Gujarat Gramin Bank*	India	RRB	35%
iv	Indo Zambia Bank Limited	Zambia	Banking	20%
v	Gujarat Gramin Bank**	India	RRB	35%
vi	Uttar Pradesh Gramin Bank**	India	RRB	35%

*upto 30.04.2025

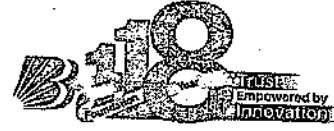
** w.e.f. 01.05.2025

*** upto 05.11.2025





बैंक ऑफ बड़ौदा **Bank of Baroda**



8. The Government of India, vide gazette notification CG-DL-E-07042025-262329 dated 05.04.2025, has provided for the amalgamation of Regional Rural Banks (RRBs) into a single Regional Rural Bank (RRB) in different states effective from 01.05.2025.

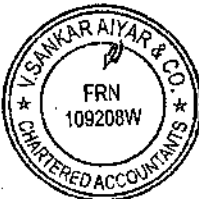
Details of the Amalgamation of RRBs sponsored by the Bank of Baroda are as under:

State	Transferor RRB	Sponsor Bank of Transferor RRB	Amalgamated RRB	Sponsor Bank of transferee RRBs
Gujarat	Baroda Gujarat Gramin Bank	Bank of Baroda	Gujarat Gramin Bank	Bank of Baroda
	Saurashtra Gramin Bank	State Bank of India		
Uttar Pradesh	Baroda U P Bank	Bank of Baroda	Uttar Pradesh Gramin Bank	Bank of Baroda
	Aryavart Bank	Bank of India		
	Prathama U P Gramin Bank	Punjab National Bank		
Rajasthan	Rajasthan Marudhara Gramin Bank	State Bank of India	Rajasthan Gramin Bank	State Bank of India
	Baroda Rajasthan Kshetriya Gramin Bank	Bank of Baroda		

In case of Baroda Rajasthan Kshetriya Gramin Bank, the Bank has debited its consolidated profit and loss account by ₹ 130714 lakhs towards reversal of difference between the carrying value of investments and the proceeds received for capital redemption.

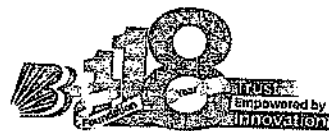
Further, in cases where the Bank is the Sponsor Bank of the Amalgamated RRBs, the Bank has included ₹ 246638 lakhs representing the excess of its share of the equity in the Bank sponsored Amalgamated RRBs over the cost of acquisition under Reserves & Surplus in accordance with Accounting Standard 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements'.

9. During the quarter, India International Bank (Malaysia) Berhad, a joint venture of Bank of Baroda was placed under liquidation on November 06, 2025. Bank has received the capital repatriation on account of member's voluntary liquidation (MVL).
10. Bank has estimated an additional liability on account of revision in family pension for employees as per IBA Joint Note dated November 11, 2020, amounting to ₹ 145441 lakhs. RBI vide their Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 04, 2021 has permitted Banks to amortize the said additional liability over a period of not exceeding 5 (five) years, beginning with financial year 2021-22, subject to a minimum of 1/5th of the total amount being expensed every year. Bank has opted for the said provision of RBI and accordingly had charged an amount of ₹ 116352 lakhs to the Profit & Loss account upto March 31, 2025. Further, the Bank has charged an amount of ₹ 7272 lakhs and ₹ 21816 lakhs to the Profit & Loss account for the quarter and nine months ended December 31, 2025, respectively and the balance unamortized expense of ₹ 7273 lakhs has been carried forward. Had the Bank charged the remaining additional liability to the Profit and Loss Account, the net profit for the quarter and nine months ended December 31, 2025 would have been lower by ₹ 5442 lakhs (net of taxes).





बैंक ऑफ बड़ोदा Bank of Baroda



11. The Government of India has notified New Labour Codes effective from November 21, 2025. Based on the broad assessment carried out by the Bank on certain estimates and assumptions, the impact of the same on employee benefits is not material. Currently, the finalisation of Central and State Rules on the New Labour Codes is awaited based on which the above estimates and assumptions will be re-assessed.
12. As per the RBI Master Direction - RBI/DOR/2025-26/164 DOR.STR.REC.83./21.04.048/2025-26 dated November 28, 2025, Bank has in place an approved Floating Provision Policy. As on December 31, 2025, the Group has floating provision of ₹ 106281 lakhs (₹ NIL and ₹ 40000 lakhs created during the quarter and nine months period ended December 31, 2025 respectively) in accordance with the policy.
13. Disclosure as per the RBI Master directions, ref no. RBI/DOR/2025-26/159 DOR.STR.REC.No.78/21.04.048/2025-26 Reserve Bank of India (Commercial Banks- Transfer and Distribution of Credit Risk) Directions, 2025 dated November 28, 2025 for the nine months ended December 31, 2025 is as under:

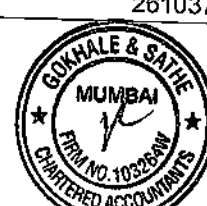
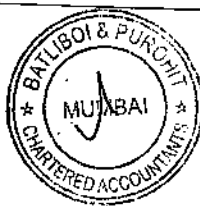
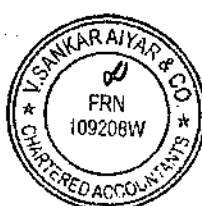
a) In respect of "loan accounts not in default" # acquired from other entities as per the guidelines.

Reporting for nine months ended December 31, 2025		Syndication		Others*	
	Particulars	Transferred to	Acquired From	Transferred to	Acquired From
(i)	Loans acquired / transferred through "assignment"				
	- Aggregate amount of loans acquired (₹ in lakhs)	-	1836450	-	472594
	- Weighted average residual maturity (In months)	-	48.86	-	154.17
	- Weighted average holding period (In Months)	-	NA	-	29.04
	- Weighted average Retention of beneficial economic interest by the transferor	-	NA	-	10%
	- Tangible security coverage of loans acquired (times)		0.57	-	1.63
(ii)	Loans acquired / transferred through "novation" (₹ in lakhs)	21391	603189	-	-
(iii)	Loans acquired through "Loan participation" (₹ in lakhs)	-	-	-	-

The Loans not in default are identified on the basis of DPD in each underlying account at the time of purchase.
* Pools purchased under TLE guidelines are not rated by the Bank.

Rating wise breakup of rated loans is as below:

External Rating	(₹ in lakhs)	
	Transferred to	Acquired from
A and Above	13481	708607
B and Above	7910	1469995
Below B	-	-
Unrated	-	261037





बैंक ऑफ बड़ोदा Bank of Baroda



b) Details of stressed loans transferred is as under:

(₹ In Lakhs)

Details of stressed loans (NPA Accounts) transferred during the period April 01, 2025 to December 31, 2025			
	To ARCs	To permitted transferees	To other transferees
No. of NPA accounts	4	-	-
Aggregate principal outstanding of loans transferred	24969	-	-
Weighted average residual tenor of the loans transferred	-	-	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration	16560	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Quantum of excess provision reversed to the profit & loss account on account of sale of stressed loans	14799	-	-

c) Details of stressed Loan (NPAs) Acquired during nine months ended December 31, 2025 ~ NIL

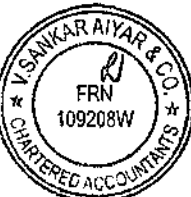
d) The Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit Rating Agencies as on 31.12.2025.

Distribution of the SRs held in Investment Categories (Sch-8) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on December 31, 2025	
Recovery Rating Band	Carrying Value (₹ In lakhs)*
RR1	34112
RR2	5890
RR3	-
RR4	-
RR5	-
Rating withdrawn	-
Grand Total	610
	40612

*The Standard Investments in SRs are fair valued. Further, SRs under NPI category are fully provided.

Distribution of the SRs which are part of Matured Investment (Sch-11) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on December 31, 2025	
Recovery Rating Band	Carrying Value (₹ In lakhs)*
RR1	-
RR2	-
RR3	-
RR4	-
RR5	-
Rating withdrawn	0
Grand Total	71679
	71679

*The Standard Investments in SRs are fair valued. Further, SRs under NPI category are fully provided.



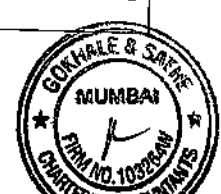
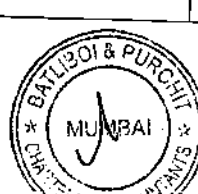
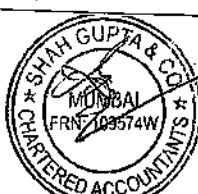
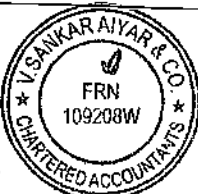


बैंक ऑफ बड़ोदा Bank of Baroda



14. As per RBI Master Direction RBI/DOR/2025-26/165 DOR.STR.REC.84/21.04.048/2025-26 Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025 Dated 28th November, 2025 read with RBI/DOR/2025-26/167 DOR.ACC.REC.No.86/21.04.018/2025-26 Reserve Bank of India (Commercial Banks - Financial Statements: Presentation and Disclosures) Directions, 2025 Dated 28th November, 2025 following disclosures related to project finance are required as below as on 31.12.2025.

SI No.	Item Description	Number of Accounts	Total Outstanding (₹ In lakhs)
1	Projects under implementation accounts at the beginning of the quarter	123	2063340
2	Projects under implementation accounts sanctioned during the quarter	12	18727
3	Projects under implementation accounts where DCCO has been achieved during the quarter	11	73653
4	Projects under implementation accounts at the end of the quarter. (1+2-3)	124	2008414
5	Out of '4' – accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked	14	123846
5.1	Out of '5' – accounts in respect of which Resolution plan has been implemented	12	32490
5.2	Out of '5' – accounts in respect of which Resolution plan is under implementation.	2	91356
5.3	Out of '5' – accounts in respect of which Resolution plan has failed.	-	-
6	Out of '5', accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked due to change in scope and size of the project	-	-
7	Out of '5', account in respect of which cost overrun associated with extension in original / extended DCCO, as the case may be, was funded	-	-
7.1	Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously	-	-
7.2	Out of '7', accounts where SBCF was not presanctioned or renewed continuously	-	-
8	Out of '4' – accounts in respect of which resolution process not involving extension in original / extended DCCO, as the case may be, has been invoked	-	-
8.1	Out of '8' – accounts in respect of which Resolution plan has been implemented.	-	-
8.2	Out of '8' – accounts in respect of which Resolution plan is under implementation.	-	-
8.3	Out of '8' – accounts in respect of which Resolution plan has failed.	-	-





बैंक ऑफ बड़ोदा Bank of Baroda



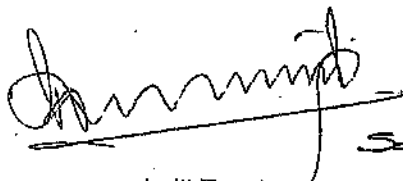
15. Notes on Segment Reporting :

- As per the guidelines of the RBI on compliance with the Accounting Standards, the Bank has adopted "Treasury Operations", "Wholesale", "Retail" and "Other Banking Operations", as primary business segments and "Domestic" and "International" as secondary / geographic segments for the purpose of compliance with Accounting Standard 17 on Segment Reporting issued by ICAI.
- Digital Banking sub-segment under retail segment represents balances of digital Banking units (DBUs) opened by Bank as per RBI guidelines.
- Segment revenue represents revenue from external customers.
- Capital employed for each segment has been allocated proportionate to the assets of the respective segment.

16. The figures of the previous period have been regrouped / rearranged, wherever necessary, to conform to the current period's classification.


Debadatta Chand

Managing Director



Lalit Tyagi
Executive Director



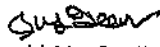
Sanjay Vinayak Mudaliar
Executive Director



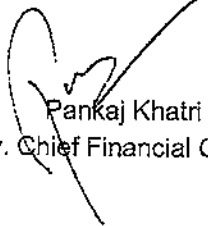
Lal Singh
Executive Director



Beena Vaheed
Executive Director



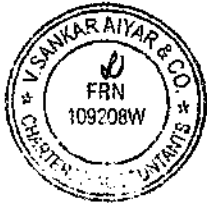
I.V.L. Sridhar
Chief Financial Officer



Pankaj Khatri
Dy. Chief Financial Officer

Place: Mumbai

Date: January 30, 2026



V Sankar Aiyar & Co
Chartered Accountants
601, A-Wing, Mangalya Building
Off. Marol Maroshi Road, Marol
Andheri (East), Mumbai 400 059

Shah Gupta & Co
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2nd floor, Dr. D.N. Road, Fort
Mumbai – 400 001

Batliboi & Purohit
Chartered Accountants
204, National Insurance Building,
D.N. Road, Fort,
Mumbai - 400 001

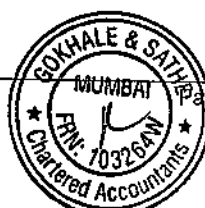
Ravi Rajan & Co LLP
Chartered Accountants
505C, D4 Rectangle - 1,
District Centre Saket,
New Delhi 110017

Gokhale & Sathe
Chartered Accountants
304/308/309/311,
Udyog Mandir No.1, 7C
Bhagoji Keer Marg Mahim
Mumbai - 400016

Independent Auditors' Review Report on Unaudited Consolidated Financial Results of Bank of Baroda for the quarter and nine months ended December 31, 2025 pursuant to Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended)

To
The Board of Directors
Bank of Baroda
Mumbai

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Bank of Baroda** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), its Joint Ventures and its share of the net profit after tax of its associates for the quarter and nine months ended December 31, 2025 (the "Statement") attached herewith, being submitted by the Parent, pursuant to the requirements of Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Regulations") except for the disclosures relating to 'Consolidated Pillar 3 disclosures as at December 31, 2025 including Leverage Ratio, liquidity coverage ratio and Net Stable Funding Ratio under Basel III Capital Regulations' as disclosed on the Bank's website and in respect of which a link is being provided in the aforesaid Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared by the Parent's Management in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" issued by Institute of Chartered Accountants of India, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Page 1 of 5

4. The unaudited consolidated financial results of the Parent incorporate the relevant returns of 20 domestic branches, 1 Specialised Integrated Treasury branch reviewed by us and 1 International Banking Unit situated in GIFT City reviewed by one of the Statutory Central Auditors and 21 foreign branches reviewed by local auditors of foreign branches specially appointed for this purpose. These review reports cover 46.66% of the advance portfolio of the Parent (excluding the advances of Asset Recovery branches and outstanding food credit) and 15.23% of the non-performing assets of the Parent.

In the conduct of our review of the Parent, we have also considered the review reports in respect of non-performing assets (NPA) submitted by the concurrent auditors of 444 domestic branches to the Management and review of NPAs of 500 additional branches of the Parent by one of the Statutory Central Auditors, included in the Group. These review reports cover 11.33% of the advance portfolio of the Parent (excluding the advances of Asset Recovery branches and outstanding food credit) and 35.38% of the non-performing assets of the Parent. Apart from these review reports, we have also considered various management certified returns received from the Zonal offices of the Parent. The unaudited consolidated financial results also include interim financial information in respect of 7535 branches of the parent which have not been reviewed by us. We have also relied upon various information and returns of these un-reviewed branches generated through the centralized data base at Parent's Head Office.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

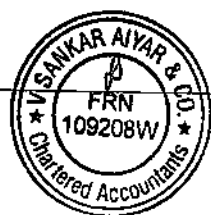
5. The Statement includes the results of the following entities:

A. Parent

Bank of Baroda

B. Subsidiaries

1. The Nainital Bank Limited
2. BOBCARD LIMITED (Formerly known as BOB Financial Solutions Limited)
3. BOB Capital Markets Limited
4. Baroda Global Shared Services Limited
5. Baroda Sun Technologies Limited
6. Baroda BNP Paribas Asset Management India Private Limited
7. Baroda BNP Paribas Trustee India Private Limited
8. India First Life Insurance Company Limited
9. Bank of Baroda (Uganda) Limited #
10. Bank of Baroda (Kenya) Limited #
11. Bank of Baroda (Botswana) Limited #
12. Bank of Baroda (New Zealand) Limited #
13. Bank of Baroda (Guyana) Inc. #
14. Bank of Baroda (UK) Limited #
15. Bank of Baroda (Tanzania) Limited #



C. Joint Ventures

1. India Infradebt Limited
2. India International Bank (Malaysia) Bhd (up to 05-11-25) #

D. Associates

1. Baroda U.P. Bank (Upto 30-Apr-25)
2. Baroda Rajasthan Kshetriya Gramin Bank (Upto 30-Apr-25)
3. Baroda Gujarat Gramin Bank (Upto 30-Apr-25)
4. Uttar Pradesh Gramin bank (w.e.f. 01-May-25)
5. Gujarat Gramin Bank (w.e.f. 01-May-25)
6. Indo Zambia Bank Limited #

6. Based on our review conducted as above and subject to limitation in scope as mentioned in paragraph 4 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement read with notes to unaudited consolidated financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standards, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulations including the manner in which it is to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosure as at December 31, 2025, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of Matter

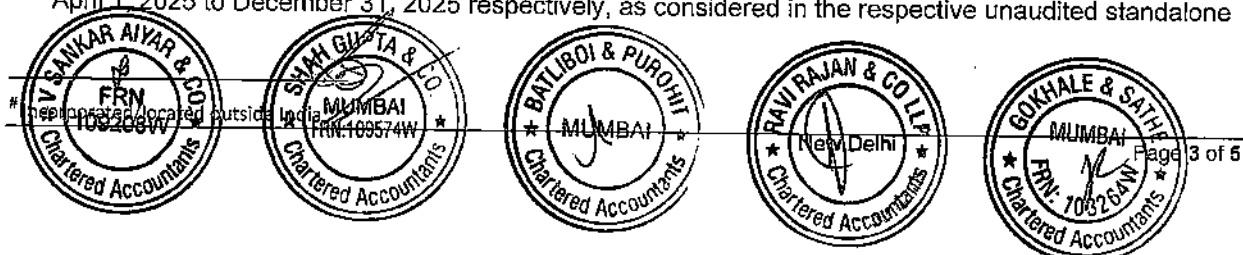
7. We draw attention to the following:

Note No. 10 of the Statement regarding amortization of additional liability on account of revision in family pension amounting to ₹1,45,441 lakhs. The Bank has charged an amount of ₹7,272 lakhs and ₹21,816 lakhs to the Profit and Loss Account for the quarter and nine months ended December 31, 2025, respectively and the balance unamortized expense of ₹7,273 lakhs has been carried forward in terms of RBI Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 04, 2021. (An amount of ₹1,16,352 lakhs has been charged to the Profit and Loss Account up to March 31, 2025).

Our conclusion is not modified in respect of the above matter.

Other Matters

8. We did not review the interim financial information of 21 foreign branches (included in the standalone unaudited financial results of the Parent) included in the Group, whose results reflect total revenues of ₹3,15,468 lakhs and ₹9,23,960 lakhs for the quarter ended December 31, 2025 and for the period from April 1, 2025 to December 31, 2025 respectively, as considered in the respective unaudited standalone



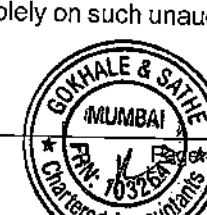
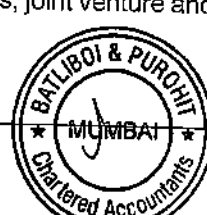
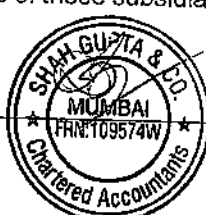
financial results of the entities included in the Group. This interim financial information has been reviewed by other auditors whose reports have been furnished to us and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these branches is based solely on the reports of other auditors and the procedures performed by us as stated in paragraph 3 above.

We did not review the interim financial information of 7 subsidiaries (2 domestic and 5 foreign subsidiaries) and 1 joint venture (Domestic) included in the Unaudited Consolidated Financial Results, whose interim financial information reflect total revenues of ₹4,26,880 lakhs and ₹11,13,697 lakhs and total net profit after tax of ₹38,482 lakhs and ₹1,02,797 lakhs for the quarter ended December 31, 2025 and for the period from April 1, 2025 to December 31, 2025 respectively as considered in the Unaudited Consolidated Financial Results. The Unaudited Consolidated Financial Results also include Group's share of net profit/ (loss) after tax of ₹4,596 lakhs and ₹19,237 lakhs for the quarter ended December 31, 2025 and for the period from April 1, 2025 to December 31, 2025 as considered in the Unaudited Consolidated Financial Results, in respect of 1 Associate, whose financial results have not been reviewed by us. This interim financial information of 7 subsidiaries and 1 joint venture and 1 Associate have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and Associate is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

In the case of foreign subsidiaries, the financial information has been prepared in accordance with accounting principles generally accepted in their respective countries and has been reviewed by the other auditors under generally accepted standards on review engagements as applicable in their respective countries. The respective entity's management has converted the financial information of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India and these conversion/ adjustments have been reviewed by the other auditors. Our conclusion in so far as it relates to the balances of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the respective entities and reviewed by the other auditors.

Our conclusion on the statement is not modified in respect of the above matters.

9. The Unaudited Consolidated Financial Results includes the interim financial information of 8 subsidiaries (6 domestic subsidiaries and 2 foreign subsidiaries) and 1 joint venture (Foreign) which have not been reviewed by their auditors, whose interim financial information reflect total revenues of ₹64,173 lakhs and ₹1,88,598 lakhs and total net profit/(loss) after tax of ₹131 lakhs and ₹7,539 lakhs for the quarter ended December 31, 2025, and for the period from April 1, 2025 to December 31, 2025 as considered in the Unaudited Consolidated Financial Results and Group's share of net profit after tax of ₹4,768 lakhs and ₹17,689 lakhs in respect of 2 Associates for the quarter ended December 31, 2025, and for period from April 1, 2025 to December 31, 2025 as considered in the Unaudited Consolidated Financial Results based on their interim financial information which has not been reviewed by their auditors and has been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, joint venture and associates, is based solely on such unaudited



interim financial results and other unaudited financial information. According to information and explanations given to us by the Management, these unaudited interim financial results are not material to the Group.

Our conclusion on the statement is not modified in respect of the above matter.

10. The review of unaudited consolidated financial results of the Bank for the quarter and nine months ended December 31, 2024 and for the quarter ended September 30, 2025, and audit of annual consolidated financial results for the year ended March 31, 2025 were conducted by the joint auditors of the bank, two of whom are the predecessor audit firms. Accordingly, Ravi Rajan & Co. LLP and Gokhale & Sathe Chartered Accountants, do not express any conclusions / opinion, as the case may be, on the figures reported in the Statement for the quarter and nine months ended December 31, 2025 and quarter ended September 30, 2025 and year ended March 31, 2025.

Our conclusion on the statement is not modified in respect of the above matter.

For V Sankar Aiyar & Co
Chartered Accountants
FRN: 109208W

S Nagabhushanam

S. Nagabhushanam
Partner
M. No.: 107022
UDIN: 26107022MYIAZE6446



For Shah Gupta & Co
Chartered Accountants
FRN: 109574W

D V Ballal

D V Ballal
Partner
M. No.: 013107
UDIN: 26013107TMNLCO7591



For Batliboi & Purohit
Chartered Accountants
FRN: 101048W

Achinto Das

Achinto Das
Partner
M. No.: 619017
UDIN: 26619017OLYPBZ9962



For Ravi Rajan & Co LLP
Chartered Accountants
FRN: 009073N/N500320

Sumit Kumar

Sumit Kumar
Partner
M. No.: 512555
UDIN: 26512555ABBZIP4673



For Gokhale & Sathe
Chartered Accountants
FRN: 103264W

Rahul Joglekar

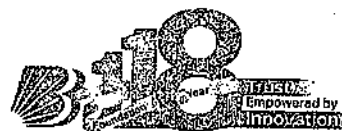
Rahul Joglekar
Partner
M. No.: 129389
UDIN: 26129389SOSTTK9329



Date: January 30, 2026
Place: Mumbai



बैंक ऑफ़ बड़ोदा Bank of Baroda



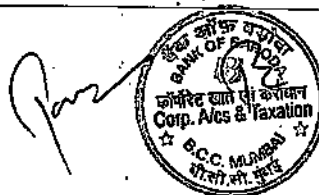
Press Release

Bank of Baroda announces Financial Results for the Quarter and Nine Months ended 31st December 2025

Bank delivers consistent growth momentum supported by stable asset quality and strong profits

Highlights

- Bank's Net Profit rises to INR 5,055 crore for Q3FY26, up by 4.5% YoY. Net Profit for 9MFY26 stands at INR 14,405 crore
- Operating Profit for the quarter stands at INR 7,377 crore and at INR 23,190 crore for 9MFY26.
- Net Interest Income for the quarter stands at INR 11,800 crore. It stands at INR 35,189 crore for 9MFY26.
- Non-Interest Income for the quarter stands at INR 3,600 crore up by 5.9% YoY. It stands at INR 11,790 crore for 9MFY26, registering a growth of 6.7% YoY.
- Operating expenses stands at INR 8,024 crore (+6.7% YoY) for the quarter and at INR 23,789 crore for 9MFY26.
- Return on Assets (ROA) remains consistently above 1% and it stands at 1.09% for Q3FY26 (+2 bps QoQ) and 1.05% for 9MFY26.
- Return on Equity (ROE) stands at 15.59% for Q3FY26, up by 22 bps QoQ. It stands at 14.81% for 9MFY26
- Cost of deposits for the quarter stands at 4.75%, a reduction of 33 bps YoY and 16 bps QoQ.
- Global Net Interest Margin (NIM) for Q3FY26 stands at 2.79%. It stands at 2.88% for 9MFY26.
- Domestic Net Interest Margin (NIM) stands at 2.93% for the quarter. It stands at 3.03% for 9MFY26.
- Bank continues to maintain strong Asset quality with reduction in GNPA by 39 bps YoY to 2.04% in Q3FY26. Bank's NNPA also reduced by 2 bps YoY and stands at 0.57% in Q3FY26.
- Bank's balance sheet remains robust with healthy Provision Coverage Ratio (PCR) of 92.73% with TWO & at 72.21% without TWO.
- Slippage ratio for Q3FY26 declined by 4 bps YoY and 5 bps QoQ to 0.86%. It stands at 0.79% for 9MFY26
- Credit cost remains below 0.75% at 0.17% for Q3FY26 and 0.34% for 9MFY26.
- Bank's Global Advances registered a growth of 14.7% YoY and Domestic advances grew by 13.6% in Q3FY26.
- Bank's organic Retail Advances grew by 17.4%, driven by strong growth across segments such as Mortgage Loan (21.0%), Auto Loan (17.4%), Home Loan (16.0%), Education Loan (12.8%) and Personal Loan (12.0%).
- Share of Retail, Agri Loans and MSME loans (RAM) in advances improved by 190 bps YoY to 61.8%. RAM portfolio grew by 17.3% in Q3FY26.



Page 1 of 5



Profitability

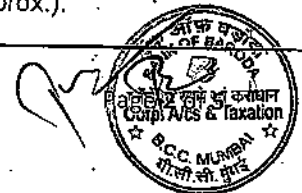
- ❖ Net Profit for Q3FY26 stands at INR 5,055 crore (+4.5% YoY) and it stands at INR 14,405 crore for 9MFY26.
- ❖ Net Interest Income for Q3FY26 stands at INR 11,800 crore and at INR 35,189 crore for 9MFY26.
- ❖ Non-Interest Income for Q3FY26 stands at INR 3,600 crore (+5.9% YoY). Non-Interest Income for 9MFY26 grew by 6.7% YoY and stands at INR 11,790 crore.
- ❖ Global Net Interest Margin (NIM) for Q3FY26 stands at 2.79%. It stands at 2.88% for 9MFY26.
- ❖ Domestic Net Interest Margin (NIM) stands at 2.93% for the quarter. It stands at 3.03% for 9MFY26.
- ❖ Operating Profit for the quarter stands at INR 7,377 crore and at INR 23,190 crore for 9MFY26.
- ❖ Return on Assets (ROA) remains consistently above 1% and stands at 1.09% for Q3FY26 and 1.05% for 9MFY26.
- ❖ Return on Equity (ROE) stands at 15.59% for Q3FY26 and at 14.81% for 9MFY26

Asset Quality

- ❖ Gross NPA Ratio improved to 2.04% in Q3FY26 from 2.43% in Q3FY25.
- ❖ The Net NPA Ratio of the Bank reduced by 2 bps YoY and stands at 0.57% in Q3FY26.
- ❖ Bank's balance sheet remains robust with healthy Provision Coverage Ratio (PCR) of 92.73% with TWO & at 72.21% without TWO.
- ❖ Slippage ratio for Q3FY26 declined by 4 bps YoY and 5 bps QoQ to 0.86%. It stands at 0.79% for 9MFY26
- ❖ Credit cost remains below 0.75% at 0.17% for Q3FY26 and 0.34% for 9MFY26.

Capital Adequacy

- ❖ CRAR of the Bank stands at 15.29% in Dec'25. Tier-I stood at 13.10% (CET-1 at 12.45%, AT1 at 0.65%) and Tier-II stood at 2.19% as of Dec'25.
- ❖ The CRAR and CET-1 of consolidated entity stands at 15.75% and 12.97% respectively.
- ❖ The Liquidity Coverage Ratio (LCR) consolidated stands at 116% (approx.).





बैंक ऑफ बड़ौदा Bank of Baroda



Business Performance

- ❖ Domestic Advances of the Bank increased to INR 10,96,557 crore, +13.6% YoY.
- ❖ Global Advances of the Bank increased to INR 13,44,904 crore, +14.7% YoY.
- ❖ Domestic Deposits increased by 11.1% YoY to INR 13,07,189 crore in Dec'25.
- ❖ Global Deposits increased by 10.3% YoY to INR 15,46,749 crore.
- ❖ Domestic CASA deposits registered a growth of 8.6% YoY and stands at INR 5,02,560 crore as of 31st December 2025.
- ❖ International Deposits grew by 5.7% on a YoY basis to INR 2,39,560 crore in Dec'25.
- ❖ Organic Retail Advances grew by 17.4%, led by strong growth across segments such as Mortgage Loan (21.0%), Auto Loan (17.4%), Home Loan (16.0%), Education Loan (12.8%) and Personal Loan (12.0%) on a YoY basis.
- ❖ Agriculture loan portfolio grew by 19.0% YoY to INR 1,79,805 crore.
- ❖ Organic MSME portfolio grew by 16.4% YoY to INR 1,53,415 crore.
- ❖ Corporate advances registered a growth of 8.1% YoY and stands at INR 4,18,963 crore.





बैंक ऑफ बड़ोदा Bank of Baroda



Financial results for Quarter and Nine Months ended 31st December 2025

Particulars (INR crore)	Q3FY25	Q2FY26	Q3FY26	YoY(%)	9MFY25	9MFY26	YoY(%)
Interest Income	31,277	31,511	31,750	1.5	91,184	94,352	3.5
Interest Expenses	19,491	19,557	19,950	2.4	56,161	59,163	5.3
Net Interest Income (NII)	11,786	11,954	11,800	0.1	35,023	35,189	0.5
Non-Interest Income	3,400	3,515	3,600	5.9	11,053	11,790	6.7
Operating Income	15,186	15,469	15,400	1.4	46,077	46,979	2.0
Operating Expenses	7,522	7,893	8,024	6.7	21,774	23,789	9.3
Operating Profit	7,664	7,576	7,377	-3.7	24,303	23,190	-4.6
Total Provisions (other than tax) and contingencies	1,082	1,232	799	-26.2	4,429	3,998	-9.7
of which, Provision for NPA Bad Debts Written-off	871	883	559	-35.9	3,874	3,128	-19.3
Profit before Tax	6,582	6,343	6,578	-0.1	19,873	19,191	-3.4
Provision for Tax	1,745	1,534	1,524	-12.7	5,340	4,786	-10.4
Net Profit	4,837	4,809	5,055	4.5	14,533	14,405	-0.9

Business position

Particulars (INR crore)	Dec 31 2024	Sep 30 2025	Dec 31 2025	YoY (%)
Domestic deposits	11,76,321	12,71,992	13,07,189	11.1
Domestic CASA	4,62,617	4,88,660	5,02,560	8.6
Global deposits	14,02,909	15,00,012	15,46,749	10.3
Domestic advances	9,64,869	10,46,506	10,96,557	13.6
Of which, retail loan portfolio (Organic)	2,43,360	2,73,116	2,85,786	17.4
Global advances	11,73,034	12,78,847	13,44,904	14.7

Key Ratios

Particulars	Q3FY25	Q2FY26	Q3FY26
NIM Global %	3.04	2.96	2.79
Return on Assets (%)	1.15	1.07	1.09
CRAR (%)	15.96	16.54	15.29
CET-1 (%)	12.38	13.36	12.45
Gross NPA (%)	2.43	2.16	2.04
Net NPA (%)	0.59	0.57	0.57
PCR (with TWO) (%)	93.51	93.21	92.73





बैंक ऑफ बड़ौदा Bank of Baroda



30th January 2026

Mumbai

About Bank of Baroda

Bank of Baroda ("The Bank") established on July 20, 1908 is an Indian state-owned banking and financial services organization, headquartered in Vadodara (earlier known as Baroda), in Gujarat, India. Under the 'Alternative Mechanism' scheme, the Government announced the amalgamation of Vijaya Bank and Dena Bank with Bank of Baroda which came into effect on April 1, 2019.

Bank of Baroda is one of India's largest banks with a strong domestic presence spanning 8,500 branches and 11,563 ATMs and Cash Recyclers supported by self-service channels. The Bank has a significant international presence with a network of 80 overseas offices across 15 countries & 37 branches of Overseas Associate.

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LinkedIn <https://www.linkedin.com/company/bankofbaroda/>

For media queries, please contact:

Bank of Baroda: Phiroza Choksi | +91 9820363681 | corp.pr@bankofbaroda.com

Adfactors PR: Mohsin Vadgama | +91 8484848485 | mohsin.vadgama@adfactorspr.com

For further details, please contact:

Mr. I V L Sridhar

Chief Financial Officer

Bank of Baroda

Mumbai

Cfo.bcc@bankofbaroda.co.in





बैंक ऑफ़ बड़ौदा Bank of Baroda



Regd Office: Baroda House P B No.506 Mandvi Baroda- 390006
Corporate Office: C-26 G-Block Bandra Kurla Complex Bandra (E) Mumbai- 400051

Audited Standalone Financial Results for the Quarter/Year Ended 31st March, 2025

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2025	31.12.2024	31.03.2024	31.03.2025	31.03.2024
		Audited	Un-Audited	Audited	Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	3064202	3090761	2958340	12144164	11260594
(a)	Interest /discount on advances / bills	2352179	2381107	2276031	9305088	8509823
(b)	Income on investments	642142	655323	630701	2594876	2486568
(c)	Interest on balances with Reserve Bank of India and other inter bank funds	56444	41518	36453	175637	172108
(d)	Others	13437	12813	15155	68563	92095
2	Other Income	520983	376886	419147	1664733	1449537
3	Total Income (1 + 2)	3585185	3467647	3377487	13808897	12710131
4	Interest Expended	1962239	1949072	1779057	7578296	6788441
5	Operating Expenses (a)+ (b)	809734	752151	787820	2987138	2825168
(a)	Employees cost	434724	420668	454671	1660764	1581600
(b)	Other operating expenses	375010	331483	333149	1326374	1243568
6	Total Expenditure (4+5) excluding provisions and contingencies	2771973	2701223	2566877	10565434	9613609
7	Operating Profit (3-6) before Provisions and Contingencies	813212	766424	810610	3243463	3096522
8	Provisions (other than tax) and Contingencies	155151	108234	130194	598025	607561
9	Exceptional Items	-	-	-	-	-
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	658061	658190	680416	2645438	2488961
11	Provision for Taxes	153288	174456	191767	687323	710083
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	504773	483734	488649	1958115	1778878
13	Extraordinary items (net of tax expenses)	-	-	-	-	-
14	Net Profit (+) / Loss (-) for the period (12-13)	504773	483734	488649	1958115	1778878
15	Paid-up equity share capital (Face Value of ₹ 2 each)	103553	103553	103553	103553	103553
16	Reserve excluding Revaluation Reserve	-	-	-	12641983	10617571
17	Analytical Ratios					
i)	Percentage of shares held by Government of India	63.97	63.97	63.97	63.97	63.97
ii)	Capital Adequacy Ratio(%) -Basel-III	17.19	15.96	16.31	17.19	16.31
a)	CET 1 Ratio (%)	13.78	12.38	12.54	13.78	12.54
b)	Additional Tier 1 Ratio (%)	1.01	1.06	1.53	1.01	1.53
iii)	Earnings Per Share					
(a)	Basic EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	9.76	9.35	9.45	37.86	34.40
(b)	Diluted EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	9.76	9.35	9.45	37.86	34.40
iv)	NPA Ratios					
a)	Gross NPA	2783488	2847122	3183363	2783488	3183363
b)	Net NPA	699424	682506	721334	699424	721334
c)	Gross NPA to Gross Advances %	2.26	2.43	2.92	2.26	2.92
d)	Net NPA to Net Advances %	0.58	0.59	0.68	0.58	0.68
v)	Return on Assets (annualized) %	1.16	1.15	1.25	1.16	1.17
vi)	Debt Equity ratio*	0.59	0.56	0.49	0.59	0.49
vii)	Total Debt to Total Assets Ratio**	0.07	0.08	0.06	0.07	0.06
viii)	Capital Redemption Reserve/ Debenture Redemption Reserve	NA	NA	NA	NA	NA
ix)	Outstanding Redeemable Preference Shares	NA	NA	NA	NA	NA
x)	Net Worth	11545735	11377482	9385076	11545735	9385076
xi)	Operating Profit Margin %	22.68	22.10	24.00	23.49	24.36
xii)	Net Profit Margin %	14.08	13.95	14.47	14.18	14.00

* Debt represents borrowings with residual maturity of more than one year. ** Total Debt represents total borrowings of the Bank.





Audited Standalone Segment Reporting for the Quarter/ Year Ended 31st March, 2025

Part A-Business Segments

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2025	31.12.2024	31.03.2024	31.03.2025	31.03.2024
		Audited	Un-Audited	Audited	Audited	Audited
1	Segment Revenue					
	(a) Treasury Operations	868953	784850	757236	3223469	3066858
	(b) Wholesale Banking	1271602	1312243	1331268	5137521	4851332
	(c) Retail Banking	1344901	1357781	1244941	5313480	4713373
	(i) Digital Banking	30	31	21	114	55
	(ii) Other Retail Banking	1344871	1357750	1244920	5313366	4713318
	(d) Other Banking Operations	99729	12773	44042	134427	78568
	Total Revenue	3585185	3467647	3377487	13808897	12710131
2	Segment Results					
	(a) Treasury Operations	234108	132248	157585	694709	494202
	(b) Wholesale Banking	310415	441039	506426	1655987	1640856
	(c) Retail Banking	185720	252047	213908	794551	1099229
	(i) Digital Banking	(428)	(368)	(444)	(1531)	(1226)
	(ii) Other Retail Banking	186148	252415	214352	796082	1100455
	(d) Other Banking Operations	99729	12772	44042	134427	78568
	Total	829972	838106	921961	3279674	3312855
	Unallocated Expenditure	171911	179916	241545	634236	823894
	Profit before Tax	658061	658190	680416	2645438	2488961
	Provision for Tax	153288	174456	191767	687323	710083
	Net Profit	504773	483734	488649	1958115	1778878
3	Segment Assets					
	(a) Treasury Operations	52214415	52026309	47462413	52214415	47462413
	(b) Wholesale Banking	70978949	67246934	63585442	70978949	63585442
	(c) Retail Banking	51941642	49758968	45435881	51941642	45435881
	(i) Digital Banking	1703	1605	1385	1703	1385
	(ii) Other Retail Banking	51939939	49757363	45434496	51939939	45434496
	(d) Other Banking Operations	-	-	-	-	-
	(e) Unallocated	2989726	2465582	2095973	2989726	2095973
	Total Assets	178124732	171497793	158579709	178124732	158579709
4	Segment Liabilities					
	(a) Treasury Operations	48200657	48051087	44103596	48200657	44103596
	(b) Wholesale Banking	65522749	62108736	59085632	65522749	59085632
	(c) Retail Banking	47948853	45956988	42220477	47948853	42220477
	(i) Digital Banking	1572	1482	1287	1572	1287
	(ii) Other Retail Banking	47947281	45955506	42219190	47947281	42219190
	(d) Other Banking Operations	-	-	-	-	-
	(e) Unallocated	2759905	2277194	1947646	2759905	1947646
	Total Liabilities	164432164	158394005	147357351	164432164	147357351
5	Capital Employed					
	(a) Treasury Operations	4013758	3975222	3358817	4013758	3358817
	(b) Wholesale Banking	5456200	5138198	4499810	5456200	4499810
	(c) Retail Banking	3992789	3801980	3215404	3992789	3215404
	(i) Digital Banking	131	123	98	131	98
	(ii) Other Retail Banking	3992658	3801857	3215306	3992658	3215306
	(d) Other Banking Operations	-	-	-	-	-
	(e) Unallocated	229821	188388	148327	229821	148327
	Total Capital Employed	13692568	13103788	11222358	13692568	11222358

Part- B : Geographic Segments

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2025	31.12.2024	31.03.2024	31.03.2025	31.03.2024
		Audited	Un-Audited	Audited	Audited	Audited
1	Revenue					
	(a) Domestic	3222387	3082342	3016458	12280845	11269706
	(b) International	362798	385305	361029	1528052	1440425
	Total	3585185	3467647	3377487	13808897	12710131
2	Assets					
	(a) Domestic	148817816	142909321	134357442	148817816	134357442
	(b) International	29306916	28588472	24222267	29306916	24222267
	Total	178124732	171497793	158579709	178124732	158579709





STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

Particulars	Standalone	
	As at 31 st March 2025	As at 31 st March 2024
	Audited	Audited
CAPITAL & LIABILITIES		
Capital	103553	103553
Reserves and Surplus	13589015	11118805
Deposits	147203485	133513640
Borrowings	12371618	9440226
Other Liabilities and Provisions	4857061	4403485
TOTAL	178124732	158579709
ASSETS		
Cash and Balances with Reserve Bank of India	5606849	5483983
Balances with Banks and Money at Call and Short Notice	6978071	4028430
Investments	38539845	36981684
Advances	120955790	106578172
Fixed Assets	1237626	791255
Other Assets	4806551	4716185
TOTAL	178124732	158579709

CASH FLOW STATEMENT

Particulars	Standalone	
	Year ended 31 st March 2025	Year ended 31 st March 2024
	Audited	Audited
A. Cash flow from operating activities:		
Net Profit before taxes	2645438	2488961
Adjustments for:		
Depreciation on fixed assets	139287	161968
Depreciation on investments (including on Matured debentures)	3735	(3126)
Bad debts written-off/Provision in respect of non-performing assets	517035	647086
Provision for Standard Assets	41911	(68851)
Provision for Other Items (Net)	35344	32452
(Profit)/loss on sale of fixed assets (Net)	(4041)	(628)
Payment/provision for interest on bonds	312585	191013
Dividend received from subsidiaries/others	(24762)	(23759)
Sub total	3666532	3425118
Adjustments for:		
(Increase)/Decrease in investments	(1145740)	(730751)
(Increase)/Decrease in advances	(14894853)	(13125431)
(increase)/Decrease in other assets	147380	435166
Increase/(Decrease) in borrowings	1913307	(1755878)
Increase/(Decrease) in deposits	13689845	12327005
Increase/(Decrease) in other liabilities and provisions	350412	(326305)
Direct taxes paid (Net of Refund)	(925070)	(794624)
Net cash from operating activities (A)	2802013	(545700)
B. Cash flow from investing activities:		
Purchase/ Transfer in of fixed assets	(114500)	(103894)
Sales/ Transfer out of fixed assets	38415	21955
Changes in Trade related investments (Subsidiaries & others)	(34160)	730
Dividend received from subsidiaries/others	24762	23759
Net cash used in investing activities (B)	(85483)	(57450)
C. Cash flow from financing activities:		
Share Capital/ Share Application Money/ Share Premium	-	-
Unsecured Subordinated Bonds	1018085	1005055
Dividend paid	(393024)	(284425)
Payment /provision for interest on bonds	(269084)	(175391)
Net cash from financing activities (C)	355977	545239
Net increase in cash & cash equivalents (A)+(B)+(C)	3072507	(57911)
Cash and cash equivalents as at the beginning of the year	9512413	9570324
Cash and cash equivalents as at the end of the period	12584920	9512413

Cash & Cash equivalents includes Cash in Hand & ATMs, Balance with RBI & Other banks and Money at call and Short Notice.

Components of Cash & Cash Equivalents	As on 31 st March 2025	As on 31 st March 2024
Cash & Balance with RBI	5606849	5483983
Balances with Banks and Money at Call and Short Notice	6978071	4028430
Total	12584920	9512413





NOTES TO STANDALONE FINANCIAL RESULTS:

1. The above standalone financial results for the quarter and year ended March 31, 2025 have been recommended by the Audit Committee of the Board of Bank of Baroda (hereinafter referred as "Bank") and approved at the meeting of the Board of Directors held on May 06, 2025. The results have been audited by the Statutory Central Auditors (SCAs) of the Bank in line with the guidelines issued by the Reserve Bank of India and as per SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, as amended thereafter. The information presented above is extracted from the audited standalone financial statements.
2. The above financial results have been arrived at after considering necessary provisions for Non-Performing Assets (NPAs), standard assets, restructured assets, depreciation/amortisation on investments & fixed assets, employee benefits and direct taxes (after adjustment of deferred tax) and other provisions and contingencies, considering RBI's specific directions, judicial pronouncements and applicable Accounting Standards.
3. In terms of Reserve Bank of India (RBI) guidelines, Pillar 3 disclosures including leverage ratio under the Basel- III framework are being made available on our website in the following link: <https://www.bankofbaroda.in/shareholders-corner/disclosures-under-basel-iii>. Additionally, disclosures under NSFR & LCR framework are being made available on the following link: <https://www.bankofbaroda.in/shareholders-corner/financial-reports/>. These disclosures have not been subjected to audit/review by the SCAs of the Bank.
4. The Bank has continued to follow the same accounting policies and practices in preparation of financial results for the quarter and year ended March 31, 2025 as followed in the previous year ended March 31, 2024 except for the changes required on account of RBI Master Direction applicable from April 01, 2024 as stated below:

Pursuant to the Master Direction dated September 12, 2023 issued by Reserve Bank of India on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 applicable from April 01, 2024, the Bank has carried out the requisite changes in its accounting policies for classification, accounting of investment portfolio and symmetric treatment of fair value gains and losses. In accordance with the revised norms, the Bank has classified its investment portfolio as on April 01, 2024 under the categories of Held To Maturity (HTM), Available For Sale (AFS), subsidiaries, associates and joint ventures and Fair Value Through Profit and Loss (FVTPL) with Held For Trading (HFT) as a sub-category of FVTPL.

Consequent to the implementation of the said policy, there was a positive transitional impact on the reserves, net of taxes, of ₹ 302207 lakhs as on the date of transition i.e. April 01, 2024. The corresponding previous period and yearly figures related to Investments portfolio in respect of financial year ended 31st March, 2024 respectively are not comparable with those of 31st March, 2025.





5. The Government of India, vide gazette notification CG-DL-E-07042025-262329 dated 05.04.2025, has provided for the amalgamation of Regional Rural Banks (RRBs) into a single Regional Rural Bank (RRB) in different states effective from 01.05.2025. The Bank's investments in these RRBs are included in its financial statements as at 31st March 2025.

Details of the Amalgamation of RRBs sponsored by the Bank of Baroda are as under:

State	Transferor RRB	Sponsor Bank of Transferor RRB	Amalgamated RRB	Sponsor Bank of transferee RRBs
Gujarat	Baroda Gujarat Gramin Bank	Bank of Baroda	Gujarat Gramin Bank	Bank of Baroda
	Saurashtra Gramin Bank	State Bank of India		
Rajasthan	Rajasthan Marudhara Gramin Bank	State Bank of India	Rajasthan Gramin Bank	State Bank of India
	Baroda Rajasthan Kshetriya Gramin Bank	Bank of Baroda		
Uttar Pradesh	Baroda U P Bank	Bank of Baroda	Uttar Pradesh Gramin Bank	Bank of Baroda
	Aryavart Bank	Bank of India		
	Prathama U P Gramin Bank	Punjab National Bank		

6. The Bank has estimated an additional liability on account of revision in family pension for employees as per IBA Joint Note dated November 11, 2020, amounting to ₹ 145441 lakhs. RBI vide their Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 04, 2021 has permitted Banks to amortize the said additional liability over a period of not exceeding 5 (five) years, beginning with financial year 2021-22, subject to a minimum of 1/5th of the total amount being expensed every year. Bank has opted for the said provision of RBI and accordingly charged an amount of ₹ 7272 lakhs and ₹ 29088 lakhs to the Profit & Loss account for the quarter and year ended March 31, 2025 respectively and the balance unamortized expense of ₹ 29089 lakhs has been carried forward. Had the Bank charged the remaining additional liability to the Profit and Loss Account, the net profit for the quarter and year ended March 31, 2025 would have been lower by ₹ 21767 lakhs (net of taxes).
7. Non-Performing Assets Provisioning Coverage Ratio (including TWO/PWO) is 93.29% as on March 31, 2025.
8. As per the RBI Circular no. RBI/2005-06/421/DBOD.NO.BP.BC.89 /21.04.048/2005-06 dated June 22, 2006, Bank has in place Floating Provision Policy approved by the Board. As on March 31, 2025, the Bank has floating provision of ₹ 60000 lakhs (Nil and ₹ 23000 lakhs created during the quarter and year ended March 31, 2025, respectively) in accordance with the policy.





9. Details of Resolution plan implemented under Resolution Framework for COVID 19 related stress as per RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06.08.2020 (RF 1.0) and 05.05.2021 (RF 2.0) as of March 31, 2025.

(Amount in ₹ lakhs)

Type of borrower	Exposure to accounts classified as standard consequent to implementation of Resolution Plan – Position as at the end of the Previous half-year i.e. 30.09.2024 (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 i.e. 31.03.2025 (A)
Personal Loans	302720	7115	-	21628	280660
Corporate persons*	35733	-	-	7588	-
Of which, MSMEs	4604	-	-	1037	-
Others	64662	846	-	4535	58261
Total	403115	7961	-	33751	338921

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

10. Disclosure as per the RBI Master directions ref no RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 "Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021" dated 24.09.2021 for year ended March 31, 2025 is as under:

- a) In respect of "loan accounts not in default" # acquired from other entities as per the para 86 of Transfer of Loan Exposure (TLE) guidelines.

Reporting for year ended March 31, 2025		Syndication		Others*	
	Particulars	Transferred to	Acquired From	Transferred to	Acquired From
(i)	Loans acquired / transferred through "assignment"				
	- Aggregate amount of loans acquired (₹ in lakhs)	-	1196174	-	1606970
	- Weighted average residual maturity (In months)	-	43.39	-	130.20
	- Weighted average holding period (In Months)	-	Not Applicable	-	28.04





बैंक ऑफ बड़ौदा Bank of Baroda



	- Weighted average Retention of beneficial economic interest by the transferor	-	Not Available	-	10%
	- Tangible security coverage of loans acquired (times)	-	0.39	-	1.52
(ii)	Loans acquired / transferred through "novation" (₹ in lakhs)	292321	676615	-	-
(iii)	Loans acquired through "Loan participation" (₹ in lakhs)	-	-	-	200866

The Loans not in default are identified on the basis of DPD in each underlying account at the time of purchase.

* Pools purchased under TLE guidelines are not rated by the Bank.

Rating wise breakup of rated loans is as below:

(₹ in lakhs)

External Rating	Transferred to	Acquired from
A and Above	149582	764574
B and Above	81201	943971
Below B	-	-
Unrated	61538	164244

b) Details of stressed loans transferred is as under:

(₹ In Lakhs)

Details of stressed loans (NPA Accounts) transferred during the period April 01, 2024 to March 31, 2025			
	To ARCs	To permitted transferees	To other transferees
No. of NPA accounts	5	-	-
Aggregate principal outstanding of loans transferred	37914	-	-
Weighted average residual tenor of the loans transferred	NA	-	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration	19779	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Quantum of excess provision reversed to the profit & loss account on account of sale of stressed loans	15234	-	-

c) Details of stressed Loan (NPAs) Acquired during year ended March 31, 2025 – NIL





d) The Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit Rating Agencies as on 31.03.2025

Distribution of the SRs held in Investment Categories (Sch-8) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on March 31, 2025	
Recovery Rating Band	Carrying Value (₹ In lakhs) *
RR1	35,242
RR2	6,027
RR3	-
RR4	-
RR5	-
Rating withdrawn	7,734
Grand Total	49,003

*As per RBI circular RBI/DOR/2024-25/135 DOR.STR.REC.72/21.04.048/2024-25 March 29, 2025; on guidelines for government-guaranteed security Receipts, banks are permitted to reverse any excess provision to the profit and loss Account in the year of transfer of loan to Asset reconstruction company (ARC) for the value higher than the net book value (NBV), provided the consideration consists solely of cash and SRs guaranteed by the Government of India. Such SRs shall be valued periodically by reckoning the Net Asset Value (NAV) declared by the ARC based on the recovery ratings received for such instruments. Bank has accounted unrealized gains in the Profit and Loss account amounting to ₹ 49003 lakhs on account of fair valuation of Security Receipts guaranteed by Government as on 31.03.2025.

Distribution of the SRs which are part of Matured Investment (Sch-11) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on March 31, 2025	
Recovery Rating Band	Carrying Value (₹ In lakhs) *
RR1	-
RR2	-
RR3	-
RR4	-
RR5	-
Rating withdrawn	72,100
Grand Total	72,100

*The Standard Investments in SRs are fair valued. Further, SRs under NPI category are fully provided.





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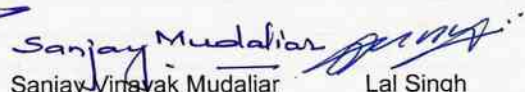


11. Notes on Segment Reporting:-

- As per the guidelines of the RBI on compliance with the Accounting Standards, the bank has adopted "Treasury Operations", "Wholesale", "Retail" and "Other Banking Operations", as primary business segments and "Domestic" and "International" as secondary / geographic segments for the purpose of compliance with Accounting Standard 17 on Segment Reporting issued by ICAI.
 - Digital Banking sub-segment under retail segment represents balances of Digital Banking units (DBUs) opened by Bank as per RBI guidelines.
 - Segment revenue represents revenue from external customers.
 - Capital employed for each segment has been allocated proportionate to the assets of the respective segment.
- The comparative figures for quarter ended March 31, 2025 are the balancing figures between audited figures in respect of the year ended March 31, 2025 and the published year to date figures up to December 31, 2024 which were subject to limited review by the SCAs.
 - The Board of Directors has recommended a Dividend of ₹ 8.35 per share (417.50%) for the year ended on March 31, 2025 subject to the requisite approvals from shareholders.
 - The figures of the previous period have been regrouped / rearranged, wherever necessary, to conform to the current period classifications.

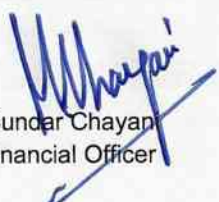

Debajyoti Chandra
Managing Director & CEO


Lalit Tyagi
Executive Director


Sanjay Vinayak Mudaliar
Executive Director


Lal Singh
Executive Director


Beena Vaheed
Executive Director


Manoj Sunder Chayan
Chief Financial Officer


Rakhi Khatri
Dy. Chief Financial Officer

Place: Mumbai

Date: May 06, 2025





बैंक ऑफ़ बड़ौदा Bank of Baroda



Declaration of Audit Report with Unmodified Opinion

We hereby declare that Auditors Report on Standalone Annual Accounts of the Bank for Financial Year ended 31st March, 2025 contain unmodified opinion.


Manoj Sundar Chayani
Chief Financial Officer


Debadatta Chand
Managing Director & CEO

Date: 06.05.2025
Place: Mumbai



Corporate Accounts & Taxation Department, 2nd Floor, Baroda Corporate Centre,
C-26, G-Block, Bandra Kurla Complex, Mumbai - 400 051

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Chartered Accountants
6-B&C, Pil Court, 6th floor,
111, Maharshi Karve Road,
Churchgate, Mumbai – 400 020

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Chartered Accountants
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Mumbai – 400 001

V Sankar Aiyar & Co
Chartered Accountants
601, A-Wing, Mangalya Building,
Off. Marol Maroshi Road, Marol,
Andheri (East), Mumbai 400 059

Independent Auditors' Report on the Audited Standalone Financial Results of Bank of Baroda for the Quarter and Year ended March 31, 2025 pursuant to Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors
Bank of Baroda
Mumbai

Report on Audit of the Standalone Financial Results
Opinion

1. We have audited the accompanying Statement of Standalone Financial Results of **Bank of Baroda** (the "Bank") for the quarter and the year ended March 31, 2025 (the "Statement") attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, as amended (the "Regulations") except for the disclosures relating to Pillar 3 disclosures as at March 31, 2025, including 'Leverage ratio', 'Liquidity coverage ratio' and 'Net stable funding ratio' under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link is being provided in the aforesaid Statement (Note No.4) and have not been audited by us.

The Statement includes returns for the year ended on that date of:

- a) The Head Office (including various Verticals and Corporate Centre located in Mumbai), 22 Zonal Offices, 1 Specialized Integrated Treasury Branch and Top 20 branches audited by us;
b) 3105 domestic branches (including 3 offices) audited by the Statutory Branch Auditors and
c) 29 foreign branches audited by the respective Local Auditors.

The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India ("RBI").

Also incorporated in the Balance Sheet, the Profit and Loss Account and Cash Flow Statement are the returns from 5298 domestic branches and 1 foreign branch which have not been subjected to audit. These unaudited branches and other offices account for 16.55% of advances, 30.22% of deposits, 19.46% of revenue, 17.59% of interest income, 27.74% of interest expended for the year ended March 31, 2025 and 37.37% of Non-performing asset as at March 31, 2025.

2. In our opinion and to the best of our information and according to explanations given to us, the Statement:
- a) is presented in accordance with the requirements of Regulation 33 and 52 read with 63 (2) of the Regulations in this regard except for the disclosures relating to Pillar 3 disclosures as at March 31, 2025 including 'Leverage ratio', 'Liquidity coverage ratio' and 'Net stable funding ratio' under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Standalone Financial Results and have not been audited by us; and
- b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, relevant provisions of Banking Regulation Act, 1949, circulars, guidelines and directions issued by RBI and other accounting principles generally accepted in India, of the net profit and other financial information for the quarter and the year ended March 31, 2025.



Basis for Opinion

3. We conducted our audit in accordance with the Standards of Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("The ICAI"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Standalone Financial Results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

4. We draw attention to the following:

- i. Note No.A-13 (h) of Schedule 18 of the Statement regarding amortization of additional liability on account of revision in family pension amounting to ₹ 1,45,441 lakhs. The Bank has charged an amount of ₹ 7,272 Lakhs and ₹ 29,088 Lakhs to the Profit and Loss Account for the quarter and financial year ended March 31, 2025, respectively and the balance unamortized expense of ₹ 29,089 lakhs has been carried forward in terms of RBI Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021.

Our Opinion is not modified in respect of this matter.

Board of Directors' Responsibility for the Standalone Financial Results

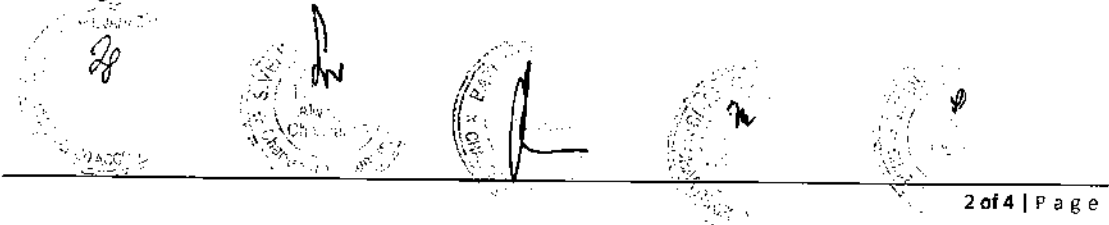
5. The Statement has been compiled from the related audited standalone financial statements. The Bank's Board of Directors are responsible for the preparation and presentation of these Standalone Financial Results that give true and fair view of the financial position, financial performance, cash flows and other financial information of the Bank in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the RBI from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Banking Regulations Act, 1949 for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimate that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Results

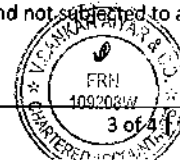
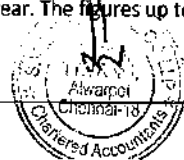
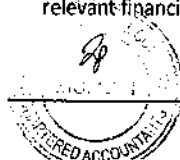
6. Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.
7. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:



2 of 4 | Page

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. As required by the Reserve Bank of India's letter DOS.ARG.No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended), we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
8. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
9. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Other Matter**
10. These Standalone Financial Results incorporate the relevant returns of 3105 branches (including 3 offices) and 29 foreign branches audited by the other auditors specially appointed for this purpose. These branches audited by other auditors cover 48.98 % of advances, 67.06% of deposits and 55.45% of non-performing assets as on March 31, 2025 and 51.45%/51.18% of revenue for the quarter ended March 31, 2025 / for the year ended March 31, 2025. The financial statements and relevant returns of these branches have been audited by the Bank's Statutory Branch Auditors whose reports have been furnished to us, and in our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the reports of such branch auditors.
11. In conduct of our audit, we have taken note of the unaudited returns in respect of 5298 branches and 1 foreign branch certified by the respective branch's management. These unaudited branches and other offices cover 16.55% of advances, 30.22% of deposits and 37.37% of non-performing asset as on March 31, 2025 and 22.20%/19.46% of revenue for the quarter ended March 31, 2025 / for the year ended March 31, 2025.

We report that the figures for the quarter ended March 31, 2025 as reported in the Statement are the balancing figures in respect of the year ended March 31, 2025 and published year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter were only reviewed and not subjected to audit.



Our opinion is not modified in respect of above matters.

For Khandelwal Jain & Co
Chartered Accountants
FRN: 105049W



Rishikesh Joshi
Partner
M. No.: 138738
UDIN: 25138738BMLJPU1313



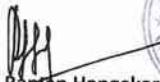
For S Venkatram & Co LLP
Chartered Accountants
FRN: 0046565/S200095



S. Sundarraman
Partner
M. No.: 201028
UDIN: 25201028BMLMCN5186



For Batliboi & Purohit
Chartered Accountants
FRN: 101048W



Ratan Hangekar
Partner
M. No.: 030615
UDIN: 25030615BMOC PK5920



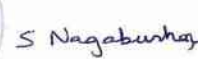
For Shah Gupta & Co
Chartered Accountants
FRN: 109574W



Vipul K. Choksi
Partner
M. No.: 037606
UDIN: 25037606BMMBTH8250



For V Sankar Aiyar & Co
Chartered Accountants
FRN: 109208W



S. Nagabushanam
Partner
M. No.: 107022
UDIN: 25107022BMLYRP8837



Date: May 06, 2025
Place: Mumbai



बैंक ऑफ बड़ौदा
Bank of Baroda

Regd Office: Baroda House P B No.506 Mandvi Baroda- 390006
Corporate Office: C-26 G-Bloek Bandra Kurla Complex Bandra (E) Mumbai- 400051

Audited Standalone Financial Results for the Quarter/Year Ended 31st March, 2024

(₹ in lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Un-Audited	Audited	Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	2958340	2860513	2585668	11260594	8958854
(a)	Interest /discount on advances / bills	2276031	2169745	1909485	8509823	6407349
(b)	Income on investments	630701	625545	605701	2486568	2215600
(c)	Interest on balances with Reserve Bank of India and other inter bank funds	36453	42883	43301	172108	143741
(d)	Others	15155	22340	27181	92095	192164
2	Other Income	419147	281049	346606	1449537	1002584
3	Total Income (1 + 2)	3377487	3141562	2932274	12710131	9961438
4	Interest Expended	1779057	1750380	1433183	6788441	4823253
5	Operating Expenses (a)+ (b)	787820	689672	691803	2825168	2451831
(a)	Employees cost	454671	380852	378070	1581600	1335733
(b)	Other operating expenses	333149	308820	313733	1243568	1116098
6	Total Expenditure (4+5) excluding provisions and contingencies	2566877	2440052	2124986	9613609	7275084
7	Operating Profit (3-6) before Provisions and Contingencies	810610	701510	807288	3096522	2686354
8	Provisions (other than tax) and Contingencies	130194	66634	142071	607561	713690
9	Exceptional Items	-	-	-	-	-
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	680416	634876	665217	2488961	1972664
11	Provision for Taxes	191767	176943	187684	710083	561702
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	488649	457933	477533	1778878	1410962
13	Extraordinary items (net of tax expenses)	-	-	-	-	-
14	Net Profit (+) / Loss (-) for the period (12-13)	488649	457933	477533	1778878	1410962
15	Paid-up equity share capital (Face Value of ₹ 2 each)	103553	103553	103553	103553	103553
16	Reserve excluding Revaluation Reserve	-	-	-	10617571	9132662
17	Analytical Ratios					
i)	Percentage of shares held by Government of India	63.97	63.97	63.97	63.97	63.97
ii)	Capital Adequacy Ratio(%) -Basel-III	16.31	14.72	16.24	16.31	16.24
a)	CET 1 Ratio (%)	12.54	11.11	12.24	12.54	12.24
b)	Additional Tier 1 Ratio (%)	1.53	1.56	1.75	1.53	1.75
iii)	Earnings Per Share					
(a)	Basic EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	9.45	8.86	9.23	34.40	27.28
(b)	Diluted EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	9.45	8.86	9.23	34.40	27.28
iv)	NPA Ratios					
a)	Gross NPA	3183363	3231756	3676368	3183363	3676368
b)	Net NPA	721334	720831	838432	721334	838432
c)	Gross NPA to Gross Advances %	2.92	3.08	3.79	2.92	3.79
d)	Net NPA to Net Advances %	0.68	0.70	0.89	0.68	0.89
v)	Return on Assets (annualized) %	1.25	1.20	1.34	1.17	1.03
vi)	Debt Equity ratio*	0.49	0.38	0.43	0.49	0.43
vii)	Total Debt to Total Assets Ratio**	0.06	0.08	0.07	0.06	0.07
viii)	Capital Redemption Reserve/ Debenture Redemption Reserve	NA	NA	NA	NA	NA
ix)	Outstanding Redeemable Preference Shares	NA	NA	NA	NA	NA
x)	Net Worth	9385076	9198805	7695107	9385076	7695107
xi)	Operating Profit Margin %	24.00	22.33	27.53	24.36	26.97
xii)	Net Profit Margin %	14.47	14.58	16.29	14.00	14.16

* Debt represents borrowings with residual maturity of more than one year. ** Total Debt represents total borrowings of the Bank.



Audited Standalone Segment Reporting for the Quarter/Year Ended 31st March 2024
Part A-Business Segments

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Un-Audited	Audited	Audited	Audited
1	Segment Revenue					
	(a) Treasury Operations	757236	709656	706135	3066858	2633438
	(b) Wholesale Banking	1331268	1178596	1037991	4851332	3417880
	(c) Retail Banking	1244941	1241649	1176742	4713373	3872499
	(i) Digital Banking	21	17	4	55	6
	(ii) Other Retail Banking	1244920	1241632	1176738	4713318	3872493
	(d) Other Banking Operations	44042	11661	11406	78568	37621
	Total Revenue	3377487	3141562	2932274	12710131	9961438
2	Segment Results					
	(a) Treasury Operations	157585	47998	48581	494202	90960
	(b) Wholesale Banking	506426	386654	521513	1640856	1332093
	(c) Retail Banking	213908	395776	303558	1099229	1235470
	(i) Digital Banking	(444)	(293)	(204)	(1226)	(365)
	(ii) Other Retail Banking	214352	396069	303762	1100455	1235835
	(d) Other Banking Operations	44042	11661	11406	78568	37621
	Total	921961	842089	885058	3312855	2696144
	Unallocated Expenditure	241545	207213	219841	823894	723480
	Profit before Tax	680416	634876	665217	2488961	1972664
	Provision for Tax	191767	176943	187684	710083	561702
	Net Profit	488649	457933	477533	1778878	1410962
3	Segment Assets					
	(a) Treasury Operations	47462413	47317906	46990932	47462413	46990932
	(b) Wholesale Banking	63585442	60786500	58038110	63585442	58038110
	(c) Retail Banking	45435881	43748527	38764024	45435881	38764024
	(i) Digital Banking	1385	1195	835	1385	835
	(ii) Other Retail Banking	45434496	43747332	38763189	45434496	38763189
	(d) Other Banking Operations	-	-	-	-	-
	(e) Unallocated	2095973	2092900	2063089	2095973	2063089
	Total Assets	158579709	153945833	145856155	158579709	145856155
4	Segment Liabilities					
	(a) Treasury Operations	44103596	43898506	43826454	44103596	43826454
	(b) Wholesale Banking	59085632	56393800	54129690	59085632	54129690
	(c) Retail Banking	42220477	40587066	36153565	42220477	36153565
	(i) Digital Banking	1287	1109	779	1287	779
	(ii) Other Retail Banking	42219190	40585957	36152786	42219190	36152786
	(d) Other Banking Operations	-	-	-	-	-
	(e) Unallocated	1947646	1941658	1924156	1947646	1924156
	Total Liabilities	147357351	142821030	136033865	147357351	136033865
5	Capital Employed					
	(a) Treasury Operations	3358817	3419400	3164478	3358817	3164478
	(b) Wholesale Banking	4499810	4392700	3908420	4499810	3908420
	(c) Retail Banking	3215404	3161461	2610459	3215404	2610459
	(i) Digital Banking	98	86	56	98	56
	(ii) Other Retail Banking	3215306	3161375	2610403	3215306	2610403
	(d) Other Banking Operations	-	-	-	-	-
	(e) Unallocated	148327	151242	138933	148327	138933
	Total Capital Employed	11222358	11124803	9822290	11222358	9822290

Part- B : Geographic Segments

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Un-Audited	Audited	Audited	Audited
1	Revenue					
	(a) Domestic	3016458	2769949	2655892	11269706	9202838
	(b) International	361029	371613	276382	1440425	758600
	Total	3377487	3141562	2932274	12710131	9961438
2	Assets					
	(a) Domestic	134357442	131367389	124810340	134357442	124810340
	(b) International	24222267	22578444	21045815	24222267	21045815
	Total	158579709	153945833	145856155	158579709	145856155



STATEMENT OF ASSETS & LIABILITIES

(₹, in Lakhs)

Particulars	Standalone	
	As at 31st March 2024	As at 31st March 2023
	Audited	Audited
CAPITAL & LIABILITIES		
Capital	103553	103553
Reserves and Surplus	11118805	9718737
Deposits	132695784	120368779
Borrowings	9440226	10191048
Other Liabilities and Provisions	5221341	5474038
TOTAL	158579709	145856155
ASSETS		
Cash and Balances with Reserve Bank of India	5483983	5488263
Balances with Banks and Money at Call and Short Notice	4028430	4082061
Investments	36981684	36248536
Advances	106578172	94099827
Fixed Assets	791255	870657
Other Assets	4716185	5066811
TOTAL	158579709	145856155

CASH FLOW STATEMENT

Particulars	Standalone	
	Year ended 31st March 2024	Year ended 31st March 2023
	Audited	Audited
A. Cash flow from operating activities:		
Net Profit before taxes	2488961	1972664
Adjustments for:		
Depreciation on fixed assets	161968	195473
Depreciation on investments (including on Matured debentures)	(3126)	170403
Bad debts written-off/Provision in respect of non-performing assets	647086	435052
Provision for Standard Assets	(68851)	52750
Provision for Other items (Net)	32452	55485
(Profit)/loss on sale of fixed assets (Net)	(626)	(1071)
Payment/provision for interest on bonds	191013	193520
Dividend received from subsidiaries/others	(23759)	(28747)
Sub total	3425118	3045529
Adjustments for:		
(Increase)/Decrease in investments	(730751)	(4727243)
(Increase)/Decrease in advances	(13125431)	(16819361)
(increase)/Decrease in other assets	435166	155411
Increase/(Decrease) in borrowings	(1755878)	33550
Increase/(Decrease) in deposits	12327005	15774923
Increase/(Decrease) in other liabilities and provisions	(326305)	1099192
Direct taxes paid (Net of Refund)	(794624)	(536686)
Net cash from operating activities (A)	(545700)	(1974685)
B. Cash flow from investing activities:		
Purchase/ Transfer in of fixed assets	(103894)	(90314)
Sales/ Transfer out of fixed assets	21955	17446
Changes in Trade related investments (Subsidiaries & others)	730	(112158)
Dividend received from subsidiaries/others	23759	28747
Net cash used in investing activities (B)	(57450)	(156279)
C. Cash flow from financing activities:		
Share Capital/ Share Application Money/ Share Premium	-	-
Unsecured Subordinated Bonds	1005055	(232431)
Dividend paid	(284425)	(146570)
Payment /provision for interest on bonds	(175391)	(185210)
Net cash from financing activities (C)	545239	(564211)
Net increase in cash & cash equivalents (A)+(B)+(C)	(57911)	(2695175)
Cash and cash equivalents as at the beginning of the year	9570324	12265499
Cash and cash equivalents as at the end of the period	9512413	9570324

Cash & Cash equivalents includes Cash in Hand & ATMs, Balance with RBI & Other banks and Money at call and Short Notice.

	As on 31st March 2024	As on 31st March 2023
Components of Cash & Cash Equivalents		
Cash & Balance with RBI	5483983	5488263
Balances with Banks and Money at Call and Short Notice	4028430	4082061
Total	9512413	9570324



NOTES TO STANDALONE FINANCIAL RESULTS:

1. The above standalone financial results have been recommended by the Audit Committee of Board of Bank of Baroda (hereinafter referred as "Bank") and approved at the meeting of the Board of Directors held on May 10, 2024. The results have been audited by the Statutory Central Auditors (SCAs) of the Bank in line with the guidelines issued by the Reserve Bank of India and as per SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, as amended thereafter. The information presented above is extracted from the audited standalone financial statements.
2. The above financial results have been arrived at after considering necessary provisions for Non-Performing Assets (NPAs), standard assets, restructured assets, depreciation/amortisation on investments & fixed assets, employee benefits and direct taxes (after adjustment of deferred tax) and other provisions and contingencies are made considering RBI's specific directions, judicial pronouncements and applicable Accounting Standards.
3. In terms of Reserve Bank of India (RBI) guidelines, Pillar 3 disclosures including leverage ratio under the Basel- III framework are being made available on our website in the following link: <https://www.bankofbaroda.in/shareholders-corner/disclosures-under-basel-iii>. Additionally, disclosures under NSFR & LCR framework are being made available on the following link: <https://www.bankofbaroda.in/shareholders-corner/financial-reports/>. These disclosures have not been subjected to audit/ review by the SCAs of the Bank.
4. The Bank has continued to follow the same accounting policies and practices in preparation of financial results for the quarter and the year ended March 31, 2024 as followed in the previous year ended March 31, 2023.
5. Based on the available financial statements and the declarations from the borrowers, the Bank has estimated the liability for Unhedged Foreign Currency in terms of Reserve Bank of India (Unhedged Foreign Currency Exposure) Directions, 2022 RBI/2022-23/131 DOR.MRG.REC.76/00-00-007/2022-23 dated October 11, 2022 and is holding a provision of ₹ 22322 lakhs as on March 31, 2024.
6. As per RBI letters no. DBR.No.BP.15199/21.04.048/2016-17 and DBR.No.BP.1906/21.04.048/2017-18 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of ₹ 688167 lakhs (100% of total outstanding) as on March 31, 2024.
7. The Bank has raised/redeemed following Basel III Bonds during the year ended March 31, 2024.

(Rs. In Lakhs)

Bonds	Raised	Redeemed
Tier I	-	-
Tier II	500000	498650



8. The Bank has estimated an additional liability on account of revision in family pension for employees as per IBA Joint Note dated November 11, 2020, amounting to ₹ 145441 lakhs. RBI vide their Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated 4th October 2021, has permitted Banks to amortize the said additional liability over a period of not exceeding 5 (five) years, beginning with financial year 2021-22, subject to a minimum of 1/5th of the total amount being expensed every year. Bank has opted the said provision of RBI and accordingly charged an amount of ₹ 7272 lakhs and ₹ 29088 lakhs to the Profit & Loss account for the quarter and year ended March 31, 2024 respectively and the balance unamortized expense of ₹ 58177 lakhs has been carried forward. Had the Bank charged the remaining additional liability to the Profit and Loss Account, the net profit for the quarter and year ended March 31, 2024 would have been lower by ₹ 43534 lakhs (net of taxes).
9. As per the directions of RBI vide their letter no. 10655/21.04.048/2018-19 dated 21.06.2019 disclosure with respect to accounts kept as standard due to the Court order, 1 account is classified as Standard as per Court orders, with outstanding of ₹ 2644 lakhs as on March 31, 2024, against which the Bank is holding provision of ₹ 708 lakhs as on March 31, 2024 as per IRAC norms, including provision for unrealized interest.
10. The Bank is holding an additional provision of ₹ 89956 lakhs as of March 31, 2024 over and above the IRAC norms in certain stressed standard advances on prudent basis.
11. As per the RBI Circular no. RBI/2005-06/421/DBOD.NO.BP.BC.89 /21.04.048/2005-06 dated June 22, 2006, Bank has in place Floating Provision Policy approved by the Board. As on March 31, 2024, the Bank has floating provision of ₹ 37000 lakhs (Nil and ₹ 20000 lakhs created during the quarter and year ended March 31, 2024, respectively) in accordance with the policy.
12. During the quarter ended Dec 31, 2023, the Bank has made provision of Rs 5049 lakhs in respect of investment of Alternate Investment Funds (AIFs) pursuant to the RBI circular dated December 19, 2023. Based on the subsequent clarification issued by RBI vide circular dated March 27, 2024, the Bank has reassessed the provision and accordingly, the Bank has reversed provision of Rs 3132 lakhs during the quarter ended March 2024 in respect of the investment in AIFs.
13. In accordance with RBI Circular no. DBR.No.BP.BC.18/21.04.048/2018-19 dated 01.01.2019, RBI circular no. DOR. No. BP. BC. 34/21.04.048/2019-20 dated 11.02.2020 & RBI circular no. DOR. No. BP. BC/4/21.04.048/2020-21 dated 06.08.2020 on "Restructuring of Advances - Micro, Small and Medium Enterprises (MSME) Sector' (One Time Restructuring)", the details of MSME restructured borrowers as on 31.03.2024 are as under:

(In ₹ Lakhs)

No. of Borrowers	Amount as on 31.03.2024
39526	232586





14. In accordance with the RBI circular No. DOR.STR.REC.12/21.04.048/2021-22 dated 05.05.2021 & RBI circular no. DOR.STR.REC.21/21.04.048/2021-22 dated 04.06.2021 on Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs), the details of accounts restructured as on March 31, 2024 are as under

(In ₹ Lakhs)

No. of Borrowers	Amount	Provision
9497	99237	13265

15. In accordance with the RBI Circular .No.DOR.STR.REC.11/21.04.048/2021-22 dated 05.05.2021 on "Resolution Framework – 2.0: Resolution of COVID – 19 related stress of individuals and Small Business", the number of borrower accounts where modification were sanctioned and implemented and the aggregate exposure to such borrowers are as under :-

(In ₹ Lakhs)

No. of Borrowers	Aggregate exposure as on 31.03.2024
4569	40664

(Individual covers only personal loan segment as per RBI circular No. DOR.No.BP. BC/3/21.04.048/2020-21 dated August 6, 2020 and now covered in para 5 (a) of RBI circular No.DOR.STR.REC.11/21.04.048/201-22 dated May 5, 2021.

Small Business (including retail trade and wholesale trade) extended to individuals which were covered under MSME as per RBI circular No DOR.No. BP.BC/4/21.048/2020-21 dated August 6, 2020 and now covered in to para 5(b) of RBI circular No DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021)

16. i) Details of Resolution plan implemented under Resolution Framework for COVID 19 related stress as per RBI circular no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06.08.2020 (Resolution Framework - 1.0) and RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05.05.2021 (Resolution Framework - 2.0) as of March 31, 2024 are given below:



(In ₹ Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of the Previous half-year i.e 30.09.2023 (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 i.e 31.03.2024
Personal Loans	373172	10623	0	39296	332633
Corporate persons*	283833	0	0	9385	140825
Of which, MSMEs	13925	0	0	1617	5750
Others	86392	1106	0	19874	67202
Total	743397	11729	0	68555	540661

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

ii) Disclosure relating to Resolution Plans implemented during the year in terms of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019:

(Amount in ₹ Lakhs)

Particulars	No of Accounts where RPs Implemented during this time frame		Amount Outstanding as on	
	FY2024	FY2023	FY2024	FY2023
The amount of standard assets subjected to restructuring	0	5*	0	14780
The amount of NPA assets subjected to restructuring	1	3	844	20049
TOTAL	1	8	844	34829

*Out of which, 2 accounts have been fully settled during FY 2022-23 itself.

17. As per RBI circular no. RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets, guidelines for implementation of Resolution Plan have been issued which also contain requirements of additional provisions as per para 17 of this RBI circular. The Bank is holding additional provision of ₹ 43767 lakhs as on March 31, 2024 in 9 nos. of accounts as detailed below.





(In ₹ Lakhs)

Amount outstanding impacted by RBI Circular	Amount outstanding to be classified as NPA	Amount outstanding as on 31.03.2024 out of (B) classified as NPA	Provision held as on 31.12.2023	Additional provision/ (reversal) made during quarter ended 31.03.2024	Provision held as on 31.03.2024
(A)	(B)	(C)	(D)	(E)	(F)
125050	54280	54280	51542	(7775)	43767

18. Non-Performing Assets Provisioning Coverage Ratio (including TWO/PWO) is 93.30% as on March 31, 2024.

19. Details of Priority Sector Lending Certificate (PSLC) purchased and sold are as under:

Particulars	Amount In ₹ Lakhs
PSLC Purchased	
During Q4 (From 01.01.2024 to 31.03.2024)	-
Cumulative till Q4 (From 01.04.2023 to 31.03.2024)	-
PSLC Sold	
During Q4 (From 01.01.2024 to 31.03.2024)	-
Cumulative till Q4 (From 01.04.2023 to 31.03.2024)	-

20. Disclosure as per the RBI Master directions ref no RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 "Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021" dated 24.09.2021 for the year ended March 31, 2024 is as under:

- a) In respect of "loan accounts not in default" # acquired from other entities as per the para 86 of Transfer of Loan Exposure (TLE) guidelines.



Smt.





Reporting for the -12- months ended March 31, 2024	Syndication		Others*	
Particulars	Transferred to	Acquired From	Transferred to	Acquired From
(i) Loans acquired / transferred through "assignment"				
- Aggregate amount of loans acquired (₹ in lakhs)	315609	1242099	0	734883
- Weighted average residual maturity (In months)	0	84	0	67.52
- Weighted average holding period (In Months)	7	5.5	0	9.13
- Weighted average Retention of beneficial economic interest by the transferor	64.81%	NA	0	10.19%
- Tangible security coverage of loans acquired (times)	0	1.62	0	0.83
(ii) Loans acquired / transferred through "novation" (₹ in lakhs)	26946	155012	0	NIL
(iii) Loans acquired through "Loan participation" (₹ in lakhs)	NIL	NIL	0	NIL

The Loans not in default are identified on the basis of DPD in each underlying account at the time of purchase.

* Pools purchased under TLE guidelines are not rated by the Bank.

Rating wise breakup of Syndication loans is as below:

(₹ in lakhs)

External Rating	Transferred to	Acquired from
A and Above	53976	301237
B and Above	288578	903796
Below B	0	16954
Unrated	0	175124





b) Details of stressed loans transferred is as under:

(₹ In Lakhs)

Details of stressed loans (NPA Accounts) transferred during the period April 01, 2023 to March 31, 2024			
	To ARCs	To permitted transferees	To other transferees
No. of NPA accounts	13	1	-
Aggregate principal outstanding of loans transferred	189273	3740	-
Weighted average residual tenor of the loans transferred	NA	NA	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration	45755	4138	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Quantum of excess provision reversed to the profit & loss account on account of sale of stressed loans	45655	3740	-

c) Details of stressed Loan (NPAs) Acquired during year ended March 31, 2024 – NIL.

d) The Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit Rating Agencies as on 31.03.2024

Distribution of the SRs held in Investment Categories (Sch-8) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on March 31, 2024	
Recovery Rating Band	Book Value (₹ In lakhs)
RR1	5407
RR2	1020
RR3	2731
RR4	4220
RR5	969
Rating withdrawn	38206
Grand Total	52553

Distribution of the SRs which are part of Matured Investment (Sch-11) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on March 31, 2024	
Recovery Rating Band	Book Value (₹ In lakhs)
RR1	0
RR2	0
RR3	0
RR4	0
RR5	2955
Rating withdrawn	73043
Grand Total	75997





बैंक ऑफ बड़ौदा Bank of Baroda



21. Notes on Segment Reporting:-

- As per the guidelines of the RBI on compliance with the Accounting Standards, the bank has adopted "Treasury Operations", "Wholesale", "Retail" and "Other Banking Operations", as primary business segments and "Domestic" and "International" as secondary / geographic segments for the purpose of compliance with Accounting Standard 17 on Segment Reporting issued by ICAI.
- Digital Banking sub-segment under retail segment represents balances of Digital Banking units (DBUs) opened by Bank as per RBI guidelines.
- Segment revenue represents revenue from external customers.
- Capital employed for each segment has been allocated proportionate to the assets of the respective segment.

22. Penalties of ₹ 55.89 lakhs and ₹ 671.18 lakhs have been imposed on the Bank by the Reserve Bank of India for the quarter and year ended March 31, 2024 respectively.

23. Number of Investors' complaints received and disposed off during the quarter ended March 31, 2024 are :-

Complaints un-resolved at beginning of the quarter	Received	Resolved	Unresolved at the end of the quarter
NIL	369	369	NIL

24. The Administrator of one of the Borrower Groups (currently under liquidation) has filed claims against the promoters of the borrower Companies and the Bank in the courts of England and Abu Dhabi Global Markets. The claims against the Bank are based on allegations of the Bank being involved in a conspiracy with the promoters to defraud the creditors of the group companies between 2012 and 2020.

At this stage, the claims are not sufficiently particularised to enable the Bank to reasonably assess the merits of the claims and also to assess the quantum that could reasonably be claimed against the Bank, even if the allegations are particularised and then established on trial.

The Bank has filed a robust defence in the proceedings. The Bank categorically denies all the allegations against it, including any knowledge of or collusion in the alleged transactions. Accordingly, due to the remote possibility of the claim against the bank, crystallizing at this stage, the Bank has neither made any provision on this claim nor disclosed it as contingent liability.

25. No Disclosure on divergence in asset classification and provisioning for NPAs is required w.r.t RBI's annual supervisory process for year ended Mar 31, 2023, based on the conditions mentioned in RBI Master Direction No RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 dated 30-08-2021 (updated as on 25-10-2023).



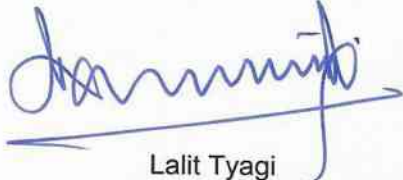


बैंक ऑफ़ बड़ौदा Bank of Baroda

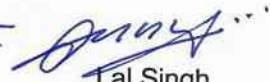


26. The comparative figures for quarter ended March 31, 2024 are the balancing figures between audited figures in respect of the year ended March 31, 2024 and the published year to date figures up to December 31, 2023 which were subject to limited review by the SCAs.
27. The Board of Directors has recommended a Dividend of ₹ 7.60 per share (380%) for the year ended on March 31, 2024 subject to the requisite approvals from shareholders.
28. The figures of the previous period have been regrouped / rearranged, wherever necessary, to conform to the current period classifications.

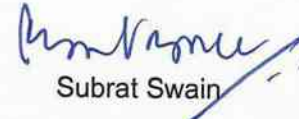

Debadatta Chand
Managing Director & CEO

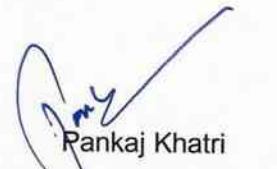

Lalit Tyagi
Executive Director


Sanjay Vinayak Mudaliar
Executive Director


Lal Singh
Executive Director


Ian Desouza
Chief Financial Officer


Subrat Swain
General Manager and
Dy. Chief Financial Officer


Pankaj Khatri
Dy. General Manager


Sai Ganesh Ujjina
Dy. General Manager

Place: Mumbai

Date: May 10, 2024





बैंक ऑफ बड़ौदा Bank of Baroda



Declaration of Audit Report with Unmodified Opinion

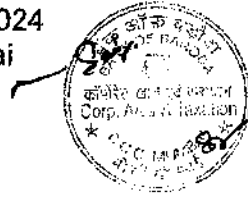
We hereby declare that Auditors Report on Standalone Annual Accounts of the Bank for Financial Year ended 31st March, 2024 contain unmodified opinion.

Ian Desouza
Chief Financial officer

Debadatta Chand
Managing Director & CEO

Date: 10.05.2024

Place: Mumbai



Shah Gupta & Co
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Chartered Accountants
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D.N. Road, Fort,
Mumbai – 400 001

V Sankar Aiyar & Co
Chartered Accountants
2-C, Court Chambers, 35, New
Marine lines,
Mumbai 400 020

Independent Auditors' Report on the Audited Standalone Financial Results of Bank of Baroda for the Quarter and Year ended March 31, 2024 pursuant to Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors
Bank of Baroda
Mumbai

Report on Audit of the Standalone Financial Results
Opinion

1. We have audited the accompanying Statement of Standalone Financial Results of **Bank of Baroda** (the "Bank") for the quarter and the year ended March 31, 2024 (the "Statement") attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, as amended (the "Regulations") except for the disclosures relating to Pillar 3 disclosures as at March 31, 2024, including 'Leverage ratio', 'Liquidity coverage ratio' and 'Net stable funding ratio' under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link is being provided in the aforesaid Statement (Note No.3) and have not been audited by us.

The Statement includes returns for the year ended on that date of:

- a) The Head Office, 18 Zonal Offices, 1 Specialized Integrated Treasury Branch and Top 20 branches audited by us;
b) 3003 domestic branches (including 26 offices) audited by the Statutory Branch Auditors and
c) 30 foreign branches audited by the respective Local Auditors.

The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India ("RBI").

Also incorporated in the Balance Sheet, the Profit and Loss Account and Cash Flow Statement are the returns from 5244 domestic branches which have not been subjected to audit. These unaudited branches and other offices account for 20.24% of advances, 41.37% of deposits, 26.59% of revenue, 22.25% of interest income, 40.06% of interest expended for the year ended March 31, 2024 and 40.24% of Non-performing asset as at March 31, 2024.

2. In our opinion and to the best of our information and according to explanations given to us, the Statement:
- a) is presented in accordance with the requirements of Regulation 33 and 52 read with 63 (2) of the Regulations in this regard except for the disclosures relating to Pillar 3 disclosures as at March 31, 2024 including 'Leverage ratio', 'Liquidity coverage ratio' and 'Net stable funding ratio' under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Standalone Financial Results and have not been audited by us; and
- b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, relevant provisions of Banking Regulation Act, 1949, circulars, guidelines and directions issued by RBI and other accounting principles generally accepted in India, of the net profit and other financial information for the quarter and the year ended March 31, 2024.

Basis for Opinion

3. We conducted our audit in accordance with the Standards of Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("The ICAI"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Standalone Financial Results, and we have fulfilled our other ethical responsibilities in accordance with



1 of 4
Page 4
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these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

4. We draw attention to the following:

- i. Note No. 8 of the Statement regarding amortization of additional liability on account of revision in family pension amounting to Rs.145441 lakhs. The Bank has charged an amount of Rs.7272 Lakhs and Rs.29088 Lakhs to the Profit and Loss Account for the quarter and financial year ended March 31,2024, respectively and the balance unamortized expense of Rs.58177 lakhs has been carried forward in terms of RBI Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021.

Our Opinion is not modified in respect of this matter.

Board of Directors' Responsibility for the Standalone Financial Results

5. The Statement has been compiled from the related audited standalone financial statements. The Bank's Board of Directors are responsible for the preparation and presentation of these Standalone Financial Results that give true and fair view of the financial position, financial performance, cash flows and other financial information of the Bank in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the RBI from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Banking Regulations Act, 1949 for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimate that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.
7. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. As required by the Reserve Bank of India's letter DOS.ARG.No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended), we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to financial statements in place and the



operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
8. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
9. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

10. These Standalone Financial Results incorporate the relevant returns of 3003 branches (including 26 offices) and 30 foreign branches audited by the other auditors specially appointed for this purpose. These branches audited by other auditors cover 47.99 % of advances, 63.13% of deposits and 58.05% of non-performing assets as on March 31, 2024 and 59.98%/48.91% of revenue for the quarter ended March 31, 2024 /for the period 1-4-2023 to 31-3-2024. The financial statements and relevant returns of these branches have been audited by the Bank's Statutory Branch Auditors whose reports have been furnished to us, and in our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the reports of such branch auditors.
11. In conduct of our audit, we have taken note of the unaudited returns in respect of 5244 branches certified by the respective branch's management. These unaudited branches and other offices cover 20.24% of advances, 41.37% of deposits and 40.24% of non-performing asset as on March 31, 2024 and 32.10%/26.59% of revenue for the quarter ended March 31, 2024 /for the period 1-4-2023 to 31-3-2024.
12. The audited Standalone Financial Results of the Bank for the quarter and the year ended March 31, 2023, were audited by the joint auditors of the bank, three of whom are the predecessor audit firms, and they had expressed their unmodified conclusions on those results.

We report that the figures for the quarter ended March 31, 2024 as reported in the Statement are the balancing figures in respect of the year ended March 31, 2024 and published year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter were only reviewed and not subjected to audit.

Our opinion is not modified in respect of above matters.



Shah Gupta & Co
Chartered Accountants

Khandelwal Jain & Co
Chartered Accountants

S Venkatram & Co LLP
Chartered Accountants

Batliboi & Purohit
Chartered Accountants

V Sankar Aiyar & Co
Chartered Accountants

For Shah Gupta & Co
Chartered Accountants
FRN: 109574W



D. V. Ballal
Partner

M. No.: 013107

UDIN:24013107BKDEYG7809

For Khandelwal Jain & Co
Chartered Accountants
FRN: 105049W



Rishikesh Joshi
Partner

M. No.: 138738

UDIN: 24138738BKEXOB1681

For S Venkatram & Co LLP
Chartered Accountants
FRN: 0046565/S200095



S. Sundararaman
Partner

M. No.: 201028

UDIN:24201028BKCTPS2791

For Batliboi & Purohit
Chartered Accountants
FRN: 101048W



Rajesh Hangekar
Partner

M. No.: 030615

UDIN:24030615BKJCJR5367

For V Sankar Aiyar & Co
Chartered Accountants
FRN: 109208W



G. Sankar
Partner

M. No.:46050

UDIN: 24046050BKCLLI3030

Date: May 10, 2024

Place: Mumbai



बैंक ऑफ़ बड़ोदा Bank of Baroda



Regd Office: Baroda House P B No.506 Mandvi Baroda- 390006
Corporate Office: C-26 G-Block Bandra Kurla Complex Bandra (E) Mumbai- 400051

Audited Consolidated Financial Results for the Quarter and Year Ended 31st March 2025

(₹ in lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2025	31.12.2024	31.03.2024	31.03.2025	31.03.2024
		Audited	Un-Audited	Audited	Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	3234500	3256984	3107217	12794477	11837922
(a)	Interest /discount on advances / bills	2435725	2457428	2339029	9610654	8764769
(b)	Income on investments	728680	765570	702410	2928419	2784214
(c)	Interest on balances with Reserve Bank of India and other inter bank funds	61879	22936	41104	198189	193423
(d)	Others	8216	11050	24674	57215	95516
2	Other Income	755073	516265	653842	2493937	2339948
3	Total Income (1 + 2)	3989573	3773249	3761059	15288414	14177870
4	Interest Expended	2027321	2014322	1830902	7826492	6989908
5	Operating Expenses (a)+ (b)	1014363	915755	949138	3672075	3433681
(a)	Employees cost	473341	452105	486385	1791045	1696669
(b)	Other operating expenses	541022	463650	462753	1881030	1737012
6	Total Expenditure (4+5) excluding provisions and contingencies	3041684	2930077	2780040	11498567	10423589
7	Operating Profit (3-6) before Provisions and Contingencies	947889	843172	981019	3789847	3754281
8	Provisions (other than tax) and Contingencies	256803	149689	277733	1027950	1174346
9	Exceptional Items	-	-	-	-	-
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	691086	693483	703286	2761897	2579935
11	Provision for Taxes	160386	181801	201690	715962	738971
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	530700	511682	501596	2045935	1840964
13	Less: Minority Interest	2682	3602	2785	14893	10149
14	Add: Share of earnings in Associates	13952	13292	14434	40591	45923
15	Extraordinary items (net of tax expenses)	-	-	-	-	-
16	Net Profit (+) / Loss (-) for the period (12-13+14+15)	541970	521372	513245	2071633	1876738
17	Paid-up equity share capital (Face Value of ₹ 2 each)	103553	103553	103553	103553	103553
18	Reserve excluding Revaluation Reserve				13595395	11361978
19	Analytical Ratios					
i)	Percentage of shares held by Government of India	63.97	63.97	63.97	63.97	63.97
ii)	Capital Adequacy Ratio(%) -Basel-III	17.60	16.36	16.68	17.60	16.68
(a)	CET 1 Ratio (%)	14.28	12.86	13.02	14.28	13.02
(b)	Additional Tier 1 Ratio (%)	0.99	1.04	1.47	0.99	1.47
iii)	Earnings Per Share					
(a)	Basic EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	10.48	10.08	9.92	40.06	36.29
(b)	Diluted EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	10.48	10.08	9.92	40.06	36.29
iv)	NPA Ratios					
(a)	Gross NPA					
(b)	Net NPA					
(c)	Gross NPA to Gross Advances %					
(d)	Net NPA to Net Advances %					
v)	Return on Assets (annualized) %	1.19	1.19	1.26	1.18	1.18
vi)	Debt Equity ratio*	0.61	0.59	0.52	0.61	0.52
vii)	Total Debt to Total Assets Ratio**	0.07	0.08	0.06	0.07	0.06
viii)	Capital Redemption Reserve/ Debenture Redemption Reserve	NA	NA	NA	NA	NA
ix)	Outstanding Redeemable Preference Shares	NA	NA	NA	NA	NA
x)	Net Worth	12322724	12095342	9993041	12322724	9993041
xi)	Operating Profit Margin %	23.76	22.35	26.08	24.79	26.48
xii)	Net Profit Margin %	13.58	13.82	13.65	13.55	13.24

* Debt represents borrowings with residual maturity of more than one year. ** Total Debt represents consolidated borrowings of the Group.





बैंक ऑफ बड़ौदा Bank of Baroda



Audited Consolidated Segment reporting for the Quarter and Year Ended 31st March 2025

Part A-Business Segments

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended		Year Ended	
		31.03.2025	31.12.2024	31.03.2024	31.03.2024
		Audited	Un-Audited	Audited	Audited
1	Segment Revenue				
	(a) Treasury Operations	912177	831338	775701	3400427
	(b) Wholesale Banking	1277356	1344703	1361192	5229185
	(c) Retail Banking	1438214	1412771	1302207	5574419
	(i) Digital Banking	30	31	21	114
	(ii) Other Retail Banking	1438184	1412740	1302186	5574305
	(d) Other Banking Operations	361826	184437	321959	1084383
	Total Revenue	3989573	3773249	3761059	15288414
2	Segment Results				
	(a) Treasury Operations	256563	148877	153218	763852
	(b) Wholesale Banking	298272	453061	511956	1679186
	(c) Retail Banking	198425	256290	214367	823218
	(i) Digital Banking	(428)	(368)	(444)	(1531)
	(ii) Other Retail Banking	198853	256658	214811	824749
	(d) Other Banking Operations	134974	27886	77972	178899
	Total	888234	886114	957513	3445155
	Unallocated Expenditure	185878	182941	242578	657560
	Profit before Tax	702356	703173	714935	2787595
	Provision for Tax	160386	181801	201690	715962
	Net Profit	541970	521372	513245	2071633
3	Segment Assets				
	(a) Treasury Operations	54128036	54001211	49162771	54128036
	(b) Wholesale Banking	71968839	68291694	64555993	71968839
	(c) Retail Banking	53482702	50979659	46516412	53482702
	(i) Digital Banking	1703	1605	1385	1703
	(ii) Other Retail Banking	53480999	50978054	46515027	53480999
	(d) Other Banking Operations	3600649	3365077	3077160	3600649
	(e) Unallocated	2997182	2490444	2165602	2997182
	Total Assets	186177408	179128085	165477938	186177408
4	Segment Liabilities				
	(a) Treasury Operations	49868709	49785820	45606173	49868709
	(b) Wholesale Banking	66305622	62960773	59885798	66305622
	(c) Retail Banking	49274156	47000134	43151260	49274156
	(i) Digital Banking	1569	1480	1285	1569
	(ii) Other Retail Banking	49272587	46998654	43149975	49272587
	(d) Other Banking Operations	3317314	3102396	2854548	3317314
	(e) Unallocated	2761336	2296036	2008935	2761336
	Total Liabilities	171527137	165145159	153506714	171527137
5	Capital Employed				
	(a) Treasury Operations	4259327	4215391	3556598	4259327
	(b) Wholesale Banking	5663217	5330921	4670195	5663217
	(c) Retail Banking	4208546	3979525	3365152	4208546
	(i) Digital Banking	134	125	100	134
	(ii) Other Retail Banking	4208412	3979400	3365052	4208412
	(d) Other Banking Operations	283335	262681	222612	283335
	(e) Unallocated	235846	194408	156667	235846
	Total Capital Employed	14650271	13982926	11971224	14650271

Part-B : Geographic Segments

Sr. No.	Particulars	Quarter Ended		Year Ended	
		31.03.2025	31.12.2024	31.03.2025	31.03.2024
		Audited	Un-Audited	Audited	Audited
1	Revenue				
	(a) Domestic	3554139	3316099	3337624	13481784
	(b) International	435434	457150	423435	1806630
	Total	3989573	3773249	3761059	15288414
2	Assets				
	(a) Domestic	154027089	147810652	138790065	154027089
	(b) International	32150319	31317433	26687873	32150319
	Total	186177408	179128085	165477938	186177408





STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

Particulars	Consolidated	
	As on 31st March 2025	As on 31st March 2024
	Audited	Audited
CAPITAL & LIABILITIES		
Capital	103553	103553
Reserves and Surplus	14546718	11867671
Minority Interest	124756	101791
Deposits	149668796	135998040
Borrowings	13581278	10195910
Other Liabilities and Provisions	8152307	7210973
TOTAL	186177408	165477938
ASSETS		
Cash and Balances with Reserve Bank of India	5819084	5672032
Balances with Banks and Money at Call and Short Notice	7428689	4356953
Investments	42737968	40713632
Advances	123724040	108898340
Fixed Assets	1263374	814835
Other Assets	5113175	4931068
Goodwill on Consolidation	91078	91078
TOTAL	186177408	165477938

CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Consolidated	
	Year ended 31st March 2025	Year ended 31st March 2024
	Audited	Audited
A. Cash flow from operating activities:		
Net Profit before taxes	2787595	2615709
Adjustments for:		
Depreciation on fixed assets	146695	169353
Depreciation on investments (including on Matured debentures)	3293	(2831)
Bad debts written-off/Provision in respect of non-performing assets	547114	686592
Provision for Standard Assets	47097	(87101)
Provision for Other items (Net)	430446	557687
(Profit)/loss on sale of fixed assets (Net)	(3965)	(631)
Payment/provision for interest on bonds	312585	191013
Sub total	4270860	4149791
Adjustments for:		
(Increase)/Decrease in investments	(1969507)	(921428)
(Increase)/Decrease in advances	(15372814)	(13219748)
(Increase)/Decrease in other assets	64779	410202
Increase/(Decrease) in borrowings	2367282	(1600160)
Increase/(Decrease) in deposits	14488611	11711984
Increase/(Decrease) in other liabilities and provisions	602794	(327691)
Direct taxes paid (Net of Refund)	(962847)	(830346)
Net cash from operating activities (A)	3489158	(627396)
B. Cash flow from investing activities:		
Purchase/ Transfer in of fixed assets	(633249)	(135546)
Sales/ Transfer out of fixed assets	41979	47667
Changes in Trade related investments (Subsidiaries & others)	(58122)	(40651)
Net cash used in investing activities (B)	(649392)	(128530)
C. Cash flow from financing activities:		
Unsecured Subordinated Bonds	1018085	1005055
Dividend paid	(393024)	(284425)
Payment/provision for interest on bonds	(269085)	(175390)
Increase/(Decrease) in Minority Interest	22965	2332
Net cash from financing activities (C)	379022	547572
Net increase in cash & cash equivalents (A)+(B)+(C)	3218788	(208354)
Cash and cash equivalents as at the beginning of the year	10028985	10237339
Cash and cash equivalents as at the end of the period	13247773	10028985

Cash & Cash equivalents includes Cash in Hand & ATM, Balance with RBI & Other banks and Money at call and Short Notice.

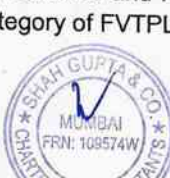
Components of Cash & Cash Equivalents	As on 31st March 2025	As on 31st March 2024
Cash & Balance with RBI	5819084	5672032
Balances with Banks and Money at Call and Short Notice	7428689	4356953
Total	13247773	10028985



NOTES TO CONSOLIDATED FINANCIAL RESULTS:

1. The consolidated financial results have been prepared following the provisions/guidelines of Accounting Standards (AS) 21 "Consolidated Financial Statements", AS 23 "Accounting for investments in Associates in Consolidated Financial Statements" and AS 27 "Financial Reporting of Interests in Joint Ventures".
2. The above consolidated financial results of Bank of Baroda (hereinafter referred as "Bank") including Subsidiaries (hereinafter referred as "Group"), Joint Ventures and Associates have been recommended by the Audit Committee of the Board and approved at the meeting of the Board of Directors held on May 06, 2025. The same have been audited by the Statutory Central Auditors (SCAs) of the Bank in line with the guidelines issued by the Reserve Bank of India and as per SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, as amended thereafter. The information presented above is extracted from the audited consolidated financial statements.
3. The above consolidated financial results have been arrived at after considering necessary provisions for Non-Performing Assets (NPAs), standard assets, restructured assets, depreciation/amortisation on investments & fixed assets, employee benefits and direct taxes (after adjustment of deferred tax) and other provisions and contingencies are made considering RBI's specific directions, judicial pronouncements and applicable Accounting Standards.
4. In terms of Reserve Bank of India (RBI) guidelines, Pillar 3 disclosures including leverage ratio under the Basel- III framework are being made available on our website in the following link: <https://www.bankofbaroda.in/shareholders-corner/disclosures-under-basel-iii>. Additionally, disclosures under NSFR & LCR framework are being made available on the following link: <https://www.bankofbaroda.in/shareholders-corner/financial-reports/>. These disclosures have not been subjected to audit / review by the SCAs of the Bank.
5. In accordance with Securities and Exchange Board of India (SEBI) regulations 2015 (as amended), for the purpose of consolidated financial results for the quarter and year ended March 31, 2025, minimum eighty percent (80%) of each of consolidated revenue, assets and profits have been subjected to audit / review.
6. The Group has continued to follow the same accounting policies and practices in preparation of financial results for the quarter and year ended March 31, 2025 as followed in the previous year ended March 31, 2024 except for the changes required on account of RBI Master Direction applicable from April 01, 2024 as stated below:

Pursuant to the Master Direction dated September 12, 2023 issued by Reserve Bank of India on Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 applicable from April 01, 2024, the Bank has carried out the requisite changes in its accounting policies for classification, accounting of investment portfolio and symmetric treatment of fair value gains and losses. In accordance with the revised norms, the Bank has classified its investment portfolio as on April 01, 2024 under the categories of Held To Maturity (HTM), Available For Sale (AFS), subsidiaries, associates and joint ventures and Fair Value Through Profit and Loss (FVTPL) with Held For Trading (HFT) as a sub-category of FVTPL.





Consequent to the implementation of the said policy, there was a positive transitional impact on the reserves, net of taxes, of ₹ 304326 lakhs as on the date of transition i.e. April 01, 2024. The corresponding previous period and yearly figures related to Investments portfolio in respect of financial year ended 31st March, 2024 respectively are not comparable with those of 31st March, 2025.

7. The Consolidated Financial Results comprises the financial results of 8 Domestic Subsidiaries, 7 Overseas Subsidiaries, 2 Joint Ventures and 4 Associates including 3 Regional Rural Banks (RRBs) as under:-

A. Subsidiaries		Country of Incorporation	Type	Percentage of Holding
i	The Nainital Bank Limited	India	Banking	98.57%
ii	BOBCARD LIMITED (formerly known as BOB Financial Solutions Limited until January 16, 2024)	India	Non-Banking	100%
iii	BOB Capital Markets Limited	India	Non-Banking	100%
iv	Baroda Global Shared Services Limited	India	Non-Banking	100%
v	Baroda Sun Technologies Limited	India	Non-Banking	100%
vi	Baroda BNP Paribas Asset Management India Private Limited (formerly known as BNP Paribas Asset Management India Private Limited)	India	Non-Banking	50.10%
vii	Baroda BNP Paribas Trustee India Private Limited (formerly known as Baroda Trustee India Private Limited)	India	Non-Banking	50.10%
viii	IndiaFirst Life Insurance Company Limited	India	Non-Banking	64.98%
ix	Bank of Baroda (Uganda) Limited	Uganda	Banking	80%
x	Bank of Baroda (Kenya) Limited	Kenya	Banking	86.70%
xi	Bank of Baroda (Botswana) Limited	Botswana	Banking	100%
xii	Bank of Baroda (New Zealand) Limited	New Zealand	Banking	100%
xiii	Bank of Baroda (Guyana) Inc.	Guyana	Banking	100%
xiv	Bank of Baroda (UK) Limited	United Kingdom	Banking	100%
xv	Bank of Baroda (Tanzania) Limited	Tanzania	Banking	100%
B. Joint Ventures				
i	India Infradebt Limited	India	Non-Banking	40.99%
ii	India International Bank (Malaysia) Berhad	Malaysia	Banking	40%
C. Associates				
i	Baroda U.P. Bank	India	RRB	35%
ii	Baroda Rajasthan Kshetriya Gramin Bank	India	RRB	35%
iii	Baroda Gujarat Gramin Bank	India	RRB	35%
iv	Indo Zambia Bank Limited	Zambia	Banking	20%





बैंक ऑफ बड़ौदा Bank of Baroda



8. The Government of India, vide gazette notification CG-DL-E-07042025-262329 dated 05.04.2025, has provided for the amalgamation of Regional Rural Banks (RRBs) into a single Regional Rural Bank (RRB) in different states effective from 01.05.2025. The Bank's investments in these RRBs are included in its financial statements as at 31st March 2025.

Details of the Amalgamation of RRBs sponsored by the Bank of Baroda are as under:

State	Transferor RRB	Sponsor Bank of Transferor RRB	Amalgamated RRB	Sponsor Bank of transferee RRBs
Gujarat	Baroda Gujarat Gramin Bank	Bank of Baroda	Gujarat Gramin Bank	Bank of Baroda
	Saurashtra Gramin Bank	State Bank of India		
Rajasthan	Rajasthan Marudhara Gramin Bank	State Bank of India	Rajasthan Gramin Bank	State Bank of India
	Baroda Rajasthan Kshetriya Gramin Bank	Bank of Baroda		
Uttar Pradesh	Baroda U P Bank	Bank of Baroda	Uttar Pradesh Gramin Bank	Bank of Baroda
	Aryavart Bank	Bank of India		
	Prathama U P Gramin Bank	Punjab National Bank		

9. The Bank has estimated an additional liability on account of revision in family pension for employees as per IBA Joint Note dated November 11, 2020, amounting to ₹ 145441 lakhs. RBI vide their Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 04, 2021 has permitted Banks to amortize the said additional liability over a period of not exceeding 5 (five) years, beginning with financial year 2021-22, subject to a minimum of 1/5th of the total amount being expensed every year. Bank has opted for the said provision of RBI and accordingly charged an amount of ₹ 7272 lakhs and ₹ 29088 lakhs to the Profit & Loss account for the quarter and year ended March 31, 2025 respectively and the balance unamortized expense of ₹ 29089 lakhs has been carried forward. Had the Bank charged the remaining additional liability to the Profit and Loss Account, the net profit for the quarter and year ended March 31, 2025 would have been lower by ₹ 21767 lakhs (net of taxes).
10. As per the RBI Circular no. RBI/2005-06/421/DBOD.NO.BP.BC.89 /21.04.048/2005-06 dated June 22, 2006, Bank has in place Floating Provision Policy approved by the Board. As on March 31, 2025, the Group has floating provision of ₹ 66285 lakhs (Nil and ₹ 23000 lakhs created during the quarter and year ended March 31, 2025, respectively) in accordance with the policy.





11. Details of Resolution plan implemented under Resolution Framework for COVID 19 related stress as per RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06.08.2020 (RF 1.0) and 05.05.2021 (RF 2.0) as of March 31, 2025.

(Amount in ₹ lakhs)

Type of borrower	Exposure to accounts classified as standard consequent to implementation of Resolution Plan – Position as at the end of the Previous half-year i.e. 30.09.2024 (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 i.e. 31.03.2025 (A)
Personal Loans	302720	7115	-	21628	280660
Corporate persons*	35733	-	-	7588	-
Of which, MSMEs	4604	-	-	1037	-
Others	64662	846	-	4535	58261
Total	403115	7961	-	33751	338921

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

12. Disclosure for the Bank as per the RBI Master directions ref no RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 "Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021" dated 24.09.2021 for the quarter and year ended March 31, 2025 is as under:

- a) In respect of "loan accounts not in default" # acquired from other entities as per the para 86 of Transfer of Loan Exposure (TLE) guidelines.

	Reporting for the nine months ended March 31, 2025	Syndication		Others*	
		Transferred to	Acquired From	Transferred to	Acquired From
(i)	Loans acquired / transferred through "assignment"				
	- Aggregate amount of loans acquired (₹ in lakhs)	-	1196174	-	1606970
	- Weighted average residual maturity (In months)	-	43.39	-	130.20
	- Weighted average holding period (In Months)	-	Not Applicable	-	28.04
	- Weighted average Retention of beneficial economic interest by the transferor	-	Not Available	-	10%
	- Tangible security coverage of loans acquired (times)	-	0.39	-	1.52
(ii)	Loans acquired / transferred through "novation" (₹ in lakhs)	292321	676615	-	-
(iii)	Loans acquired through "Loan participation" (₹ in lakhs)	-	-	-	200866





बैंक ऑफ बड़ौदा Bank of Baroda



The Loans not in default are identified on the basis of DPD in each underlying account at the time of purchase.
* Pools purchased under TLE guidelines are not rated by the Bank.

Rating wise breakup of rated loans is as below:

(₹ in lakhs)

External Rating	Transferred to	Acquired from
A and Above	149581	764574
B and Above	81201	943971
Below B	-	-
Unrated	61538	164244

Disclosure in respect of "loan accounts not in default" # acquired from other entities as per the para 86 of Transfer of Loan Exposure (TLE) guidelines by other entities in the Group:

	Particulars	Transferred to	Acquired From
(i)	Loans acquired / transferred through "assignment" / "novation"	Not Applicable	
	- Aggregate amount of loans acquired/ transferred (₹ in lakhs)		12468
	- Weighted average residual maturity (In months)		122.34
	- Weighted average holding period (In Months)		8.75
	- Weighted average Retention of beneficial economic interest by the transferor		NIL
	- Tangible security coverage of loans acquired (times)		1.15 TO 1.24X
(ii)	Loans acquired / transferred through "novation" (₹ in lakhs)	Same as above	
(iii)	Loans acquired through "Loan participation" (₹ in lakhs)	Not Applicable	
	Rating-wise distribution of rated loans		A+

Details of stressed loans transferred is as under:

(₹ In Lakhs)

Details of stressed loans (NPA Accounts) transferred during the period April 01, 2024 to March 31, 2025			
	To ARCs	To permitted transferees	To other transferees
No. of NPA accounts	5	-	-
Aggregate principal outstanding of loans transferred	37914	-	-
Weighted average residual tenor of the loans transferred	-	-	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration	19779	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Quantum of excess provision reversed to the profit & loss account on account of sale of stressed loans	15234	-	-





बैंक ऑफ बड़ौदा Bank of Baroda



b) Details of stressed Loan (NPAs) Acquired during year ended March 31, 2025 – NIL

c) The Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit Rating Agencies as on 31.03.2025.

Distribution of the SRs held in Investment Categories (Sch-8) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on March 31, 2025	
Recovery Rating Band	Carrying Value (₹ In lakhs)*
RR1	35,242
RR2	6,027
RR3	-
RR4	-
RR5	-
Rating withdrawn	7,734
Grand Total	49,003

*As per RBI circular RBI/DOR/2024-25/135 DOR.STR.REC.72/21.04.048/2024-25 March 29, 2025; on guidelines for government-guaranteed security Receipts, banks are permitted to reverse any excess provision to the profit and loss Account in the year of transfer of loan to Asset reconstruction company (ARC) for the value higher than the net book value (NBV), provided the consideration consists solely of cash and SRs guaranteed by the Government of India. Such SRs shall be valued periodically by reckoning the Net Asset Value (NAV) declared by the ARC based on the recovery ratings received for such instruments. Bank has accounted unrealized gains in the Profit and Loss account amounting to ₹ 49003 lakhs on account of fair valuation of Security Receipts guaranteed by Government as on 31.03.2025.

Distribution of the SRs which are part of Matured Investment (Sch-11) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on March 31, 2025	
Recovery Rating Band	Carrying Value (₹ In lakhs)*
RR1	-
RR2	-
RR3	-
RR4	-
RR5	-
Rating withdrawn	72,100
Grand Total	72,100

*The Standard Investments in SRs are fair valued. Further, SRs under NPI category are fully provided.





बैंक ऑफ़ बड़ौदा Bank of Baroda



13. Notes on Segment Reporting :

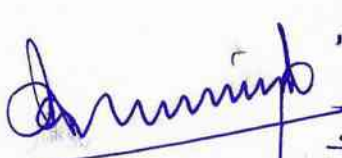
- As per the guidelines of the RBI on compliance with the Accounting Standards, the Bank has adopted "Treasury Operations", "Wholesale", "Retail" and "Other Banking Operations", as primary business segments and "Domestic" and "International" as secondary / geographic segments for the purpose of compliance with Accounting Standard 17 on Segment Reporting issued by ICAI.
- Digital Banking sub- segment under retail segment represents balances of digital Banking units (DBUs) opened by Bank as per RBI guidelines.
- Segment revenue represents revenue from external customers.
- Capital employed for each segment has been allocated proportionate to the assets of the respective segment.

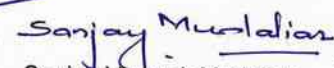
14. The comparative figures for quarter ended March 31, 2025 are the balancing figures between audited figures in respect of the year ended March 31, 2025 and the published year to date figures up to December 31, 2024 which were subject to limited review by the SCAs.

15. The Board of Directors has recommended a Dividend of ₹ 8.35 per share (417.50%) for the year ended on March 31, 2025 subject to the requisite approvals from shareholders.

16. The figures of the previous period have been regrouped/reclassified/rearranged, wherever necessary, to conform to the current period's classification.


Debajyoti Chandra
Managing Director & CEO

 Lalit Tyagi
Executive Director

 Sanjay Vinayak Mudaliar
Executive Director

 Lal Singh
Executive Director

 Beena Vaheed
Executive Director

 Manoj Sundar Chayani
Chief Financial Officer

 Pankaj Khatri
Dy. Chief Financial Officer

Place: Mumbai
Date: May 06, 2025





बैंक ऑफ बड़ौदा Bank of Baroda



Declaration of Audit Report with Unmodified Opinion

We hereby declare that Auditors Report on Consolidated Annual Accounts of the Bank for Financial Year ended 31st March, 2025 contain unmodified opinion.


Manoj Sundar Chayani
Chief Financial Officer


Debadatta Chand
Managing Director & CEO

Date: 06.05.2025
Place: Mumbai

B



Corporate Accounts & Taxation Department, 2nd Floor, Baroda Corporate Centre,
C-26, G-Block, Bandra Kurla Complex, Mumbai - 400 051

Khandelwal Jain & Co
Chartered Accountants
6-B&C, Pil Court, 6th floor,
111, Maharshi Karve Road,
Churchgate, Mumbai – 400 020

S Venkatram & Co LLP
Chartered Accountants
II Floor, 218, T.T.K. Road,
Alwarpet,
Chennai – 600 018

Batliboi & Purohit
Chartered Accountants
204, National Insurance Building,
D.N. Road, Fort,
Mumbai - 400 001

Shah Gupta & Co
Chartered Accountants
38, Bombay Mutual Building,
2nd floor, Dr. D.N. Road, Fort
Mumbai – 400 001

V Sankar Aiyar & Co
Chartered Accountants
601, A-Wing, Mangalya Building,
Off. Marol Maroshi Road, Marol,
Andheri (East), Mumbai 400 059

Independent Auditors' Report on the Audited Consolidated Financial Results of Bank of Baroda for the Quarter and Year ended March 31, 2025 pursuant to Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors
Bank of Baroda
Mumbai

Report on Audit of the Consolidated Financial Results
Opinion

1. We have audited the accompanying Statement of Consolidated Financial Results of **Bank of Baroda** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), its Joint Ventures and its share of the net profit after tax of its associates for the quarter and year ended March 31, 2025 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended (the "Regulations") except for the disclosures relating to Consolidated Pillar 3 disclosures as at March 31, 2025 including 'Leverage ratio', 'Liquidity coverage ratio' and 'Net stable funding ratio' under Basel III Capital Regulations' as have been disclosed on the Bank's website and in respect of which a link is being provided in the aforesaid Statement (Note No.4) and have not been audited by us.

The financial results of the Parent incorporate returns for the year ended on that date of:

- The Head Office (including various Verticals and Corporate Centre located in Mumbai), 22 Zonal Offices, 1 Specialized Integrated Treasury Branch and Top 20 branches audited by us;
- 3105 domestic branches (including 3 offices) audited by the Statutory Branch Auditors and
- 29 foreign branches audited by the respective Local Auditors.

These branches audited by other auditors cover 48.98% of advances, 67.06% of deposits, 51.18% of revenue, 51.49% of interest income, 69.57% of interest expended for the year ended March 31, 2025 and 55.45% of non-performing assets as at March 31, 2025. The financial statements and relevant returns of these branches have been audited by the Bank's Statutory Branch Auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the reports of such branch auditors.

Also incorporated in the Balance Sheet, the Profit and Loss Account and Cash Flow Statement are the returns from 5298 domestic branches and 1 foreign branch which have not been subjected to audit. These unaudited branches and other offices account for 16.55% of advances, 30.22% of deposits, 19.46% of revenue, 17.59% of interest income, 27.74% of interest expended for the year ended March 31, 2025 and 37.37% of non-performing assets as at March 31, 2025.

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements and financial information of the subsidiaries, associates and joint ventures, the aforesaid Statement which includes:



1 of 6 | Page

- a) the financial results of the following entities:
- A. Parent**
Bank of Baroda
- B. Subsidiaries**
1. The Nainital Bank Limited
 2. BOBCARD LIMITED (Formerly known as BOB Financial Solutions Limited)
 3. BOB Capital Markets Limited
 4. Baroda Global Shared Services Limited
 5. Baroda Sun Technologies Limited
 6. Baroda BNP Paribas Asset Management India Private Limited
 7. Baroda BNP Paribas Trustee India Private Limited
 8. India First Life Insurance Company Limited
 9. Bank of Baroda (Uganda) Limited * (Consolidated),
Baroda Capital Markets (Uganda) Limited (wholly owned subsidiary of Bank of Baroda (Uganda) Limited)
 10. Bank of Baroda (Kenya) Limited *
 11. Bank of Baroda (Botswana) Limited *
 12. Bank of Baroda (New Zealand) Limited *
 13. Bank of Baroda (Guyana) Inc. *
 14. Bank of Baroda (UK) Limited *
 15. Bank of Baroda (Tanzania) Limited *
- C. Joint Ventures**
1. India Infradebt Limited
 2. India International Bank (Malaysia) Bhd *
- D. Associates**
1. Baroda U.P. Bank
 2. Baroda Rajasthan Kshetriya Gramin Bank
 3. Baroda Gujarat Gramin Bank
 4. Indo Zambia Bank Limited *
- b) are presented in accordance with the requirements of Regulation 33 & 52 read with 63(2) of the Regulations in this regard except for the disclosures relating to consolidated Pillar 3 disclosure as at March 31, 2025 including 'Leverage ratio', 'Liquidity coverage ratio' and 'Net stable funding ratio' under Basel III Capital Regulations' as have been disclosed on the Bank's website and in respect of which a link is being provided in the aforesaid Consolidated Financial Results and have not been audited by us ; and
- c) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, relevant provisions of Banking Regulation Act, 1949, circulars, guidelines and directions issued by Reserve Bank of India ("RBI") and other accounting principles generally accepted in India, of the net profit and other financial information of the Group, its Joint Ventures and Associates for the quarter and the year ended March 31, 2025.

Basis for Opinion

3. We conducted our audit in accordance with the Standards of Auditing ("SAs") issued by the Institute of Chartered Accountants of India (The "ICAI"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the ICAI together with

* Incorporated/located outside India.

the ethical requirements that are relevant to our audit of the Consolidated Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

4. We draw attention to the following:

- i. Note No. 14.9 of Schedule 19 of the Statement regarding amortization of additional liability on account of revision in family pension amounting to Rs.1,45,441 lakhs. The Bank has charged an amount of Rs.7,272 Lakhs and Rs.29,088 Lakhs to the Profit and Loss Account for the quarter and financial year ended March 31, 2025 respectively and the balance unamortized expense of Rs.29,089 lakhs has been carried forward in terms of RBI Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021.

Our Opinion is not modified in respect of this matter.

Board of Directors' Responsibility for the Consolidated Financial Results

5. The Statement has been compiled from the related Audited consolidated Financial Statements. The Bank's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give true and fair view of the consolidated net profit and other financial information of the Group including its associates and Joint Ventures in accordance with the Accounting Standards issued by ICAI, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the RBI from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with the Listing Regulations. The respective Board of Directors of the entities included in the Group and its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Banking Regulations Act, 1949 for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that are operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial Results, the respective Board of Directors of the entities included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

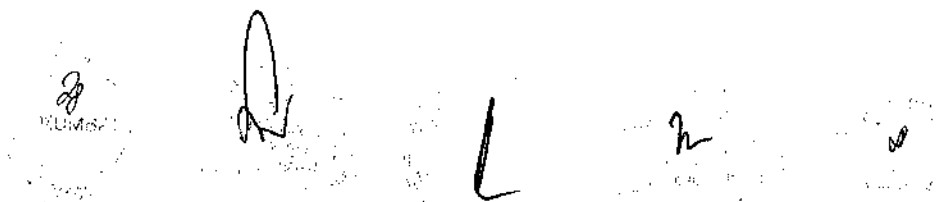
The respective Board of Directors of the entities included in the Group and its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditors' Responsibilities for the Audit of the Consolidated Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.
7. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

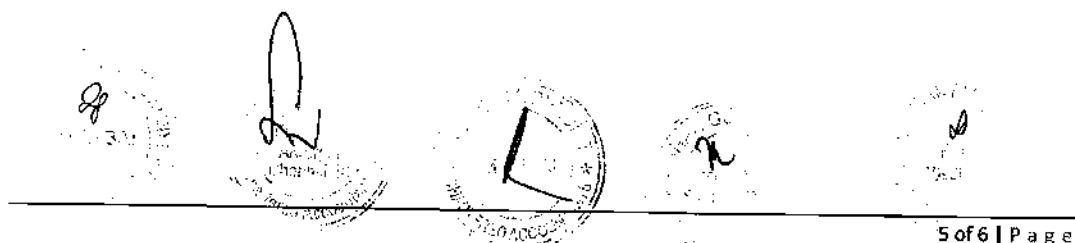


- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. As required by the Reserve Bank of India's letter DOS.ARG.No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended), we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability and its associates and Joint Ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
 - Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the consolidated financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial results of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
8. We communicate with those charged with governance of the Bank and such other entities included in the Consolidated Financial Results of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
9. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
10. We also performed procedures in accordance with the circular the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.


4 of 6 | Page

Other Matter

11. The Consolidated Financial Results include the audited Financial Results of 8 subsidiaries and 1 Joint venture whose Financial Statements/ Financial Results/ financial information reflect Group's Share of total assets of Rs. 79,13,355 lakhs as at March 31, 2025, Group's share of total revenue of Rs.13,52,583 lakhs and Group's share of total net profit after tax of Rs. 99,242 lakhs for the year ended March 31, 2025 respectively, as considered in the Consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements, financial results and financial information of these entities have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us as stated in paragraph above.
12. In the case of foreign subsidiaries, the financial information has been prepared in accordance with the accounting principles generally accepted in their respective countries and has been audited by the other auditors under generally accepted standards on audit engagements as applicable in their respective countries. The respective entity's management has converted the financial information of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India and these conversion adjustments have been audited by the other auditors. Our opinion in so far as it relates to the balances of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by the other auditors.
13. The Consolidated Financial Results include the unaudited Financial Results of 7 subsidiaries, 4 associates and 1 Joint Venture whose Financial Statements/ Financial Results/ financial information reflect Group's Share of total assets of Rs.57,68,810 lakhs as at March 31, 2025, Group's share of total revenue of Rs. 6,49,073 lakhs and Group's share of total net profit of Rs.53,931 lakhs for the year ended March 31, 2025 as considered in the consolidated audited financial results based on their Financial Statements/ Financial Results /Financial information which have not been audited by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, joint venture and associates, is based solely on such unaudited financial statements/financial results and other unaudited financial information. In our opinion and according to information and explanations given to us by the Management, these Financial Statements /Financial Results /Financial information are not material to the Group.
14. Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial results/ Financial Information certified by the management.
15. In the case of India First Life Insurance Company Ltd., a subsidiary company, the auditors, vide their Audit report dated May 02, 2025 have expressed an unmodified conclusion and have reported in the 'Other Matter' section that "the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists on financial statements of the Company as at March 31, 2025 has been duly certified by the Appointed Actuary and in her opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (IRDAI) and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied on the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, as contained in the Financial Statements of the Company."



16. We report that the figures for the quarter ended March 31, 2025 as reported in the Statement are the balancing figures in respect of the year ended March 31, 2025 and published year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter were only reviewed and not subjected to audit.

Our opinion is not modified in respect of above matters.

For Khandelwal Jain & Co
Chartered Accountants

FRN: 105049W



Rishikesh Joshi

Partner

M. No.: 138738

UDIN: 25138738BMLJPV4643



For S Venkatram & Co LLP
Chartered Accountants

FRN: 004656S/S200095



S. Sundarraman

Partner

M. No.: 201028

UDIN: 25201028BMLMCO1831



For Batliboi & Purohit
Chartered Accountants

FRN: 101048W



Raman Hangekar

Partner

M. No.: 030615

UDIN: 25030615BMOCP6165



For Shah Gupta & Co
Chartered Accountants

FRN: 109574W



Vipul K. Choksi

Partner

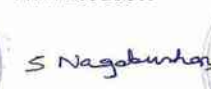
M. No.: 037606

UDIN: 25037606BMMBTI1571



For V Sankar Aiyar & Co
Chartered Accountants

FRN: 109208W



S. Nagabushanam

Partner

M. No.: 107022

UDIN: 25107022BMLYRQ4126



Date: May 06, 2025

Place: Mumbai

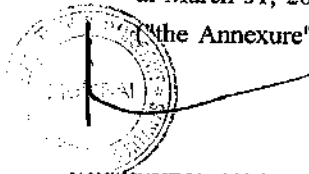
INDEPENDENT AUDITORS' CERTIFICATE

Independent Auditors' Certificate for Security Cover and compliance with Covenants as at March 31, 2025 and compliance with covenants in respect of listed debt securities pursuant to the requirements of Regulation 54 read with Regulation 56(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Circular No. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024.

To,

The Board of Directors, Bank of Baroda, Baroda Corporate Centre, C-26, G Block, Bandra Kurla Complex, Bandra East, Mumbai, 400051	IDBI Trusteeship Services Ltd. Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001.	Axis Trustee Services Limited, The Ruby, 2nd Floor (SW) 29, Senapati Bapat Marg, Dadar West, Mumbai - 400028.
Centbank Financial Services Limited, 3rd Floor(East Wing), Central Bank of India MMO Building, 55 M.G. Road, Fort, Mumbai 400001	Catalyst Trusteeship Limited, Unit No - 901, 9th Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013	

1. This certificate is issued in accordance with the terms of our engagement letter dated September 30th, 2024 with Bank of Baroda ("the Bank").
2. We, M/S Batliboi and Purohit, Chartered Accountant, are Joint Statutory Central Auditors of the Bank and have been requested by the Bank to examine the accompanying Annexure showing 'Security Cover and compliance with Covenants' as at March 31, 2025 in respect of unsecured Bonds issued on Private Placement basis ("the Annexure") which has been prepared by the Bank from the audited Financial



BRANCHES :

Page 1 of 4

NAVI MUMBAI : 302 / 304 Arenja Corner, Sector 17, Vashi, Navi Mumbai - 400 703. • Tel. : +91-22-2766 6478
DELHI : 505, Nirmal Tower, 26, Barakhamba Road, New Delhi -110 001. • Tel. : +91-11-4019 0200

Statements and other relevant records and documents maintained by the Bank as at and for the quarter ended March 31, 2025 pursuant to the requirements of Regulation 54 read with Reg 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI Regulations"), and Circular No. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024.

3. The certificate is required by the Bank for the purpose of submission to the Debenture Trustees of the Bank and the Stock Exchanges to ensure compliance with the SEBI Regulations and SEBI Circular SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 in respect of its unsecured Bonds as at March 31, 2025 ("Debentures"). The Bank has entered into agreement(s) with the Debenture Trustees (Debenture Trust Deed") in respect of such unsecured bonds issued on private placement, as indicated in the Annexure.

4. Management's Responsibility

It is the responsibility of the management to compute / extract the data related to Security Cover from the books of accounts of the Bank based on audited accounts as at and for the quarter ended March 31, 2025. The responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the data of security Cover and applying an appropriate basis of preparation. This responsibility includes compliance with maintenance of Security Cover pursuant to the requirements of Regulation 54 read under Reg 56(1)(d) of the SEBI Regulations and Circular No. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024. This responsibility includes compliance with all the covenants of Information Memorandum and Debenture Trust Deed in respect of unsecured Bonds issued on Private Placement basis.

As per clarification received from NSE, entities having only unsecured debt securities are required to submit a "NIL" report in the prescribed format with reference to SEBI Circular no. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024.



BRANCHES :

Page 2 of 4

NAVI MUMBAI : 302 / 304 Arenja Corner, Sector 17, Vashi, Navi Mumbai - 400 703. • Tel. : +91-22-2766 6478
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The Management is also responsible for complying with various provisions of Reserve Bank of India guidelines, applicable Accounting Standards, The Banking Regulation Act, 1949 and conditions stated in the SEBI Regulations.

5. Auditors' Responsibility

Pursuant to the requirements of SEBI Regulations and SEBI Circulars, our responsibility is to provide a reasonable assurance in the form of an opinion based on our audit of the Books of accounts with respect to the data of Security Cover as laid down in Annexure as at March 31, 2025 pursuant to the requirements of Regulation 54 read under Reg 56(1)(d) of the SEBI Regulations and Circular No. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024., and form of an opinion based on our examination of books and records as to whether the Bank has complied with covenants of Information Memorandum in respect of unsecured Bonds issued on Private Placement basis.

6. We have obtained the list of covenants in the Information Memorandum and Debenture Trust Deed from the management and verified the compliance with the relevant supporting records and documents produced before us.
7. We conducted our examination of the Annexure in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) in so far applicable for the purpose of the certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
9. Our scope of work did not include verification of compliance with other requirements of the SEBI Regulations / other circulars, notifications, etc., as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Bank.



BRANCHES :

Page 3 of 4

NAVI MUMBAI : 302 / 304 Arenja Corner, Sector 17, Vashi, Navi Mumbai - 400 703. • Tel. : +91-22-2766 6478
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10. Opinion

Based on our examination and procedures performed by us, as above and according to the information and explanations given to us, we report that the data related to Security Cover as laid down in Annexure as at March 31, 2025 has been extracted accurately from the Books of account as at and for the quarter ended March 31, 2025 pursuant to the requirements of Regulation 54 read under Reg 56(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Regulations") and Circular No. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024.

Further we report that the Bank has complied with covenants of Information Memorandum in respect of unsecured Bonds issued on Private Placement basis.

11. Restriction on Distribution and Use

This certificate has been prepared at the request of the Bank solely for the purpose of enabling it to comply with the requirements of the SEBI Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For M/s Batliboi and Purohit
Chartered Accountants
FRN: 101048W



CA Raman Hangekar

Partner

Mem. No. 030615

UDIN: 25030615BMOCPH2201

Place: Mumbai

Date: 06th May, 2025.

BRANCHES :

Page 4 of 4

NAVI MUMBAI : 302 / 304 Arenja Corner, Sector 17, Vashi, Navi Mumbai - 400 703. • Tel. : +91-22-2766 6478
DELHI : 505, Nirmal Tower, 26, Barakhamba Road, New Delhi -110 001. • Tel. : +91-11-4019 0200

Security cover for the quarter ended March 31, 2025 and compliance with covenants in respect of listed non-convertible securities pursuant to the requirements of Regulation 54 read with Regulation 56 (1) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Circular no SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024.

a) Bank of Baroda has vide its Board Resolution and information memorandum/ offer documents and under various Debenture Trust Deeds, has issued the following listed non-convertible securities:

SR No	ISIN	Private Placement / Public Issue	Type of charge	Outstanding Amount As on 31-03-2025 (Rs. In Crs)	Cover	Security
					Required	Required
1	INE028A08299	Private Placement	Unsecured	2,474.00	NA	NA
2	INE028A08265	Private Placement	Unsecured	1,997.00	NA	NA
3	INE028A08273	Private Placement	Unsecured	752.00	NA	NA
4	INE028A08240	Private Placement	Unsecured	969.00	NA	NA
5	INE028A08257	Private Placement	Unsecured	188.00	NA	NA
6	INE028A08216	Private Placement	Unsecured	764.00	NA	NA
7	INE028A08224	Private Placement	Unsecured	981.00	NA	NA
8	INE028A08232	Private Placement	Unsecured	833.00	NA	NA
9	INE028A08331	Private Placement	Unsecured	2,500.00	NA	NA
10	INE028A08315	Private Placement	Unsecured	2,500.00	NA	NA
11	INE028A08166	Private Placement	Unsecured	500.00	NA	NA
12	INE028A08208	Private Placement	Unsecured	2,000.00	NA	NA
13	INE028A08078	Private Placement	Unsecured	450.00	NA	NA
14	INE077A08098	Private Placement	Unsecured	400.00	NA	NA
15	INE028A08356	Private Placement	Unsecured	5,000.00	NA	NA
16	INE028A08349	Private Placement	Unsecured	5,000.00	NA	NA
17	INE028A08281	Private Placement	Unsecured	1,000.00	NA	NA
18	INE028A08323	Private Placement	Unsecured	5,000.00	NA	NA
19	INE028A08307	Private Placement	Unsecured	5,000.00	NA	NA
20	INE028A08364	Private Placement	Unsecured	3,500.00	NA	NA
21	INE028A08372	Private Placement	Unsecured	5,000.00	NA	NA
			Total	46,808.00		

b) Monitoring of covenants:

1. Compliance status with respect to financial covenants of its listed non-convertible securities: **Complied With**
2. Compliance with all the covenants, in respect of listed non-convertible securities: **Complied With**



(c) Security Cover for listed unsecured listed non-convertible securities:

The security provided by the listed entity provide coverage of ___ times of the interest and principal amount, which is in accordance with the terms of issue/ debenture trust deed : **Not Applicable** (As per clarification received from NSE, entities having only unsecured debt securities are required to submit a "NIL" report in the prescribed format with reference to SEBI Circular No : SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16,2024.

Column A	Column B	Column C (i)	Column D (i)	Column E (i)	Column F (i)	Column G (i)	Column H (i)	Column I (i)	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relates	Debt for which this certificate is being issued	Other Secured Debt	Debt for which this certificate is being issued	Assets shared by pari-passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items covered in column F)	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Book Value	Book Value	Yes/No	Book Value	Book Value		debt amount considered more than once (due to exclusive plus pari-passu charge)		Market Value for Assets charged on exclusive basis	Carrying/Book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, OGRA market value is not applicable)	Market Value for Pari-passu charge Assets (ii)	Carrying/Book value for pari-passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, OGRA market value is not applicable)	Total Value (iv) = (iii) + (iv)
ASSETS														
Property, Plant and Equipment														
Capital Work-in-Progress														
Right of Use Assets														
Goodwill														
Intangible Assets:														
Intangible Assets under Development														
Investments														
Loans														
Investments														
Trade Receivables														
Cash and Cash Equivalents														
Bank Balances other than Cash and Cash Equivalents														
Others														
Total														
LIABILITIES														
Debt securities to which this certificate pertains														
Other debt sharing pari-passu charge with above debt														
Other debt														
Subordinated debt														
Borrowings														
Bank														
Debt Securities														
Others														
Trade payables														
Lease liabilities														
Provisions														
Others														
Total														
Cover as Book Value														
Cover as Market Value														
	Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio										

Nil

For Bank of Baroda

Bala Subramanyam Lanka
General Manager
Treasury



For Batliboi and Purohit
Chartered Accountants
Firm Registration No.: 101048W

[Signature]

CA Raman Hangekar
Partner
Membership No. 030615
UDIN: 250306158M0CPH2201
Place: Mumbai
Date:

06 MAY 2025



Independent Auditor's Certificate on utilization of proceeds raised through issue of Senior, Rated, Listed, Unsecured, Redeemable, Long Term fully paid up Non-Convertible Bonds in the nature of Debentures, 7.23% Bank of Baroda 2035 LTB Series VI for funding long term projects in infrastructure sub-sectors and affordable housing Projects

To,
The Board of Directors,
Bank of Baroda,
Baroda Corporate Centre,
C-26, G Block, Bandra Kurla Complex,
Bandra East, Mumbai, 400051

1. Introduction

This certificate is issued on specific request of Bank of Baroda (the "Bank"), having its corporate office at Mumbai, Maharashtra in accordance with the terms of our engagement letter dated December 26, 2024.

2. At the request of the Bank, we have examined the attached Statement, in relation to utilization of proceeds raised from issue of Senior, Rated, Listed, Unsecured, Redeemable, Long Term Non-Convertible Bonds in the nature of Debentures, 7.23% Bank of Baroda 2035 LTB Series VI ('the Bonds') issued as per Key Information Document on January 15, 2025 and read with the Debenture Trust Deed entered into between the Bank and Axis Trustee Services Limited (the Trustee') dated January 16, 2025 ('the trust deed'), for submitting to SEBI under Regulation 52(7) and 52(7A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

3. Management's Responsibility

The preparation of the Statement and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the Management of the Bank. This responsibility includes the design, implementation and maintenance of internal control relevant to the utilization of proceeds and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The Management is also responsible for ensuring that the Bank complies with the requirements of the Trust Deed and for providing all relevant information to the Trustee. This responsibility includes ensuring that proceeds of the Bonds are utilized by the Bank solely towards enhancing long term resources for funding infrastructure and affordable housing projects and that the proceeds are not used towards any purpose which may be in contravention of the regulations, guidelines or norms issued by the RBI, the SEBI or the Stock Exchanges.

The Management is also responsible for complying with various provisions of Reserve Bank of India guidelines, applicable Accounting Standards, The Banking Regulation Act, 1949 and conditions stated in the SEBI Regulations.



BRANCHES :

NAVI MUMBAI : 302 / 304 Arenja Corner, Sector 17, Vashi, Navi Mumbai - 400 703. • Tel. : +91-22-2766 6478
DELHI : 505, Nirmal Tower, 26, Barakhamba Road, New Delhi -110 001. • Tel. : +91-11-4019 0200

Auditors' Responsibility

Our responsibility is to provide a limited assurance as to whether any matter has come to our attention that causes us to believe that the proceeds of the Bonds issued under Key Information Document on January 15, 2025 have been utilized for the purposes other than as stated in the statement attached.

4. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) in so far as applicable for the purpose of the certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by ICAI.
6. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgment, including the assessment of areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation:
 - a) Obtained the audited financial statements and underlying books of accounts of the Bank for the year ended March 31, 2024;
 - b) Obtained the Key Information Document dated January 15, 2025 and the Trust Deed and verified the purpose for which the Bonds have been issued;
 - c) Obtained the certified true Copy of the Board Resolution dated December 18, 2024.
 - d) Obtained the certified true Copy of the resolution of authorised executive dated January 16, 2024 and traced the number of bonds to be allotted, list of investors and the final allotment amount.
 - e) Notice for listing by BSE dated January 17, 2025.
 - f) Approval for listing by NSE dated January 17, 2025.
 - g) Obtained necessary representations from the Management of the Bank.



7. Our scope of work did not include verification of compliance with other requirements of the SEBI Regulations / other circulars, notifications, etc., as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Bank.

8. **Opinion**

Based on our examination, as above, and according to the information, explanations and representations provided to us by the Management of the Bank, nothing has come to our attention that causes us to believe that the proceeds of the Bonds issued under Key Information Document dated January 15, 2025 have been utilized by the Bank for the purposes other than as stated in the statement attached.

9. **Restriction on Distribution and Use**

This certificate has been prepared at the request of the Bank solely for the purpose of enabling it to comply with the requirements of the Debenture Trust deed and should not be used by any other person or for any other purpose other than the Lead Managers and Legal Counsel to the issue, the Stock Exchange, SEBI, ROC or any other regulatory or statutory authority. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. This report relates only to the Statement and items specified above and does not extend to any financial statements of the Bank, taken as a whole. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For Batliboi & Purohit
Chartered Accountants
Firm Registration No. 101048W



Parag Hangekar
Partner
Membership No. 110096
UDIN: 25110096BBIJYR2664
Place: Mumbai
Date: 21 JAN 2025







Bank of Baroda



Statement indicating utilisation and statement indicating deviation / variation in use of proceeds of issue of listed non-convertible securities for the Quarter Ending March, 2025

[As per Regulation 52 (7) and 52(7A) of SEBI (LODR) Regulations, 2015 and SEBI Circular no. SEBI/HO/DDHS/DDHS_Div1/ICIR/2022/0000000103 dated 29th July, 2022 (updated as on December 01, 2022)]

A. Statement of Utilisation of Proceeds

Name of the Issuer	ISIN	Mode of Fund Raising (Public Issues/Private Placement)	Type of Instrument	Date of Raising Funds	Amount Raised (Rs. in Crores)	Funds utilised (Rs. in Crores)	Any Deviation (Yes/No)	If Yes, then specify the purpose of for which the funds were utilised	Remarks, if any
Bank of Baroda	INE078A08372	Private Placement	Long Term Infra series VI	1/16/2025	5000.00	5000.00	No		10 NA

Annex - IV-A

B. Statement of deviation/ variation in use of Issue proceeds:

Particulars	Remarks
Name of listed entity	Bank of Baroda
Mode of fund raising	Private Placement
Type of instrument	Non Convertible Securities
Date of raising funds	1/16/2025
Amount raised in Rs. Crore	5000
Report filed for quarter ended	31.03.2025
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA
If yes, details of the approval so required?	NA
Date of approval	NA
Explanation for the deviation/ variation	NA
Comments of the audit committee after review	NA
Comments of the auditors, if any	NA

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:

Original object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any
				NA		

Deviation could mean:

a. Deviation in the objects or purposes for which the funds have been raised.

b. Deviation in the amount of funds actually utilized as against what was originally disclosed



Name of Signatory : Balasubramanyam Lanka
Designation : General Manager, Treasury
Date : 06.05.2025



Audited Consolidated Financial Results for the Quarter and year Ended 31st March 2024

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Un-Audited	Audited	Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	3107217	3004175	2719630	11837922	9450262
(a)	Interest /discount on advances / bills	2339029	2238604	1966047	8764769	6614052
(b)	Income on investments	702410	703747	672213	2784214	2480106
(c)	Interest on balances with Reserve Bank of India and other inter bank funds	41104	46837	48677	193423	161370
(d)	Others	24674	14987	32693	95516	194734
2	Other Income	653842	504223	533176	2339948	1627536
3	Total Income (1 + 2)	3761059	3508398	3252806	14177870	11077798
4	Interest Expended	1830902	1800205	1479046	6989908	4994217
5	Operating Expenses (a)+ (b)	949138	865314	848335	3433681	3064446
(a)	Employees cost	486385	410037	406519	1696669	1434740
(b)	Other operating expenses	462753	455277	441816	1737012	1629706
6	Total Expenditure (4+5) excluding provisions and contingencies	2780040	2665519	2327381	10423589	8058663
7	Operating Profit (3-6) before Provisions and Contingencies	981019	842879	925425	3754281	3019135
8	Provisions (other than tax) and Contingencies	277733	190256	215836	1174346	962681
9	Exceptional Items	-	-	-	-	-
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	703286	652623	709589	2579935	2056454
11	Provision for Taxes	201690	177791	198576	738971	587667
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	501596	474832	511013	1840964	1468787
13	Less: Minority Interest	2785	2606	5993	10149	10001
14	Add: Share of earnings in Associates	14434	6626	20497	45923	31734
15	Extraordinary items (net of tax expenses)	-	-	-	-	-
16	Net Profit (+) / Loss (-) for the period (12-13+14+15)	513245	478852	525517	1876738	1490520
17	Paid-up equity share capital (Face Value of ₹ 2 each)	103553	103553	103553	103553	103553
18	Reserve excluding Revaluation Reserve	-	-	-	11361978	9813076
19	Analytical Ratios					
i)	Percentage of shares held by Government of India	63.97	63.97	63.97	63.97	63.97
ii)	Capital Adequacy Ratio(%) -Basel-III	16.68	15.14	16.73	16.68	16.73
(a)	CET 1 Ratio (%)	13.02	11.62	12.83	13.02	12.83
(b)	Additional Tier 1 Ratio (%)	1.47	1.51	1.69	1.47	1.69
iii)	Earnings Per Share					
(a)	Basic EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	9.92	9.26	10.16	36.29	28.82
(b)	Diluted EPS before and after Extraordinary items net of tax expenses (not annualized) [in ₹]	9.92	9.26	10.16	36.29	28.82
iv)	NPA Ratios					
(a)	Gross NPA					
(b)	Net NPA					
(c)	Gross NPA to Gross Advances %					
(d)	Net NPA to Net Advances %					
v)	Return on Assets (annualized) %	1.26	1.20	1.41	1.18	1.04
vi)	Debt Equity ratio*	0.52	0.42	0.47	0.52	0.47
vii)	Total Debt to Total Assets Ratio**	0.06	0.08	0.07	0.06	0.07
viii)	Capital Redemption Reserve/ Debenture Redemption Reserve	NA	NA	NA	NA	NA
ix)	Outstanding Redeemable Preference Shares	NA	NA	NA	NA	NA
x)	Net Worth	9993041	9781647	8218643	9993041	8218643
xi)	Operating Profit Margin %	26.08	24.02	28.45	26.48	27.25
xii)	Net Profit Margin %	13.65	13.65	16.16	13.24	13.46

* Debt represents borrowings with residual maturity of more than one year. ** Total Debt represents consolidated borrowings of the Group.



Audited Consolidated Segment reporting for the Quarter and Year Ended 31st March 2024
Part A-Business Segments

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Un-Audited	Audited	Audited	Audited
1	Segment Revenue					
	(a) Treasury Operations	775701	754059	764468	3220546	2789986
	(b) Wholesale Banking	1361192	1203919	1075600	4957496	3514356
	(c) Retail Banking	1302207	1289227	1212599	4908872	4007086
	(i) Digital Banking	21	17	4	55	6
	(ii) Other Retail Banking	1302186	1289210	1212595	4908817	4007080
	(d) Other Banking Operations	321959	261193	200139	1090956	766370
	Total Revenue	3761059	3508398	3252806	14177870	11077798
2	Segment Results					
	(a) Treasury Operations	153218	66565	89802	547036	160683
	(b) Wholesale Banking	511956	396537	545320	1679557	1379710
	(c) Retail Banking	214367	402013	307307	1119793	1252262
	(i) Digital Banking	(444)	(293)	(204)	(1226)	(365)
	(ii) Other Retail Banking	214811	402306	307511	1121019	1252627
	(d) Other Banking Operations	77972	5779	6619	105080	20741
	Total	957513	870894	949048	3451466	2813396
	Unallocated Expenditure	242578	214251	224955	835757	735209
	Profit before Tax	714935	656643	724093	2615709	2078187
	Provision for Tax	201690	177791	198576	738971	587667
	Net Profit	513245	478852	525517	1876738	1490520
3	Segment Assets					
	(a) Treasury Operations	49162771	49051608	49152464	49162771	49152464
	(b) Wholesale Banking	64555993	61751873	59201229	64555993	59201229
	(c) Retail Banking	46516412	44785280	39661662	46516412	39661662
	(i) Digital Banking	1385	1195	835	1385	835
	(ii) Other Retail Banking	46515027	44784085	39660827	46515027	39660827
	(d) Other Banking Operations	3077160	2991514	2500615	3077160	2500615
	(e) Unallocated	2165602	2111796	2071927	2165602	2071927
	Total Assets	165477938	160692071	152587897	165477938	152587897
4	Segment Liabilities					
	(a) Treasury Operations	45606173	45433317	45768383	45606173	45768383
	(b) Wholesale Banking	59885798	57196747	55125304	59885798	55125304
	(c) Retail Banking	43151260	41481695	36931010	43151260	36931010
	(i) Digital Banking	1285	1107	778	1285	778
	(ii) Other Retail Banking	43149975	41480588	36930233	43149975	36930233
	(d) Other Banking Operations	2854548	2770845	2328451	2854548	2328451
	(e) Unallocated	2008935	1956019	1929278	2008935	1929278
	Total Liabilities	153506714	148838623	142082426	153506714	142082426
5	Capital Employed					
	(a) Treasury Operations	3556598	3618291	3384081	3556598	3384081
	(b) Wholesale Banking	4670195	4555126	4075925	4670195	4075925
	(c) Retail Banking	3365152	3303585	2730652	3365152	2730652
	(i) Digital Banking	100	88	57	100	57
	(ii) Other Retail Banking	3365052	3303497	2730594	3365052	2730594
	(d) Other Banking Operations	222612	220669	172164	222612	172164
	(e) Unallocated	156667	155777	142649	156667	142649
	Total Capital Employed	11971224	11853448	10505471	11971224	10505471

Part- B : Geographic Segments

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Un-Audited	Un-Audited	Un-Audited	Audited	Audited
1	Revenue					
	(a) Domestic	3337624	3084967	2906622	12493885	10093521
	(b) International	423435	423431	346184	1683985	984277
	Total	3761059	3508398	3252806	14177870	11077798
2	Assets					
	(a) Domestic	138790065	135566545	128390125	138790065	128390125
	(b) International	26687873	25125526	24197772	26687873	24197772
	Total	165477938	160692071	152587897	165477938	152587897





STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

Particulars	Consolidated	
	As on 31st Mar 2024	As on 31st Mar 2023
	Audited	Audited
CAPITAL & LIABILITIES		
Capital	103553	103553
Reserves and Surplus	11867671	10401918
Minority Interest	101791	99459
Deposits	135180184	123468200
Borrowings	10195910	10791016
Other Liabilities and Provisions	8028829	7723751
TOTAL	165477938	152587897
ASSETS		
Cash and Balances with Reserve Bank of India	5672032	5669621
Balances with Banks and Money at Call and Short Notice	4356953	4567718
Investments	40713632	39748723
Advances	108898340	96365183
Fixed Assets	814835	895679
Other Assets	4931068	5249895
Goodwill on Consolidation	91078	91078
TOTAL	165477938	152587897

CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Consolidated	
	Year ended 31st Mar 2024	Year ended 31st Mar 2023
	Audited	Audited
A. Cash flow from operating activities:		
Net Profit before taxes	2615709	2078187
Adjustments for:		
Depreciation on fixed assets	169353	203186
Depreciation on investments (including on Matured debentures)	(2831)	170310
Bad debts written-off/Provision in respect of non-performing assets	686592	455080
Provision for Standard Assets	(67101)	54695
Provision for Other items (Net)	557687	282595
(Profit)/loss on sale of fixed assets (Net)	(631)	(1433)
Payment/provision for interest on bonds	191013	193520
Sub total	4149791	3436140
Adjustments for:		
(Increase)/Decrease in investments	(921426)	(5129323)
(Increase)/Decrease in advances	(13219748)	(17092169)
(Increase)/Decrease in other assets	410202	118396
Increase/(Decrease) in borrowings	(1600160)	70835
Increase/(Decrease) in deposits	11711984	15887756
Increase/(Decrease) in other liabilities and provisions	(327691)	1134796
Direct taxes paid (Net of Refund)	(830348)	(561796)
Net cash from operating activities (A)	(627396)	(2135365)
B. Cash flow from investing activities:		
Purchase/ Transfer in of fixed assets	(135546)	(98296)
Sales/ Transfer out of fixed assets	47667	19670
Changes in Trade related investments (Subsidiaries & others)	(40651)	(31000)
Net cash used in investing activities (B)	(128530)	(109626)
C. Cash flow from financing activities:		
Unsecured Subordinated Bonds	1005055	(232430)
Dividend paid	(284425)	(146570)
Payment/provision for interest on bonds	(175390)	(185210)
Increase/(Decrease) in Minority Interest	2332	23680
Net cash from financing activities (C)	547572	(540530)
Net increase in cash & cash equivalents (A)+(B)+(C)	(208354)	(2785521)
Cash and cash equivalents as at the beginning of the year	10237339	13022860
Cash and cash equivalents as at the end of the period	10028985	10237339

Cash & Cash equivalents includes Cash in Hand & ATM, Balance with RBI & Other banks and Money at call and Short Notice.

Components of Cash & Cash Equivalents	As on	As on
	31st March 2024	31st March 2023
Cash & Balance with RBI	5672032	5669621
Balances with Banks and Money at Call and Short Notice	4356953	4567718
Total	10028985	10237339



NOTES TO CONSOLIDATED FINANCIAL RESULTS:

1. The consolidated financial results have been prepared following the provisions/guidelines of Accounting Standards (AS) 21 "Consolidated Financial Statements", AS 23 "Accounting for investments in Consolidated Financial Statements" and AS 27 "Financial Reporting of Interests in Joint Ventures"
2. The above consolidated financial results of Bank of Baroda (hereinafter referred as "Bank") including Subsidiaries (hereinafter referred as "Group"), Joint Ventures and Associates have been recommended by the Audit Committee of the Board and approved at the meeting of the Board of Directors held on May 10, 2024. The same have been audited by the Statutory Central Auditors (SCAs) of the Bank in line with the guidelines issued by the Reserve Bank of India and as per SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, as amended thereafter. The information presented above is extracted from the audited consolidated financial statements.
3. The above financial results have been arrived at after considering necessary provisions for Non-Performing Assets (NPAs), standard assets, restructured assets, depreciation/amortisation on investments & fixed assets, employee benefits and direct taxes (after adjustment of deferred tax) and other provisions and contingencies are made considering RBI's specific directions, judicial pronouncements and applicable Accounting Standards.
4. In terms of Reserve Bank of India (RBI) guidelines, Pillar 3 disclosures including leverage ratio under the Basel- III framework are being made available on our website in the following link: <https://www.bankofbaroda.in/shareholders-corner/disclosures-under-basel-iii>. Additionally, disclosures under NSFR & LCR framework are being made available on the following link: <https://www.bankofbaroda.in/shareholders-corner/financial-reports/>. These disclosures have not been subjected to audit / review by the SCAs of the Bank.
5. In accordance with Securities and Exchange Board of India (SEBI) regulations 2015 (as amended), for the purpose of consolidated financial results for the quarter and the year ended March 31, 2024, minimum eighty percent (80%) of each of consolidated revenue, assets and profits have been subjected to audit.
6. The Group has continued to follow the same accounting policies and practices in preparation of financial results for the quarter and the year ended March 31, 2024 as followed in the previous year ended March 31, 2023.



7. The Consolidated Financial Results comprises the financial results of 8 Domestic Subsidiaries, 7 Overseas Subsidiaries, 2 Joint Ventures and 4 Associates including 3 Regional Rural Banks (RRBs) as under:-

A. Subsidiaries		Country of Incorporation	Type	Percentage of Holding
i	The Nainital Bank Limited	India	Banking	98.57%
ii	BOBCARD LIMITED (formerly known as BOB Financial Solutions Limited until January 16, 2024)	India	Non-Banking	100%
iii	BOB Capital Markets Limited	India	Non-Banking	100%
iv	Baroda Global Shared Services Limited	India	Non-Banking	100%
v	Baroda Sun Technologies Limited	India	Non-Banking	100%
vi	Baroda BNP Paribas Asset Management India Private Limited (formerly known as BNP Paribas Asset Management India Private Limited)	India	Non-Banking	50.10%
vii	Baroda BNP Paribas Trustee India Private Limited (formerly known as Baroda Trustee India Private Limited)	India	Non-Banking	50.10%
viii	IndiaFirst Life Insurance Company Limited	India	Non-Banking	65.00%
ix	Bank of Baroda (Uganda) Limited (consolidated)	Uganda	Banking	80%
	Baroda Capital Markets (Uganda) Limited (Wholly owned Subsidiary of Bank of Baroda (Uganda) Limited).	Uganda	Non-Banking	100%
x	Bank of Baroda (Kenya) Limited	Kenya	Banking	86.70%
xi	Bank of Baroda (Botswana) Limited	Botswana	Banking	100%
xii	Bank of Baroda (New Zealand) Limited	New Zealand	Banking	100%
xiii	Bank of Baroda (Guyana) Inc.	Guyana	Banking	100%
xiv	Bank of Baroda (UK) Limited	United Kingdom	Banking	100%
xv	Bank of Baroda (Tanzania) Limited	Tanzania	Banking	100%
B. Joint Ventures				
i	India Infradebt Limited	India	Non-Banking	40.99%
ii	India International Bank (Malaysia) Berhad	Malaysia	Banking	40%
C. Associates				
i	Baroda U.P. Bank	India	RRB	35%
ii	Baroda Rajasthan Kshetriya Gramin Bank	India	RRB	35%
iii	Baroda Gujarat Gramin Bank	India	RRB	35%
iv	Indo Zambia Bank Limited	Zambia	Banking	20%





8. Based on the available financial statements and the declarations from the borrowers, the Bank has estimated the liability for Unhedged Foreign Currency in terms of Reserve Bank of India (Unhedged Foreign Currency Exposure) Directions, 2022 RBI/2022-23/131 DOR.MRG.REC.76/00-00-007/2022-23 dated October 11, 2022 and is holding a provision of ₹ 22322 lakhs as on March 31, 2024.
9. As per RBI letters no. DBR.No.BP.15199/21.04.048/2016-17 and DBR.No.BP.1906/ 21.04.048/2017-18 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Group is holding total provision of ₹ 688167 lakhs (100% of total outstanding) as on March 31, 2024.
10. Bank has estimated an additional liability on account of revision in family pension for employees as per IBA Joint Note dated November 11, 2020, amounting to ₹ 145441 lakhs. RBI vide their Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated 4th October 2021, has permitted Banks to amortize the said additional liability over a period of not exceeding 5 (five) years, beginning with financial year 2021-22, subject to a minimum of 1/5th of the total amount being expensed every year. Bank has opted the said provision of RBI and accordingly charged an amount of ₹ 7272 lakhs and ₹ 29088 lakhs to the Profit & Loss account for the quarter and year ended March 31, 2024 respectively and the balance unamortized expense of ₹ 58177 lakhs has been carried forward. Had the Bank charged the remaining additional liability to the Profit and Loss Account, the net profit for the quarter and year ended March 31, 2024 would have been lower by ₹ 43534 lakhs (net of taxes).
11. As per the directions of RBI vide their letter no. 10655/21.04.048/2018-19 dated 21.06.2019 disclosure with respect to accounts kept as standard due to the Court order, 1 account is classified as Standard as per Court orders, with outstanding of ₹ 2644 lakhs as on March 31, 2024, against which the Bank is holding provision of ₹ 708 lakhs as on March 31, 2024 as per IRAC norms, including provision for unrealized interest.
12. The Group is holding an additional provision of ₹ 89956 lakhs as of March 31, 2024 over and above the IRAC norms in certain stressed standard advances on prudent basis.
13. As per the RBI Circular No. RBI/2005-06/421/DBOD.NO.BP.BC.89 /21.04.048/2005-06 dated June 22, 2006, the Bank has in place Floating Provision Policy approved by the Board. As on March 31, 2024, the Group has floating provision of ₹ 43285 lakhs (Nil and ₹ 20000 lakhs created during the quarter and year ended March 31, 2024, respectively) in accordance with the policy.
14. During the quarter ended Dec 31, 2023, the Bank has made provision of Rs 5049 lakhs in respect of investment of Alternate Investment Funds (AIFs) pursuant to the RBI circular dated December 19, 2023. Based on the subsequent clarification issued by RBI vide circular dated March 27, 2024, the Bank has reassessed the provision and accordingly, the Bank has reversed provision of Rs 3132 lakhs during the quarter ended March 2024 in respect of the investment in AIFs.





15. In accordance with RBI Circular No. DBR.No.BP.BC.18/21.04.048/2018-19 dated 01.01.2019, RBI circular No DOR. No. BP. BC. 34/21.04.048/2019-20 dated 11.02.2020 & RBI circular No DOR. No. BP. BC/4/21.04.048/2020-21 dated 06.08.2020 on "Restructuring of Advances - Micro, Small and Medium Enterprises (MSME) Sector (One Time Restructuring)", the details of MSME restructured borrowers are as under:

(In ₹ Lakhs)

No of Borrowers	Amount as on 31.03.2024
39526	232586

16. In accordance with RBI Circular no. DOR.STR.REC.12/21.04.048/2021-22 dated 05.05.2021 & RBI circular No DOR.STR.REC.21/21.04.048/2021-22 dated 04.06.2021 on Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs), the details of accounts restructured as on March 31, 2024 are as under -

(In ₹ Lakhs)

No of Borrowers	Amount	Provision
9569	100017	13342

17. In accordance with the RBI Circular no. DOR.STR.REC.11/21.04.048/2021-22 dated 05.05.2021 on "Resolution Framework – 2.0: Resolution of COVID – 19 related stress of individuals and Small Business", the number of borrower accounts where modification were sanctioned and implemented and the aggregate exposure to such borrowers are as under:-

(In ₹ Lakhs)

No of Borrowers	Aggregate exposure as on 31.03.2024
4662	42181

18. i) Details of Resolution plan implemented under Resolution Framework for COVID 19 related stress as per RBI circular no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06.08.2020 (Resolution Framework - 1.0) and RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05.05.2021 (Resolution Framework - 2.0) as of March 31, 2024 are given below:





(In ₹ Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of Resolution Plan – Position as at the end of the Previous half-year i.e 30.09.2023 (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 i.e 31.03.2024
Personal Loans	373172	10623	0	39296	332633
Corporate persons*	283833	0	0	9385	140825
Of which, MSMEs	13925	0	0	1617	5750
Others	86392	1106	0	19874	67202
Total	743397	11729	0	68555	540661

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

- ii) Disclosure relating to Resolution Plans implemented during the year in terms of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019:

(Amount in ₹ Lakhs)

Particulars	No of Accounts where RPs Implemented during this time frame		Amount Outstanding as on	
	FY2024	FY2023	FY2024	FY2023
The amount of standard assets subjected to restructuring	0	5*	0	14780
The amount of NPA assets subjected to restructuring	1	3	844	20049
TOTAL	1	8	844	34829

*Out of which, 2 accounts have been fully settled during FY 2022-23 itself.

19. As per RBI circular no. RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets, guidelines for implementation of Resolution Plan have been issued which also contain requirements of additional provisions as per para 17 of this RBI circular. The Bank is holding additional provision of ₹ 43767 lakhs as on March 31, 2024 in 9 nos. of accounts as detailed below.





(In ₹ Lakhs)

Amount of Loans impacted by RBI Circular (A)	Amount of Loans to be classified as NPA (B)	Amount of Loans as on 31.03.2024 out of (B) classified as NPA (C)	Provision held as on 31.12.2023 (D)	Additional provision/ (reversal) made during quarter ended 31.03.2024 (E)	Provision held as on 31.03.2024 (F)
125050	54280	54280	51542	(7775)	43767

20. Details of Priority Sector Lending Certificate (PSLC) purchased and sold are as under:

Particulars	Amount In ₹ Lakhs
PSLC Purchased	
During Q4 (From 01.01.2024 to 31.03.2024)	-
Cumulative till Q4 (From 01.04.2023 to 31.03.2024)	-
PSLC Sold	
During Q4 (From 01.01.2024 to 31.03.2024)	-
Cumulative till Q4 (From 01.04.2023 to 31.03.2024)	-

21. Disclosure as per the RBI Master directions ref no RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 "Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021" dated 24.09.2021 for the year ended March 31, 2024 is as under:

a) In respect of "loan accounts not in default" # acquired from other entities as per the para 86 of Transfer of Loan Exposure (TLE) guidelines.

Reporting for the -12- months ended March 31, 2024		Syndication		Others*	
Particulars		Transferred to	Acquired From	Transferred to	Acquired From
(i) Loans acquired / transferred through "assignment"					
- Aggregate amount of loans acquired (₹ in lakhs)		315609	1242099	0	734883
- Weighted average residual maturity (In months)		0	84	0	67.52
- Weighted average holding period (In Months)		7	5.50	0	9.13
- Weighted average Retention of beneficial economic interest by the transferor		64.81%	NA	0	10.19%
- Tangible security coverage of loans acquired (times)		0	1.62	0	0.83
(ii) Loans acquired / transferred through "novation" (₹ in lakhs)		26946	155012	0	NIL
(iii) Loans acquired through "Loan participation" (₹ in lakhs)		NIL	NIL	0	NIL

The Loans not in default are identified on the basis of DPD in each underlying account at the time of purchase.

* Pools purchased under TLE guidelines are not rated by the Bank.





बैंक ऑफ़ बड़ौदा Bank of Baroda



Rating wise breakup of Syndication loans is as below:

(₹ in lakhs)

External Rating	Transferred to	Acquired from
A and Above	53976	301237
B and Above	288578	903796
Below B	0	16954
Unrated	0	175124

Disclosure in respect of "loan accounts not in default" # acquired from other entities as per the para 86 of Transfer of Loan Exposure (TLE) guidelines by other entities in the Group:

Particulars	Transferred to	Acquired From
(i) Loans acquired / transferred through "assignment" / "novation"	Not Applicable	
- Aggregate amount of loans acquired (₹ in lakhs)		49729
- Weighted average residual maturity (In months)		90.93
- Weighted average holding period (In Months)		44.53
- Weighted average Retention of beneficial economic interest by the transferor		Nil
- Tangible security coverage of loans acquired (times)		1.35 to 3.5x
(ii) Loans acquired / transferred through "novation" (₹ in lakhs)	Same as above	
(iii) Loans acquired through "Loan participation" (₹ in lakhs)	Not Applicable	





b) Details of stressed loans transferred is as under:

(₹ In Lakhs)

Details of stressed loans (NPA Accounts) transferred during the period April 01, 2023 to March 31, 2024			
	To ARCs	To permitted transferees	To other transferees
No. of NPA accounts	13	1	-
Aggregate principal outstanding of loans transferred	189273	3740	-
Weighted average residual tenor of the loans transferred	NA	NA	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration	45755	4138	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Quantum of excess provision reversed to the profit & loss account on account of sale of stressed loans	45655	3740	-

c) Details of stressed Loan (NPAs) Acquired during year ended March 31, 2024 – NIL.

d) The Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit Rating Agencies as on 31.03.2024.

Distribution of the SRs held in Investment Categories (Sch-8) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on March 31, 2024	
Recovery Rating Band	Book Value (₹ In lakhs)
RR1	5407
RR2	1020
RR3	2731
RR4	4220
RR5	969
Rating withdrawn	38206
Grand Total	52553

Distribution of the SRs which are part of Matured Investment (Sch-11) as per Recovery Ratings assigned to such SRs by the credit Rating Agencies as on March 31, 2024	
Recovery Rating Band	Book Value (₹ In lakhs)
RR1	0
RR2	0
RR3	0
RR4	0
RR5	2955
Rating withdrawn	73043
Grand Total	75997



22. Notes on Segment Reporting :

- As per the guidelines of the RBI on compliance with the Accounting Standards, the Bank has adopted "Treasury Operations", "Wholesale", "Retail" and "Other Banking Operations", as primary business segments and "Domestic" and "International" as secondary / geographic segments for the purpose of compliance with Accounting Standard 17 on Segment Reporting issued by ICAI.
- Digital Banking sub- segment under retail segment represents balances of digital Banking units (DBUs) opened by Bank as per RBI guidelines.
- Segment revenue represents revenue from external customers.
- Capital employed for each segment has been allocated proportionate to the assets of the respective segment.

23. Penalties of ₹ 56.58 lakhs and ₹ 673.95 lakhs have been imposed on the Bank by Reserve Bank of India for the quarter and year ended March 31, 2024, respectively.

24. Number of Investors' complaints received and disposed off during the quarter ended March 31, 2024 are:-

Complaints un-resolved at beginning of the quarter	Received	Resolved	Unresolved at the end of the quarter
NIL	369	369	NIL

25. The Administrator of one of the Borrower Groups (currently under liquidation) has filed claims against the promoters of the borrower Companies and the Bank in the courts of England and Abu Dhabi Global Markets. The claims against the Bank are based on allegations of the Bank being involved in a conspiracy with the promoters to defraud the creditors of the group companies between 2012 and 2020.

At this stage, the claims are not sufficiently particularised to enable the Bank to reasonably assess the merits of the claims and also to assess the quantum that could reasonably be claimed against the Bank, even if the allegations are particularised and then established on trial.

The Bank has filed a robust defence in the proceedings. The Bank categorically denies all the allegations against it, including any knowledge of or collusion in the alleged transactions. Accordingly, due to the remote possibility of the claim against the bank, crystallizing at this stage, the Bank has neither made any provision on this claim nor disclosed it as contingent liability.

26. No Disclosure on divergence in asset classification and provisioning for NPAs is required w.r.t RBI's annual supervisory process for year ended Mar 31, 2023, based on the conditions mentioned in RBI Master Direction No RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 dated 30-08-2021 (updated as on 25-10-2023).





बैंक ऑफ बड़ौदा Bank of Baroda



27. The comparative figures for quarter ended March 31, 2024 are the balancing figures between audited figures in respect of the year ended March 31, 2024 and the published year to date figures up to December 31, 2023 which were subject to limited review by the SCAs.
28. The figures of the previous period have been regrouped/reclassified/rearranged, wherever necessary, to conform to the current period's classification.

Debadatta Chand
Managing Director & CEO

Lalit Tyagi
Executive Director

Sanjay Vinayak Mudaliar
Executive Director

Lal Singh
Executive Director

Ian Desouza
Chief Financial Officer

Subrat Swain
GM (S.P & B.F), Dy. CFO

Pankaj Khatri
Dy. General Manager

Sai Ganesh Ujjina
Dy. General Manager

Place - Mumbai
Date - May 10, 2024





बैंक ऑफ बड़ोदा Bank of Baroda



Declaration of Audit Report with Unmodified Opinion

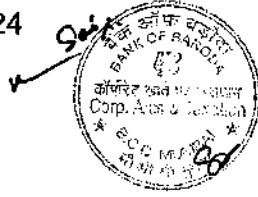
We hereby declare that Auditors Report on Consolidated Annual Accounts of the Bank for Financial Year ended 31st March, 2024 contain unmodified opinion.

Ian Desouza
Chief Financial officer

Debadatta Chand
Managing Director & CEO

Date: 10.05.2024

Place: Mumbai



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V Sankar Aiyar & Co
Chartered Accountants
2-C, Court Chambers, 35, New
Marine lines,
Mumbai 400 020

Independent Auditors' Report on the Audited Consolidated Financial Results of Bank of Baroda for the Quarter and Year ended March 31, 2024 pursuant to Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors
Bank of Baroda
Mumbai

Report on Audit of the Consolidated Financial Results
Opinion

1. We have audited the accompanying Statement of Consolidated Financial Results of **Bank of Baroda** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), its Joint Ventures and its share of the net profit after tax of its associates for the quarter and year ended March 31, 2024 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 and 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended (the "Regulations") except for the disclosures relating to Consolidated Pillar 3 disclosures as at March 31, 2024 including 'Leverage ratio', 'Liquidity coverage ratio' and 'Net stable funding ratio' under Basel III Capital Regulations' as have been disclosed on the Bank's website and in respect of which a link is being provided in the aforesaid Statement (Note No.4) and have not been audited by us.

The financial results of the Parent incorporate returns for the year ended on that date of:

- a) The Head Office, 18 Zonal Offices, 1 Specialized Integrated Treasury Branch and Top 20 branches audited by us;
b) 3003 domestic branches (including 26 offices) audited by the Statutory Branch Auditors and
c) 30 foreign branches audited by the respective Local Auditors.

These branches audited by other auditors cover 47.99% of advances, 63.13% of deposits, 48.91% of revenue, 50.04% of interest income, 63.36% of interest expended for the year ended March 31, 2024 and 58.05% of non-performing assets as at March 31, 2024 and . The financial statements and relevant returns of these branches have been audited by the Bank's Statutory Branch Auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the reports of such branch auditors.

Also incorporated in the Balance Sheet, the Profit and Loss Account and Cash Flow Statement are the returns from 5244 domestic branches which have not been subjected to audit. These unaudited branches and other offices account for 20.24% of advances, 41.37% of deposits, 26.59% of revenue, 22.25% of interest income, 40.06% of interest expended for the year ended March 31, 2024 and 40.24% of non-performing assets as at March 31, 2024.

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements and financial information of the subsidiaries, associates and joint ventures, the aforesaid Statement which includes:



1 of 6

- a) the financial results of the following entities:

A. Parent

Bank of Baroda

B. Subsidiaries

1. The Nainital Bank Limited
2. BOBCARD LIMITED (Formerly known as BOB Financial Solutions Limited)
3. BOB Capital Markets Limited
4. Baroda Global Shared Services Limited
5. Baroda Sun Technologies Limited
6. Baroda BNP Paribas Asset Management India Private Limited
7. Baroda BNP Paribas Trustee India Private Limited
8. India First Life Insurance Company Limited
9. Bank of Baroda (Uganda) Limited # (Consolidated),
Baroda Capital Markets (Uganda) Limited (wholly owned subsidiary of Bank of Baroda (Uganda) Limited)
10. Bank of Baroda (Kenya) Limited #
11. Bank of Baroda (Botswana) Limited #
12. Bank of Baroda (New Zealand) Limited #
13. Bank of Baroda (Guyana) Inc. #
14. Bank of Baroda (UK) Limited #
15. Bank of Baroda (Tanzania) Limited #

C. Joint Ventures

1. India Infradebt Limited
2. India International Bank (Malaysia) Bhd #

D. Associates

1. Baroda U.P. Bank
2. Baroda Rajasthan Kshetriya Gramin Bank
3. Baroda Gujarat Gramin Bank
4. Indo Zambia Bank Limited #

- b) are presented in accordance with the requirements of Regulation 33 & 52 read with 63(2) of the Regulations in this regard except for the disclosures relating to consolidated Pillar 3 disclosure as at March 31, 2024 including 'Leverage ratio', 'Liquidity coverage ratio' and 'Net stable funding ratio' under Basel III Capital Regulations' as have been disclosed on the Bank's website and in respect of which a link is being provided in the aforesaid Consolidated Financial Results and have not been audited by us ; and
- c) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, relevant provisions of Banking Regulation Act, 1949, circulars, guidelines and directions issued by Reserve Bank of India ("RBI") and other accounting principles generally accepted in India, of the net profit and other financial information of the Group, its Joint Ventures and Associates for the quarter and the year ended March 31, 2024.

Basis for Opinion

3. We conducted our audit in accordance with the Standards of Auditing ("SAs") issued by the Institute of Chartered Accountants of India (The "ICAI"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the ICAI together with



the ethical requirements that are relevant to our audit of the Consolidated Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

4. We draw attention to the following:

- i. Note No. 10 of the Statement regarding amortization of additional liability on account of revision in family pension amounting to Rs.145441 lakhs. The Bank has charged an amount of Rs.7272 Lakhs and Rs.29088 Lakhs to the Profit and Loss Account for the quarter and financial year ended March 31, 2024 respectively and the balance unamortized expense of Rs.58177 lakhs has been carried forward in terms of RBI Circular no. RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021.

Our Opinion is not modified in respect of this matter.

Board of Directors' Responsibility for the Consolidated Financial Results

5. The Statement has been compiled from the related Audited consolidated Financial Statements. The Bank's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give true and fair view of the consolidated net profit and other financial information of the Group including its associates and Joint Ventures in accordance with the Accounting Standards issued by ICAI, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the RBI from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with the Listing Regulations. The respective Board of Directors of the entities included in the Group and its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Banking Regulations Act, 1949 for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that are operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial Results, the respective Board of Directors of the entities included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group and its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditors' Responsibilities for the Audit of the Consolidated Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

7. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:



3 of 6

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. As required by the Reserve Bank of India's letter DOS.ARG.No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended), we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability and its associates and Joint Ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the consolidated financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial results of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
8. We communicate with those charged with governance of the Bank and such other entities included in the Consolidated Financial Results of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
9. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
10. We also performed procedures in accordance with the circular the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matter

11. The Consolidated Financial Results include the audited Financial Results of 12 subsidiaries and 1 Joint venture



whose Financial Statements/ Financial Results/ financial information reflect Group's Share of total assets of Rs. 6833761 lakhs as at March 31, 2024, Group's share of total revenue of Rs.1498024 lakhs and Group's share of total net profit after tax of Rs. 60012 lakhs for the year ended March 31, 2024 respectively, as considered in the Consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements, financial results and financial information of these entities have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us as stated in paragraph above.

12. In the case of foreign subsidiaries, the financial information has been prepared in accordance with the accounting principles generally accepted in their respective countries and has been audited by the other auditors under generally accepted standards on audit engagements as applicable in their respective countries. The respective entity's management has converted the financial information of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India and these conversion adjustments have been audited by the other auditors. Our opinion in so far as it relates to the balances of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by the other auditors.
13. The Consolidated Financial Results include the unaudited Financial Results of 3 subsidiaries, 4 associates and 1 Joint Venture whose Financial Statements/ Financial Results/ financial information reflect Group's Share of total assets of Rs.5235840 lakhs as at March 31, 2024, Group's share of total revenue of Rs. 460229 lakhs and Group's share of total net profit after tax of Rs.71756 lakhs for the year ended March 31, 2024 as considered in the consolidated audited financial results based on their Financial Statements/ Financial Results /Financial Information which have not been audited by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, joint venture and associates, is based solely on such unaudited financial statements/financial results and other unaudited financial information. In our opinion and according to information and explanations given to us by the Management, these Financial Statements /Financial Results /Financial information are not material to the Group.
14. Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial results/ Financial Information certified by the management.
15. In the case of India First Life Insurance Company Ltd., a subsidiary company, the auditors, vide their Audit report dated April 26, 2024 have expressed an unmodified conclusion and have reported in the 'Other Matter' section that "the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists on financial statements of the Company as at March 31, 2024 has been duly certified by the Appointed Actuary and in her opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (IRDAI) and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied on the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, as contained in the Financial Statements of the Company."
16. The audited financial results of the Group for the quarter and year ended March 31, 2023, were audited by the joint auditors of the Parent, three of whom are the predecessor audit firms, and they had expressed their unmodified conclusions on those results.
17. We report that the figures for the quarter ended March 31, 2024 as reported in the Statement are the balancing figures in respect of the year ended March 31, 2024 and published year to date figures up to the end of the third



5 of 6

Shah Gupta & Co
Chartered Accountants

Khandelwal Jain & Co
Chartered Accountants

S Venkatram & Co LLP
Chartered Accountants

Batliboi & Purohit
Chartered Accountants

V Sankar Aiyar & Co
Chartered Accountants

quarter of the relevant financial year. The figures up to the end of the third quarter were only reviewed and not subjected to audit.

Our opinion is not modified in respect of above matters.

For Shah Gupta & Co
Chartered Accountants
FRN: 109574W



D. V. Ballal
Partner

M. No.: 013107

UDIN:24013107BKDEYH5376

For Khandelwal Jain & Co
Chartered Accountants
FRN: 105049W



Rishikesh Joshi
Partner

M. No.: 138733

UDIN:24138738BKEXOC1400

For S Venkatram & Co LLP
Chartered Accountants
FRN: 0046565/S200095



S. Sundararaman
Partner

M. No.: 201028

UDIN:24201028BKCTPT3987

For Batliboi & Purohit
Chartered Accountants
FRN: 101048W



Roman Hangekar
Partner

M. No.: 030615

UDIN:24030615BKJCIS6632

For V Sankar Aiyar & Co
Chartered Accountants
FRN: 109208W



G. Sankar
Partner

M. No.: 46050

UDIN:24046050BKCLLJ7149

Date: May 10, 2024
Place: Mumbai

INDEPENDENT AUDITORS' CERTIFICATE

Independent Auditors' Certificate for Security Cover and compliance with Covenants as at March 31, 2024 and compliance with covenants in respect of listed debt securities pursuant to the requirements of Regulation 54 read with Regulation 56(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Circular No. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023.

To,

The Board of Directors, Bank of Baroda, Baroda Corporate Centre, C-26, G Block, Bandra Kurla Complex, Bandra East, Mumbai, 400051	IDBI Trusteeship Services Ltd. Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai – 400001	Canara Bank, ET & T Section, FM& S Wing, Head Office, No. 112, JC Road, Bangalore – 560002
Centbank Financial Services Limited, 3rd Floor(East Wing), Central Bank of India MMO Building, 55 M.G. Road, Fort, Mumbai 400001	Catalyst Trusteeship Limited, Unit No- 901, 9th Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013	Axis Trustee Services Limited, The Ruby, 2nd Floor (SW) 29, Senapati Bapat Marg, Dadar West, Mumbai – 400 028

1. This certificate is issued in accordance with the terms of our engagement letter dated 11th March, 2024 with Bank of Baroda ("the Bank").
2. We, M/S V Sankar Aiyar & Co., Chartered Accountant, are Joint Statutory Central Auditors of the Bank and have been requested by the Bank to examine the accompanying Annexure showing 'Security Cover and compliance with Covenants' as at March 31, 2024 in respect of unsecured Bonds issued on Private Placement basis ("the Annexure") which has been prepared by the Bank from the audited Financial Statements and other relevant records and documents maintained by the Bank as at and for the year ended March 31, 2024 pursuant to the requirements of Regulation 54 read with Reg 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI Regulations"), and Circular No. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023.
3. The certificate is required by the Bank for the purpose of submission to the Debenture Trustees of the Bank and the Stock Exchanges to ensure compliance with the SEBI Regulations and SEBI Circular SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023 in respect of its unsecured Bonds as at March 31, 2024 ("Debentures"). The Bank has entered into agreement(s) with the Debenture



Trustees ("Debenture Trust Deed") in respect of such unsecured bonds issued on private placement, as indicated in the Annexure.

4. Management's Responsibility

It is the responsibility of the management to prepare the Annexure including the preparation and maintenance of all accounting and other relevant supporting records and documents and extract the data related to Security Cover from the books of accounts and other relevant records of the Bank as at and for the year ended March 31, 2024. The responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the data of security Cover and applying an appropriate basis of preparation. This responsibility includes compliance with maintenance of Security Cover pursuant to the requirements of Regulation 54 read under Reg 56(1)(d) of the SEBI Regulations and Circular No. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023. This responsibility includes compliance with all the covenants of Information Memorandum and Debenture Trust Deed in respect of unsecured Bonds issued on Private Placement basis.

As per clarification received from NSE, entities having only unsecured debt securities are required to submit a "NIL" report in the prescribed format with reference to SEBI Circular no. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023.

The Management Is also responsible for complying with various provisions of Reserve Bank of India guidelines, applicable Accounting Standards, The Banking Regulation Act, 1949 and conditions stated in the SEBI Regulations

5. Auditors' Responsibility

Pursuant to the requirements of SEBI Regulations and SEBI Circulars, our responsibility is to provide a reasonable assurance in the form of an opinion based on the Books of accounts and other relevant records with respect to the data of Security Cover as laid down in Annexure as at March 31, 2024 and form an opinion based on our examination of books and records as to whether the Bank has complied with covenants of Information Memorandum in respect of unsecured Bonds issued on Private Placement basis.

6. We have obtained the list of covenants in the Information Memorandum and Debenture Trust Deed from the management and verified the compliance with the relevant supporting records and documents produced before us.
7. We conducted our examination of the Annexure in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) in so far applicable for the purpose of the certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.



8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
9. Our scope of work did not include verification of compliance with other requirements of the SEBI Regulations / other circulars, notifications, etc., as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Bank.

10. Opinion

Based on our examination and procedures performed by us, as above and according to the information and explanations given to us, we report that the data related to Security Cover as laid down in Annexure as at March 31, 2024 has been extracted accurately from the Books of account as at and for the year ended March 31, 2024 pursuant to the requirements of Regulation 54 read under Reg 56(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Regulations") and Circular No. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023.

Further we report that the Bank has complied with covenants of Information Memorandum in respect of unsecured Bonds issued on Private Placement basis.

11. Restriction on Distribution and Use

This certificate has been prepared at the request of the Bank solely for the purpose of enabling it to comply with the requirements of the SEBI Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For V Sankar Aiyar & Co.

Chartered Accountants

Firm Registration No. 109208W



Partner: G Sankar

Membership No. 046050

UDIN: 24046050BKCLLH

Place: Mumbai

Date: 10th May, 2024

Annexure I

Security cover for the quarter ended March 31, 2024 and compliance with covenants in respect of listed non-convertible securities pursuant to the requirements of Regulation 54 read with Regulation 56 (1) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Circular no SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023.

a) Bank of Baroda has vide its Board Resolution and information memorandum/ offer documents and under various Debenture Trust Deeds, has issued the following listed non-convertible securities:

SR No	ISIN	Private Placement / Public Issue	Type of charge	Outstanding Amount As on 31-03-2024 (Rs. In Crs)	Cover	Security
					Required	Required
1	INE028A08299	Private Placement	Unsecured	2,474.00	NA	NA
2	INE028A08265	Private Placement	Unsecured	1,997.00	NA	NA
3	INE028A08273	Private Placement	Unsecured	752.00	NA	NA
4	INE028A08240	Private Placement	Unsecured	969.00	NA	NA
5	INE028A08257	Private Placement	Unsecured	188.00	NA	NA
6	INE028A08216	Private Placement	Unsecured	764.00	NA	NA
7	INE028A08224	Private Placement	Unsecured	981.00	NA	NA
8	INE028A08232	Private Placement	Unsecured	833.00	NA	NA
9	INE028A08174	Private Placement	Unsecured	1,650.00	NA	NA
10	INE028A08182	Private Placement	Unsecured	1,747.00	NA	NA
11	INE028A08190	Private Placement	Unsecured	920.00	NA	NA
12	INE028A08331	Private Placement	Unsecured	2,500.00	NA	NA
13	INE028A08315	Private Placement	Unsecured	2,500.00	NA	NA
14	INE028A08166	Private Placement	Unsecured	500.00	NA	NA
15	INE028A08208	Private Placement	Unsecured	2,000.00	NA	NA
16	INE705A08052	Private Placement	Unsecured	500.00	NA	NA
17	INE705A08078	Private Placement	Unsecured	450.00	NA	NA
18	INE077A08098	Private Placement	Unsecured	400.00	NA	NA
19	INE705A08037	Private Placement	Unsecured	500.00	NA	NA
20	INE028A09123	Private Placement	Unsecured	500.00	NA	NA
21	INE028A08281	Private Placement	Unsecured	1,000.00	NA	NA
22	INE028A08307	Private Placement	Unsecured	5,000.00	NA	NA
23	INE028A08323	Private Placement	Unsecured	5,000.00	NA	NA
			Total	34,125.00		

b) Monitoring of covenants:

1. Compliance status with respect to financial covenants of its listed non-convertible securities : **Complied With**
2. Compliance with all the covenants, in respect of listed non-convertible securities : **Complied With**



(c) Security Cover for listed unsecured listed non-convertible securities:

The security provided by the listed entity provide coverage of __ times of the interest and principal amount, which is in accordance with the terms of issue/ debenture trust deed : **Not Applicable** (As per clarification received from NSE, entities having only unsecured debt securities are required to submit a "NIL" report in the prescribed format with reference to SEBI Circular No : SEBI/HO/DDHS/P/CIR/2023/50 dated March 31,2023.

Column A	Column B	Column C (i)	Column D (ii)	Column E (iii)	Column F (iv)	Column G (v)	Column H (vi)	Column I (vii)	Column J	Column K	Column L	Column M	Column N	Column O
Particulars		Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
	Description of asset for which this certificate relate	Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSR market value is not applicable)	Market Value for Pari passu charge Assets will	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSR market value is not applicable)	Total Value (K+L+M+N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
Nil														
ASSETS														
Property, Plant and Equipment														
Capital Work-in-Progress														
Right of Use Assets														
Goodwill														
Intangible Assets														
Intangible Assets under Development														
Investments														
Loans														
Inventories														
Trade Receivables														
Cash and Cash Equivalents														
Bank Balances other than Cash and Cash Equivalents														
Others														
Total														
LIABILITIES														
Debt securities to which this certificate pertains														
Other debt sharing pari-passu charge with above debt														
Other debt														
Subordinated debt														
Borrowings														
Bank														
Debt Securities														
Others														
Trade payables														
Lease Liabilities														
Provisions														
Others														
Total														
Cover on Book Value														
Cover on Market Value														
Exclusive Security Cover Ratio														
Pari-Passu Security Cover Ratio														

For Bank of Baroda

Bala Subramanyam Lanka
General Manager

Treasury



For V Sankar Aiyar & Co.

Chartered Accountants
Firm Registration No. 109208W

G Sankar
Partner

Membership No. 046050

UDIN: 24046050 BKC

Place: Mumbai

Date: 10 MAY 2024 LLH2854



To,

The Board of Directors,
Bank of Baroda,
Baroda Corporate Centre,
C-26, G Block, Bandra Kurla Complex,
Bandra East, Mumbai, 400051

And,

Axis Trustee Services Limited,
The Ruby, 2nd Floor (SW) 29,
Senapati Bapat Marg,
Dadar West, Mumbai-400 028

Independent Auditor's Certificate in respect of regulation under Chapter IV (32.1.(a) and (b)
,56(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure
Requirements) Regulations, 2015 amended on December 21, 2023.

1. This Certificate is issued in accordance with the terms of our engagement letter dated 11th March, 2024.
2. Pursuant to the issue of bonds, Bank of Baroda (hereinafter referred as "the Bank") is required to submit a certificate to debenture trustee in respect of achievement of the intended purpose for which the bonds were issued. The Bank has made the accompanying statement (as per **Annexure-I**) of issue of Bonds and its intended purpose. As per the Bank's request, we as a Statutory Auditor have verified the accompanying statement in respect of utilisation of bonds for its intended purpose. A copy of the statement has been attached which is initialled by us for identification purpose only.

Management's Responsibility

3. The preparation of the accompanying Statement for the certificate is the responsibility of the management of the Bank including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

4. Our responsibility is to provide a limited assurance as to whether any matter has come to our attention that causes us to believe that the proceeds of the Bonds issued under Private Placement



Memorandum on February 21, 2024 have been utilized for the purposes other than as stated in the statement attached.

5. We have examined the attached statement prepared by the Bank (on test check basis) and initialled it for identification purpose only.
6. Pursuant to the requirements, our responsibility to provide reasonable assurance, based on our examination of books of accounts, records and documents as at March 31, 2024 (which have been audited by us as a part of the audit for the year ending March 31, 2024) and information and explanation given to us by the management, on issue of bonds and its purpose during year ending March 31, 2024.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) in so far as applicable for the purpose of the certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by ICAI.
9. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgment, including the assessment of areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation:
 - a) Perused the books of accounts of the Bank for the year ended March 31, 2024;
 - b) Obtained the Private Placement Memorandum dated February 21, 2024 and the Trust Deed and verified the purpose for which the Bonds have been issued;
 - c) Obtained the certified true Copy of the Board Resolution dated June 2nd, 2023.
 - d) Obtained the certified true Copy of the resolution of authorised executive dated February 22nd 2024 and traced the number of bonds to be allotted, list of investors and the final allotment amount. Verified that the purpose for which bonds were issued have been attained; and
 - e) Notice for listing by BSE dated February 23, 2024.
 - f) Approval for listing by NSE dated February 23, 2024.
 - g) Obtained necessary representations from the Management of the Bank.



10. Our scope of work did not include verification of compliance with other requirements of the SEBI Regulations / other circulars, notifications, etc., as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Bank.

Opinion

11. Based on our examination and procedures performed as above and according to the information and explanation given to us by the management, we are of the opinion that the bonds issued for Rs. 2500.00 Crores during the year ending March 31, 2024 (as detailed in the accompanying Statement) have attained the following intended purposes:
- (a) Augmented Additional Tier II Capital (as the term is defined in the Basel III Guidelines) and over all capital of the Bank for strengthening its capital adequacy;
 - (b) Enhanced the long-term resources of the Bank.

Restriction on Use

12. The certificate has been issued at the request of the Bank, for submission to the Debenture Trustee pursuant to the requirements of the regulation 56(1) (a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For V Sankar Aiyar & Co.

Chartered Accountants

Firm Registration No. 109208W

gSankar

Partner: G Sankar

Membership No. 046050

UDIN: 24046050 BKC LLH 2854

Place: Mumbai

Date: 10th May, 2024



Annexure-I

Statement Showing Capital Bonds issued during the quarter ended March 31, 2024 and its intended purpose.

During the quarter ended March 31, 2024, Bank of Baroda (the Bank) had raised Funds amounting to Rs. 2500.00 Crores by issue of Basel III Compliant Additional Tier II Bonds in single tranche for the following purposes:

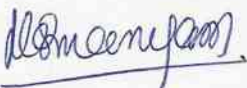
- (a) Augmenting Additional Tier II Capital (as the term is defined in the Basel III Guidelines) and over all capital of the Bank for strengthening its capital adequacy
- (b) Enhancing its long-term resources.

Details for the above tranche is as under:

(Amount in Rs. crores)

Sl. No.	Name of Bond	Date of Information Memorandum	ISIN	Amount Raised	Date of Allotment	Coupon (payable annually)
1.	Basel III AT – II Bonds Series XXVI	21.02.2024	INE028A08331	2500.00	22.02.2024	7.57% p.a.

For Bank of Baroda


Bala Subramanyam Lanka
General Manager
Treasury



For V Sankar Aiyar & Co.

Chartered Accountants
Firm Registration No. 109208W



G Sankar

Partner

Membership No. 046050

UDIN: 24046050 BKCLLH 2854

Place: Mumbai

Date: 10 MAY 2024



Independent Auditor's Certificate on utilization of proceeds raised through issue of Senior, Rated, Listed, Unsecured, Redeemable, Long Term fully paid up Non-Convertible Bonds in the nature of Debentures, 7.57% Bank of Baroda 2034 LTB Series III for funding long term projects in infrastructure sub-sectors and affordable housing Projects

To,
The Board of Directors,
Bank of Baroda,
Baroda Corporate Centre,
C-26, G Block, Bandra Kurla Complex,
Bandra East, Mumbai, 400051

1. Introduction

This certificate is issued on specific request of Bank of Baroda (the "Bank"), having its Corporate office at Mumbai, Maharashtra in accordance with the terms of our engagement letter dated January 16, 2024.

2. The accompanying Statement, in relation to utilization of proceeds raised from issue of Senior, Rated, Listed, Unsecured, Redeemable, Long Term Non-Convertible Bonds in the nature of Debentures, 7.57% Bank of Baroda 2034 LTB Series III ('the Bonds') issued as per Private Placement Memorandum on January 24, 2024 and read with the Debenture Trust Deed entered into between the Bank and Axis Trustee Services Limited (the Trustee') dated January 25, 2024 ('the trust deed'), for submitting a statutory auditor's certificate with respect to the use of proceeds raised through the issue of the Bonds. We have attached the Statement which is initiated by us for identification purpose only.

3. Management's Responsibility

The preparation of the Statement and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the Management of the Bank. This responsibility includes the design, implementation and maintenance of internal control relevant to the utilization of proceeds and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The Management is also responsible for ensuring that the Bank complies with the requirements of the Trust Deed and for providing all relevant information to the Trustee. This responsibility includes ensuring that proceeds of the Bonds are utilized by the Bank solely towards enhancing long term resources for funding infrastructure and affordable housing projects and that the proceeds are not used towards any purpose which may be in contravention of the regulations, guidelines or norms issued by the RBI, the SEBI or the Stock Exchanges.



Delhi Office : Sarojini House (GF), 6, Bhagwan Das Road, New Delhi - 110 001 • Tel.: 011-4474 4643 • E-mail : newdelhi@vsa.co.in

Chennai Office : 41, Circular Road, United India Colony, Kodambakkam, Chennai - 600 024 • Tel.: 044-2372 5720 / 4356 5627 • E-mail : chennai@vsa.co.in

The Management is also responsible for complying with various provisions of Reserve Bank of India guidelines, applicable Accounting Standards, The Banking Regulation Act, 1949 and conditions stated in the SEBI Regulations.

4. Auditors' Responsibility

Our responsibility is to provide a limited assurance as to whether any matter has come to our attention that causes us to believe that the proceeds of the Bonds issued under Private Placement Memorandum on January 24, 2024 have been utilized for the purposes other than as stated in the statement attached.

5. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) in so far as applicable for the purpose of the certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by ICAI.
7. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgment, including the assessment of areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation:
 - a) Obtained the audited financial statements and underlying books of accounts of the Bank for the year ended March 31, 2023;
 - b) Obtained the Private Placement Memorandum dated January 24, 2024 and the Trust Deed dated January 25, 2024 and verified the purpose for which the Bonds have been issued;
 - c) Obtained the certified true Copy of the Board Resolution dated October 11, 2023.
 - d) Obtained the certified true Copy of the resolution of authorised executive dated January 25, 2024 and traced the number of bonds to be allotted, list of investors and the final allotment amount.
 - e) Notice for listing by BSE dated January 29, 2024.
 - f) Approval for listing by NSE dated January 29, 2024.



- g) Obtained necessary representations from the Management of the Bank.
8. Our scope of work did not include verification of compliance with other requirements of the SEBI Regulations / other circulars, notifications, etc., as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Bank.
9. **Opinion**
Based on our examination, as above, and according to the information, explanations and representations provided to us by the Management of the Bank, nothing has come to our attention that causes us to believe that the proceeds of the Bonds issued under Private Placement Memorandum dated January 24, 2024 have been utilized by the Bank for the purposes other than as stated in the statement attached.

10. **Restriction on Distribution and Use**

This certificate has been prepared at the request of the Bank solely for the purpose of enabling it to comply with the requirements of the Debenture Trust deed and should not be used by any other person or for any other purpose other than the Lead Managers and Legal Counsel to the issue, the Stock Exchange, SEBI, ROC or any other regulatory or statutory authority. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. This report relates only to the Statement and items specified above and does not extend to any financial statements of the Bank, taken as a whole. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For V Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No. 109208W

S Nagabhushan

Nagabhushanam Srivatsan
Partner
Membership No. 107022
UDIN: 24107022BKFGHW2069
Place: Mumbai
Date: 01/02/2024





બંક ઓફ બારોડા

Bank of Baroda

Under Disclosures of Chapter IV of SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated 29th July, 2022 (Updated as on December 01, 2022)

A. Statement of Utilisation of Proceeds

Name of the issuer	ISIN	Mode of Fund Raising (Public Issues/Private Placement)	Type of Instrument	Date of Raising Funds	Amount Raised (Rs. in Crores)	Funds utilised (Rs. in Crores)	Any Deviation (Yes/No)	If 8 is 'Yes', then specify the purpose of for which the funds were utilised	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Bank of Baroda	INE028A08323	Private Placement	Long Term Infra	25-01-2024	5000.00	5000.00	No	NA	NA
Bank of Baroda	INE028A08331	Private Placement	Basel III Tier II	22-02-2024	2500.00	2500.00	No	NA	NA

B. Statement of deviation/ variation in use of Issue proceeds:

Particulars	Remarks
Name of listed entity	Bank of Baroda
Mode of fund raising	Private Placement
Type of instrument	Non Convertible Securities
Date of raising funds	As per Annexure A
Amount raised in Rs. Crore	As per Annexure A
Report filed for quarter ended	31.03.2024
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA
If yes, details of the approval so required?	NA
Date of approval	NA
Explanation for the deviation/ variation	NA
Comments of the audit committee after review	NA
Comments of the auditors, if any	NA

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:

Original object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any
				NA		

Deviation could mean:

a. Deviation in the objects or purposes for which the funds have been raised.

b. Deviation in the amount of funds actually utilised as against what was originally disclosed.



Bala Subramanyam Lanka

General Manager

Treasury

25.04.2024





Annexure A

Sl. No.	Name of Bond	Date of Information Memorandum	ISIN	Amount Raised (Rs. In Crs)	Date of Allotment	Coupon (payable annually)
1	7.57% Bank of Baroda 2034 LT Series III	24-01-2024	INE028A08323	5000.00	25-01-2024	7.57% p.a.
2	7.57% Bank of Baroda Basel III Compliant Tier II Bonds Series XXVI	21-02-2024	INE028A08331	2500.00	22-02-2024	7.57% p.a.



Bala Subramanyam Lanka

Bala Subramanyam Lanka
General Manager
Treasury
25.04.2024

THE ISSUER

BANK OF BARODA

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London Branch
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United Kingdom

International Financial Service Centre at GIFT City Branch

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Gift City SEZ

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TRUSTEE

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PRINCIPAL PAYING AGENT, EXCHANGE AGENT, TRANSFER AGENT, AND REGISTRAR

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