BANK OF CEYLON

CHENNAI BRANCH

INDEPENDENT AUDITOR'S REPORT

To

The Country Manager,

Bank of Ceylon, Chennai Branch

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements (also referred as financial statements) of Bank of Ceylon, Chennai Branch ('the Bank'), which comprise the Balance Sheet as at March 31, 2026, the Profit and Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements together with the accounting policies and notes thereon give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ('the Act') in the manner so required for the Banking companies and give a true and fair view in conformity with accounting principles generally accepted in India on the state of affairs of the Bank as at March 31, 2026 and its profit and its cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Standalone Financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following Notes to the Financial Statement:

1. Schedule 18 - Notes 5.6(a) to the financial statements, which describe the uncertainties due to outbreak of novel coronavirus (COVID-19). In view of these uncertainties, the impact on the Bank's financial statements is significantly dependent on future developments.
2. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements the year ended March 31, 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

1. The present ICBS system containing accounting transactions do not provide the details of accounting entries passed. This has taken enormous time for completion of audit and reconciliation of figures.

We have obtained transaction wise report separately for critical ledger accounts to satisfy the correctness of the entries passed.

Information other than the standalone Financial Statements and Auditor's Report thereon

The Bank's Management are responsible for the other information. The other information comprises the information included in the Annual Report including Pillar 3 Disclosure under the New capital Adequacy Framework (Basel III disclosures), but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of the auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if, based on the work we have performed, if we conclude that there is a material misstatement herein, we are required to communicate the matter to those charged with governance.

We have nothing to report in this regard.

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

Management of the Bank is responsible for the matters stated in section 134(5) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the provisions of Section 29 of the Banking Regulation Act, 1949, and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time as applicable to Banks.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Bank's management is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

BANK OF CEYLON

CHENNAI BRANCH

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 Statements, including the disclosures and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the Key Audit Matters.

We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;
2. Subject to the limitations of the audit indicated above and as required by sub section (3) of section 30 of the Banking Regulation Act, 1949, we report that:
   a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
   b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
3. Further, as required by section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;
   c) The Balance Sheet, the Profit and Loss Account and the cash Flow statement dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting policies prescribed by the RBI;
   e) The requirements of Section 164(2) of the Act is not applicable to the Bank considering it is a branch of Bank of Ceylon, headquartered in Srilanka was formed under the Bank of Ceylon ordinance No.53 of 1938 as a body corporate with perpetual succession;
   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
   g) With respect to the other matters to be included in the Auditor's Reporting in accordance with the requirements of section 197 (16) of the Act, as amended;

      The Bank is a Banking Company as defined under Banking Regulation Act, 1949. Accordingly, the requirements prescribed under section 197 of the Companies Act 2013 do not apply; and
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit

BANK OF CEYLON

CHENNAI BRANCH

and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Bank has disclosed the impact of pending litigations as NIL as at March 31, 2026 on its financial position in its financial statements - Refer Schedule 12 and Note 3.13 of Schedule 18 to the financial statements; and

ii. The Bank has long term contracts including derivative contracts in the form of forward contracts and material foreseeable losses is expected of the same and hence has not made any provision.

iii. There were no amounts, which were required to be transferred to the Investor Education, and Protection Fund by the Bank during the year ended March 31, 2026.

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that were considered reasonable and appropriate by us in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (a) and (b) contain any material misstatement.

v. The Bank has not paid/ declared any dividend in compliance with Section 123 of the Companies Act, 2013.

vi. The Bank has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **P. S. Subramania Iyer & Co.,**
Chartered Accountants
FRN No. 004104S

Sd/-
S. Ramakumar
Membership No. 020405
Partner

Place: Chennai
Date : 18.06.2026

UDIN: 26020405FGRBVG1388

BANK OF CEYLON

CHENNAI BRANCH

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BANK OF CEYLON, CHENNAI BRANCH

Report on the Internal Financial Controls Over Financial reporting with reference to Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting with reference to standalone financial statements of Bank of Ceylon, Chennai Branch ('the Bank') as of 31st March 2026, in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date.

In our opinion, the Bank has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31st March, 2026 based on the internal control with reference to financial statements criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The Bank's management and Board of directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls Over financial reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ("ICAI").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting with reference to standalone financial statements based on our audit based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain, reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to standalone financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

The Banks's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Bank's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorizations of management of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls over financial reporting with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **P. S. Subramania Iyer & Co.,**
Chartered Accountants
FRN No. 004104S

Sd/-
S. Ramakumar
Membership No. 020405
Partner

Place: Chennai
Date : 18.06.2026

UDIN: 26020405FGRBVG1388

BANK OF CEYLON

CHENNAI BRANCH

Balance Sheet as at 31st March, 2026

	Schedule	31.03.2026 (in Rs)	31.03.2025 (in Rs)
CAPITAL & LIABILITIES			
Capital	1	1,684,339,262	1,684,339,262
Reserves and Surplus	2	1,288,815,889	1,176,867,366
Deposits	3	3,250,292,434	2,592,734,901
Borrowings	4	–	341,900,000
Other liabilities and provisions	5	245,877,124	205,243,396
Total		**6,469,324,709**	**6,001,084,925**
ASSETS			
Cash and Balances with Reserve Bank of India	6	105,593,325	114,969,759
Balances with banks and money at call and short notice	7	472,960,656	306,189,913
Investments	8	1,033,022,437	823,795,470
Advances	9	4,637,640,802	4,436,190,173
Fixed Assets	10	38,775,955	37,572,709
Other Assets	11	181,331,534	282,366,901
Total		**6,469,324,709**	**6,001,084,925**
Contingent liabilities	12	2,050,225,663	1,530,296,717
Bill for Collection		651,993,111	610,515,193

Profit & Loss Account for the Year Ended 31st March, 2026

		Schedule	Year ended 31.03.2026 (in Rs)	Year ended 31.03.2025 (in Rs)
I	**INCOME**			
	Interest earned	13	461,615,154	460,500,121
	Other Income	14	51,112,262	40,285,852
	Total		**512,727,416**	**500,785,973**
II	**EXPENDITURES**			
	Interest expended	15	190,830,138	177,892,414
	Operating expenses	16	164,171,224	144,759,535
	Provisions and Contingencies		15,957,296	75,601,579
	Total		**370,958,658**	**398,253,528**
III	**PROFIT**			
	Net profit for the year		141,768,758	102,532,445
	Profit brought forward		604,611,585	562,228,071
	Total		**746,380,343**	**664,760,516**
IV	**APPROPRIATIONS**			
	Transfer to statutory reserves		35,442,189	25,633,111
	Transfer to investment Fluctuation reserve		1,000,000	–
	Balance of profit carried forward		709,938,154	639,127,405
	Total		**746,380,343**	**664,760,516**

The accompanying schedules are an integral part of the financial statements

As per our report of even date

For **P. S. Subramania Iyer & Co.,**
Chartered Accountants
FRN No. 004104S

Sd/-
Jeyaranee Gnanasambanthan
Country Manager

Sd/-
S. Ramakumar
Partner
Membership No. 020405

Place : Chennai
Date : 18.06.2026

BANK OF CEYLON

CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS AS ON 31ST MARCH, 2026

Particulars	As on 31.03.2026 (In Rs)	As on 31.03.2025 (In Rs)
SCHEDULE 1–ASSIGNED CAPITAL		
I The amount brought in by bank by way of capital including the amount of deposit kept in cash/approved Securities with the RBI under section 11(2) of the Banking Regulation Act, 1949.	1,193,715,270	1,193,715,270
Capital infused during the year	–	–
Amount retained in India for CRAR purpose	490,623,992	490,623,992
Total	**1,684,339,262**	**1,684,339,262**
SCHEDULE 2–RESERVES AND SURPLUS		
I Statutory Reserves in terms of Section 17 of the Banking Regulation Act 1949		
Balance	562,255,781	536,622,670
ADD : Transfer during the Year	35,442,189	25,633,111
Total	**597,697,970**	**562,255,781**
II Investment Fluctuation Reserve		
Opening Balance	10,000,000	10,000,000
ADD : Transfer during the Year	1,000,000	–
Total	**11,000,000**	**10,000,000**
III Balance in Profit and Loss Account	709,938,154	639,127,405
Deduct: Amount trfd to HO	29,820,235	34,515,820
Transfer: Amount retained in India for CRAR purpose	–	–
Total	**680,117,919**	**604,611,585**
Total (I, II & III)	**1,288,815,889**	**1,176,867,366**
SCHEDULE 3–DEPOSITS		
A I DEMAND DEPOSITS :		
1) From Banks	201,468,864	158,183,829
2) From others	373,266,231	232,892,249
II SAVINGS BANK DEPOSITS	165,808,536	175,635,682
III TERM DEPOSITS :		
1) From Banks	–	–
2) From Others	2,509,748,803	2,026,023,141
Total (I, II & III)	**3,250,292,434**	**2,592,734,901**
B(i) Deposits of branches in India	3,250,292,434	2,592,734,901
(ii) Deposits of branches outside India	–	–
Total (I & II)	**3,250,292,434**	**2,592,734,901**

Particulars	As on 31.03.2026 (In Rs)	As on 31.03.2025 (In Rs)
SCHEDULE 4–BORROWINGS		
I BORROWINGS IN INDIA :		
1) Reserve Bank of India	–	–
2) Other Banks	–	–
3) Other institutions and agencies	–	
II BORROWINGS OUTSIDE INDIA	–	341,900,000
Total (I & II)	**–**	**341,900,000**
Secured borrowings included in I & II above	–	–
SCHEDULE 5–OTHER LIABILITIES AND PROVISIONS		
I Bills payable	159,594	149,748
II Inter-Office adjustments (Net)	–	–
III Interest accrued	35,527,085	25,091,805
IV Others (including Floating and std asset provisions-Refer SCh 18)	210,190,445	180,001,843
Total	**245,877,124**	**205,243,396**
SCHEDULE 6–CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I Cash in hand (including foreign currencies)	6,458,465	4,527,468
II BALANCES WITH RESERVE BANK OF INDIA :		
a) In Current Accounts	99,134,860	110,442,291
Total (I & II)	**105,593,325**	**114,969,759**
SCHEDULE 7–BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I IN INDIA		
(i) BALANCE WITH BANKS :		
(a) In Current Accounts	2,494,315	2,671,252
(b) In other Deposit Accounts	50,000,000	105,602,704
(ii) MONEY AT CALL AND SHORT NOTICE :		
(a) With Banks	119,891,287	–
(b) With other Institutions	230,000,000	130,000,000
Total ((i) & (ii))	**402,385,602**	**238,273,956**
II OUTSIDE INDIA		
(i) In Current Accounts	70,575,054	67,915,957
(ii) In other Deposit Accounts	–	–
(iii) Money at call and short notice	–	–
Total ((i) (ii) & (iii))	**70,575,054**	**67,915,957**
Grand Total (I & II)	**472,960,656**	**306,189,913**

BANK OF CEYLON

CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS AS ON 31ST MARCH, 2026

Particulars	As on 31.03.2026 (In Rs)	As on 31.03.2025 (In Rs)
SCHEDULE 8–INVESTMENTS		
I **INVESTMENTS IN INDIA**		
(i) Government Securities	1,033,022,437	823,795,470
LESS: Provision for depreciation	–	–
	1,033,022,437	823,795,470
(ii) Other approved securities	–	–
(iii) Shares	–	–
(iv) Debentures and Bonds	–	–
(v) Subsidiaries and/or Joint Ventures abroad	–	–
(vi) Others	–	–
Total	**1,033,022,437**	**823,795,470**
II **INVESTMENTS OUTSIDE INDIA IN**		
(i) Govt. securities (including Local authorities)	–	–
(ii) Subsidiaries and /or joint venture abroad	–	–
(iii) Other Investments (to be specified)	–	–
Total	–	–
GRAND TOTAL (I & II)	**1,033,022,437**	**823,795,470**
SCHEDULE 9–ADVANCES		
A (i) Bills purchased and discounted	113,187,485	78,149,278
(ii) Cash credits, overdrafts and loans repayable on demand	3,616,200,131	3,574,570,842
(iii) Term Loans	908,253,186	783,470,053
Total	**4,637,640,802**	**4,436,190,173**
B (i) Secured by tangible assets	4,595,360,211	4,380,769,823
(ii) Covered by Bank/ Govt. Guarantees	–	16,244,835
(iii) Unsecured	42,280,591	39,175,515
Total	**4,637,640,802**	**4,436,190,173**
C I Advances in India		
(i) Priority Sectors	3,226,006,281	2,988,279,831
(ii) Public Sectors	–	–
(iii) Banks	–	–
(iv) Others	1,411,634,521	1,447,910,342
Total	**4,637,640,802**	**4,436,190,173**
II Advances outside India		
(i) Due from Banks	–	–
(ii) Due from others		
(a) Bills purchased and discounted	–	–
(b) Syndicate loans	–	–
(c) Others	–	–
Total	–	–
GRAND TOTAL (CI & CII)	**4,637,640,802**	**4,436,190,173**

Particulars	As on 31.03.2026 (In Rs)	As on 31.03.2025 (In Rs)
SCHEDULE 10–FIXED ASSETS		
I Premises	–	–
II Other Fixed Assets (including furniture and fixtures)		
At cost as on 31st March of the preceding year	134,356,811	89,597,779
Additions during the year	22,965,401	45,772,532
Less: Deduction	35,879,943	1,013,500
Depreciation to date	82,666,314	96,784,102
Total (I + II)	**38,775,955**	**37,572,709**
SCHEDULE 11–OTHER ASSETS		
I Inter-Office adjustment (net)	29,645,324	24,604,048
II Interest accrued	12,878,317	10,542,233
III Advance Income Tax (net)	15,467,392	15,392,128
IV Deferred Tax	103,854,387	157,521,750
V Stationery and stamps	96,325	181,460
VI Non-banking assets acquired in satisfaction of claims	–	–
VII Others	19,389,789	74,125,282
Total	**181,331,534**	**282,366,901**
SCHEDULE 12–CONTINGENT LIABILITIES		
I Claims against the bank not acknowledged as debts	–	–
II Liability for partly paid investments	–	–
III Liability on account of outstanding forward exchange contracts	1,357,117,825	864,823,653
IV Guarantees given on behalf of constituents		
(a) In India	600,904,255	595,786,614
(b) Outside India	–	6,294,379
V Acceptances, endorsements and other obligations	80,167,453	51,313,607
VI Other items for which the bank is contigently liable	12,036,130	12,078,464
Total	**2,050,225,663**	**1,530,296,717**

BANK OF CEYLON

CHENNAI BRANCH

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS AS ON 31ST MARCH, 2026

Particulars	For the year ended 31.03.2026 (In Rs)	For the year ended 31.03.2025 (In Rs)
SCHEDULE 13–INTEREST EARNED		
I Interest / discount on advances/bills	373,682,047	350,323,837
II Interest on investments	67,938,941	87,069,194
III Interest on balances with Reserve Bank of India and other inter-bank funds	19,994,166	23,107,090
IV Others	–	–
Total	**461,615,154**	**460,500,121**
SCHEDULE 14–OTHER INCOME		
I Commission, exchange and brokerage	19,053,955	17,772,581
II Profit on sale of investments	–	–
Less: Loss on sale of investments		
III Profit on revaluation of investments	–	–
Less: Loss on revaluation of investments		
IV Profit on sale of land, buildings and other assets		
Less: Loss on sale of land, buildings and other assets	–	–
V Profit on exchange transactions	25,781,827	16,596,764
Less: Loss on exchange transactions		
VI Income earned by way of dividends etc. from subsidiaries/ companies and/or joint ventures abroad/in India	–	–
VII Miscellaneous Income	6,276,480	5,916,507
Total	**51,112,262**	**40,285,852**

Particulars	For the year ended 31.03.2026 (In Rs)	For the year ended 31.03.2025 (In Rs)
SCHEDULE 15–INTEREST EXPENDED		
I Interest on deposits	186,818,741	177,101,370
II Interest on Reserve Bank of India / Inter-bank Brrowings	4,011,397	791,044
III Others	–	–
Total	**190,830,138**	**177,892,414**
SCHEDULE 16–OPERATING EXPENSES		
I Payments to and provisions for employees	66,186,586	59,268,777
II Rent, taxes and lighting	12,096,930	12,416,926
III Printing and stationery	642,404	482,714
IV Advertisement and publicity	1,001,400	1,025,550
V Depreciation on bank's property	21,762,156	15,509,219
VI Auditors fees	538,000	510,750
VII Law charges	480,592	279,590
VIII Postages, Telegrams, Telephones etc.	12,779,791	10,517,784
IX Repairs and maintenance	21,118,182	20,486,929
X Insurance	3,822,522	3,213,459
XI Other expenditures* *(Incl 39 Lakhs Amount earmarked for CSR activities)	23,742,661	21,047,837
Total	**164,171,224**	**144,759,535**

For **P. S. Subramania Iyer & Co.,**
Chartered Accountants
FRN No. 004104S

Sd/-
Jeyaranee Gnanasambanthan
Country Manager

Sd/-
S. Ramakumar
Partner
Membership No. 020405

Place : Chennai
Date : 18.06.2026

BANK OF CEYLON

CHENNAI BRANCH

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

	Year Ended 31.03.2026 (Rs)	Year Ended 31.03.2025 (Rs)
Cash flow from operating Activities		
Net profit for the year Tax	141,768,758	102,532,445
Adjustments for:		
Provision for Income Tax	120,147,928	128,649,830
Depreciation charge for the year	21,762,156	15,509,219
Depreciation on Investment	1,000,000	–
Provision for Floating Provision	23,188,205	22,180,951
Adjustment for other provisions	291,551	–
Adjustment for provision for standard assets	3,207,000	–
Adjustments for:		
(Increase)/Decrease in Investments	(209,226,967)	(104,713,419)
(Increase)/Decrease in Advances	(201,450,628)	(669,996,201)
(Increase)/Decrease in Other Assets	47,443,270	(23,403,799)
Increase/(Decrease) in Borrowings	(341,900,000)	341,900,000
Increase/(Decrease) in Deposits	657,557,533	(194,093,413)
Increase/(Decrease)in other liabilities and provisions	12,946,973	4,263,244
Direct Taxes paid	(66,555,830)	(68,330,410)
Net cash flow from operating Activities	**210,179,947**	**(445,501,553)**
Cash Flow from Investing Activities		
Purchase of fixed Assets	(22,965,401)	(45,646,827)
Net cash used in Investing Activities	(22,965,401)	(45,646,827)
Cash flow from Financing Activities		
Head Office	(29,820,235)	(34,515,820)
Net Cash generated from financing activities	**(29,820,235)**	**(34,515,820)**
Net increase /decrease in cash and cash equivalents	**157,394,311**	**(525,664,200)**
Cash and Cash equivalents as at 1st April 2025	**421,159,671**	**946,823,871**
Cash and Cash equivalents as at 31st March 2026*	**578,553,982**	**421,159,671**

*Cash and cash equivalent comprises of cash on hand, Balance with Reserve Bank of India, Balance with banks and Money at call short notice

For **P. S. Subramania Iyer & Co.,**
Chartered Accountants
FRN No. 004104S

Sd/-
Jeyaranee Gnanasambanthan
Country Manager

Sd/-
S. Ramakumar
Partner
Membership No. 020405

Place : Chennai
Date : 18.06.2026

BANK OF CEYLON

CHENNAI BRANCH

SCHEDULE FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2026

SCHEDULE - 17- SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL

a) Background

Bank of Ceylon branch in India was established in 1995 in Chennai and enjoys the pride of being the only Sri Lankan Bank to have its operation in India so far. The Bank completed its 30th year in October 2025. The Bank of Ceylon Chennai branch is known for its homely atmosphere, outstanding customer service and updated financial products. The Bank offers a range of financial products required by a common man or a corporate. The Bank is 100% wholly owned by the Government of Sri Lanka and excels in international standards of customer service.

b) Basis of Preparation

The Financial Statements are prepared under the historical cost convention following accrual basis of accounting, unless otherwise stated, using going concern assumption, and conform in all material aspects to the Generally Accepted Accounting Principles (GAAP) in India, which comprises applicable statutory provisions, regulatory norms / guidelines and extant disclosure norms prescribed by the Reserve Bank of India (RBI), Accounting Standards (AS) issued under Section 133 of the Companies Act, 2013 read together with the Companies (Accounting Standards) Rules, 2021 to the extent applicable and current practices prevailing in the banking industry in India.

c) Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that are considered in the reported amount of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to the accounting estimates is recognized prospectively from the period of change unless otherwise stated.

SIGNIFICANT ACCOUNTING POLICY

- In BOC Chennai Income is generally accounted on accrual basis, unless otherwise stated. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured.
- Income on Non-Performing Assets (NPAs) is recognized to the extent realized as per the prudential norms prescribed by the Reserve Bank of India. There is no Income accounted in the preceding year and remaining unrealized and derecognized in respect of assets classified as Non Performing during the year.
- Interest on overdue bills and LC Commission are accounted on realization basis and not on accrual basis. Items of income/ expenditure are considered not material for revenue recognition, if the amount is less than one percent of the total income/expenditure.
- Income on discounted instruments is recognized over the tenure of the instrument on a constant yield basis.
- Income from services that are subject to Goods and Service Tax (GST) are accounted net of GST.

1. TRANSACTIONS INVOLVING FOREIGN EXCHANGE

a) Foreign currency income and expenditure related to Chennai operations are translated at the exchange rates prevailing on the date of the transaction determined by the bank.

b) Monetary assets and liabilities in foreign currencies, including Forward Exchange Contracts, are translated into Indian Rupees as on 31st March 2026 at the year end rate of exchange advised by the Foreign Exchange Dealers Association of India (FEDAI) and the resultant exchange difference is considered to Profit & loss Account under profit on Exchange transaction (net).

c) Transactions where there is no foreign exchange risk, the amounts are carried at the settlement rates.

2. INVESTMENTS

Classification

A) Basis of classification:

The investment portfolio of the Bank is classified into-

a) "Held to Maturity" (HTM) comprising Investments acquired with the intention to hold them till maturity.

b) "Held for Trading" (HFT) comprising Investments acquired with the intention to trade. Securities that are held principally for resale within 90 days from the date of purchase are classified under the HFT category.

c) "Available for Sale" (AFS) comprising Investments not covered by (a) and (b) above i.e. those which are acquired neither for trading purposes nor for being held till maturity.

d) The transactions in Securities are recorded on 'Settlement Date'. In determining acquisition cost of an investment, Brokerage, commission, Securities Transaction Tax (STT), etc., paid in connection with acquisition of securities are treated as revenue expenses upfront and excluded from cost.

B) Valuation:

- Securities held in HTM is carried at cost and shall not be marked to market (MTM) after initial recognition.
- Any discount or premium on the securities under HTM has been amortized over the remaining life of the instrument. The amortized amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.
- The securities held in AFS is fair valued at least on a quarterly basis. Any discount or premium on the acquisition of debt securities under AFS is amortized over the remaining life of the instrument. The amortized amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.
- The valuation gains and losses across all performing investments, irrespective of classification (i.e., Government securities, Other approved securities, Bonds and Debentures, etc.), held under AFS is aggregated. The net appreciation or depreciation is directly credited or debited to a reserve named AFS Reserve without routing through the Profit & Loss Account.
- Upon sale or maturity of a debt instrument in AFS category, the accumulated gain/ loss for that security in the AFS-Reserve is transferred from the AFS Reserve and recognized in the Profit and Loss Account under item II Profit on sale of investments under Schedule 14-Other Income.

3. ADVANCES

- All the advances and provisions are classified and made as per the asset classification norms prescribed by Reserve Bank of India. The total of advances is disclosed in the Balance sheet, net of Provisions on NPAs.
- Provision for standard assets and unhedged foreign currency exposure is provided annually at the end of 31st Mar-2026 in compliance with prudential norms on Income recognition and is disclosed in balance sheet under Other Liabilities.
- Provision of 0.50% on standard advances is set apart as at the 31st Mar 2026 as floating provision which can be utilized under exceptional circumstances.

BANK OF CEYLON

CHENNAI BRANCH

- With regard to restructured advances it is classified and provided as per RBI norms.
- The bank maintains country risk provisions for individual country risk as per ECGC guidelines and provision is done for country where the net funded exposure is in excess of 1% of the bank's total assets and the same is to be reported in "Other Liabilities and Provisions" in Schedule-5 of the Balance Sheet.

A) Restructured Assets:

For restructured/rescheduled advances, provisions are made in accordance with guidelines issued by RBI from time to time. Provision for diminution in fair value of restructured advances is measured at net present value terms as per RBI guidelines for accounts where total dues to the bank are Rupees One Crore and above. For other accounts, the provision for diminution in fair value is computed notionally at 5% of total exposure to the bank as per RBI guidelines.

B) Write Off Accounts/Waiver:

Write off is carried out only after obtaining the Head Office Board approval justifying the reason for write off and the steps taken by the Bank for recovery. Amounts recovered against debts written-off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognized in the profit and loss account.

4. FIXED ASSETS

- All the fixed assets are stated at historical cost less accumulated depreciation. The bank capitalized all cost relating to acquisition and installation of fixed assets.
- Carrying amount of cash generating assets are reviewed as at 31st March 2026 to determine whether there is any impairment. Impairment loss, if any, is recognized in the Profit and Loss Account whenever the carrying amount exceeds the recoverable amount.
- Depreciation on fixed assets is provided on pro rata basis over the period of estimated useful life of the asset on straight line method over the estimated useful life period prescribed in schedule II to the Companies Act 2013.

Asset	Rate of Depreciation	Useful Life of asset as per banks Policy
Computers including computer software	33.33%	3 years
Vehicle	20%	5 years
Electrical Items	20%	5 years
Metal Furniture	20%	5 Years
Wooden Furniture	20%	5 Years

5. STATUTORY RESERVE

At the close of Financial Year 31st March 2026, profit at a percentage of not less than 25% is transferred and held as statutory reserve and the amount outstanding as on the balance sheet date is disclosed in Schedule -2 of balance sheet under "Reserves & Surplus".

6. EMPLOYEE BENEFITS

6.1 Provident Fund

The Bank contributes to mandatory government administered provident funds which are defined contribution schemes as the Bank does not carry any further obligations, apart from the contributions made monthly. The contributions are accounted for on an accrual basis and recognized in the Profit and Loss Account.

6.2 Gratuity

The Bank has a defined benefit plan where employees completing 5 years of continuous service are eligible as per the fringe benefit scheme of the bank.

The Bank provided Gratuity based upon actuarial valuation as on 31st March 2026 on Projected Unit Credit Method carried on by an independent actuary. Actuarial gains/losses are recognized in the Profit and Loss account.

The Provision made towards the same is to be reported in "Other Liabilities and Provisions" in schedule-5.

6.3 Leave Encashment

As per the bank's Policy the bank made the payment during the year for Privileged leave up to 15 days and a maximum of 15 days of Medical Leave over and above the accumulated stock of 45 days' medical leave of the employee. However, an employee cannot encash the above leave at the time of retirement hence no provision is required to be made towards the same.

7. TAXES ON INCOME

a) Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The current tax expense and deferred tax expense are determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 – "Accounting for Taxes on Income" respectively.

b) Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at 31st March 2026. The impact of changes in deferred tax assets and liabilities is recognized in the profit and loss account.

8. SEGMENT REPORTING:

a) The Bank recognizes the Business Segment as the Primary Reporting Segment and Geographical Segment as the Secondary Reporting Segment, in compliance with the Accounting Standard 17.

b) Business Segment is classified into (a) Treasury (b) Corporate and Wholesale Banking, (c) Retail Banking and (d) Other Banking Operations.

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

d) The Treasury Segment

The treasury segment assets consist of RBI balance to meet CRR balance, Investment in Government securities to maintain SLR purpose and other bank deposit which is maintained for Liquidity Coverage Ratio (LCR) purpose. The income derived from the above assets is to be treated as Treasury income.

e) Retail Banking

The Retail Banking would include exposures which fulfill the following four criteria of orientation, product, granularity and low value of individual exposures for retail exposures laid down in Basel Committee on Banking Supervision.

f) Corporate /Wholesale Banking

Wholesale Banking includes all advances to trusts, partnership firms, companies and statutory bodies, which are not included under 'Retail Banking'.

g) Other Banking Business

Others Banking Business' would include all other banking operations not covered under 'Treasury, 'Wholesale Banking' and 'Retail Banking' segments. It will also include all other residual operations such as para banking transactions/activities.

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

BANK OF CEYLON

CHENNAI BRANCH

9. EARNING PER SHARE

There is no equity shares applicable as this is a branch of the foreign bank and hence, AS -20 Earnings per share is not applicable.

10. IMPAIRMENT OF ASSETS

The Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired other than financial assets. Impairment loss, if any, is provided in the Profit and Loss Account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

11. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- The Bank creates a provision when there is a present obligation because of a past event(s) that probably requires an outflow of resources and a reliable estimate of the amount of the obligation can be made.
- A disclosure for Contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- The provisions is reviewed at 31st March 2026 and adjusted to reflect the current best estimates. Contingent liability reported in Schedule 12 of balance sheet under "Claims against the bank not acknowledged as debts" is net of provision amount held against the claim.

12. ACCOUNTING STANDARD 18 – RELATED PARTY DISCLOSURES

Nature of disclosure: The name and nature of related party relationship is disclosed, irrespective of whether there have been transactions, where control exists within the meaning of the Standard. Control would normally exist in case of parent-subsidiary relationship. The disclosures may be limited to aggregate for each of the below related party categories

Related parties are -

a) Parent Bank
b) Subsidiaries
c) Associates
d) Joint Ventures
e) Key Management Personnel (KMP)
f) Chief Executive Officer/Country Manager - foreign bank having branches in India.
g) Relatives of Key Management Personnel

13. NET PROFIT:

The net profit as per the Profit & Loss account is arrived at after necessary provisions towards: –

Taxation.

a) Advances and other assets.
b) Shortfall in the value of investments
c) Staff Retirement benefits.
d) Other usual and necessary provisions.

14. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents include cash in hand, Balance with RBI, demand deposits with banks other fixed deposits with Original Maturities less than three months and money at Call and Short Notice.

15. OPERATING LEASES

Leases where all the risks and rewards of ownership are retained by the lessor are classified as 'Operating Lease'. Operating Lease payments are recognised as an expense in the Profit and Loss Account as per the lease terms. Initial direct costs in respect of operating leases such as legal costs, brokerage costs etc., are recognised as expense in the Profit and Loss Account.

For **P. S. Subramania Iyer & Co.,**
Chartered Accountants
FRN No. 004104S

Sd/-
Jeyaranee Gnanasambanthan
Country Manager

Sd/-
S. Ramakumar
Membership No. 020405
Partner

Place : Chennai
Date : 18.06.2026

SCHEDULE 18

NOTES ON ACCOUNTS

1. The reconciliation of inter branch transactions has been completed up to 31.03.2026 and tallying of balances is ensured on an ongoing basis.

2. DISCLOSURE REQUIREMENTS

2.1. Capital (INR in Crore)

	Items	2025-26	2024-25
i)	Common Equity Tier 1 capital (CET 1) (net of deductions, if any)	217.83	208.90
ii)	Additional Tier 1 capital	0.00	0.00
iii)	Tier 1 Capital (i + ii)	217.83	208.90
iv)	Tier 2 capital	8.96	9.95
v)	Total Capital	226.79	218.85
vi)	Total Risk Weighted Assets (RWAs)	716.57	796.59
vii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	30.40	26.22
viii)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.25	1.25
ix)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	31.65	27.47
x)	Leverage Ratio (%)	29.37	28.78
xi)	Percentage of the shareholding of the Government of India in public sector bank	NIL	NIL
xii)	Amount of equity capital raised	NIL	NIL
xiii)	Amount of Additional Tier 1 capital raised, of which		
	(a) PNCPS :	NIL	NIL
	(b) PDI :	NIL	NIL
xiv)	Amount of Tier II Capital raised, of which		
	(a) Debt capital instruments	NIL	NIL
	(b) Preference Share Capital instruments	NIL	NIL

During the year 2025-26 the branch has repatriated profit INR 2.98 Crs to Head office

BANK OF CEYLON

CHENNAI BRANCH

2.2 INVESTMENTS (₹ in Crore)

Particulars	2025-26	2024-25
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	102.50	82.37
(b) Outside India	NIL	NIL
(ii) Provisions for Depreciation		
(a) In India	0.00	0.00
(b) Outside India	NIL	NIL
(iii) Net Value of Investments		
(a) In India	102.50	82.37
(b) Outside India	NIL	NIL
(2) Movement of provisions held towards Depreciation on investments		
(a) Opening balance	0.00	0.00
(b) Add: Provisions made during the year	0.00	0.00
(c) Less: Write-off / write-back of excess provisions during the year	0.00	0.00
(d) Closing Balance	0.00	0.00
(3) Movement of Investment Fluctuation Reserve		
(a) Opening balance	1.00	1.00
(b) Add: Provisions made during the year	0.10	0.00
(c) Less: Write-off / write-back of excess provisions during the year	0.00	0.00
(d) Closing Balance	1.10	1.00
Closing Balance in IFR as a % of closing balance AFS category	2.07	3.47

In respect of securities held under HTM category, premium paid of INR 0.18 Crs has been amortized during the year and debited under "Interest received on Investments".

2.2.1 Repo Transactions (in face value terms)

(₹ in Crore)

	Minimum Outstanding during the year FV/MV	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31 2026 FV/MV
Securities sold under repo				
I. Government securities	NIL	NIL	NIL	NIL
II. Corporate debt securities	NIL	NIL	NIL	NIL
Securities purchased under reverse repo				
I. Government securities	1.00	82.00	19.29	23.00
II. Corporate debt securities	NIL	NIL	NIL	NIL

2.2.2. Non-SLR Investments Portfolio

i) Issuer composition of Non-SLR investments:

No.	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	PSUs	NIL				
2	FIs					
3	Banks					
4	Private Corporates					
5	Subsidiaries/Joint Ventures					
6	Others					
7	Less: Provision held towards depreciation					
	Total					

Total Amounts reported under Columns 4, 5, 6 and 7 above may not be mutually exclusive

BANK OF CEYLON

CHENNAI BRANCH

ii) Non-performing Non-SLR investments

Particulars	2025-26	2024-25
Opening balance	NIL	NIL
Additions during the year since 1st April 2025	NIL	NIL
Reductions during the above period	NIL	NIL
Closing balance 31st March 2026	NIL	NIL
Total Provisions held	NIL	NIL

2.2.3 Sale from HTM category

The bank has not sold any securities during the year under HTM category.

2.2.4 The percentage of SLR investment under HTM category as on 31/3/2026 is **15.97%** (PY 19.40%) of the Net Demand and Time Liabilities of the bank, which is within the permissible limit as per RBI guidelines.

2.2.5. Disclosure of carrying value of investments and fair value

(all amounts in INR crore)

	2025-26							2024-25						
	HTM		AFS	FVTPL		Subsidiaries, Associates & JVs		HTM		AFS	FVTPL		Subsidiaries, Associates & JVs	
	At cost	Fair Value		HFT	Non-HFT	At cost	Fair Value	At cost	Fair Value		HFT	Non-HFT	At Cost	Fair Value
I Investments in India														
(i) Government Securities	49.26	49.43	53.24	----------NIL----------				53.61	53.76	28.76	----------NIL----------			
(ii) Other Approved Securities														
(iii) Shares														
(iv) Debentures and Bonds				----------NIL----------										
(v) Subsidiaries, Associates and joint ventures														
(vi) Others														
Total	**49.26**	**49.43**	**53.24**	**----------NIL----------**				**53.61**	**53.76**	**28.76**	**----------NIL----------**			
Less: Provisions for Impairment/NPI														
Net	49.26	49.43	53.24	----------NIL----------				53.61	53.76	28.76	----------NIL----------			
II. Investments outside India														
(i) Government Securities (including local authorities)														
(ii) Subsidiaries, Associates and joint ventures				----------NIL----------										
(iii) Other investments														
Total														
Less: Provisions for Impairment/NPI														
Net														
Total Investments (I+II)	**49.26**	**49.43**	**53.24**	**----------NIL----------**				**53.61**	**53.76**	**28.76**	**----------NIL----------**			

2.2.6 Fair Value Hierarchy of investments portfolio measured at fair value on balance sheet

(all amounts in INR crore)

	2025-26								2024-25							
	AFS				FVTPL				AFS				FVTPL			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
I. Investments in India																
(i) Government Securities	53.24	---NIL---		53.24		-----NIL-----			28.76	---NIL---		28.76		----NIL----		
(ii) Other Approved Securities																
(iii) Shares																
(iv) Debentures and Bonds		----------NIL----------														
(v) Subsidiaries, Associates and joint ventures																
(vi) Others																
Total	**53.24**	**---NIL---**		**53.24**		**------NIL------**			**28.76**	**---NIL---**		**28.76**		**------NIL------**		

BANK OF CEYLON

CHENNAI BRANCH

	2025-26								2024-25							
	AFS				FVTPL				AFS				FVTPL			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
II. Investments outside India																
(i) Government Securities (including local authorities)																
(ii) Subsidiaries, Associates and joint ventures	----------NIL----------															
(iii) Other investments																
Total																
Total Investments (I+II)	**53.24**	**---NIL---**		**53.24**	**------NIL------**				**28.76**	**---NIL---**		**28.76**	**------NIL------**			

2.2.7 Net gains / (losses) on Level 3 financial instruments recognised in AFS-Reserve and Profit and Loss Account

(all amounts in INR crore)

	2025-26	2024-25
Recognised in AFS-Reserve	0.80	NIL
Recognised in Profit and Loss Account	NIL	NIL

2.2.8 Details of Sales made out of HTM

(all amounts in INR crore)

		2025-26	2024-25
A	Opening carrying value of securities in HTM	53.61	29.64
B	Carrying value of all HTM securities sold during the year	----------NIL---------	
C	Less: Carrying values of securities sold under situations exempted from regulatory limit		
D	Carrying value of securities sold (D=B-C)		
E	Securities sold as a percentage of opening carrying value of securities in HTM (E=D/A)		
	Amount transferred to Capital Reserve in respect of HTM securities which were sold at a gain	NIL	NIL

2.2.9. Details of derivative portfolio

	2025-26			2024-25		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Interest Rate Derivatives						
MTM-Assets	----------NIL----------		NIL	----------NIL---------		NIL
MTM-Liabilities			119.64			78.13
Net Gain/Loss recognised in Profit & Loss Account			4.82			0.91
Exchange Rate Derivatives						
MTM-Assets	----------NIL----------			----------NIL----------		
MTM-Liabilities						
Net Gain/Loss recognised in Profit & Loss Account						
Exchange Rate Derivatives		NIL			NIL	
Credit risk derivaties		NIL			NIL	
Other derivatives		NIL			NIL	

2.3 Derivatives

2.3.1 Forward Rate Agreement/Interest Rate Swap (₹ in Crore)

	Particulars	2025-2026	2024-2025
I.	The notional principal of swap agreements	119.64	78.13
II.	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	0.00	0.00
III.	Collateral required by the bank upon entering into swaps	18.10	9.20
IV.	Concentration of credit risk arising from the swaps	2.39	1.56
V.	The fair value of the swap book	124.44	77.22

BANK OF CEYLON

CHENNAI BRANCH

2.3.2 Exchange Traded Interest Rate Derivatives:

(₹ in Crore)

SI. No	Particulars	2025-26	2024-25
(i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)	NIL	NIL
(ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31st March 2025 (instrument-wise)	NIL	NIL
(iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	NIL	NIL
(iv)	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	NIL	NIL

2.3.3 Disclosures on risk exposure in derivatives

Qualitative Disclosure:

The only derivatives dealt by the bank in the foreign exchange market are Forward Contracts. Forward contracts and Swaps are being used to hedge/cover the exposure in foreign exchange arising out of merchant transaction and trading positions.

To cover the risk arising out of the above derivatives, various limits like IGL, AGL and Stop Loss Limits have been prescribed in the Treasury Policy of the Bank, which are monitored by mid-office. The mark-to-market values are monitored on monthly basis for Foreign Exchange Forward Contracts. The operations are conducted in terms of the policy guidelines issued by RBI from time to time.

Quantitative Disclosures

Sl. No	Particular	Currency Derivatives		Interest rate derivatives	
		2025-26	2024-25	2025-26	2024-25
(i)	Derivatives (Notional Principal Amount)	NIL	NIL	NIL	NIL
	a) For hedging	NIL	NIL	NIL	NIL
	b) For trading	NIL	NIL	NIL	NIL
(ii)	Marked to Market Positions	NIL			
	a) Asset (+)				
	b) Liability (-)				
(iii)	Credit Exposure				
(iv)	Likely impact of one percentage change in interest rate (100*PV01)				
	a) On hedging derivatives				
	b) On trading derivatives				
(v)	Maximum and Minimum of 100*PV01 observed during the year				
	a) On hedging				
	b) On trading				

2.3.4 Shifting of securities:

Bank has not shifted any securities from one category to another during the Financial Year 2025-26

2.3.5 SLR Securities

(₹ in Crore)

Particulars	As at 31.03.2026		As at 31.03.2025	
	Book Value	Market Value	Book Value	Market Value
Government securities SLR (CG, SG, TB)	**102.5**	**102.67**	82.37	82.52
Approved Securities -SLR	**NIL**	**NIL**	NIL	NIL

2.3.6 Composition of Investment

(₹ in Crore)

Particulars	As at 31.03.2026			As at 31.03.2025		
	Gross Block	Provision for Depreciation	Net Block	Gross Block	Provision for Depreciation	Net Block
Held to Maturity	**49.26**	**NIL**	**49.26**	53.61	NIL	53.61
AFS	**53.24**	**NIL**	**53.24**	28.76	NIL	28.76
HFT	**NIL**	**NIL**	**NIL**	NIL	NIL	NIL
Total	**102.50**	**NIL**	**102.50**	**82.37**	**NIL**	**82.37**

(Investments are in G Sec and T Bills)

BANK OF CEYLON

CHENNAI BRANCH

2.3.7 Government Security Lending (GSL) transactions (in market value terms) - NIL

2.4 Asset Quality

2.4.1 Non-Performing Assets

(INR in Crore)

Particulars	2025-26	2024-25
(i) Net NPAs to Net Advances (%)	0.00	1.96
(ii) Movement of NPAs (Gross)		
(a) Opening balance	35.70	48.02
(b) Additions during the year	0.00	0.00
(c) Reductions during the year	22.61	12.32
(d) Closing balance	13.09	35.70
(iii) Movement of Net NPAs		
(a) Opening balance	8.70	12.67
(b) Additions during the year	0.00	0.00
(c) Reductions during the year	8.70	3.97
(d) Closing balance	0.00	8.70
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	27.00	35.36
(b) Provisions made during the year	0.00	0.00
(c) Write-off/ write-back of excess provisions	13.91	8.36
(d) Closing balance	13.09	27.00

2.4.2 Classification of advances and provisions held

	Standard	Non-Performing			
	Standard Advances	Sub-standard	Doubtful	Loss	Total NPA
Gross Standard Advances and NPAs					
Opening Balance	434.91	Nil	22.53	13.17	35.70
Add: Additions during the year					0.00
Less: Reductions during the year*					22.61
Closing balance	463.76	Nil	Nil	13.09	13.09
***Reductions in Gross NPAs due to:**					
i) Upgradation					Nil
ii) Recoveries (excluding recoveries from upgraded accounts)					21.78
iii) Technical / Prudential Write-offs					0.83
iv) Write-offs other than those under (iii) above					Nil
Provisions (excluding Floating Provisions)					
Opening balance of provisions held	Nil	Nil	13.83	13.17	27.00
Add: Fresh provisions made during the year					Nil
Less: Excess provision reversed / Write-off loans					13.91
Closing balance of provisions held	Nil	Nil	Nil	13.09	13.09
Net NPAs					
Opening Balance		Nil	8.70	Nil	8.70
Add: Fresh additions during the year					
Less: Reductions during the year		Nil	8.70	Nil	Nil
Closing Balance		Nil	Nil	Nil	Nil

BANK OF CEYLON

CHENNAI BRANCH

Ratios	Current Year (%)	Previous Year (%)
Gross NPA to Gross Advances	2.74	7.58
Net NPA to Net Advances	Nil	1.96
Provision coverage ratio	100	74

2.4.3 Loans against gold and silver collateral - Nil

2.4.4 Disclosure on amortisation of expenditure on account of enhancement in family pension of employees of banks - Nil

2.4.5 Disclosure related to project finance - Nil (The Bank has not sanctioned any fresh project loan after October 2025)

2.4.6 Disclosure on Co-Lending Arrangements (CLA): Nil

2.4.7 Disclosures regarding Priority Sector Lending Certificates (PSLCs): Nil

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

(₹ crore)

	As at 31st March 2026	As at 31st March 2026	As at 31st March 2025	As at 31st March 2025
	Secured Portion	Unsecured Portion	Secured Portion	Unsecured Portion
Outstanding Guarantees				
In India	60.09	NIL	59.57	NIL
Outside India	0.00	NIL	0.63	NIL
Acceptances, Endorsements and other Obligations	8.01	NIL	5.13	NIL
Other NFB Credit facilities	NIL	NIL	NIL	NIL

2.4.8 Particulars of Accounts Restructured as at 31st March 2026

Disclosure of Restructured Accounts

(INR in Crore)

Disclosure of Restructured Accounts

(INR in Crore)

Sl No.	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification Details		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 2025 of the FY (opening figures)	No. of borrowers	0	0	0	0	0	0	0	0	0	0	0	0	0	2	2	0	0	0	0	0
		Amount outstanding	0	0	0	0	0	0	0	0	0	0	0	0	0	2.77	2.77	0	0	0	2.77	2.77
		Provision thereon	0	0	0	0	0	0	0	0	0	0	0	0	0	2.77	2.77	0	0	0	2.77	2.77
2	Fresh restructuring/ Additional facilities during the year	No. of borrowers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Amount outstanding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Provision thereon	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Upgradations to restructured standard category during the FY	No. of borrowers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Amount outstanding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Provision thereon	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

BANK OF CEYLON

CHENNAI BRANCH

Disclosure of Restructured Accounts

(INR in Crore)

Sl No.	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification Details		Standard	Sub-Stan dard	Doubtful	Loss	Total	Stan dard	Sub-Stan dard	Doubtful	Loss	Total	Stan dard	Sub-Stan dard	Doubtful	Loss	Total	Stan dard	Sub-Stan dard	Dou btful	Loss	Total
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	NIL																			
		Amount outstanding																				
		Provision thereon																				
5	Downgradations of restructured accounts during the FY	No. of borrowers																				
		Amount outstanding																				
		Provision thereon																				
6	Write-offs/ recovery of restructured accounts during the FY	No. of borrowers														2	2				2	2
		Amount outstanding														0.11	0.11				0.11	0.11
7	Restructured Accounts as on March 31 of the FY (closing figures	No. of borrowers														2	2				2	2
		Amount outstanding														2.66	2.66				2.66	2.66
		Provision thereon														2.66	2.66				2.66	2.66

2.4.9 Details of financial assets sold to Securitization / Reconstruction Company for Asset Reconstruction

(A) Details of Sales:

(INR in Crore)

Particulars	2025-2026	2024-25
i. No. of accounts	NIL	NIL
ii. Aggregate value (net of provisions) of accounts sold to SC/RC	NIL	NIL
iii. Aggregate consideration	NIL	NIL
iv. Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL
v. Aggregate profit/ (loss) over net book value.	NIL	NIL

(B) NPA Assets Sold to ARC:

(INR in Crore)

Particulars	Backed by NPAs sold by the bank as underlying		Backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Book value of investments in security Receipts as at 31st March 2026	NIL					

BANK OF CEYLON

CHENNAI BRANCH

2.4.10 Details of non-performing financial assets purchased/sold

A. Details of non-performing financial assets purchased:

(INR in Crore)

Particulars			2025-26	2024-25
1	(a)	No. of accounts purchased during the year	NIL	NIL
	(b)	Aggregate outstanding	NIL	NIL
2	(a)	Of these, number of accounts restructured during the year	NIL	NIL
	(b)	Aggregate outstanding	NIL	NIL

B. Details of non-performing financial assets sold:

(INR in Crore)

Particulars		2025-26	2024-25
1.	No. of accounts sold	NIL	NIL
2.	Aggregate outstanding	NIL	NIL
3	Aggregate consideration received	NIL	NIL

C. Disclosure regarding amortization of Loss on sale of assets to ARCs : NIL

2.4.11 Provisions on Standard Assets

(INR in Crore)

Particulars	2025-26	2024-25
Provisions towards Standard Assets	2.66	2.34

2.5 Business Ratios

Particulars		2025-26	2024-25
(i)	Interest Income as a percentage to Working Funds	6.86	8.09
(ii)	Non-interest income as a percentage to Working Funds	0.76	0.71
(iii)	Operating Profit as a percentage to Working Funds	2.34	5.68
(iv)	Return on Assets	2.11	1.55
(v)	Business (Deposits plus advances) per employee (₹ in Crore)	23.59	22.67
(vi)	Profit per employee (₹ in Crore)	0.44	0.33
(vii)	Cost of Deposit	6.25	6.15
(viii)	Net Interest Margin	4.90	4.97

2.6 Asset Liability Management 2025-26

Maturity pattern of certain items of assets and liabilities

(INR in Crore)

Items	1 Day	2 to 7 days	8 to 14 days	15 to 30 days	31 days to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits (Incl Foreign currency Liabilites)	7.53	2.21	2.17	16.11	15.41	31.93	28.51	195.80	25.35	0.09	325.02
Advances (Incl Foreign currency assets)	2.77	3.35	2.48	23.88	118.52	123.56	79.68	7.98	59.62	41.92	463.76
Investments	6.90	0.00	0.36	2.68	2.03	4.88	20.01	18.70	42.69	4.22	102.47
Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency assets (excluding Foreign Currency Loan)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency liabilities (Excluding depo excluding Foreign Currency Deposit & borrowing)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The above data has been compiled by the management on the basis of the guidelines of RBI which have been relied upon by Auditors.

BANK OF CEYLON

CHENNAI BRANCH

2.7 Exposures

2.7.1 Exposure to Real Estate Sector

(INR in Crores)

Category		2025-26	2024-25
a)	***Direct exposure***		
	(i) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans eligible for inclusion in priority sector advances may be shown separately).	4.56	2.97
	(ii) Commercial Real Estate – Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	34.11	24.76
	(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures –		
	a. Residential,	NIL	NIL
	b. Commercial Real Estate.	NIL	NIL
b)	***Indirect Exposure***		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	NIL	NIL
	Total Exposure to Real Estate Sector	**38.67**	**27.73**

2.7.2 Exposure to Capital Market

(INR in Crores)

Particulars		2025-26	2024-25
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;		
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	NIL	NIL
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	NIL	NIL
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/ units of equity oriented mutual funds does not fully cover the advances;	NIL	NIL
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	NIL	NIL
(vi)	Loans sanctioned to corporates against the security of shares / bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL	NIL
(vii)	Bridge loans to companies against expected equity flows / issues;	NIL	NIL
(viii)	Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	NIL	NIL
(ix)	Financing to stockbrokers for margin trading;	NIL	NIL
(x)	All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
	Total Exposure to Capital Market	**NIL**	**NIL**

2.7.3 Risk Category wise Country Exposure

(INR in Crores)

Risk Category	Exposure (net) as at 31/03/2026	Provision held as at 31/03/2026	Exposure (net) as at 31/03/2025	Provision held as at 31/03/2025
Insignificant	NIL	NIL	8.42	0.02
Low	NIL	NIL	NIL	NIL
Moderate	9.56	0.76	6.04	0.74
High	NIL	NIL	NIL	NIL
Very High	NIL	NIL	NIL	NIL
Restricted	NIL	NIL	NIL	NIL
Off-credit	NIL	NIL	NIL	NIL
Total	**9.56**	**0.76**	**14.46**	**0.76**

BANK OF CEYLON

CHENNAI BRANCH

2.7.4 Details of Single Borrower Limit (SBL)/ Group Borrower Limit (GBL) exceeded by the bank.

A. SBL exceeded by the Bank for the period 01/04/2025 to 31/03/2026 - NIL (PY NIL)

B. GBL exceeded by the Bank for the period 01/04/2025 to 31/03/2026 - NIL (PY NIL)

2.7.5 Unsecured Advances (Amount of Advances for which, intangible securities has been taken)

Particulars	As on 31.03.2026	As on 31.03.2025
The total amount of Advances for which intangible Securities such as charge over the rights, licenses, Authority, etc. has been taken.	NIL	NIL
Estimated value of such intangible collaterals	NIL	NIL

Factoring exposures shall be considered NIL

2.8 Miscellaneous

2.8.1 Disclosure of Penalties imposed by RBI and Other regulatory authority: NIL.

Disclosure in terms of Accounting Standards:

3.1 Accounting Standard 5: Net Profit or Loss for the period, prior period items and changes in Accounting Policies:

There are no material prior period income and expenditure included in the Profit & Loss account, which requires a disclosure as per Accounting Standard 5

The bank has amended the accounting policy during the year as per the ICAI guidelines

3.2 Accounting Standard 9: Revenue Recognition:

Revenue is recognized on accrual basis as per accounting policy schedule 17 to the financial statements.

3.3 Disclosure in terms of AS 10 – Fixed Assets

1. In accordance with banks accounting policy, Fixed Assets as on March 31, 2026; (₹ Crs)

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 April 2025	Additions	Disposals	Balance as at 31 March 2026	Balance as at 1 April 2025	Depreciation charge for the year	On disposals	Balance as at 31 March 2026	Balance as at 31 March 2025	Balance as at 31 March 2026
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Vehicles	**0.34**	NIL	NIL	**0.34**	**0.34**	0.00	NIL	**0.34**	**0.00**	**0.00**
Furniture and Other Equipment	**0.53**	0.04	NIL	**0.57**	**0.43**	0.04	NIL	**0.47**	**0.10**	**0.10**
Computer & Computer Softwares	**12.56**	2.26	3.58	**11.24**	**8.90**	2.14	3.58	**7.46**	**3.66**	**3.78**
Grand Total	**13.43**	**2.30**	**3.58**	**12.15**	**9.67**	**2.18**	**3.58**	**8.27**	**3.76**	**3.88**

3.4 Accounting Standard 15 – Employee Benefits

3.4.1 The bank is following Accounting Standard 15 (Revised 2005) "Employee Benefits" as under: In respect of contributory plans viz.– Provident Fund, the bank pays fixed contribution at pre-determined rates to a separate entity, which invests in permitted securities. The obligation of the bank is limited to such fixed contribution.

In respect of Defined Benefit Plans, viz. Gratuity, provision has been made based on actuarial valuation as per the guidelines.

The summarized position of post-employment benefits and long-term employee benefits recognized in the profit and loss account and balance sheet as required in accordance with the Accounting Standard -15 (Revised) are as under:

I. Principal Actuarial Assumptions at the Balance Sheet Date

Particulars	Gratuity (unfunded) 2026	Gratuity (unfunded) 2025
Discount Rate	7.34%	6.66%
Expected Rate of return on Plan Assets	NIL	NIL

II. Change in the Present value of obligations:

(₹ in Crore)

Particulars	Gratuity (unfunded) 2026	Gratuity (unfunded) 2025
Present Value of obligations as at the beginning of the year	1.12	0.99
Interest Cost	0.07	0.06
Current Service Cost	0.04	0.04
Past service cost (non-vested benefits)	NIL	NIL
Past service cost (vested benefits)	NIL	NIL
Benefits Paid	(0.03)	(0.10)
Actuarial loss/(gain) on obligation (balancing figure)	(0.08)	0.13
Present Value of obligations as at the year end	1.12	1.12

BANK OF CEYLON

CHENNAI BRANCH

III. Change in Fair Value of Plan Asset

(₹ in Crore)

Particulars	Gratuity (unfunded) 2026	Gratuity (unfunded) 2025
Fair value of Plan Assets at the beginning of the year	NIL	NIL
Expected return on Plan Assets	NIL	NIL
Employer's Contribution	(0.03)	(0.10)
Benefits Paid	NIL	NIL
Actuarial loss/(gain) on plan assets (balancing figure)	(0.03)	(0.10)
Fair Value of Plan Asset at the end of the year	NIL	NIL

IV. Actual Return on Plan Assets

(₹ in Crore)

Particulars	Gratuity (unfunded) 2026	Gratuity (unfunded) 2025
Expected return on plan assets	NIL	NIL
Actuarial gain/(loss) on plan assets	NIL	NIL
Actual return on plan assets	NIL	NIL

V. Actuarial Gain / Loss recognized

(₹ in Crore)

Particulars	Gratuity (unfunded) 2026	Gratuity (unfunded) 2025
Actuarial gain/(loss) for the Period - Obligation	(0.08)	0.13
Actuarial gain/(loss) for the Period - Plan Assets	NIL	NIL
Total (gain)/loss for the period	(0.08)	0.13
Actuarial (gain)/loss recognized in the period	(0.08)	0.13
Unrecognized actuarial (gain)/loss at the end of the year	NIL	NIL

VI. Amount recognized in Balance Sheet

(₹ in Crore)

Particulars	Gratuity (unfunded) 2026	Gratuity (unfunded) 2025
Present value of the Obligation	1.12	0.99
Fair value of plan assets	NIL	NIL
Difference	NIL	0.13
Unrecognized Transitional liability	NIL	NIL
Unrecognized past service cost (non-vested benefits)	NIL	NIL
Liability recognized in the Balance Sheet	1.12	1.12

VII. Expenses Recognized in Profit & Loss Account

(₹ in Crore)

Particulars	Gratuity (unfunded) 2026	Gratuity (unfunded) 2025
Current Service Cost	0.04	0.04
Interest Cost	0.07	0.06
Expected return on Plan assets	NIL	NIL
Net actuarial (gain)/loss recognized in the year	(0.08)	0.13
Transitional Liability recognized in the year	NIL	NIL
Past service cost (non-vested benefits)	NIL	NIL
Past service cost (vested benefits)	NIL	NIL
Expenses Recognized in Profit & Loss Account	0.03	0.23

VIII. Movements in the Liability Recognized in the balance Sheet

(₹ in Crore)

Particulars	Gratuity (unfunded) 2026	Gratuity (unfunded) 2025
Opening net Liability	1.12	0.99
Opening amount determined under para 55 of AS15R	1.12	0.99
Expense as Above	0.03	0.00
Contribution paid	(0.03)	0.13
Closing Net Liability	1.12	1.12

BANK OF CEYLON

CHENNAI BRANCH

IX. Amount for the Current Period

(₹ in Crore)

Particulars	Gratuity (unfunded) 2026	Gratuity (unfunded) 2025
Present value of Obligation	1.12	1.12
Plan Assets	NIL	NIL
Surplus/(Deficit)	0.03	0.13
Experience adjustments on Plan Liabilities - (loss)/gain	NIL	NIL
Experience adjustments on Plan Assets - (loss)/gain	NIL	NIL

3.5 Employee Stock Option Scheme - NIL

3.6 Accounting Standard 17 – Segment Reporting

PART A: BUSINESS SEGMENTS (₹ in Crore)

PARTICULARS	31/03/2026 (Audited)	31/03/2025 (Audited)
1. **SEGMENT REVENUE :**		
a. Treasury operations	11.37	12.67
b. Corporate/wholesale banking operations	38.14	35.84
c. Retail banking operations	0.34	0.34
d. Other banking operations	1.42	1.22
TOTAL	**51.27**	**50.07**
2. **SEGMENT RESULTS** (Operating Profit)		
a. Treasury operations	2.21	3.07
b. Corporate/wholesale Banking operations	10.14	14.10
c. Retail banking operations	0.03	0.05
d. Other banking operations	0.65	0.57
TOTAL	**13.03**	**17.79**
OPERATING PROFIT	**13.03**	**17.79**
PROVISIONS OTHER THAN TAX	**(13.06)**	**(5.31)**
PROFIT BEFORE TAX	**26.09**	**23.10**
Less : Tax expenses	12.01	12.85
NET PROFIT	**14.08**	**10.25**
CAPITAL EMPLOYED :		
a. Treasury operations	74.06	59.33
b. Corporate/wholesale banking operations	206.96	206.16
c. Retail banking operations	6.17	5.25
d. Unallocated Assets	1.01	15.38
TOTAL	**297.30**	**286.12**

PART B – GEOGRAPHICAL SEGMENTS: Since the Bank is having only domestic operations hence no reporting is made under international segment.

3.7 Accounting Standard 18 – Related Party Disclosures

Related Parties and their relationship;

Name	Relationship
Bank of Ceylon-Head office	Parent
Bank of Ceylon-London	Subsidiary
Bank of Ceylon-Male	Branch

S. No.	Name	Designation
1	**Mrs Jeyaranee Gnanasambanthan**	COUNTRY MANAGER

BANK OF CEYLON

CHENNAI BRANCH

The Bank's related party balances and transactions for the year ended March 31, 2026 are summarised as follows;

(₹ in Crore)

Items/ Related Party	Parent (as per ownership or control)	Subsidiaries	Associates / Joint Ventures	Key Management Personnel	Relatives of key Management Personnel	Total
Borrowings	NIL	NIL	NIL	NIL	NIL	NIL
Deposits o/s						
Vostro	9.85	NIL	4.54	NIL	NIL	14.39
Nostro	0.14	2.83	NIL	NIL	NIL	2.97
Max outstanding during the year						
Vostro	15.48	NIL	19.01	NIL	NIL	34.49
Nostro	0.39	4.15	NIL	NIL	NIL	4.54
Placement of Deposits	NIL	NIL	NIL	NIL	NIL	NIL
Advances	NIL	NIL	NIL	NIL	NIL	NIL
Investments	NIL	NIL	NIL	NIL	NIL	NIL
Non-Funded Commitments	55.19	NIL	NIL	NIL	NIL	55.19
Leasing/HP arrangements provided	NIL	NIL	NIL	NIL	NIL	NIL
Leasing/HP arrangements availed	NIL	NIL	NIL	NIL	NIL	NIL
Purchase of Fixed Assets	NIL	NIL	NIL	NIL	NIL	NIL
Sale of Fixed Assets	NIL	NIL	NIL	NIL	NIL	NIL
Interest Paid	0.41	NIL	NIL	NIL	NIL	0.41
Interest Received	NIL	NIL	NIL	NIL	NIL	NIL
Rendering of Services	NIL	NIL	NIL	1.30	NIL	1.30
Receiving of Services	NIL	NIL	NIL	NIL	NIL	NIL
Management Contracts	NIL	NIL	NIL	NIL	NIL	NIL

The Bank's related party balances and transactions for the year ended March 31, 2025 are summarised as follows;

(₹ in Crore)

Items/ Related Party	Parent (as per ownership or control)	Subsidiaries	Associates / Joint Ventures	Key Management Personnel	Relatives of key Management Personnel	Total
Borrowings	34.19	NIL	NIL	NIL	NIL	34.19
Deposits o/s						
Vostro	10.50	NIL	1.81	NIL	NIL	12.31
Nostro	0.11	2.70	NIL	NIL	NIL	2.81
Max outstanding during the year						
Vostro	16.01	NIL	5.70	NIL	NIL	21.71
Nostro	0.24	3.97	NIL	NIL	NIL	4.21
Placement of Deposits	NIL	NIL	NIL	NIL	NIL	NIL
Advances	12.09	NIL	NIL	NIL	NIL	12.09
Investments	NIL	NIL	NIL	NIL	NIL	NIL
Non-Funded Commitments	53.03	NIL	NIL	NIL	NIL	53.03
Leasing/HP arrangements provided	NIL	NIL	NIL	NIL	NIL	NIL
Leasing/HP arrangements availed	NIL	NIL	NIL	NIL	NIL	NIL
Purchase of Fixed Assets	NIL	NIL	NIL	NIL	NIL	NIL
Sale of Fixed Assets	NIL	NIL	NIL	NIL	NIL	NIL
Interest Paid	0.08	NIL	NIL	NIL	NIL	0.08
Interest Received	NIL	NIL	NIL	NIL	NIL	NIL
Rendering of Services	NIL	NIL	NIL	0.91	NIL	0.91
Receiving of Services	NIL	NIL	NIL	NIL	NIL	NIL
Management Contracts	NIL	NIL	NIL	NIL	NIL	NIL

BANK OF CEYLON

CHENNAI BRANCH

3.8 Accounting Standard – 19 "Leases"

Premises taken on operating lease are given below: Operating leases primarily comprise office premises which are renewable at the option of the Bank. The lease is valid for three years and do not involve any escalation of monthly rental during the period. Amount of lease payments recognized in the P&L Account for operating leases is 0.94Crs (PY 0.86 Crs)

3.9 Accounting Standard 22 – Accounting for Taxes on Income

The bank has accounted for Income Tax in compliance with AS 22. Accordingly, Deferred Tax Assets & Liabilities are recognized. The major components of DTA / DTL are furnished as under:

(₹ in Crore)

	Deferred Tax Assets		Deferred Tax Liabilities	
Deferred Tax Components	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Depreciation on fixed assets	(0.04)	(0.01)	NIL	NIL
Employee Benefits	0.42	0.44	NIL	NIL
Others	10.00	15.32	NIL	NIL
CLOSING BALANCE	**10.38**	**15.75**	**NIL**	**NIL**
Net DTA	**10.38**	**15.75**	**NIL**	**NIL**

3.10 Intangible Assets AS 26:

The Bank has followed AS 26 – Intangible asset issued by ICAI and the guidelines issued by the RBI in this regard.

3.11. Accounting Standard 28 – Impairment of Assets:

A substantial portion of the bank's assets comprises financial assets to which Accounting Standard 28 is not applicable. In the opinion of the bank management, there is no impairment of other assets as at 31st March 2026 requiring recognition in terms of the said standard.

3.12 Details of movement in provisions in accordance with Accounting Standard 29:

(₹ in Crores)

Particulars	**Opening as on 01.04.2025**	**Provision made during the year**	**Provisions reversed/ adjusted**	**Closing as on 31.03.2026**
Prov. for Standard Assets including Provision for Foreign Currency Unhedged	2.34	0.32	0.00	2.66
Prov. for Bad and Doubtful debts	24.23	0.00	13.80	10.43
Prov. for Income Tax (incl DTA)	11.31	12.01	10.92	12.46
Prov. for depreciation in market value of Investments	0.00	0.0	0.00	0.00
Prov. for Country Risk	0.76	0.0	0.00	0.76
Counter cyclical buffer	10.75	2.31	0.00	13.06
Prov. for Restructured Advances & FITL	2.77	0.00	0.11	2.66

Liability on account of outstanding forward exchange contracts

The Bank enters into foreign exchange contracts in its normal course of business to exchange currencies at a pre-fixed price at a future date. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. The notional amounts are recorded as Contingent Liabilities. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the interbank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.

Guarantees given on behalf of constituents, acceptances, endorsements and other obligations

As a part of its commercial Banking activities, the Bank issues documentary credits and guarantees on behalf of its customers. Documentary credits enhance the credit standing of the customers of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payment in the event of the customer failing to fulfil its financial or performance obligations.

3.13 There are no pending litigation against the Bank as on 31/03/2026

4. Additional Disclosures

4.1 Provisions and Contingencies:

Break up of 'Provisions & Contingencies' shown under the head Expenditure in Profit & Loss Account

(₹ in Crores)

Particulars	**2025-26**	**2024-25**
Provision towards Standard Asset	0.32	0.00
Provision towards NPA	(13.05)	(7.53)
Provision for MAT Credit	0.00	0.00
Provision for depreciation in market value of Investments	0.00	0.00
Provision for Restructured Advances (Economic sacrifice) & FITL	0.00	0.00
Provision for Foreign Currency Unhedged	0.00	0.00
Floating Provision on advances	2.31	2.22
Provision for Other Assets	0.00	0.00
Sub Total	**(10.42)**	**(5.31)**
Provision for Income Tax (Incl of deferred tax)	12.01	12.87
Total	**1.59**	**7.56**

BANK OF CEYLON

CHENNAI BRANCH

4.2 Movement of Counter Cyclical Provisioning Buffer

(₹ in Crores)

Particulars		2025-26	2024-25
(a)	Opening balance in the account	10.75	8.53
(b)	Provision made in the accounting year	2.31	2.22
(c)	Amount of drawdown made during the accounting year	0.00	0.00
(d)	Closing balance in the account	13.06	10.75

4.3 Draw Down from Reserves

The bank has utilized floating provision reserve to the extent of INR - NIL (PY -NIL Crs) during the year under review for Impaired assets

4.4. Disclosure of complaints (As compiled by Management)

Customer Complaints:		
(a)	No. of complaints pending at the beginning of the year	NIL
(b)	No. of complaints received during the year	NIL
(c)	No. of complaints redressed during the year	NIL
(d)	No. of complaints pending at the end of the year	NIL
ATM complaints through Dispute Management Systems (DMS)- NPCI:		
(a)	No. of complaints pending at the beginning of the year	NIL
(b)	No. of complaints received during the year	NIL
(c)	No. of complaints redressed during the year	NIL
(d)	No. of complaints pending at the end of the year	NIL

A. Awards passed by the Banking Ombudsman.

(a)	No. of unimplemented Awards at the beginning of the year	NIL
(b)	No. of Awards Passed by the Banking Ombudsmen during the year	NIL
(c)	No. of Awards implemented during the year	NIL
(d)	No. of unimplemented Awards at the end of the year	NIL

4.5 Disclosure of Letters of Comfort (LOCs) issued by Banks

(₹ in Crores)

Particulars	Amount
Letters of comfort issued in earlier years and outstanding as on 01-04-2025	NIL
Add; Letters of Comfort issued during FY 2025-26	NIL
Less: Letters of Comfort expired during FY 2025-26	NIL
Letters of Comfort Outstanding as on 31-03-2026	NIL

4.6 Provisioning Coverage ratio

The provision coverage ratio of the Bank as on 31.03.2026 is **100%**

4.7 Bancassurance Business:

Fees, remuneration received from Banc assurance business: **NIL**

4.8 Concentration of Deposits, Advances, Exposures and NPAs

4.8.1 Concentration of Deposits

(₹ in Crores)

Total Deposits of twenty largest depositors	214.43
Percentage of Deposits of twenty largest depositors to Total Deposits of the bank	65.97

4.8.2 Concentration of Advances

(₹ in Crores)

Total Advances to twenty largest borrowers	407.22
Percentage of Advances to twenty largest borrowers to Total Advances of the bank (%)	85.40%

4.8.3 Concentration of Exposures

(₹ in Crores)

Total Exposure to twenty largest borrowers/customers	447.66
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the bank on borrowers/ customers (%)	82.52%

4.8.4 Concentration of NPAs

(₹ in Crores)

Total Exposure to top four NPA accounts	13.09

BANK OF CEYLON

CHENNAI BRANCH

4.9 Sector-wise Advances

(₹ in Crores)

Sl. No	Sector	2025-26			2024-25		
		O/s Total Advances	Gross NPA	% of Gross NPAs to Total Advances in that Sector	O/s Total Advances	Gross NPA	% of Gross NPAs to Total Advances in that Sector
(A)	**Priority Sector**						
1.	**Agriculture and allied activities**	NIL	NIL	NIL	NIL	NIL	NIL
2.	**Industries**	209.57	NIL	NIL	278.99	NIL	NIL
3.	**Services**	112.64	NIL	NIL	34.42	24.54	71.29
4.	**Personal & other Loans**	0.39	NIL	NIL	1.25	NIL	NIL
	Sub Total (A)	**322.60**	**NIL**	**NIL**	**314.66**	**24.54**	**71.29**
(B)	**Non-Priority Sector**						
1.	**Agriculture and allied activities**	NIL	NIL	NIL	NIL	NIL	NIL
2.	**Industries**	NIL	NIL	NIL	12.49	NIL	NIL
3.	**Services**	11.09	2.0	18.03	11.27	NIL	NIL
4.	**Personal Loans**	5.94	NIL	NIL	9.79	NIL	NIL
5.	**Others**	137.23	11.09	8.08	122.41	11.16	9.12
	Sub Total (B)	**154.26**	**13.09**	**8.49**	**155.96**	**11.16**	**7.16**
	Total (A+B)	**476.86**	**13.09**	**2.75**	**470.62**	**35.70**	**7.59**

4.10 Movement of NPAs

(₹ in Crores)

Particulars	2025-26	2024-25
Gross NPAs as on 1st April 2025 (Opening Balance)	35.70	48.02
Additions (Fresh NPAs) during the year	0.00	0.00
Sub-total (A)	**35.70**	**48.02**
Less:-		
(i) Upgradations	NIL	NIL
(ii) Recoveries (excluding recoveries made from upgraded accounts)	21.77	11.49
(iii) Technical / Prudential write offs	0.00	0.00
(iv) Write-offs other than those under (iii) above	0.84	0.83
Sub-total (B)	**22.61**	**12.32**
Gross NPAs as on 31st March 2026 (closing balance) (A-B)	**13.09**	**35.70**

4.10.1 Details of Technical write-offs and recoveries made:

(₹ in Crores)

Particulars	2025-26	2024-25
Opening balance of Technical / Prudential written off accounts as at 1st April 2025	3.45	2.62
Add: Technical / Prudential write offs during the year	0.84	0.83
Sub Total (A)	**4.29**	**3.45**
Less: Recoveries/ Reduction made from previously technical / prudential written-off accounts during the year (B)	0.01	0.00
Closing balance as on 31st March 2026 (A-B)	**4.28**	**3.45**

4.11 Disclosures on Flexible Structuring of Existing Loans

Period	No. of borrowers taken up for flexibly structuring	Amount of loans taken up for flexible structuring		Exposure weighted average duration of loans taken up for flexible structuring	
		Classified as Standard	Classified as NPA	Before applying flexible structuring	After applying flexible structuring
2025-26	NIL				
2024-25					

BANK OF CEYLON

CHENNAI BRANCH

4.12 Disclosures on Strategic Debt Restructuring Scheme (accounts which are currently under the stand-still period):

No. of accounts where SDR has been invoked	Amount outstanding as on the reporting date 31.03.2026		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA	Classified as standard	Classified as NPA
NIL						

Details of Loans not in defaults/Stressed Loan transfer/acquired as per RBI circular. DOR.STR.REC.51/21.04.048/2021-22 dated 24th September 2021- NIL

The bank neither transferred any stressed (SMA) Loans and Loans not in default nor has acquired any stressed loan/loan classified as NPA acquired during the quarter and year ended 31st March 2026.

4.13 Disclosures on Change in Ownership outside SDR Scheme (accounts which are currently under the stand-still period):

(₹ in crores)

No. of accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting date 31.3.2026		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity/invocation of pledge of equity shares is pending		Amount outstanding as on the reporting date with respect to accounts where conversion of debt to equity/invocation of pledge of equity shares has taken place		Amount outstanding as on the reporting date with respect to accounts where change in ownership is envisaged by issuance of fresh shares or sale of promoters equity	
	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
Nil								

4.14 Disclosures on Change in Ownership of Projects Under Implementation (accounts which are currently under the stand-still period):

No. of project loan accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting date		
	Classified as standard	Classified as standard restructured	Classified as NPA
NIL			

4.15 Disclosures on the scheme for Sustainable Structuring of Stressed assets (S4A), as on 31.3.2026.

No of accounts where S4A has been applied	Aggregate amount outstanding	Amount outstanding		Provision Held
		Part A	Part B	
Classified as Standard	NIL			
Classified as NPA	NIL			

4.16 Disclosure in the "Notes to Accounts" to the Financial Statements- Divergence in the asset classification and provisioning

There was no provisioning requirement due to divergence observed by RBI for the financial year 2024-25 in respect of bank's asset classification and provisioning under extant prudential norms on income recognition, asset classification and provisioning (IRACP). Hence, no disclosure is required to be made under DBR.BP.BC.No.63/21.04.018/2016-17 dated April 18, 2017.

4.17 Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Spread Over of Shortfall on Sale of NPAs to SCs/RCs – NIL

4.18 Overseas Assets, NPAs and Revenue

Particulars	(₹ in Crore)
Total Assets	NIL
Total NPAs	NIL
Total Revenue	NIL

4.19 Off-balance Sheet SPVs sponsored

Name of the SPV sponsored	
Domestic	Overseas
NIL	NIL

BANK OF CEYLON

CHENNAI BRANCH

4.20 Disclosure on Remuneration:

Qualitative disclosures:

(a)	Information relating to the composition and mandate of the Remuneration Committee.	The committee is set up at Head office level and no such committee in India
(b)	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.	Key Features: Compensation packages are approved by Head office based on the performance, responsibility and accountability of key personnel
(c)	Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks	
(d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with level of remuneration	
(e)	A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting	Performance allowance based on level achievement of approved targets fixed by Head Office
(f)	Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the bank utilizes and the rationale for using these different forms.	Performance incentive and ex gratia

4.21 Quantitative disclosures:

	Particulars	2025-26	2024-25
(g)	Number of meeting held by the remuneration committee during the financial year and remuneration paid its members	1	1
(h)	(i) Number of employees having received a variable remuneration award during the financial year.	1	1
	(ii) Number and total amount sign-on awards made during the financial year.	Nil	Nil
	(iii) a. Details of guaranteed bonus, if any, paid as joining / Sign on bonus.	Nil	Nil
	b. Details of performance Bonus / Allowance (in crs)	0.05	Nil
	(iv) Details of severance pay, in addition to accrued benefits, if any.	Nil	Nil
(i)	(i) Total amount of outstanding deferred remuneration, split into cash, shares and shares–linked instruments and other forms.	Nil	Nil
	(ii) Total amount of deferred remuneration paid out in the financial year.	Nil	Nil
(j)	Breakdown of amount remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	1.25	0.91
(k)	(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments.	NIL	NIL
	(ii) Total amount of reductions during the financial year due to ex-post explicit adjustments.	NIL	NIL
	(iii) Total amount of reductions during the financial year due to ex-post implicit adjustments.	NIL	NIL

4.22 Disclosures relating to securitization: NA

4.23 Credit Default Swaps: NIL

4.24 Intra – Group Exposure:

(₹ in Crores)

Particulars		FY 2025-26
(a)	Total amount of intra-group exposures	NIL
(b)	Total amount of top-20 intra-group exposures	NIL
(c)	Percentage of intra-group exposures to total exposure of the bank on borrowers / customers	NIL
(d)	Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	NIL

4.25 Transfers to Depositors Education and Awareness Fund (DEAF):

(₹ in Crores)

Particulars	FY 2025-26	FY 2024-25
Opening balance of amounts transferred to DEAF	1.20	1.20
Add: Amounts Transferred to DEAF during the year	0.02	0.03
Less: Amounts reimbursed by DEAF towards claims	0.02	0.03
Closing balance of amounts transferred to DEAF	1.20	1.20

The amount outstanding in DEAF has been considered in Contingent Liability in Schedule 12

4.26 Unhedged foreign Currency Exposure:

The bank has estimated and provided towards the liability for Unhedged Foreign Currency Exposure (UFCE) of their constituents in terms of RBI notification and the total provision held as of 31st March 2026 is 1.00 Crs. (PY 0.75 Crs) furnished:

BANK OF CEYLON

CHENNAI BRANCH

4.27 Details of Frauds occurred and Provision made during the year.

As per RBI notification details are furnished:

(a)	Number of Fraud cases reported during the year	NIL
(b)	Amount involved (₹ in Crore)	NIL
(c)	Quantum of Provision made	NIL
(d)	Quantum of unamortized Provision debited from 'Other Reserves' (₹ in Crore)	NIL

4.28 DICGC Premium paid:

The bank has paid DICGC premium as per regulatory norms during the FY 2025-26.

5.1 Liquidity Coverage Ratio: as on 31/03/2026

(₹ in Lakhs)

		2025-26		2024-25	
		Total weighted Value (Average)	**Total Unweighted Value (Average)**	**Total Weighted Value (Average)**	**Total Unweighted Value (Average)**
High Quality Liquid Assets (In Lakhs)					
1.	**Total High Quality Liquid Assets (HQLA)**	7,462.51	7,462.51	4,712.61	4,712.61
Cash Outflows					
2	**Retail deposits and deposits from small business customers, of which**	**2,363.17**	**23,667.88**	**1,828.20**	**18,320.45**
(i)	Stable Deposits	3.62	72.43	3.84	76.89
(ii)	Less stable Deposits	2,359.55	23,595.45	1,824.36	18,243.56
3	**Unsecured wholesale funding, of which:**	**2,696.73**	**8,835.04**	**5,110.71**	**8,393.49**
(i)	Demand and term deposits (less than 30 days maturity) provided by small business customers	682.04	6,820.35	3,891.21	3,891.21
(ii)	Operational deposits (all counterparties)	Nil	Nil	Nil	Nil
(iii)	Non-operational deposits (all counterparties)	Nil	Nil	364.75	3,647.53
(iv)	Funding from other legal entity customers	2,014.69	2,014.69	854.75	854.75
5.	**Additional requirements, of which**	**942.02**	**12,308.02**	**1,084.53**	**13,364.66**
(i)	Outflows related to derivative exposures and other collateral requirements	NIL	NIL	NIL	NIL
(ii)	Outflows related to loss of funding on debt products	NIL	NIL	NIL	NIL
(iii)	Credit and Liquidity facilities	237.13	4,742.69	492.01	6,149.45
(iv)	Other contractual funding obligations	343.81	343.81	592.52	7,215.21
6	Other contingent funding obligations	361.08	7,221.52	NIL	NIL
7	**Total Cash Outflows**	**6,001.91**	**44,810.94**	**8,023.44**	**40,078.60**
Cash Inflows					
8	Secured lending (e.g. reverse repos)	NIL	NIL	NIL	NIL
9	Inflows from fully performing exposures	2,355.34	3,979.99	7,833.29	14,960.70
10	Other cash inflows	600.00	1,200.00	21.10	42.20
11	**Total Cash Inflows**	**2,955.34**	**5,179.99**	**7,854.39**	**15,002.90**
12	**TOTAL HQLA**	**7,462.51**	**7,462.51**	**4,712.61**	**4,712.61**
13	**Total Net Cash Outflows**	**3,046.57**	**39,630.95**	**169.05**	**25,075.70**
14	**25% of Total Cash Outflow**	**1,500.48**	**11,202.74**	**2,005.86**	**10,019.65**
15	**Liquidity Coverage Ratio (%)**	**244.95**		**234.94**	

5.2 Qualitative disclosure around LCR

Based on RBI guidelines, the Bank has been computing the Liquidity Coverage Ratio with effect from 01st January, 2015. As per these guidelines, the Bank has high quality liquid assets (HQLA) in Level 1 and Level 2A/2B. As on 31.03.2026, the Bank has INR 74.62 Cr of HQLAs, consisting fully of Level – 1 type of assets in the form of surplus SLR investments / Excess CRR and Cash in Hand.

Average LCR for the year 2025-26 is 298.27%

BANK OF CEYLON

CHENNAI BRANCH

5.3 Net Stable Funding for the year 2025-26

No.	Item	Unweighted Values (i.e. before applying relevant factors)	
		No specified maturity	Total weighted value
	Available Stable Funding (ASF): INR Crores		
1	**Capital:**	214.27	214.27
2	***Regulatory Capital***	*214.27*	*214.27*
3	***Other Capital Instruments***	*16.83*	*16.83*
4	**Retail deposits and deposits from small business customers:**		
5	***Stable deposits***	*0.30*	*0.28*
6	***Less stable deposits***	*100.49*	*90.44*
7	**Wholesale funding:**		
8	***Operational deposits***	*0.00*	*0.00*
9	***Other wholesale funding***	*11.04*	*0.00*
10	**Other liabilities:**	*221.16*	*221.16*
11	***NSFR derivative liabilities***	*0.00*	*0.00*
12	***All other liabilities not included in the above categories***		
13	**Total ASF**	*564.09*	*542.98*
	Required Stable Funding (RSF):		
14	**Total NSFR high-quality liquid assets (HQLA)**	*110.36*	*3.84*
15	**Deposits held at other financial institutions for operational purposes**	*19.31*	*9.65*
16	**Performing loans and securities:**		
17	***Performing loans to financial institutions secured by Level 1 HQLA***		
18	***Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions***		
19	***Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:***	*354.27*	*177.13*
20	***With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines***	*111.34*	*94.64*
21	***Performing residential mortgages, of which:***		
22	***With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines***		
23	***Securities that are not in default and do not qualify as HQLA, including exchange-traded equities***		
24	**Other assets:**		
25	***Physical traded commodities, including gold***		
26	***Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs***		
27	***NSFR derivative assets***	*8.48*	*8.48*
28	***NSFR derivative liabilities before deduction of variation margin posted***		
29	***All other assets not included in the above categories***	*24.33*	*24.33*
30	**OBS items**	*115.53*	*4.42*
31	**Total RSF**	*743.62*	*322.49*
32	**NSFR (%)**		*168.37*

5.4 Exposure to ILFS

The bank is not having any exposure towards Infrastructure Leasing Finance Company.

5.5 Implementation of Resolution Plan

As per RBI directive revised framework for resolution of stressed assets vide the RBI circular DBR.NO.BP.BC.101/21.4.048/2017-2018 dated February 12, 2018, bank does not have any borrower who has aggregate exposure of Rs 20 billion and is classified as NIL

BANK OF CEYLON

CHENNAI BRANCH

5.6 Impact of COIVD-19

a) The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India which has resulted in a significant volatility in global and Indian financial markets and a significant decline in global and domestic economic activities. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The Government of India had announced a series of lockdown measures from 24th March 2020 onwards which have been extended from time to time up to 31st July 2020. Govt of India has directed a calibrated and gradual withdrawal of lockdown and partial resumption of economic activity in spite of some of the major economic centres still continuing under strict lockdown. The revival of economic activities largely depends upon the intensity and spread of the disease, Govt stimulus packages and regulatory relief measures. The Bank has satisfactory capital and adequate liquidity to support its business growth which has already been moderated having regard to effects of COVID-19.

The extent to which the COVID-19 pandemic will impact the Bank's result will depend on future development which are highly uncertain including among other things any new information concerning the severity of the COVID-19 pandemic and action to contain its spread or mitigate impact including stimulus and regulatory packages.

b) In accordance with the 'COVID-19 Regulatory packages - Asset Classification and Provisioning.' announced by the RBI on 27th March 2020, 17th April 2020 and May 23 2020, with regard to providing relief to borrowers on account of COVID-19 pandemic whose accounts were standard as on 29th February 2020, the Bank, in accordance with the Board approved policy had offered moratorium on repayment of loan instalments and/or deferment of interest due between 1st March 2020 to 31st August 2020 including relaxation in certain parameters, to all the eligible borrowers, without considering the same as restructuring.

In accordance with the RBI guidelines, the Bank is required to make provision @ 10% of outstanding advances over two quarters beginning with quarter ended 31st March 2020 in respect of such borrower accounts where asset classification benefit has been taken as per the RBI guidelines, However offering of moratorium on repayment of loan instalments and/or deferment of interest due between 1st March 2020 to 31st August 2020 to borrowers had not resulted in any change in asset classification. Hence Nil provision will be required as per RBI Circular on COVID-19 Regulatory packages – Asset Classification and Provisioning.

5.7 On August 6th, 2020, the RBI issued guidelines on 'Resolution Framework for Covid-19 related Stress' which enable lenders to implement a resolution plan in respect of eligible corporate exposures without change in ownership, and personal loans, while permitting classifying such exposures as Standard, subject to specified conditions. Details of resolution plan implemented under the Resolution Framework for COVID-19 related stress as per RBI circular dated August 6th, 2020 are given below.

Type of Borrower	(A) Number of borrowers where resolution plan has been implemented under this window	(B) Exposure to borrowers mentioned at (A) before implementation of the plan (Rs in crores)	(C) of (B), aggregate amount of debt that was converted into other securities (Rs in crores)	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation (Rs in crores)	(E) Increase in provisions on account of the implementation of the Resolution (Rs in crores)
Personal loans	NIL	NIL	NIL	NIL	NIL
Corporate persons	NIL	NIL	NIL	NIL	NIL
Of which MSMEs	NIL	NIL	NIL	NIL	NIL
Others	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL

5.8 The Bank has been registered under the Companies Act and the Bank had INR 0.39 Cr for CSR activity in the year 2025-26. The bank had transferred INR 0.30 cr to PM Care Fund pertaining to 2024-2025 during the year 2025-2026. There is no carry forward amount.

5.9 Implementation of IFRS converged Indian Accounting Standards (Ind AS)

With regard to Ind AS Implementation the bank is coordinating with Head Office and our Head Office have already implemented IFRS standard.

5.10 Portfolio-level information on the use of funds raised from green Deposits - NIL

6. Previous year's figures have been regrouped / reclassified wherever considered necessary to conform to the current year's classification.

For **P. S. Subramania Iyer & Co.,**
Chartered Accountants
FRN No. 004104S

Sd/-
Jeyaranee Gnanasambanthan
Country Manager

Sd/-
S. Ramakumar
Partner
Membership No. 020405

Place : Chennai
Date : 18.06.2026

BANK OF CEYLON

CHENNAI BRANCH

DISCLOSURE UNDER THE NEW CAPITAL ADEQUACY FRAMEWORK (Basel III GUIDELINES) – Pillar 3 Disclosures BASEL –March 2026

Scope of Application

Disclosures in this report pertaining to Bank of Ceylon, Chennai Branch. The Capital to Risk-Weighted Assets Ratio (CRAR) of the branch is as under:

	Basel III
CRAR %	31.65
CRAR- Tier 1 Capital %	30.40
CRAR- Tier II Capital %	1.25

Table-DF 1

1.1 Qualitative Disclosures:

Bank of Ceylon, Chennai is a branch of Sri Lankan State owned Bank of Ceylon, Colombo, Sri Lanka and operated in India as a Branch Module.

1.2 Quantitative Disclosures:

The Bank's shares are entirely owned by the Government of Sri Lanka. The Chennai Branch has no associates or subsidiaries in India.

List of group entities considered for consolidation - **NA**

The aggregate amount of capital deficiencies in subsidiaries- **NA**

The aggregate amount of the bank's total interest in insurance entities - **NA**

Restriction or impediments on transfer of funds or regulatory capital within the banking group - **NA**

Table DF-2

2.1 Qualitative Disclosures:

Interest free funds from Head Office are kept in a separate account in books, specifically for the purpose of meeting the Capital Adequacy norms, form the core of the Tier I Capital. Statutory Reserve built up over a period of years in the books of the branch, supplements the funds from Head Office. The branch has capitalized its retained profit to the extent of ₹ 59.77 (Crs) which has been treated as Tier I capital.

2.2 Quantitative Disclosures:

The Tier I capital of the Branch comprises of:

Particulars	₹ in Crs
Interest Free Funds from Head Office-Capital	119.37
Retained profit capitalization	49.06
Statutory Reserve	59.77
Total	**228.20**
Amount deducted from Tier I capital	10.37
Total Tier I Capital	**217.83**

The Tier II capital of the Branch comprises of:

Particulars	₹ in Crs
General Provison for Standard Assets	2.66
General Reserve for Floating Provison	13.06
Investment Fluctuation Reseve	1.10
Total	**16.82**

The total eligible capital comprises:

Particulars	₹ in Crs
Tier-I Capital	217.83
Tier-II Capital	8.96
Total Capital	**226.79**

Table DF-3

3. Capital Adequacy

3.1 Qualitative Disclosures:

The Branch maintains funds from Head Office and Statutory Reserves as per Indian Regulations as a cushion towards the risk of loss in value of exposure and businesses etc., to protect the interest of the stake holders, more particularly, the depositors.

The Branch assesses periodically capital requirements and suitably designs its policy, strategy, business level and composition of business. Towards this, bank has evolved an Internal Capital Adequacy Assessment Process (ICAAP) framework and the same has been approved by Head office.

In line with RBI guidelines, the bank has adopted following approaches for implementation of New Capital Adequacy Framework- Basel III

— Standardised Approach for Credit Risk

— Basic indicator Approach for Operational Risk

— Standardised Duration Approach for Market Risk

3.2 Quantitative Disclosures:

A summary of the bank's capital requirements for Credit, Market and Operational Risk and the capital adequacy ratio as on 31st March, 2026 is given as hereunder.

(₹ in Crs)

	RWA*	Min. Cap. Required
Capital requirements for Credit Risk	628.47	72.27
Capital Requirements for Market Risk	26.90	3.09
Capital Requirements for Operational Risk	61.19	7.04
Total	**716.56**	**82.40**
Tier I capital in (₹ in Crs)	217.83	
Tier II capital (₹ in Crs)	8.96	
Total ₹ Crs	**226.79**	
CRAR	**31.65**	

* RWA = Risk Weighted Assets

General Qualitative Disclosures:

The branch has a Risk Policy taking in to account the risk dimensions of the local economy and the bank's risk appetite.

The Branch has Management Committee, Asset & Liability Management Committee, Credit Committee, Risk Management Committee & other Committees headed by the Country Manager and others and the minutes of the meeting are tabled before the Local Advisory Board (LAB).

Credit Risk:

Credit Risk covers the inability of a borrower or counter party to honour commitments on due date in respect of the payment of interest and installments.

The branch is exposed to Credit Risk through lending and investment activities. The Branch has a Credit Policy which strives to cover credit risk measurement, monitoring and controlling mechanisms to the required extent, given its manpower and financial resources. Local Advisory Board advises for the functioning of the branch. The credit appraisals made during the year are placed before LAB for review. The credit policy is reviewed annually.

Credit Granting Process

The Policy of the bank covers

– Due Diligence criteria
– KYC norms
– Method of assessment of finance
– Minimum credit Standards
– Internal rating System

BANK OF CEYLON

CHENNAI BRANCH

Credit Monitoring System

Credit monitoring is an ongoing continuous process. The process includes

- Periodical review of borrowed accounts
- Periodical direct visits to the borrowed units
- Different hierarchical level of monitoring
- Loan Review Committee monitoring SMA accounting

Credit Rating Framework

The Branch applies an internal rating model which is fine tuned as and when required. Migration analysis of rating is placed before LAB at quarterly intervals.

Credit Concentration Risk

The Branch periodically reviews its loan portfolio so as to reduce concentration in any area. Credit Risk appetite is defined through annual budget process. The ICAAP of the bank for the year clearly spells out the credit concentration risk and the residual risk.

Risk Profiling

Bank profiles the risk by constantly reviewing

- Exposure to Single/Group borrowers
- Exposure to sensitive Sectors
- Exposure to Industries
- Exposure to unsecured advances and guarantees

Market risk

Market Risk management covers Treasury and ALM policy. There is a clear demarcation between front, mid and back offices. Various limits to Forex operations are prescribed. The branch does not deal in Equity market. The branch has set up a Mid Office to monitor the Var,Pv01 AGL, IGL and stop loss limit.

Operational Risk

Operational Risk is managed through internal control system, the process of Concurrent Audit, Credit Audit conducted by Head Office and Statutory Audit by an External Auditor. The bank has a separate Internal Control Department to monitor day to day transaction on regular basis.

Table DF-4

4.1 Qualitative Disclosures

Credit Risk

Over Due:- Any amount due to the bank under any credit facility is "Over Due" if it is not paid on the due date fixed by the branch.

Impaired assets are identified as per the prudential norms prescribed by the Regulator. The bank also generates report on daily basis to monitor special mention accounts and the report is submitted to the Country Manger for perusal.

4.2 Quantitative Disclosures

The total gross credit risk exposures are:

Particulars	₹ in Crs
Fund Based	524.29
Non Fund Based	18.17
Total	542.46
Gross NPA	13.09
Net NPA	**Nil**

The NPA ratios are:

Particulars	In %
Gross NPA to Gross advance	2.74%
Net NPA's to Net Advance	**Nil**

The Movement of Gross NPA is as under

(₹ in Crs)

Particulars	Amount
Opening Balance as at 01.04.2025	35.70
Additions	NIL
Reductions	22.61
Closing balance as at 31.03.2026	13.09

The Movement of Provision for Net NPA is as under

(₹ in Crs)

Particulars	Amount
Opening Balance as at 01.04.2025	8.70
Provision made during the year	0.00
Reductions	8.70
Closing Balance as at 31.03.2026	Nil

The amount of Non-Performing Investments is NIL

The movement of provision for depreciation on Investments as under:

(₹ in Crs)

Particulars	Amount
Opening Balance as on 01.04.2025	0.00
Add: Provision made during the year	0.00
Less: Write-off/Write back of excess provision during the year	0.00
Closing balance as on 31.03.2026	0.00

Industry Type Distribution of Credit

Industry Type Distribution of Credit	Gross Fund Based (₹ in Cr)	Gross Non-Fund Based (₹ in Cr)
Real Estate (incl. Hotels and Resorts)	34.12	0.00
Trading	102.54	2.25
Non-Banking Finance	0	0
Iron & Steel	80.50	2.22
Textiles	32.55	0
Leather & Leather Products	5.00	0.00
Gems & Jewellery	0	0
Others	269.58	13.70
Total	**524.59**	**18.17**

Table DF-5

5.1 Qualitative Disclosures:

Large Corporates are encouraged to seek ratings from approved external rating agencies. The Internal rating system supports the branch in identifying credit risk.

Table DF-6

Credit Risk Mitigation

6.1 Qualitative Disclosures:

The Branch seeks different collaterals and guarantee as risk mitigants.

Eligible collaterals include

- cash or cash equivalents (bank deposits)/NSCs/LIC Policy
- movable and immovable assets
- corporate guarantees, bank and personal guarantees
- ECGC guarantees wherever applicable

BANK OF CEYLON

CHENNAI BRANCH

Table DF-7

Securitisation:

At present the branch does not have any securitization exposure.

Table DF-8

Market risk in Trading Book

8.1 Qualitative Disclosures

Market Risk covers both "On" and "Off" Balance Sheet items when they are affected by movements in interest rates and equity markets, caused by exchange rates, commodity and asset prices.

The portfolios covered by the standardized approach for computation of market risk are as under:

(₹ in Crs)

Securities under Held-For-Trading	Nil
Securities held under Available-for-sale	53.24
Open Foreign exchange position Limit	18.00

The rest of the assets in investments held under Held-For-Maturity portfolio and advances are treated as banking book.

Market Risk Management Strategies and Processes

Bank has a Treasury policy covering Investments, Foreign Exchange Operations and Asset Liability Management. The policies ensure that operations in securities and foreign exchange are conducted in accordance with sound and acceptable business practices and are as per the extant regulatory guidelines. The policies are reviewed periodically to incorporate changes that come about in the business environment including the rules and regulations of the regulatory authorities.

Liquidity Risk

The Branch tracks the liquidity risk through maturity or cash flow mismatches captured under selected maturity dates termed as 'time buckets'. In addition the bank calculates LCR and NSFR for ensuring liquidity. The Bank has introduced ALM system and the system is capable of generating ALM report, LCR, NSFR and the same is monitored on a daily basis.

Interest Rate Risk

The branch applies Traditional Gap Analysis (TGA) and Duration Gap Analysis (DGA) to assess the impact on the Net Interest income and impact on bank equity.

Foreign Exchange Risk

The branch has various exposure limits which are being monitored on a daily basis. The branch has a cap on open position as well.

Equity Price Risk

As of now the bank has no equity holding. In the event the bank decides to deal in equity, limit will be fixed in Trading Book, Deal Size, Holding Period and Stop Loss.

Structure and Organization of Risk Management Function

The Branch has policies approved by the Board of Directors. The following bodies assist in ensuring the compliance of the policies

- Local Advisory Board
- Asset and Liability Management Committee
- Head Office Audit Committee
- Risk Management Committee

8.2 Quantitative Disclosures

Bank has adopted the Standardised Duration approach as prescribed by RBI for computation of capital charge for market risk. The capital requirements for market risk are as under:

Risk category	Capital charge (₹ Crs)
Interest Rate Risk	0.53
Equity Position Risk	0.00
Foreign Exchange Risk	1.62
Total capital charge	2.15

Table DF-9

Operational Risk

9.1 Qualitative Disclosures

Operational risk is the risk of losses resulting from inadequate or failed internal processes, people and systems or from external factors. Operational risk exists at all levels and at all business lines. A board approved Operational Risk Management Policy is being followed.

The Branch has put in place the following measures to control/mitigate operational risks.

- System of delegated authority covering all credit and expenditure
- Issuance of instructions and circulars
- Training programmes
- Introduced Job Cards

Bank has an Organizational structure suitable to its size which identifies, assesses, monitors and controls operational risks. The Concurrent audit & Head Office internal audit system supplements the oversight mechanism.

The Branch measures the operational risk under the Basic Indicator Approach.

9.2 Quantitative Disclosures:

As per RBI directives, the bank has adopted the Basic Indicator Approach and the capital charge under the same is INR 61.19 crores.

Table DF-10

Interest Rate Risk in Banking Book

10.1 Qualitative Disclosures

Interest Rate Risk is the risk where changes in market interest rates might affect adversely the financial condition of the branch resulting in the Net Interest Income being impacted along with the net worth. Bank holds assets, liabilities and off-balance Sheet items with different maturity dates and linked to different benchmark rates. This creates exposure to unexpected changes in level of interest rates.

Framework

Bank has an Asset–Liability Management Committee which is responsible for identifying liquidity and market risks. The top management periodically reviews the observations /recommendations of the ALCO desk. Interest rate sensitivity is also done. Being a small outfit with limited resources and with about 70 % of its deposits remaining core, the bank on day to day basis is aware of the market trends and responds suitably to changing situations. Thus the behavioral pattern of the depositors is factored during this direct monitoring. This is true when the working capital facilities extended by the bank are considered. The Branch carries out Duration Gap Analysis as well.

10.2 Quantitative Disclosures

The economic value, that is the impact on Capital Fund due to change in interest rate would be assessed through Modified Duration Gap method and the same is factored in ICAAP. The bank is in the process of fixing the limits for net duration gap of the assets and liabilities so as to monitor the same at regular intervals. As mentioned earlier, with the volume being low the bank carries on with the monitoring aspect using the "Hands On" approach.

BANK OF CEYLON

CHENNAI BRANCH

Table DF-11: Composition of Capital
Part II: Template to be used before March 31, 2026
(i.e. during the transition period of Basel III regulatory adjustments)

(₹ in Crs)

Basel III common disclosure template to be used during the transition of regulatory adjustments			Amounts Subject to Pre-Basel III Treatment
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share capital plus related stock surplus (share premium) (funds from Head office)	168.43	
2	Retained earnings (Not repatriable)	59.77	
3	Accumulated other comprehensive income (and other reserves)	_	
4	*Directly issued capital subject to phase out from CET1 (only applica-ble to non-joint stock companies)*	----	
5	Common share capital issued by subsidiaries and held by third par-ties (amount allowed in group CET1)	-----	
6	**Common Equity Tier 1 capital before regulatory adjustments**	228.20	
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudential valuation adjustments	---	
8	Goodwill (net of related tax liability)	---	
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	---	
10	Deferred tax assets	10.37	
11	Cash-flow hedge reserve	--	
12	Shortfall of provisions to expected losses	---	
13	Securitisation gain on sale	--	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	---	
15	Defined-benefit pension fund net assets		
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	--	
17	Reciprocal cross-holdings in common equity	---	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	---	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	---	
20	Mortgage servicing rights (amount above 10% threshold)	---	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		
22	Amount exceeding the 15% threshold	---	
23	of which: significant investments in the common stock of financial entities	---	
24	of which: mortgage servicing rights	---	
25	of which: deferred tax assets arising from temporary differences	10.37	
26	National specific regulatory adjustments (26a+26b+26c+26d)	---	
26a	*of which:* Investments in the equity capital of the unconsolidated insurance subsidiaries	---	
26b	*of which:* Investments in the equity capital of unconsolidated non-financial subsidiaries	---	

BANK OF CEYLON

CHENNAI BRANCH

(₹ in Crs)

Basel III common disclosure template to be used during the transition of regulatory adjustments			Amounts Subject to Pre-Basel III Treatment
26c	*of which:* Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	---	
26d	*of which:* Unamortised pension funds expenditures	---	
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	---	---
	of which: [INSERT TYPE OF ADJUSTMENT] For example: filtering out of unrealised losses on AFS debt securities (not relevant in Indian context)	-----	
	of which: [INSERT TYPE OF ADJUSTMENT]	----	
	of which: [INSERT TYPE OF ADJUSTMENT]		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		
28	**Total regulatory adjustments to Common equity Tier 1**	10.37	
29	**Common Equity Tier 1 capital (CET1)**	217.83	
	Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	------	
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	-------	
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	--------	
33	*Directly issued capital instruments subject to phase out from Additional Tier 1*	-------	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	--------	
35	*of which: instruments issued by subsidiaries subject to phase out*	-------	
36	**Additional Tier 1 capital before regulatory adjustments**	----	
	Additional Tier 1 capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments	---	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	----	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-----	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)[10]	------	
41	National specific regulatory adjustments (41a+41b)	------	
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-----	
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	-----	
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	----	
	of which: [INSERT TYPE OF ADJUSTMENT e.g. DTAs]	------	
	of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are *deducted* from Tier 1 at 50%]	---	
	of which: [INSERT TYPE OF ADJUSTMENT]	-----	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-----	
43	**Total regulatory adjustments to Additional Tier 1 capital**	----	
44	**Additional Tier 1 capital (AT1)**	-----	
44a	**Additional Tier 1 capital reckoned for capital adequacy**	-----	
45	**Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)**	217.83	

BANK OF CEYLON

CHENNAI BRANCH

(₹ in Crs)

Basel III common disclosure template to be used during the transition of regulatory adjustments			Amounts Subject to Pre-Basel III Treatment
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	----	
47	Directly issued capital instruments subject to phase out from Tier 2	----	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-----	
49	*of which: instruments issued by subsidiaries subject to phase out*	------	
50	Provisions	16.84	
51	**Tier 2 capital before regulatory adjustments**		
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments	------	
53	Reciprocal cross-holdings in Tier 2 instruments	------	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	------	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-----	
56	National specific regulatory adjustments (56a+56b)	-----	
56a	*of which:* Investments in the Tier 2 capital of unconsolidated subsidiaries	-----	
56b	*of which:* Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	------	
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	------	
	of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]	-----	
	of which: [INSERT TYPE OF ADJUSTMENT		
57	**Total regulatory adjustments to Tier 2 capital**		
58	**Tier 2 capital (T2)**	16.84	
58a	**Tier 2 capital reckoned for capital adequacy**	8.96	
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**	0.00	
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	8.96	
59	**Total capital (TC = T1 + T2) (45 + 58c)**	226.79	
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment		
	of which: [INSERT TYPE OF ADJUSTMENT]		
	of which: …		
60	**Total risk weighted assets (60a + 60b + 60c)**	716.56	
60a	*of which: total credit risk weighted assets*	628.47	
60b	*of which: total market risk weighted assets*	26.90	
60c	*of which: total operational risk weighted assets*	61.19	
	Capital ratios		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	30.40	
62	Tier 1 (as a percentage of risk weighted assets)	30.40	
63	Total capital (as a percentage of risk weighted assets)		
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)		
65	*of which: capital conservation buffer requirement*	------	
66	*of which: bank specific countercyclical buffer requirement*	-------	
67	*of which: G-SIB buffer requirement*	------	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	-----	

BANK OF CEYLON

CHENNAI BRANCH

(₹ in Crs)

Basel III common disclosure template to be used during the transition of regulatory adjustments			Amounts Subject to Pre-Basel III Treatment
	National minima (if different from Basel III)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%	
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%	
	Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital of other financial entities		
73	Significant investments in the common stock of financial entities		
74	Mortgage servicing rights (net of related tax liability)		
75	Deferred tax assets arising from temporary differences (net of related tax liability)		
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	--	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	---	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	----	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	----	
	Capital instruments subject to phase-out arrangements (only applicable between March 31, 2018 and March 31, 2026)		
80	*Current cap on CET1 instruments subject to phase out arrangements*	-----	
81	*Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)*	------	
82	*Current cap on AT1 instruments subject to phase out arrangements*	-----	
83	*Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)*	----	
84	*Current cap on T2 instruments subject to phase out arrangements*	---	
85	*Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)*	----	

Notes to the Template

Row No. of the template	Particular	₹ in Crs
10	Deferred tax assets associated with accumulated losses	
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	10.37
	Total as indicated in row 10	
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	---
	of which: Increase in Common Equity Tier 1 capital	----
	of which: Increase in Additional Tier 1 capital	----
	of which: Increase in Tier 2 capital	-----
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	-----
	(i) Increase in Common Equity Tier 1 capital	-----
	(ii) Increase in risk weighted assets	----
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	----
	of which: Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	-----
50	Eligible Provisions included in Tier 2 capital	10.37
	Eligible Revaluation Reserves included in Tier 2 capital	
	Total of row 50	
58a	Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)	4.14

BANK OF CEYLON

CHENNAI BRANCH

Table DF-12: Composition of Capital- Reconciliation Requirements

(₹ in Crs)

		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 31st March 2026	As on 31st March 2026
A	**Capital & Liabilities**		
i	Paid-up Capital	168.43	
	Reserves & Surplus	128.89	
	Minority Interest	0.00	
	Total Capital	297.32	
ii	Deposits	325.02	
	of which: Deposits from banks	20.14	
	of which: Customer deposits	304.88	
	of which: Other deposits (pl. specify)	0.00	
iii	Borrowings	0.00	
	of which: From RBI	0.00	
	of which: From banks	0.00	
	of which: From other institutions & agencies	0.00	
	of which: Others (pl. specify)	0.00	
	of which: Capital instruments	0.00	
iv	Other liabilities & provisions	24.59	
	Total	**646.93**	
B	**Assets**		
i	Cash and balances with Reserve Bank of India	10.56	
	Balance with banks and money at call and short notice	47.29	
ii	Investments:	103.30	
	of which: Government securities	103.30	
	of which: Other approved securities	0.00	
	of which: Shares	0.00	
	of which: Debentures & Bonds	0.00	
	of which: Subsidiaries / Joint Ventures / Associates	0.00	
	of which: Others (Commercial Papers, Mutual Funds etc.)	0.00	
iii	Loans and advances	463.76	
	of which: Loans and advances to banks	0.00	
	of which: Loans and advances to customers	463.76	
iv	Fixed assets	3.88	
v	Other assets	18.14	
	of which: Goodwill and intangible assets		
	of which: Deferred tax assets		
vi	Goodwill on consolidation		
vii	Debit balance in Profit & Loss account		
	Total Assets	**646.93**	