Bandhan Bank

A Decade of Trust.
A Future of Possibilities.

INTEGRATED ANNUAL REPORT

2025-26

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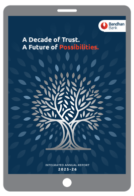

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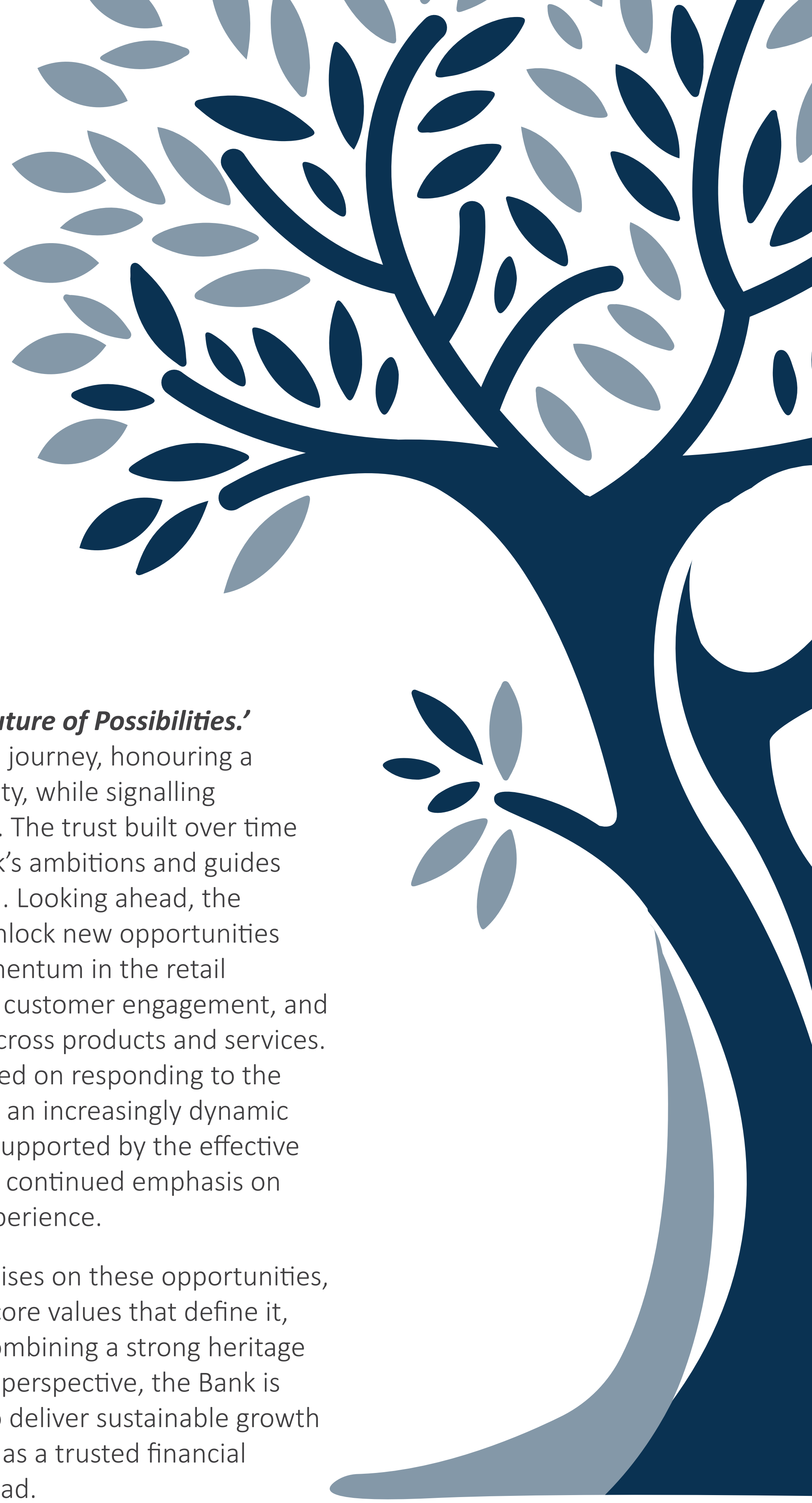
bandhan.bank.in

Years of Togetherness, Tenacity & Trust

A Decade of Trust. A Future of Possibilities.

Over the past decade, the Bank has pursued a clear and deliberate path, cultivating strong and enduring relationships built on trust, inclusion, and responsible banking. The progress made over these ten years reflects not only the financial achievements but also the depth and quality of the partnerships the Bank has nurtured with its customers, communities, and stakeholders.



'A Decade of Trust. A Future of Possibilities.'
This captures the Bank's journey, honouring a legacy shaped by integrity, while signalling readiness for the future. The trust built over time now underpins the Bank's ambitions and guides its next phase of growth. Looking ahead, the Bank is well placed to unlock new opportunities by building further momentum in the retail business, strengthening customer engagement, and embracing innovation across products and services. The Bank remains focused on responding to the evolving expectations in an increasingly dynamic financial environment, supported by the effective use of technology and a continued emphasis on enhancing customer experience.

Even as the Bank capitalises on these opportunities, its commitment to the core values that define it, remains steadfast. By combining a strong heritage with a forward-thinking perspective, the Bank is confident in its ability to deliver sustainable growth and to continue serving as a trusted financial partner in the years ahead.

About the Report

Bandhan Bank is pleased to present its Integrated Annual Report, marking an important milestone in its journey towards enhanced transparency and holistic reporting. Through this report, the Bank aims to offer stakeholders a comprehensive perspective of its performance during the financial year and its future outlook, encompassing both financial and non-financial aspects. The report highlights how the Bank's strategy, governance, and business model are aligned to deliver sustainable growth, while responding to a rapidly evolving operating environment.

As a responsible banking institution, the Bank recognises the importance of integrating Environmental, Social and Governance (ESG) considerations into decision-making processes. This report outlines the Bank's approach to embedding these principles across operations, portfolio and stakeholder engagement, reinforcing its commitment to responsible and inclusive growth.

The transition to integrated reporting reflects the Bank's broader ambition to strengthen accountability, enhance stakeholder trust, and align business practices with long-term value creation. As the Bank continues to evolve, this report serves as a foundation for informed engagement with stakeholders, while showcasing readiness to navigate the opportunities and challenges of the future.

Reporting Boundary

The financial and non-financial information in this standalone report provides a comprehensive view of the Bank's performance for the period 01 April 2025 to 31 March 2026. This report highlights the key activities that drive both short-term and long-term value creation for the Bank's stakeholders and also outlines its product portfolio, competitive positioning, strategic priorities, business model, and risk management framework.

The financial information disclosed in the report has not undergone any significant change in reporting boundary.

Reporting Principles and Framework

The financial information presented in this standalone report has been prepared in accordance with applicable regulatory and reporting requirements.

This Report has been developed based on the guiding principles such as strategic focus, future orientation, connectivity of information, stakeholder responsiveness, and consistency, ensuring transparency and effective communication of long-term value. Integrated Reporting has been adopted to present a comprehensive and cohesive view of the organisation's strategy, governance, performance, and prospects.

The report is aligned with the International Integrated Reporting Council (IIRC) framework, enabling a holistic approach to value creation. It also incorporates sustainability disclosures with reference to the Global Reporting Initiative (GRI) Standards (2021) and includes reporting in line with the Business Responsibility and Sustainability Reporting (BRSR) requirements prescribed by the Securities and Exchange Board of India (SEBI).

Forward-Looking Statement

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

Forward-looking statements are based on certain assumptions and expectations of the future events. The Bank cannot guarantee that these assumptions and expectations are accurate or will be realised. The Bank's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Bank assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Bank has sourced industry information from publicly available resources and has not verified such information independently.

Materiality and Scope

This report focuses on matters that are most material to the Bank's business and stakeholders. The materiality assessment follows a structured approach, combining stakeholder inputs with internal evaluation, to identify key issues that significantly influence the Bank's ability to create value over the short, medium and long term.

During the year, the Bank undertook an internal reassessment of previously identified material topics and refined them to align with the current operational context, including regulatory requirements, evolving industry trends, and risk landscape.

Assurance Statement

The Business Responsibility and Sustainability Report (BRSR) core indicators, disclosed as part of the BRSR, have been verified by CNK and Associates LLP based on 'Reasonable Assurance' criteria, in accordance with the International Standards on Assurance Engagements (ISAE) 3000 (Revised).

Annual financial statement of the Bank was audited by the Joint Statutory Auditors, V. Sankar Aiyar & Co., and V. Singhi & Associates, Chartered Accountant and the Independent Auditor's report issued by them form part of this Integrated Annual Report.

The Secretarial Auditor report forming part of the Board's Report has been issued by Makarand M. Joshi & Co., Company Secretaries, in terms of the provisions of the Companies Act, 2013.

Responsibility Statement

The contents of this report have been prepared by the management and duly reviewed and approved by the appropriate authority to ensure accuracy, completeness and relevance of the information presented in accordance with the principles and requirements of the Integrated Reporting <IR> Framework of the International Integrated Reporting Council (IIRC).

Feedback and Suggestions

The Bank welcomes and encourages feedback and suggestions to enhance its reporting practices. For any queries, clarifications or feedback, please reach out to:

Contact No: **+91-33-6609 0909**

Email: **investors@bandhanbank.com, communication@bandhanbank.com**

Message from Chairman

In India, structural growth drivers such as strong domestic demand with growing aspirations, robust institutional framework, rising formalisation, rapid digital adoption and financial inclusion continue to create significant opportunities for well-managed and customer-centric financial institutions.

Dear Shareholders,

It is both an honour and a privilege to join Bandhan Bank at this important stage of its journey. As the Bank embarks on its next phase of growth, it does so with a strong institutional foundation, a differentiated franchise, and a clear strategic direction that inspires confidence in its ability to create sustainable long-term value for all stakeholders.

Against the backdrop of an increasingly dynamic economic environment, the banking sector is undergoing a period of rapid transformation, driven by technological innovation, and evolving customer expectations. In India, structural growth drivers such as strong domestic demand with growing aspirations, robust institutional framework, rising formalisation, rapid digital adoption and financial inclusion continue to create significant opportunities for well-managed and customer-centric financial institutions. In this evolving landscape, banks that successfully balance prudence with innovation will be best positioned to achieve enduring success.

Bandhan Bank enters this phase with several distinct strengths. Its deep understanding of customers across semi-urban and rural markets, a growing and increasingly diversified portfolio, and a steadily strengthening liability franchise provide a solid platform for future growth. The Bank continued to invest in technology, data analytics and digital capabilities, while leveraging artificial intelligence (AI) and machine learning (ML) to enhance customer experiences, improve operational efficiency and enable scalable business growth.

As Chairman, my focus will be on supporting the Board and the management in guiding the Bank through its next phase of evolution, anchored in strong governance, prudent risk management, and a long-term strategic perspective. Key priorities will include strengthening balance sheet resilience, deepening the retail and secured lending franchise, enhancing steady growth of deposits, and accelerating digital transformation initiatives. Equally important will be building a strong risk and compliance culture and ensuring that growth remains responsible, disciplined, and sustainable.

Trust, governance, transparency, and accountability must remain at the core of every decision. Bandhan Bank's commitment to inclusive banking, one of the defining pillars of its identity, will continue to guide its efforts as it expands its reach and deepens its relevance across customer segments. Creating long-term shareholder value must go hand in hand with contributing meaningfully to the broader economic and social development of the communities we serve.

I look forward to working closely with the Board, and the leadership team, to build on the Bank's strong legacy while shaping its future trajectory. The opportunities ahead are significant, and realising them will require clarity of purpose, agility, and consistent execution. I am confident that Bandhan Bank possesses the capabilities, talent, and commitment needed to succeed.

"I look forward to working closely with the Board, and the leadership team, to build on the Bank's strong legacy while shaping its future trajectory. The opportunities ahead are significant, and realising them will require clarity of purpose, agility, and consistent execution. I am confident that Bandhan Bank possesses the capabilities, talent, and commitment needed to succeed.

I would also like to express my sincere appreciation to our customers, shareholders, regulators, employees, and all other stakeholders for their continued trust and support. Their confidence remains fundamental to the Bank's progress and future success.

With a clear vision, disciplined execution, and unwavering focus on customers, Bandhan Bank is well-positioned to navigate a rapidly changing landscape, capture emerging opportunities, and create enduring value in the years ahead.

Warm regards,

Debasish Panda

Non-Executive (Independent) Chairman (w.e.f. 05 July 2026)
Bandhan Bank

Message from Former Chairman

> While expanding the breadth of its offerings, the Bank has remained steadfast in its commitment to inclusion and empowering underserved communities. This decade of growth, guided by a clear purpose and strengthened by trust, positions the Bank to create greater value and unlock new possibilities in the years ahead.

Dear Shareholders,

The completion of ten years as a universal bank marks an important chapter in the evolution of Bandhan Bank. Milestones such as these are not merely markers of time, it reflects the enduring confidence of customers, shareholders, regulators, employees, and communities who have been a part of the Bank's journey and growth.

The theme of this year's Integrated Annual Report, 'A Decade of Trust. A Future of Possibilities' reflects not only the progress the Bank has made over the last ten years, but also the strong foundation that has been built for the future. Over the years, the Bank has evolved from an institution rooted in financial inclusion into a diversified universal bank, serving customers across segments from first-time borrowers and small businesses to retail, commercial, and affluent customers. While expanding the breadth of its offerings, the Bank has remained steadfast in its commitment to inclusion and empowering underserved communities. This decade of growth, guided by a clear purpose and strengthened by trust, positions the Bank to create greater value and unlock new possibilities in the years ahead.

The Indian economy remained resilient during FY26 despite global uncertainties, geopolitical developments and evolving financial market conditions. Supported by strong domestic demand, sustained infrastructure investments, increasing formalisation and rising digital adoption, India continued to demonstrate strong economic momentum. The banking sector played a vital role in supporting this growth through continued credit expansion and financial intermediation. At the same time, the sector witnessed tighter liquidity conditions, elevated competition for deposits and temporary stress in certain segments of unsecured and microfinance lending, reinforcing the importance of prudent risk management and sustainable growth strategies.

Against this backdrop, the Bank continued to demonstrate resilience and strategic progress. During the year, total deposits increased to ₹1.66 lakh crore, while gross advances stood at ₹1.54 lakh crore. The Bank continued to strengthen its retail liability franchise, with retail deposits accounting for nearly three-fourths of total deposits, while also improving portfolio diversification across secured retail, housing finance, MSME and commercial banking segments. These efforts remain aligned with the long-term objective of building a more balanced, diversified and future-ready institution.

FY26 was also a year of continued transformation under the Bandhan Bank 2.0 vision. Bandhan Bank remained focused on enhancing the quality and sustainability of growth through stronger underwriting standards, a continued focus on the highest standards of compliance and governance, technology-led operating efficiencies, and enhanced analytics-driven risk management capabilities. Amid evolving conditions within the microfinance sector, the Bank adopted a prudent and calibrated approach towards growth and provisioning, with a clear focus on strengthening long-term balance sheet stability.

The banking industry continues to undergo rapid transformation driven by digital adoption, changing customer expectations and increasing financial inclusion. In this evolving landscape, Bandhan Bank remains uniquely positioned through its deep understanding of semi-urban and rural markets, extensive distribution network and strong customer relationships built over decades. Bandhan Bank's growing retail franchise, diversified business mix and continued investments in technology and digital capabilities position it favourably to participate in India's long-term growth opportunity.

The Bank continues to strengthen its focus on sustainable and responsible banking as a core element of its long-term vision. During the year, it advanced financial inclusion by supporting initiatives that benefited over 36,900 women, strengthened community healthcare access through the deployment of 18 Advanced Life Support ambulances, and undertook large-scale plantation initiatives covering over 5,00,000 saplings across more than 400 acres. In parallel, the Bank further strengthened its governance standards and risk management frameworks in line with evolving ESG expectations, reflecting its broader commitment to building empowered communities and contributing to sustainable economic growth.

> **During the year, total deposits increased to ₹1.66 lakh crore, while gross advances stood at ₹1.54 lakh crore.**

As we look ahead, India's structural growth drivers remain firmly in place, creating significant opportunities for the banking sector. The Bank remains committed to leveraging these opportunities through responsible banking, customer-centric innovation and prudent execution. The focus will remain on strengthening portfolio quality, accelerating granular retail deposit growth, expanding secured lending businesses and enhancing operational efficiency and profitability while remaining anchored in the founding philosophy of inclusive growth.

On behalf of the Board, I extend my sincere gratitude to customers, shareholders, regulators and all stakeholders for their continued trust and confidence. I would also like to acknowledge the dedication and commitment of employees, whose efforts continue to drive the Bank's progress and transformation.

As Bandhan Bank enters the next decade of its journey, it does so with confidence, humility and optimism. Anchored in trust and driven by possibilities, the Bank remains committed to creating sustainable value for all stakeholders while contributing meaningfully to India's growth story.

As I conclude my tenure as Chairman, I extend my sincere gratitude to our customers, shareholders, regulators and all stakeholders for their trust, support and partnership throughout this journey. It has been a privilege to serve the Bank, and I remain confident in its ability to create enduring value in the years ahead.

Warm regards,

Dr. Anup Kumar Sinha

Former Non-Executive (Independent) Chairman (until 04 July 2026)
Bandhan Bank

Message from MD & CEO

Despite a markedly uncertain global economic and geopolitical scenario, India remains a bright spot and the fastest-growing major economy. India's real Gross Domestic Product (GDP) recorded a robust growth of 7.7% during FY26.

Dear Shareholders,

It gives me immense pleasure to present the Integrated Annual Report of the Bank for FY26, themed 'A Decade of Trust, A Future of Possibilities.' This theme reflects the remarkable journey the Bank has undertaken over the last ten years as a universal bank, a journey defined by trust, resilience, inclusion and continuous transformation. As the Bank enters its next phase of growth, it does so on the strength of a solid foundation and is well positioned to capitalise on the opportunities ahead.

Despite a markedly uncertain global economic and geopolitical scenario, India remains a bright spot and the fastest-growing major economy. India's real Gross Domestic Product (GDP) recorded a robust growth of 7.7% during FY26. The Consumer Price Inflation (CPI) stayed well below the Reserve Bank of India's (RBI) target of 4% during FY26, that allowed the central bank to reduce the repo rate cumulatively by 100 basis points during the year and to step up liquidity support to the banking system. Banking sector remained well capitalised with Capital to Risk-weighted Assets Ratio (CRAR) of Scheduled Commercial Banks (SCBs) staying at a healthy 17.7% in FY26, supporting an accelerated pace of credit offtake. Asset quality improved with gross non-performing asset (GNPA) ratio of SCBs coming down to 1.8% in FY26 as against 2.3% in FY25.

Against this backdrop, Bandhan Bank continued to demonstrate steady progress and disciplined execution during the year. The Bank remained focused on further strengthening its liability franchise and the quality of asset growth, improving portfolio quality and accelerating its transformation under the Bandhan Bank 2.0 roadmap. While the year presented sector-specific challenges, particularly within the microfinance ecosystem, it also reaffirmed the strength of the Bank as an institution, the depth of its customer relationships, and the enduring relevance of its inclusive banking model.

Business Performance: Steady Growth and Strong Resilience

During the year, the Bank continued to demonstrate resilience across core business parameters, underpinned by a disciplined and balanced approach to growth. Total deposits grew by around 10% Y-O-Y to ₹1.66 lakh crore, reflecting sustained customer confidence and further growth in the liability franchise. Gross advances stood at ₹1.54 lakh crore, supported by calibrated growth across diversified lending segments.

Retail deposits, a key strategic priority, grew 18% Y-O-Y and accounted for nearly 74% of total deposits at the end of the financial year, reinforcing the granularity and stability of the deposit base. Retail term deposits recorded an even stronger traction with 30% growth Y-O-Y underscoring customer confidence and deeper engagement with the franchise. CASA deposits stood at ₹48,752 crore, with CASA ratio at 29.3%, reflecting steady progress in enhancing the quality of funding.

Another key priority has been the further improvement of composition and sustainability of the balance sheet. The Bank continued to accelerate portfolio diversification with increasing contribution from secured portfolio including retail, housing finance, MSME and commercial banking segments, with the secured lending portfolio accounting for 56.2% of the overall loan book as on 31 March 2026, as against 50.5% a year ago. The non-EEB loan book registered a strong growth of 24.7% during FY26. This continued diversification has further strengthened the quality and resilience of the Bank's portfolio while reducing concentration risk and supporting sustainable long-term growth. As the operating environment during the year remained challenging for the microfinance industry, the Bank adopted a prudent and calibrated approach towards growth and provisioning, with a clear focus on safeguarding balance sheet strength.

The Bank witnessed a significant improvement in asset quality during the year, reflecting the impact of stronger underwriting standards, disciplined risk management and focused collection efforts. Gross Non-Performing Assets (GNPA) improved to 3.3% from 4.7% in the previous year, while Net Non-Performing Assets (NNPA) declined to 1.0% from 1.3%.

“Retail deposits, a key strategic priority, grew 18% Y-O-Y and accounted for nearly 74% of total deposits at the end of the financial year, reinforcing the granularity and stability of the deposit base.

Financial performance of the Bank reflected robust core business fundamentals and strong resilience. The Net Interest Income (NII) of ₹10,830 crore for FY26, Net Interest Margin (NIM) of 6.1%, and annual profit of ₹1,224 crore underscore the strength of the Bank's diversified lending franchise and disciplined balance sheet management notwithstanding a challenging operating environment. The Bank also maintained a strong capital position throughout the year, with a Capital Adequacy Ratio (CAR) of 18.0% as on 31 March 2026, well above the regulatory requirement. This strong capital base provides the Bank with the financial flexibility to support future business growth.

Steadfast Commitment to Risk Management and Compliance

Risk management and governance continued to be at the core of the Bank's priorities. The Bank's robust and independent risk management framework remains a cornerstone of its operations, supporting sustainable growth, financial resilience, and stakeholder confidence. Anchored in a strong risk-aware culture and clear risk governance structures, the framework enables proactive identification, assessment, monitoring, and mitigation of both financial and non-financial risks. Regular risk assessments, stress-testing exercises, and ongoing evaluation of emerging risks strengthen the Bank's preparedness and support prudent, forward-looking decision-making.

The Risk Appetite Framework further ensures that business growth remains aligned with the Bank's strategic objectives, capital strength, and risk tolerance. Amid an evolving regulatory environment, the Bank remains steadfast in its commitment to the highest standards of compliance with statutory requirements, regulatory guidelines, internal policies and ethical conduct. Comprehensive compliance and

> The launch of the enhanced mBandhan 2.0 mobile app and an all-new Internet Banking platform reinforced its commitment to delivering a seamless banking experience.
>
> The Bank also strengthened its payments and transaction capabilities, digital tax processing and loan collection systems, enhancing operational efficiency, service quality and customer convenience.

vigilance mechanisms, reinforced by strong internal controls, transparent risk oversight, information security and cyber resilience measures, help ensure adherence to statutory and regulatory requirements while safeguarding customer interests, protecting the Bank's reputation and integrity, and strengthening confidence among all stakeholders.

Customer-centricity supported by Technology, Innovation and Transformation

FY26 marked strong momentum under the Bandhan Bank 2.0 vision, driven by strategic execution, digital innovation and customer-centricity. The Bank expanded its distribution capabilities during the year and today serves customers through more than 6,350 banking outlets across the country. This extensive network, combined with its deep understanding of semi-urban and rural markets, continues to remain one of the Bank's key differentiators in an increasingly competitive banking sector.

The Bank has successfully initiated the transformation of its Housing Finance operations into a full-fledged banking model, with 192 Housing Finance Centres (HFCs) locations converted into bank branches as of March 2026, thereby further strengthening its retail footprint. Additionally, the Bank has empowered its Business Units to actively mobilise deposits, enhancing funding diversification and supporting sustainable growth.

The Bank placed significant emphasis on continuous upliftment of underwriting standards, enhancing collections infrastructure, improving portfolio monitoring systems, and leveraging analytics-led risk management capabilities. It also continued to invest in technology, automation, and digital infrastructure to drive improved customer experience, operational efficiency, and scalable growth across businesses.

During the year, the Bank advanced its digital transformation vision through the expansion of customer-centric digital solutions and platforms. The launch of the enhanced mBandhan 2.0 mobile app and an all-new Internet Banking platform reinforced its commitment to delivering a seamless banking experience. Through Neo+, customers can now access fully digital, end-to-end onboarding for corporate salary and 3-in-1 accounts without any physical intervention. The Bank also strengthened its payments and transaction capabilities, digital tax processing and loan collection systems, enhancing operational efficiency, service quality and customer convenience.

The expansion of conversational banking channels, including WhatsApp banking, has significantly improved accessibility across diverse customer segments. In addition, the Bank strengthened its ecosystem across merchant acquiring, Corporate Internet Banking, trade digitisation, and government solutions such as fund disbursement systems. These initiatives reflect the Bank's continued focus on building a resilient, technology-driven and customer-centric franchise, well-positioned to deliver sustainable and scalable growth.

People Initiatives: Empowering People and Building Future-Ready Talent

People remain the Bank's greatest strength and a key enabler of its long-term success. With a workforce of over 75,000 employees, the Bank continues to invest significantly in building a future-ready organisation through comprehensive learning, upskilling and reskilling initiatives. These efforts are designed to equip employees with the capabilities required to succeed in an evolving banking landscape while fostering innovation, agility and high performance across the organisation.

Bandhan Bank views learning as a strategic driver of business performance and organisational resilience. We have institutionalised a career-level behavioural competency framework that defines the 'One Bandhan Bank' behaviours expected across the organisation and integrates them into recruitment, performance management, talent development and learning. This is complemented by a robust capability-building ecosystem comprising leadership programmes across all levels, specialised academies such as GRACE (Graduate Certification in Credit Excellence) to strengthen credit underwriting and risk assessment, and DAKSHA to enhance operational excellence and process discipline. Role-specific interventions for key business functions further strengthen execution, customer engagement and business development capabilities across the network.

Supported by partnerships with 57 leading institutions, including INSEAD, ISB, NIBM and CAFRAL, and a growing focus on AI and GenAI learning, the Bank is building future-ready talent at scale. In FY26, employees completed an average of 30.4 learning hours per employee, more than double the benchmark of 12.5 hours, with 96% skill-upgradation coverage and 97% employee training coverage. These investments are strengthening leadership pipelines, improving credit and operational decision-making, enhancing regulatory compliance, reducing operational risks, and ultimately enabling inclusive, customer-centric banking.

Creating Shared Value through Inclusion and Sustainability

In line with the Bank's commitment to driving sustainable and inclusive growth, it undertook several impactful social and environmental initiatives.Over the years, since its inception, the Corporate Social Responsibility (CSR) initiatives reached over 29.62 lakh families through strategic CSR interventions in healthcare and preventive health, education, skill development, financial literacy, business incubation, and climate action. These initiatives are designed to contribute to national priorities and are mapped to address the United Nations Sustainable Development Goals (UN-SDGs).

Notably, to date, over 50,000 ultra-poor women-headed households were moved out of extreme poverty and are now earning a decent sustainable livelihood through various nano-enterprises. Healthcare and preventive health initiatives have reached over 14 lakh households. The education initiatives have provided quality education to over 2.80 lakh children and the financial literacy covered over 7 lakh women. During FY26, 49 nationally reputed NGOs were funded to carry out these CSR initiatives.

On the environmental front, during the year more than 5 lakh saplings were planted, through various models of agroforestry, social forestry and mangrove conservation thereby taking cumulative plantations to date to over 10 lakh. These plantations are critical for supporting biodiversity conservation, improving soil health and developing climate resilience while enhancing rural livelihoods. During the year, the water conservation initiatives created 17 water harvesting structures, thereby taking the cumulative number of water-harvesting structures to 89.

Through these plantation initiatives, over 6,400 tonnes of CO_2 equivalent were sequestered during the year and thereby taking a step further towards carbon neutrality. Additionally, the water conservation initiatives have the capacity of storing over 2 lakh kilolitres of rainwater thereby, reducing the water and carbon footprints of the Bank.

The Bank has also taken steps to improve the environmental performance by installing solar power in its Ahmedabad Regional Office and obtaining gold standard green building certification for its upcoming head office in Kolkata.

Entering the Next Decade with Confidence

Looking ahead, the Bank's business priorities remain clear: strengthening the retail deposit base, growing the loan portfolio across a diverse set of assets, steadily improving asset quality and enhancing operational efficiency. The Bank will continue to pursue calibrated growth with a disciplined focus on risk management, capital efficiency and sustainable profitability. Investments in technology, digital banking, data analytics, as well as AI and ML capabilities, will remain central to building a more agile, customer-centric and future-ready institution.

India's long-term banking opportunity remains compelling, buoyed by favourable demographics, increasing formalisation, rising aspirations and rapid digital adoption. With a strong foundation, a diversified business model and a customer-centric approach, the Bank is well-positioned to participate meaningfully in this growth journey.

I sincerely thank our customers, shareholders, regulators and all stakeholders for their continued trust and support. I also extend my deep appreciation to employees across the organisation whose dedication and commitment continue to power the Bank's transformation and progress.

The decade behind us was built on trust. As we enter our next decade, we do so with conviction in our purpose, confidence in our strategy and an unwavering commitment to uphold the highest standard of ethics and business practices towards creating enduring value for all stakeholders.

Warm regards,

Partha Pratim Sengupta

Managing Director and Chief Executive Officer
Bandhan Bank

GOVERNANCE

Board of Directors

Debasish Panda

Non-Executive (Independent) Chairman

SRCB RCBDWD

Mr. Debasish Panda, a 1987 batch IAS officer of Uttar Pradesh cadre, is a visionary leader and transformative policy reformer. Over his distinguished career spanning more than three decades, he has made pioneering contributions across finance, insurance, public health, agriculture, law enforcement, and urban development.

As Chairman of IRDAI (2022-2025), he spearheaded the vision of 'Insurance for All by 2047', redefined regulatory frameworks, and prioritised customer-centric governance. As Secretary, DFS (2020-2022), he led critical banking consolidations, promoted financial inclusion, and managed COVID-19 financial responses. He also held the position of Director on the Boards of Reserve Bank of India, State Bank of India, Bank of Baroda and Life Insurance Corporation of India.

Previously, in the Government of Uttar Pradesh, he introduced India's largest emergency response system (Dial 112) and modernised urban governance in Greater Noida. His leadership is marked by technology-led governance, institutional building, and unwavering public service commitment.

He holds advanced degrees from Utkal University, Jawaharlal Nehru University (JNU), and the Asian Institute of Management, Manila, and has completed international training in public administration.

Mr. Panda's career stands as a testament to visionary governance, marked by innovation, inclusivity, and national development. His leadership across sectors has empowered millions and strengthened India's administrative and financial ecosystems.

He is currently also serving as Independent Director on the Boards of Anand Rathi Wealth Limited, Capri Global Housing Finance Limited, IBDIC Private Limited and Invesco Asset Management (India) Private Limited.

Partha Pratim Sengupta

Managing Director and Chief Executive Officer

COD RCBDWD RMCB ITSCB CSCB CSR&SCB SCBMF

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

Mr. Sengupta is a resilient and outcome oriented leader with a consistent track record of achieving goals. During his stints at SBI and IOB, he has leveraged technology and innovation for achieving business results. Mr. Sengupta has built a diverse banking career across retail and corporate branches as well as key business functions. His extensive experience includes Branch Manager roles at retail and commercial branches, alongside roles in Forex, Trade Finance and Credit Officer. He has also held leadership positions such as Regional Manager, Deputy General Manager in the Corporate Centre - Internet Banking Department and General Manager - Mid Corporate, among others.

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

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

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

Rajinder Kumar Babbar

Executive Director and Chief Business Officer

CSCB

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

At Bandhan Bank, he has been serving as the Executive Director and Chief Business Officer since 08 March 2024. Here, he is leading several business functions including Liabilities, Emerging Entrepreneur Business, Wholesale Banking, Housing Finance, Retail Assets, etc.

During his tenure spanning more than 23 years with HDFC Bank, he managed various leadership assignments and has successfully led large teams across Transportation and Infrastructure Finance, Rural Banking and Retail Liabilities. He was the Group Head - Transportation, Infrastructure and Tractor Finance Group at HDFC Bank. Prior to this, he was responsible for building and managing the Rural Banking Group for the HDFC Bank, covering farmer finance, MSME loans to intermediaries, related retail assets, and third-party products. Under his leadership, the rural businesses witnessed robust growth, making it one of the best rural franchises in the industry for any bank or financial institution in terms of size and profitability.

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

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

Ratan Kumar Kesh

Executive Director and Chief Operating Officer

ITSCB

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

At Bandhan Bank, he has been serving as the Executive Director and Chief Operating Officer since 31 March 2023. He is leading multiple functions including Technology, Operations, Digital and Transaction Banking, Data Team, Customer Experience, Transformation, and other support functions. Earlier, he served as Interim MD and CEO (from 10 July 2024 to 31 October 2024), leading the Bank through the transition phase following the retirement of the former MD and CEO upon completion of his tenure.

As a part of the core team, Mr. Kesh has led organisational transformation across technology, digital, governance, quality and customer focus during his tenures at ICICI Bank, HDFC Bank, Yes Bank, and Axis Bank. He was among the first few in the Indian Banking Industry to launch a full-fledged Service Quality Framework and Service CRM while in HDFC Bank. To his credit, he transformed the Axis Bank's operations by embedding technology, digital capabilities and AI. Mr. Kesh also holds the position of Director (Member, Managing Committee), Bengal Chamber of Commerce and Industry and is the Co-Chairman of CII Eastern Region Banking and Financial Services Subcommittee. He is also the Finance Advisor to the Economic Council of India, promoting Peace Economy.

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

Arun Kumar Singh

RBI (Nominee) Additional Director

ACB

Mr. Arun Kumar Singh was appointed by the Reserve Bank of India as an additional director on the Board of the Bank w.e.f. 24 June 2024, and his current tenure is till 23 June 2027. Mr. Singh is a former Senior Central Banker and has a wide and rich experience of working in Reserve Bank of India for 35 years in the field of Regulation & Supervision of Banks and NBFCs, Enforcement actions against FIs, Information Technology, Financial Inclusion, Monetary Policy, Government Banking, etc. He has acted as Senior Supervisory Manager (SSM) for various Banks and NBFCs and actively participated in Asset Quality Review (AQR) as well as Risk-based Supervision (RBS). He was involved in framing Bank, NBFC & Payment related policies in various capacities. He has been associated with committees/working groups on risk-based supervision, asset quality review, interest rate policy, operational risk, stress testing, small finance & payment banks, prompt corrective action, financial resolution, returns rationalisation, etc. As head of Enforcement Department, he was responsible for enforcement action against commercial banks, small finance and payment banks, cooperative banks, NBFCs, credit information companies, payment system operators, asset reconstruction companies, etc. He was also the head of Information Technology, Reserve Bank of India, spearheading technological and digital transformation, particularly, in the areas of Payment System, Core Banking Solution, Cyber Security, Data Centre Upgradation, Internal Applications, IT Infrastructure, Currency Management, Government Banking, etc. He was Regional Director for Rajasthan and carried out his central banking responsibilities in the areas of currency management, financial inclusion, financial literacy, Government banking, etc. in the state of Rajasthan.

Presently, he is also on the Board of PNB MetLife India Insurance Company Limited, apart from serving as visiting professor at IDRBT and advisory roles. He has earlier served as RBI nominee director on the Board of Union Bank of India, Reserve Bank Information Technology Pvt. Ltd. (ReBIT), Mumbai, Reserve Bank Innovation Hub (RBiH), Bengaluru, Institute for Development and Research in Banking Technology (IDRBT), Hyderabad and a Regional Rural Bank. Mr. Singh has completed his graduation in Economics and MBA in Finance. He is also a Certified Associate of the India Institute of Bankers (CAIIB).

Avijit Mukerji

Non-Executive Non-Independent Director

SRCB | ACB | SCBMF

Mr. Avijit Mukerji is a Chartered Accountant, having an overall experience of more than three decades in audit and assurance. He is a former Senior Partner of Price Waterhouse and Member of PricewaterhouseCoopers Network Firms in India (PwC India). He has held several leadership roles within PwC India in the past, including Member of the PwC India Board, PwC India Leadership, Managing Partner of the Eastern Region, as well as India Assurance Leadership.

He is currently serving as the Founder and Managing Partner of TatvaSutra Solutions LLP, a boutique investment and equity research firm. He is also an Independent Director on the boards of Bandhan Financial Holdings Limited, Balaji Telefilms Limited, and DIC India Limited; Member, Board of Governors of Welham Girls' School, Dehradun and Member, Governing Committee at The Bengal Club Limited.

He is an experienced auditor and has led audits of several marquee companies during his tenure as an audit partner with Price Waterhouse. He has a wide experience of audits, ranging from large, listed companies, multinationals to Indian promoter companies and founder/startups. During his tenure as the Transformation Leader, he contributed to the conceptualisation and implementation of the firm's flagship digital upskilling program - Acing Digital, and was responsible for digitally upskilling 14,000 partners and staff.

Prior to commencing his professional career, he demonstrated exceptional academic excellence by securing All India Rank (AIR) 12 in the Intermediate examination and AIR 21 in the Final examination of the Institute of the Chartered Accountants of India. He is a past Chairman of CII, West Bengal and was also a member of the executive committees of AMCHAM eastern region and Indian Chamber of Commerce.

Debashish Mukherjee
Independent Director

Mr. Debashish Mukherjee, an MBA (Finance) from IISWBM, Kolkata (under the University of Calcutta) and CAIIB qualified, has over three decades of banking experience in three major Public Sector Banks, namely Punjab National Bank, United Bank of India, and Canara Bank, where he was involved in the whole gamut of banking: both retail and wholesale.

He started his banking career with Punjab National Bank as a Financial Analyst in scale II in 1994. Thereafter, he joined United Bank of India as an Asst. General Manager (Credit) in the year 2006. He took charge as Executive Director of Canara Bank on 19 February 2018 and superannuated on 31 May 2025.

Although his primary forte was large corporate credit, he also had the opportunity of handling various other banking functions, notably Recovery, Risk Management, Forex Business, and International Banking at the apex level. As Regional Head and Branch Head, he has been deeply associated with grassroot and retail banking as well.

As an Executive Director of Canara Bank, he oversaw nearly all the banking functions, ranging from HR to Risk Management, Overseas Banking, Treasury, Associates and Subsidiaries, etc. He was also on the Board of a few Canara Bank subsidiaries, notably Canfin Homes Ltd., Canara Robeco Asset Management Company and Canara HSBC Life Insurance Company as Nominee Director. He also chaired some committees of the board and served as the Chairman of the board of Canara Bank Securities Ltd.

Gauri Prosad Sarma
Independent Director

ITSCB | SRCB | COD | RCBDWD

Mr. Gauri Prosad Sarma is a distinguished and dynamic banking professional with over 37 years of experience, culminating in the role of Chief General Manager ('CGM'), Operations (equivalent to COO) at Punjab National Bank ('PNB'), the second-largest bank in India. He also worked as CGM in the Digital Banking, FinTech and Credit Card verticals at PNB.

He has expertise in driving operational excellence, digital transformation, fintech innovations, and strategic leadership, even in high-pressure environments, such as the COVID-19 pandemic. He is renowned for spearheading large-scale initiatives, including amalgamation projects, IT advancements, and customer service enhancements. Post-superannuation, he served PNB for 2 years as Advisor and Consultant, offering transformative insights to elevate operational efficiency and product innovation. He also attended Board and Committee meetings and served as Director on the Boards of PNB Cards & Services Ltd and PSB Alliance Pvt Ltd.

At United Bank of India, he held senior IT roles including General Manager and Deputy General Manager, overseeing digital transformation and core banking migration. He also served as Field General Manager, United Bank of India for North-East India, enhancing regional performance and customer service. He demonstrated exceptional leadership in driving operational excellence, notably ensuring seamless operation during the amalgamation of United Bank of India with Punjab National Bank.

He is presently serving as an Independent Director on the Boards of two listed companies, viz., B & A Limited and B & A Packaging India Limited.

Mr. Sarma holds a Master of Science (M.Sc.) degree from Gauhati University, and a Bachelor of Science (Honours) degree from Cotton College, Guwahati. His academic foundation in science has supported his analytical approach and strategic thinking throughout his distinguished career in the banking sector. He also holds various certifications, such as CAIIB, JAIIB, Certified Information System Banker Examination, IT Security Certificate Examination, Prevention of Cyber Crimes and Fraud Management, Digital Banking Certificate, Certificate in Customer Service and Banking Codes and Standards, Certificate Examination in Anti-Money Laundering (AML) and Know Your, Customer (KYC), Microfinance Certificate Examination and Certified Foreign Exchange Professional. He has also participated in the International Program on CRM/ Data Analytics at Ghent University, Belgium.

N V P Tendulkar

Independent Director

ACB | NRC | ITSCB | RCBDWD

Mr. Tendulkar is a qualified Chartered Accountant (1981) and Company Secretary (1987). He has more than 41 years of experience in Finance, General Management and Operations in IT, Telecom and Manufacturing industries. He has extensive experience working with American and European based multinational organisations and has successfully resolved multidimensional, dynamic, and challenging issues.

He was an Executive Director with Hewlett Packard Enterprise India Limited for almost 14 years. He was also associated with many IT Companies including Tata Telecom, AT&T, USA, Digital Global Soft etc. Mr. Tendulkar is also an Independent Director on the board of PSB Alliance Private Limited.

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

Subrata Dutta Gupta

Independent Director

CSR&SCB | SCBMF | NRC | COD

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

He has extensive experience in mentoring workforce within startups in the Housing Finance sector, grooming and upskilling them on lending to the informal and low income borrowers, including developing business plans and data analytics platforms.

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

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

Suhail Chander

Independent Director

RMCB | ACB | CSCB | SCBMF

Mr. Chander is a veteran Banker. He has 37 years of rich experience in Banking Operations, Trade Finance, Retail and Wholesale Banking. His extensive experience covers the entire gamut from retail, small and medium enterprise, mid-sized corporates to large corporates.

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

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

Veni Thapar
Independent Director

CSCB | ACB | RMCB | ITSCB

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

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

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

Her excellent communication skills has earned her the honour of being a speaker at multiple forums and a part of various round table and fire side deliberations, covering topics related to Indian Banks, their challenges, solutions and way forward. Few of the topics were Reforming Financial Institutions, preparing NBFCs for Future Challenge, Employability Matrix and Skilling New India, Roadmap for $5 Trillion Economy, Technology & Ease of Living in Urban India, Challenges to brick and mortar in an online model, Auditors contribution to the financial sector and economy as a whole, Chartered Accountants Profession in the Artificial Intelligence Era, Role of Independent Directors, Presence and upliftment of women in board positions, and work-life balance for women, among other related areas.

Ms. Thapar firmly believes that learning is a continuous process and imagination and creativity have no boundaries, while endorsing responsible adaptability and compliance.

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

Vijay N Bhatt
Independent Director

NRC | RMCB | CSR&SCB | COD

Mr. Vijay N Bhatt is a qualified Chartered Accountant and a Bachelor in Law. He has over 35 years of experience in large, medium and small Indian and multinational businesses. Being in the audit profession, he has a good understanding of the business environment, business risks, controls, and accounting and financial reporting issues relevant to businesses operating in India.

He has worked with KPMG for over 10 years (Senior Independent Director), with E&Y for 2 years, with R S M & Co. Chartered Accountants for 19 years, and with Lovelock Lewis for a few months. He has been a member of various committees of the Institute of Chartered Accountants of India, such as Accounting Standard Board, Audit Standard Board, Information Technology Committee, Financial Reporting Review Group, and Professional Development Committee of WIRC. Mr. Bhatt is also an Independent Director on the boards of FDC Limited, IRB Infrastructure Developers Limited, JK Maini Global Aerospace Limited and Finolex Industries Ltd. He is also a Director on the board of Qontrac Prints Private Limited.

Board Committees:

ACB	Audit Committee of the Board	CSR&SCB	Corporate Social Responsibility & Sustainability Committee of the Board	■	Chairperson
NRC	Nomination and Remuneration Committee	SRCB	Stakeholders Relationship Committee of the Board	□	Member
RMCB	Risk Management Committee of the Board	COD	Committee of Directors		
ITSCB	IT Strategy Committee of the Board	RCBDWD	Review Committee of the Board for Declaration of Wilful Defaulters		
CSCB	Customer Service Committee of the Board	SCBMF	Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds		

Leadership Team

1. **Santanu Banerjee**
   Head- Human Resources
2. **Rajeev Mantri**
   Chief Financial Officer
3. **Satish Kumar**
   Head-Wholesale Banking
4. **Biju E Punnachalil**
   Chief Risk Officer
5. **Nand Kumar Singh**
   Head-Credit Administration & Asset Operations
6. **Sujoy Roy**
   National Head-Collections
7. **Amitava Goswami**
   Chief Compliance Officer
8. **Arindam Sarkar**
   Head-Treasury
9. **Indranil Banerjee**
   Company Secretary
10. **Pinaki Halder**
    Chief Information Officer
11. **Rajesh Kumar Srivastava**
    Head-Liabilities & Transaction Operations and Operations Support Group
12. **Surajit Roy Chowdhury**
    Head-Emerging Entrepreneurs Business
13. **Suresh Chandran**
    Head-Branch Banking, Current Accounts, Affluent, TPP & Govt. Business
14. **Ravindra Baburaya Gadiyar**
    Head-Commercial & Retail Credit
15. **Sandip Kumar Bubna**
    Chief Audit Executive (Interim)
16. **Prakash E**
    Chief of Internal Vigilance (Interim)
17. **Dibyendu Kumar Das**
    Head-Digital & Transaction Excellence Unit
18. **Arijit Ghosh**
    Chief Data & Analytics Officer
19. **Biswajit Das**
    Chief Transformation Officer
20. **Hirak Sumatiprasad Joshi**
    Head-Retail Assets
21. **Neha Dharmendra Chotaliya**
    Head-Liability Products & Assets Cross-sell
22. **Piush Jha**
    Head-Credit Card
23. **Radhika Raghavan**
    Head-Customer Experience, Process Quality & Transformation
24. **Siddhartha Sanyal**
    Chief Economist and Head Research
25. **Sureshkumar S Pillai**
    Head-Legal

The first 16 individuals are classified as Senior Management Personnel.

COMPANY OVERVIEW

A Decade of Expanding Trust and Financial Inclusion

Rooted in the philosophy of 'Aapka Bhala, Sabki Bhalai.' Bandhan Bank was formed with the aspiration to build a financially inclusive India where everyone, despite their socio-economic status, can enjoy easy and affordable access to finance. Today, a decade later, the Bank stands as India's first universal bank from Eastern India since Independence, offering a diverse and innovative range of financial solutions to multiple consumer segments.

Over the years, sustained focus on customer-centricity and nurturing long-term relationships has led to continuous enhancements in the Bank's digital, retail, and Small and Medium Enterprises (SME) banking services. Strengthened by a growing branch network and robust last-mile connectivity, the Bank is enabling deeper financial inclusion while reinforcing its bandhan with stakeholders through trust, transparency, and unwavering integrity.

The Philosophy

The Bank's vision, mission and values drive the integrity of its relationships with stakeholders.

VISION

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

MISSION

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

VALUES

Our values are anchored around our business ethics, consumer focus and corporate responsibility towards society at large.

C – Cost-effective and simple

R – Respect for all

E – Exemplary governance

A – Accountability, professionalism and discipline

T – Transparency and integrity

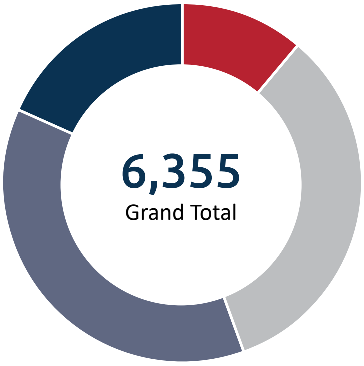
E – Effective teamwork and commitment

NATIONWIDE PRESENCE

Strengthening Nationwide Reach and Grassroots Connectivity

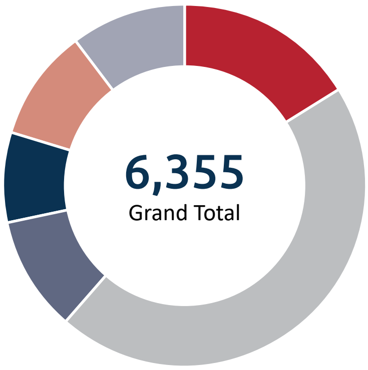
The Bank's journey from financial inclusion to inclusive banking is supported by a vast and growing branch network comprising 6,355 Banking Outlets in India's metro, urban, semi-urban, and rural regions. The expansive geographical footprint enables the Bank to reach diverse communities, making customised banking services available across the nation, even at the grassroots level.

Banking Outlets as on 31 March 2026



Category	Total	Category %
Metro	704	11.08%
Rural	2,123	33.41%
Semi-Urban	2,378	37.42%
Urban	1,150	18.09%

Region-wise Banking Outlets as on 31 March 2026



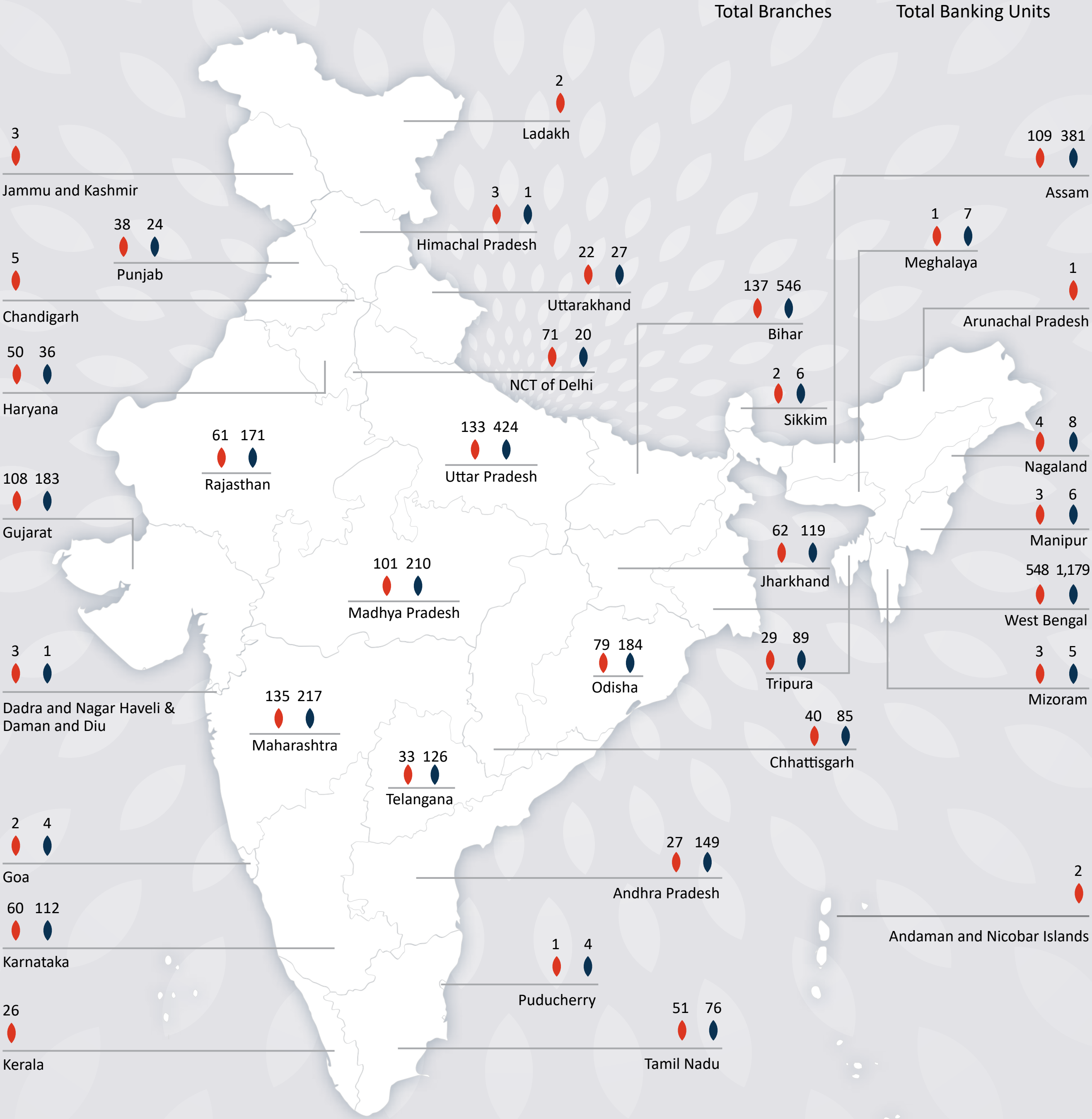
Category	Total	Category %
Central	1,042	16.40%
Eastern	2,864	45.07%
North-Eastern	646	10.17%
Northern	485	7.63%
Southern	665	10.46%
Western	653	10.27%

Deepening Pan-India Presence

6,355
Total Banking Outlets

1,955
Total Branches

4,400
Total Banking Units



Branch   Banking Unit

Map not to scale. For illustrative purposes only.

MILESTONES

A Legacy of Trust and Accomplishments

2015
Started operations as a universal bank on 23 August with 2,523 banking outlets, after becoming India's first Microfinance Institution to get a universal banking licence.

2010
Became the largest Microfinance Institution (MFI) in the country.

2009
Microfinance portfolio was transferred from society to NBFC.

2006
Acquired an NBFC and established Bandhan Financial Services Private Limited, with a continued focus on financial inclusion.

2001
Started as a society that stood for financial inclusion and women's empowerment through sustainable livelihood creation, along with the launch of microfinance operations in rural Bengal.

2018 Emerged as the eighth most valued bank in India on the basis of market capitalisation on the day of listing on stock exchanges.

2019 Acquired HDFC Limited's stake in GRUH Finance.

2021 Crossed the milestone of ₹1,50,000 crore total business.

2022 Crossed the milestone ₹2,00,000 crore total business.

2023 Migrated to a new state-of-the-art Core Banking System (CBS).

2024 Surpassed 3.16 crore customer mark across Bank's growing nationwide network.

2025 Milestone of ₹3,00,000 crore in total business crossed in December 2025, marking a decade defined by trust, driven by progress and powered by impact.

FINANCIAL HIGHLIGHTS FY26

Our Performance in Numbers

FINANCIAL PERFORMANCE

₹1,54,233 crore
Gross Advances

6.08%
Net Interest Margin (NIM)

₹10,830 crore
Net Interest Income (NII)

0.64%
Return on Assets (ROA)

₹5,865 crore
Operating Profit

4.85%
Return on Equity (ROE)

₹1,224 crore
Profit After Tax (PAT)

56.76%
Cost-to-Income Ratio

NON-FINANCIAL PERFORMANCE

1,955

Branches

3.18 crore

Total Customers

4,400

Banking Units

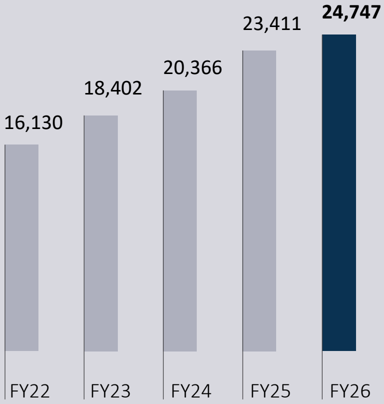
438

ATMs

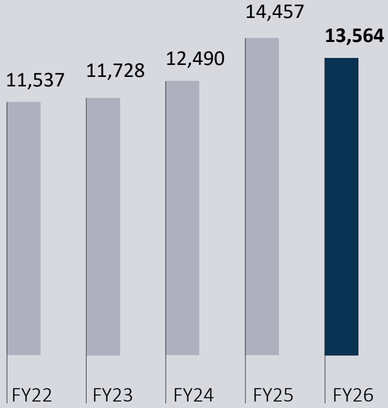
FINANCIAL HIGHLIGHTS FY26

KEY PERFORMANCE INDICATORS

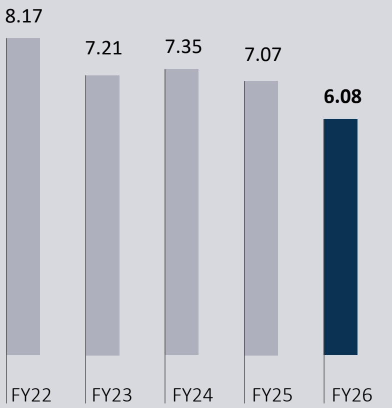
Net Worth (₹ in crore)



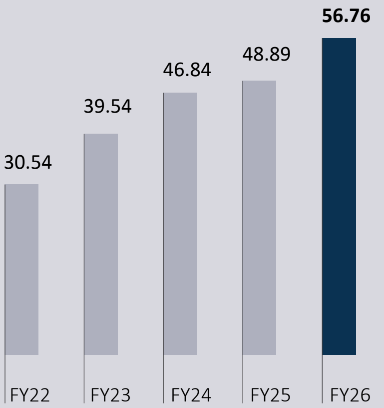
Net Total Income (₹ in crore)



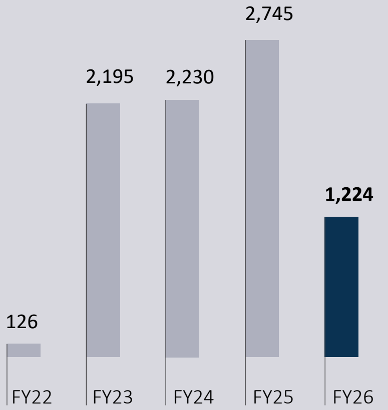
Net Interest Margin (%)



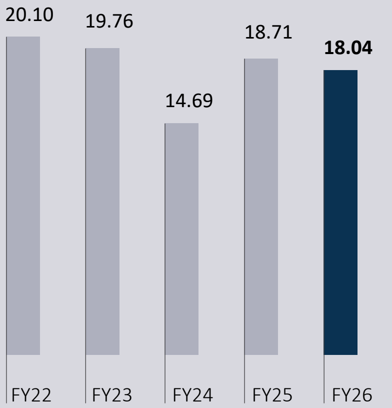
Cost to Income Ratio (%)



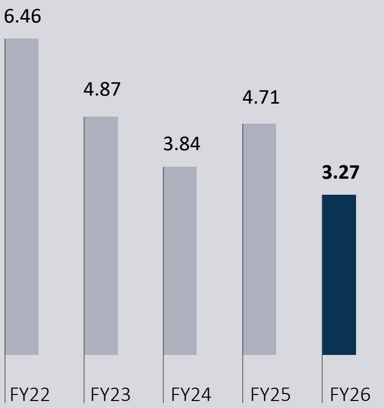
Profit After Tax (₹ in crore)



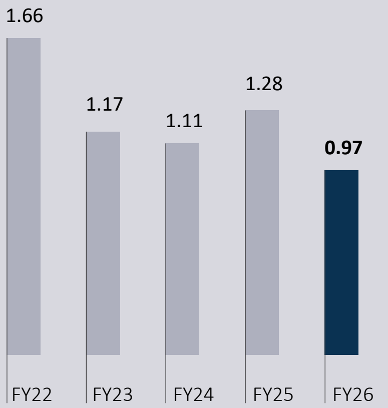
Capital Adequacy Ratio (%)



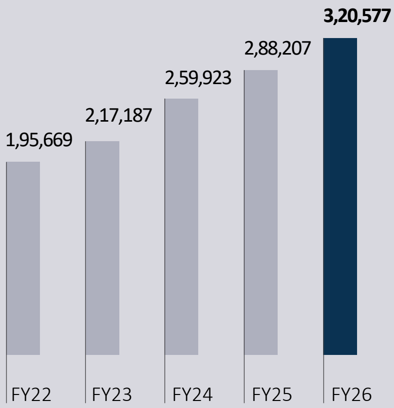
Gross NPA (%)



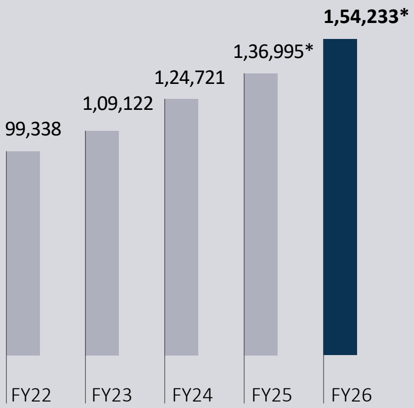
Net NPA (%)



Total Business (₹ in crore)

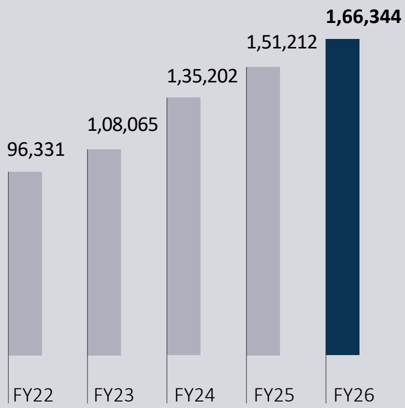


Advances (₹ in crore)

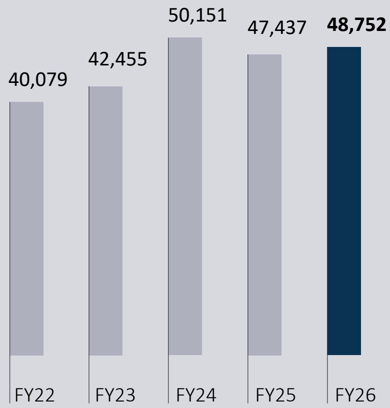


*Includes PTC amounting to ₹562 crore in FY26 and ₹265 crore in FY25

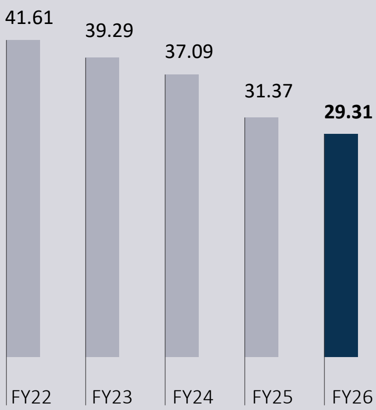
Deposits (₹ in crore)



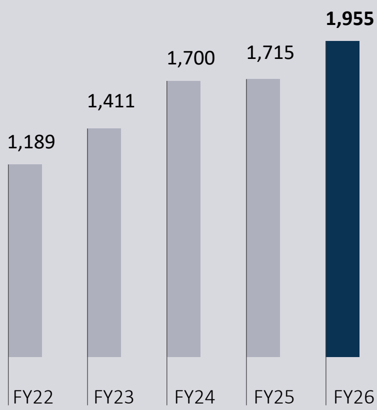
CASA (₹ in crore)



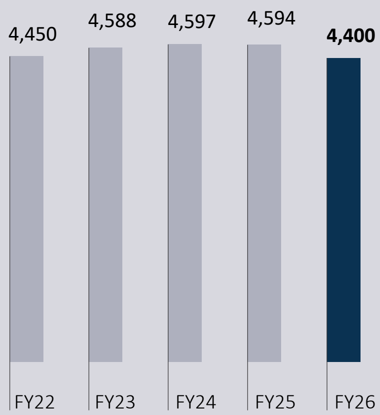
CASA Ratio (%)



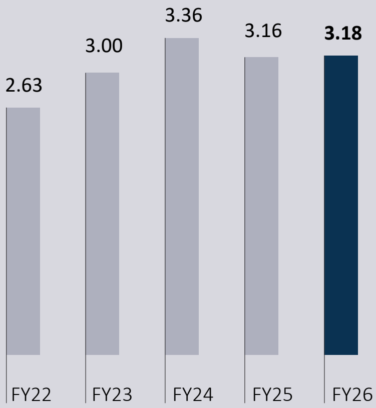
Branches (in numbers)



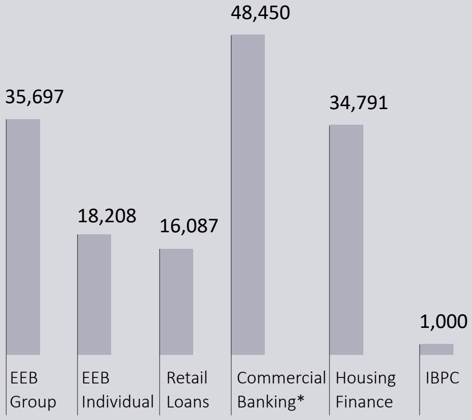
Banking Units (in numbers)



Number of Customers (crore)

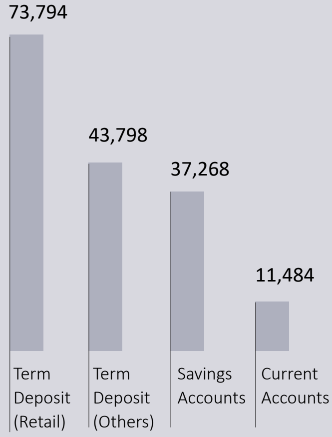


Business Mix (Assets) (₹ in crore)



*Includes PTC amounting to ₹562 crore

Business Mix (Liabilities) (₹ in crore)



BUSINESS MODEL

Diversified Product Suite

RETAIL LIABILITIES

Driving Sustained Growth through Customer-Centric Solutions

The Bank offers a diversified suite of retail liability products aimed at meeting the evolving banking needs of customers across segments in a timely and effective manner. Anchored in a customer-centric philosophy, the Bank continues to innovate and enhance convenience through differentiated products, digital enablement, and focused engagement strategies. During FY26, the Bank's deposit portfolio demonstrated steady momentum, with total deposits increasing by 10% Y-O-Y to ₹1,66,344 crore as of 31 March 2026, compared to ₹1,51,212 crore as of 31 March 2025. Deposit growth was supported by balanced accretion across Term Deposits, Savings Accounts, and Current Accounts, with retail deposits accounting for 73.7% of total deposits, underscoring the Bank's continued focus on granular and stable funding.

During the year, the Bank continued to strengthen the Savings Account proposition through a targeted, segment-driven approach. While the focus on the Affluent segment through Elite, Elite Plus, Legacy and Premium Savings Accounts was sustained, traction was built across other customer cohorts through differentiated offerings such as the Avni Savings Account for women, Pension Savings Account, PMJDY Savings Account, Corporate Salary Accounts, and Classic Savings Account. Together, these products continued to support financial inclusion, customer acquisition, and deeper engagement across lifecycle segments. To amplify their impact, the Bank reinforced customer communication through targeted campaigns highlighting product features, interest rates, and technology-enabled banking services, thereby improving customer awareness and adoption.

The Debit Card business remained crucial to the Bank's retail proposition, supported by a diversified portfolio. Furthermore, new Debit Card variants such as Bandhan Bank Legacy, Elite Plus, and Elite were introduced in FY26, enhancing value, features, and benefits, along with providing customers the choice to opt from diverse cards.

The Current Account segment showed strong resilience, highlighting the effectiveness of focused and disciplined execution. The business emphasised segmentation-led customer acquisition, with sharper focus on the affluent segment to drive higher value. Growth was further supported by increased adoption of payment solutions, including EDC and QR. These initiatives, along with the strengthening of digital services, enhanced process automation and supported steady branch expansion in high-potential catchment areas through targeted acquisition efforts across key business clusters. Additional benefits included improved turnaround times, enhanced customer experience, and sustained segment performance.

The Merchant Acquiring Business continued to serve as a key enabler for deepening current and savings account relationships during FY26. The Bank witnessed sustained traction across PoS, Bharat QR, and Payment Gateway solutions, supporting higher transaction throughout and strengthening operating balances in associated accounts, thereby enhancing client stickiness. These efforts reinforced the role of Merchant Acquiring Business not only as a transaction facilitation platform but also as a strategic driver for augmenting liability and fee-based income.

The Bank's expanding branch footprint, which stood at 1,955 branches as of 31 March 2026, further supported these initiatives, enabling deeper penetration into high potential catchments and broader market reach. Built on established customer relationships, the Bank remains committed to strengthening customer relationships through integrated solutions, digital innovation, and secure, user-friendly banking experiences, while continuing to focus on responsible growth and long-term value creation.

AFFLUENT BUSINESS

Marking 10 Years of Growth and Customer Excellence

Over the past ten years, the Bank has built strong and enduring relationships anchored in trust, financial inclusion, and responsible banking. This commitment has shaped a resilient and credible institution - one that customers continue to rely on across life stages and aspirations. The Affluent Business has rapidly emerged as a promising addition to the Bank's liability franchise, reflecting early customer trust and strong growth potential.

This year, the Bank particularly focused on ensuring that the affluent proposition is extended to all eligible clients, actively encouraging deeper portfolio penetration. Parallelly, attention was paid to maintaining overall book hygiene and accounts that no longer aligned with the proposition were accordingly migrated to more suitable product offerings. While this exercise led to a temporary contraction in the overall customer base, it eventually helped strengthen the affluent programme by retaining only those clients who truly align with and benefit from the service offering.

During the current financial year, the Bank welcomed over 30,000 new affluent customers, taking the total affluent customer base to 3,03,255 customers. The momentum, besides reflecting a strong market acceptance, also demonstrates the depth of relationships built by the business through personalised service, thoughtful solutions, and responsible, relationship-led banking.

Today, the affluent segment makes a meaningful contribution to the Bank's balance sheet:

26%
of total retail deposits

25%
of total liability book

These achievements represent far more than scale - they speak of consistency, credibility, and sustained customer confidence in the Bank.

Building on this strong foundation, the Bank continues to unlock new growth opportunities through innovative propositions aligned to evolving customer aspirations. The introduction of differentiated offerings such as Legacy, Elite Plus and Elite in its revamped avatar further reinforce the Bank's commitment to delivering high-value, future-ready solutions that deepen customer engagement and strengthen the retail momentum.

At the heart of this success is the combined strength and competencies of the Bank's people and its service philosophy. Dedicated relationship teams, supported by strong branch leadership and a robust service infrastructure, consistently deliver high-touch experiences across various customer touchpoints. Continuous capability building and structured training initiatives further ensure service excellence, consistency, and responsiveness.

As the Bank marks a decade of trust, it is aptly positioned to move forward with clarity and confidence. By responsibly leveraging technology, driving innovation, and deepening customer relationships, while remaining anchored in inclusive and value-driven philosophy, the Bank is strategically equipped to unlock new growth opportunities.

With a strong foundation and a clear vision for the future, the affluent segment will continue to drive sustainable growth, strengthen relationships, and shape a future defined by possibilities, carrying forward the trust that has defined the Bank's journey over the last decade.

Enabling Governance through Banking Excellence

Over the years, the Government Business Group has built a strong and credible liability franchise by fostering enduring partnerships with Central and State Governments, Public Sector Undertakings and Autonomous Bodies. Through comprehensive account management and customised banking solutions, the Bank has strengthened institutional relationships and expanded its relevance across the governance ecosystem.

Leveraging its extensive distribution network across Central, State, District, Block, and Panchayat levels, the Bank continues to address the evolving banking requirements of Government institutions and citizens alike. Anchored in a commitment to service excellence, the Bank has consistently delivered impactful and inclusive financial solutions that reinforce trust.

Under the Agency Business mandate, the Bank facilitated Custom Duty payments through Corporate Internet Banking. Additionally, by collaborating with the Government of Assam and integrating with the Assam e-GRAS platform, the Bank enabled the digital collection of State taxes for both treasury and non-treasury payments.

Other integrations include Government of Karnataka's digital payment ecosystem to support management of financial transactions, including revenue collections and employee-related payments, and integration with Financial Management System (IFMS) of various State Governments to streamline account registration and efficient reporting of balances to Government departments.

With a network of 1,955 branches nationwide, the Bank continues to facilitate tax collections and Government transactions for both customers and non-customers, making banking services more accessible and inclusive. Moreover, by further strengthening digital capabilities, the Bank has enabled account validation services for customers to receive income tax refunds directly. Integration with the Government of India's Jeevan Pramaan portal is further enabling the digital submission of life certificates, supporting the Bank's objective of facilitating seamless and efficient public financial services.

The Government Business Group also provides tailored fund management and transaction banking solutions to State Governments for effective financial administration and operational efficiency. These digital capabilities are aligned with the evolving regulatory and governance frameworks and are supported by continuous technology enhancements across Government financial platforms.

Driven by a vision of responsible growth and nation-building, the Government Business Group remains committed to delivering secure, scalable and technology-led banking solutions that support India's public sector ecosystem and contribute meaningfully to inclusive economic progress.

DIGITAL BANKING

Digitally-Enabled Solutions Enabling Superior Customer Experience

The Bank, during the year, expanded its digital offerings to deliver seamless and superior service experience to customers. With innovation and digital-enablement at the core, supported by the Digital and Transaction Excellence Unit (DTEU), highly personalised and relevant digital banking solutions were designed and provided to meet the evolving needs and expectations of a diverse consumer base.

The Bank's persistent focus on integrating the latest technologies across its products and solutions has enabled a secure, customer-centric experience. Parallelly, it strengthened the Bank's commitment to financial inclusion, further deepening the bandhan the Bank has nurtured with customers over the years.

Key Digital Capabilities Delivered

Next-Generation Digital Channels

In FY26, major achievements towards the Bank's focus on digital transformation included the launch of mBandhan 2.0 app, a new mobile banking app, and an all-new Internet Banking platform.

- Delivered modern, intuitive user interfaces, improved journeys, and enhanced personalisation
- With 45 lakh+ digital registered users, the platforms enable parity with leading banks, ensuring competitiveness
- Customer validation through a 4.7/5 Play Store rating, reflecting quality, reliability, and superior end-user experience

End-to-End Digital Account Opening (Neo+)

- Entire account opening journeys across Savings, Term Deposit, Corporate Salary, and 3-in-1 accounts are now fully DIY (Do-It-Yourself)
- Customers can open accounts 24X7, anytime and from anywhere, with minimal dependency on physical touchpoints

Payments and Transactional Capability Upgrade

Significant enhancements were made across the Bank's payments ecosystem through initiatives such as:

- e-Mandate
- Multiple fund transfer options using Mobile Number and Bank Name/MMID
- Beneficiary name validation at the time of transaction
- Introduction of new features in BBPS
- Payment Gateway integrations with reputed players

Fully Digitised Tax Payments

- The CBDT, GST, and Assam e-GRAS tax journeys were digitised
- Achieved ~95% digital processing of tax payments through Internet Banking

Digital Loan Collections

During the year, the Bank enabled multiple digital collection touchpoints. ₹550+ crore were collected digitally in FY26 through QR-based collections, Web-based/URL loan collection portal, and EMI collections through BBPS.

Digital Upsell and Cross-Sell Platforms

Digital distribution for third-party products was considerably expanded:

IPO/ASBA: ~45% of transactions are now digital, with a value equivalent to ₹698 crore

Mutual Funds: ~75% of transactions are processed digitally

Demat and Trading Accounts: DIY+ assisted journeys via Neev, Retail Internet Banking (RIB), and mBandhan 2.0 app

Conversational Banking Expansion

- Launched WhatsApp Banking in addition to SMS, Missed Call, and USSD (*99#)
- Strengthened accessibility across customer segments

Business and Revenue Enablement - Merchant Acquisition

- **PA/PG Aggregator Onboarding JIO:** 75+ sub merchants onboarded; ₹1,000+ crore transaction value processed
- **New Payment Gateway Partnership (CCAvenue):** Strengthened digital payment acceptance by onboarding merchants through the new payment gateway partnership
- **Hitachi POS/QR Acquiring Partnership:** Enhanced payment acceptance infrastructure through POS and QR deployments, driving transaction volume growth
- **Rupay Pre-Auth Card Acceptance implemented in POS**
- **Deepened PG/PA presence by integrating with Jio's aggregator framework:** 75+ merchants were onboarded and transactions worth ₹1,000+ crore was processed, creating a steady fee income stream for the Bank

Trade and Forex Digitisation

- **e-Trade OBTFPM:** Developed end-to-end digital workflow for trade transactions, eliminating manual processing and improving TAT and control
- **EEFC Account:** Launched in Sep'25, the account holds specific FCY currency (Euro, USD, GBP); 24 accounts were opened as of 31 March 2026

Digital Products in CMS and Government Suite

- **FDMS (Fund Disbursement Management System)**
- **e-NACH:** Digital mandate registration and transaction management for corporate clients
- **Digital Escrow:** ERP integration with the Bank for payment and collection solution

Upgraded CIB 2.0 with Multiple Functionalities

- Simplified the bulk upload file format by reducing the number of columns from 14 to merely 6 for faster bulk processing with fewer errors; Reduced ~56% of manual effort in input data file and supported quick uploads
- The validity of bulk payment file window was extended from T+0 to T+14 days for improved convenience for large and mid corporates
- Introduced Debit Card Management Module to enable independent limit setting, block/unblock, and digital PIN setup by customers, eliminating branch dependency
- Introduced single authorisation for multiple financial and non-financial requests to reduce TAT for approvals, improve checker productivity, and enhance user experience
- Enhanced the on-screen payment module by enabling beneficiary name verification and transaction status check, while improving customer journey
- Enabled real-time fraud risk checks on CIB transactions (Bulk and On-screen), strengthening payment security without impacting customer journey or transaction speed

Statutory and PG Payments via CIB

- Enabled payments through multiple Payment Gateway providers such as Bill Desk, Cashfree, Airpay, 1Pay, allowing corporates to seamlessly complete end-to-end transactions
- Integrated with CBIC and Assam eGRAS to enable seamless custom payments and Assam State tax through CIB
- Enabled seamless EPFO payments and challan reprints via CIB, improving corporate convenience and driving higher platform stickiness (Go-live confirmation awaited from the Government)

Government Business

- Digitised Government fund flows through a new end-to-end fund disbursement system, enabling full control, transparency and faster release cycles for State departments

Application Monitoring Solutions

- **Frontend monitoring with QK:** Tracks UI performance, errors, and user interactions in real-time to ensure a smooth and reliable user experience
- **Backend Monitoring with Rakuten:** Monitors server health, APIs, and backend services to quickly detect issues and maintain system stability and performance

Quality Assurance and UAT Support

- 171 Change Requests (CRs) and projects have moved to production post successful UAT sign-off and 25 are ready for production deployment
- 175+ production issues across Liability, Assets, Cards, DTEU, Operations etc. have been successfully tested and closed, significantly improving platform stability
- 95 regulatory CRs delivered across Payments, NACH, Taxation, Cards, CPU
- Through strategic realignment of UAT Support Managed Services from Oracle to Nehish Software Solutions, the Bank has achieved a direct annual cost saving of approx. ₹1.26 crore (~55% reduction)
- Compliance Automation Tool and Online Integration of Governance Framework project was successfully managed, tested, and went live in FY26

EMERGING ENTREPRENEURS BUSINESS (EEB)

Empowering Inclusive Growth and Economic Upliftment

The Bank's Emerging Entrepreneurs Business (EEB) vertical offers accessible and affordable loans to borrowers at the bottom of the economic pyramid, driven by a strategy focused on building long-term relationships founded in trust.

The Bank strongly believes in the power of inclusive entrepreneurship in transforming lives and communities. Inspired by this, EEB provides diverse financial solutions to economically active women, small business owners, traders, and first-generation entrepreneurs. From supporting their short-term funding needs to facilitating long-term business growth, the segment, over the past decade, has evolved into a trusted partner in their journey of aspirations and progress. This trust, a pillar of EEB's success, has been built through conscientiously accessible service, deep customer understanding and a steadfast commitment to financial inclusion and empowering businesses at every stage of their growth.

As India is entering into a new era of economic transformation and digital advancement, EEB is poised to play an increasingly significant role in shaping the future of entrepreneurship. Aligned with this, the Bank continues to optimise operations through adoption of digital-first initiatives aimed at enhancing customer convenience and experience. From expanding digital banking capabilities and improving access to credit to supporting new-age entrepreneurs and driving innovation-led growth, the Bank remains dedicated to providing seamless and inclusive financial solutions.

EEB Performance

During FY26, loans were offered to 10.33 lakh new borrowers, reflecting EEB's commitment to financial inclusion. EEB's portfolio stood at ₹53,905 crore at the end of FY26 as the Bank introduced additional credit control measures to further strengthen portfolio quality.

Product Portfolio

Group Loans

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

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

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

Small Business and Agri Loans (SBAL)

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

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

Fortifying Business Operations

The following initiatives were undertaken by the Bank during FY26:

- Several initiatives were implemented to sharpen the underwriting process for EEB loans and improve portfolio quality
- Scorecards and Business Rule Engine (BRE) were implemented to improve customer selection for Group Loans
- Commenced offering deposit services through the Banking Units to ensure a more holistic banking experience for customers at these outlets
- Strengthened digital repayment modules such as QR-based channels to make repayments easier and hassle-free
- Introduced Aadhaar-based authenticated withdrawals from Banking Units for a smoother and better customer experience while ensuring secure customer identity verification
- Established a dedicated Delinquency Management Team, aligned under EEB vertical, to drive improvement in portfolio quality
- Multiple analytics-driven models were deployed to improve both sourcing and recovery, including customer selection and priority pools for recovery
- Digital literacy initiatives were undertaken across the EEB segment to enhance customer awareness about the benefits of digital banking, including seeding bank accounts with mobile number and Aadhaar, using digital payments etc.

Looking ahead, EEB will continue to evolve with changing customer aspirations. Building on relationships shaped by consistency and confidence, and by combining technology with tailored financial solutions, the segment aims to empower entrepreneurs to unlock new possibilities that resonate with our vision of driving progress, creating employment, and contributing to nation-building.

HOUSING FINANCE

Financing New Beginnings, Driving Sustainable Growth

During FY26, the Bank's Housing Finance business navigated a year of consolidation and transition. A calibrated approach focused on disciplined growth, stronger governance and tighter compliance across sourcing, underwriting, and portfolio management was adopted to build a robust foundation for long-term success. This year's performance reflects conscious trade offs undertaken in response to regulatory observations alongside continued efforts to strengthen the business platform for sustainable and scalable growth ahead.

Business Performance

The Housing Finance portfolio stood at ₹34,791 crore as of 31 March 2026, marking a Y-O-Y growth of 8.4%.

The business pursued growth in a calibrated manner, with continued emphasis on customer quality, prudent underwriting and portfolio resilience. During the year, sourcing, monitoring and collection capabilities were further strengthened, supporting the development of a more diversified, efficient and scalable Housing Finance franchise.

Fortifying Business Operations

During the year, the business further strengthened its compliance, governance and operating framework through a series of structural interventions. Continued investments in digital capabilities, streamlined workflows and enhanced control mechanisms improved operational efficiency and enabled a more seamless customer journey

These initiatives have strengthened the operating foundation of the business and enhanced its readiness for sustainable growth.

Future Outlook

Looking ahead, the business will continue to focus on strengthening its digital capabilities, expanding branch-led sourcing and progressively improving the channel mix. The execution roadmap also includes scaling the developer retail business and further centralising key processing activities to enhance consistency, efficiency and turnaround times.

Together, these initiatives are aimed at further strengthening customer experience, improving sourcing quality, and building a more resilient and scalable distribution and processing engine for the Housing Finance business.

RETAIL ASSETS

Comprehensive Solutions Seamlessly Meeting Diverse Financial Aspirations

In FY26, the Bank focused on further strengthening the Retail Assets portfolio by building enduring customer relationships through relevant, responsible, and accessible credit offerings. Built on a decade of trust and with a clear focus on a future of possibilities, the Bank's strategy, anchored in a prudent risk framework, emphasises secured lending, spanning Gold Loans, Car Loans, Commercial Vehicle and Construction Equipment (CVCE) Loans, and Two-Wheeler Loans, supplemented by carefully selected unsecured Personal Loans. This expanding portfolio reflects a growing bandhan with customers across geographies and income segments, underpinned by the Bank's commitment to inclusive growth, financial empowerment, and long-term sustainable relationships.

Gold Loan

The Bank's Gold Loan product offerings have been thoughtfully designed to address the immediate financial needs of customers with speed and simplicity. Loan amounts ranging from ₹10,000 to ₹80,00,000 are offered at competitive interest rates under the product bouquet with flexible tenures of up to three years. To enhance accessibility, the Bank continues to expand the branch network, enabling more customers to access timely credit with minimal formalities. This growing reach not only supports individual aspirations and evolving financial needs but also reinforces the Bank's commitment to trust-led growth.

Car Loan

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

CVCE Loan

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

Two-Wheeler Loan

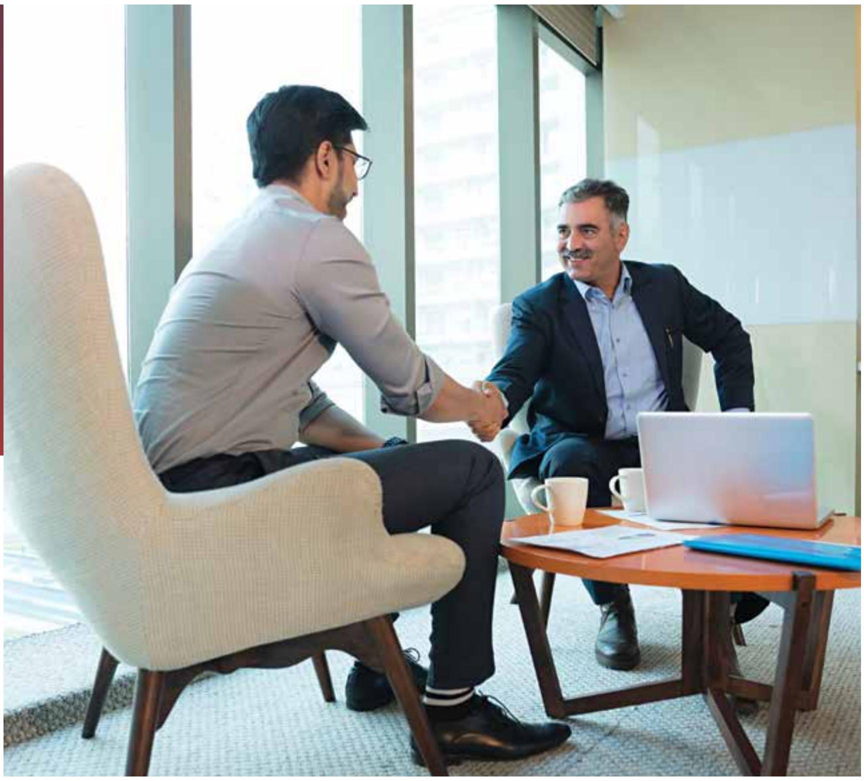
Supporting mobility and access, the Bank's Two-Wheeler Loan portfolio has surpassed 2,68,000 customers, 93% of whom are new to the Bank. Loans of up to ₹5,00,000 are extended through a dealer or channel-based distribution model. With the addition of financing options for electric vehicles and premium motorcycles, the Bank clearly demonstrates its dedication to evolve alongside changing consumer aspirations while broadening its reach among emerging customer segments.

Personal Loan

In FY26, the Bank maintained a focused and adaptive approach to its Personal Loan offerings, aligning with customer expectations and evolving market dynamics. With loan amounts between ₹50,000 and ₹25,00,000, and flexible tenures of up to five years, these unsecured loans are delivered through a dedicated sales team that ensures a responsive, trustworthy, and customer-centric experience.

Rooted in the Bank's core values of inclusion, prudence, and long-term relationship building, the retail lending journey continues to be marked by steady growth, increasing customer trust, and a strategic focus on secured, asset-backed credit. Built on a decade of responsible banking and deeper customer engagement, the Bank is well-positioned to support the next phase of growth.

WHOLESALE BANKING



Strengthening our Foundation through Robust Institutional Partnerships

The Bank actively engages with micro, small, medium, and large businesses to contribute to financial inclusion, job creation and equitable economic development. By setting-up specialised verticals in the Wholesale Banking segment, the Bank is expanding its vertical and horizontal presence to meet the working capital and capital expenditure requirements of non-individual customers across the value chain, enabling new opportunities for sustainable growth.

Mid-Market Group

The Mid-Market Group (MMG) supports medium and large enterprises by offering financial solutions tailored to meet their working capital and capital expenditure needs. These include both fund-based and non-fund-based options such as Term Loans, Cash Credit, Overdrafts, Loans Against Property, Construction/Project Finance, Lease Rental Discounting, Letters of Credit, and Bank Guarantees. In addition to Cash Management Services (CMS), the segment has recently forayed into Trade Finance (Fx, remittances, bill discounting, etc.) and Supply Chain Finance (SCF) to address the evolving financial needs of customers across markets. In the medium term, the segment is poised for better than industry growth in asset book, with several products in an advanced stage of launch (TReDS, Trade Credit, Forward Booking, etc.). With a national coverage, teams based in large business centres, and expanded product offering, the transactional relationship will further deepen and help grow the Bank's current account balances.

Total Advances for the segment stood at ₹18,601 crore as of 31 March 2026, compared to ₹12,243 crore as of 31 March 2025, registering a growth of 51.9% during FY26. This progress reflects the growing confidence placed in the Bank by enterprise customers and the depth of relationships cultivated over time.

Financial Institution Group (FIG), Healthcare and Education

The Financial Institution Group (FIG) continues to meet the financing requirements of Non-Banking Financial Companies (NBFCs), Housing Finance Companies (HFCs), and public financial institutions through a broad range of secured lending products. These include Term Loans, Working Capital Limits, Overdrafts and Cash Credit. Within the NBFC segment, the focus remains on secured financing, including Housing Loans, Loans against Property (LAP), Gold Loans, Commercial Vehicle Finance, and Business Loan segments. For NBFC-MFIs, the Bank supports their funding requirements through a balanced and diversified portfolio, supported by a nationwide presence. The Bank's sustainable performance and steady growth in a dynamic sector like this is underpinned by long-standing partnerships and a measured approach to risk.

During the year, the Bank further reinforced its position by extending the lending franchise to healthcare and education sectors, providing them tailored credit solutions within its existing secured lending framework. In FY27, the key focus would be to accelerate growth across the Healthcare and Education franchise and deepen transactional relationship to expand the Bank's current account balances.

As of 31 March 2026, the book for Healthcare and Education vertical stood at ₹580 crore, signifying the Bank's commitment to sectors essential for human and economic development. The Bank's NBFC portfolio remained quite healthy with no slippage to NPA during the year and over 95% of outstanding assets being rated A- and above by external rating agencies.

Commercial Loan against Property (Commercial LAP)

The Commercial LAP segment provides secured loans to proprietorships, partnerships, and private limited companies basis cash-flow visibility and availability of immovable property. By offering businesses the flexibility to address a range of financial needs, it plays a crucial role in strengthening the Bank's secured lending portfolio. In FY26, Dropline Overdraft facility (DLOD) was launched for customers, augmenting the segment's product offerings. Recognising the opportunities presented by the segment, the Bank is expanding its presence here on the back of 650 branches (as of March 2026) and open-market sourcing. Additionally, digital enhancements are being introduced to improve turnaround time, scalability, and the overall customer experience.

As of 31 March 2026, the segment's Total Advances stood at ₹2,055 crore, compared to ₹1,118 crore in FY25, registering a growth of 83.8%. The growth clearly reflects the growing reliance of small business owners on structured and transparent financial solutions and the trust built through consistent delivery.

The future outlook for the business remains strong, with higher growth rates expected over the medium term.

Business Banking Group (BBG)

The Business Banking Group (BBG) at Bandhan Bank serves the credit needs of Micro, Small and Medium Enterprises (MSMEs) across India. Anchored in secured lending, the portfolio offers a comprehensive suite of fund-based solutions, including Working Capital Facilities, Term Loans, Project Finance and financing under Government-supported schemes (CGTMSE-backed loans). The Bank also provides non-fund-based facilities, along with trade finance solutions, catering to enterprises across trading, manufacturing, and service sectors. The introduction of parameterised products for exposures up to ₹5 crore, supported by in-house credit assessment frameworks that enable faster turnaround times, has further strengthened the segment. Beyond the aforementioned exposure, assessment is conducted on a need-based model after considering the various requirements of MSME segment.

The business follows a relationship-led approach, complemented by a diversified portfolio across geographies and sectors, ensuring balanced growth and risk management. Continued investments in product innovation, process efficiency, and customer-centric delivery are enabling the Bank to scale its MSME franchise with improved productivity and responsiveness.

The BBG Fund-based Advances stood at ₹2,155 crore as of 31 March 2026, as against ₹1,703 crore as of 31 March 2025, registering a growth of 26.5% during the year.

Agri-business Loans

Agriculture remains integral to India's economy and livelihoods. To support it, the Bank offers financial solutions that empower farmers and agri-entrepreneurs alike. The segment provides Kisan Cash Credit (KCC) loans for a range of farming and allied activities, including animal husbandry, horticulture, and aquaculture, supported by competitive rates and streamlined processes. Beyond farm-level credit, the Bank also supports entities across the agricultural value chain, including processors, input dealers, and service providers. Offerings include Working Capital, Term Loans, and Commodity Pledge Finance for agri-infrastructure and agri-trade.

As of 31 March 2026, the Total Advances stood at ₹1,638 crore, up from ₹749 crore in FY25, recording a growth of 118.7%. This reflects a long-term, relationship-driven approach to rural and agri-sector banking – grounded in familiarity, relevance, and continued support.

Across its Wholesale Banking portfolio, the Bank continues to build lasting financial partnerships, anchored in prudent risk management, responsive service, and sectoral expertise. The uniform growth across segments is a testament to the expanding opportunities and the enduring trust placed in the Bank by businesses, institutions, and entrepreneurs. These relationships are the foundation upon which the Bank strengthens its bandhan as a reliable partner in India's growth story.

Aspiring Business Group (ABG)

Aspiring Business Group (ABG) offers Term Loan and Working Capital products to micro and small enterprises who rely on accessible and dependable financial solutions to sustain and expand their operations. With ABG, businesses gain more than just customised financial assistance - they build a relationship rooted in trust, security, and sustained growth.

Financial Products under ABG include:

Term Loans (₹3 lakh to ₹10 lakh)
Designed to support small businesses in their journey, these term loans offer flexible tenures of one to three years, ensuring access to working capital and asset creation with reliability and ease.

Secured Overdraft Loans (₹10.01 lakh to ₹25 lakh)
Introduced in FY23 to cater to MSME borrowers, this overdraft solution strengthens financial resilience. Businesses can secure working capital while pledging assets, reaffirming the foundation of trust in financial partnerships.

Max Loans (₹10.01 lakh to ₹25 lakh)
Built for enterprises with greater business aspirations, Max Loans extend higher-value funding, offering businesses a dependable avenue for expansion.

CGTMSE-backed CC/OD (₹5 lakh to ₹1 crore)
Supports MSEs through CGTMSE-backed guarantee cover by extending collateral-free credit, enabling wider financial inclusion while mitigating risk.

Unsecured Overdraft Loans (₹3 lakh to ₹25 lakh)
A trusted revolving credit facility that provides businesses the flexibility to access funds as needed, with interest applicable only on the utilised amount. Limits are renewed yearly, ensuring continuous financial support.

GST Connect Overdraft (₹20 lakh to ₹1 crore)
Offers a simpler, efficient and faster solution to MSEs to fulfil their working capital requirements against secured assets.

Loan against Property (₹20 lakh to ₹1 crore)
Secured credit facility that enables businesses to raise funds by leveraging residential or commercial properties. It is designed to support small business owners, including those with limited credit history, in meeting their diverse business financing needs.

Transaction Banking
During the financial year, the Bank continued to strengthen its Transaction Banking proposition, with a strong focus on product expansion, digital enablement, and enhanced customer experience. Several key products and services were launched during the year, such as Supply Chain Finance, Foreign Currency Import, Letter of Credit (LC), Letter of Credit Bill Discounting (LCBD), Cross-Border Remittances, eNACH facility for external customers and centralised Escrow platforms. A few other products in advanced stages of development and roll-out include cheque printing and collection, virtual account solutions, API banking, and host to host integrations. Simultaneously, the Bank is also working on the customer facing digital front-ends for both Trade Finance and Supply Chain Finance with the objective to improve service delivery and operational efficiency. All new products launched during the year have witnessed encouraging traction along with a robust 113% Y-O-Y growth in non-fund based advances.

Continued investments in workflow automation, digitisation, and core capability building will continue to boost the Transaction Banking franchise. CMS, Trade, FX and Supply Chain Finance remain the key pillars of the Wholesale Banking business, further strengthened through sustained focus on product innovation, technology-led enablement, and service excellence.

TREASURY

Driving Stability and Sustainable Growth

For the last 10 years, the Treasury Department has served as a cornerstone of diligent financial management, ensuring an optimal balance between liquidity, profitability, and risk. As the Bank celebrates a decade of building a resilient and credible institution, Treasury remains critical in enhancing financial stability and deepening the confidence stakeholders place in it.

The Bank's journey over the last decade has been defined by a proactive approach to risk, helping in seamlessly navigating dynamic economic conditions to safeguard financial health. The legacy of competently managing a portfolio of bonds, equities and foreign exchange instruments continues unabated. Parallelly, upholding the highest standards of governance and regulatory compliance has reinforced the trust of depositors and investors alike. Like always, the risk-first approach continues to consistently enhance value for all stakeholders.

As the Bank looks towards a future of limitless possibilities, Treasury, through its new product lines, is evolving to unlock fresh growth opportunities. The Bank continues to leverage advanced analytics and a robust IT infrastructure to gain in-depth perception of the market dynamics and stay ahead in a shifting economic landscape. As the Bank enters its next phase of expansion and empowerment, Treasury remains committed to providing the liquidity and strategic foresight necessary.

Anchored in the Bank's core values, Treasury ensures that every transaction and strategy embodies the spirit of bandhan and deepens the bond of responsibility and shared progress.

THIRD-PARTY PRODUCTS

Mitigating Risks and Building Wealth through Comprehensive Solutions

The business of banking is embedded in trust, rooted in customer centricity, and driven by committed relationship management. The banking industry has evolved significantly over the last few years with a noticeable increase in the pace of change in recent years, driven by macro and micro economic interplays, geopolitical kinetics, shifting customer demands, and data-driven and AI-led technological advancements. However, even as new possibilities emerge through this transformation, the core philosophy of trust, security, relationships and the 'humane touch' remains pivotal for every customer.

The Bank continues its firm endeavour to be a Bank for All – serving as a single destination for all financial services. Aligned with this, a comprehensive range of insurance and investment solutions is offered across customers' life stages, meticulously tailored to their evolving aspirations and financial well-being.

Over the past year, the Bank has focused on enhancing its service offerings by leveraging data-based decision-making, customer insights, and technology to better meet its customers' evolving needs. Customers today, across demography and locations, are actively embracing technology and technology-enabled changes in their daily lives. Technology has made their life easier, added more convenience to everyday experiences, and nudged them to aspire higher and dream bigger. Recognising this shift, the Bank envisions a technology-led future while remaining anchored in trust to support the growth of its customers, stakeholders and communities. This vision is supported by a well-established and diversified network of branches, an empathy-driven workforce, and robust internet and mobile banking platforms.

The business landscape for third-party distribution of financial products, including life insurance, general insurance, mutual funds and online trading, is swiftly evolving in response to changing customer needs and preferences, as well as regulatory interventions. To keep pace with this, the Bank has entered into ecosystem partnerships and built strong synergies with third parties to offer robust and customer-centric product propositions. Additionally, a strong distribution network for third-party products has been successfully established, both offline (through branch network) and online (through digital banking platforms), across Retail Internet Banking and Mobile Banking. The focus remains on providing customers with need-based solutions to manage their financial well-being, reinforcing the values of long-term empowerment and relationship-building.

Non-Life Insurance

Post COVID-19, a new world order has emerged - a world that is far more aware and responsive to the growing importance of health and financial security. The lasting impact of the pandemic, along with similar localised health threats, has reinforced the need for both comprehensive and specialised health cover.

The Bank has strengthened its partnerships with existing insurance providers such as Bajaj Allianz General Insurance Company, ICICI Lombard General Insurance Company Ltd, Niva Bupa Health Insurance Company, and The Oriental Insurance Company Ltd. Through these partnerships, the Bank offers a diverse range of general insurance products, including home, health, motor, personal accident, and critical illness insurance. These solutions help in building a comprehensive proposition for the Bank's customers, helping them manage both health-related risks and ensure financial protection against uncertainties, while offering benefits that support their lifestyle and livelihood. Furthermore, the Bank's strong focus on providing a safety net around health-related risks has enabled it to offer assorted products and solutions tailored to customer's specific health needs and protect them against unforeseen events.

Life Insurance

The Indian life insurance industry is experiencing robust growth, fuelled by economic progress, increased product awareness, a growing aspiring middle class, rising disposable incomes, and supportive Government policies and actions. The industry has transitioned from being just a protection solution provider to a partner which supports individuals and their family members at every step of life. Additionally, the industry is benefiting from technological advancements, data-driven decision-making, product and process innovation, and the expansion of distribution networks.

The Bank, as a trusted corporate agent for leading insurance companies such as Bandhan Life, Bajaj Allianz Life, HDFC Life, and Kotak Life, continues to expand access to life insurance. Through a well-stitched partnership model, the Bank provides a wide range of life insurance products, including protection plans, savings plans, market-linked products like Unit Linked Insurance Plans (ULIPs), and annuity products with both immediate and deferred annuity options. These products cater to different customer segments and life stages, helping individuals secure their lives and achieve their long-term financial goals. The offerings further reflect the Bank's vision of growing with its customers, deepening trust, and reinforcing the bandhan that ensures lasting financial security.

Mutual Funds

In FY26, the mutual funds industry was marked by volatility and impacted by kinetics of global markets and governance. During the year, the industry weathered both global and local geopolitical and macroeconomic tensions and witnessed large outflows from FIIs. Nevertheless, it remained steadfast, supported by steady retail inflows which softened the impact of global events. The significant participation from retail investors was driven by the widespread availability of digital platforms and comprehensive data.

Additionally, the Bank has partnered with leading mutual fund companies, including Aditya Birla Sun Life, Axis, Bandhan, Franklin Templeton, HDFC, ICICI Prudential, Kotak, Mirae Asset, Nippon India, SBI, and UTI. Through these partnerships, the Bank offers a wide variety of mutual fund products across asset classes via its Retail Internet Banking, Mobile Banking, Branch Banking channels. These products are tailored to meet the diverse investment needs of customers, providing benefits such as asset diversification, disciplined savings, and tax advantages in certain products. Moreover, the Bank's focus on mutual funds is helping customers to build wealth and achieve their financial objectives through professional management and strategic investment options. With each such offering, the Bank builds confidence and loyalty, furthering trust and cementing a bandhan that strengthens throughout the customer's financial journey.

The Bank also distributes important Government-backed product proposition like Atal Pension Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana, and Pradhan Mantri Suraksha Bima Yojana, ensuring that the citizens of the country get benefited by these affordable and useful products.

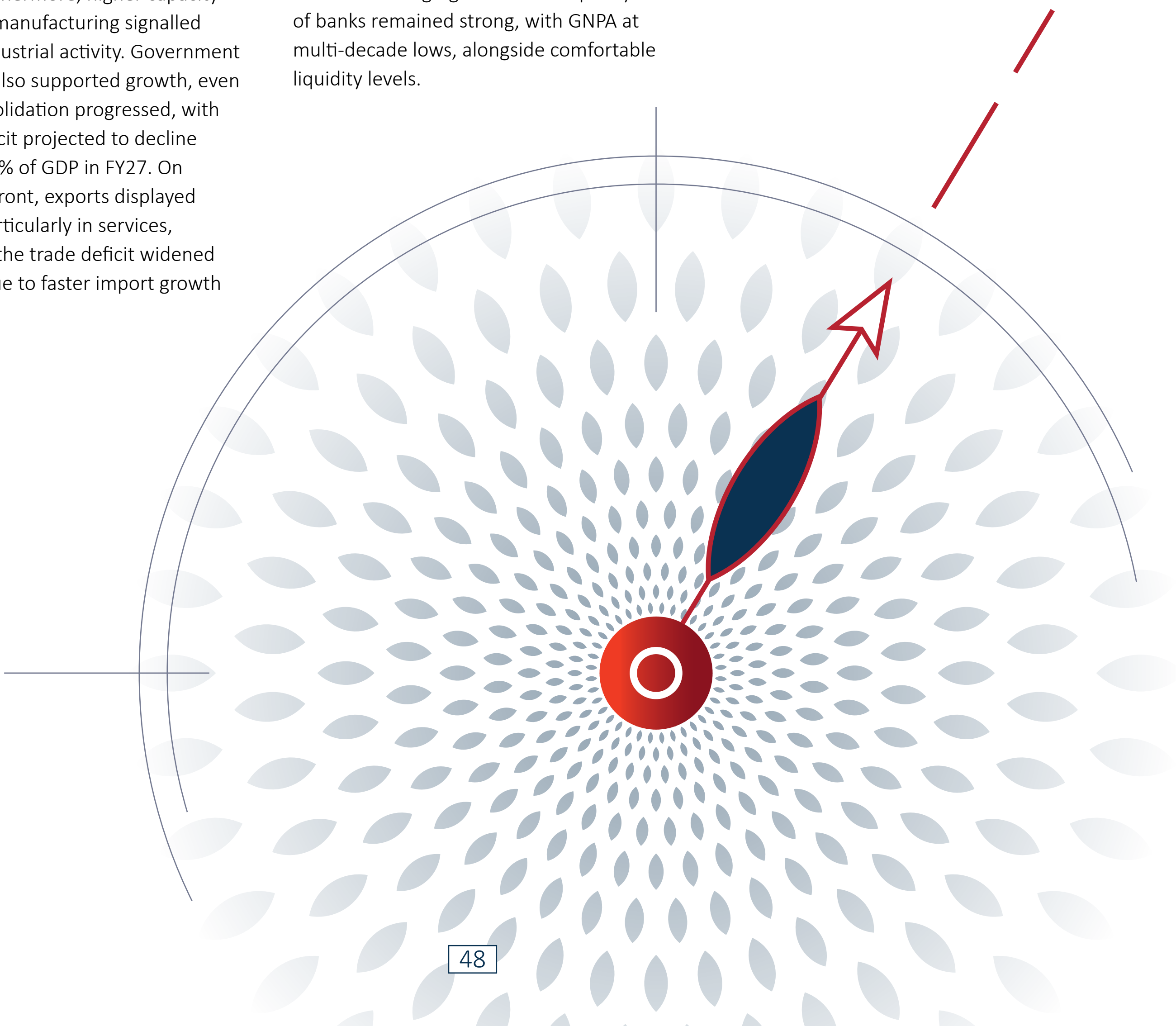
EXTERNAL ENVIRONMENT

Responding to a Dynamic Market and Regulatory Landscape

The Indian economy remained resilient in FY26 despite elevated global uncertainties, supported by strong domestic fundamentals. As per revised national accounts (base year 2022-23), real GDP growth accelerated to 7.7%, up from 7.1% in FY25. Domestic consumption continued to anchor growth, supported by improving rural and urban demand, GST rationalisation, and accommodative monetary policy. However, consumer confidence moderated towards the end of the year, indicating concerns over spillovers from global uncertainties. Despite initial softness, the overall investment activity remained steady, with momentum strengthening in subsequent quarters. Furthermore, higher capacity utilisation in manufacturing signalled improving industrial activity. Government expenditure also supported growth, even as fiscal consolidation progressed, with the fiscal deficit projected to decline further to 4.3% of GDP in FY27. On the external front, exports displayed resilience, particularly in services, even though the trade deficit widened in 2025-26 due to faster import growth than export growth. Consequently, net exports acted as a drag on growth amid a volatile global environment. Overall, domestic demand remained the primary growth driver, supported by structural reforms, tax measures, benign inflation, and improving employment trends.

The Indian banking sector continued to exhibit strength and stability. Credit growth outpaced deposit growth while credit expansion was broad-based, with strong growth across retail, services, agriculture, and industry. Notably, personal loans grew at a robust pace, driven by housing and gold loans, while credit to services and industry recorded solid double-digit growth. Asset quality of banks remained strong, with GNPA at multi-decade lows, alongside comfortable liquidity levels.

In summary, India's growth outlook remains stable, underpinned by robust domestic demand and a strong banking system, though global headwinds and geopolitical risks warrant caution. Looking ahead, progress in trade agreements with key global partners is expected to enhance India's growth prospects. At the same time, risks persist due to geopolitical tensions, elevated commodity prices, and disruptions in global supply chains.



Potential Threats

Spill-overs from External Sectors

The West Asia war has disrupted global energy supplies and have resulted in higher price rise across crude and gas segments. With India getting 40% and 60% of its crude and natural gas imports from the Strait of Hormuz, persistently higher energy prices could widen current account deficit (CAD) while adversely impacting growth-inflation dynamics. This poses downside risks for multiple sectors, directly impacting credit growth and potentially increasing slippages. As in 2025, heightened global uncertainties linked to policy and trade continue to remain a critical headwind and have the potential to interact with existing vulnerabilities and amplify adverse shocks, which could also be a drag to India's export-linked credit demand.

Financialisation of Savings

In recent years, alternative financial instruments like mutual funds, equities, and insurance-linked products have gained traction, driven by rising financial literacy, digital investment platforms, and strong post-pandemic capital market returns. This could result in drawing funds away from CASA balances toward these market-linked alternatives, impacting system level deposit growth. Hence, banks would be required to innovate their liability products and offer competitive, inflation-adjusted returns to attract household savings.

Response

Bandhan Bank has been prudent in mobilising deposits by offering differentiated, flexible products that better align with evolving customer needs. The Bank has adopted dynamic and competitive pricing, including segment-based rates and tenure-linked incentives, to remain attractive versus market-linked alternatives. Concrete steps have been taken to strengthen digital capabilities and provide seamless, app-based deposit journeys, which can match the convenience of investment platforms. The Bank has also been actively leveraging strong distribution networks, relationship banking, and lifecycle-based cross-selling to retain household savings.

Disruptive Technologies

The rapid evolution of AI and Machine Learning ('ML') is fundamentally altering the financial services landscape, posing a significant threat to traditional banking. These technologies enable new entrants, often leaner, digital-native, and more agile, to deliver financial products with unprecedented speed, personalisation, and efficiency. In response, the RBI has constituted an AI governance committee mandating explainability, audit trails, and data localisation - signalling that technology risk management is now central to prudential oversight. Traditional banks need to adapt quickly and redefine their role in a tech-first financial environment to avoid the risk of losing control.

Cybersecurity-related Risks

The cybersecurity threats are evolving, driven by rapid technological change and increasing sophistication of the threats. Phishing attacks, ransomware, and AI-powered fraud schemes are increasingly targeting retail customers, UPI ecosystems, and core banking infrastructure. In this context, regulatory mandates from the RBI, including directives on IT risk governance, cyber resilience frameworks, and incident reporting, are compelling banks to significantly strengthen their cybersecurity postures and invest in real-time threat intelligence capabilities. With focus on cybersecurity and consumer protection, the RBI had also constituted a Working Group on Digital Lending including lending through Online Platforms and Mobile Apps.

Response

In order to adapt to the modern tech world, Bandhan Bank has been proactive in modernising legacy core systems, a shift already visible in large-scale digitisation of the Bank's key services. Implementation of governance frameworks in line with RBI guidance has commenced to manage emerging risks. Additionally, cutting-edge technologies like data analytics and AI for personalised offerings, fraud detection, and customer engagement are being leveraged. Significant efforts are also being made to upskill employees and build in-house analytics capabilities to support a digital-first operating model. The Bank has taken active steps in strengthening cybersecurity infrastructure and technology risk management frameworks, including advanced threat detection, real-time monitoring, and incident response systems, to ensure resilience and maintain trust in a rapidly evolving ecosystem. Moreover, customer awareness initiatives on digital fraud and safe banking practices have been significantly scaled up over the recent past.

Climate Risks

Climate-related events have evolved from isolated occurrences to systemic threats with direct implications for the stability and resilience of the Indian banking industry. Physical risks, including floods, droughts, and extreme heat events, increasingly impair borrower repayment capacity, thereby pressuring banks' asset quality and provisioning norms. Transition risks, arising from policy shifts and market realignments toward a low-carbon economy, carry the potential to devalue carbon-intensive assets and fundamentally alter the credit landscape for banks. It is therefore imperative for banks to proactively integrate climate resilience into their credit underwriting, enterprise risk management, and governance frameworks, rather than treat it as a peripheral disclosure exercise.

Response

Bandhan Bank has increasingly integrated climate considerations into risk management and lending practices by incorporating environmental factors into credit appraisal and portfolio monitoring. Steps have been taken to enhance internal capabilities for climate risk assessment, including scenario analysis and stress testing of climate-sensitive exposures. The Bank is also undertaking measures to improve disclosures and align with global ESG and climate reporting frameworks. Capacity-building initiatives, including staff training on climate risk and sustainability, are being scaled up. The Bank is gradually embedding climate risk into strategic and operational decision-making processes.

Corporate Strategy

Over the past several years, Bandhan Bank has pursued a deliberate and far-reaching transformation, to evolve into a geographically-diversified, secular and full-service universal bank. This journey, articulated internally as Bandhan Bank 2.0, is anchored in three guiding principles: **quality of assets**, **stability of earnings**, and **diversification of the business model**. Each strategic choice, whether in product design, geographic expansion, or technology adoption, traces back to these principles.

The most visible expression of this shift is geographic. The Bank's footprint now spans 35 States and Union Territories through 6,355 banking outlets, yet its ambition extends beyond physical presence. In FY26, the share of advances originating outside the eastern region rose to 62%, reflecting a concerted effort to build relevance in the western, southern and central markets. At the same time, the Bank continues to deepen its roots in semi-urban and rural India, where it serves as the major financial gateway for millions of households.

On the asset side, the Bank has recalibrated its lending mix with discipline and intent. The secured book now constitutes 56.2% of total advances, up from 42.1% just two years ago. Three business verticals - Emerging Entrepreneurs Business (EEB), Housing and Retail, and Wholesale Banking - account for nearly one-third of the loan book, respectively. This balanced architecture reduces concentration risk while preserving the Bank's heritage of serving underbanked communities through the EEB segment. Additionally, credit appraisal frameworks have been strengthened, recovery mechanisms sharpened, and risk governance enhanced to support a portfolio that is growing both in scale and in resilience.

Digital infrastructure has become the backbone of the Bank's service delivery model. Two dedicated functions, the Digital and Transaction Excellence Unit (DTEU) and the Customer Experience (CX) team, lead this effort. The revamped mBandhan 2.0 app now supports smarter payment journeys, digital onboarding through Video KYC, and over 50 self-service workflows. The results are tangible: in Q4 FY26, 98% of retail transactions were processed through digital channels and 93% of new savings accounts were opened digitally. These represent the operating norm for a bank serving 3.18 crore customers.

Funding resilience has improved in parallel. The retail deposit share climbed to 73.7% of total deposits, up from 68.9% a year earlier, driven by a granular deposit-gathering strategy across the branch network. A stronger retail deposit base provides a more stable and lower-cost funding, reducing the Bank's dependence on bulk and institutional deposits. Capital adequacy remains comfortable, with Capital to Risk-Weighted Assets Ratio (CRAR) at 18% and Common Equity Tier 1 (CET 1) at 17.3%, both inclusive of profits, providing sufficient headroom for continued growth.

The Bank recognises that none of this is achievable without a capable and motivated workforce. Investments in training, leadership development, and employee engagement continued through the year. Across 75,397 employees, the Bank logged 6,54,000 learning hours in FY26, and business per employee grew by 10.7% Y-O-Y. The 2025 Gallup Exceptional Workplace Award, received for the second consecutive year and held by only 62 organisations globally, reflects the strength of the Bank's people-first culture.

Beyond its commercial operations, the Bank maintains a sustained commitment to socio-developmental impact through its CSR initiative, Empower. Programmes under this umbrella address education, health, livelihood promotion, climate action, financial literacy, and skill development, targeting communities in the Bank's operational geographies. This work is not peripheral to the strategy; it is continuous with the Bank's founding mission of financial inclusion and economic empowerment.

Looking ahead, the Bank's strategy blends modernisation with its mission continuity. It will continue to invest in digital capabilities, geographic reach, risk architecture and human capital, while staying rooted in the principles of financial inclusion that have defined it since inception. The objective is clear: to build an institution that is resilient in adversity, agile in execution, and enduring in the value it creates for all stakeholder.

Strategic Highlights: FY26

Five Strategic Pillars

Universal Bank with Diversified Portfolio

~35%
EEB

~33%
H&R

~31%
WBG

56.2%
Secured (was 42.1% in Q4 FY24)

62.0%
Non-East

Capital and Liquidity

18.0%
CRAR

17.3%
CET1

73.7%
Retail Deposits

₹1,66,344
crore Deposits

Customer Centricity and Digitisation

3.18
crore Customers

98%
Digital Transactions*

93%
Digital Onboarding*

88%
CBDT Digital*

30%
UPI Growth*

31%
Online FD Share*

Productivity and Efficiency

56.8%
Cost/Income (FY26)

10.7%
Y-O-Y Employee Productivity Growth

6,54,000
Learning Hours

Gallup Exceptional
Workplace (2-time winner)

75,397
Employees

Strong Outreach Capabilities

1,955
Branches

4,400
Banking Units

438
ATMs

35
States and UTs

*Digital indices pertain to Q4 FY26. All other metrics are as on 31 March 2026 or for FY26 full year.

Stakeholder Engagement

The Bank recognises meaningful stakeholder engagement integral to its ability to create long-term, sustainable value. It actively engages with diverse stakeholders, including customers, employees, regulators, investors, partners and communities, to understand their evolving expectations in today's rapidly changing operating landscape and incorporate their perspectives into strategic decision-making.

Through continuous dialogue and transparent communication, the Bank seeks to build trust, strengthen relationships, and ensure that its actions remain aligned with stakeholder priorities. This collaborative approach enables the Bank to respond effectively to emerging challenges, enhance accountability, and drive inclusive growth while upholding the commitment to responsible banking practices.

Shareholders and Investors

Vulnerable and Marginalised Group (Yes/No): No

Means of engagement

- Annual General Meeting
- Emails
- Investor meet
- Press releases
- Newspaper advertisements
- Website
- Stock Exchange disclosures

Frequency of engagement

- Yearly
- Quarterly
- Periodically

Purpose and scope of engagement

- Improved organisational profitability and growth
- Corporate governance mechanisms
- Compliance
- Transparent and effective communication
- Investor servicing

Customers

Vulnerable and Marginalised Group (Yes/No): No

Means of engagement

- Surveys
- Print, digital and social media
- 24X7 toll-free number
- Direct interaction with the Bank's employees
- Doorstep banking centres and home visits
- Financial Literacy Programmes and customer meets
- WhatsApp Banking
- Digital Banking

Frequency of engagement

- Ongoing Activity

Purpose and scope of engagement

- Convenience and ease of transaction
- Quick responses to issues raised through grievance redressal mechanisms
- Innovative technology and applications
- Transparent communication
- Product/service availability
- On-time delivery of product/service

Employees

Vulnerable and Marginalised Group (Yes/No): No

Means of engagement

- Induction programmes/trainings/workshops
- Individual performance appraisal
- Periodic communication and meetings with leadership team
- Employee engagement, wellness, team building, and celebration events
- Townhall
- Intranet

Frequency of engagement

- Need-based
- Periodically

Purpose and scope of engagement

- Caring and empowering work environment
- Personal development and growth
- Health and safety
- Responsive grievance handling process
- Employee benefits and competitive compensation
- Employee welfare and social security
- Employee alignment to common organisation goals

Local Communities

Vulnerable and Marginalised Group (Yes/No): Some members of the local communities belong to SHGs, low-income groups

Means of engagement
- Collaboration with independent parties/civil society organisations
- Formation of village institutions and regular meetings with them

Frequency of engagement
- Need-based

Purpose and scope of engagement
- Strengthening of livelihood opportunities
- Improvement of social infrastructure for a hygienic and healthy living environment
- Economic and social empowerment
- Financial literacy and improving access to financial services

Vendors and Suppliers

Vulnerable and Marginalised Group (Yes/No): Some vendors are identified as part of a vulnerable or marginalised group (women entrepreneurs)

Means of engagement
- Vendor meets
- Pre-agreement negotiations
- Procurement agreements

Frequency of engagement
- Need Basis

Purpose and scope of engagement
- Regular communication and updates on business plans
- Inclusion of local medium and small-scale enterprises in the vendor base
- Competency development of local vendors
- Stability and tenure of relationships
- Ordering and payment routines
- Purchase prices

Central and State Government

Vulnerable and Marginalised Group (Yes/No): No

Means of engagement
- Government circulars
- Formal notifications

Frequency of engagement
- Weekly
- Ongoing
- Need basis
- Annually

Purpose and scope of engagement
- New financial regulations

Regulatory Bodies

Vulnerable and Marginalised Group (Yes/No): No

Means of engagement
- Periodic meetings/interactions with regulatory bodies
- Mandatory filings with regulators including RBI, SEBI, Stock Exchanges, and MCA
- Participation in policy forums

Frequency of engagement
- Ongoing
- Need basis

Purpose and scope of engagement
- Compliance with rules and regulations
- Know the customer
- Fair treatment of customers
- Role in development of financial system
- Banks act as the first line of defence against financial crimes

Materiality Assessment

The Bank's approach to materiality assessment is grounded in its commitment to align business priorities with the broader trajectory of India's economic progress and sustainability ambitions. As the nation advances towards inclusive growth, financial resilience, and a low-carbon future, the Bank recognises the importance of identifying and prioritising the environmental, social and governance (ESG) issues that matter most to its stakeholders and long-term success.

Through a structured and stakeholder-centric materiality assessment process, the Bank evaluates key risks and opportunities, ensuring that the strategic focus remains closely aligned with both national development priorities and global sustainability frameworks. This enables the Bank to integrate sustainability into decision-making, enhance transparency, and drive responsible growth, while creating lasting value for all stakeholders and contributing meaningfully to India's evolving economic and sustainability landscape.

Methodology

The Bank had carried out a comprehensive materiality assessment exercise in FY23, involving a series of steps including:

Universe of Material Issues

Identification of material issues considering sectoral requirements from industry-leading ESG standards and rating indices including GRI, SEBI-BRSR, MSCI, DJSI and SASB.

Identification of Material Topics

Benchmarking against industry leaders and competitors to gain valuable insights into emerging trends, risks, and opportunities that are relevant to the Bank's own ESG strategy and materiality assessment.

Stakeholder Engagement

Engagement with wide range of internal and external stakeholder groups through structured surveys and consultations to obtain insights on identified ESG material topics.

Finalisation of Key Material Topics

Finalisation of a comprehensive list of material topics based on the scoring of identified ESG issues.

In response to the evolving regulatory frameworks such as SEBI's Business Responsibility and Sustainability Reporting (BRSR) framework, GRI Standards (2021), and the International <IR> framework, alongside shifting market dynamics, and emerging stakeholder expectations, the previously identified material topics were reviewed by the Bank in the current reporting period to ensure alignment with the current business environment and sustainability landscape and prioritise issues most relevant to the Bank's stakeholders and its long-term strategic objectives.

The material topics include –

- Climate Action

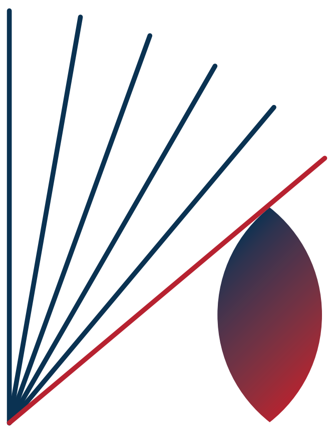
- Employee Engagement and Development
- Workforce Safety and Security
- Customer Experience
- Community Engagement and Development

- Regulatory and Statutory Compliance
- Business Ethics and Governance
- Digital Innovation and Data Privacy
- Financial Inclusion
- Policy Transition

Further details on material issues related to business conduct and sustainability, covering environmental and social matters that present risks or opportunities to the business – along with the rationale for their identification, the approach to mitigation or adaptation, and the associated financial implications, are provided in **BRSR Section A, Question 25**.

RISKS AND OPPORTUNITIES

Building Trust, Leveraging Possibilities.



Bandhan Bank is exposed to diverse risks, namely credit risk, credit concentration risk, market risk, liquidity risk, interest rate risk in the banking book, operational risk, fraud risk, conduct risk, IT risk, outsourcing risk, compliance and legal risk, information security (InfoSec) risk, reputational risk, strategic risk, business risk and their underlying interlinkages. To manage these risks effectively and safeguard the interest of the Bank and all its stakeholders, a robust risk management framework has been implemented in alignment with industry best practices. The framework, other than proactively identifying and mitigating the potential risks that the Bank and its operations is subject to, reinforces trust and upholds brand reputation, ensuring business resilience and continued stakeholder confidence.

The Bank's risk management strategy is centred around four key aspects:

- Developing a corporate risk profile
- Risk function for prudent risk management
- Integrated risk management, and
- Continuous risk monitoring

These aspects align with the Bank's holistic approach to managing risks while ensuring sustained stability in a dynamic business environment.

The Bank's robust risk governance strengthens its ability to navigate unforeseen risks and uncertainties, enhancing stakeholder loyalty, forging a deeper and enduring bandhan with them and reinforcing its position as a customer-centric brand.

Mitigating Risks. Ensuring Business Resilience

Implementation of strong risk management policies and practices followed by continuous monitoring and improvements serve as critical pillars to organisational resilience and business continuity. Bandhan Bank is cognisant of this and takes proactive measures to ensure that its risk management framework aligns with the existing and emerging external and internal risks. By reducing the likelihood and severity of adverse events, this framework has helped the Bank to sustain stakeholder trust and loyalty over the years and continues to create a solid foundation for it to leverage new opportunities and grow with confidence.

Amid the evolving socio-economic landscape, the Bank faces risks from inflationary pressures, vulnerabilities in microfinance segments, geopolitical uncertainties, cyber threats, and climate-related challenges. To mitigate these, the Bank has strengthened its credit underwriting and collection mechanisms, enhanced provisioning buffers, and diversified its loan portfolio beyond microfinance into retail and MSME segments. The Bank has also invested in digital banking and cybersecurity infrastructure, promoted financial inclusion, and adopted robust risk monitoring and stress testing frameworks to proactively manage emerging risks while maintaining operational resilience.

In response to the ever evolving business and regulatory landscape, the Bank has embarked on a journey of transformation, embedding innovation, digitalisation, technology upgrade, and process optimisation into its core DNA. Enhancements to the existing capabilities and continuous endeavour to build new ones is leading to improved operational efficiency and better customer experiences, while effectively mitigating potential risks.

The Bank's ISO 22301-2019 certification, an international standard for Business Continuity Management Systems (BCMS), is a testament to its ability to effectively respond to risks. The certification provides the Bank with a framework to plan, establish, implement, operate, monitor, review, maintain, and continually improve a documented management system to protect against, reduce the likelihood of, and ensure recovery from disruptive incidents.

Uniform measures have also been adopted across operations to proactively identify and assess potential risks, along with their immediate and future impact, followed by implementation of probable corrective actions and mitigation plans. One of the measures constitutes the implementation of a robust and comprehensive Crisis and Business Continuity Plan (BCP), ensuring business resilience in the face of adversities. The BCP has been developed in collaboration with key stakeholders and can be quickly activated to instantly respond to risks. Emphasis is also placed on prioritising core business that supports crucial services and products. The Bank also undertakes stress testing through various extreme but plausible scenarios, in addition to normal scenarios, at regular intervals, as a mechanism to navigate through uncertainties.

Prudent Risk Management Approach

A comprehensive risk management framework details how the Bank conceives, manages and reports diverse risks and threats to its business and daily operations, institutionalising stakeholder trust and responsible growth practices. The framework clearly lists down the key arrangements and standards of risk management and internal controls made by the Bank to ensure compliance with statutory and regulatory requirements. It also outlines crucial components to the Bank's risk management approach, including policies for managing diverse risk types, provisions for risk governance arrangements, risk appetite and exposure limits, risk culture standards, and risk reporting. Transparency in risk management is further ensured through regular disclosures, information sharing and encouraging open dialogues on the risks arising from various activities across the Bank.

A dynamic risk appetite allows the Bank to seamlessly navigate through diverse situations. Risk Appetite Framework (RAF), a key governance tool, is set annually by the Board on the recommendation of the Risk Management Committee of the Board (RMCB) to enable the Bank to align its risk-taking capacity with its strategy, business, and capital plans. By providing absolute clarity on the Bank's risk appetite, RAF, along with the know-how of operational triggers, enables the Bank to make prudent, risk-aware decisions.

Given the dynamic macroeconomic and microeconomic environment, the Bank operates in, regular stress testing, beyond what is required by the regulator, is undertaken (including additional scenarios) to analyse the potential stress that it may encounter. Moreover, scenarios and measurement approaches for quantifying risks and capital demands are implemented across all material risk types.

The Bank's risk management capability is strengthened by its robust systems, processes and policies. Sustained focus is also placed on protecting key capitals and liquidity levels through continuous monitoring, scenario analysis, stress testing tools, and streamlined escalation processes. The Bank regularly assesses and improves its risk management framework in line with the emerging socio-political risks and evolving business landscape. Formulating strategy and business expansion plan in accordance, while keeping risk appetite as a guiding document, helps minimise disruptions and optimise business outcomes.

Risk Governance Framework

Managing risks in a proactive and responsible manner requires structured mechanisms and pre-defined roles and responsibilities throughout the organisational hierarchy. In agreement with this, the Bank has in place a robust risk governance framework that identifies, assesses and manages risks at all levels by establishing and governing various risk committees, a comprehensive risk appetite framework, and efficient escalation mechanisms. Individuals and teams are also held responsible and accountable for their various risk-related decisions and actions under this framework. By adopting a holistic approach to risk governance, the framework also ensures that profit considerations and performance evaluations do not influence risk management roles within the Bank and rather align with the regulatory guidelines and international best practices.

- The Bank enforces a rigorous Risk Governance Framework structured across three levels: Board, Committees of the Board, and Management Committees.
- The Risk Management Committee of the Board (RMCB) regularly informs the Board on the Bank's risk disposition and updates it on special developments in its risk situation, risk management, and risk mitigation, as necessary.
- The RMCB also discusses issues related to aggregate risk disposition and risk strategy with the Management and supports the Board in monitoring the implementation of this strategy.
- The Bank also has in place various other executive-level risk related committees, serving as formalised decision-making forums. They include Asset Liability Management Committee (ALCO), Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC), Market Risk Management Committee (MRMC), Fraud Risk Management Committee (FRMC) and Information Security Committee (ISC), among others. Through strong oversight, these committees enable the views of risk decision takers and risk managers to be heard and integrated into the final decisions.
- The Chief Risk Officer (CRO) is directly responsible for all the risk management functions, such as Credit Risk Management, Market Risk Management, Operational Risk Management, Fraud Risk Management, Liquidity Risk Control and Information Security. To further strengthen the Bank's risk capabilities and oversight, the CRO monitors, analyses, and reports risks on a comprehensive basis. CRO's independence is ensured through a fixed tenure, reporting structure and periodic reviews by the Board and the RMCB.

RISKS AND OPPORTUNITIES

Resilient Risk Culture

A resilient risk culture underscores the Bank's ability to expand and thrive despite a challenging business landscape. A strong risk culture at Bandhan Bank flows from the top, with the management leading the way for the rest of the employees to align with the Bank's risk governance framework and strictly adhere to its risk policies and practices. This, besides safeguarding the Bank's capitals, protects its reputation and fosters enduring trust and stakeholder value creation.

A resilient risk culture within the Bank is built and sustained through the following measures:

- Employees are regularly and adequately trained on risk management as per their roles and profiles. Any risks taken by them have to be approved within the risk management framework.
- Weekly or monthly newsletters and publications are issued on various risk areas.
- Directions are issued on measures required for strengthening risk culture, formulation of policies and frameworks, whistle-blower mechanism, risk appetite framework, and more.
- Significance of taking risks within the defined risk appetite and ensuring that the risk taken is adequately compensated in line with risk-adjusted performance measures is constantly reinforced.

Key Drivers of Risk Culture

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

Risk Culture

Strong Risk Culture Demonstrates

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

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

Capital Adequacy and Risk Strategy

The Bank's robust risk management and governance framework, methodologies, processes and infrastructure ensure that it remains compliant with the Internal Capital Adequacy Assessment Process (ICAAP) as required under Pillar 2 of Basel III. By leveraging a strong foundation, the Bank aims to maintain adequate capital buffer and ensure that the internal capital supply exceeds internal capital demand on an ongoing and forward-looking basis.

It is crucial for the Bank's risk appetite and strategy to align with its commercial goals. To enable this, a strategic planning process has been deployed which is backed by constant monitoring and periodic reporting of the Bank's approved risk, leverage and capital to the management. A robust stress testing framework further complements these efforts. Moreover, the Board annually approves and periodically reviews the Bank's ICAAP, Risk Appetite Framework, and Strategic Document as a measure to strengthen risk governance and reinforce the risk, capital, and strategy alignment.

Building A Risk-Aware Ecosystem

Nurturing an ecosystem that is well-informed and aware of the potential risks can help avoid and mitigate risks in the first place. As a firm believer in this, the Bank undertakes a variety of measures, including regular communication, to spread risk and cybersecurity awareness amongst employees and customers, thereby safeguarding its own operations against undesired risks.

- The staff is regularly informed and trained on risk management through newsletters, circulars, seminars, workshops, and desktop screensavers
- A Learning Management System (LMS) features personalised models on information security, business continuity planning, and risk culture to support employee training on risk management
- Multilingual text messages, emails, and social media posts are leveraged to spread awareness on information security amongst consumers
- The effectiveness of information security awareness is assessed through a well-established framework

CREDIT UNDERWRITING

Driving Portfolio Strength through Prudent Credit Underwriting

Over the past decade, the Bank has transformed from a microfinance-focused institution into a diversified universal bank, centred around financial inclusion and disciplined growth. A critical enabler of this transformation has been the steady evolution of its credit underwriting framework, enabling the Bank to build a strong, resilient, and clean portfolio.

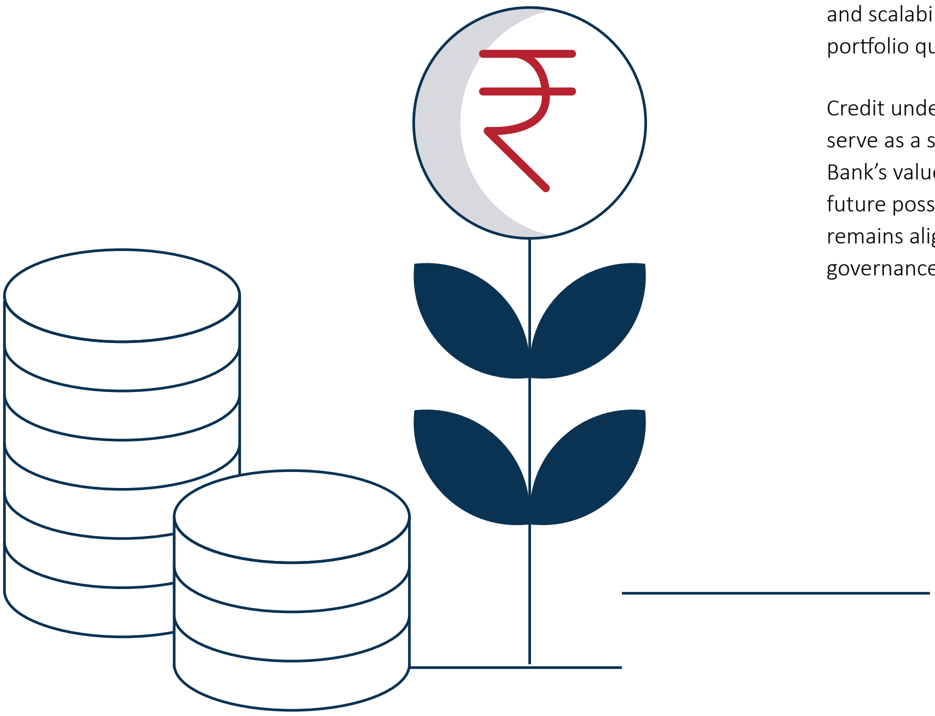
In the early years, underwriting relied on deep customer insights and conservative risk practices, particularly in the microfinance segment. As the Bank expanded into Retail, MSME, Housing, and Wholesale portfolios, structured, segment-specific underwriting models, supported by robust policy frameworks and governance mechanisms, were introduced. The strategic evolution resulted in consistent credit quality while enabling scalable growth.

The most recent phase of this evolution emphasises on digitisation and standardisation. With adoption of rule-based decisioning, automated validation checks, and API-driven loan origination systems, the Bank aims to enter the next phase of progression by reducing subjectivity, improving turnaround times, and enhancing auditability. This shift is expected to significantly strengthen both operational efficiency and risk control.

The Bank's underwriting discipline is also fundamental to maintaining asset quality across cycles. Key drivers include strong policy governance, early risk identification through analytics, portfolio diversification, and multi-layered approval controls.

As the Bank enters its next decade, the focus will be on advanced analytics, AI-led credit models, and deeper digital integration. Such enhancements will add considerable value to the underwriting framework and will help in further enhancing decision accuracy and scalability, while preserving portfolio quality.

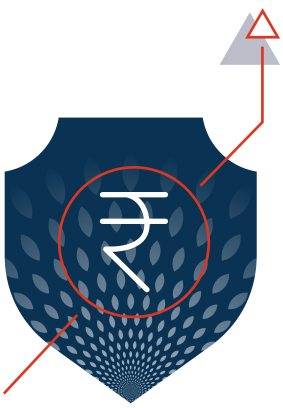
Credit underwriting will continue to serve as a strategic cornerstone of the Bank's value-creation model, developing future possibilities, ensuring that growth remains aligned with prudence, strong governance, and long-term sustainability.



COMPLIANCE

Compliance First: Ensuring Integrity, Earning Trust

The Bank's Compliance department is an integral part of the corporate governance framework, upholding the Bank's unwavering adherence to compliance across the hierarchy. The Board and Management proactively participate in nurturing a strong culture of compliance and risk awareness, underscoring the Bank's continuous efforts to build and maintain trust with customers, regulators, and the broader public.



Stringent compliance standards, aligned with the Bank's philosophy and the regulatory, statutory, and internal requirements, are being upheld across processes and departments. This is enabled by a comprehensive Compliance Policy that clearly defines roles and responsibilities within the Department. The structured approach ensures transparent, responsible, and trustworthy operations, thereby building trust and deepening bandhan with all stakeholders.

Additionally, diverse compliance risks are proactively managed through unwavering support from the Compliance Department, ensuring that the Bank's activities consistently adhere to guidelines issued by the Reserve Bank of India (RBI) and other regulatory and statutory authorities. The Department also ensures conformity with the various standards and codes set forth by institutions such as the Indian Banks' Association (IBA), the Foreign Exchange Dealers' Association of India (FEDAI), and the Fixed Income Money Market and Derivatives Association of India (FIMMDA). Moreover, it serves as the primary liaison with regulatory bodies, helping the Bank to stay updated on evolving regulations while providing expert interpretation to senior management, while actively monitoring for potential gaps or deviations. In line with the Bank's values of collaboration and resilience, the Department works closely with other departments to ensure a clear understanding and implementation of regulatory requirements. It also partners with the Risk and Internal Audit Departments to enhance risk management practices and strengthen internal controls.

The Bank also has in place a comprehensive, risk-based Anti-Money Laundering (AML) programme to address risks associated with money laundering and terrorism financing. This entails a well-defined AML Policy, comprehensive customer due diligence protocols, continual risk assessments, and effective monitoring tools for detecting and reporting suspicious activities. Simultaneously, regular training sessions are conducted to equip staff with the knowledge required for ongoing adherence and proactive risk mitigation.

The Compliance Department also submits regular updates to the Board, the Audit Committee of the Board (ACB), and Senior Leadership regarding the Bank's compliance status, particularly in response to regulatory changes. Subsequently, the ACB periodically reviews the Department's performance and the Bank's overall compliance with applicable regulations. On the whole, the Bank reinforces its core values, ensures data security, prevents fraud, and maintains a stable and trustworthy financial environment through strict adherence to regulatory standards. This not only deepens the confidence of customers and stakeholders but also reinforces the Bank's foundation for sustainable growth.

DATA SCIENCE, PLATFORM AND ANALYTICS

Ensuring Trust and a Future of Possibilities

Trust remains the cornerstone of banking - driving customer relationships, regulatory confidence, and long-term sustainability. The integration of Data Science, Platforms, and Analytics is enabling the Bank to embed trust into every decision, interaction, and process, moving beyond traditional relationship-building to data-backed credibility.

Building Trust through Robust Data Foundations

A strong data ecosystem is essential to ensure reliability and transparency. At the Bank, this is enabled through a three-pronged approach which includes:

Enterprise Data Lake (EDL)

Centralised repository enabling large-scale data processing and insight generation

Data Governance Framework

Ensures data security, quality, lineage, and controlled access

Consent-driven and compliant data usage

Aligned with evolving regulatory expectations and privacy requirements

This foundation ensures that every insight, model, and decision is backed by accurate, secure, and governed data which acts as a critical pillar of trust.

Enhancing Customer Trust through Personalisation

Modern banking is transitioning from generic services to deeply personalised engagement. The Bank is swiftly adapting to the evolving banking and consumer trends through focus on customer segmentation based on behaviour and demographics, implementation of AI-driven recommendation engines for tailored financial products, and development of GenAI-powered chatbots and assistants for real-time, personalised service. Through these capabilities, the Bank achieves a clear understanding of customer needs, reinforcing confidence and engagement.

Transparency and Explainability in Decision-Making

Trust is strengthened when customers and regulators understand decisions. Diverse initiatives and measures strengthen the Bank's decision-making capability, including real-time transaction monitoring to detect anomalies and prevent fraud, algorithm-driven compliance checks to minimise regulatory risks, and smart movement towards explainable AI and transparent decision frameworks.

Data-Driven Risk Management and Security

Analytics plays a critical role in enabling the Bank to mitigate risks and safeguard the ecosystem. Initiatives include deployment of predictive credit risk models to assess borrower capability, Early Warning Systems (EWS) for proactive risk mitigation, and Fraud detection models (e.g., money mule identification, AML analytics) for utmost protection. These mechanisms build institutional trust by reducing risk, preventing misuse, and ensuring financial stability.

Platform-Led Transformation: Enabling Scale and Consistency

A robust platform strategy implemented throughout the Bank ensures that analytics is not a siloed function but an enterprise capability. Key components of this strategy that position data as a core organisational capability rather than a support function, are:

- Unified data platforms breaking silos for consistent intelligence
- Enterprise-wide analytics tools like Tableau for democratised insights
- API-based integrations and real-time decision engines
- Cloud and hybrid infrastructure for scalability and agility

Driving Operational Excellence and Efficiency

Analytics-led interventions such as automated decision models for better turnaround times and campaign analytics to drive targeted growth and cross-sell are creating measurable business impact within the Bank. Other measures include prioritising data-driven collections for improving recovery outcomes and automating MIS and dashboards for productivity enhancement. The result is faster, consistent, and insight-led, enhancing operational efficiency across the Bank.

Responsible AI and Ethical Governance

The Bank is committed to deploying AI in a manner that is responsible and builds enduring trust and long-term value creation. This is being achieved by ensuring that technology adoption results in fairness, inclusiveness, and non-discriminatory outcomes, mandating human oversight in critical decisions, continuous monitoring, auditability, and model validation, and alignment with DPDP and RBI AI guidelines.

Expanding Financial Inclusion

With strong trust foundations, the Bank is positioned to onboard new customers using real-time, zero-touch decisioning for selected use-cases and AI-driven product innovation and behavioural intelligence. Inclusive banking through multilingual and accessible AI systems is further strengthening the Bank's value proposition and marking a transformational shift in its credibility and reputation.

Strategic Imperative Going Forward

To sustain momentum, the Bank will continue to strengthening data quality, real-time capabilities, and governance, scale AI innovation within responsible frameworks, embed analytics into every business function and decision, and focus on customer trust, transparency, and measurable outcomes.

By combining robust data foundations, responsible AI, transparent decision-making, and scalable platforms, the Bank is committed to building a future where - customers trust every interaction, regulators trust every process, and it confidently unlocks new possibilities.

VALUE CREATION MODEL

The Value Creation Blueprint

Input

Financial Capital
- Share Capital: ₹1,611 crore
- Reserve & Surplus: ₹23,964 crore

Manufactured Capital
- Number of branches opened this year: 46
- Extensive banking outlet network, especially in rural and semi-urban areas: 71%
- Integration of physical and digital channels for seamless banking

Intellectual Capital
- Launch of enhanced mBandhan 2.0 app
- Digital transformation and expansion of digital banking solutions
- Leveraging data analytics for risk assessment and customer insights
- Simplification of processes to enhance customer experience
- Strengthening technology platforms for operational efficiency
- Innovation in financial products tailored to underserved segments

Human Capital
- Guided by oneBandhan Bank culture
- Staff cost (Schedule 16)
- Total employee count: 75,397
- Inclusive and people-centric work culture
- Continuous employee training and leadership development
- External training partnerships with 57 institutes for specialised skill development
- Talent management
- Diversity, equity and inclusion initiatives

Social and Relationship Capital
- Guided by core belief always- Customer First
- Funding allocated to on CSR programmes: ₹63+ crore
- Number of CSR partner organisations engaged across CSR initiatives: 49

Natural Capital
- Reduction in paper usage through digitalisation
- Energy-efficient operations in branches and offices
- Adoption of renewable energy sources reducing emissions and operating costs

Value Drivers

CONTEXT
1. Stakeholder Engagement
2. Material Issues
3. External Environment
4. Risk Management

STRATEGIC PILLARS
1. Strong Outreach Capabilities
2. Universal Bank with Diversified Portfolio
3. Customer Centricity and Digitisation
4. Capital and Liquidity
5. Productivity and Efficiency

STAKEHOLDERS
- Shareholders and Investors
- Customers
- Employees
- Local Communities
- Vendors and Suppliers
- Central and State Government
- Regulatory Bodies

DRIVEN BY

VISION

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

MISSION

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

VALUES

C Cost-effective and simple

R Respect for all

E Exemplary governance

A Accountability, professionalism and discipline

T Transparency and integrity

E Effective teamwork and commitment

Output

Total Advances:

₹1,54,233 crore

Total Deposits:

₹1,66,344 crore

Profit After Tax:

₹1,224 crore

Net Total Income:

₹13,564 crore

Outcome

SDGs Impacted

Financial Capital

- Gross revenue: ₹24,423 crore
  (Interest Income + Other Income)
- Total asset size: ₹2,11,124 crore
- Total deposits increased by ~10%
- Net worth increased by 6% in FY26
- Net NPA ratio decreased from 1.28% on 31 March 2025 to 0.97% on 31 March 2026

Manufactured Capital

- Total Banking outlets: 6,355
- ATMs and cash deposit/withdrawal machines: 438
- Total customers: 3.18 crore
- Bank's national presence: 35 out of 36 States & UTs

Intellectual Capital

- ₹1,600+ crore payment gateway transaction value
- Total UPI transactions processed reaching 109.8 crore volume
- Platform maintains transaction success exceeding 99%
- Approximately 45 lakh customers registered for digital services
- Nearly 98% transactions completed through digital channels

Human Capital

- Women employees: 8,894
- Employees completed extensive learning hours supporting continuous skill development: 25.41+ lakh hours
- Employees covered under leadership programmes: 5,446+
- In FY26, 29,000 employees were felicitated for their enduring long-term engagement with the Bank fostering a culture of appreciation
- The Grade Promotion Eligibility Metric was revamped in FY26 and 8,553 employees were promoted, which is higher by 10.12% compared to the employees promoted in FY25

Social and Relationship Capital

- Number of lives positively impacted across the country in this fiscal: ~32+ lakh
- Total brand awareness: 67%
  (as per IPSOS Brand Health Track Research)

Natural Capital

- Approximately trees and saplings planted supporting environmental sustainability initiatives: ~5,00,000 in FY26
- Estimated carbon sequestered through the plantation initiatives is around 6,470.79 MT of CO_2/year

Financial Capital

Material Topic Covered

- Financial Inclusion

SDG

The Bank maintains a robust and resilient financial capital base to support its growth ambitions while safeguarding stakeholder interests and remaining fully compliant with applicable regulatory requirements, including those prescribed by the Reserve Bank of India and Basel III norms. The Bank's disciplined approach to capital management, underpinned by prudent risk practices and a diversified funding profile, enables it to sustain lending momentum and absorb potential shocks across economic cycles.

A focus on optimising capital structure through a balanced mix of equity and liabilities enables the Bank to maintain adequate capital and liquidity buffers in line with the regulatory requirements and internal risk appetite. The Bank's ability to mobilise stable, low-cost deposits, coupled with efficient capital allocation, strengthens profitability and supports long-term value creation.

Continuous monitoring, stress testing, and proactive treasury management further ensures that the Bank's financial capital remains aligned with its strategic priorities, positioning it to fund sustainable growth, enhance shareholder returns and contribute meaningfully to the broader economy.

Financial Performance

₹1,54,233 crore
Gross Advances

₹10,830 crore
Net Interest Income

₹5,865 crore
Operating Profit

₹1,224 crore
Profit After Tax (PAT)

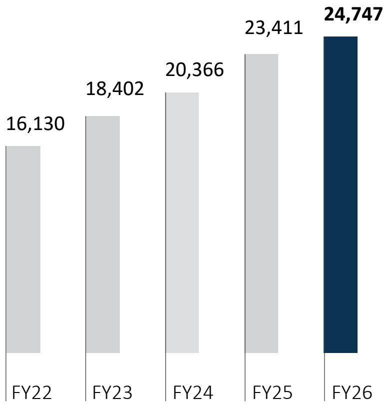
6.08%
Net Interest Margin (NIM)

0.64%
Return on Assets (ROA)

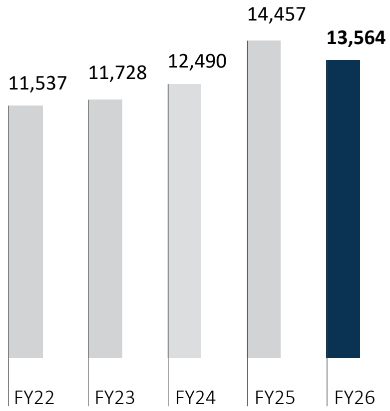
4.85%
Return on Equity (ROE)

56.76%
Cost-to-Income Ratio

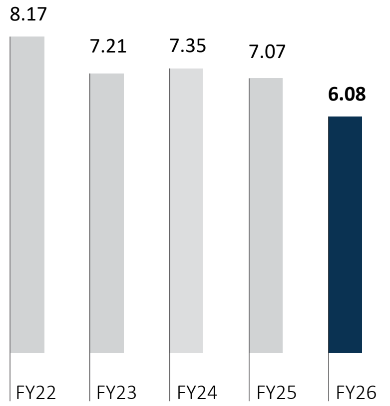
Net Worth (₹ in crore)



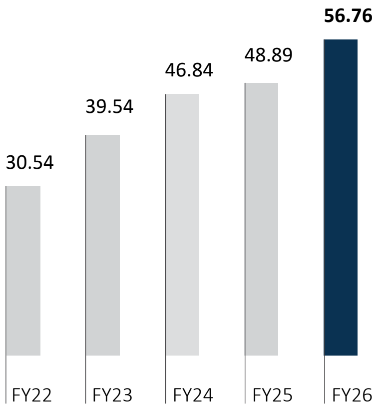
Net Total Income (₹ in crore)



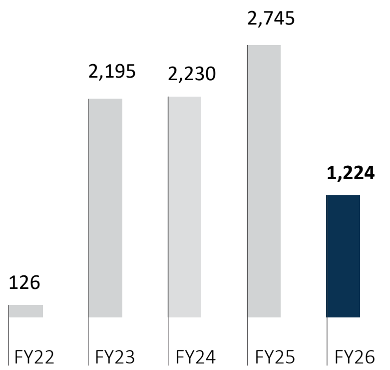
Net Interest Margin (%)



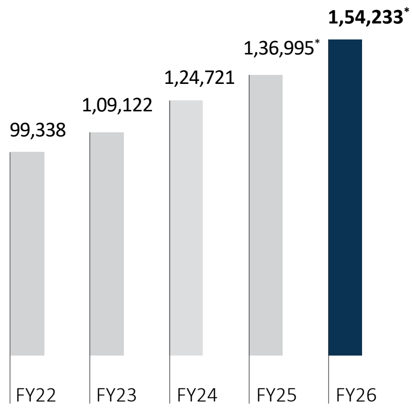
Cost-to-Income Ratio (%)



Profit After Tax (₹ in crore)

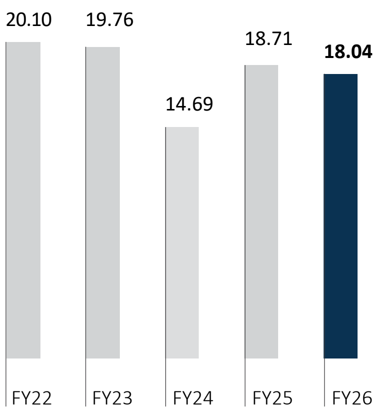


Advances (₹ in crore)

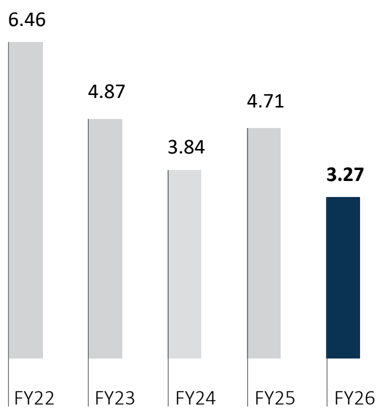


*Includes PTC amounting to ₹562 crore in FY26 and ₹265 crore in FY25

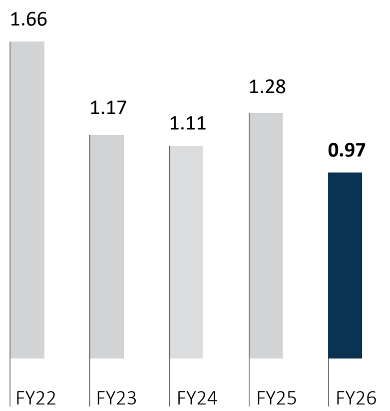
Capital Adequacy Ratio (%)



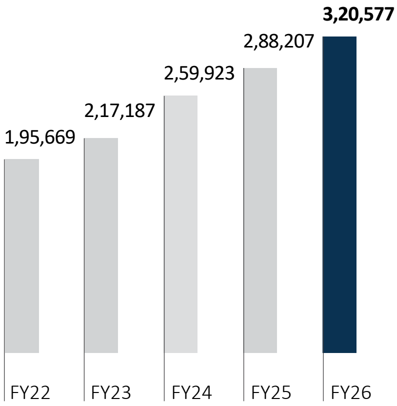
Gross NPA (%)



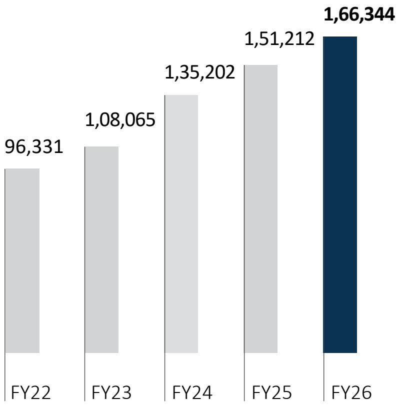
Net NPA (%)



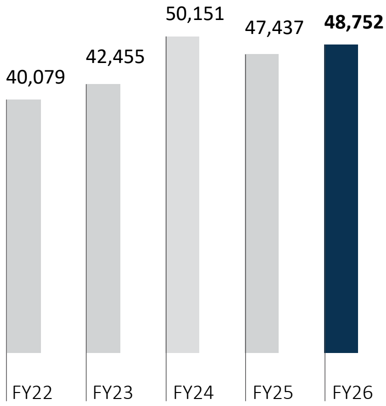
Total Business (₹ in crore)



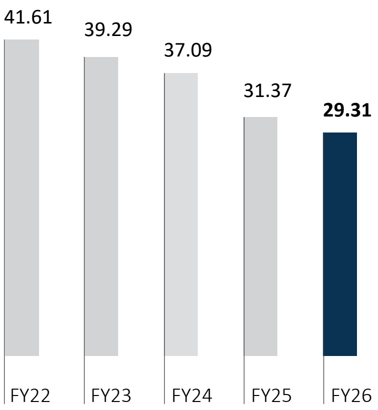
Deposits (₹ in crore)



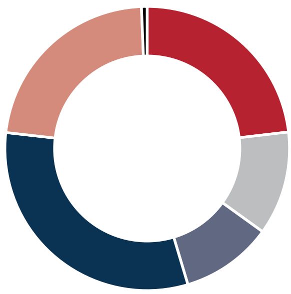
CASA (₹ in crore)



CASA Ratio (%)



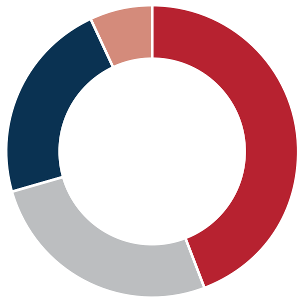
Business Mix (Assets) (₹ in crore)



EEB Group	₹35,697 crore
EEB Individual	₹18,208 crore
Retail Loans	₹16,087 crore
Commercial Banking*	₹48,450 crore
Housing Finance	₹34,791 crore
IBPC	₹1,000 crore

*Includes PTC amounting to ₹562 crore

Business Mix (Liabilities) (₹ in crore)



Term Deposit (Retail)	₹73,794 crore
Term Deposit (Others)	₹43,798 crore
Savings Account	₹37,268 crore
Current Account	₹11,484 crore

Employee Cost and Benefit

The Bank's compensation philosophy is anchored in a balanced, fair, and responsible approach, aligning remuneration practices with both market standards and the Bank's strategic objectives. Compensation is periodically benchmarked against relevant peer groups to ensure competitiveness, while internal equity is maintained through systematic evaluation of roles of comparable value and their alignment within well-defined compensation structures.

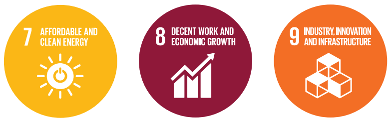
Performance assessment incorporates a risk-adjusted framework, integrating both financial and non-financial factors, including employee conduct and adherence to ethical standards. This ensures that compensation outcomes reflect not only business performance but also responsible behaviour, supported by an appropriate mix of fixed and variable pay, aligned with long-term risk and performance objectives.

The Bank follows a holistic total rewards approach, encompassing compensation, benefits, work environment, and opportunities for professional growth and career progression. Long-term incentive structures such as ESOPs further support sustained value creation by aligning employee interests with the Bank's long-term goals.

Statutory benefits, including provident fund and gratuity, form an integral part of the overall framework, contributing to employee financial security.

Manufactured Capital

Sustainable Development Goals



The Bank remains focused on strengthening its distribution network to drive sustainable growth, deepen customer relationships, and expand presence across diverse geographies. The Bank continues to build its network with a long-term perspective, recognising that mature branches play a critical role in making sustainable finance accessible to customers.

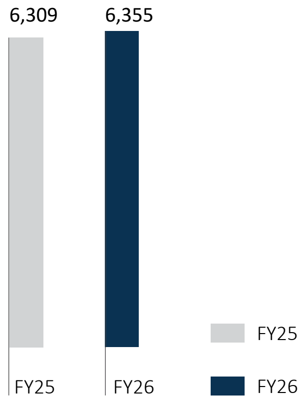
The expanding branch network, complemented by growing digital capabilities, enables the Bank to effectively serve customers across rural, semi-urban, and urban markets. As digital adoption accelerates, the role of branches is evolving. The Bank's branches are increasingly becoming centres for relationship building and advisory services, moving beyond transactional banking to deliver a more holistic and personalised customer experience. By combining the strength of physical networks with the convenience of digital channels, the Bank ensures seamless and efficient service delivery.

Strategically located branches, with a significant presence in rural and semi-urban areas, reflect the Bank's strong commitment to financial inclusion and helps extend formal banking services to underserved segments. A robust network of 6,355 banking outlets allows the Bank to enhance customer outreach and strengthen the business ecosystem. In addition, an extensive distribution footprint, including 438 ATMs, 1,955 branches and 4,400 banking units across the country, enables the Bank to provide safe, secure, and convenient banking services to all customers.

Growing footprint

As part of the Bank's continued growth strategy and commitment to enhancing customer accessibility, a total of 46 additional banking outlets were established between March 2025 and March 2026. This expansion reflects the Bank's focused efforts to strengthen its physical distribution network, particularly in underserved and high-potential regions. The increase in outlets aligns with the Bank's objective of deepening financial inclusion, improving last-mile connectivity, and providing convenient access to banking services for a wider customer base.

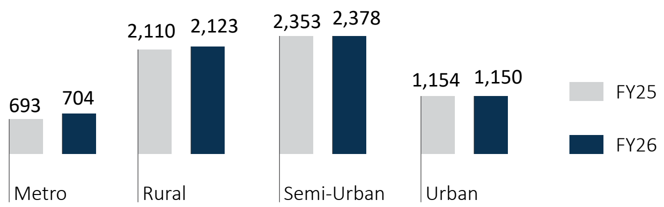
Banking Outlets



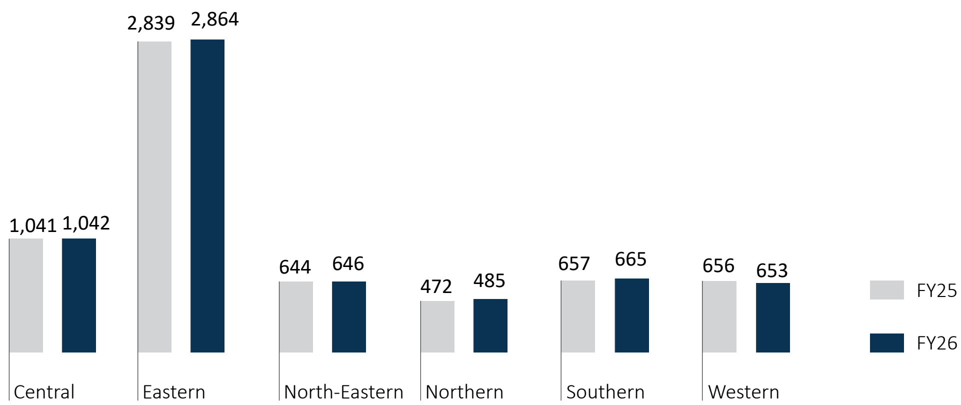
In FY26, the Bank demonstrated a steady expansion in its banking outlet network across metro, semi-urban, and rural locations, reinforcing its commitment to broad-based and inclusive growth.

Alongside the increase in banking outlets, the regional distribution across Central, Eastern, North-Eastern, Northern, Southern, and Western regions reflect the Bank's well-diversified geographic presence and balanced growth strategy. This distribution underscores the Bank's commitment to strengthening its footprint across key regions, enabling it to effectively cater to diverse customer needs and regional economic dynamics.

Regional Diversification



Share of Banking Outlets by Region



State / UT	Branch	Banking Unit
Andaman & Nicobar Islands	2	
Andhra Pradesh	27	149
Arunachal Pradesh	1	
Assam	109	381
Bihar	137	546
Chandigarh	5	
Chhattisgarh	40	85
Dadara and Nagar Haveli & Daman and Diu	3	1
Goa	2	4
Gujarat	108	183
Haryana	50	36
Himachal Pradesh	3	1
Jammu & Kashmir	3	
Jharkhand	62	119
Karnataka	60	112
Kerala	26	
Ladakh	2	
Madhya Pradesh	101	210
Maharashtra	135	217
Manipur	3	6
Meghalaya	1	7
Mizoram	3	5
Nagaland	4	8
NCT of Delhi	71	20
Odisha	79	184
Puducherry	1	4
Punjab	38	24
Rajasthan	61	171
Sikkim	2	6
Tamil Nadu	51	76
Telangana	33	126
Tripura	29	89
Uttar Pradesh	133	424
Uttarakhand	22	27
West Bengal	548	1,179

■ Branch ■ Banking Unit

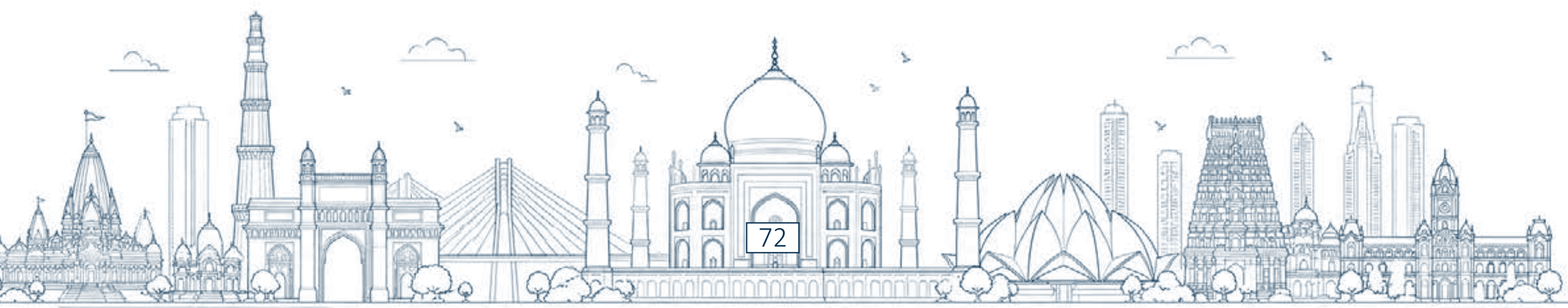
1,955
Total Branches

4,400
Total Banking Units

An illustrative Indian map showcasing the network of Bank Branches and Banking Units is provided in the Company overview section of this report on **page 25**

Sustained focus on strengthening infrastructure and adopting advanced technologies equips the Bank to drive efficiency, scalability and long-term business continuity.

Overall, the Bank exercises prudent stewardship of its manufactured capital to enhance operational resilience, support long-term growth, and strengthen its ability to adapt to an increasingly dynamic and sustainability-driven business environment.



Digital Presence and Technology Infrastructure

Complementing a vast physical network, the Bank has significantly enhanced its digital infrastructure to deliver seamless, anytime-anywhere banking services. This dual approach enables the Bank to broaden its reach while improving customer experience and operational efficiency.

The Bank has been progressively adopting digital channels to improve accessibility, convenience, and service delivery for customers across urban and rural geographies. Enhanced mobile and internet banking platforms, digital onboarding processes, and paperless workflows have contributed towards faster turnaround times and improved customer engagement. The Bank has also focused on expanding its digital payment capabilities and strengthening its digital transaction infrastructure to support the growing adoption of cashless banking services.

To improve operational efficiency, the Bank has placed continued emphasis on automation and process re-engineering across various internal functions. Adoption of centralised monitoring systems, workflow automation, data-driven reporting mechanisms, and integrated technology platforms have enabled better resource utilisation, reduced manual intervention, and improved operational controls. Technology-led initiatives have also supported scalability and consistency in service delivery across branches and business units.

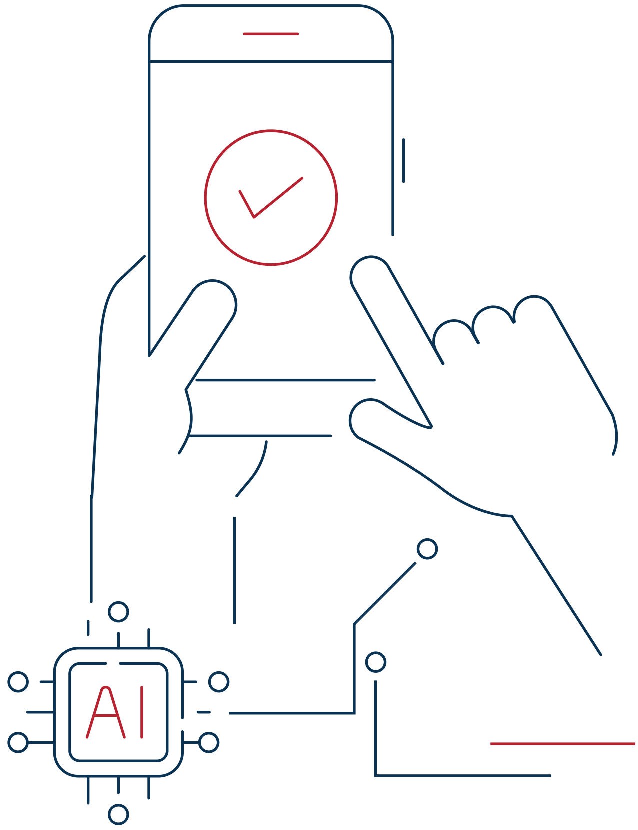
The integration of physical and digital infrastructure creates an omnichannel ecosystem that maximises customer reachability, as presented below.

Customers can choose between branch-based and digital interactions based on their comfort and convenience.

Physical touchpoints build trust and support onboarding, while digital platforms sustain ongoing engagement.

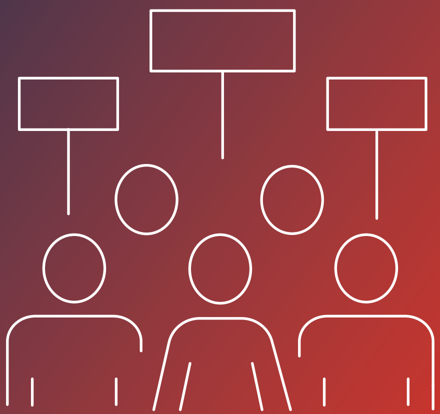
Digital channels reduce congestion in branches while expanding service availability beyond geographic constraints.

Data generated from digital interactions helps the Bank tailor products and extend targeted outreach.



Details of the other digital initiatives and capabilities delivered can also be referred in the diversified product suite section of this report on **pages 36 and 37**

Social and Relationship Capital



Material Topic Covered

- Customer Experience
- Community Engagement and Development

Sustainable Development Goals

The Bank is committed to building enduring relationships based on trust, transparency, and responsible banking while ensuring that its growth contributes positively to the customers, partners, and communities it serves. Through this approach, the Bank aims to deliver long-term value that is inclusive, resilient, and sustainable.

Customer Experience

The Bank serves a diverse and expanding its customer base, with a continued focus on underserved and unbanked segments, including women entrepreneurs, micro-borrowers and rural households. The engagement strategy is centred on delivering accessible, affordable, and relevant financial solutions that enable sustainable financial well-being and build long-term stakeholder value.

Inclusive growth is driven by expanding financial access across rural and semi-urban regions, enabling first-time customers to enter the formal financial system. The Bank's product suite includes – Retail Liabilities, Affluent Business, Government Business Group, Digital Banking, Emerging Entrepreneurs Business (EEB), Housing Finance, Retail Assets, Wholesale Banking, Treasury and Third-Party Products.

Bandhan Bank is dedicated to a purposeful transformation anchored in its core belief: Customer First – placing the customer at the centre of every decision. A strong focus on the Voice of the Customer (VoC) and the Voice of the Employee (VoE) shape the Bank's continuous improvement agenda. Insights gathered from these stakeholders are translated into reimagined products, streamlined processes, and improved service delivery, while parallel efforts to enhance employee experience enable more efficient and intuitive customer interactions.

This integrated approach is enabling the Bank to reduce friction, implement straight-through processes and improve overall service delivery. Customer experience priorities are embedded in the organisational goals and scorecards, with behaviours aligned to Customer First actively recognised, strengthening accountability and consistency across the Bank.

The Bank remains committed to responsible banking through transparent communication of product terms, interest rates and repayment obligations, fostering trust and supporting financial stability. Ongoing investments in digital capabilities continue to enhance accessibility, convenience and speed of service.

Services for Customers with Disabilities

The Bank remains committed to fostering an inclusive banking environment and ensuring accessibility of its products and services for customers with disabilities. In line with regulatory guidance, the Bank periodically reviews its facilities and services to enhance accessibility and ease of use.

During the year, the Bank continued to strengthen its infrastructure and service delivery for differently abled customers. In a large number of Bank branches, ramps have been installed to facilitate barrier-free access. Further, the Bank's debit cards and ATM machines are equipped with Braille features to support visually impaired customers in conducting banking transactions independently.

The Bank will continue to expand and upgrade such accessibility initiatives in a phased manner to ensure equitable and seamless banking access for all customers.

Digital Innovation Platforms

Digital journeys and self-service (Do-It-Yourself) models are central to enhancing both customer experience and operational efficiency. By enabling seamless access to banking services across digital platforms, the Bank delivers faster, more convenient and consistent service. Initiatives undertaken include

WhatsApp Banking

The Bank has implemented a conversational banking solution through WhatsApp, offering 13+ services to enable convenient and seamless customer access. With over 200K registrations and approximately 38 lakh monthly interactions, this initiative has contributed to reduced enquiry volumes, enhanced service efficiency and increased adoption of digital banking channels.

Insta Services (Straight-Through Processing)

The Bank has digitised branch-level service delivery through paperless, straight-through processing of customer requests. This platform handles over 50,000 requests per month and covers approximately 85–90% of service requirements, resulting in improved turnaround times, enhanced operational efficiency, and a significant reduction in customer complaints.

Sahayak (AI Chatbot)

The Bank has deployed an internal AI-enabled assistant to support employees with real-time access to over 500 knowledge resources. With more than 10,000 monthly interactions, the solution improves employee productivity, reduces dependency on training interventions, and ensures consistency and accuracy in customer service delivery.

Contact Centre

Contact centre accessibility has been enhanced for microfinance customers through multilingual support across 7 languages, deployment of an AI-enabled knowledge assistant for agents and an upgraded IVRS featuring automated customer identification and ten self-service options. These improvements have driven greater service efficiency while significantly enhancing the overall customer experience.

Online Banking

The Bank has upgraded the user interface (UI) and user experience (UX) of its digital banking platforms through a customer-centric design featuring intuitive navigation, simplified layouts, and improved accessibility. Key enhancements include personalised dashboards and streamlined journeys for payments and deposits and service requests, enabling faster and more convenient access. Usability has been further strengthened through improved feature discoverability, simplified onboarding, and secure login options, supported by backend digital transformation that enhances system responsiveness and enables real-time processing.

Digital Account Opening - AARAMBH

The Bank has introduced 'AARAMBH', a digital account opening solution designed to deliver a simplified, efficient, and paperless onboarding experience. The initiative enables instant account opening through a seamless, mobile-enabled journey, significantly reducing turnaround time and manual intervention.
The platform also supports e-KYC based onboarding, with automatic activation of internet and mobile banking, and provides multiple digital funding options including UPI, NEFT, RTGS, debit card, cheque, and cash.
The straight-through processing framework improves accuracy, reduces failure rates, and enhances operational efficiency. Additional features such as geo-tagging of customer addresses strengthen compliance and authenticity, while the end-to-end digital journey ensures improved transparency and consistency in service delivery.
Overall, AARAMBH enhances customer convenience, accelerates onboarding, and supports increased adoption of digital banking channels.

Together, these initiatives reduce service friction, optimise turnaround times, and strengthen front-end channels, allowing the Bank to deploy resources more effectively and enhance overall service quality and customer satisfaction.

Service Quality

The Bank has instituted a range of programmes to monitor, assess, and enhance service delivery across its branch network.

Mystery Shopping Programme

The Bank conducts periodic mystery shopping assessments through independent evaluators to review branch-level service delivery. The evaluation covers parameters such as customer service standards, infrastructure and ambience, compliance with regulatory requirements, display of mandatory disclosures, and staff conduct and product knowledge. Key insights from these assessments are used to identify gaps and implement corrective actions.

Implementation of 5S Framework

The Bank is progressively adopting the 5S methodology to standardise branch operations. This includes systematic organisation of records, structured display of materials, improved housekeeping practices and removal of inefficiencies, thereby ensuring a clean, organised and customer-friendly environment.

Employee Capability Building

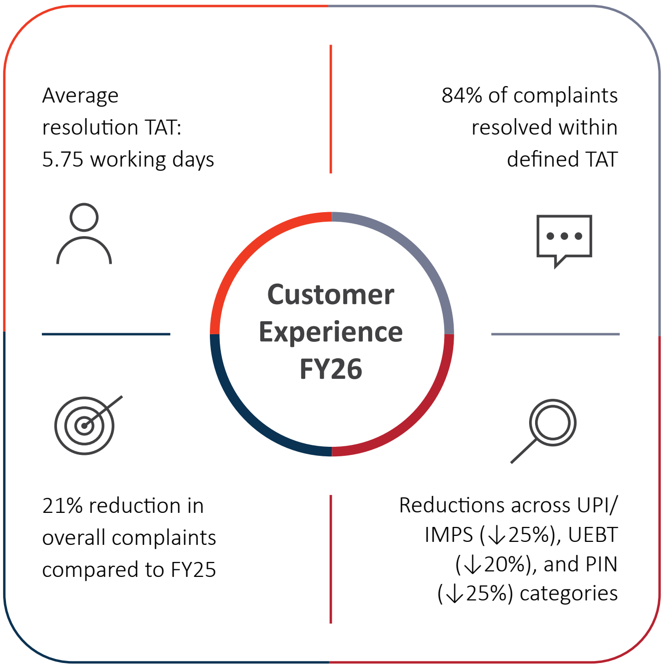
The Bank conducts targeted training and capacity-building programmes to enhance employee competencies in customer engagement, service quality, and regulatory compliance. These initiatives are aimed at ensuring consistent service delivery and strengthening customer interaction capabilities across touchpoints.

Complaint Resolution

A structured and transparent grievance redressal framework ensures prompt and fair resolution of customer concerns. Customers can raise complaints through multiple channels, including branches, contact centres, and digital platforms. All complaints are captured and monitored through a centralised system to ensure timely resolution, in line with the regulatory requirements. A defined escalation mechanism enables unresolved cases to be reviewed at higher levels. Further, periodic analysis of complaints, including root cause analysis, is undertaken to identify systemic issues and drive process improvements.

During FY26, the Bank strengthened its complaint management framework with a clear focus on timely and effective resolution. A comprehensive end-to-end revamp was undertaken for the Bank's grievance management system, including standardisation of complaint templates, automated routing to resolver teams, enhanced web-based interfaces, and regulatory-aligned auto-escalation mechanisms (including Internal Ombudsman referrals). This was supported by enhanced monitoring and governance mechanisms, with performance tracked against defined turnaround time (TAT) benchmarks through daily dashboards and periodic Customer Service Committee reviews. These measures have enabled continuous oversight, informed root cause analysis, and driven improvements in service delivery.

The Bank's continued efforts contributed to improved resolution timelines, with 48% of complaints resolved within 24 hours, 60% within 48 hours, and 67% within 72 hours.



CASE STUDY

Enhancing Cyber Fraud Response and Investigation Support

The Bank has significantly strengthened its cyber fraud response framework through integration with the Ministry of Home Affairs (MHA) portal, enabling automated straight-through data flow and seamless handling of cyber-related complaints.

Enhanced operational processes have further improved response efficiency, with average handling time for manual cases reduced to approximately 9 minutes, positioning the Bank among the leading private sector banks in timely customer response.

The Bank's proactive approach and timely support in critical investigations have been widely acknowledged, receiving 17 appreciations from Cyber Crime Cells and Police authorities during FY26. This recognition underscores the Bank's strong focus on cybersecurity, customer protection, and collaboration with law enforcement agencies.

CASE STUDY

Strengthening Grievance Redressal Excellence

The Bank has demonstrated a strong commitment to enhancing customer service and grievance redressal mechanisms. During FY26, the Bank received recognition from the Department of Financial Services (DFS) on five occasions under the periodic evaluation framework for its performance in grievance resolution.

To sustain these improvements, the Bank continues to strengthen governance through regular monitoring by Customer Service Committees, focusing on improving resolution timelines, reducing complaint pendency, and enhancing overall customer experience. This structured approach reflects the Bank's ongoing commitment to responsive and efficient customer service delivery.

The Bank's Customer Service Committee regularly review complaint trends, escalation effectiveness, corrective actions taken, and quality of resolution. A structured focus on root cause analysis enables timely process improvements and a reduction in recurring issues. The Bank is dedicated to continuously enhancing resolution effectiveness through process re-engineering, strengthened escalation frameworks and better capacity alignment, particularly for cases exceeding TAT.

Investor Focus

Investors are key stakeholders in the Bank's long-term growth and value creation journey. The Bank is committed to maintaining transparent, timely, and consistent communication with them, ensuring that they are well-informed about its financial performance, strategic priorities, and governance practices.

Active engagement with the investor community through regular disclosures, earnings calls, investor presentations, and one-to-one interactions, helps the Bank foster trust and strengthen relationships. The Bank's approach is guided by a strong emphasis on integrity, accountability, and adherence to regulatory requirements, ensuring that all material information is shared equitably and responsibly.

The Bank strives to deliver sustainable returns by balancing growth with prudent risk management, while continuously enhancing shareholder value. Through this commitment, the Bank aims to build long-standing investor confidence and reinforce its reputation as a responsible and resilient institution.

Grievance Mechanism

A robust grievance redressal mechanism has been established to address investor concerns promptly and fairly. Through dedicated channels and structured processes, the Bank ensures timely resolution of queries and complaints, reinforcing confidence and accountability in engagements.

Vendor Management

The Bank's value chain is integral to delivering consistent, high-quality banking services and creating sustainable stakeholder value. The Bank works collaboratively with a wide network of partners – including vendors, service providers, business correspondents, and technology partners – to ensure efficiency, resilience, and responsible growth.

A disciplined and transparent approach is adopted for partner selection. The Bank engages with organisations that align with its standards of ethical conduct, regulatory compliance and operational excellence. Through responsible procurement practices, the Bank seeks to build long-term, mutually beneficial relationships that support its commitment to sustainable banking.

Given the Bank's widespread geographic presence, goods and services from local vendors are actively sourced to efficiently meet region-specific operational requirements.

During FY26, the Bank engaged with several suppliers for procurement of goods and services as shown below:

2,740

Number of suppliers engaged with for the procurement of goods

1,536

Number of suppliers engaged with for the procurement of services

To strengthen the procurement ecosystem, the Bank enhanced its governance and risk management framework for vendor engagement during FY26. A dedicated Vendor Management Department was established in April 2025 to centrally oversee and streamline the entire vendor lifecycle – from onboarding and performance monitoring to eventual exit. Further, comprehensive processes to govern all vendor-related activities have been formalised, ensuring consistency, transparency, and accountability across operations.

To further strengthen risk oversight, the Bank implemented a technology enabled Third Party Risk Management (TPRM) framework. This enables a structured and data-driven approach to vendor risk assessment, supporting robust pre-onboarding due diligence and risk-based performance monitoring. Vendors are periodically evaluated against defined risk parameters and service delivery standards, while exit-stage assessments ensure that disengagement is managed in a controlled and compliant manner, minimising potential risks to the Bank.

Alongside risk management, the Bank continues to foster strong and collaborative relationships with its vendor partners. Structured engagement mechanisms and clear communication channels promote transparency, trust, and alignment. Through these efforts, the Bank is building a resilient, efficient and responsible vendor ecosystem that not only mitigates risks but also enhances operational effectiveness and supports sustainable value creation.

Grievance Mechanism

A structured and transparent grievance redressal mechanism is in place for the Bank's vendor ecosystem to ensure fair and ethical business practices. Dedicated channels enable vendors to raise concerns related to procurement processes, contract terms, payments, or service engagements. All grievances are acknowledged promptly and addressed through a defined resolution framework with clear timelines and accountability. Emphasis is laid on impartial review, confidentiality, and continuous monitoring to ensure equitable outcomes. This mechanism helps strengthen trust, enhance operational transparency, and foster long-term, mutually beneficial relationships with the vendors.

Expanding Brand Impact

Banking should create meaningful progress for individuals, businesses and communities alike. Built around this simple yet powerful belief and guided by its philosophy of Aapka Bhala, Sabki Bhalai, the Bank continues to strengthen its brand proposition by delivering accessible, inclusive, and innovative financial solutions tailored to the evolving needs of a growing customer base.

Targeted efforts were made throughout FY26 to enhance brand visibility and deepen customer engagement. Through a strategic mix of integrated marketing campaigns, digital outreach, on-ground activations, and customer-centric initiatives, the Bank expanded its presence and enhanced brand recall within established and emerging markets.
By delivering consistent brand experiences and superior service, the Bank fostered stronger customer connections and increased brand affinity, reinforcing trust and laying the foundation for sustained growth and long-term value creation.

Bandhan Bank celebrated its 10th anniversary on 23 August 2025 at then Biswa Bangla Convention Centre, Kolkata, marking a decade of trust and growth. The event featured an anniversary lecture by Shri Rajnish Kumar, former Chairman of SBI, on building enduring institutions. Key highlights included the launch of the Legacy Savings Account and the revamp of the Corporate Salary Account, reinforcing the Bank's commitment to delivering enhanced value and banking experiences to its customers.

Marketing Campaigns

In FY26, the Bank adopted a refreshed marketing approach, centred on a product-led communication strategy, a digital-first mindset, and a continued focus on strengthening brand identity. Efforts were directed towards optimising media investments and launching product-focused campaigns, supported by an enhanced presence across digital and social platforms, and the use of cost-efficient media formats, including railway station announcements, metro branding, and Vande Bharat placements.

The Bank also expanded its reach through a diversified media mix spanning television, digital, OTT, print, and outdoor formats, complemented by targeted initiatives such as audio streaming, performance marketing and branded content like podcasts to deepen customer engagement.

A key highlight of the year was the launch of the 'Possible Hai' campaign, a 360-degree multimedia initiative, rolled out in Q1 FY26 and subsequently reinforced in Q3 and Q4. Anchored in the message "Ab har sapne ka poora hona Bandhan Bank ke saath possible hai", the campaign furthered the Bank's ambition to strengthen its positioning as a universal bank by highlighting:

- Its pan-India presence with a strong nationwide footprint
- A diverse product portfolio offering comprehensive banking solutions
- A broad customer reach, catering to varied segments

The campaign delivered strong outcomes across channels, with significant audience reach through television, digital, and outdoor activations, and notable engagement across digital platforms- driving traffic, leads, and business value.

As a result of these integrated marketing efforts, total brand awareness increased markedly from 54% in FY25 to 67% in FY26 (as per IPSOS Brand Health Track Research), reflecting improved visibility, stronger recall, and enhanced resonance among target audiences.

BRAND AWARENESS

67%

Total awareness

vs 54% in FY25

SOCIAL MEDIA

65%*

Growth in social media followers

vs FY25

WEBSITE

46%

Growth in website traffic

vs FY25

**Facebook, LinkedIn, Instagram, YouTube*

Product Marketing: Delivering Trust-Centric Offerings

In an increasingly dynamic financial environment, the Bank's diversified product suite, progressively enhanced to suit the evolving requirements of customers, serves as a key differentiator. Backed by a decade of trust, built on customer-centric offerings that foster inclusion and responsible banking, the Bank is constantly expanding its customer base and reaching a wider audience. The growing distribution network and enhanced digital capabilities are further enabling the Bank to cater to customers across all segments – in urban, semi-urban and rural areas of India. Looking ahead, the Bank's sustained focus on product innovation, customer engagement, and superior experience delivery will further reinforce its leadership across both established and emerging markets and unlock a future filled with possibilities.

The new products launched during FY26 include:

Segment Category	Product Name	Product Description
Affluent	Elite Savings Account and Debit Card (revamped)	A curated range of premium banking experiences designed for HNI and UHNI customers, with dedicated relationship management, domestic and international airport lounge access, golf privileges, accelerated rewards, low cross-currency markup fees, and exclusive debit card offers tailored for an elevated lifestyle
	Elite Plus Savings Account and Debit Card	
	Legacy Savings Account and Debit Card	
Corporate Salary	Advantage Salary Account	A range of salary solutions tailored to deliver seamless salary processing along with superior employee benefits, offering a seamless and rewarding banking experience with curated banking privileges, zero-balance convenience, and enhanced financial efficiency.
	Premium Salary Account	
	Government Salary Account	
	Shaurya Salary Account	
	Elite Salary Account	
	Elite Plus Salary Account	
	Shaurya Elite Account	
Domestic Trade Businesses	Inland Bill Discounting (LC-backed bills)	Assured upfront payment by negotiating LC-backed bills
	Bill Discounting (Non-LC)	Liquidity solutions and immediate release of funds against clients' trade receivables
Export Solutions	Exports – Letter of Credit Advising	Letter of Credit issued by a foreign bank (importer's bank) through SWIFT is authenticated by the Bank and advised to the beneficiary (exporter)
	Export Bills for Collections	Handling export documents based on the exporter's instructions to obtain payment and/or acceptance from the importer's bank.
	Export Remittances (Inward Remittances)	Easiest method to receive money in exporter's account from overseas business partner
Import Solutions	Import Letter of Credit	Issuance of Letter of Credit (LC) is based on the importer's creditworthiness to make payment upon the presentation of documents that comply with the terms of the LC.
	Import Bills for Collection (Under LC/Non-LC)	Efficient and prompt handling of import collection documents, thus ensuring seamless payment and/or acceptance, or delivering documents against payment and/or against acceptance as per T&C of Letter of Credit.
	Advance and Direct Remittances (Outward Remittances)	Flexibility to make overseas payments through advanced import remittance or direct import remittance.
Remittances (Non-Trade)	Non-Trade Inward Remittances	Easiest way to receive money in the client's account from overseas business partner.
	Non-Trade Outward Remittances	Easiest way to send money from the client's account to their overseas business partner.
Exchange Earners Foreign Currency (EEFC) Account		An EEFC Account enables exporters and foreign exchange earners to retain their overseas earnings in foreign currency without immediate conversion, subject to mandatory conversion as per regulatory guidelines.

Fighting Fraud through Awareness and Vigilance

The Bank reinforced its commitment to protecting customers by enhancing awareness around fraud and cybersecurity threats. Through SMS alerts, emails, and social media outreach, customers were educated on common fraud risks, preventive measures, and appropriate actions in case of suspicious activities.

These initiatives emphasised the importance of vigilance and responsible banking behaviour, empowering customers to stay alert and be better safeguarded against evolving cyber and financial threats.

Community Engagement and Development

The Bank's journey is deeply rooted in its unwavering commitment to empowering those in need and foster holistic community development. By empowering communities and marginalised people, strengthening livelihoods, and contributing to long-term socio-economic progress, the Bank strives to create a lasting and positive impact, paving the way for a brighter and more sustainable future.

29.62 lakh

Families reached across 22 States in India

The Bank's corporate social responsibility initiatives address critical development needs across education, healthcare, sanitation, and disaster response. The interventions are designed to create meaningful and measurable impact, improving quality of life and supporting community well-being.

Strong local engagement is prioritised through branch-level outreach and community interactions, enabling a better understanding of local needs to tailor the Bank's initiatives accordingly. This close engagement fosters trust and strengthens the Bank's social licence to operate.

The CSR programmes are aligned with the Sustainable Development Goals (SDGs) and the provisions of Schedule VII of the Companies Act, 2013 and guided by a dedicated CSR&SCB Committee and supported by the Board.

Programme	SDG	Sub Target
Targeting the Hardcore Poor Programme	1 No Poverty	1.1 | 1.2 1.3 | 1.4
	2 Zero Hunger	2.1
	5 Gender Equality	5.1 | 5.2 | 5.3 5.4 | 5.5
	6 Clean Water and Sanitation	6.2 | 6.3 6.b
	8 Decent Work and Economic Growth	8.1 | 8.2 | 8.3 8.4 | 8.5
	11 Sustainable Cities and Communities	11.1
Health Programme	2 Zero Hunger	2.2
	3 Good Health and Well-Being	3.1 | 3.2 | 3.4 3.6 | 3.7 | 3.8
	6 Clean Water and Sanitation	6.1 | 6.2 | 6.b
Education Programme	4 Quality Education	4.1 | 4.2 | 4.5 4.a | 4.b | 4.c
	5 Gender Equality	5.a
Employing the Unemployed Programme	4 Quality Education	4.3 | 4.4 | 4.5
	8 Decent Work and Economic Growth	8.2 | 8.3 8.5 | 8.6
Financial Literacy Programme	1 No Poverty	1.4
	5 Gender Equality	5.5 | 5.b
	8 Decent Work and Economic Growth	8.3
Sustainable Livelihoods Programme	1 No Poverty	1.1 | 1.4
	4 Quality Education	4.4
	8 Decent Work and Economic Growth	8.2 | 8.3 8.4 | 8.6
Climate Action Programme	1 No Poverty	1.1 | 1.5
	2 Zero Hunger	2.3 | 2.4 2.5 | 2.a
	3 Good Health and Well-Being	3.9
	5 Gender Equality	5.b
	6 Clean Water and Sanitation	6.3 | 6.4 6.6 | 6.a
	10 Reduced Inequalities	10.2
	12 Responsible Consumption and Production	12.1 | 12.2 12.4 | 12.b
	13 Climate Action	13.1 | 13.3 13.b
	14 Life Below Water	14.2 | 14.4 14.6
	15 Life on Land	15.1 | 15.2 15.5 | 15.9

Grievance Mechanism

A structured grievance redressal mechanism has been established to engage effectively with communities and address their concerns in a timely and transparent manner. Accessible channels are provided to community members, helping them raise issues related to the Bank's operations, projects, or social initiatives. Each grievance is acknowledged promptly and reviewed through a defined process to ensure fair, unbiased, and accountable resolution. The Bank emphasises sensitivity, inclusiveness, and local engagement while handling concerns, ensuring that community voices are heard and respected. Continuous monitoring and feedback enable the Bank to strengthen trust, enhance social responsibility, and foster positive, long-term relationships with the communities it serves.

Key CSR initiatives undertaken by the Bank during FY26 include:

Targeting the Hardcore Poor Programme

Targeting the Hardcore Poor (THP) programme, implemented through Bandhan Konnagar, is the Bank's flagship CSR initiative aimed at the most vulnerable women-headed households. The programme adopts a holistic approach, providing free livelihood assets along with sustained counselling and mentoring over a 24-month period, enabling participants to lift themselves out of extreme poverty and integrate into the wider community. To maintain stability in the early stages, a weekly consumption stipend to support essential household needs is also provided.

The programme follows a comprehensive 360° approach to help participants build the capabilities needed to run a successful enterprise. This includes confidence-building measures, followed by structured training in basic literacy, financial literacy, enterprise skills, health and sanitation, vulnerability mapping, and risk mitigation. The rigorous framework empowers these women to make informed decisions while enhancing their overall awareness, resilience, and well-being.

Key indicators such as income enhancement, asset utilisation, savings behaviour, and access to financial services are continuously monitored to assess economic progress. Improvements in health, sanitation, and overall well-being are also evaluated, alongside changes in confidence, decision-making ability, and community participation.

50,500

Women positively impacted

Health Programme

Bringing quality healthcare closer to every community

The programme significantly improves access to emergency medical care, providing critical, life-saving interventions. To enhance healthcare infrastructure, the Bank donated 18 advanced life-saving ambulances across key regions in India.

The Bank also supports the Assam Cancer Care Foundation, a collaboration between the Government of Assam and Tata Trusts. This initiative aims to enhance cancer care in Assam by supporting cancer treatment, offering medical support, and providing vital resources to those affected by cancer.

Taking healthcare the extra mile

20 mobile medical units and one rural clinic have been established by the Bank to deliver free medical check-ups and primary healthcare services to the underserved communities, thereby expanding access to essential care.

Additionally, five rural and semi-urban hospitals have been equipped with critical medical equipment, enhancing their operating theatre (OT), ICU, and diagnostic capabilities, for ensuring improved access, quality, and continuity of care.

20

Mobile medical units deployed

Nurturing healthier families, creating stronger communities

The Bank's preventive health programme aims to improve healthcare access and well-being for underprivileged women. The efforts are centred on maternal and child health services – covering antenatal and postnatal care, institutional deliveries, nutritional support, and child health assessments, while also promoting awareness of sanitation, hygiene, balanced nutrition, full immunisation, and routine health check-ups, particularly for vulnerable groups.

By training local women as **Swastha Sahayikas**, the Bank is encouraging community-led health awareness, education, and engagement. This is reinforced through distribution of kitchen garden seed kits, sanitation and health kits, access to healthcare services, and installation of water treatment facilities to provide safe drinking water.

The Bank's healthcare programme has delivered impact at scale, reaching over 13.7 lakh households across districts. Access to health services among beneficiaries has increased from 78% to 100%, with all adolescent girls supported through menstrual health education and hygiene products, and every beneficiary household gaining access to safe drinking water.

16.7 lakh

Households have been impacted across districts in FY26

100%

Access to healthcare services observed

Education Programme

Empowering young minds, shaping a brighter future

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

Bandhan Education Centres and Bandhan Academy have been established to provide quality education to pre-primary and primary students and support education in rural areas. These centres prioritise girl education and offer free reading materials and school kits to ensure that children have the necessary resources for learning. Bandhan Academy schools focuses on the holistic development of students by combining academic learning with extracurricular activities.

100

Ekal Vidyalaya supported to deliver primary education in tribal regions in FY26

650

ICDS Anganwadi centres supported in FY26

In Maharashtra, the Bank supports app-based digital learning for Government schools and provides free value education textbooks. Moreover, initiatives to improve school and college infrastructure in West Bengal and Maharashtra have also been undertaken by the Bank. Additionally, meritorious students from the economically weaker sections are provided with scholarships and mentorship support.

Employing the Unemployed Programme

Building skills, creating opportunities

The Bandhan Skill Development Centres offer vocational training across diverse sectors including sales, hospitality, ITeS-BPO, computerised accounting, and refrigeration and air-conditioning services, strengthening employability and livelihoods across underserved communities. With a focus on addressing unemployment, the programme equips youth with practical, industry-aligned skills that prepare them for real-world opportunities, helping them secure employment with established organisations or pursue entrepreneurial ventures.

The Bank's continued efforts has expanded access to skill-based education, improved job readiness, and strengthened economic participation among underserved youth, helping them become self-reliant, contribute meaningfully to the economy, and uplift their communities.

Financial Literacy Programme

Empowering women with knowledge, enabling financial independence

In FY26, the Bank's Arthanari programme continued to strengthen financial inclusion and women empowerment, in partnership with Impact Guru Foundation (IGF). The initiative focuses on enhancing financial and digital literacy among women from underserved communities, enabling their meaningful participation in the formal banking ecosystem.

7,00,000+

Women empowered across India

654

Training batches conducted

During the year, the Bank reached 36,909 women across Bihar, West Bengal, Tamil Nadu, Maharashtra, Odisha and Gujarat through 654 structured training batches. The programme primarily engaged homemakers, wage labourers and first-time users of digital financial services, helping them build confidence in managing their financial needs independently.

Training modules covered key topics including savings and budgeting, responsible borrowing, digital banking, cyber fraud prevention, credit awareness, and access to Government welfare schemes. Delivered through interactive, local-language sessions, the programme focused on practical understanding and adoption of safe and responsible financial practices.

The programme witnessed strong participation and community engagement across regions, highlighting the growing need for financial awareness at the grassroots level. Through Arthanari, the Bank continued to strengthen financial literacy, build digital confidence and support informed decision-making among women, contributing to their long-term socio-economic empowerment and deeper integration into the formal financial system.

Sustainable Livelihoods Programme

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

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

Climate Action Programme

The Bank undertook plantations of 10,00,000+ saplings through Agroforestry plantation, social forestry and mangrove conservation across 10 States of India. The estimated carbon sequestered through the plantation initiatives is around 6,470.79 MT of CO_2/year.

Nurturing nature, sustaining life

Committed to environmental sustainability and climate resilience, the Bank implemented a large-scale Climate Action Programme in FY26, in partnership with Say Trees. The initiative spanned 22 districts across 10 States – Andhra Pradesh, Bihar, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Tamil Nadu, Telangana, Uttarakhand and West Bengal – focusing on ecological restoration and sustainable livelihood creation in rural communities.

Over 5,00,000 saplings planted in FY26, under social forestry, across farmlands, community spaces, educational institutions and eco-restoration sites were planted under this initiative. Using region-specific plantation models, the programme addressed key environmental challenges including land degradation, biodiversity loss, soil erosion and water stress, while enhancing carbon sequestration, soil fertility, and ecosystem resilience.

The agroforestry interventions supported farmers in adopting climate-resilient practices by integrating trees with existing cropping systems, enabling income diversification and improved livelihood security. In parallel, the Bank's social forestry efforts enhanced green cover and created shared community assets through plantation on institutional and common lands.

Strong execution was ensured through structured farmer onboarding, land suitability assessments, irrigation mapping, and sustained community mobilisation. Investments were also made in capacity building through training on soil health, water conservation and plantation management, strengthening community ownership and improving long-term survival rates.

To enhance transparency and impact measurement, technology-enabled monitoring systems were deployed. This included geo-tagging, satellite tracking, geo-fencing, and dashboard-based performance monitoring, enabling real-time visibility across all locations.

Aligned with the Sustainable Development Goals (SDGs), the Bank's efforts reflect its commitment to building climate-resilient communities, restoring ecosystems, and creating sustainable stakeholder value, while contributing to a greener and more inclusive future.

10,00,000+
Saplings planted so far

6,400+ MT
CO_2 sequested per year

Securing water today, sustaining communities tomorrow

The Bank actively promotes water conservation in some of the most water-stressed regions of India. 89 rainwater harvesting structures have been constructed so far with more than 200 lakh litres of storage capacity. This has created reliable water sources for irrigation and safe drinking water for rural communities, while strengthening local water security and resilience.

200,00,000+
Litres of storage capacity

89
Rainwater Harvesting Structures Constructed

Preserving biodiversity, inspiring future stewardship

The Bank also contributed to biodiversity conservation at Jambusar by funding a mangrove biodiversity assessment and supporting the development of a Nature Interpretation Centre to educate the public about mangrove ecosystems. Furthermore, a Nature Education Program, Mud-Flat Dhuleti, raised funds and provided 20 participants with an immersive learning experience about the local ecosystem.

Powering sustainable farming, conserving every drop

The Bank's commitment to sustainable agriculture reflects in its support to the Solar Irrigation with Drip and Farm Pond project in Jambusar Taluka, Gujarat. Through this initiative, the Bank has enabled 25 marginalised farmers to adopt solar-powered drip irrigation systems, improving water efficiency while enhancing farm productivity and resilience.

Implemented in partnership with the VIKAS Centre for Development, the project includes two demonstration sites that showcase the system's effectiveness. Continuous refinements have been incorporated to strengthen durability and ensure ease of operation, encouraging wider adoption of sustainable farming practices.

Lighting the path with clean energy

Solar-powered High Mast streetlights were installed by the Bank in the vicinity of Vittal Temple, Pandharpur. The initiative has enhanced safety while contributing to long-term environmental sustainability.

CASE STUDY

Targetting Hard Core Poor Programme

Background and Challenges

Aashiya Khatun, from Kurmahal village in Piprauli block of Gorakhpur district, grew up in persistent financial hardship. Coming from a socio-economically disadvantaged family, she had to discontinue her education after Class V due to financial constraints. Like many girls in her community, she was married at the age of 14 and soon became a mother of two.

Her situation worsened when her husband abandoned her and remarried, leaving her to raise her children without any financial or social support. With no stable livelihood, Aashiya returned to her parental home and worked as a daily wage labourer, earning approximately ₹2,500 per month, insufficient to meet even basic needs. She struggled continuously with food security, education for her children, and overall financial stability.

Intervention and Support

Aashiya's life transformed when she was enrolled in the Targeting the Hardcore Poor (THP) Programme. Through structured training in confidence- building and enterprise development, she acquired both practical skills and the self-belief needed to pursue a better future.

She received initial financial assistance of ₹11,764 to start a cosmetics micro-enterprise, along with a consumption stipend of ₹1,400. Ongoing handholding support, training, and participation in group activities helped her strengthen her business operations and instil financial discipline

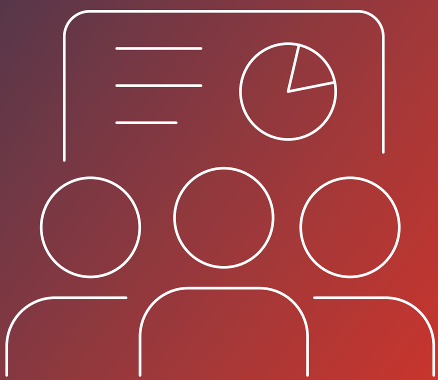
Outcomes and Impact

The intervention led to significant economic and social progress in Aashiya's life. Her enterprise assets increased more than sevenfold to ₹86,317, including stock worth ₹48,167, while her monthly income rose to around ₹13,500 – over five times her earlier earnings. Through her association with a Self-Help Group, she developed regular saving habits, accumulating over ₹35,000 and enhancing her financial resilience. Her overall quality of life improved substantially, with access to food security, healthcare, sanitation, and social security services.

Looking ahead, Aashiya plans to expand her enterprise through an SHG-linked loan, reflecting her growing confidence and entrepreneurial aspirations. Her journey demonstrates the transformative impact of targeted CSR interventions.

This impact extends beyond individual cases, through the THP Programme, Bandhan Bank has supported over 52,500 beneficiaries across eight States as of March 2026, fostering sustainable livelihoods, resilience, and long-term self-reliance among vulnerable communities.

Human Capital



Material Topic Covered

- Employee Engagement and Development
- Workforce Safety and Security

Sustainable Development Goals

At the Bank, people are the cornerstone of success and a key driver of sustainable value creation. The Bank is committed to fostering an inclusive, high-performance culture that empowers its employees to grow, innovate and deliver meaningful impact for customers and communities.

Significant investments are made in capability building through structured learning, leadership development, and continuous upskilling initiatives, ensuring that the workforce remains agile and future-ready. Focusing on employee engagement, diversity and wellbeing enables the Bank to attract, retain, and nurture talent across its expansive network.

75,397

Total permanent employees in FY26

A well-structured HR Policy lays down the overarching framework for human resource management within the Bank and serves as a key governance document guiding employee lifecycle related processes. The policy aims to ensure consistency, transparency, and compliance with applicable regulatory and internal governance requirements, while supporting the Bank's strategic objectives and people-management philosophy. Through these efforts, the Bank is strengthening organisational resilience and building a motivated workforce aligned with its long-term strategic priorities.

Attracting and Integrating Talent

Continued emphasis is placed on attracting high-quality talent aligned to the organisational purpose and values, strengthening the Bank's ability to deliver sustainable growth. The approach combines building a strong employer brand with well-defined recruitment processes, including lateral hiring, campus engagement, and the strategic use of consultancy-led recruitment to access specialised skills and broaden talent pool.

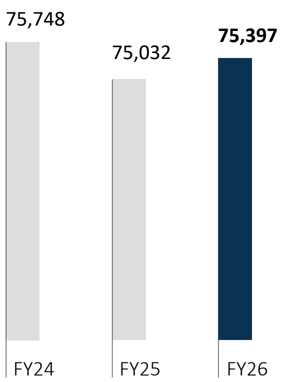
Structured onboarding and induction programmes enable new employees to quickly adapt to the Bank's systems, values and customer-centric approach. Additionally, early engagement, role clarity, and mentorship support help foster a strong sense of belonging and productivity from the outset.

By creating a supportive and inclusive environment, the Bank ensures that talent is not only attracted but also effectively integrated, contributing meaningfully to performance and long-term success.

57%

Hiring Rate

Workforce count



Fostering a Continuous Learning Culture

Learning and development are a critical enablers of the Bank's long-term growth and organisational resilience as well as crucial for its employees to adapt, grow and contribute effectively to the Bank's strategic priorities. By equipping employees with the skills, knowledge and capabilities required to navigate a dynamic and evolving banking landscape, the Bank is building a future-ready workforce, while delivering enhanced value to its customers and stakeholders.

Continuous employee development is enabled by combining carefully designed training programmes, digital learning platforms, and on-the-job experiences. The focus across all L&D initiatives remains on enhancing functional, behavioural and leadership capabilities to drive performance and support career progression across all levels of the organisation.

30.4
Average learning hours per employees

99%
Unique employee coverage in trainings (This includes employees who were trained but exited the organisation during FY26)

25 lakh
Learning hours clocked in FY26

Leadership Training Programmes

Bandhan Bank has established a comprehensive leadership development framework designed to nurture leaders at every stage of their career. The framework begins with 'Leading Self', meant for individual contributors up to Deputy Managers, helping them to build foundational leadership capabilities. As employees progress to Managerial and Senior Managerial roles, they advance to 'Leading Others', focusing on team management and people development skills. Senior leaders at AVP and DVP levels participate in the 'Leading Managers' programme, which equips them to lead through other leaders effectively. 'Situational Leadership' programme has been exclusively designed for VPs and SVPs to help them develop adaptive leadership styles for complex business scenarios.

Special emphasis is also placed on women's leadership through flagship programmes like 'Bandhan For Her', a 6-month customised learning journey for female leaders in the roles of DVP and above, and 'SHAKTI', in partnership with the State Bank Institute of Leadership.

Additionally, role-specific programmes like 'MDP' for newly promoted Branch Heads and 'Human Centric Leadership' for Branch and Cluster Heads ensure that leadership development is contextual and role-relevant.

5,446+
Employees covered under Leadership Programmes

44
Women leaders and DVP covered under Bandhan-For-Her

10
Women leaders and DVP covered under SHAKTI

IMPACT

- Enhanced leadership pipeline readiness across all levels
- Improved managerial effectiveness and team engagement
- Stronger supervisor capability contributing to attrition control
- Empowered women leaders with career navigation and strategic skills
- Feedback scores ranging from 4.74 to 4.88 out of 5

264
Number of employees covered under Situational Leadership

205
Number of employees covered under Leading Managers

3,657
Number of employees covered under Leading Self

1,320
Number of employees covered under Leading Others

Behavioural Competency Framework

During the year, the Bank curated and institutionalised a comprehensive behavioural competency framework that clearly defines success-linked competencies across career levels. The framework establishes a common set of behaviours that embody the ethos of 'One Bandhan Bank', creating a consistent cultural foundation across the organisation.

One Team. One Goal. One Mission.

To ensure adoption beyond a conceptual level, the framework has been fully integrated with the performance management process. This enables employees to demonstrate these behaviours in their day-to-day roles, while equipping managers to systematically observe, assess, and reinforce them. This alignment ensures that behavioural expectations are embedded into everyday performance conversations, thereby supporting the development of a high-performance, values-driven culture aligned to the Bank's business strategy.

The framework is also being progressively integrated into other key HR processes, including talent acquisition. A structured behavioural interview guide has been rolled out to all hiring managers to enable consistent evaluation of competencies and ensure strong cultural fit at the point of entry.

To further bring the framework to life, the Bank has initiated multiple engagement interventions, including targeted workshops and internal campaigns, aimed at driving awareness, reinforcing desired behaviours, and embedding them across the organisation.

Skill Enhancement Programmes

Advancing Domain-Specific Competencies

The Bank has established specialised Functional Academies to build deep domain expertise in critical business areas. These academies focus on role-specific skill development through structured certification programs and targeted training interventions. The key academies include GRACE (Graduate Certification in Credit Excellence) for credit officers, DAKSHA for operational excellence, specialised Credit Certification programs for housing finance and MSME lending, Process and Compliance Training for CROs and Tellers etc. These academies follow a rigorous curriculum with pre and post assessments to measure knowledge enhancement and ensure that employees are well-equipped to handle their functional responsibilities.

The effectiveness of these functional academies has been further strengthened through structured external capacity-building initiatives for specialised functions such as Risk Management, Credit, Treasury, and Finance and Accounts (F&A). Employees have been nominated for mandatory certifications, conducted by reputed institutions including NIBM, Moody's Analytics, IIBF, IIBM, ISACA, and EC-Council. These initiatives have considerably enhanced domain expertise, regulatory compliance, operational efficiency, and decision-making capabilities across critical business functions.

IMPACT

- Enhanced credit assessment and underwriting capabilities
- Improved operational efficiency and reduced errors
- Better risk identification and mitigation
- Standardised functional competencies across the organisation

Leveraging External Partnerships for Specialised Capability Building

Strategic partnerships with 57 reputed national and international institutes have enabled the Bank to strengthen its learning ecosystem by driving specialised skill development across the workforce. These collaborations have resulted in role-based certifications, domain-specific expertise, and leadership development within the Bank, aligned with the evolving business and regulatory requirements.

Active employees participation was noticed across targeted programmes offered by esteemed institutions such as NIBM (Risk Management and Credit Underwriting), CAFRAL (functional programmes for senior management and Board members), and CAB (functional training across Risk, Credit, Wholesale Banking and Agri Business). The Bank also collaborates with leading global and national institutions including INSEAD (Board Leadership Programme) and ISB Hyderabad (CXO Leadership Development).

In addition, specialised certifications and capability-building initiatives are facilitated through institutions such as Ponsun Compliance Academy (CAMI Certification), Banking Quest (Housing Finance Certification) and Disseminare Consulting (MSME and Agri value chain programmes). Programmes on customer excellence and POSH awareness are delivered in collaboration with Disha Consultant and Lawmetrik Institute and The Legal Swan, respectively.

2,790
Employees covered through external training

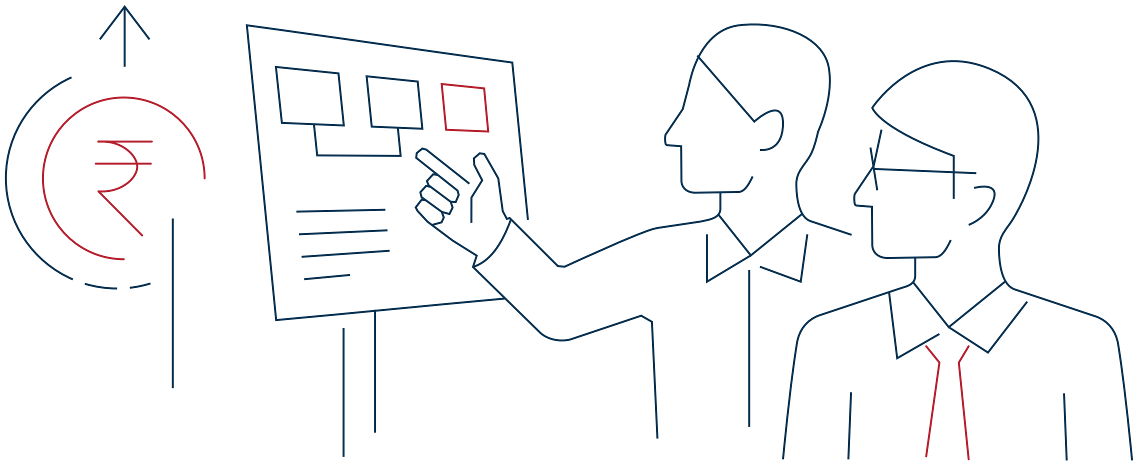
57
External institutes engaged

18,264
Learning hours through external programmes

IMPACT

- Enhanced access to specialised expertise and global best practices
- Industry-benchmarked skill development across critical functions
- Strengthened regulatory certification and compliance readiness

Through these partnerships, the Bank is expanding talent capabilities, fostering leadership excellence, and building a future-ready organisation.



Digital Skill Transformation

LinkedIn Learning was leveraged as a key platform to drive AI and Generative AI (GenAI) skill development across the workforce, advancing the Bank's digital capability-building agenda and demonstrating its commitment to building a future-ready organisation that is equipped to harness emerging technologies effectively.

A comprehensive suite of AI-focused learning modules has been curated, including –

- Introduction to Artificial Intelligence
- Introduction to Generative AI with GPT
- Ethics in the Age of Generative AI
- The AI-Driven Project Manager

These programmes are enabling employees to build foundational knowledge, understand ethical considerations, and apply AI-led solutions in their day-to-day roles.

Building on this momentum, the Bank's future roadmap includes integration of advanced capabilities such as Generative AI and Agentic AI into its learning ecosystem. AI-driven roleplay and coaching simulations are also being explored to deliver immersive, personalised, and experiential learning.

5,002
LinkedIn Learning licences deployed

76.3%
Learning Adoption Rate

Strengthening Compliance and Governance Awareness

The Bank has institutionalised compliance as a cornerstone of its operations by rolling out mandatory learning programmes at the start of every financial year and tracking them rigorously for timely completion. Its Learning and Development team works closely with business units to monitor progress, drive accountability, and ensure that all employees complete essential compliance modules within stipulated timelines.

Each year, five mandatory e-learning modules covering critical areas such as KYC/AML compliance, POSH awareness, Information Security, Business Continuity Management and Fraud Prevention are deployed. Through continuous monitoring, targeted follow-ups, and active engagement with non-compliant employees, the Bank strives to achieve near-complete coverage across the organisation before the close of the financial year.

IMPACT

- Achieved organisation-wide regulatory compliance
- Enhanced awareness and adherence to information security protocols
- Promotion of a psychologically safe workplace through POSH training
- Strengthened fraud prevention capabilities
- Reduced overall compliance risk exposure

The structured and disciplined approach reinforces a strong culture of compliance, accountability, and risk awareness across the workforce. Quantitative highlights include:

KYC, AML and CFT Compliance	98%
Prevention of Sexual Harassment (POSH)	97%
Information Security Awareness	97%
Business Continuity Management System	94%
Fraud Prevention, Awareness and Reporting	97%

Learning Outcome

The effectiveness of the Bank's training programmes has significantly improved by embedding a structured, outcome-driven learning framework, supported by pre and post-training assessments. This enables the measurement of knowledge improvement and ensures that learning interventions translate into tangible capability enhancement.

The approach is further reinforced through Impact-Based Training Evaluation, which tracks post-training performance metrics to assess behavioural change and real-world application. The evaluation ensures that compliance training is not only informative but also actionable and aligned with organisational requirements.

IMPACT

- Improved adherence to regulatory and internal compliance standards
- Enhanced ability to proactively identify and mitigate risks
- Reduction in operational errors, instances of non-compliance, and fraud

42%

Average improvement observed in pre vs post assessment

These initiatives are strengthening the Bank's compliance culture, promoting accountability, and safeguarding operational integrity.

Performance Management

A robust and structured performance management framework has been instituted to drive a high-performance culture across the Bank. The approach encompasses goal setting, periodic performance reviews, continuous feedback, and development planning, ensuring that individual contributions are closely aligned with the Bank's strategic objectives.

Transparency and objectivity form crucial elements of performance evaluation, enabling employees to clearly understand expectations, track their progress, and identify areas for growth. This fosters accountability, enhances engagement, and supports continuous improvement at all levels of the organisation.

86%

Eligible employees received performance appraisal

In FY26, the Bank revamped its Grade Promotion Eligibility Metrics and promoted 8,553 employees, marking a 10.12% increase over FY25. To further enhance employee experience and strengthen long-term engagement, the Bank introduced a fast-track promotion framework – enabling eligibility within 1 year for Junior Management, 2 years for employees performing Assistant Vice President (AVP) to Vice President (VP) roles, and 3 years for those from Senior Vice President (SVP) to Executive President (EP) grade – thereby providing a clearer and more structured career progression pathway.

The appraisal and promotion process has also been automated in HRMS, enabling employees to easily review their Y-O-Y growth trajectory. Through these practices, the Bank is reinforcing a performance-driven culture, nurturing talent, and building a strong leadership pipeline for the future.

10.1%

Increase in promotion as compared to FY25

307

Employees promoted across different roles in Branch Banking and Lending verticals

Succession Planning

The Bank recognises succession planning as a critical component of organisational sustainability and leadership continuity. A structured approach has therefore been established to identify, develop, and prepare high-potential talent to assume key roles across the Bank.

A Hire–Train–Deploy model has been adopted to build a strong talent pipeline, addressing the challenges associated with on-the-job training after joining. This approach enables the Bank to onboard candidates who are job-ready from day one, thereby reducing the time required for them to become productive.

The recruitment processes have also been streamlined, ensuring faster closure of vacancies through targeted hiring in high-attrition segments, thereby maintaining a stable workforce and effectively managing overall employee churn.

21,309

Employees successfully onboarded

100

Management trainees from top 28 premier B schools

Continued emphasis is laid on strengthening the talent pipeline through structured campus recruitment initiatives and engaging with premier institutions to attract young and diverse talent aligned with the Bank's growth ambitions.

These efforts are enabling the Bank to nurture internal talent, reinforcing continuity and aligning leadership capabilities with its strategic growth ambitions.

Rewards and Recognition

The Bank continues to strengthen its culture of excellence through a structured Rewards and Recognition framework, designed to acknowledge and celebrate outstanding employee contributions across all levels.

Additionally, Long Service Awards are conferred to honour employees for their enduring commitment and dedication to the Bank. These recognitions not only celebrate tenure but also reinforce a culture rooted in loyalty, perseverance, and excellence, inspiring employees to contribute meaningfully over the long term.

29,000

Employees felicitated in FY26

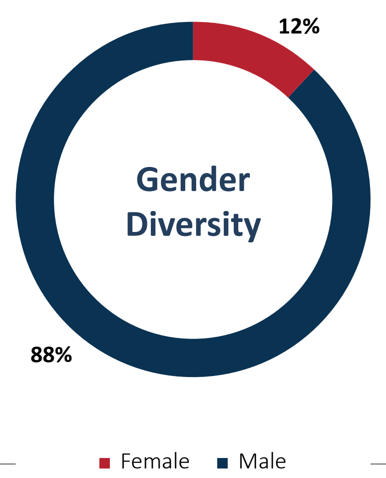
Inclusive Workplace Culture

The Bank strives to foster a diverse, equitable and inclusive workplace where every individual feels valued, respected and empowered to contribute meaningfully. Robust DEI practices at Bandhan Bank enhance innovation, strengthens decision-making, and drives sustainable organisational performance. The focus is on creating equal opportunities across all levels, promoting gender diversity, enabling inclusive policies, and ensuring accessibility for individuals from varied backgrounds. The Bank is also committed to nurturing a culture of belonging, where employees can thrive in a safe and supportive environment.

To drive the inclusivity agenda in a structured manner, a DEI Governance Council has been constituted as the apex management body responsible for guiding and promoting the Bank's DEI strategy and initiatives. Chaired by the Managing Director and CEO and comprising Whole-Time Directors and senior leadership, the Council ensures strong oversight, accountability, and organisation-wide alignment.

The Bank maintains a zero-tolerance approach towards any form of discrimination, harassment or misconduct, ensuring a safe, respectful, and inclusive workplace through prompt and appropriate disciplinary action.

Gender Diversity Ratio for the Bank



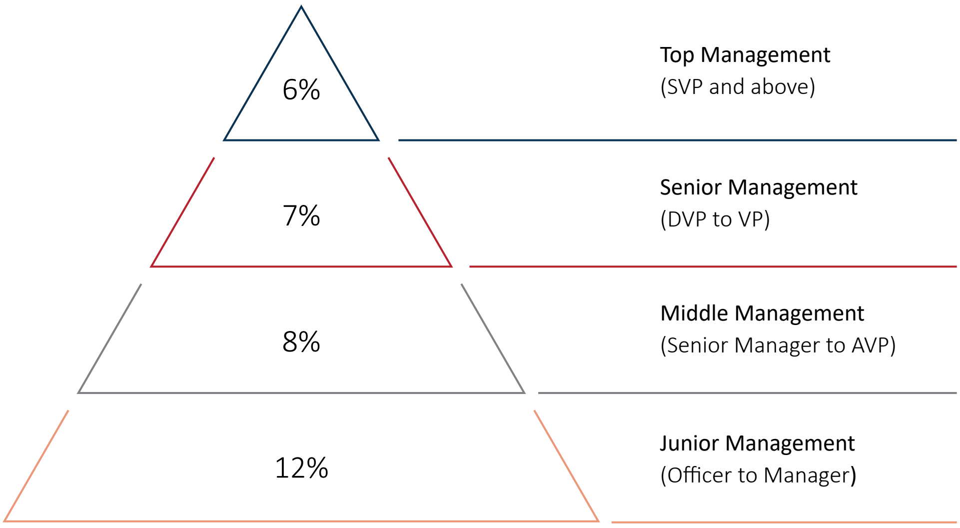
Female diversity in the North, South and West Zones – 20%

Female diversity in the East Zone and Head Office – 10%

Female diversity in the North and East Zones in the EEB Business – 20%

Data as on 31 March 2026

Grade wise Female Gender Ratio (Female Employee/Total Employee)



Data as on 31 March 2026

Employee Well-being

The Bank actively supports the wellbeing and overall welfare of its employees through a comprehensive and competitive benefits framework, designed to address their diverse needs and enable them thrive both professionally and personally.

An extensive range of benefits encompassing health and wellness, financial security, and work-life balance, support employees at every stage of their careers. The Bank's focus extends beyond statutory provisions to include value-added benefits that enhance employee engagement and satisfaction.

Continuous enhancement made to the benefits programmes create a supportive and inclusive workplace that fosters motivation, productivity and long-term association, while reinforcing the Bank's commitment to being an employer of choice.

Wellness Programmes

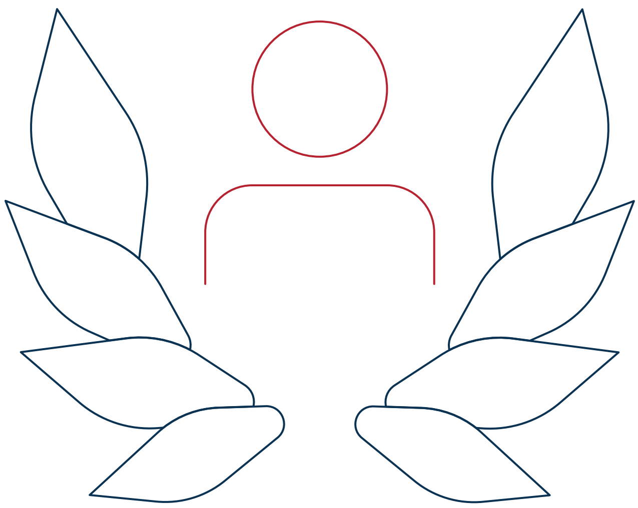
Employee wellbeing is intrinsically linked to productivity and overall organisational performance. By supporting the physical, mental and emotional health of its employees, the Bank enables them to remain focused, engaged, and resilient in a dynamic work environment.

In FY26, comprehensive employee engagement initiatives were organised to promote a vibrant and inclusive workplace culture. This includes cricket tournaments across 5 locations involving a total of 1,500 participants, providing a platform for team building, leadership, and interpersonal collaboration beyond the workplace.

1,500

Participants across 5 locations

The Bank's wellness initiatives help reduce stress, prevent burnout, and improve overall morale, leading to higher levels of motivation and sustained performance. Employees who feel supported are better able to manage their responsibilities, make informed decisions, and contribute more effectively to team and organisational goals. Furthermore, a strong focus on wellbeing contributes to reduced absenteeism and higher retention, creating a more stable and productive workforce. These efforts empower employees to perform at their best while maintaining a healthy work-life balance.



CASE STUDY

Digital Wellness Application

A Digital Wellness Application has been introduced for monitoring and measurement of employee health. The application tracks stress level through periodic self-assessments and pulse surveys and provides personalised recommendations for stress reduction and lifestyle improvement.

Employee health is further prioritised through a structured medical emergency framework, supported by hospital partnerships, periodic health camps, and first-aid training to enable timely care and preparedness. Overall wellbeing is also promoted by encouraging participation in pan-India sports tournaments and regional cultural initiatives, fostering engagement, teamwork, and a sense of belonging across the workforce.

CASE STUDY

Seminars

Targeted initiatives strengthen financial wellbeing within the Bank's workforce, including a dedicated seminar on financial wellness organised for women employees on the occasion of International Women's Day.

Employee Benefits

The Bank recognises the significance of maintaining a healthy work-life balance, particularly in high-pressure roles, and supports all employees through progressive policies and flexible working practices. Enhanced leave provisions and flexible working arrangements enable employees to manage their responsibilities effectively, while supporting stress reduction and preventing burnout.

Comprehensive Mediclaim health insurance coverage is provided to all employees, ensuring financial security during medical emergencies. The coverage also extends to employees' families through the Group Mediclaim policy, enabling access to reliable finance and quality healthcare when needed most.

The Bank has partnered with a dedicated wellness provider to enhance its support framework and offer 24X7 assistance during medical emergencies. In addition, compassionate support is extended to the families of deceased employees by facilitating insurance settlement, provident fund and pension benefits.

CASE STUDY

Staff Loans

Structured staff loan facilities are offered by the Bank as part of its commitment to ensure financial well-being of its employees. The guiding principles, eligibility criteria, and governance standards applicable to these benefits are outlined in the Bank's HR policy, ensuring consistency, transparency, and prudent administration.

Furthermore, staff housing loans and vehicle loans are offered at concessional rates, enabling the employees to meet important personal and financial milestones with greater ease. These facilities are designed to enhance financial security while promoting long-term employee engagement and satisfaction.

All staff loan provisions are administered in line with the internal policies and regulatory guidelines, ensuring robust oversight and responsible lending practices, while maintaining strong governance and compliance standards.

CASE STUDY

Travel Policy

Clear guiding principles have been established within the Bank's HR policy to govern business travel, ensuring a structured and consistent approach across the Bank. The policy outlines eligibility, entitlements, and applicable norms for employees undertaking official travel, aligned with role requirements and business needs.

The travel framework is designed to promote standardisation, cost efficiency, and administrative discipline, while enabling employees to effectively fulfil their professional responsibilities. It ensures that travel arrangements are appropriate, transparent, and in accordance with the defined policies.

Employee Grievance Mechanism

The Bank's HR policy incorporates the Prevention of Sexual Harassment (POSH) framework to address related concerns, supported by an Internal Committee (IC) at the head office comprising one Presiding Officer and three members, including at least one external member, with women constituting at least half of the committee.

In addition, the HRMS portal offers a comprehensive grievance redressal mechanism. Employees who experience harassment are encouraged, where feasible, to directly communicate their disapproval to the concerned individual and request that the behaviour cease. If the issue persists, they may pursue either informal or formal resolution channels. The Bank ensures that any employee raising a complaint in good faith is protected from retaliation, and any adverse action or discrimination in response to such complaints is treated as misconduct.

Confidentiality is maintained throughout the process, with all concerned individuals required to handle such matters sensitively and disclose information only on a need-to-know basis, ensuring the dignity of all parties. Furthermore, if a complaint is found to be false or malicious following due investigation, appropriate disciplinary action will be taken against the complainant in accordance with organisational policies.

Workforce Safety and Security

The Bank is committed to providing a safe, secure and resilient operating environment across its branch and ATM network, safeguarding customers, employees, cash assets, and critical infrastructure. The Physical Safety and Security framework is aligned with regulatory requirements and evolving risk landscapes, ensuring robust protection and operational continuity.

Core focus areas include:

Branch and Asset Protection

The Bank has implemented comprehensive physical security controls across branches, currency chests, and offices, including CCTV surveillance, intrusion detection systems and robust access controls, ensuring protection of cash and sensitive areas.

Security Personnel Management

Deployment of trained security guards, mostly ex-servicemen, through empanelled agencies to ensure on-ground vigilance, particularly at high and medium-risk locations. Continuous training enhances preparedness in incident response and customer safety.

ATM and Alternate Channel Security

ATM locations are secured through 24X7 electronic surveillance, anti-skimming solutions, and centralised monitoring systems, reducing exposure to fraud, theft, and vandalism.

Fire and Life Safety Compliance

All facilities are equipped with fire detection, firefighting and suppression systems. Fire safety awareness is also created among staff for fire safety audits, safety checks, and emergency evacuation drills to ensure readiness and safety compliance.

Risk Assessment and Controls

A structured process for periodic security risks assessment and audit is followed to identify vulnerabilities. Corrective actions and infrastructure upgrades are undertaken to strengthen controls across locations.

Incident Response Framework

A well-defined mechanism that enables timely reporting, escalation, and resolution of security incidents is in place, supported by coordination with local law enforcement agencies.

Technology-Driven Security

The Bank continues to invest in advanced security technologies, including centralised monitoring systems and video analytics, enabling real-time threat detection and improved surveillance efficiency. This has been implemented for ATM security across the country.

Safety of Customers and Employees

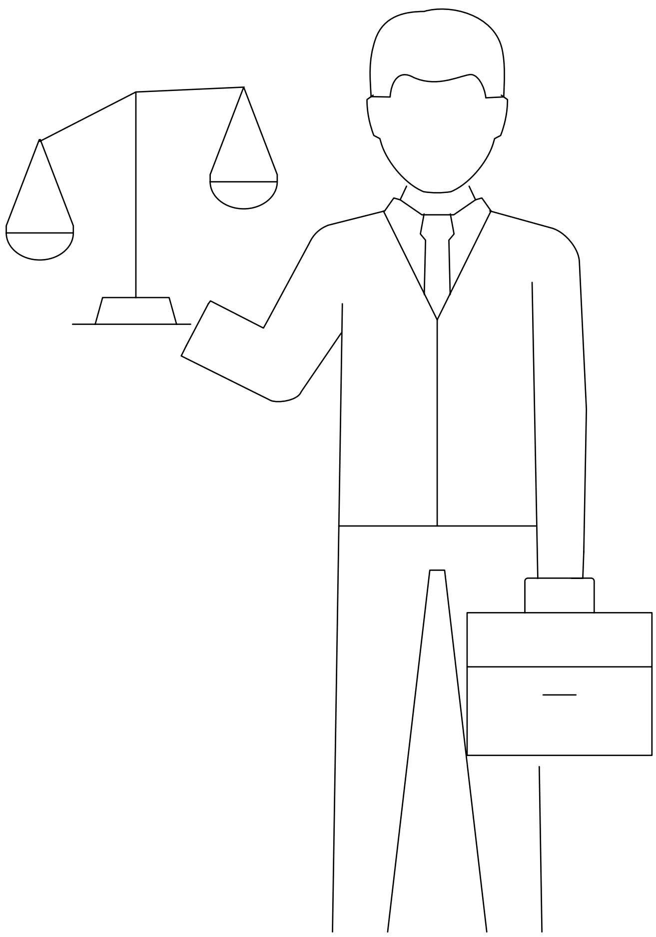
The Bank remains committed to providing a safe banking environment, supported by physical safeguards and crisis preparedness measures across all touchpoints.

Through these measures, the Bank has strengthened security coverage, improved monitoring and response capabilities, reduced incidents, and reinforced compliance with regulatory and safety standards. By continuously enhancing its safety and security practices, the Bank reaffirms its commitment to maintaining a secure banking ecosystem and sustaining stakeholder trust.

Discipline and Ethics Management

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

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

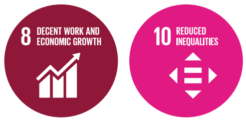


Intellectual Capital

Material Topic Covered

- Digital Innovation and Data Privacy

Sustainable Development Goals



In an increasingly dynamic and competitive financial ecosystem, the pace of change continues to accelerate. Technological disruption, evolving customer expectations and regulatory intensification are reshaping the contours of banking. In such an environment, adaptability is no longer optional – it is foundational to sustained growth and relevance. The Bank recognises that transformation is not a one-time effort but a continuous and structured evolution, anchored in execution discipline and guided by long-term strategic intent.

The Bank's Transformation Management Office (TMO), under the Managing Director's Office, oversees the execution of strategic initiatives across the organisation. Through structured governance and cross-functional coordination, it enables effective implementation of transformation programmes and operational improvements.

A strong culture of accountability and collaboration underpins the Bank's transformation agenda. By empowering employees and aligning teams with strategic priorities, the Bank drives effective execution and sustainable value creation.

Strategic Ambitions Shaping the Future

The Bank continues to make strategic investments in strengthening its Core Banking System (CBS), cloud infrastructure, and digital platforms to support business growth, improve operational resilience, and deliver enhanced customer experience. These investments are aligned with the Bank's long-term digital transformation roadmap and evolving regulatory and business requirements.

In the area of Core Banking Systems, the Bank has undertaken initiatives to enhance capacity, optimise performance, and modernise its technology architecture to support growing transaction volumes and business expansion. These initiatives have improved system scalability, availability, integration capabilities and processing efficiency, enabling seamless operations across branches and digital channels while enhancing application reliability and reducing turnaround times.

The Bank is advancing its cloud strategy through scalable and secure technology environments that enhance agility and operational flexibility. Investments in cloud and hybrid infrastructure have strengthened resource optimisation, disaster recovery capabilities, and the deployment of digital services. Alongside these continued investments in cybersecurity, data protection, and technology governance frameworks support secure and reliable operations across the Bank's digital ecosystem.

Simultaneously, investments are being made towards strengthening cybersecurity infrastructure, data protection mechanisms, and technology governance frameworks to ensure secure and reliable digital operations. These investments are strengthening the Bank's technology foundation and supporting secure, scalable, and efficient digital operations.

Innovation and Future-readiness

The Bank is strengthening its position as an innovation-led institution by embracing digital-first products, analytics-led decision-making and faster time-to-market. Through modernised credit underwriting, AI-driven probability-of-default models, integrated rule engines and partnerships with innovation hubs, the Bank is enhancing risk assessment, improving operational consistency and delivering better outcomes for its customers. In doing so, the Bank is building on its trusted foundations to innovate in a responsible and sustainable manner.

Digitalisation and Process Re-engineering

Expanded digital reach through targeted, performance-driven campaigns with an increased focus on social media and AI-led optimisation. This approach led to improved lead generation and conversion efficiency, delivering a 30–35% growth in business sourced from digital channels.

Embedding Efficiency and Cost Discipline

Implemented customised, region-specific initiatives to drive deeper engagement and support business growth at the local level. These efforts contributed to increased brand awareness above 70% in key regions while strengthening visibility and performance of local branches.

Reimagining the Distribution Network

Leveraged AI-enabled campaign optimisation to enhance targeting precision and messaging effectiveness, while optimising marketing spends for better returns. Additionally, AI-powered content creation improved speed and cost efficiency, resulting in higher Return on Ad Spend (ROAS), faster creative turnaround, and reduced production costs.

Digital Innovation

The Bank continues to play a pivotal role in enhancing customer experience and driving innovation across its products and service delivery channels. The Bank remains focused on leveraging digital technologies, data analytics, and emerging capabilities such as Artificial Intelligence (AI) to provide seamless, secure, and customer-centric banking services.

Continued emphasis is placed on strengthening the Bank's mobile and digital banking platforms with enhanced functionalities, intuitive interfaces, and improved transaction capabilities to meet the evolving expectations of customers. Continuous enhancements in mobile banking, internet banking, and digital payment solutions have enabled customers to access banking services conveniently anytime and anywhere, thereby improving customer engagement and digital adoption.

The Bank is increasingly leveraging data analytics and technology-driven insights to better understand customer behaviour, preferences, and service requirements. Analytics-driven decision-making is supporting personalised offerings, enabling targeted customer communication, improving service responsiveness, and ensuring efficient management of customer journeys across multiple channels. The use of data insights is also helping the Bank to enhance operational effectiveness and strengthen risk monitoring capabilities.

An innovation-led approach, powered by advanced digital capabilities, data-driven insights and ecosystem collaborations, is further enabling the Bank to streamline processes, improve service turnaround times, enhance customer servicing capabilities, improve decision-making, and enable scalable growth.

Furthermore, the Bank continues to invest in robust digital infrastructure, cybersecurity frameworks, and scalable technology platforms to ensure secure, reliable, and uninterrupted digital banking services. Through its ongoing technology transformation initiatives, the Bank continues to advance its digital transformation agenda, fostering agility efficiency, an long-term value creation.

During the year, the Bank expanded its digital ecosystem through the introduction of next-generation platforms, AI-powered solutions and enhanced automation capabilities, reinforcing its position as a forward-looking and technology-enabled institution.

Key Innovation Initiatives

1

AI and analytics-led solutions

Introduction of AI and GenAI-powered platforms, including an intelligent ITR filing and tax planning solution, enabling personalised recommendations, improved accuracy and faster processing

2

Advanced credit and decisioning capabilities

Deployment of modernised credit underwriting frameworks, probability-of-default models and integrated rule engines to strengthen risk assessment and ensure consistency in decision-making

3

Process automation and straight-through processing (STP)

Adoption of robotic process automation and workflow digitisation to enhance operational efficiency, reduce manual intervention and improve scalability

4

Enterprise knowledge and GenAI enablement

Deployment of AI-powered knowledge platforms such as conversational interfaces for internal use, enabling faster information access, issue resolution and productivity improvements

5

Innovation partnerships

Collaboration with fintech partners and development of innovation hubs to accelerate time-to-market and foster continuous innovation

These initiatives have enhanced the Bank's decision-making accuracy and reduced turnaround time across key processes. Collectively, these efforts have established a strong foundation for building future-ready, technology-led capabilities.

Digital Services and Infrastructure

The Bank continues to strengthen its IT infrastructure with a strong focus on ensuring high system availability, scalability, operational resilience, and uninterrupted delivery of banking services. The Bank's technology framework is designed to support growing business volumes, evolving digital requirements, and enhanced customer expectations, while maintaining robust operational stability.

To ensure system uptime and reliability, the Bank has implemented resilient infrastructure architecture supported by redundant systems, high-availability configurations, and centralised monitoring mechanisms across critical applications and network environments. Continuous monitoring of infrastructure, proactive incident management, and preventive maintenance practices enable timely identification and resolution of issues, thereby minimising service disruptions and improving operational continuity.

The Bank has also undertaken capacity enhancement and infrastructure modernisation initiatives to support scalability and increasing transaction volumes across branches and digital channels. Investments in scalable server environments, storage systems, network upgrades, and cloud-enabled infrastructure are helping the Bank to efficiently manage growth in digital transactions and business operations, while maintaining optimal system performance.

Business continuity and disaster recovery preparedness remain key focus areas for the Bank. Robust Disaster Recovery (DR) frameworks, periodic DR drills, backup management systems, and data replication mechanisms have been implemented to strengthen resilience and ensure continuity of critical banking operations during unforeseen events or disruptions. The Bank continuously reviews and upgrades its resilience framework in line with the evolving business needs and regulatory expectations.

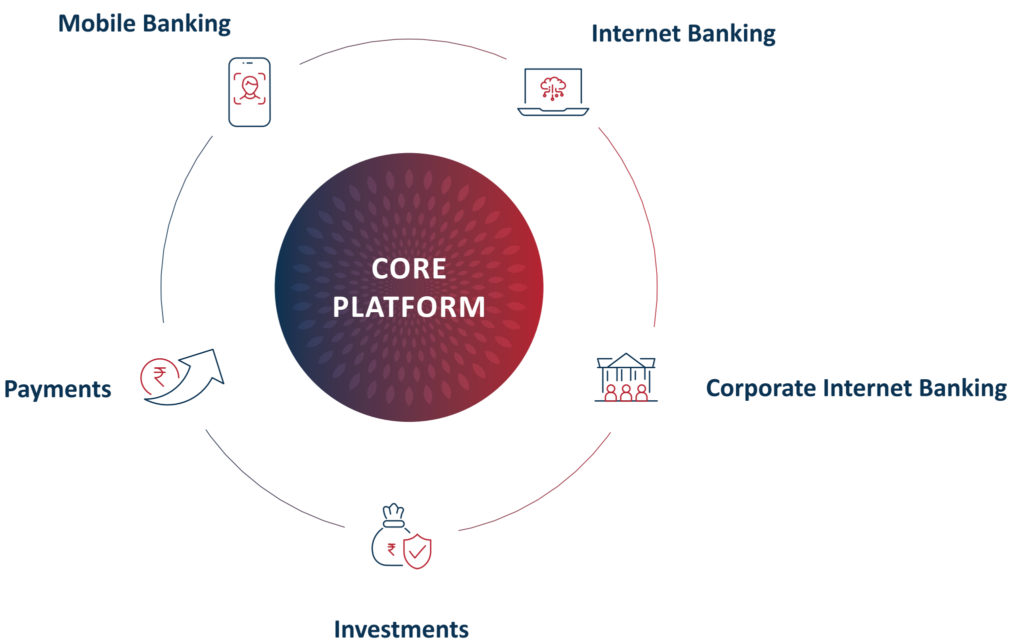
Further, the Bank continues to strengthen cybersecurity controls and technology governance frameworks through advanced security tools, real-time monitoring systems, vulnerability assessments, access controls, and multi-layered security architecture. These measures help safeguard the Bank's IT infrastructure and digital ecosystem against emerging cyber threats while ensuring secure and reliable banking operations.

The Bank's flagship platforms include mobile banking, internet banking, corporate banking, payment gateways and conversational banking, collectively enabling a comprehensive digital banking journey.

~45 lakh digital registered customers

~98% of transactions conducted digitally

Significant share of investment and payment transactions executed through digital channels



The Bank's key digital capabilities include:

1

Next-generation digital channels

The Bank has launched enhanced digital platforms, including a new mobile banking application and upgraded retail internet banking interface, featuring intuitive design, improved journeys and enhanced personalisation. These platforms have received strong customer validation, with high user ratings and growing adoption.

2

Digital onboarding and customer acquisition

The Bank enables end-to-end digital onboarding through fully DIY journeys for savings accounts, deposits and salary accounts, supported by real-time verification and video KYC.

~93% of accounts opened digitally

24X7 access with minimal physical dependency

3

Payments and transaction ecosystem

The Bank continues to strengthen its payments infrastructure through multiple digital payment options, including UPI, BBPS, payment gateways and mandate-based transactions.

109+ crore UPI transactions processed during the year

~₹1,600+ crore payment gateway transaction value

High platform success rates and reliability

4

Digital collections and transaction services

Multiple digital collection channels, including QR-based payments, web portals and BBPS integrations, have enhanced repayment convenience and efficiency.

₹550+ crore collections through digital channels

~95% of tax payments processed digitally

5

Digital investment and cross-sell platforms

The Bank expanded its digital distribution capabilities across mutual funds, IPOs and demat accounts, offering both DIY and assisted journeys on integrated platforms.

~75% of mutual fund transactions conducted digitally

~45% of IPO transactions processed digitally

6

Merchant ecosystem and corporate platforms

The Bank has strengthened its merchant acquiring and corporate banking capabilities through payment gateway integrations, POS solutions, and enhanced corporate internet banking functionalities.

7

Infrastructure and backend enablement

The Bank continues to enhance the IT backbone through:

- Cloud adoption (AWS and Azure)
- Enterprise Service Bus (ESB) for system integration
- Application monitoring tools for performance tracking
- Core banking and payments infrastructure modernisation

The Bank's continued investments in digital services and infrastructure have enabled the delivery of a seamless and consistent omnichannel customer experience. Increased digital adoption has translated into higher transaction volumes and improved customer engagement, while reducing cost-to-serve through automation and self-service capabilities. The scalable digital infrastructure further supports sustainable growth, enabling the Bank to expand its ecosystem partnerships and enhance service delivery across segments.

45 lakh
Digital Customers

98%
Digital Transactions

109+ crore
UPI Transactions

93%
Digital Onboarding

₹550+ crore
Digital Collections

Data Privacy and Security

The Bank remains committed to safeguarding customer data and maintaining the highest standards of information security. The Bank's approach is anchored in a comprehensive governance framework, robust cybersecurity controls, and continuous monitoring, ensuring integrity, confidentiality, and availability of information assets.

The Bank has implemented a layered cybersecurity architecture comprising preventive, detective, and responsive controls, alongside strong governance and compliance designed to address the evolving cyber threats while ensuring seamless business operations.

Preventive Controls

Deployment of firewalls, intrusion prevention systems, distributed denial-of-service (DDoS) protection, encryption protocols, endpoint security, patch management, and data leakage prevention mechanisms.

Detective Controls

Continuous surveillance through the Security Operations Centre (SOC), SIEM-based monitoring, database activity monitoring, and periodic vulnerability assessments and penetration testing.

Responsive Controls

The Bank maintains a strong monitoring and audit framework to ensure proactive risk identification and timely remediation. Monthly vulnerability assessments are performed across infrastructure. Periodic application security testing is conducted aligned with development cycles, regular penetration testing helps evaluate defence mechanisms, and continuous SOC monitoring ensures real-time threat detection.

Governance and Compliance

Information security at the Bank is governed through a structured oversight mechanism involving the Board, Risk Management Committee, IT Strategy Committee, and the Information Security Committee, supported by the Chief Information Security Officer (CISO). The Bank is ISO 27001:2022 certified, with policies and practices aligned with regulatory requirements, including the RBI Cyber Security Framework and other applicable guidelines. Regular reviews and audits are conducted to ensure continuous compliance and alignment with evolving regulatory expectations.

Awareness of employees

The Bank places strong emphasis on building a security-aware organisation. Annual information security training is mandatory for all employees alongside regular awareness programmes, including monthly security bulletins and periodic phishing simulation exercises, to strengthen employee vigilance.

This multi-layered approach ensures early threat detection and effective mitigation, minimising potential disruption to operations.

Cyber Resilience and Risk Management

The Bank's governance structure, involving Board-level oversight, IT Strategy Committees, and risk management mechanisms, helps ensure that the Bank's technology investments are aligned with business priorities and regulatory expectations. Additionally, initiatives in the areas of digital banking channels, information security, data governance, and automation reflect a balanced approach towards innovation and control.

Further, the Bank's emphasis on cyber resilience, business continuity planning, and adoption of emerging technologies indicates that technology governance is not treated merely as a support function but as an enabler of long-term business growth and sustainability. Continuous investments in cybersecurity tools, multi-factor authentication mechanisms, real-time monitoring, and risk management systems have helped enhance the security and reliability of the Bank's digital operations.

The Bank adopts a risk-based and 'secure-by-design' approach to digital initiatives, ensuring that new technologies and platforms are deployed with appropriate safeguards without compromising on innovation.

To strengthen resilience:

- The Bank participates in external cyber resilience exercises conducted by institutions such as CERT-In and IDRBT
- Regular red team exercises simulate real-world attack scenarios
- Infrastructure and applications undergo periodic vulnerability assessments and penetration testing

These measures enhance preparedness and enable the Bank to respond effectively to emerging cyber threats.

The Bank continues to maintain a strong security posture, with no reported data breaches during the year, including incidents involving personally identifiable customer information.

Natural Capital

Material Topic Covered

- Climate Action

Sustainable Development Goals

Bandhan Bank recognises that natural capital underpins sustainable economic development and long-term value creation. As a financial institution, the Bank's responsibility towards natural capital extends beyond its own operations to the ecosystems influenced through its lending portfolio. The Bank remains cognisant of the growing impact of climate-related risks including extreme weather events such as floods, cyclones, and heatwaves, which can disrupt economic activity, affect customer livelihoods, and pose systemic risks across sectors and geographies.

Climate Action

Over the past decade, the Bank has played a meaningful role in advancing both environmental stewardship and social transformation, aligned with its mission of inclusive growth. In addition to continuously emphasising the extension of access to formal financial services and empowering the underserved communities, the Bank is equally strengthening its focus on environmental action. The Bank is progressively building internal capabilities to monitor and manage its environmental footprint and embedding resource efficiency across operations through responsible energy use, waste management and digital enablement. Subsequently, concerted efforts are being made to align the Bank's approach with India's national sustainability agenda and integrate climate considerations into business practices, lending portfolio and decision-making. Together, these initiatives will ensure that the Bank's portfolio remains resilient while supporting the transition to a more sustainable economy.

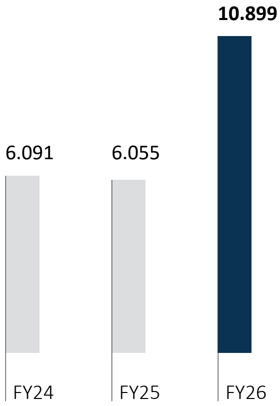
The Bank's environmental agenda is guided by a robust framework, with oversight at the highest levels, ensuring strong accountability, strategic alignment and continuous improvement. The Bank plans to implement a comprehensive ESG Risk Management Framework, which will be periodically reviewed and strengthened to ensure alignment with evolving regulatory requirements and leading practices. Through this integrated governance structure, the Bank aims to embed environmental responsibility into decision-making, safeguard stakeholder value, and drive sustainable outcomes across operations and the portfolio.

Energy Management

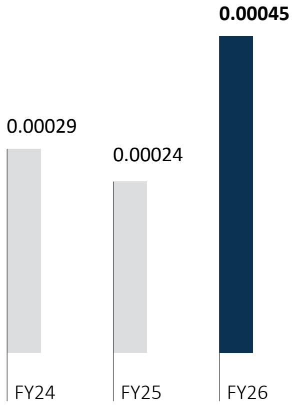
The Bank continues to reduce its environmental impact and improve operational efficiency through sustainable infrastructure initiatives, including energy-efficient building design and renewable energy integration. Sustained focus is placed on refining and strengthening the Bank's approach to managing and disclosing environmental impacts. During the year, the environmental data and reporting systems were upgraded and corporate offices in Ahmedabad and Mumbai were included in the reporting boundary to improve transparency and accountability. The Bank's disclosures are aligned with evolving regulatory and global standards, including BRSR Core framework, to provide more comprehensive, consistent, and useful insights to stakeholders.

In FY26, the Bank's total energy consumption was 10.89 TJ, with electricity consumption accounting for 99% (10.84 TJ). Currently, most of this electricity is sourced from the conventional grid while the remaining 0.017 TJ (0.5%) is generated from renewable energy through rooftop solar installations at Ahmedabad office. The Bank is committed to continuously increasing the share of renewable energy in the overall electricity mix, in line with its sustainability commitments to reduce operation-related environmental impact.

Energy consumption (in TJ)



Energy Intensity (in TJ/₹ in crore)



Green Building and Infrastructure

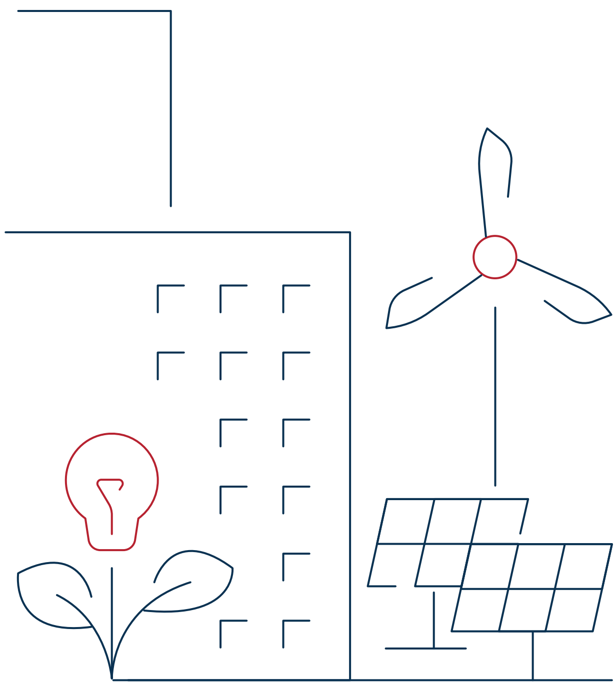
To support carbon reduction goals, a comprehensive infrastructure efficiency programme has been implemented across the Bank's operations, focusing on optimising energy use, improving resource management, and incorporating sustainable practices across facilities. Key initiatives include:

The Bank's Head Office in Kolkata is an IGBC Gold-rated Green building.

The entire infrastructure is designed to maximise daylight and maintain superior indoor airflow through circulation of humidity-controlled fresh air.

The building is equipped with a Sewage Treatment Plant (STP) to effectively treat and manage wastewater, enabling its safe reuse and reducing the overall environmental impact.

The Bank received IGBC Gold Precertification for the Residential Training Centre and Currency Chest Building (CBD 99/2).



CASE STUDY

Green Building Initiative

The Bank's Mega Project has been developed using an integrated design approach, incorporating sustainable building principles for energy efficiency, water management, materials optimisation, and occupant well-being. The project benefits from proximity to public transport and essential amenities and also features electric vehicle charging infrastructure, green cover, heat-island mitigation measures, and universal accessibility provisions.

The facility incorporates comprehensive resource management systems, including rainwater harvesting, water-efficient fixtures, sewage treatment and reuse systems, energy-efficient HVAC, eco-friendly refrigerants, and smart monitoring through building management systems, supported by on-site renewable energy integration.

Responsible material usage and waste management practices, including segregation infrastructure, on-site composting, and recycling of construction waste further reduce environmental impact. The project also enhances employee well-being through improved indoor air quality, low-emission materials, natural lighting, and dedicated wellness facilities.

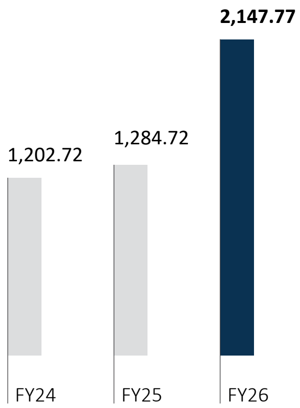
Greenhouse Gas (GHG) Emissions Management

The Bank is committed to responsible emission management and takes accountability across all three categories of greenhouse gas (GHG) emissions – Scope 1, Scope 2, and Scope 3 – arising from its operations. The Bank recognises the need to progressively build a comprehensive understanding of its carbon footprint and integrate sustainability into its operational practices.

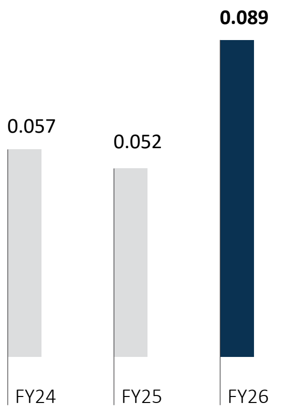
Currently, the Bank is focused on monitoring its Scope 1 emissions from direct activities and Scope 2 emissions from purchased energy, specifically across the Head Office, mega projects in Kolkata, and corporate offices at Ahmedabad and Mumbai. The Bank recognises the significance of Scope 3 emissions across its value chain and is in the process of strengthening its systems and capabilities to expand the scope of monitoring over time, thereby advancing towards a more holistic and data-driven approach to emissions management.

Scope 1 emissions include emissions arising from fuel consumption by company-owned vehicles. Scope 2 emissions arise from electricity purchased from the grid. In FY26, the Bank reported Scope 1 emissions of 3.914 tCO_2e and Scope 2 emissions of 2,135.286 tCO_2e.

GHG Emissions (Scope 1 and Scope 2) (tCO_2e)



GHG Intensity (tCO_2e/₹ in crore)



Other GHG Emission Reduction Initiatives Across the Value Chain

Water Management

Water is a precious and finite resource and the Bank is committed to managing it responsibly. Towards this end, water requirements are assessed across all its facilities using established benchmarks, such as CGWA (Central Ground Water Authority) norms, factoring in occupancy levels and operational needs, to create a reliable basis for planning and consumption control.

Strong emphasis is placed on reducing potable water demand through adoption of efficient fixtures and systems. These include low-flow taps, dual-flush cisterns, and sensor-based controls, enabling the Bank to significantly lower water usage while maintaining high standards of comfort and hygiene.

Wherever feasible, sustainable and alternative water solutions are actively incorporated. This includes the implementation of rainwater harvesting systems to capture and store runoff, supporting groundwater recharge, and reducing dependence on municipal supplies. In parallel, treatment and reuse of wastewater for non-potable applications such as flushing and landscaping, in line with IGBC best practices, is encouraged.

The Bank has been actively promoting water conservation initiatives in some of the most water-stressed regions of India. Efforts include development of structures that provide essential support for irrigation and ensure access to safe drinking water in rural communities.

Water conservation in some of the most moisture-stressed regions of India also remains a key focus area, with emphasis on enhancing water security and supporting drought resilience. By ensuring reliable access to water in rural communities, the initiatives strengthen agriculture and livestock-based livelihoods.

The Bank's overall efforts have led to the construction of 89 rainwater harvesting structures, creating a cumulative storage capacity of over 20,000 kilolitres. These structures play a critical role in providing drinking water as well as irrigation support, enabling communities to better manage their water resources. By improving water availability, the programme not only helps safeguard livelihoods but also promotes sustainable agricultural practices and resilience to climate variability.

89

Rainwater harvesting structures constructed to date

20,000+ kl

Storage capacity

Water efficiency is further enhanced by using modern irrigation techniques such as drip and sprinkler systems, ensuring optimal distribution with minimal wastage. Through these measures, the Bank strives to minimise overall water consumption, maximise reuse, and promote responsible water stewardship

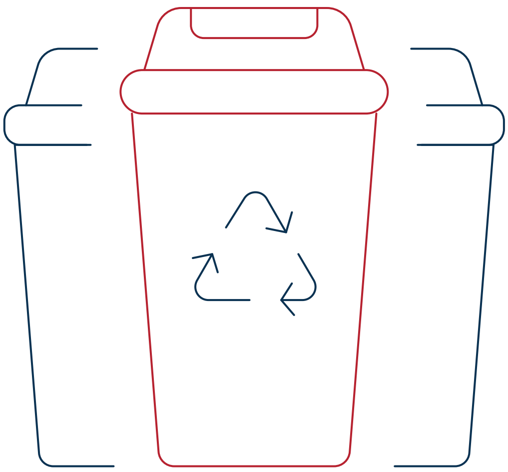
Waste Management

The Bank recognises waste as a key environmental aspect of its operations and remains committed to managing it responsibly, in line with sustainable environmental practices. The approach is centred on minimising waste generation and maximising resource efficiency across all facilities.

A structured waste management framework based on the principles of reduce, reuse, and recycle has been adopted, guiding the Bank to actively promote waste reduction at source through responsible consumption, increased digitisation, and mindful procurement practices. This helps in limiting material use, particularly paper and single-use items.

Emphasis is placed on the responsible management of electronic and battery waste. Such waste streams are handled strictly through authorised recyclers, in compliance with applicable regulations, ensuring safe disposal and environmental protection.

Employee awareness and engagement underpin the Bank's waste management efforts. A culture of sustainability is built by encouraging responsible waste practices across the workforce. Through these measures, the Bank aims to reduce waste intensity, increase recycling rates, and support circularity within operations, reinforcing its commitment to sustainable and responsible management of natural resources.



REDUCE

The Bank minimises resource consumption across its banking operations by reducing dependence on physical materials and driving greater use of digital and process efficiency.

Key initiatives

Transition towards paperless banking through digital banking platforms, workflow automation, and electronic documentation.

Reduction in paper-intensive processes across branches and backend operations through workflow automation.

Efforts to minimise single-use plastics and non-essential consumables across offices and branch networks.

REUSE

The Bank promotes efficient utilisation of resources by extending the lifecycle of assets and optimising their use across its banking operations.

Key initiatives

Encouraging reuse and optimal utilisation of operational resources including office materials and equipment.

Redeployment and refurbishment of IT assets, such as desktops, servers and peripherals, to maximise utilisation.

Adoption of shared infrastructure and centralised systems to minimise duplication of resources.

Promoting responsible handling to extend asset lifecycle.

RECYCLE

The Bank is committed to strengthening recycling practices through structured waste management systems across its offices and branches.

Key initiatives

Segregation and recycling of waste streams such as paper, plastics, and batteries.

Responsible disposal of e-waste through authorised vendors, including disposal of IT assets such as desktops, servers, and peripherals.

Use of certified recycling partners to ensure environmentally sound disposal.

Ensuring regulatory-compliant disposal and recycling processes to minimise environmental impact.

Corporate Information

Registered & Head Office

Regd. Office: DN-32, Sector V, Salt Lake,
Kolkata - 700 091

Head Office: Floors 12-14, Adventz Infinity@5,
BN 5, Sector V, Salt Lake City, Kolkata - 700 091
Tel. No.: 91 (33) 6609 0909
Email ID: investors@bandhanbank.com
Website: www.bandhan.bank.in

Corporate Identity Number (CIN)

L67190WB2014PLC204622

Listed with Scrip Name

BSE Scrip Code: **541153**
NSE Symbol: **BANDHANBNK**

Registrar & Transfer Agent

KFin Technologies Limited

Selenium Building, Tower-B, Plot Nos. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana, India - 500 032
Toll Free No.: 1800 309 4001
Email ID: einward.ris@kfintech.com
Website: www.kfintech.com

Joint Statutory Auditors

M/s. V. Sankar Aiyar & Co., Chartered Accountants

Sarojini House, 6, Bhagwan Das Road,
New Delhi - 110 001

M/s. V. Singhi & Associates, Chartered Accountants

Four Mango Lane, Surendra Mohan Ghosh Sarani,
Kolkata - 700 001

Secretarial Auditor & Auditor for Certificate on Corporate Governance

M/s. Makarand M. Joshi & Co., Company Secretaries

Ecstasy, 802-805, 8th Floor, Citi of Joy, JSD Road,
Mulund West, Mumbai - 400 080, Maharashtra
Tel. No.: +91 (22) 3100 8600
Website: www.mmjc.in

STATUTORY REPORTS

FINANCIAL STATEMENTS

Board's Report

To
The Members,

Your Board of Directors present the Twelfth Annual Report on the business and operations of your Bank, together with the Audited Financial Statement for the Financial Year ('**FY**') ended March 31, 2026 ('**FY2025-26**').

Financial Performance of the Bank

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

(Figures in ₹ Crore)

Particulars	For the FY ended	
	March 31, 2026	March 31, 2025
Deposits:	**1,66,344.45**	**1,51,212.50**
- Savings Bank Deposits	37,268.31	39,348.29
- Current Account Deposits	11,483.98	8,088.62
- Term Deposits	1,17,592.16	1,03,775.59
Advances (Net):	**1,50,103.78**	**1,31,987.32**
- Bills Purchased and Discounted	144.51	17.27
- Cash Credits, Overdrafts and Loans repayable on demand	23,999.08	20,616.16
- Term Loans	1,25,960.19	1,11,353.89
Total Assets/Liabilities	**2,11,123.73**	**1,91,476.29**
Net Interest Income	10,829.69	11,490.58
Non-Interest Income	2,734.02	2,966.60
Less: Operating Expenses (excluding Depreciation)	7,394.63	6,789.29
Profit before Depreciation, Provisions and Tax	**6,169.08**	**7,667.89**
Less: Depreciation	304.16	279.20
Less: Provisions	4,131.11	3,765.41
Profit Before Tax (PBT)	**1,733.81**	**3,623.28**
Less: Provision for Tax	510.25	877.98
Profit After Tax (PAT)	**1,223.56**	**2,745.30**
Balance in Profit & Loss Account brought forward from previous year	**10,227.51**	**8,679.13**
Appropriations:		
- Transfer to Statutory Reserves	305.89	686.32
- Transfer to Statutory Reserve u/s 36(1)(viii) of the Income-tax Act, 1961	57.29	123.66
- Transfer to Capital Reserve	53.93	9.80
- Transfer to Investment Reserve	-	-
- Transfer to Investment Fluctuation Reserve	-81.62	135.49
- Dividend pertaining to previous FY paid during the FY	241.65	241.65
Balance carried over to Balance Sheet	**10,873.94**	**10,227.51**
EPS (Basic) (in ₹)	**7.60**	**17.04**
EPS (Diluted) (in ₹)	**7.59**	**17.04**

State of Affairs of the Bank

FY2025-26 marked a significant milestone in your Bank's journey, with the completion of a decade of operations and the achievement of a balance sheet size exceeding ₹2 lakh Crore and total business crossing ₹3 lakh Crore. The year under review was characterised by steady and sustainable growth, underpinned by the strength of your Bank's franchise, prudent risk management practices and a resilient business model. During the year, your Bank continued to pursue its strategic agenda of consolidation, with a strong emphasis on asset quality and a higher proportion of secured assets within its portfolio. Simultaneously, efforts remained focused on strengthening the deposit franchise through deeper customer engagement, enhanced relationship banking and differentiated product offerings aligned with evolving customer needs.

Your Bank also continued to advance its geographical and business diversification strategy by expanding its presence in non-eastern markets, deepening penetration in metro and urban centres, and broadening relationships across retail, MSME, agri-allied and emerging customer segments, while maintaining its strong franchise in rural and semi-urban India. Simultaneously, your Bank is undertaking a comprehensive transformation across people, processes and technology to enhance organisational effectiveness, strengthen execution capabilities and support future growth. A steadfast commitment to governance, compliance and risk management continues to underpin your Bank's strategic direction, reinforcing balance sheet resilience and positioning the institution to deliver sustainable value creation over the long term.

During the FY, total deposits grew from ₹1,51,212.50 Crore as on March 31, 2025 to ₹1,66,344.45 Crore as on March 31, 2026, registering a growth of 10.01 per cent., whereas total advances (net) grew from ₹1,31,987.32 Crore as on March 31, 2025 to ₹1,50,103.78 Crore as on March 31, 2026, registering a growth of 13.7 per cent. Total Business increased to ₹3,20,577.55 Crore an increase of 11.2 per cent. over ₹2,88,207.10 Crore as on March 31, 2025 whereas the size of Balance Sheet reached to ₹2,11,123.73 Crore. The steady growth of your Bank reflects the trust of millions of customers and their continued association over the years with your Bank. Your Bank stayed on the path of building on faith reposed by its customers which is reflected in its strong customer base of 3.18 Crore as on March 31, 2026. During the FY under review, your Bank has added 46 new banking outlets taking the total count of banking outlets to 6,355 as on March 31, 2026 spread across 35 states and Union Territories. Out of the total banking outlets, 33 per cent. are in rural, 38 per cent. in semi-urban, 18 per cent. in urban and 11 per cent. in metro locations.

During the FY under review, your Bank has been on the course with its strategic priorities of portfolio diversification. As on March 31, 2026, Emerging Entrepreneurs Business ('**EEB**') portfolio comprising of Group Loan and Small Business & Agri Loan ('**SBAL**') has reduced to 35.0 per cent. of the total loan book from 41.3 per cent. as on March 31, 2025 whereas Wholesale Banking portfolio increased from 26.5 per cent. to 31.4 per cent., Housing portfolio at 22.6 per cent., Retail portfolio at 10.4 per cent. of the total loan book of your Bank as on March 31, 2026. With regard to geographical diversification, 62 per cent. of the portfolio of your Bank was outside Eastern India. The secured portfolio of your Bank increased to 56.2 per cent. of its total portfolio as on March 31, 2026.

During the FY under review, the total income (net) of your Bank has decreased by 6.18 per cent. to ₹13,563.71 Crore as against the Total Income (net) of ₹14,457.18 Crore for FY2024-25 whereas Net Interest Income for the FY2025-26, stood at ₹10,829.69 Crore compared to ₹11,490.58 Crore for FY2024-25, representing a reduction of 5.75 per cent., on account of moderation in Net Interest Margin ('**NIM**') led by continued expansion of secured book and impact of the repo rate cut. NIM for the FY2025-26 was 6.1 per cent. The PAT stood at ₹1,223.56 Crore for the FY2025-26, a decrease of 55.43 per cent. as compared to ₹2,745.30 Crore for the FY2024-25. Consequently, Return on Average Equity ('**ROAE**') decreased from 11.6 per cent. to 4.8 per cent. whereas Return on Average Asset ('**ROAA**') decreased from 1.5 per cent. to 0.6 per cent. Correspondingly, basic as well as diluted Earnings Per Share ('**EPS**') decreased from ₹17.04 to ₹7.60 and ₹7.59, respectively, as at the end of FY2025-26 in comparison to FY2024-25. The GNPA as on March 31, 2026, was 3.27 per cent. whereas net NPA was 0.97 per cent.

The Reserve Bank of India ('**RBI**') has mandated Priority Sector Lending ('**PSL**') of 40 per cent. of advances for all the banks. Your Bank continues to focus on financial inclusion by providing various financial services to the underserved. Your Bank's PSL was ₹67,120.44 Crore as on March 31, 2026 and PSL as a proportion of preceding year's Adjusted Net Bank Credit ('**ANBC**') of ₹1,55,268 Crore was 43.22 per cent.

Emerging Entrepreneurs Business

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

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

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

Your Bank's commitment towards financial inclusion is also reflected in the fact that during FY2025-26, loans were offered to 10.33 lakh new borrowers. EEB portfolio stood at ₹53,905 Crore as on March 31, 2026 as your Bank introduced additional credit control measures to further strengthen its portfolio quality.

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

Group Loans

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

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

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

Small Business and Agri Loans

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

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

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

- to sharpen the underwriting process for Group Loans and SBAL loans in order to have a better portfolio.

- implemented Scorecards and Business Rule Engines ('BRE') to improve the selection of customers for Group Loans.

- started offering deposit services from BUs to give customers wholistic banking experience through its BU outlets.

- driving digital repayment modules such as QR based channels to make repayments easier and hassle-free.

- introduced Aadhaar based authenticated withdrawals from BUs for a smoother and better customer experience while also ensuring authentication of customer identity.

- a separate Collections Team has been formed to have improved recovery collections from delinquent customers where the business team will focus on collections from standard accounts to restrict slippages while the Collections Team will have a focused approach on collection from delinquent accounts turned into NPA.

- deployed several analytics-driven models to improve both, sourcing and recovery. Some of the key initiatives in this regard are: the identification of good borrowers for a higher ticket loan based on a data-driven renewal base, identification of potential borrowers for graduating to individual loan, categorization of delinquent borrowers based on their propensity to repay and prioritizing collections accordingly, etc.

- Awareness about using digital solutions, like smartphone-based transactions and use of credit/debit cards for online transactions are still persistent issues to the customers under the EEB vertical. To overcome these challenges, your Bank is imparting training to make the customers aware about the benefits of digital payments and various other aspects, such as seeding bank accounts with mobile number and Aadhaar, using digital mode of payments of instalments, etc. Your Bank has also taken an initiative for informing the customers to pay through online transactions.

Wholesale Banking

Mid-Market Group

The Mid-Market Group ('**MMG**') offers fund and non-fund based credit facilities majorly to Medium/Large Corporate borrowers for meeting their working capital, capital expenditure requirements, etc. These are generally secured loans extended to businesses involved in manufacturing, trading, services, construction of infrastructure, real estate, etc. The MMG vertical offers both fund and non-fund based facilities including term loan, cash credit, overdraft, loan against property, construction/project finance, lease rental discounting, Letter of Credit ('**LC**'), Bank Guarantee ('**BG**'), etc. The vertical also offers Cash Management Services ('**CMS**'), Trade Finance and Supply chain Finance facilities to the customers.

The MMG has Pan India presence with teams stationed in large Business Centres of the country. The Total Advances of the segment stood at ₹18,601 Crore as on March 31, 2026, as compared to ₹12,243 Crore as on March 31, 2025, a growth of 51.93 per cent. during FY2025-26.

Financial Institution Group (FIG), Healthcare and Education

Your Bank continuously strives to meet the diverse credit needs across sectors, with a dedicated focus on Institutional Lending catering to Non-Banking Financial Companies ('**NBFCs**') and Housing Finance Companies ('**HFCs**') to Public Financial Institutions. Since the starting of FY2024-25, your Bank has also forayed into the financial requirements of Education & Healthcare Institutions through its existing product suite, which includes term loans and working capital limits (fund-based and non-fund based). Your Bank also has credit exposure through Direct Assignments and Investment exposure through Pass through Certificates ('**PTCs**') and Non-Convertible Debentures ('**NCDs**'). In the NBFCs segment, your Bank's primary focus is secured financing through housing loan, loan against property, gold loan, business purpose loan, commercial & vehicle financing, etc. In the NBFC-MFI (Microfinance institutions) segment, the focus is to cater primarily for the priority sector funding.

FIG segment has a diverse portfolio with geographical presence across the country. The Total Advances of the segment (including Financial and Non-financial institutions) stood at ₹21,233 Crore as on March 31, 2026 as compared to ₹16,005 Crore as on March 31, 2025, a growth of 32.66 per cent. during FY2025-26, including the Healthcare & Education segment which has a book of ₹580 Crore as on March 31, 2026.

Commercial – Loan Against Property

The Commercial LAP segment caters primarily to proprietorships, partnerships and private limited companies through Loan Against Property ('**LAP**'), aligned with your Bank's strategic objective of expanding its secured lending portfolio. The product suite addresses diverse working capital and business expansion needs through Term loans and Dropline Overdraft ('**DLOD**') facility, which offers flexibility of structured repayments with a gradually reducing limit over the tenor of the facility.

The segment leverages your Bank's extensive distribution network of Branches, complemented by openmarket sourcing, to efficiently meet the varied financial requirements of customers across geographies. Continuous investments in technology and process digitisation are being undertaken to improve turnaround time and enhance customer experience, which remain critical enablers for scaling up volumes in this space. The segment offers a comprehensive bouquet of incomelinked programs to cater the cashflow profiles of different business segments.

The Total Advances of the segment stood at ₹2,055 Crore as on March 31, 2026 as compared to ₹1,118 Crore as on March 31, 2025, a growth of 83.81 per cent. during FY2025-26.

Business Banking Group

The Business Banking Group ('**BBG**') at Bandhan Bank serves the credit needs of Micro, Small and Medium Enterprises ('**MSMEs**') across India, covering businesses with turnover ranging from ₹10 Crore to ₹500 Crore. The portfolio is anchored in secured lending and offers a comprehensive suite of solutions, including working capital facilities, term loans, project finance and financing under government-supported schemes. Your Bank also provides both fund-based and non-fund-based facilities, along with trade finance solutions, catering to enterprises across trading, manufacturing, and service sectors.

The BBG has strengthened its operating model through the introduction of parameterised products for exposures up to ₹5 Crore, supported by in-house credit assessment frameworks that enable faster turnaround times while maintaining underwriting discipline and alignment to customer requirements. Beyond that exposure the assessment is on need based model as per various requirements of the segment of SMEs having turnover from ₹10 Crore to ₹500 Crore.

It follows a relationship-led approach, complemented by a diversified portfolio across geographies and sectors, ensuring balanced growth and risk management. Continued investments in product innovation, process efficiency, and customer-centric delivery are enabling your Bank to scale its SME franchise with improved productivity and responsiveness.

Some of the products offered by BBG are Cash Credit, Overdraft, Term Loan, Letters of Credit (LC), Bank Guarantees (BG), CGTMSE loans, other credit-led products which are secured in nature as per the customer requirements.

The BBG fund-based Advances was at ₹2,155 Crore as on March 31, 2026, as against ₹1,703 Crore as on March 31, 2025, registering a growth of 26.54 per cent. during FY2025-26.

Agri-business Loans

Providing credit for agricultural activities not only enhances crop production but also empowers farmers and strengthens the backbone of the Indian economy, the agricultural sector. Recognizing the critical importance of this segment, your Bank offers a comprehensive suite of credit facilities designed to support all participants across the Agri valuechain. Currently, the segment extends Kisan Cash Credit ('**KCC**') loans to borrowers engaged in farming and allied activities such as animal husbandry, horticulture, floriculture, pisciculture, etc. These loans are offered at competitive interest rates with minimal documentation, ensuring ease of access for farmers and enabling them to invest in productivity enhancing activities. Your Bank has further started lending to individuals and non-individuals engaged in post-harvest management (supply chain, warehouses, cold chains, sorting/ grading units), community farming assets and loans to micro-enterprises in the unorganised sector and promote formalisation through Agriculture Infrastructure Fund ('**AIF**') and Pradhan Mantri Formalisation of Micro Food Processing Enterprises ('**PMFME**') Scheme, a Government Sponsored scheme.

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

The growth trajectory of the segment has been strong. Total Advances increased to ₹1,638 Crore as on March 31, 2026, compared to ₹749 Crore as on March 31, 2025, reflecting a robust 118.69 per cent. growth during FY2025-26.

Aspiring Business Group (erstwhile Small Enterprise Loan)

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

Trusted Financial Products under ABG include:

- **Term Loans (₹3 lakh to ₹10 lakh):** Designed to support small businesses in their journey, these term loans offer flexible tenures of one to three years, ensuring access to working capital and asset creation with reliability and ease.
- **Max Loans (₹10.01 lakh to ₹25 lakh):** Built for enterprises with greater business aspirations, Max Loans extend higher-value funding, offering businesses a dependable avenue for expansion.
- **Unsecured Overdraft Loans (₹3 lakh to ₹25 lakh):** A trusted revolving credit facility that provides businesses the flexibility to access funds as needed, with interest applicable only on the utilized amount. Limits are renewed yearly, ensuring continuous financial support.
- **Secured Overdraft Loans (₹10.01 lakh to ₹25 lakh):** Introduced in FY2022-23 to cater to MSME borrowers, this overdraft solution strengthens financial resilience. Businesses can secure working capital while pledging assets, reaffirming the foundation of trust in financial partnerships.
- **CGTMSE-backed Cash Credit/Overdraft (₹5 lakh to ₹100 lakh):** This supports MSEs through CGTMSE guarantee cover by extending collateral free credit, enabling wider financial inclusion while mitigating risk.
- **GST Connect Overdraft (₹20 lakh to ₹100 lakh):** This offers a simpler, efficient and faster process to MSEs to fulfil their working capital requirements against secured asset.

- **Loan Against Property (₹20 lakh to ₹100 lakh):** This secured credit facility that enables businesses to raise funds by leveraging residential or commercial properties. It is designed to support small business owners, including those with limited credit history, in meeting diverse business financing needs.

The Total Advances of the segment stood at ₹2,767 Crore as on March 31, 2026, as compared to ₹4,526 Crore as on March 31, 2025.

Transaction Banking

During FY2025-26, your Bank continued to strengthen its Transaction Banking proposition across Cash Management Services (‘**CMS**’), Trade Finance, and Supply Chain Finance, with a strong focus on product expansion, digital enablement, and enhanced customer experience.

During the year, the cash pick-up offering was further scaled and enhanced. Your Bank also made steady progress in expanding the CMS product suite. Key offerings such as eNACH for external corporates and the centralized Escrow platform are now live, while additional services (cheque printing and collection, virtual account solutions, API banking and host-to-host integrations) are at various stages of rollout and development. The Escrow business has shown encouraging traction, with an increasing flow of mandates expected to contribute meaningfully to your Bank’s liability franchise.

On the Trade Finance front, your Bank’s non-fund based trade book crossed ₹4,276 Crore, with the fund based trade book exceeding ₹144 Crore during FY2025-26. Your Bank executed its first foreign currency import Letter of Credit (‘**LC**’) and its first Letter of Credit Bill Discounting (‘**LCBD**’) transaction during FY2025-26. Cross-border remittances also demonstrated healthy momentum, averaging over USD 5 million per month. Parallelly, your Bank is working on customer-facing digital front ends for both Trade Finance and Supply Chain Finance to support improved service delivery and operational efficiency.

Your Bank is also developing end-to-end Supply Chain Finance solutions to complement its existing Trade and CMS offerings. Continued investments in workflow automation, digitization, and core capability building will further strengthen the Transaction Banking franchise. CMS, Trade, FX and Supply Chain Finance continue to be key pillars within the Wholesale Banking business, underpinned by sustained focus on product innovation, technology-led enablement, and service excellence. Exchange Earners Foreign Currency (‘**EEFC**’) accounts have gone live, adding a new dimension to FX proposition and enabling your Bank to capture export flows more effectively. TReDS integration has also completed, adding another dimension to trade proposition. Your Bank has also enabled Electronic Bank Guarantees (‘**e-BGs**’) through NeSL to facilitate secure and fully digital issuance and delivery.

Housing Finance

During FY2025-26, your Bank’s Housing Finance business navigated a year of consolidation and transition, with a calibrated approach focused on disciplined growth, stronger governance and tighter compliance across sourcing, underwriting and portfolio management. The year’s performance reflects conscious trade-offs undertaken in response to regulatory observations, while continuing to strengthen the business platform for sustainable and scalable growth.

The portfolio outstanding of ₹34,791 Crore as of March 31, 2026, grew by 8.4 per cent. year-on-year while annual disbursements stood at ₹7,977 Crore, supported by a quarter-on-quarter growth of 19 per cent. in last quarter.

Your Bank pursued growth in a calibrated manner, with continued emphasis on customer quality, prudent underwriting and portfolio resilience. During the year, sourcing, monitoring and collection capabilities were further strengthened, supporting the development of a more diversified, efficient and scalable Housing Finance franchise.

Looking ahead, the FY2026-27 roadmap outlines key strategic priorities focused on strengthening digital capabilities, expanding branch-led sourcing, and driving a more balanced sourcing mix. The planned scale-up of the developer retail business, together with the continued centralisation of key processing activities, is expected to enhance operational consistency, improve efficiency and reduce turnaround times. These initiatives are aimed at further strengthening customer experience, improving sourcing quality, and building a more resilient and scalable distribution and processing engine for the Housing Finance business.

Retail Assets

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

- **Gold Loan:** Crafted to meet customers’ urgent financial needs with efficiency and simplicity. Offering loan amounts from ₹10,000 to ₹80,00,000, flexible tenure options of up to three years, and competitive interest rates, this product ensures accessibility and value for your Bank’s customers. To further enhance service delivery and reach, your Bank is actively expanding its branch network, thus enabling greater access to Gold Loan facilities. This strategic move underscores your Bank’s commitment to strengthening its presence, fostering trust, and driving business growth across wider geographies.

- **Car Loan:** Designed to meet the needs of a diverse customer base, your Bank’s Car Loan product offers financing for both new and pre-owned vehicles. Loan amounts range from ₹1 lakh to ₹1.5 Crore, backed by competitive interest rates and flexible repayment plans. The emphasis on Used Car Loans reflects your Bank’s commitment to this expanding market segment. With a streamlined digital application process and an extensive dealer network, your Bank continues to deliver value-driven solutions that make car ownership hassle-free and rewarding.

- **CVCE Loan:** Committed to fostering growth in transport and construction, your Bank offers CVCE Loans with flexible amounts from ₹1 lakh to ₹25 Crore. With a strategic segment emphasis on CVCE loans, the single-unit loan limit has been enhanced to meet the evolving requirements of businesses.

Additionally, your Bank is expanding its reach into the used CVCE segment, delivering customized financial solutions for this growing market. Leveraging its branch network and collaborations with dealers and manufacturers, your Bank continues to ensure a seamless and rewarding customer experience.

- **Two-Wheeler Loan:** In its journey to empower mobility, your Bank has crossed the noteworthy figure of 2,68,000 customers in the Two-Wheeler Loan segment, with 93 per cent. being new-to-bank customers. This achievement underscores our commitment to providing a seamless loan experience with financing options available up to ₹2,00,000 under Declared Programme, ₹5,00,000 under Income Programme and ₹25,00,000 under Super Bike Programme. To meet evolving demands, your Bank has introduced loans for electric vehicles ('**EVs**') and super bikes, ensuring relevance in emerging niches. Supported by a dealer/channel-based distribution framework, your Bank is further enhancing accessibility and expanding its footprint across wider geographies.

- **Personal Loan:** Your Bank pursued a strategic and adaptable approach to Personal Loans during FY2025-26, ensuring alignment with market shifts and customer expectations. Through the efforts of a dedicated sales team, your Bank continued to cater to key markets and diverse customer needs. Personal Loans, offered at competitive interest rates, are available for amounts between ₹50,000 and ₹25,00,000 with flexible tenures of up to 5 years.

The Retail Advances stood at ₹16,087 Crore as on March 31, 2026 as compared to ₹11,021 Crore as on March 31, 2025, a growth of 45.97 per cent. during FY2025-26.

Branch Banking

Your Bank offers a diversified suite of retail liability products aimed at meeting the evolving banking needs of customers across segments in a timely and effective manner. Anchored in a customer centric philosophy, your Bank continues to innovate and enhance convenience through differentiated products, digital enablement, and focused engagement strategies. During FY2025-26, your Bank's deposit portfolio demonstrated steady momentum, with total deposits increasing by 10 per cent. year on year to ₹1,66,344 Crore as of March 31, 2026, compared to ₹1,51,212 Crore as of March 31, 2025. Deposit growth was supported by balanced accretion across Term Deposits, Savings Accounts, and Current Accounts, with retail deposits accounting for 73.67 per cent. of total deposits, underscoring your Bank's continued focus on granular and stable funding.

During the year, your Bank continued to strengthen its Savings Account proposition through a targeted, segment driven approach. Your Bank sustained its focus on the Affluent segment through Elite Plus, Legacy and Premium Savings Accounts while building traction across other customer cohorts through differentiated offerings such as the AVNI Women's Savings Account, Pension Savings Account, PMJDY Savings Account, Corporate Salary Accounts and Classic Savings Account. These products continued to support financial inclusion, customer acquisition and deeper engagement across lifecycle segments. To amplify the impact of these offerings, your Bank reinforced customer communication through targeted campaigns highlighting product features, interest rates and technology enabled banking services, thereby improving customer awareness and adoption.

The Debit Card business remained an important element of your Bank's retail proposition during FY2025-26, supported by a diversified portfolio including Platinum Plus, Titanium, PMJDY and AVNI Debit Cards. During FY2025-26, your Bank introduced new Debit Card variants such as Bandhan Bank Legacy, Elite Plus and Elite Debit Card, thereby remaining committed to providing customers better card value proposition, features and benefits along with a diverse selection of debit card choices. The entire collection of Debit Cards had garnered a total card fee income amounting to approximately ₹85.69 Crore during FY2025-26. The card fee income consists of Issuance Fee, Annual Fee and Re-issuance Fee.

The Current Account segment showed strong resilience, highlighting the effectiveness of focused and disciplined strategic execution, with emphasis on segmentation led customer acquisition and a sharper focus on affluent Current Account offerings to drive higher value. Growth was further supported by increased adoption of payment solutions, including EDC and QR. These initiatives, along with the expansion of digital services, enhanced process automation and steady branch expansion in high potential catchment areas supported by targeted acquisition efforts across key business clusters, resulted in improved turnaround times, enhanced customer experience, expanded market presence and sustained segment performance.

The Merchant Acquiring Business ('**MAB**') continued to serve as a key enabler for deepening current and savings account relationships during FY2025-26. Your Bank witnessed sustained traction across POS, Bharat QR and Payment Gateway solutions, supporting higher transaction throughput and strengthening operating balances in associated accounts, thereby enhancing client stickiness. These efforts reinforced MAB's role not only as a transaction facilitation platform but also as a strategic driver of liability growth and fee-based income.

Your Bank's expanding branch footprint now at 1,955 branches as of March 31, 2026, further supported these initiatives, enabling deeper penetration into high potential catchments and broader market reach. Going forward, your Bank remains committed to strengthening customer relationships through integrated solutions, digital innovation, and secure, user-friendly banking experiences, while continuing to focus on responsible growth and long-term value creation.

Government Business

Your Bank's Government Business Group works closely with Central and State Government, Public Sector Undertakings ('**PSUs**'), and Autonomous Bodies for fostering long standing partnerships to build a strong and resilient liability franchise through its comprehensive suite of transaction banking solutions and customer centric approach. Your Bank continues to strengthen institutional relationships and enhances its presence across the public sector ecosystem.

Backed by an extensive and expanding distribution network, your Bank caters to the banking requirements of government institutions at every level—from the Central and State Governments to District, Block, and Panchayat administrations. Its focused efforts reflect a commitment to deepening stakeholder engagement and delivering impactful financial solutions that uphold the confidence reposed in it by government institutions and citizens alike.

Your Bank offers a wide range of government payment and collection services, including Direct Tax, Custom Duty, Goods and Services Tax (GST), disbursement of Central Civil Pension and Railway Pension, ensuring efficient government transactions.

During FY2025-26, your Bank further strengthened its government business franchise through key digital initiatives, including the digital collection of treasury and non-treasury taxes for the Government of Assam through integration with the e-GRAS platform. Additionally, integration with the Government of Karnataka's digital payment ecosystem has enabled efficient management of government financial transactions and revenue collections.

This FY, your Bank has provided customized fund management solutions to various State Governments, supporting effective monitoring and management of funds and balances across various administrative functions. The digital solutions are aligned as per the framework prescribed. Further, your Bank remains agile and responsive to evolving government requirements by continuously upgrading its systems in line with the Public Financial Management System (PFMS) and various state financial platforms, ensuring seamless, secure, and efficient processing of all government transactions.

Third Party Products

Your Bank currently distributes mutual funds, life insurance and general insurance, including health insurance and 3-in-1 online trading and demat product to its customers. FY2025-26 had been a year of collaborative synergy and focussed delivery to drive value for customers. Your Bank continues to build and demonstrate a resolute focus on offering a value-driven, need encompassed, robust and comprehensive product proposition to its customers. In the life insurance business, your Bank has built and designed a customer needs focussed proposition offering of a wide bouquet of products to cater to the different goals and junctions of its customer's life. Your Bank had also been continuously engaged in building a strong distribution ecosystem framework with carefully crafted synergy and partnership with research, analytics and technology functions to offer the best-in-class insurance solutions to its customer segments. In the General Insurance business, your Bank continued to serve its customers since in an ever evolving and dynamic challenges faced in day-to-day life, they build a disciplined habit towards healthy living and coverage for unforeseen exigencies. Your Bank offers them a well-researched and wide variety of health insurance and general insurance solution-based product propositions. Your Bank aims to extend the benefits of general and health insurance to all its customer segments.

In mutual funds distribution, your Bank continues to focus on a research-driven, segment led, distribution strategy with a vision of providing its customers ease and flexibility while planning for goal driven investments. Your Bank continues to offer a research driven distribution of Mutual Funds through its Mobile Banking ('**mBandhan**') platform and the Retail Internet Banking ('**RIB**') platform, which demonstrates your Bank's continuous efforts towards offering customers further convenience and benefits.

Your Bank had entered into partnerships with Centrum Finverse Limited to offer their online trading and demat product proposition to its customers. This will further strengthen your Bank's products proposition offering and enhance its commitment towards its customers.

Your Bank continues to invest towards building a strong customer value proposition centred around well-defined customer benefits and goals. The entire proposition is seamlessly stitched around value and needs centred products, segment-driven distribution, augmented with data analytics and research and the same is embedded with the convenience and ease that technology brings to the customers. Your Bank as always continues to seek out opportunities to add new product suites to serve the financial needs of its customers holistically.

The total mutual fund Assets Under Management ('**AUM**') managed under your Bank's code during the FY under review was ₹1,531.16 Crore, on which your Bank earned an income of ₹13.14 Crore.

A total of ₹158.68 Crore and ₹987.71 Crore of general and retail life insurance business, respectively, were garnered through the retail network during the FY2025-26, earning a fee income of ₹23.50 Crore and ₹406.12 Crore, respectively. During the FY under review, the life insurance business and general insurance through all asset verticals amounted to ₹410.10 Crore and ₹70.41 Crore, respectively, earning an income of ₹104.89 Crore. The insurer wise segmented commission income is as follow: Bajaj Allianz Life Insurance: ₹170.71 Crore; HDFC Life Insurance: ₹146.18 Crore; Kotak Life Insurance: ₹30.60 Crore; Bandhan Life Insurance: ₹146.30 Crore; Bajaj Allianz General Insurance: ₹9.79 Crore; Niva Bupa Health Insurance: ₹25.81 Crore; Oriental General Insurance: ₹3.38 Crore and ICICI Lombard General Insurance: ₹1.76 Crore.

Your Bank had also earned ₹0.89 Crore as commission for the distribution of Atal Pension Yojana, NPS Lite Swavalamban schemes of PFRDA and others during the FY2025-26. Your Bank has also demonstrated a steadfast performance in Government Security Schemes (GSS) products like Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) during the FY and enrolled 3,71,400 and 8,30,634 customers, respectively, under these schemes.

Digitising @Bandhan

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

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

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

Data Science and Analytics

The Data Science and Analytics function has emerged as one of the most critical capabilities for your Bank, playing a pivotal role in driving data-led decision making and risk management.

The Analytics team commenced its journey in FY2022-23 and comprises professionals trained in data science and data engineering from premier Tier-1 institutes. The core objective of the team is to deliver accurate, actionable, and timely intelligence by effectively leveraging both internal and external data ecosystems.

The team has developed multiple AI/ML-driven scorecards to assess borrower creditworthiness and repayment capacity for different customer segments and product category. The team also strengthens fraud and money mule detection through identification of suspicious accounts and transactions.

A key contribution of the team lies in its ability to generate early warning signals for emerging risks, enabling proactive intervention and supporting the design of robust risk mitigation strategies. Additionally, the team continuously works with AI and BOT for enhancing operational efficiency and offer better customer service for the customers.

From a strategic standpoint, the Analytics function plays an instrumental role in expanding your Bank's reach by identifying opportunities to acquire new customers across both physical and digital channels. It supports all business verticals throughout the customer lifecycle, right from acquisition to engagement and retention, by enabling targeted customer contact strategies and recommending relevant product and service offerings.

Corporate Social Responsibility

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

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

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

Total CSR obligation for your Bank for FY2025-26 was ₹63.43 Crore, which was allocated towards 65 CSR programmes, and ₹30.01 Crore was utilised towards these CSR programmes during FY2025-26, whereas, ₹33.42 Crore was transferred to Unspent CSR Account towards the ongoing projects, in terms of the provisions of Section 135(5) and 135(6) of the Companies Act. The reasonable justification towards the same is provided in the CSR Annual Report forming part of this Report.

These programmes were implemented through 49 Project Implementing Agencies ('**PIAs**') in alignment with the activities outlined under Schedule VII to the Companies Act. One of the PIAs, Bandhan Konnagar ('**BK**'), promoter group entity, is a related party of your Bank. Accordingly, all CSR expenditure through BK, being related party transactions, were done with the approval of the Audit Committee of the Board, in addition to receiving necessary approvals from the CSR&SCB and the Board of Directors.

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

Dividend

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI LODR**'), the Board of Directors of your Bank has adopted a Dividend Distribution Policy that, *inter-alia*, balances the objectives of appropriately rewarding Shareholders and retaining capital to maintain a healthy capital adequacy ratio. In addition to the Dividend Distribution Policy, the dividend payout ratio of your Bank is also guided by the Circulars on dividend issued by RBI, from time to time. Policies of your Bank are reviewed at least once a year and accordingly, Dividend Distribution Policy was reviewed by the Board during the FY, with minor amendments to enhance clarity. The Policy is available on the website at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-07/Dividend-Distribution-Policy.pdf

In line with this Policy and in recognition of the financial performance during the FY2025-26, while retaining capital to maintain a healthy capital adequacy ratio to meet growth requirements, your Board of Directors has recommended a dividend of ₹1.50 per equity share of ₹10 each fully paid-up (15%) for the FY2025-26, similar to previous FY, for approval of the Shareholders at the 12th Annual General Meeting ('**AGM**') of the Bank.

Pursuant to the provisions of Income-tax Act, 2025 ('**IT Act**'), dividends paid or distributed by your Bank shall be taxable in the hands of the Shareholders and your Bank shall be required to deduct tax at source at the prescribed rates from the dividend to be paid to Shareholders, subject to the approval of dividend by the Shareholders in the ensuing AGM. Further details are available in the Notice of the 12th AGM of the Bank. An email communication in this regard is also being sent to the Shareholders.

Transfer to Reserves

In line with the RBI regulations, your Bank has transferred an amount of ₹305.89 Crore to the statutory reserve during the FY ended March 31, 2026. Amount transferred to other reserves during the FY are provided under the head 'Financial Performance of the Bank' of this Report.

Issuance of Equity Shares & Capital Adequacy Ratio

During the FY under review, your Bank has allotted 909 equity shares of ₹10 each fully paid-up, pursuant to exercise of stock options by the eligible Employees of your Bank, aggregating to ₹9,090.

Post allotment of aforesaid equity shares, the issued, subscribed and paid-up equity share capital of your Bank stood at ₹16,10,97,23,140, comprising 1,61,09,72,314 equity shares of ₹10 each fully paid-up as on March 31, 2026.

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

The authorised share capital of your Bank was ₹32,00,00,00,000 comprising 3,20,00,00,000 equity shares of ₹10 each, as on March 31, 2026.

Your Bank's Capital Adequacy Ratio ('**CAR**'), calculated in line with the RBI Circular on Capital Adequacy Framework, stood at 18.04 per cent. as on March 31, 2026, well above the minimum regulatory requirements, out of which Tier 1 CAR was 17.28 per cent. and Tier 2 CAR was 0.76 per cent.

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

Your Bank did not have any subsidiary, associate or joint venture company during the FY2025-26. Accordingly, no statement is required to be reported in Form AOC-1.

Rating of Various Debt Instruments

Details of rating of various debt instruments of your Bank as on March 31, 2026 are as under:

Instruments	Rating	Rating Agency	Amount (₹ in Crore)
Non-Convertible Debentures#	CRISIL AA- / Stable	CRISIL	1,295@
	[ICRA] AA- (Stable)	ICRA	
Certificate of Deposit	CRISIL A1+	CRISIL	6,000*
	[ICRA] A1+	ICRA	

@Rating of ICRA is for ₹75 Crore only

**Rating of ICRA is for ₹3,000 Crore only*

#Transferred from erstwhile GRUH Finance Ltd pursuant to the effectiveness of the Scheme of Amalgamation

During the FY under review, CRISIL and ICRA have reaffirmed the ratings and outlook of both the instruments.

Board of Directors

The composition of the Board of Directors of your Bank ('**Board**') is governed by the provisions of the Companies Act, the Banking Regulation Act, 1949 (the '**BR Act**'), the SEBI LODR, other applicable laws and its Articles of Association. As on March 31, 2026, the Board of your Bank had thirteen Directors, out of which eight were Independent, two were Nominees i.e. one Nominee of Bandhan Financial Holdings Limited ('**BFHL**') and an Additional Director appointed by the RBI, and the Managing Director & CEO and two Executive Directors.

Appointments

Ms. Veni Thapar (DIN: 01811724)

Pursuant to the recommendations of the Nomination and Remuneration Committee of the Board ('**NRC**'), the Board at its meeting held on June 27, 2025, had approved the appointment of Ms. Veni Thapar as an Additional Director of the Bank, with effect from June 27, 2025 and as an Independent Director of the Bank, for a term of three consecutive years, with effect from June 27, 2025, not liable to retire by rotation, subject to approval of Shareholders at the ensuing AGM, after ascertaining her fit and proper status and independence from the management of your Bank. Thereafter, on the basis of recommendation of the Board, Shareholders of the Bank at their 11th AGM held on August 21, 2025, have accorded approval for her appointment as an Independent Director, not liable to retire by rotation, for a term of three consecutive years, with effect from June 27, 2025 up to June 26, 2028.

Mr. Avijit Mukerji (DIN: 03534116)

The Board, at its meeting held on September 25, 2025, on the basis of the recommendation of the NRC, approved the appointment of Mr. Avijit Mukerji (DIN: 03534116) as an Additional Non-Executive Non-Independent Director [Nominee of BFHL, Promoter of the Bank] on the Board of the Bank, with effect from September 25, 2025; and as a Non-Executive Non-Independent (Nominee)

Director (Nominated by BFHL) of the Bank, with effect from September 25, 2025, liable to retire by rotation, subject to approval of Shareholders within a period of three months from the date of his appointment. Accordingly, Shareholders of the Bank, on December 11, 2025, have accorded their approval, via Postal Ballot process, for the appointment of Mr. Mukerji as the Non-Executive Non-Independent Director (Nominee of BFHL) on the Board of the Bank, with effect from September 25, 2025, liable to retire by rotation.

Mr. Avijit Mukerji is a Chartered Accountant, having overall experience of more than three decades in audit and assurance. He is a former senior partner of Price Waterhouse, member of PricewaterhouseCoopers Network Firms in India (PwC India). He held several leadership roles within PwC India including as a member of the PwC India Board, PwC India Leadership, Managing Partner of the Eastern Region as well as India Assurance Leadership. Currently, he is the founder and managing partner of TatvaSutra Solutions LLP, a boutique investment and equity research firm. He is also an Independent Director on the Boards of Bandhan Financial Holdings Limited, Balaji Telefilms Limited and DIC India Limited; Member, Board of Governors of Welham Girls' School, Dehradun and Member, Governing Committee at The Bengal Club Limited.

Mr. Gauri Prosad Sarma (DIN: 09107885)

The Board, at its meeting held on October 28, 2025, on the basis of the recommendation of the NRC, approved the appointment of Mr. Gauri Prosad Sarma (DIN: 09107885) as an Additional Director (Independent) on the Board of the Bank, with effect from October 28, 2025 and as an Independent Director of the Bank, for a term of three consecutive years, with effect from October 28, 2025, not liable to retire by rotation, subject to approval of Shareholders within a period of three months from the date of his appointment, after ascertaining his fit and proper status and independence from the management of your Bank. Accordingly, on the basis of recommendation of the Board, Shareholders of the Bank, on December 11, 2025, have accorded their approval, via Postal Ballot process, for the appointment of Mr. Sarma as an Independent Director of the Bank, not liable to retire by rotation, for a term of three consecutive years, with effect from October 28, 2025 up to October 27, 2028.

Mr. Sarma is a distinguished and dynamic banking professional with over 37 years of experience, culminating in the role of Chief General Manager ('**CGM**'), Operations (equivalent to COO) at Punjab National Bank ('**PNB**'), the second-largest bank in India. He also worked as CGM in the Digital Banking, FinTech and Credit Card verticals at PNB. He has expertise in driving operational excellence, digital transformation, fintech innovations, and strategic leadership, even in high-pressure environments, such as, the COVID-19 pandemic. He is renowned for spearheading large-scale initiatives, including amalgamation projects, IT advancements, and customer service enhancements. Post-superannuation, he served PNB for 2 years as Advisor & Consultant, offering transformative insights to elevate operational efficiency and product innovation. He also attended Board and Committee meetings and served as Director on the Boards of PNB Cards & Services Ltd. and PSB Alliance Pvt Ltd. He is presently serving as an Independent Director on the Boards of B & A Limited and B & A Packaging India Limited.

Mr. Debashish Mukherjee (DIN: 08193978)

The Board, at its meeting held on February 12, 2026, on the basis of the recommendation of the NRC, approved the appointment of Mr. Debashish Mukherjee (DIN: 08193978) as an Additional Director (Independent) on the Board of the Bank, which is effective from March 25, 2026, and as an Independent Director of the Bank, for a term of three consecutive years which is effective March 25, 2026, not liable to retire by rotation, subject to approval of Shareholders within a period of three months from the date of his appointment, after ascertaining his fit and proper status and independence from the management of your Bank. Accordingly, on the basis of recommendation of the Board, Shareholders of the Bank, on June 05, 2026, have accorded their approval, via Postal Ballot process, for the appointment of Mr. Mukherjee as an Independent Director of the Bank, not liable to retire by rotation, for a term of three consecutive years, with effect from March 25, 2026 up to March 24, 2029.

Mr. Mukherjee, an MBA (Finance) from IISWBM, Kolkata (under University of Calcutta) and CAIIB qualified, has over three decades of banking experience in three major Public Sector Banks, namely Punjab National Bank, United Bank of India and Canara Bank, wherein he was involved in the whole gamut of banking: both retail and wholesale. He started his banking career with Punjab National Bank as a Financial Analyst in Scale II in 1994. Thereafter, he joined United Bank of India as an Assistant General Manager (Credit) in the year 2006. He took charge as Executive Director of Canara Bank on February 19, 2018 and superannuated on May 31, 2025.

Mr. Debasish Panda (DIN: 06479085)

The tenure of Dr. Anup Kumar Sinha, Non-Executive (Independent) Chairman of the Bank completed on July 04, 2026. Accordingly, on the basis of recommendations of the NRC and the Board, the RBI, vide its letter dated April 22, 2026, has provided its prior approval for appointment of Mr. Debasish Panda (DIN: 06479085) as the Non-Executive Chairman of the Bank for a period of three years, w.e.f. the date of taking charge. Accordingly, the Board, at its meeting held on June 25, 2026, on the recommendations of the NRC, approved the appointment of Mr. Debasish Panda as an Additional Director (Independent) on the Board of the Bank, with effect from July 05, 2026; and an Independent Director of the Bank, for a term of three consecutive years, with effect from July 05, 2026, not liable to retire by rotation, subject to approval of Shareholders of the Bank, within a period of three months from the date of his appointment. The Board has also approved his appointment and remuneration as the Non-Executive Chairman of the Bank, with effect from July 05, 2026, for a period of three years, subject to approval of Shareholders of the Bank. Pursuant to the provisions of Section 161 of the Companies Act, read with Regulation 17(1C) of the SEBI LODR, he will continue to hold office as an Additional Director of the Bank, up to the date of the ensuing AGM or upto three months from the date of his appointment, whichever is earlier. Your Bank has also received a notice in writing from a member proposing his candidature as a Director on the Board of the Bank. Further, the Board has recommended his appointment as an Independent Director, not liable to retire by rotation, to the Shareholders at the ensuing AGM, for a period of three years, effective July 05, 2026, by way of Special Resolution. The Board has also recommended his appointment as the

Non-Executive Chairman of the Bank, to the Shareholders at the ensuing AGM, for a period of three years, effective July 05, 2026.

Mr. Debasish Panda, a 1987 batch IAS officer of Uttar Pradesh cadre, is a visionary leader and transformative policy reformer. Over his distinguished career spanning more than three decades, he has made pioneering contributions across finance, insurance, public health, agriculture, law enforcement, and urban development. As Chairman of IRDAI (2022–2025), he spearheaded the vision of 'Insurance for All by 2047', redefined regulatory frameworks, and prioritised customer-centric governance. As Secretary, DFS (2020–2022), he led critical banking consolidations, promoted financial inclusion, and managed COVID-19 financial responses. He also held the position of Director on the Boards of Reserve Bank of India, State Bank of India, Bank of Baroda and Life Insurance Corporation of India. Currently, he is also an Independent Director on the Boards of Anand Rathi Wealth Limited, Capri Global Housing Finance Limited, IBDIC Private Limited, Invesco Asset Management (India) Private Limited.

Mr. Panda's career stands as a testament to visionary governance, marked by innovation, inclusivity, and national development. His leadership across sectors has empowered millions and strengthened India's administrative and financial ecosystems.

Mr. Arun Kumar Singh (DIN: 09498086)

The RBI, vide its letter dated June 24, 2024, had appointed Mr. Arun Kumar Singh, Chief General Manager (retired), RBI, as an Additional Director on the Board of the Bank, in exercise of powers conferred to it under Section 36AB of the BR Act, for a period of one year from June 24, 2024 to June 23, 2025 or till further orders, whichever is earlier. Thereafter, the RBI, vide its letter dated June 20, 2025 extended his term for a further period of one year, which has been further extended by RBI vide letter dated June 19, 2026, for a period of one more year from June 24, 2026 to June 23, 2027 or till further orders, whichever is earlier.

Mr. Ratan Kumar Kesh (DIN: 10082714)

Mr. Ratan Kumar Kesh was appointed as the Executive Director and Chief Operating Officer ('**ED&COO**') of the Bank effective March 31, 2023 for a period of three years, i.e. till March 30, 2026. Accordingly, in terms of the then RBI Circular dated March 31, 2020 on Appointment of Managing Director and Chief Executive Officer (MD&CEO) / CEO / part-time Chairperson (PTC) in Banks – 'Declaration and Undertaking' and allied matters *[replaced by the Reserve Bank of India (Commercial Banks–Governance) Directions, 2025 d*ated November 28, 2025*]*, on the basis of recommendation of the NRC and approval of the Board, the Bank had sought prior approval of the RBI for his re-appointment as the ED&COO of the Bank, for a period of three years effective March 31, 2026. RBI, vide its letter dated December 26, 2025, has granted its prior approval for the re-appointment of the ED&COO for a period of three years. Accordingly, pursuant to the approval granted by the RBI and on the basis of the recommendation of the NRC, the Board of the Bank, at its meeting held on January 22, 2026, has, approved and recommended to the Shareholders of the Bank, the re-appointment of Mr. Ratan Kumar Kesh (DIN: 10082714) as a Whole-time Director (designated as 'Executive Director and Chief Operating Officer' and Key Managerial Personnel) of the Bank, with effect from March 31, 2026, for a period of 3 years, liable to retire by rotation. Accordingly, Shareholders of the Bank, on March 01, 2026, have accorded their approval, via Postal Ballot process, for re-appointment of Mr. Ratan Kumar Kesh (DIN: 10082714), as the ED&COO and Key Managerial Personnel of the Bank, liable to retire by rotation, for a period of three years, with effect from March 31, 2026 up to March 30, 2029, at such remuneration as may be approved by the RBI and Shareholders from time to time.

Re-appointments

Mr. Rajinder Kumar Babbar (DIN: 10540386)

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

The resolution(s) in respect of appointment(s) / re appointment(s) of the Directors, as aforesaid, have been included in the Notice convening the 12th AGM of the Bank. Brief profiles of these Directors, together with other requisite disclosures/details, have been annexed to the said Notice. None of the Directors proposed for appointment/ re-appointment, would attain the age of 75 years (for Non Executive Directors) / 70 years (for Executive Directors), during the continuation of their tenure on the Board of your Bank.

Shareholders approved appointments/ re-appointments

During the FY under review, following appointments/re-appointments were approved by the Shareholders at the 11th AGM of the Bank held on August 21, 2025 and by Postal Ballot process on December 11, 2025 and March 01, 2026:

- At the 11th AGM of the Bank held on August 21, 2025:
  - (i) Re-appointment of Mr. Ratan Kumar Kesh (DIN: 10082714), who retired by rotation as a Director and being eligible, offered himself for re-appointment.
  - (ii) Appointment of Ms. Veni Thapar (DIN: 01811724) as an Independent Director.
- By way of Postal Ballot on December 11, 2025:
  - (i) Appointment of Mr. Avijit Mukerji (DIN: 03534116) as a Non-Executive Non-Independent Director (Nominee of BFHL); and
  - (ii) Appointment of Mr. Gauri Prosad Sarma (DIN: 09107885) as an Independent Director.
- By way of Postal Ballot on March 01, 2026:
  - (i) Re-appointment of Mr. Ratan Kumar Kesh (DIN: 10082714) as the ED&COO and KMP of the Bank, liable to retire by rotation, with effect from March 31, 2026 till March 30, 2029.

Detailed profile of Directors are available on the website of your Bank and can be accessed at https://bandhan.bank.in/corporate-governance.

Cessations

Mr. Philip Mathew (DIN: 09638394)

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

Dr. A S Ramasastri (DIN: 06916673)

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

Dr. Aparajita Mitra (DIN: 09484337)

Dr. Aparajita Mitra, Independent Director, completed her term of three years as an Independent Director of the Bank on July 12, 2025. Accordingly, Dr. Mitra ceased to be a Director of the Bank with effect from July 13, 2025.

Ms. Divya Krishnan (DIN: 09276201)

Upon completion of term of Ms. Divya Krishnan (DIN: 09276201) as Director in BFHL with effect from the close of business hours on August 27, 2025, BFHL withdrew the nomination of Ms. Krishnan as a Nominee from the Board of the Bank. Consequently, Ms. Krishnan ceased to be a Non-Executive Non-Independent Director on the Board of the Bank, with effect from the close of business hours on August 27, 2025.

Mr. Santanu Mukherjee (DIN: 07716452)

Mr. Santanu Mukherjee, Independent Director, vide email dated December 15, 2025, had informed his decision to resign as an Independent Director of the Bank, with effect from December 16, 2025 due to personal reasons. Accordingly, Mr. Mukherjee ceased to be a Director of the Bank with effect from December 16, 2025. He also confirmed that there were no other material reasons for his resignation.

Dr. Anup Kumar Sinha (DIN: 08249893)

Dr. Anup Kumar Sinha, Non-Executive (Independent) Chairman of the Bank, has completed his tenure, as approved by the RBI and Shareholders of the Bank, on July 04, 2026. Accordingly, Dr. Sinha ceased to be a Non-Executive Chairman and Independent Director on the Board of the Bank with effect from July 05, 2026.

The Board places on record its sincere appreciation for the contributions made by Mr. Mathew, Dr. Ramasastri, Dr. Mitra, Ms. Krishnan, and Mr. Mukherjee during their tenure as Directors of your Bank. The Board also places on record its sincere gratitude and profound appreciation for the invaluable contributions made by Dr. Sinha during his tenure as the Non-Executive Chairman of your Bank.

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

Key Managerial Personnel (KMP)

During the FY under review, Mr. Ratan Kumar Kesh was re-appointed as ED&COO and KMP for a further period of three years effective March 31, 2026.

Accordingly, as on March 31, 2026, Mr. Partha Pratim Sengupta, MD&CEO; Mr. Rajinder Kumar Babbar, ED&CBO; Mr. Ratan Kumar Kesh, ED&COO; Mr. Rajeev Mantri, Chief Financial Officer; and Mr. Indranil Banerjee, Company Secretary of the Bank were the KMPs of the Bank, as per the provisions of the Companies Act and rules made thereunder.

Further, Mr. Rajeev Mantri, Chief Financial Officer ('**CFO**') and KMP, has tendered his resignation vide letter dated June 29, 2026, to pursue another opportunity from career growth perspective. In terms of policies of the Bank, his last working day with the Bank as CFO and KMP would be September 25, 2026. The Board, at its meeting held on July 21, 2026, approved the appointment of Mr. Vinay Jain as Interim CFO and KMP of your Bank w.e.f September 26, 2026 upto March 31, 2027.

Meetings of the Board and Board Committees

The Board met sixteen times during the FY under review i.e., on April 30, 2025; May 30, 2025; June 27, 2025; July 18, 2025; August 02, 2025; August 22&23, 2025; September 25, 2025; October 28, 2025; October 30, 2025; November 27, 2025; December 23, 2025; January 15, 2026; January 20, 2026; January 22, 2026; February 12, 2026 and February 27&28, 2026. The details of the Board meetings held during the FY, attendance of Directors at the meetings, and other details have been provided separately in the Report on Corporate Governance forming part of this Report, enclosed as **Annex–4**.

Your Bank currently has the following ten Board Committees:

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

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

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

Declaration from Independent Directors

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

Familiarisation Programmes for Independent Directors

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

Board Evaluation

Pursuant to recommendation of the NRC, the Board has framed the 'Performance Evaluation Policy for the Board, Committees, Non-Independent/ Whole-time Directors and Independent Directors' (the '**Board PE Policy**'), in accordance with the relevant provisions of the Companies Act, the SEBI LODR and SEBI Guidance Note on Board Evaluation. In terms of the Board PE Policy, performance evaluation of the Board and its Committees, Chairman and individual Directors are done on various parameters. Parameters for the Board include various aspects, such as structure, meetings, appointments, agenda, discussions, evaluation of risks, strategy, governance and compliance, conflict of interest, etc. Parameters for Board Committees include various aspects, such as, meetings, effectiveness, agenda, discussion and dissent, minutes, etc. Parameters for the Directors include various aspects, such as knowledge and competency, integrity, functioning, commitment, contribution, attendance, initiative, teamwork, communication, corporate governance, updates, etc., and in case of Independent Directors, additional parameters include fulfilment of the independence criteria and their independence from the management.

The evaluation process has been carried out electronically. The Board of Directors have undertaken the evaluation of Independent Directors, excluding the Independent Director being evaluated. Similarly, Independent Directors have done the evaluation of the Board as whole, Non-Executive Chairman and Non-Independent Directors including the MD&CEO and Executive Directors. The members of respective Board Committees have done performance evaluation of respective Committees. Thereafter, the report on performance evaluation of Directors, excluding NRC members, and the Non-Executive Chairman was submitted to the NRC, whereas the reports on performance evaluation of the Board as a whole, Board Committees and Directors who were NRC members were submitted to the Board for necessary action. The NRC, after considering the performance evaluation report of Directors, excluding NRC members, made recommendations to the Board for continuation/ re-appointment of Directors. Thereafter, the Board considered the recommendations of the NRC, and report on the performance evaluation of the NRC members, the Board as a whole and the Board Committees. The Board evaluation has provided some valuable inputs for optimising the roles and responsibilities, quality, quantity and timeliness of flow of information between your Bank's management and the Board. The Board is of the view that the Directors have been discharging their roles and responsibilities as expected by the Board and as required under the applicable regulatory provisions. The Board continues to be duly constituted representing various expertise, skill sets, knowledge and qualification required for the banking business. There was no observation during the performance evaluation of the previous years; and so is the case with the current year.

The evaluation process is concluded by providing the feedback from the performance evaluation process to the respective Directors by the Non-Executive Chairman of the Board whereas the Lead Independent Director discusses the same with the Non-Executive Chairman providing the feedback.

Policy on Appointment of Directors

Appointment of Directors on the Board is guided by the provisions of the BR Act and the guidelines/ circulars issued by the RBI, from time to time, the Companies Act and the SEBI LODR. In view of these provisions, your Bank has adopted a 'Policy on Appointment and Fit & Proper Criteria for Directors'. In terms of this Policy, while appointing directors, the NRC/ Board considers fit and proper criteria, various skill sets, professional knowledge, practical experience, integrity, gender diversity and additionally, status of independence in case of Independent Directors. The details of the same have been included in the Report on Corporate Governance forming part of this Report. The Policy on Appointment and Fit & Proper Criteria for Directors is reviewed on an annual basis and accordingly, the Policy was reviewed by the Board on the recommendations of the NRC during the FY without any changes. The Policy is available on your Bank's website at: https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-01/Policy-on-Appointment-and-Fit-Proper-Criteria-for-Directors.pdf.

Remuneration Policy

Your Bank has formulated and adopted a comprehensive 'Compensation Policy' for its Directors, Key Managerial Personnel and Employees, in terms of Section 178 of the Companies Act, read with the relevant Rules made thereunder, Regulation 19 of the SEBI LODR and the guidelines/circulars issued by the RBI, in this regard, from time to time. The details of the same have been included in the Report on Corporate Governance forming part of this Report. The Compensation Policy is reviewed on an annual basis and accordingly, during the

FY, the Policy was reviewed by the Board on the recommendation of the NRC, with changes in line with regulatory guidelines and industry practices and also to enhance clarity. The updated Compensation Policy of your Bank is available on its Bank's website at: https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-11/Compensation-Policy.pdf.

Employees Remuneration

As on March 31, 2026, your Bank had 75,397 employees. The information with regard to the remuneration of directors and employees of the Bank, as required under Section 197(12) of the Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report, enclosed as **Annex–2.**

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Companies Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of this report, is available for inspection during business hours up to the date of the ensuing AGM in terms of Section 136 of the Companies Act, 2013 and any member interested in obtaining a copy of the same may send request to the Company Secretary.

Employee Stock Options

Your Bank has instituted the 'Bandhan Bank Employee Stock Option Plan Series 1' ('**ESOP Scheme**') to align employees' interests with the long-term growth and success of your Bank. The ESOP Scheme provides employees an opportunity to participate in value creation through stock options, fostering ownership, enhancing engagement in your Bank's strategic journey, and reinforcing long-term commitment towards sustainable growth. ESOP Scheme of your Bank is in compliance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('**SEBI SBEBSE**'). Changes have been made in the ESOP Scheme during the FY under review with the approval of Shareholders via Postal Ballot Process on March 01, 2026 including enhancement in the ESOP Pool from existing 5,47,57,052 Options to 8,05,48,570 Options. The ESOP Scheme is administrated by the NRC. It may be noted that while seeking the approval of Shareholders via Postal Ballot Notice dated January 22, 2026 for above increase in ESOP Pool, the percentage for existing ESOP Pool of 5,47,57,052 options to the then paid-up equity share capital of your Bank mentioned in the explanatory statement as 3.26 per cent. shall be read as 3.40 per cent. of paid-up equity share capital of the Bank.

In terms of the ESOP Scheme, the Options would vest not earlier than one year and not later than four years from the date of grant as decided by the NRC/ Board. The Options granted shall be equally vested over four years. The exercise period shall be a maximum of five years from the date of the respective vesting of Options. Since your Bank has been allotting fresh equity shares upon exercise of Options, the source of the shares is of primary issuance.

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

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

Deposits

Being a banking company, the disclosures required as per Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, read with Sections 73 and 74 of the Companies Act, are not applicable to your Bank. The details of the deposits received and accepted by your Bank, as a banking company, are enumerated in the Annual Financial Statement for the Financial Year ended March 31, 2026, and forms part of this Integrated Annual Report for FY2025-26.

Compliance and Audit

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

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

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

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

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

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

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

IAD further ensures that independent checks and balances are in place, and that laid down policies and procedures are followed and recommendations for improvements in processes and systems controls are suitably adhered to. For review of effectiveness of controls, significant audit findings along with corrective and preventive action taken by your Bank are placed before the ACB periodically and directions, if any, given by the ACB are tracked closely for suitable closure in a time bound manner.

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

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

Internal Financial Control

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

Related Party Transactions

Related Party Transactions that were entered, during the FY under review, were on an arm's length basis and were in the ordinary course of business, pursuant to the approval of the ACB. There were no materially significant related party transactions during the FY, which could lead to potential conflicts with the interests of your Bank. Omnibus approval is obtained from the ACB for the related party transactions, which are of repetitive in nature as well as for the normal banking transactions that cannot be foreseen. Further, approval of the ACB is sought for all the related party transactions, as applicable. Although, your Bank has obtained ACB approval for unforeseen related party transactions up to ₹1 Crore, as a matter of governance, the ACB ratified three related party transactions aggregating to ₹2.45 lakh towards payment of membership/ sponsorship fees during the FY. The quarterly updates on the details of transactions with the related parties, are placed before the ACB. There were no material related party transactions entered into by your Bank during the FY.

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

Promoter Entities:

(a) Bandhan Financial Holdings Limited

(b) Bandhan Financial Services Limited

(c) Financial Inclusion Trust

(d) North East Financial Inclusion Trust

Promoter Group Entities:

(e) Bandhan Konnagar

(f) Bandhan Mutual Fund

(g) Bandhan AMC Limited

(h) Bandhan Mutual Fund Trustee Limited

(i) Bandhan Investment Managers (Mauritius) Limited

(j) Quadra Medical Services Private Limited

(k) Quadra Hospital and Medical Services Private Limited

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

(m) Quadramedical Research & Foundation Private Limited

(n) Bandhan Life Insurance Limited

(o) Bandhan Technologies Private Limited *{Formerly, Genisys Information Systems (India) Private Limited}*

(p) Bandhan Technologies Ltd. (UK) *(Formerly, Genisys Software Limited, UK)*

(q) Bandhan Technologies Inc (USA) *(Formerly, Genisys Software Limited, USA)*

(r) Bandhan Technologies LLC, Dubai

(s) Novus Global Horizon Private Limited *(Formerly, Unnayan Enterprises Private Limited)*

(t) Selimbong Tea Co. Private Limited *(with effect from June 23, 2026)*

There were no Related Party Transactions required to be reported in Form AOC-2. However, necessary disclosure as required under the Accounting Standards (AS 18) read with Reserve Bank of India (Commercial Banks–Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, as may be updated from time to time, has been made in the note no. 18.12 to the Annual Financial Statement for the FY2025-26. Your Bank has a Policy on dealing with Related Party Transactions, which is reviewed on an annual basis and the Policy was reviewed by the Board during the FY on the recommendation of the ACB, with certain amendments to align with the regulatory changes in SEBI LODR. The Policy is available on your Bank's website: https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-11/Policy-on-Dealing-With-Related-Party-Transactions.pdf.

Particulars of Loans, Guarantees or Investments

In terms of the provisions of Section 186(11) of the Companies Act, nothing contained in Section 186 of the Companies Act, except sub-section (1) thereof, shall apply to any loan made, any guarantee given or any security provided or any investment made by a banking company in the ordinary course of its business. However, the particulars of investments made by your Bank are disclosed in the Financial Statement for the FY2025-26, as per the applicable provisions of the BR Act.

Whistle Blower Policy/Vigil Mechanism

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

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

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

Your Bank encourages its employees, all stakeholders and members of general public, who have concerns about suspected misconduct, to come forward and express these concerns without fear of retaliation or unfair treatment. The Whistle Blower Policy provides adequate safeguards against the victimisation of the Directors and employees who avail this mechanism and ensures that the personnel get direct access to the Chairman of the ACB. None of your Bank's personnel has been denied access to the ACB.

Vigilance Policy and Whistle Blower Policy of your Bank are reviewed on an annual basis and accordingly, these Policies were reviewed by the Board during the FY on the recommendation of the ACB, with certain amendments to align with the regulatory provisions. These Policies are available on your Bank's website at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-07/Whistle-Blower-Policy-22072025.pdf and https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-07/Vigilance-Policy-22072025.pdf.

Significant and Material Orders passed by Regulators or Courts or Tribunals

During the FY2025-26, no significant or material orders were passed by any Regulators or Courts or Tribunals against your Bank impacting its going concern status and operations in future. However, the RBI, vide its orders dated August 26, 2025 and April 21, 2026, in exercise of the powers conferred under Section 47A(1)(c) read with Section 46(4)(i) of the BR Act, had imposed (i) a penalty of ₹44.70 lakh on your Bank, for contravention of Section 10(1)(b)(ii) of the BR Act and non-compliance with certain directions contained in 'Reserve Bank of India - Automation of Income Recognition, Asset Classification and Provisioning processes in Banks dated September 14, 2020' and (ii) a penalty of ₹41.80 lakh on your Bank for contravention of the provisions of Section 20(1)(b)(iii) of the BR Act and non-compliance with certain directions issued by RBI on 'Know Your Customer', respectively. Your Bank has enhanced its review and monitoring mechanism to avoid such incidents in future.

Statutory Auditors and their Report

In terms of the 'Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)' dated April 27, 2021 ('**RBI Guidelines on Auditors**') issued by the RBI, banks shall appoint the Statutory Auditors for a continuous period of three years, subject to the audit firms satisfying the eligibility norms each year and the approval of the RBI on an annual basis. Further, in terms of the RBI Guidelines on Auditors and your Bank's Policy for Appointment of Statutory Auditors, it is required to appoint two Statutory Auditors. Accordingly, the Members of the Bank, at the 10th AGM held on August 20, 2024, had approved the appointment of M/s. V. Sankar Aiyar & Co., Chartered Accountants (ICAI Firm Registration No. 109208W), as the Joint Statutory Auditors of the Bank for a period of three years, to hold office from the conclusion of the 10th AGM until the conclusion of the 13th AGM of your Bank to be held in 2027. Further, the Members of the Bank, at the 11th AGM held on August 21, 2025, had approved the appointment of M/s. V. Singhi & Associates, Chartered Accountants (ICAI Firm Registration No. 0311017E), as the Joint Statutory Auditors of the Bank for a period of three years, to hold office from the conclusion of the 11th AGM until the conclusion of the 14th AGM of your Bank to be held in 2028. Approval of RBI has been received for appointment of M/s. V. Sankar Aiyar & Co., Chartered Accountants and M/s. V. Singhi & Associates, Chartered Accountants as the Joint Statutory Auditors of your Bank for the FY 2027 for their third year and second year, respectively.

The Independent Auditor Report, given by the Joint Statutory Auditors on the Annual Financial Statement of your Bank for the Financial Year ended March 31, 2026, forms part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Joint Statutory Auditors in their Report. Also, no offence of fraud was reported by the Joint Statutory Auditors of your Bank under Section 143(12) of the Companies Act read with Rule 13(3) of the Companies (Audit and Auditors) Rules, 2014.

Secretarial Auditor and its Report

Pursuant to the provisions of Section 204 of the Companies Act and Regulation 24A(1) of the SEBI LODR, and the recommendation of the ACB, the Board of Directors has approved and recommended the appointment of M/s. Makarand M. Joshi & Co., Company Secretaries (ICSI Firm Registration Number: P2009MH007000), as the Secretarial Auditor of your Bank, for a period of five consecutive years, i.e., with effect from April 01, 2025 to March 31, 2030 for the approval of the Shareholders. Accordingly, Shareholders, at 11th AGM held on August 21, 2025, had approved the appointment of M/s. Makarand M. Joshi & Co., Company Secretaries (ICSI Firm Registration Number: P2009MH007000), as the Secretarial Auditor of the Bank, for a term of five consecutive years, i.e., with effect from April 01, 2025 to March 31, 2030. The Secretarial Audit Report for FY2025-26 provided by Secretarial Auditor is enclosed to this Report as **Annex – 3**. There is no qualification, reservation, adverse remark or disclaimer in the Secretarial Audit Report. Further, no offence of fraud was reported by the Secretarial Auditor of your Bank under Section 143(12) of the Companies Act read with Rule 13(3) of the Companies (Audit and Auditors) Rules, 2014.

Cost Records

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

Corporate Governance

Corporate Governance is based on the principles of conducting business with integrity, fairness and being transparent in all transactions, making necessary disclosures. Decisions are made in compliance with the laws of the land, with full accountability and responsibility towards the stakeholders, and a commitment to conducting all business in an ethical manner. Your Bank is committed to achieving the highest standards of Corporate Governance and adhering to the Corporate Governance requirements set by the regulators. A separate section on Corporate Governance standards followed by your Bank and the relevant disclosures, as stipulated under the SEBI LODR, the Companies Act and rules made thereunder, form part of this Report, enclosed as **Annex – 4**.

A Certificate from M/s. Makarand M. Joshi & Co., Company Secretaries (ICSI Firm Registration Number: P2009MH007000), regarding compliance with the conditions of Corporate Governance, as stipulated in the SEBI LODR, is annexed to the Report on Corporate Governance, which forms part of this Report.

Annual Return

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, the draft Annual Return of your Bank, in Form No. MGT-7, as on March 31, 2026, is available on your Bank's website at https://bandhan.bank.in/annual-reports. Further, the final Annual Return of your Bank, as on March 31, 2026, will be available on your Bank's website at the said link, upon filing of the same with the Registrar of Companies under Section 92(4) of the Companies Act.

Management Discussion & Analysis

The Management Discussion & Analysis Report for the FY2025-26, as prescribed under the SEBI LODR, forms part of this Report and is enclosed as **Annex – 5**.

Business Responsibility and Sustainability Report

In terms of the provisions of Regulation 34(2)(f) of the SEBI LODR read with Section IV–B of SEBI Master Circular issued on July 11, 2023 (last updated on January 30, 2026) on '*compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities*', the Business Responsibility and Sustainability Report ('**BRSR**') of your Bank providing its performance against the nine principles of the 'National Guidelines on Responsible Business Conduct' ('**NGRBCs**'), formulated by Ministry of Corporate Affairs, Government of India, and as per format prescribed under aforesaid SEBI Master Circular, forms part of this Report and, is enclosed as **Annex – 6**. Further, the format of BRSR prescribed under the aforesaid SEBI Master Circular includes BRSR Core, which is a set of key performance indicators/ metrics under nine ESG attributes. SEBI further mandates the top 500 listed companies (by market capitalization) to undertake an assurance of the BRSR Core from FY2025-26. Accordingly, your Bank's BRSR for FY2025-26 also includes the reasonable assurance statement from CNK & Associates LLP., Chartered Accountants.

Integrated Reporting

Your Bank has prepared this Integrated Annual Report based on the principles enunciated by the International Integrated Reporting Council. The report provides information including financial and non-financial parameters, which would enable the members to make well informed decisions and have a better understanding of your Bank's performance. It also deals with various aspects such as organisational strategy, governance framework, performance and prospects of value creation, based on the six forms of capital, viz., financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital, and natural capital.

Compliance with Secretarial Standards

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

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

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

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

Conservation of Energy

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

- Smart building systems implementing energy-efficient glass facades and advanced building management systems to optimize energy consumption and enhance sustainability.
- Implementation of Energy Efficient Air conditioning system for administrative buildings:
- Variable Frequency Drive ('**VFD**') Chillers are used in the building which are energy efficient which works on varying frequency thereby saving the Electrical consumption.
- Cooling towers are controlled by VFD panels which senses the condenser side water temperature and varies the frequency thereby saving the Electrical consumption.
- Chiller Plant managers ('**CPM**') automatically run the combination of chillers and pumps and controls the same depending on the heat load thus enabling the optimal usage of the equipment thereby saving electrical consumption.
- Smart AHUs controls the speed of fans automatically by sensing differential temperatures thereby saving electrical consumption.
- At banking outlets, the focus is on strict segregation and zoning critical and non-critical areas for improving HVAC efficiency, use of high-performance glass reducing glare and heat gain, optimized window-to-wall ratios, strategic building orientation, and equipment retrofitting.
- Tracking of energy usage across all levels, benchmarking against international best practices at all levels and comparing with the best international benchmarks;
- Incorporation of smart meters for energy use monitoring and engagement with key stakeholders, at regular intervals, to drive energy conservation in the organisation culture;
- Adoption of cutting-edge technologies in HVAC and inductive equipment, such as VFDs and systems with improved IKW (input kilowatt per ton), to enhance energy efficiency;
- **Lighting:** Incorporation of 100 per cent. LED for lighting, daylight harvesting, timed illumination of signage through central monitoring system. Natural daylight utilization is encouraged in your Bank's premises;
- **Daily operations and usage:** Implementing energy-saving practices through basic hygiene practices on energy usage through occupancy sensors, zoning of electrical circuits and master switches for premises. In the recent past, your Bank has put up three mega Currency Chests with five-star energy ratings;
- **Employee Awareness:** Increased employee training and awareness programs related to energy conservation.

Installed 60kW solar panels on the rooftops of select administrative buildings which is connected online with internal grid of your Bank.

Overall Capital cost incurred towards the energy conservation initiatives is more than ₹1.25 Crore.

Information Technology at your Bank

In a rapidly evolving digital financial landscape, Information Technology ('**IT**') continues to play a pivotal role in shaping the future of banking. During the FY, your Bank progressed its digital transformation agenda through targeted investments and strategic initiatives focused on enhancing customer experience, strengthening security, improving operational efficiency, and enabling scalable and resilient growth.

Key technology initiatives during the FY

Payments, digital channels and customer experience

- Enhanced digital loan repayment capabilities for EEB customers by enabling repayments through QR code, Bharat Bill Payment System (BBPS), dynamic QR and payment gateway integration, improving repayment convenience and collection efficiency.
- Strengthened UPI security and compliance by aligning with RBI's Digital Payments Security Controls (including storage, encryption and transaction monitoring), implementing end-to-end encryption for transaction flows, and introducing customer onboarding using debit card and Aadhaar-based verification.
- Accelerated the modernisation of Retail Internet Banking and Mobile Banking (OBDX) through UI/UX revamp and expanded payment features, including simplified IMPS services, eNACH (cancel/amend/suspend/revoke) and beneficiary name lookup.
- Introduced Digital Cards on Internet and Mobile Banking to provide customers with secure, instant access to debit and credit cards in a fully digital format.
- Introduced eASBA and a seamless 3-in-1 Demat, Trading and Bank Account onboarding journey to enhance customer convenience, streamline investment processes and strengthen your Bank's digital capital market offerings.
- Scaled WhatsApp Banking to provide 24x7 access to key services such as balance enquiry, last 5 transactions, cheque book request, relationship view and EMI summary, as well as card block/unblock capability.

Identity, authentication and financial inclusion enablement

- Achieved compliance for the Aadhaar enabled Authentication System (AeAS) by eliminating local biometric storage and enabling UIDAI-based authentication. The initiative also supported rural market expansion by improving customer convenience through seamless, anytime-anywhere access and contributing to additional revenue opportunities.
- Advanced TAB-based enablement to support field-led operations through TAB-based collection and a TAB-based EEB loan module.

Payments infrastructure modernisation and resilience

- Completed SWIFT MT-to-MX migration under ISO 20022 during the FY under review. Core Banking applications, including FC, OBPM and Calypso, participated in the programme, supporting the transition to a common global messaging standard for more transparent and efficient cross-border payments.
- Enhanced payments resilience and through TLS 1.3 upgrade for IMPS, IMPS routing simplification, and end-to-end SWIFT 7.7 modernisation.

Process digitization, automation and control strengthening

- Accelerated the shift to paperless operations through DNAS (an in-house developed application), replacing manual workflows with digital processes to improve efficiency, accuracy and turnaround time, while reducing paper consumption and printing costs and strengthening the compliance posture.
- Delivered multiple initiatives to strengthen operational efficiency and improve turnaround times, including bulk card blocking, Re-KYC process automation, CKYC compliance updates and POS machine fee recovery automation.
- Advanced branch banking automation through simplified Re-KYC automation via Newgen, auto-derivation of Re-KYC due dates, PMI interest calculation for overdue fixed deposits, large passbook format enablement and UI/UX enhancements for digital account opening.

Customer lifecycle and lead management enablement

- Strengthened customer engagement and retention through NEEV's (an in-house developed application) Customer Life Cycle Management module, incorporating comprehensive profile checks and prioritised grievance resolution. Early digital registration and end-to-end lead tracking supported transaction volumes, CASA growth and cross-sell opportunities.
- Enhanced lead generation and conversion through NEEV's Lead Management System module across branch and phone-banking channels, supported by dynamic lead assignment to enable faster action and improved lead outcomes.

Integration of backbone and cloud capabilities

- Strengthened enterprise integration through the Enterprise Service Bus (ESB), which enables secure and scalable communication across applications, channels and backend systems.
- Initiated migration to AWS and Azure to enhance scalability, availability, security and agility, and to enable modern AI capabilities (Gen AI and agentic AI).
- Completed migration from bandhanbank.com to bandhan.bank.in on October 30, 2025, in line with the RBI advisory dated April 22, 2025 recommending migration to the '.bank.in' domain by October 31, 2025.

IT infrastructure and continuity preparedness

- Maintained focus on foundational resilience across Core Banking infrastructure, Disaster Recovery readiness for applications, and critical storage utilisation monitoring.
- From an endpoint and field IT perspective, key activities included AeAS installation at BU systems, IT setup for conversion of Housing Finance Centre (HFC) outlets to bank

branches, Block Tab implementation at ATMs to mitigate fake shutter fraud, rollout of a new integrated setup across banking outlets with receipt printing, setup for new learning centres, and physical IT asset verification across outlets through your Bank's in-house application.

Lending, underwriting and cards enablement

- Strengthened the end-to-end loan journey through the Loan Originating System, including intelligent document processing to eliminate manual data entry, integrated scorecards for consistent automated decisioning, auto-generation of Credit Appraisal Memorandums (CAMs) using pre-approved templates and system data, and eSign/eStamp capabilities to enhance customer experience.
- Enhanced credit underwriting capabilities by segregating onboarding and credit decisioning, improving agility through rule updates without code changes to reduce IT/vendor dependency, and enabling consistent automated decision-making while keeping decision rules accessible on a need-to-know basis.

Enterprise productivity and knowledge enablement

- Developed Sahayak, a GenAI-powered chatbot to provide a single intelligent interface for enterprise data discovery and query-based access, with capabilities including chat and search, scalability, and domain-specific fine-tuning.
- Enabled faster issue resolution through a chat-based Sahayak interface for Helpdesk queries, allowing users to log issues, navigate guided menus and access troubleshooting steps and solutions.
- Established a browser-based repository through Sahayak for annexures and forms, supporting search, viewing and downloads, and implemented a chatbot-based IT knowledge repository to support guided access to learnings from past major IT incidents.

Corporate platforms, risk and functional digitization

- Valuation enablement based on SOFR curves, and enablement of dealing in Equity ETFs.
- Implemented ServiceNow to automate the Third-Party Risk Management (TPRM) process.
- Enabled key Wholesale Banking Group (WBG) capabilities through implementation of Puratech as LMS for Agri Commodities, OBSCF as LMS for Supply Chain Finance, DataNimbus as Escrow Mandate Management system, introduction of Electronic Bank Guarantee through integration with NeSL, enablement of trade finance products, and enrichment of CMS offerings.
- Automated reconciliation processes for 'Non-Pointing GL' and 'Interbank Balance' reconciliations.
- Advanced fraud risk and customer engagement capabilities through transaction fraud monitoring process automation, contact centre initiatives and enterprise CRM initiatives.
- Continued finance automation and digitisation initiatives, including Fixed Asset Management Software (FAMS), eGL on Oracle E-Business Suite R12, Fund Transfer Pricing (FTP) and cost allocation/Profitability Analysis (PFT), and Hyperion for budgeting across Head Office and business units.

Government banking digitization

- Executed the PFMS migration at significant speed.
- Demonstrated national leadership by being the first bank to complete CBDT TIN 2.0 UAT with RBI and PFMS, and the only private bank with all collection modes in Assam e-GRAS (Electronic Government Accounting System)
- Built large-scale state platforms in-house, showcasing institutional digital capability.

One Bandhan

- Launched an integrated intranet platform (One Bandhan) to strengthen collaboration and information flow across teams.
- Enhanced employee engagement by enabling a more connected digital workplace experience.
- Built a centralised knowledge repository to support consistent, efficient and governed information sharing.
- Improved productivity by streamlining workflows and strengthening internal communication.

OFSAA

- Implemented Funds Transfer Pricing (FTP) and Pooled Funds Transfer (PFT) frameworks to enable multi-dimensional profitability analysis, including at customer and branch levels.
- Strengthened financial transparency by providing granular visibility into cost of funds (direct and allocated) and key profitability metrics to support informed decision-making.

Salesforce

- Completed the end-to-end rollout of Salesforce for the Housing Finance business across branches, enabling standardised processes, improved customer lifecycle management, better operational visibility and enhanced efficiency across sales and service.

FRM

- Strengthened the real-time monitoring framework for digital transactions to proactively detect potential fraud, mitigate risks and enhance transaction security.
- Implemented Falcon, leveraging advanced analytics and real-time capabilities to further reinforce fraud prevention and strengthen overall risk management.

Foreign Exchange Earnings and Outgo

During the FY2025-26, total foreign exchange earned by your Bank was ₹11.78 Crore (on account of net gains arising on all exchange/derivative transactions) and the total foreign exchange outgo was ₹15.39 Crore towards the operating and capital expenditure requirements

Development in Human Resources

Human Capital Management

A Decade of Trust, a future of possibilities:

Over a decade, your Bank has emerged as a distinguished institution, exemplifying the enduring value of trust, earned through prudent stewardship, strengthened through consistent performance, and sustained by an unwavering commitment to customers and stakeholders. This decade-long journey has been marked by resilience, innovation, and a steadfast dedication to excellence.

As your Bank looks to the future, the narrative evolves naturally from trust to responsibility. Responsibility to drive purposeful innovation, to serve customers with empathy and understanding, to uphold the highest standards of governance and integrity, and to foster sustainable growth.

Your Bank aims to cultivate a goal-driven and high-performing workforce that is digitally enabled, highly skilled, and customer-focused. By strengthening accountability, enhancing role clarity, and ensuring career transparency, your Bank seeks to empower its employees to drive sustainable growth and deliver exceptional customer value.

During FY 2025-26, your Bank conducted its Employee Engagement Survey and recorded an engagement score of 4.33, underscoring a highly engaged and motivated workforce. The result serves as a foundation for your Bank's next phase of growth, reinforcing its commitment to creating long-term value beyond financial metrics.

To foster employee motivation, strengthen talent retention, and accelerate leadership readiness, your Bank has established clear career pathways that demonstrate how sustained performance and success can lead to rapid career progression. During FY 2025-26, your Bank promoted 8,553 employees across various levels. In addition, more than 300 employees were elevated to higher roles across multiple departments during the FY. These advancements have empowered employees with enriched responsibilities, while further enhancing leadership capabilities and deepening organizational strength.

Your Bank adopted the Hire-Train-Deploy model to build a robust talent pipeline of trained resources. This approach enables your Bank to ensure a steady supply of trained talent, supporting its workforce requirements effectively.

Your Bank has effectively streamlined its recruitment processes to ensure the acquisition of skilled talent across all roles. Its recruitment philosophy is centred on driving productivity through sustained manpower. The overarching objective is to maintain enhanced levels of productivity at all times. In line with this approach, your Bank has consciously focused on improving productivity while maintaining the same level of manpower.

Your Bank continued to strengthen its talent pipeline through structured campus recruitment initiatives, engaging with premier academic institutions to attract young and diverse talent aligned with its long-term growth objectives. During FY2025-26, your Bank recruited more than 100 Management Trainees from leading business schools across the country, thereby fostering opportunities for young professionals to build stable and rewarding careers in the banking sector.

Your Bank confers Long Service Awards to recognize employees for their enduring commitment and dedication, thereby reinforcing the values of loyalty, perseverance, and excellence. During FY 2025-26, your Bank felicitated more than 21,000 employees in recognition of their long-standing association and sustained contribution to your Bank, fostering a culture of appreciation and engagement. Furthermore, your Bank aspires to strengthen its culture of excellence through a structured value-driven Rewards and Recognition framework designed to acknowledge and celebrate outstanding employee contributions across all levels of the organization.

Your Bank is committed to fostering a vibrant, inclusive, and engaging workplace culture through a wide range of employee engagement initiatives conducted throughout the year across various locations across the country. Your Bank regularly organizes festival celebrations and sports events for its employees, encouraging active participation while creating opportunities for team building, leadership development, and stronger interpersonal collaboration beyond the workplace, thereby enhancing employee well-being and organizational camaraderie.

Learning and Development

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

During FY2025-26, your Bank further strengthened its L&D framework with a structured focus on enhancing functional, behavioural and digital capabilities across employee segments. Your Bank continues to accord high priority to L&D as a key enabler for building a capable, agile and future-ready workforce. During the FY under review, your Bank also curated and institutionalised a comprehensive organisational competency framework, defining the core competencies and behavioural expectations required across roles and levels. As part of this initiative, your Bank articulated a set of enterprise-wide behaviours that embody the ethos of 'One Bandhan', aimed at fostering a unified culture anchored in collaboration, accountability and customer-centricity. Your Bank's L&D agenda remained aligned to business priorities, with emphasis on building domain expertise, strengthening risk awareness, improving customer outcomes and enabling organisational readiness for ongoing transformation.

Capability Building and External Training Programmes

During the FY under review, your Bank implemented targeted learning interventions across key business and functional areas, with focus on:

- Strengthening risk management and regulatory compliance capabilities.
- Enhancing customer service and grievance redressal effectiveness.
- Driving slippage control and recovery performance.

- Improving productivity through cross-selling and portfolio optimisation.
- Accelerating adoption of digital platforms and tools.
- Enabling organisational readiness for transformation and operating model changes.

Employee capacity building remained an area of continued focus. During FY2025-26, a total of 2,790 employees participated in external training and certification programmes, aimed at enhancing specialised knowledge and industry-relevant skills.

Leadership and Behavioural Development

Your Bank continued to invest in building a strong leadership pipeline through structured interventions across levels. These initiatives were aligned to the newly defined competency framework and the 'One Bandhan' behavioural constructs:

- Senior leadership development programmes conducted in association with Indian School of Business (ISB).
- 'Elevate' Leadership Programme for IT leaders, focused on strengthening collaboration, ownership and accountability.
- 'Bandhan for Her' initiative for women leaders at DVP level and above, aligned with your Bank's Diversity, Equity and Inclusion (DEI) agenda.
- Situational Leadership programme for senior management to enhance leadership effectiveness and adaptability.
- Role-based capability development programmes:
- Leading Self (Junior Management)
- Leading Others (Middle Management)
- Leading Managers (Senior Management)
- Organisation-wide behavioural competency sensitisation workshops to drive adoption of the 'One Bandhan' behaviours.
- Institutionalisation of Competency-Based Interviewing (CBI) framework for Hiring Managers and HR Business Partners to enable structured and objective talent assessment aligned with the competency framework.
- 'Faculty 360' Train-the-Trainer programme conducted in collaboration with State Bank Institute of Leadership to strengthen internal facilitation capability.

Digital Learning Initiatives

Your Bank strengthened its digital learning ecosystem through deployment of LinkedIn Learning, providing access to a wide range of curated learning resources for senior management. The platform witnessed strong adoption during the FY, supporting a culture of continuous and self-directed learning.

Key Learning Metrics

Metric	FY2025-26
Total Learning Hours	2.5 million hours
Average Training Hours per Employee	30.4 hours
Employee Participation	99.97%
Total Training Coverage	728,778
Average Programmes per Employee	9
Induction Coverage	99.30%
Induction TAT	29 days
LMS Logins ('**Bandhan Edge**')	874,212

Your Bank's Learning and Development initiatives during the year have contributed to strengthening organisational capability, embedding a unified behavioural framework, and enhancing leadership depth. The articulation of the competency framework and 'One Bandhan' behaviours is expected to further drive consistency in performance, culture and talent practices across the organisation.

Your Bank will continue to invest in strengthening its learning ecosystem to support sustainable growth and long-term value creation.

Digitisation in HR

During FY2025-26, HR digitalization remained a strategic priority, strengthening talent and performance management while significantly improving operational efficiency. Reduced manual interventions enabled sharper focus on strategic HR initiatives, delivering a more seamless and enhanced employee experience across the organization.

Employee Benefits

- **NPS (National Pension Scheme)**
  Your Bank continues to promote long-term financial well-being of its employees by facilitating enrolment in the National Pension System (NPS) through the HRMS portal. This seamless digital integration enables employees to conveniently opt into the NPS, manage their contributions, and make informed retirement planning decisions within a secure and user-friendly interface. By streamlining the enrolment and contribution process, the initiative enhances accessibility, ensures regulatory compliance, and reinforces your Bank's commitment to fostering a financially secure and future-ready workforce.

- **Employee Health and Wellness**
  Your Bank considers its employees as its most valuable assets and has therefore always remained proactive in carefully reviewing the Health & Wellness quotient. To facilitate quick medical attention for employees in medical emergencies, your Bank has tie-ups with hospitals in key locations across the country. Your Bank also provides comprehensive insurance coverage for all employees, across all grades. Group insurance facility includes the Group Mediclaim Policy

covering hospitalization expenses of employees and their enrolled dependents, sponsored by your Bank for all the employees, and Group Personal Accidental Insurance Policy and Group Term Life Insurance Policy with Terminal Illness rider for the employees.

Your Bank further strengthened its Employee Health and Wellness Program by onboarding a reputed healthcare partner. This strategic inclusion enhances employees' access to high-quality medical services across a wide network of facilities, ensuring timely and reliable healthcare support

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

- **Health Awareness**
  Your Bank has undertaken Health Awareness and Check-Up Programs across key locations including Ahmedabad, Delhi, Vashi, and BKC in Mumbai during the FY under review, with a focus on promoting preventive healthcare among employees. These initiatives aim to create awareness around lifestyle-related health risks such as hypertension and diabetes, while encouraging early detection and proactive health management. By partnering with leading healthcare providers, your Bank reinforces its commitment to fostering a healthier, more informed, and resilient workforce.

  Aiming to enhance employee wellness, various health awareness initiatives were planned by your Bank. These included regular information letters and health tips communication to employees on topics such as stress management, promoting mental health, perils of self-medications etc. Health awareness programs and sessions on 'Prevention of Diabetes', 'Pain & Palliative Care' were conducted. Additionally, to promote Staff Safety regular health camps and training workshops on First Aid & CPR was also arranged.

- **Wellness Platform**
  The B Well Digi Care Plan reflects your Bank's commitment to holistic employee well-being by bringing together a comprehensive range of health benefits on a single, technology-enabled platform, supported by 24/7 customer assistance. The program offers free online medical consultations, facilitated medicine delivery, and diagnostic services, ensuring accessible and convenient healthcare solutions for employees.

  In addition, the plan provides discounted dental and eye care services, fitness benefits such as gym membership, yoga and Zumba sessions, as well as fully sponsored IPD assist services including post-discharge care and doctor consultations. Employees also have access to health assessments and a rich repository of wellness resources and articles through the platform. To further enhance engagement, your Bank conducted six offline wellness sessions, complemented by ongoing division-wise online sessions held every Friday.

Employee Voice and Engagement

- **Survey Platform**
  The Survey platform enables the systematic collection of employee feedback and insights across the organization. It provides employees with an opportunity to share experiences, raise concerns, and offer inputs, supporting informed policy formulation and continuous improvement while reinforcing a culture of transparency and inclusivity.

- **Ideation Portal**
  The Ideation Portal enables employees to share and develop ideas through a structured platform, fostering innovation, collaboration, and implementation of viable initiatives that support organizational growth.

- **Whistle Blower Tool**
  The Whistle Blower Complaint Lodging Mechanism strengthens ethical conduct and accountability within your Bank by promoting transparency. Your Bank is committed to ensuring that all concerns raised by whistle blowers, employees, customers, and stakeholders are addressed promptly and fairly.

- **People Connect**
  Your Bank enhanced employee experience and engagement through targeted digital initiatives, including a centralized HR Service Desk to ensure efficient query resolution.

  The Alumni Portal facilitated a seamless exit process with continued access to essential documentation.

Learning and Development Enablement

- **Training Information Hub**
  The Training Information Hub acts as a centralized repository for learning resources, training schedules, and development programs. Employees can conveniently access skill-building opportunities that support their professional growth and career advancement. By making learning easily accessible, the platform promotes a culture of continuous improvement and knowledge sharing.

HR Compliance

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

Compliance with the Maternity Benefit Act, 1961

Your Bank celebrates the gift of parenthood and undertakes several initiatives to support its employees as they take on new responsibilities as parents. In line with the Maternity Benefit Act, 1961, female employees are eligible for maternity leave of

26 weeks. Your Bank also provides adoption leave to women employees. Your Bank is in compliance with the provisions of the Maternity Benefit Act, 1961. Paternity leave of 5 days was introduced beyond regular privilege leave to enable male employees to support during childbirth.

Discipline & Ethics Management

The Code of Conduct and Ethics emphasizes your Bank's unwavering commitment to conducting business in accordance with the highest ethical standards and in full compliance with applicable laws, rules, and regulations. At Bandhan Bank, ethical conduct is deeply rooted in the values of integrity and honesty, which guide all aspects of our operations. Adherence to the Code is mandatory for every employee and forms the cornerstone of professional behaviour across the organisation.

The Discipline & Ethics Management team of your Bank plays a pivotal role in strengthening the Bank's ethical culture. Throughout the FY, the team undertook multiple initiatives to promote awareness and reinforce ethical business practices. These initiatives included dissemination of sensitization circulars, communication on the consequences of misconduct and malpractices, targeted HRMS campaigns, awareness posters and emailers, as well as the sharing of relevant case studies. Collectively, these efforts aim to embed ethical decision-making into daily operations and foster a culture of accountability and compliance across your Bank.

Risk Management

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

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

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

Risk Appetite

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

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

Risk Culture

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

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

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

Stress Testing

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

Internal Capital Adequacy Assessment Process ('ICAAP')

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

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

Risk Management Framework

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

Major Risks

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

Asset/ Liability Management (ALM)

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

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

Climate-related Financial Risks

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

Credit Risk

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

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

Information Security and Cyber Risks

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

Across the globe, banks are exposed and susceptible to various types of cybercrime. Cyber-attacks have become more sophisticated and organised, and they are continuously carrying attacks in volume, frequency, and severity. However, due to robust implementation of information and cyber security controls, your bank has not experienced any material loss relating to these or other types of cyber-attacks.

Cybersecurity risk is a priority for your Bank, and it continues to develop and enhance its controls, processes, and systems in order to protect its networks, computers, software, and data from attack, damage, or unauthorized access. Your Bank has its own independent 24x7 C-SOC (Cyber Security Operations Centre) for a state-of-art centralized and consolidated cybersecurity incident prevention, security event monitoring, detection, and response which is backed by data and tools for sound analytics. Your Bank is also ISO 27001:2022 certified, for its information security management. Your Bank is also proactively involved in industry-wide cybersecurity efforts and working with other parties, including its third-party service providers and governmental agencies, to continue to enhance defences and improve resiliency to cybersecurity threats.

Operational Risk & Resilience

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

Your Bank is committed to provide uninterrupted services to customers. As such, it is essential to protect the critical infrastructure in your Bank from natural and man-made disasters/ events and ensure business continuity of the various operational units. Your Bank has a Business Continuity Risk Management framework within its Operational Risk Management & Operational Resilience Policy in place with the objective to recover critical activities and systems within defined timelines; safety of people and its assets; to communicate with stakeholders during emergency, etc. Your Bank's Business Continuity Management System is ISO 22301:2019 certified. Business continuity risks are reviewed and regular updates are given to Operational Risk Management Committee ('**ORMC**') and the RMCB.

Outsourcing Risk

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

Market Risk

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

Regulatory Risk

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

Reputational Risk

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

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

Strategic & Business Risk

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

Material Changes and Commitment affecting Financial Position of the Bank

There were no material changes and commitments, affecting the financial position of your Bank, which have occurred between the end of the Financial Year of the Bank, i.e., March 31, 2026, to which the financial statement relates, and the date of this Board's Report.

Change in the Nature of Business

During the FY2025-26, there has been no change in the nature of business of your Bank.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, the Board of Directors hereby confirms that:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the Bank's state of affairs as on March 31, 2026, and of its profit for the FY ended on that date;

iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;

iv. We have prepared the annual accounts on a going concern basis;

v. We have laid down internal financial controls to be followed by the Bank and that such internal financial controls are adequate and are operating effectively; and

vi. We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Acknowledgements and Appreciations

The Board of Directors of your Bank extends its gratitude for the invaluable support and guidance received from the Reserve Bank of India, other government and regulatory authorities, and financial institutions. The Board also thanks the correspondent banks for their cooperation and help. The Board acknowledges the support of its Shareholders and also places on record its sincere thanks to its valued clients and customers for their patronage.

The Board also expresses its deep sense of appreciation to all the employees for displaying their strong work ethics, excellence at work, professionalism, teamwork, commitment and initiative, which have led to the Bank making good progress. The Board will continue to strive for improvements as your Bank continues on its journey towards achieving its objectives.

For and on behalf of the Board of Directors
Bandhan Bank Limited

Partha Pratim Sengupta
Managing Director & Chief Executive Officer
(DIN: 08273324)

Rajinder Kumar Babbar
Executive Director & Chief Business Officer
(DIN: 10540386)

Ratan Kumar Kesh
Executive Director & Chief Operating Officer
(DIN: 10082714)

Place: Kolkata
Date: July 21, 2026

Annex - 1

Annual Report on Corporate Social Responsibility ('CSR') activities for the Financial Year ended March 31, 2026

1. A Brief Outline on CSR Policy:

Approach – Bandhan Bank Limited (the '**Bank'**) has framed its Corporate Social Responsibility ('**CSR**') Policy in accordance with the provisions of Section 135 of the Companies Act, 2013 (the '**Companies Act**'), read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('**CSR Rules**'). The CSR Policy of the Bank has a strong commitment to contribute to social and environmental growth and prosperity and is pivotal to its business sustainability.

Purpose – The purpose of the Bank's CSR philosophy is to develop the community in which it operates and make a sustainable improvement in the lives of economically, physically and socially challenged people living at the lower end of society and initiate or support programmes that are aimed at creating conditions for better livelihoods in these communities. The Bank shall also support measures that are aimed at preserving and enhancing the environment and natural resources. The CSR policy shall act as a mechanism for regulating the CSR activities of the Bank and adhere to laws and regulations in force and adopt best practices.

Vision – Aligned with the vision of the Bank, its CSR initiatives shall continue to enhance value creation, improve the quality of life and inclusion of those who are not adequately and effectively serviced by the formal financial sector into the mainstream of the society and draw them into the cycle of growth by providing products and services and forming partnerships and alliances for the fulfilment of its role in the society as a responsible corporate.

CSR Programmes – The focus area of the CSR programmes of the Bank shall be the local areas served by it and based on the prioritised needs of the local communities. The Bank may undertake any or all of the activities in the subject or the areas as mentioned in Schedule VII to the Companies Act, including the following:

a. **Healthcare:** Preventive Health, Nutrition and Food Security, Sanitation and Safe Drinking Water

b. **Education:** Financial and Digital Literacy, Skill Development and Sustainable Livelihoods for underprivileged children, women, youths and persons with disabilities

c. **Reducing Inequalities and Promoting Gender Equality**: Women empowerment, empowering persons with disabilities and such measures that reduce inequalities faced by socially and economically backward groups

d. **Environment Protection:** Natural Resource Management and conservation, and Climate Change mitigation and adaptations

e. **Training to promote rural sports:** training to promote rural sports, nationally recognized sports, Paralympic sports and Olympics sports

f. **Rural Area and Slum Area Development:** Improving infrastructure and living conditions, and sustainable agriculture

g. Disaster Management and Relief Operations

2. Composition of Corporate Social Responsibility and Sustainability Committee of the Board (CSR&SCB):

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of the CSR&SCB held during the year/ tenure	Number of meetings of CSR&SCB attended during the year/ tenure
1.	Mr. Subrata Dutta Gupta	Chairman, Independent Director	2	2
2.	Mr. Partha Pratim Sengupta	Member, Managing Director & CEO	2	2
3.	Mr. Vijay N Bhatt	Member, Independent Director	2	2
4.	Mr. Rajinder Kumar Babbar[1]	Member, Executive Director & CBO	1	1
5.	Dr. Aparajita Mitra[1]	Member, Independent Director	1	1

[1]*Ceased to be members with effect from July 13, 2025*

3. Web-link where the Composition of the CSR&SCB, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Bank:

Sl. No.	Particulars	Web-link
1.	Composition of CSR&SCB	https://bandhan.bank.in/corporate-governance
2.	CSR Policy	https://bandhan.bank.in/sites/default/files/2025-02/CSR-Policy-03022025.pdf
3.	CSR Projects	https://bandhan.bank.in/beyond-banking

4. Executive Summary along with web-link of the Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the CSR Rules:

Details of the CSR Programmes, along with impact, form part of the Social and Relationship Capital Segment of the Integrated Annual Report. The detailed Impact Assessment Report is available at the Bank's website:

https://bandhan.bank.in/beyond-banking

5. CSR Obligation of the Bank for the FY2025-26 as per Section 135(5) of the Companies Act:

Sl. No.	Particulars	Amount (in ₹)
a.	Average net profit of the Bank as per sub-section (5) of Section 135	31,63,00,28,401
b.	Two percent of the average net profit of the Bank as per sub-section (5) of Section 135	63,26,00,568
c.	Surplus arising out of the CSR programmes of the previous Financial Years	*17,08,839
d.	Amount required to be set off for the Financial Year, if any	–
e.	Total CSR obligation for the Financial Year [(b)+(c)-(d)]	**63,43,09,407**

*Pursuant to Rule 7(2) of CSR Rules, surplus generated from CSR funds during FY2025-26 was ploughed back to the same programme during FY2025-26

6. Total amount spent on CSR projects for the FY2025-26:

Sl. No.	Particulars	Amount (in ₹)
a.	Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects)	29,66,80,180
b.	Amount spent in Administrative Overheads	34,52,498
c.	Amount spent on Impact Assessment, if applicable	0
d.	Total amount spent for the Financial Year [(a)+(b)+(c)]	30,01,32,678

e. CSR amount spent or unspent for the FY2025-26:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per the second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
30,01,32,678	33,41,76,729	27.04.2026	NA	NIL	NA

f. Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of the average net profit of the Bank as per sub-section (5) of Section 135	63,26,00,568
(ii)	Total amount spent for the Financial Year	30,01,32,678
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	*17,08,839
(v)	The amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

*Pursuant to Rule 7(2) of CSR Rules, surplus generated from CSR funds during FY2025-26 was ploughed back to the same programme during FY2025-26

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to the Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 in FY2025-26 (in ₹)	Amount Spent in the FY2025-26 (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.	FY2024-25	16,64,17,989	16,64,17,989	16,61,52,186	0	NA	2,65,803	0
2.	FY2023-24	0	0	0	0	NA	0	0
3.	FY2022-23	0	0	0	0	NA	0	0

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the FY2025-26:

☑ Yes ☒ No

If Yes, enter the number of Capital assets created/ acquired: **19**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the FY2025-26:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	PIN Code of the property or asset(s)	Date of creation/ Acquisition	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
1.	**Force Motors Advance Life Support Ambulance** CBCI Society for Medical Education Sarjapur, Marathahalli Rd, beside Bank of Baroda, John Nagar, Koramangala, Bengaluru, Karnataka	560034	24.06.2025	34,46,833	CSR00008207	CBCI Society for Medical Education	Sarjapur–Marathahalli Rd, beside Bank of Baroda, John Nagar, Koramangala, Bengaluru, Karnataka
2.	**Force Motors Advance Life Support Ambulance** Bharat Sevashram Sangha (Hyderabad), Lower, 1-2-603/1, Lower Tank Bund Rd, Kavadiguda, Secunderabad, Telangana	500080	24.06.2025	34,46,833	CSR00000812	Bharat Sevashram Sangha (Hyderabad)	211, Rash Behari Avenue, Kolkata – 700019, West Bengal
3.	**Force Motors Advance Life Support Ambulance** Bharat Sevashram Sangha (Bengaluru), Jakkur, Bengaluru, Karnataka	560064	24.06.2025	34,46,833	CSR00000812	Bharat Sevashram Sangha (Bengaluru)	211, Rash Behari Avenue, Kolkata – 700019, West Bengal
4.	**Force Motors Advance Life Support Ambulance** Jeeyar Integrated Vedic Academy Gaganmahal Colony, Domulguda, Hyderabad, Telangana	500029	24.11.2025	34,46,833	CSR00011687	Jeeyar Integrated Vedic Academy	Gaganmahal Colony, Domulguda, Hyderabad Telangana–500029

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	PIN Code of the property or asset(s)	Date of creation/ Acquisition	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
5.	**Force Motors Advance Life Support Ambulance** Snehalaya F. Block, S.No.239, Near Super Ammonia Plant, MIDC, Nimblak Village, Ahilyangar, Maharashtra	414111	24.06.2025	34,46,833	CSR00001248	Snehalaya	F. Block, S.No.239, Near Super Ammonia Plant, MIDC, Nimblak Village, Ahilyangar-414111, Maharashtra
6.	**Force Motors Advance Life Support Ambulance** Sumandeep Vidyapeeth At and Post Pipariya, Taluka Waghodia, Vadodara District, Gujarat	391760	24.06.2025	34,46,833	CSR00080040	Sumandeep Vidyapeeth	At and Post Pipariya, Taluka Waghodia, Vadodara District, Gujarat – 391760
7.	**Force Motors Advance Life Support Ambulance** Shree Swaminarayan Hospital and Medical Research Foundation Shree Swaminarayan Hospital Opp. Bank of Baroda, Vadtal, Gujarat	387375	24.11.2025	34,46,833	CSR0006623	Shree Swaminarayan Hospital and Medical Research Foundation	Shree Swaminarayan Hospital Opp. Bank of Baroda, Vadtal, Gujarat 13, Gujarat–387375
8.	**Force Motors Advance Life Support Ambulance** Shrimad Rajchandra Hospital & Research Centre (a unit of Shrimad Rajchandra Sarvamangal Trust) Sumangal Corporation, 401, Union Square, Rangeela Park, Char rasta, Ghod Dod Road, Surat, Gujarat	395007	09.02.2026	34,46,833	CSR00000266	Shrimad Rajchandra Hospital & Research Centre	Sumangal Corporation, 401, Union Square, Rangeela Park, Char rasta, Ghod Dod Road, 395007, Surat, Gujarat
9.	**Force Motors Advance Life Support Ambulance** Shree Aggarsain International Hospital P.S.P., Sector – 22, Rohini, Delhi	110086	24.06.2025	34,46,833	CSR00020396	Shree Aggarsain International Hospital	P.S.P., Sector – 22, Rohini Delhi – 110086
10.	**Force Motors Advance Life Support Ambulance** Eternal Care Foundation Eternal Hospital Sanganer, Near Sanganer Thana, Airport Circle, Sanganer, Jaipur (Rajasthan)	302011	24.06.2025	34,46,833	CSR00008420	Eternal Care Foundation	Eternal Hospital Sanganer, Near Sanganer Thana, Airport Circle, Sanganer, Jaipur (Rajasthan)-302011

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	PIN Code of the property or asset(s)	Date of creation/ Acquisition	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
11.	**Force Motors Advance Life Support Ambulance** KD Medical College Hospital & Research Center 24Km Milestone, Mathura-Delhi Road, NH#2, Akbarpur, Chhatta, Mathura – Uttar Pradesh	281406	24.06.2025	34,46,833	CSR00006287	KD Medical College Hospital & Research Center	24Km Milestone, Mathura-Delhi Road, NH#2, Akbarpur, Chhatta, Mathura – 281406, Uttar Pradesh
12.	**Force Motors Advance Life Support Ambulance** Guru Nanak Mission Hospital Trust Guru Nanak Chowk, Guru Nanak Marg Jalandhar, Punjab	144 001	24.06.2025	34,46,833	CSR00030634	Guru Nanak Mission Hospital Trust	Guru Nanak Chowk, Guru Nanak Marg Jalandhar-144 001 Punjab
13.	**Force Motors Advance Life Support Ambulance** Ramakrishna Mission Sevashrama, Vivekanada Polyclinic & Institute of Medical Sciences, Lucknow Vivekananda Puram, Chandganj, Lucknow, Uttar Pradesh	226 007	23.01.2026	34,46,833	CSR00006101	Ramakrishna Mission	P.O. Belur math, District Howrah, West Bengal – 711202, West Bengal
14.	**Force Motors Advance Life Support Ambulance** Sri Sri University Ward No.3, Bidyadharpur Godisahi, Cuttack, Odisha	754006	24.11.2025	34,46,833	CSR00004472	Sri Sri University	Ward No.3, Bidyadharpur, Godisahi, Cuttack, Odisha 754006
15.	**Force Motors Advance Life Support Ambulance** Institute of Neurosciences Kolkata 185/1, A.J.C Bose Road, Kolkata. West Bengal.	700017	24.06.2025	34,46,833	CSR00000975	Institute of Neurosciences Kolkata	185/1, A.J.C Bose Road, Kolkata – 700017, West Bengal
16.	**Force Motors Advance Life Support Ambulance** Institute of Child Health Trust 11, Dr Biresh Guha Street, Park Circus, Ballygunge, Kolkata, West Bengal	700017	24.06.2025	34,46,833	CSR00012432	Institute of Child Health Trust	11, Dr Biresh Guha Street, Park Circus, Ballygunge, Kolkata, West Bengal 700017
17.	**Force Motors Advance Life Support Ambulance** Indian Centre for Advancement of Research and Education, Haldia ICARE Complex, HIT Campus, Hatiberia, Haldia, Purba Medinipur, West Bengal	721657	15.12.2025	34,46,833	CSR00066991	Indian Centre for Advancement of Research and Education, Haldia	ICARE Complex, HIT Campus, Hatiberia, Haldia, Purba Medinipur, West Bengal 721657

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	PIN Code of the property or asset(s)	Date of creation/ Acquisition	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
18.	**Force Motors Advance Life Support Ambulance** Ashadeep Charitable Trust Ashadeep Building, Ashadeep More Near Raghunathganj Bus Stand, P.O. & P.S. – Raghunathganj, District – Murshidabad, West Bengal	742225	24.06.2025	34,46,833	CSR00095896	Ashadeep Charitable Trust	Ashadeep Building, Ashadeep More Near Raghunathganj Bus Stand, P.O. & P.S. – Raghunathganj, District – Murshidabad 742225 West Bengal
19.	**Solar High Mast Street Lights** Vittal Temple, Pandharpur, Dist, Solapur, Maharashtra	413304	28.07.2025	49,99,900	-	Public Authority– Pandharpur Municipal Council	Bhadulai Chowk, Pandharpur, Dist. Solapur, Maharashtra.

9. Specify the reason(s), if the Bank has failed to spend two percent of the average net profit as per sub-section (5) of Section 135:

In terms of the provision of Section 135(6) of the Companies Act, any amount remaining unspent under sub-section (5), pursuant to any ongoing project, undertaken by a company in pursuance of its CSR Policy, shall be transferred by the company within a period of thirty days from the end of the Financial Year to a special account to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the CSR Policy within a period of three Financial Years from the date of such transfer. Accordingly, the unspent amount pertaining to FY2025-26 towards ongoing projects including healthcare, education, skill development, environment protection, etc., were transferred to the special account in the name and manner of 'Bandhan Bank Limited Unspent CSR Account FY2025-26'. As on the date of this report, funds from this Unspent CSR Account have been started to be disbursed for these projects and full amount will be utilised over the period of three Financial Years towards these ongoing projects or to the funds prescribed under Schedule VII to the Companies Act, as may be applicable.

Place: Kolkata
Date: July 21, 2026

Partha Pratim Sengupta
Managing Director & Chief Executive Officer
(DIN: 08273324)

Subrata Dutta Gupta
Chairman
Corporate Social Responsibility & Sustainability Committee
(DIN: 08767943)

Annex - 2

Disclosure on Remuneration for FY2025-26

[As per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. Ratio of remuneration of each Director to the median remuneration of the employees of the Bank for the FY2025-26:

Name	Designation	Ratio
Dr. Anup Kumar Sinha	Non-Executive (Independent) Chairman	1:15.4
Mr. Partha Pratim Sengupta	Managing Director & Chief Executive Officer	1:109
Mr. Rajinder Kumar Babbar	Executive Director & Chief Business Officer	1:105.8
Mr. Ratan Kumar Kesh	Executive Director & Chief Operating Officer	1:105.4
Dr. A. S. Ramasastri[1]	Independent Director	1:4
Dr. Aparajita Mitra[2]	Independent Director	1:3.6
Mr. Arun Kumar Singh	RBI (Nominee) Additional Director	1:15.4
Mr. Avijit Mukerji[3]	Non-Executive Non-Independent Director (Nominee of BFHL)	1:8.6
Mr. Debashish Mukherjee[4]	Independent Director	1:0.1
Ms. Divya Krishnan[5]	Non-Executive Non-Independent Director (Nominee of BFHL)	1:6.2
Mr. Gauri Prosad Sarma[6]	Independent Director	1:6.3
Mr. N. V. P. Tendulkar	Independent Director	1:18.1
Mr. Philip Mathew[7]	Independent Director	1:2.1
Mr. Santanu Mukherjee[8]	Independent Director	1:12.3
Mr. Subrata Dutta Gupta	Independent Director	1:14.8
Mr. Suhail Chander	Independent Director	1:16.3
Ms. Veni Thapar[9]	Independent Director	1:14
Mr. Vijay Nautamlal Bhatt	Independent Director	1:17.1

[1] *ceased as Director effective July 01, 2025*
[2] *ceased as Director effective July 13, 2025*
[3] *appointed as Director effective September 25, 2025*
[4] *appointed as Director effective March 25, 2026*
[5] *ceased as Director effective August 28, 2025*
[6] *appointed as Director effective October 28, 2025*
[7] *ceased as Director effective June 15, 2025*
[8] *ceased as Director effective December 16, 2025*
[9] *appointed as Director effective June 27, 2025*

Note:

a) Fixed pay has been considered for the computation of the ratio. Fixed pay includes basic, allowances, and employer contributions to the Provident Fund. Variable Pay has been excluded from the same.

b) The above includes all employees of the Bank excluding advisors.

c) In the case of Non-Executive Chairman, a fixed remuneration of ₹27 lakh per annum, as approved by RBI and Shareholders, and sitting fees for attending Board, its Committees and Independent Directors' meetings during FY2025-26 have been considered.

d) In accordance with the Reserve Bank of India (Commercial Banks–Governance) Directions, 2025 dated November 28, 2025, the Non-Executive Directors, including Independent Directors (other than the Part-time Non-Executive Chairman), were each paid fixed remuneration of up to ₹18 Lakh per annum proportionately, as approved by the Shareholders, and sitting fees for attending the Board and its Committee, and Independent Directors meetings during FY2025-26.

2. Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager, if any, in the FY2025-26:

Designation	Percentage Increase
Non-Executive Chairman[1]	Nil
Managing Director & CEO[2]	NA
Executive Director & CBO	10
Executive Director & COO	6
Non-Executive Directors[3]	50
CFO	3.88
CS	5.22

[1]*no revision in fixed remuneration for FY2025-26*

[2]*no revision in fixed pay for FY2025-26 since joined in November 2024*

[3]*increase in only fixed remuneration for NEDs, excluding Non-Executive Chairman, has been considered*

Non-Executive/Independent Directors:

During FY2025-26, the Non-Executive Directors ('**NEDs**'), including Independent Directors, of your Bank were paid sitting fees of ₹90,000 per meeting for attending the Board meetings, ₹75,000 per meeting for attending meetings of the Audit Committee and the Risk Management Committee, and ₹60,000 per meeting for attending meetings of other Committees of the Board and the meetings of the Independent Directors. There has not been any change in the siting fees for NEDs for attending meetings during FY2025-26.

In addition to sitting fees, pursuant to the provisions of the Reserve Bank of India (Commercial Banks–Governance) Directions, 2025 dated November 28, 2025 and Shareholders approval at 11th AGM held on August 21, 2025, NEDs, excluding Non-Executive Chairman of your Bank, were paid compensation in the form of fixed remuneration of up to ₹18 Lakh per annum each, with effect from April 01, 2025, for a period of one year on a proportionate basis.

The Non-Executive Chairman of the Bank was paid fixed remuneration of ₹27 lakh per annum, pursuant to approval of RBI and Shareholders. There has not been any change in the fixed remuneration for Non-Executive Chairman during FY2025-26.

3. Percentage increase in the median remuneration of employees in the FY2025-26:

Percentage increase in the median remuneration of employees in the FY2025-26 was 18.91 per cent.

4. The number of permanent employees on the rolls of the Bank:

As on March 31, 2026, the number of permanent employees on the rolls of your Bank was 75,397.

5. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase of remuneration for Key Managerial Personnel: 5.02 per cent.

The average percentage increase of remuneration for employees other than Key Managerial Personnel: 9.82 per cent.

6. Affirmation that the remuneration is as per the remuneration policy of the Bank:

Yes

For and on behalf of the Board of Directors
Bandhan Bank Limited

Partha Pratim Sengupta
Managing Director & Chief Executive Officer
(DIN: 08273324)

Rajinder Kumar Babbar
Executive Director & Chief Business Officer
(DIN: 10540386)

Ratan Kumar Kesh
Executive Director & Chief Operating Officer
(DIN: 10082714)

Place: Kolkata
Date: July 21, 2026

Annex - 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Bandhan Bank Limited
DN-32, Sector V Salt Lake,
Kolkata 700091, West Bengal, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bandhan Bank Limited** (hereinafter called '**the Bank**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Bank's books, papers, minute books, forms and returns filed, and other records maintained by the Bank, and also the information provided by the Bank, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Bank has, during the audit period covering the Financial Year ended on March 31, 2026 (hereinafter called the '**Audit Period**'), complied with the statutory provisions listed hereunder and also that the Bank has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Bank for the Financial Year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 ('**the Act**') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (Overseas Direct Investment and External Commercial Borrowings are not applicable to the Bank during the Audit Period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'), as amended from time to time:-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Bank during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 [erstwhile Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993] regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Bank during the Audit Period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Bank during the Audit Period).

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder (hereinafter called as '**Listing Regulations**').

During the Audit Period, the Bank has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc., mentioned above.

We further report that, having regard to the compliance system prevailing in the Bank and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Bank has complied with the following specific laws to the extent applicable to the Bank:

- The Reserve Bank of India Act, 1934;
- The Banking Regulation Act, 1949, read with applicable circulars/ notifications/ guidelines, etc., issued by the Reserve Bank of India ('**RBI**') from time to time;
- The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994;
- The Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018;
- Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015;

We further report that

The Board of Directors of the Bank is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except in a few cases, where meetings are convened at shorter notice, for which necessary approvals are obtained as per applicable provisions, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions taken at the Board Meetings and Committee Meetings were carried out through majority while dissenting members' views, if any, are captured and recorded as part of the minutes of the Board Meetings and Committee Meetings.

We further report that there are adequate systems and processes in the Bank, commensurate with the size and operations of the Bank, to monitor and ensure compliance with applicable laws, Rules, Regulations, and Guidelines.

We further report that during the Audit Period, the Bank has undertaken the following events/ actions:

1. The Members of the Bank have approved amendments to and increased the aggregate number of employee stock options that may be granted under the "Bandhan Bank Employee Stock Option Plan Series 1", via Postal Ballot, on March 01, 2026.

2. The Bank has allotted 909 equity shares of face value of ₹10/- each, pursuant to exercise of stock options by the eligible employees of the Bank under the Bandhan Bank Employee Stock Option Plan–Series 1.

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Certificate No.: 6832/2025

Bhavisha Jewani
Partner
FCS No. 8503
CP No. 9346
UDIN: F008503H000906147

Date: July 21, 2026
Place: Mumbai

*This report is to be read with our letter of even date which is annexed as ***Annexure-A*** and forms an integral part of this report.

Annexure A

To
The Members,
Bandhan Bank Limited
DN-32, Sector V Salt Lake,
Kolkata–700 091, West Bengal, India

Our Secretarial Audit Report for the Financial Year ended March 31, 2026 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Bank. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Certificate No.: 6832/2025

Bhavisha Jewani
Partner
FCS No. 8503
CP No. 9346
UDIN: F008503H000906147

Date: July 21, 2026
Place: Mumbai

Annex - 4

Report on Corporate Governance

[Report on Corporate Governance pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the '**SEBI LODR**') and the Companies Act, 2013 (the '**Companies Act**'), for the financial year ended March 31, 2026 forming part of the Board's Report]

Bank's Philosophy on Corporate Governance

Your Bank remains steadfast in its commitment to the highest standards of corporate governance and continuously aligns its practices with evolving regulatory and industry benchmarks. Your Bank recognizes its fiduciary responsibilities towards stakeholders and remains committed to safeguarding their interests through the highest standards of corporate governance. Your Bank's philosophy on corporate governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its engagements with its stakeholders. It acknowledges that the best Board practices, transparent disclosures and shareholder empowerment are necessary for creating stakeholders' value. The philosophy on corporate governance serves as vital instrument safeguarding stakeholders' interests and enhancing long-term values. By integrating transparency, accountability, and ethical leadership throughout its operations, your Bank ensures governance practices that both protect and empower stakeholders. This dedication fosters trust, supports sustainable growth, and delivers lasting value across every facet of the business.

Your Bank is in compliance with the extant corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the SEBI LODR.

Board of Directors

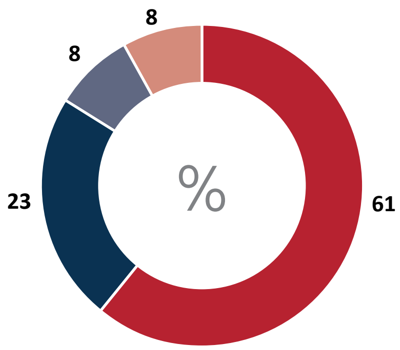
The Board of Directors (the '**Board**') is vested with the ultimate responsibility for the management and oversight of the Bank's business. This includes setting the strategic direction, ensuring robust financial oversight, and maintaining full compliance with applicable regulatory requirements. To discharge these responsibilities effectively, the Board is endowed with the requisite powers, authority and duties. Your Bank's Corporate Governance framework emphasizes that Board independence is a cornerstone of objective, transparent and sound governance. An empowered and independent Board is fundamental to ensuring effective oversight, strengthening accountability, enhancing decision-making, and safeguarding the interests of all stakeholders.

The composition of the Board of your Bank is governed by the provisions of the Companies Act and rules made thereunder, the Banking Regulation Act, 1949 (the '**BR Act**') and the guidelines/ circulars / directions issued by the Reserve Bank of India ('**RBI**') in this regard, the provisions of the SEBI LODR, its Articles of Association ('**AOA**'), other applicable laws and sound corporate governance practices.

Composition of the Board and Tenure on the Board

As on March 31, 2026, the Board of your Bank comprised thirteen Directors, of whom eight were Independent Directors including Non-Executive (Independent) Chairman and one Woman Independent Director; two Non-Executive Non-Independent Directors, i.e., one Nominee of Bandhan Financial Holdings Limited ('**BFHL**'), Promoter of the Bank and one RBI Nominee Director; the Managing Director & Chief Executive Officer ('**MD&CEO**') and two Executive Directors ('**EDs**').

Board Composition



Appointments:

(a) In terms of Regulation 17(1C) of the SEBI LODR, approval of the Shareholders for appointment of Ms. Veni Thapar (DIN: 01811724), who was appointed by the Board as an Additional Director and Independent Director of the Bank, effective June 27, 2025 was required to be sought at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the Shareholders of the Bank, at the 11th Annual General Meeting ('**AGM**') of the Bank held on August 21, 2025, accorded their approval, for the appointment of Ms. Thapar as an Independent Director of the Bank, not liable to retire by rotation, for a term of three consecutive years, effective June 27, 2025 up to June 26, 2028.

(b) The Board, at its meeting held on September 25, 2025, on the basis of the recommendation of the Nomination and Remuneration Committee ('**NRC**'), approved the appointment of Mr. Avijit Mukerji (DIN: 03534116) as an Additional Director (Non-Executive Non-Independent) (Nominee of BFHL, Promoter of the Bank) on the Board of the Bank, effective September 25, 2025, subject to approval of Shareholders, within a period of three months from the date of his appointment. Accordingly, in terms of the provisions of Regulation 17(1C) of the SEBI LODR, the Shareholders of the Bank, on December 11, 2025, accorded their approval, via Postal Ballot process, for the appointment of Mr. Mukerji as a Non-Executive Non-Independent Director (Nominee of BFHL), with effect from September 25, 2025, liable to retire by rotation.

(c) The Board, at its meeting held on October 28, 2025, on the basis of the recommendation of the NRC, approved the appointment of Mr. Gauri Prosad Sarma (DIN: 09107885) as an Additional Director (Independent) on the Board of the Bank, and as an Independent Director of the Bank, for a term of three consecutive years, with effect from October 28, 2025, not liable to retire by rotation, subject to approval of Shareholders, within a period of three months from the date of his appointment. Accordingly, in terms of the provisions of Regulation 17(1C) of the SEBI LODR, Shareholders of the Bank, on December 11, 2025, accorded their approval, via Postal Ballot process, for the appointment of Mr. Sarma as an Independent Director of the Bank, not liable to retire by rotation, for a term of three consecutive years, effective October 28, 2025 up to October 27, 2028.

(d) The Board, at its meeting held on February 12, 2026, on the basis of the recommendation of the NRC, approved the appointment of Mr. Debashish Mukherjee (DIN: 08193978) as an Additional Director (Independent) on the Board of the Bank, and as an Independent Director of the Bank, for a term of three consecutive years, which is effective from March 25, 2026, not liable to retire by rotation, subject to approval of Shareholders, within a period of three months from the date of his appointment. Accordingly, in terms of the provisions of Regulation 17(1C) of the SEBI LODR, Shareholders of the Bank, on June 05, 2026, accorded their approval, via Postal Ballot process, for the appointment of Mr. Mukherjee as an Independent Director of the Bank, not liable to retire by rotation, for a term of three consecutive years, effective March 25, 2026 up to March 24, 2029.

(e) The tenure of Dr. Anup Kumar Sinha as the Non-Executive Chairman of the Bank completed on July 04, 2026. Accordingly, on the basis of recommendations of the NRC and the Board, the RBI had provided its prior approval for appointment of Mr. Debasish Panda (DIN: 06479085) as the Non-Executive Chairman of the Bank for a period of three years, with effect from the date of his taking charge. Accordingly, on the basis of recommendation of the NRC, the Board, at its meeting held on June 25, 2026, has, approved the appointment of Mr. Debasish Panda as an Additional Director (Independent) on the Board of the Bank, and an Independent Director of the Bank, for a term of three consecutive years, with effect from July 05, 2026, not liable to retire by rotation, subject to approval of Shareholders of the Bank, within a period of three months from the date of his appointment. The Board has also approved his appointment including fixed remuneration as the Non-Executive Chairman of the Bank, with effect from July 05, 2026, for a period of three years, subject to approval of Shareholders of the Bank. Pursuant to the provisions of Section 161 of the Companies Act, read with Regulation 17(1C) of the SEBI LODR, he will continue to hold office as an Additional Director of the Bank, up to the date of the ensuing AGM or upto three months from the date of his appointment, whichever is earlier. Your Bank has received a notice in writing from a member proposing his candidature as Director on the Board of the Bank. Further, the Board has recommended his appointment as an Independent Director, not liable to retire by rotation, to the Shareholders at the ensuing AGM, for a period of three years, effective July 05, 2026, by way of Special Resolution. The Board has also recommended his appointment including fixed remuneration as Non-Executive Chairman of the Bank, to the Shareholders at the ensuing AGM, for a period of three years, effective July 05, 2026.

Re-appointments:

(a) The Shareholders, at the 11th AGM of the Bank held on August 21, 2025, approved the re-appointment of Mr. Ratan Kumar Kesh (DIN: 10082714) as a Director, who being longest in office and liable to retire by rotation, retired at the 11th AGM of the Bank, and being eligible, had offered himself for re-appointment.

(b) RBI, vide its letter dated June 24, 2024, in exercise of powers conferred under Section 36AB of the BR Act, had appointed Mr. Arun Kumar Singh (DIN: 09498086), Chief General Manager (retired), RBI, as an Additional Director on the Board of your Bank, for a period of one year from June 24, 2024 to June 23, 2025 or till further orders, whichever is earlier. Further, RBI, vide its letter dated June 20, 2025, had extended his term for a further period of one year from June 24, 2025 to June 23, 2026 or till further orders, whichever is earlier. Furthermore, RBI, vide its letter dated June 19, 2026, has extended the term of appointment of Mr. Singh for a period of one more year from June 24, 2026 to June 23, 2027 or till further orders, whichever is earlier.

(c) Mr. Ratan Kumar Kesh was appointed as the Executive Director and Chief Operating Officer ('**ED&COO**') of the Bank effective March 31, 2023 for a period of three years, i.e. till March 30, 2026. Accordingly, in terms of the then RBI Circular dated March 31, 2020 on Appointment of Managing Director and Chief Executive Officer (MD&CEO) / CEO / part-time Chairperson (PTC) in Banks – 'Declaration and Undertaking' and allied matters [replaced by the Reserve Bank of India (Commercial Banks - Governance) Directions, 2025 dated November 28, 2025], on the basis of recommendation of the NRC and approval of the Board, the Bank had sought prior approval of the RBI for his re-appointment as the ED&COO of the Bank, for a period of three years effective March 31, 2026. RBI, vide its letter dated December 26, 2025, has granted its prior approval for the re-appointment of the ED&COO for a period of three years. Accordingly, pursuant to the approval granted by the RBI and on the basis of the recommendation of the NRC, the Board, at its meeting held on January 22, 2026, has, approved and recommended to the Shareholders of the Bank, the re-appointment of Mr. Ratan Kumar Kesh (DIN: 10082714) as a Whole-time Director (designated as 'ED&COO' and Key Managerial Personnel) of the Bank, with effect from March 31, 2026, for a period of 3 years, liable to retire by rotation. Accordingly, Shareholders of the Bank, on March 01, 2026, have accorded their approval, via Postal Ballot process, for re-appointment of Mr. Ratan Kumar Kesh (DIN: 10082714), as the ED&COO and Key Managerial Personnel of your Bank, liable to retire by rotation, for a period of three years, effective March 31, 2026 up to March 30, 2029, at such remuneration as may be approved by the RBI and Shareholders from time to time.

Cessations:

(a) Mr. Philip Mathew (DIN: 09638394), Independent Director, completed his term of three years as an Independent Director of the Bank on June 14, 2025. Accordingly, Mr. Mathew ceased to be a Director of your Bank with effect from June 15, 2025.

b) Dr. Allamraju Subramanya Ramasastri (DIN: 06916673), Independent Director, vide his email dated June 30, 2025, has informed his decision to resign as an Independent Director of the Bank, with effect from the close of business hours on June 30, 2025. Accordingly, Dr. Ramasastri ceased to be a Director of your Bank with effect from July 01, 2025. The reason for the resignation provided by Dr. Ramasastri, vide his email dated June 30, 2025, is - 'As activities of our Trust (allamrajutrust.org) are demanding more time from me, I will not be able to continue as an independent director in the board of Bandhan Bank. I feel I am not in a position to devote necessary time to the role of independent director'. He also confirmed that there were no other material reasons for his resignation.

(c) Dr. Aparajita Mitra (DIN: 09484337), Independent Director, completed her term of three years as an Independent Director of your Bank on July 12, 2025. Accordingly, Dr. Mitra ceased to be a Director of your Bank with effect from July 13, 2025.

(d) Upon completion of term of Ms. Divya Krishnan (DIN: 09276201) as Director in BFHL with effect from the close of business hours on August 27, 2025, BFHL withdrew nomination of Ms. Krishnan as a Nominee from the Board of your Bank. Consequently, Ms. Krishnan ceased to be a Non-Executive Non-Independent Director on the Board of the Bank with effect from the close of business hours on August 27, 2025.

(e) Mr. Santanu Mukherjee (DIN: 07716452), Independent Director, vide his email dated December 15, 2025, has informed his decision to resign as an Independent Director of the Bank, with effect from December 16, 2025, due to personal reasons. Accordingly, Mr. Mukherjee ceased to be a Director of your Bank with effect from December 16, 2025. He also confirmed that there were no other material reasons for his resignation.

(f) Dr. Anup Kumar Sinha, Non-Executive (Independent) Chairman of the Bank, completed his tenure, as approved by the RBI and Shareholders of your Bank, on July 04, 2026. Accordingly, Dr. Sinha ceased to be the Non-Executive Chairman and Independent Director of your Bank with effect from July 05, 2026.

The profiles of the Directors are available on the website of your Bank, at https://bandhan.bank.in/corporate-governance.

The composition of the Board of your Bank represents a balanced blend of skills, special knowledge, practical experience, professional qualifications, and diversity, as required for the banking business, and prescribed under applicable laws and your Bank's 'Policy on Appointment and Fit & Proper Criteria for Directors'. The Board reviews its strength and composition, from time to time, to ensure that it remains aligned with the requirements under the statutory provisions, aforesaid Policy as well as the business requirements of your Bank.

The average tenure of the Board Members, in years, as on March 31, 2026, was as follows:

Name of the Director(s)	Original Date of Appointment	Completed Tenure as on March 31, 2026	Retirement Date / Existing Term Ending Date	Average Tenure – category-wise
Executive Directors				
Mr. Partha Pratim Sengupta	November 01, 2024	1 year 5 months	October 31, 2027	2 years 2 months
Mr. Ratan Kumar Kesh#	March 31, 2023	3 years	March 30, 2029	
Mr. Rajinder Kumar Babbar	March 08, 2024	2 years 1 month	March 07, 2027	
Non-Executive Non-Independent Director				
Mr. Avijit Mukerji	September 25, 2025	6 months	Retire by rotation	6 months
RBI Nominee Director				
Mr. Arun Kumar Singh	June 24, 2024	1 year 9 months	June 23, 2027	1 year 9 months
Independent Directors				
Dr. Anup Kumar Sinha*	January 07, 2019	7 years 3 months	July 04, 2026	3 years 9 months
Mr. Debashish Mukherjee	March 25, 2026	-	March 24, 2029	
Mr. Gauri Prosad Sarma	October 28, 2025	5 months	October 27, 2028	
Mr. Narayan Vasudeo Prabhutendulkar	May 08, 2020	5 years 11 months	May 07, 2028	
Mr. Subrata Dutta Gupta	March 19, 2021	5 years	March 18, 2029	
Mr. Suhail Chander	March 19, 2021	5 years	March 18, 2029	
Ms. Veni Thapar	June 27, 2025	9 months	June 26, 2028	
Mr. Vijay Nautamlal Bhatt	May 08, 2020	5 years 11 months	May 07, 2028	

#re-appointed as ED&COO effective March 31, 2026

**Completed his term as the Non-Executive Chairman and Independent Director on July 04, 2026*

Separation of office of the Chairman and the Managing Director & CEO

In terms of the provisions of the BR Act, the Companies Act and the SEBI LODR, your Bank has separate offices for the Chairman and the MD&CEO. Your Bank has a Non-Executive (Independent) Chairman and an MD&CEO, and the appointments of both have been approved by the RBI, pursuant to the provisions of the BR Act. The Chairman provides overall direction and guidance to the Board whereas the MD&CEO is responsible for the overall management of your Bank.

The operational and functional heads of your Bank, together with the two Executive Directors, play a pivotal role in supporting the MD&CEO in the day-to-day functioning, execution, and strategic operations of your Bank. This collaborative leadership structure ensures seamless coordination across business units, effective implementation of strategic initiatives, and robust operational governance.

Responsibilities of the Board

The responsibilities of the Board, *inter alia*, include overseeing the functioning of your Bank, financial performance of your Bank, monitoring legal & statutory compliance, reviewing the efficacy of internal control systems and processes, and overseeing the effective management of risks associated with the business of your Bank, based on available information. The Board is also responsible for approving the strategic directions, plans and priorities, monitoring corporate performance against strategic business plans, reviewing and approving your Bank's financial and operating results periodically, overseeing Corporate Governance framework and supervising the succession planning process for its Directors and Senior Management.

Accordingly, the Board deliberates on matters, such as, the business strategy, risks, financial results, succession planning, compliance, customer service, financial inclusion, information technology and human resources management in line with the seven critical themes prescribed by the RBI and such other matters as may be deemed appropriate from time to time. The Board spends considerable time perusing the information shared with them, including presentations, reports and supporting documents, which facilitates informed decision-making and effective participation at its meetings, leading to overall Board efficiency and effectiveness. The Board oversees the actions and results of the management to ensure that the long-term objectives of enhancing the Shareholders' value are achieved in a sustainable and responsible manner. The Board also has the discretion to engage the services of external expert(s)/ advisor(s), as may be deemed appropriate, from time to time, to assist in discharging its duties effectively.

The Members of the Board have complete freedom to express their opinions and arrive at decisions after detailed deliberations, within a culture of openness, constructive challenge, and collective decision-making.

Board Meetings and Flow of Information

The Board plays an important role in ensuring sound Corporate Governance practices, providing strategic direction and overseeing the effective functioning of your Bank. Notice and agenda papers are circulated to the Directors, in advance, before each meeting of the Board and Committees to facilitate meaningful and focused discussions at the meetings. All information, as applicable and specified in Regulation 17(7) read with Part A of Schedule II of the SEBI LODR, are regularly placed before the Board. The Board also periodically reviews the compliance reports with regard to the laws applicable to the Bank. In case of exigency(ies) or urgency(ies), in compliance with Section 175 of the Companies Act, proposals are approved by passing resolutions through circulation, which are placed in the next meeting of the Board/Committee, as the case may be, for noting, and forms part of the minutes of such meeting. The Board ensures that directions given by it during the course of its meetings form part of the Action Taken Report ('**ATR**') for its review and discussion at its subsequent meetings.

The Board meets at least once every quarter and at least four times a year to review and approve the quarterly/ annual financial results and matters relating to the business operations of your Bank. Apart from the above, Board meetings are also convened, as and when required, by giving due notice to the Directors. Further, in order to have participation of Directors, travelling/ residing abroad or at other locations, in the meetings, video-conferencing ('**VC**') facilities are also provided in terms of the provisions of Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014. The intervening period between any two consecutive Board meetings was well within the maximum gap of 120 days as specified in Regulation 17(2) of the SEBI LODR and Section 173(1) of the Companies Act.

The Board met sixteen times during the financial year under review, i.e., April 30, 2025, May 30, 2025, June 27, 2025, July 18, 2025, August 02, 2025, August 22&23, 2025, September 25, 2025, October 28, 2025, October 30, 2025, November 27, 2025, December 23, 2025, January 15, 2026, January 20, 2026, January 22, 2026, February 12, 2026 and February 27&28, 2026.

Board Attendance and Directorships

The names and categories of the Directors on the Board, their attendance at Board Meetings and the last AGM held during the FY under review, directorship in other companies including names of listed entities and Chairmanship/ Membership of the committees of public limited companies, as on March 31, 2026, are given herein below:

Sl. No.	Name and DIN of the Directors	Category	Attendance during FY 2026				Number of Directorships in other companies		Number of Committee positions held in other public companies	
			No. of Board Meetings			AGM held on August 21, 2025				
			During Tenure	Attended	%		Public	Private	Chairperson	Member*
1.	Dr. Anup Kumar Sinha# (Chairman) [DIN: 08249893]	Independent	16	16	100	Yes	-	-	-	-
2.	Mr. Partha Pratim Sengupta (MD&CEO) [DIN: 08273324]	Executive	16	16	100	Yes	-	-	-	-
3.	Mr. Rajinder Kumar Babbar (ED&CBO) [DIN: 10540386]	Executive	16	16	100	Yes	-	-	-	-
4.	Mr. Ratan Kumar Kesh (ED&COO) [DIN: 10082714]	Executive	16	16	100	Yes	-	1	-	-
5.	Mr. Debashish Mukherjee (DIN: 08193978)	Independent	-	-	-	NA	1	-	1	1
6.	Mr. Gauri Prosad Sarma (DIN: 09107885)	Independent	8	8	100	NA	2	-	-	1
7.	Mr. Narayan Vasudeo Prabhutendulkar [DIN: 00869913]	Independent	16	16	100	Yes	-	2	-	-
8.	Mr. Subrata Dutta Gupta [DIN: 08767943]	Independent	16	14	87.5	Yes	1	-	-	1
9.	Mr. Suhail Chander [DIN: 06941577]	Independent	16	16	100	Yes	1[1]	-	-	1
10.	Ms. Veni Thapar (DIN: 01811724)	Independent	13	13	100	Yes	2[2]	2	2	3
11.	Mr. Vijay Nautamlal Bhatt [DIN: 00751001]	Independent	16	16	100	Yes	5[3]	1	4	7
12.	Mr. Arun Kumar Singh [DIN: 09498086]	RBI Nominee (Non-Executive)	16	16	100	Yes	1	-	-	-
13.	Mr. Avijit Mukerji (DIN: 03534116)	Nominee (Non-Executive)	9	9	100	NA	4[4]	-	-	1

**Membership includes chairpersonship.*

#Completed his term as the Non-Executive Chairman and Independent Director of the Bank on July 04, 2026.

1. *Mr. Suhail Chander held directorship, as an Independent Director, in one other listed entity, viz. Canara Robeco Asset Management Company Limited.*
2. *Ms. Veni Thapar held directorships, as an Independent Director, in two other listed entities, viz. S.J.S. Enterprises Limited and Mazagon Dock Shipbuilders Limited. However, she retired from Mazagon Dock Shipbuilders Limited with effect from April 21, 2026.*
3. *Mr. Vijay Nautamlal Bhatt held directorships, as an Independent Director, in three other listed entities, viz. FDC Limited; IRB Infrastructure Developers Limited; and Finolex Industries Limited.*
4. *Mr. Avijit Mukerji held directorships, as an Independent Director, in two other listed entities, viz. Balaji Telefilms Limited and DIC India Limited.*

Mr. Philip Mathew (DIN: 09638394) ceased to be an Independent Director of the Bank, effective June 15, 2025. He attended both the Board meetings held during his tenure during the FY 2026.

Dr. Allamraju Subramanya Ramasastri (DIN: 06916673) ceased to be an Independent Director of the Bank, effective July 01, 2025. He attended all three Board meetings held during his tenure during the FY 2026.

Dr. Aparajita Mitra (DIN: 09484337) ceased to be an Independent Director of the Bank, effective July 13, 2025. She attended all three Board meetings held during her tenure during the FY 2026.

Ms. Divya Krishnan (DIN: 09276201) ceased to be a Non-Executive Non-Independent Director (Nominee of BFHL) of the Bank, effective August 28, 2025. She attended all six Board meetings held during her tenure during the FY 2026. She also attended the 11th AGM of the Bank held on August 21, 2025.

Mr. Santanu Mukherjee (DIN: 07716452) ceased to be an Independent Director of the Bank, effective December 16, 2025. He attended all ten Board meetings held during his tenure during the FY 2026. He also attended the 11th AGM of the Bank held on August 21, 2025.

Note:

1. Other directorships do not include directorships of foreign companies.
2. None of the Directors is a member of more than ten committees or chairperson of more than five committees across all the public companies in which he/ she is a director.
3. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee of the Board and Stakeholders' Relationship Committee of the Board have been considered as per Regulation 26(1)(b) of the SEBI LODR. Necessary disclosures regarding Committee positions in other public companies, as on March 31, 2026, have been made by the Directors.

None of the Directors are related to each other. Further, none of the Directors on the Board hold directorships in more than twenty companies or ten public companies or seven listed entities, and none of the Independent Directors of your Bank serve as an independent director in more than seven listed entities. All Directors of your Bank hold directorship in compliance with Regulation 17A of the SEBI LODR and Section 165 of the Companies Act. All Directors of your Bank have submitted forms / declarations / undertakings / consents as required under the extant laws, from time to time. Pursuant to review of the said submissions by the Directors of your Bank, the NRC and the Board have confirmed that all the Directors are in compliance with the applicable statutory and regulatory norms, and are fit and proper to continue as Directors of your Bank.

Skills/ Expertise/ Competence of Board of Directors

Being a Banking Company, your Bank is regulated by the provisions of the BR Act, besides the Companies Act and the SEBI LODR. In terms of Section 10A(2)(a) of the BR Act and the 'Policy on Appointment and Fit & Proper Criteria for Directors' of your Bank, the members of the Board of Directors shall consist of persons, who shall have special knowledge or practical experience in respect of one or more of the following matters, namely; accountancy, agriculture and rural economy, banking, co-operation, economics, finance, law, small-scale industry, information technology, cyber security, payment and settlement systems, human resources, risk management, business management, marketing, fin-tech or any other matter the special knowledge of, and practical experience, which would, in the opinion of the RBI, be useful to the banking company and as may be deemed appropriate for the business requirements of your Bank. The Board of Directors of your Bank is guided by the above, as and when any new Director is appointed on the Board. The brief profiles of all the members of the Board are available on the website of the Bank at https://bandhan.bank.in/corporate-governance.

The details of the core skills/ expertise/ competence possessed by the Directors of your Bank are given hereunder, along with their shareholding in your Bank as on March 31, 2026. None of the Directors is holding shares of your Bank as a beneficial owner for any other persons.

Name of the Director(s)	Date of Appointment (A)/ Re-appointment (R)	Expertise/ Special Knowledge/ Experience	Number of equity shares@
Dr. Anup Kumar Sinha*	January 07, 2019 (A) January 07, 2022 (R)	Economics | Agriculture	-
Mr. Partha Pratim Sengupta	November 01, 2024 (A)	Banking | Finance | Agricultural Banking | Risk Management | Human Resource | Law | Information Technology	-
Mr. Rajinder Kumar Babbar	March 08, 2024 (A)	Banking | Small-scale industry | Law | Agriculture | Rural Economy	1,700#
Mr. Ratan Kumar Kesh	March 31, 2023 (A) March 31, 2026 (R)	Banking | Information Technology | Payment & Settlement systems	300
Mr. Arun Kumar Singh	June 24, 2024 (A) June 24, 2025 (R)	Banking | Economics | Information Technology | Risk Management	-
Mr. Avijit Mukerji	September 25, 2025 (A)	Accountancy I Finance	-
Mr. Debashish Mukherjee	March 25, 2026 (A)	Finance I Banking I Human Resources I Law I MSME I Digital Banking I Risk Management I Business Management	-
Mr. Gauri Prosad Sarma	October 28, 2025 (A)	Banking I Information Technology I Payments & Settlements I Risk Management	-
Mr. N. V. P. Tendulkar	May 08, 2020 (A) May 08, 2023 (R)	Accountancy | Finance | Information Technology | Law	-
Mr. Subrata Dutta Gupta	March 19, 2021 (A) March 19, 2024 (R)	Mortgage finance | Housing | Economics	-
Mr. Suhail Chander	March 19, 2021 (A) March 19, 2024 (R)	Banking | Risk Management | Finance | Accountancy | Business Management	-
Ms. Veni Thapar	June 27, 2025 (A)	Audit I Accountancy I Banking I Economics I Finance I Risk Management I Information Technology I Cyber Security I Law I Business Management	-
Mr. Vijay N Bhatt	May 08, 2020 (A) May 08, 2023 (R)	Audit | Accountancy | Assurance | Finance | Law	-

***A** stands for Appointment and **R** stands for Re-appointment/Extension*

@ your Bank has not issued any convertible instruments.

 # Held jointly with spouse

**completed his tenure as the Non-Executive (Independent) Chairman of the Bank on July 04, 2026*

Independent Directors

As on March 31, 2026, the Board consisted the following eight Independent Directors, in accordance with the provisions of the Companies Act, the BR Act and the SEBI LODR:

Sl. No.	Name of the Directors
1.	Dr. Anup Kumar Sinha (*term completed on July 04, 2026*)
2.	Mr. Debashish Mukherjee
3.	Mr. Gauri Prosad Sarma
4.	Mr. Narayan Vasudeo Prabhutendulkar
5.	Mr. Subrata Dutta Gupta
6.	Mr. Suhail Chander
7.	Ms. Veni Thapar
8.	Mr. Vijay Nautamlal Bhatt

Note: Mr. Debasish Panda has been appointed as the Non-Executive Chairman and an Independent Director effective July 05, 2026, subject to approval of Shareholders at ensuing AGM.

Meeting of Independent Directors

During the FY under review, the Independent Directors met twice without the presence of management, i.e., on July 16, 2025, for performance evaluation of the Board, Non-Executive Chairman and Non-Independent Directors, and on December 15, 2025, to assess the quality, quantity and timeliness of the flow of information between the management and the Board, and other governance related matters. Further, in accordance with Regulation 25(4) of the SEBI LODR and Clause VII of Schedule IV to the Companies Act, the Independent Directors met exclusively on July 08, 2026, without the presence of the Managing Director & CEO, Executive Directors, Non-Executive Non-Independent Directors or management, to review the performance of Non-Independent Directors, Non-Executive Chairman and the Board as a whole for the FY 2025-26.

Independence of Directors

All Independent Directors have given necessary declarations of independence under Section 149(7) of the Companies Act and Regulation 25(8) of the SEBI LODR, and have also confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI LODR, and that they are independent of the management. A formal letter of appointment has been issued to the Independent Directors at the time of their appointment(s)/ re-appointment(s). The terms and conditions of appointment of Independent Directors are available on the website of the Bank at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2024-07/Terms-and-Conditions-of-Appointment-of-Independent-Director.pdf

Independent Director Databank Registration

In terms of Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, Independent Directors of your Bank have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (‘**Institute**’) as well as renewed the registration wherever required. Further, the Independent Directors, who were required to pass an online proficiency self-assessment test conducted by the Institute, have appeared for and passed such test.

Familiarisation Programme

The ‘Policy on Appointment and Fit & Proper Criteria for Directors’ sets out the familiarisation programme for the Non-Executive Directors (‘**NEDs**’) of your Bank. In order to familiarise the NEDs, including Independent Directors, with the functioning of your Bank and their roles, responsibilities, etc., the newly appointed Directors are provided with a comprehensive Induction Kit, including the business, operations and financials of your Bank, its history, organisational structure, composition and roles of its Board, Committees and core management team, rights, responsibilities and liabilities as an Independent Director, copies of the applicable Policies and Codes of your Bank, along with its Memorandum of Association (‘**MOA**’) & Articles of Association (‘**AOA**’). Your Bank also nominates the Directors to attend relevant external programs at reputed forums and/or internally provide deep-dives/presentations on subjects relevant from its perspective, as may be necessary from time to time. The details of the familiarisation programmes conducted for the Independent Directors of your Bank are available on its website at https://bandhan.bank.in/familiarisation-programmes.

Performance Evaluation Criteria for Independent Directors

The performance evaluation of Independent Directors is conducted in terms of the provisions of ‘Performance Evaluation Policy for the Board, Committees, Non-independent / Whole-time Directors and Independent Directors’ (the ‘**Board PE Policy**’) as recommended by the NRC and approved by the Board, pursuant to the relevant provisions of the Companies Act, the SEBI LODR and SEBI Guidance Note on Board Evaluation. In terms of the Board PE Policy, an indicative list of factors on which evaluation of the Independent Directors was carried out includes commitment, contribution, competency, attendance, initiative, teamwork, communication, adherence to code of conduct, corporate governance, fulfilment of the independence criteria and their independence from the Management. Further details of the evaluation on Independent Directors are provided in the Board’s Report.

Policy on Appointment of Directors

Your Bank has in place a ‘Policy on Appointment and Fit & Proper Criteria for Directors’. This Policy lays down the criteria for identification of persons who are qualified and ‘fit and proper’ to become Directors on the Board, such as, academic qualifications, special knowledge or practical experience, competence, track record, integrity, etc., which shall be considered by the NRC while recommending appointment/re-appointment of a Director. The Policy is available on the website of your Bank at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-01/Policy-on-Appointment-and-Fit-Proper-Criteria-for-Directors.pdf. This Policy is guided by the provisions of the BR Act and the rules framed thereunder, the Companies Act and the SEBI LODR and the circulars or guidelines issued by the RBI, from time to time, in this regard. While appointing a Director on its Board, your Bank follows the direction(s) of the RBI with regard to 'fit and proper' criteria, as applicable to private sector banks, and obtains the 'Declaration and Undertaking' from the candidate and executes Deed of Covenants, which includes the requirement for Directors to discharge their duties and responsibilities to the best of their abilities, individually and collectively. The NRC ascertains the fit and proper status of the candidate for the office of director, fulfilment of criteria of independence as prescribed under the Companies Act and the SEBI LODR, in case of independent directors, and thereafter, recommends their appointment/re-appointment to the Board for approval. The Board also ensures that the Directors have the requisite skill sets, practical experience, special knowledge required for the banking business and as prescribed under Section 10A(2)(a) of the BR Act. The Board is duly constituted, including gender diversity. The appointments of the Chairman, the Managing Director and Executive Director(s) on the Board are made with the prior approval of the RBI. The Board also takes into account the outcome of performance evaluation while considering the re-appointment/continuation of appointment of Independent Directors.

The NRC evaluates whether the members of the Board, excluding NRC members, adhere to the 'fit and proper' criteria as prescribed by the RBI and the adherence to the 'fit and proper' criteria by the members of the NRC is evaluated by the Board of Directors annually, in addition to evaluation of fit and proper status at the time of appointment/re-appointment of Directors. A certificate in this regard has been submitted to the RBI.

Remuneration Policy

Your Bank has formulated and adopted a Compensation Policy for its Directors, KMPs and Employees, in terms of Section 178 of the Companies Act, read with the relevant Rules made thereunder, Regulation 19 of the SEBI LODR and the Guidelines or Circulars or Directions issued by the RBI, in this regard, from time to time. Your Bank's Compensation Policy is aligned to its business strategy, market dynamics, internal characteristics and complexities within. Your Bank's remuneration framework aims to attract, motivate and retain people with the requisite skills, experience and ability to deliver its strategy; create an alignment and balance between the rewards and risk exposure of Shareholders and interests of employees; promote responsible growth and create long term sustainable Shareholders' value consistent with strategic goals and appropriate risk management; reinforce behaviour consistent with its values, principles and objectives, and support appropriate conduct and meritocratic culture through differentiated performance rewards. The Compensation Policy is reviewed by the NRC and the Board on an annual basis to align the provisions with regulatory changes as well as to meet the organizational requirements. The Compensation Policy of your Bank was reviewed by the Board during the FY on the recommendation of the NRC with changes in line with regulatory guidelines and industry practices, and also to enhance clarity. The updated Policy is available on the website of your Bank at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-11/Compensation-Policy.pdf.

RBI has issued Reserve Bank of India (Commercial Banks - Governance) Directions, 2025 dated November 28, 2025, which deals with various governance related matters including Remuneration of NEDs, WTDs, MD&CEO / CEO, Material Risk Takers, and Control Function staff. Your Bank's Compensation Policy is in line with these RBI Directions. In terms of the Compensation Policy, the total compensation shall be a prudent mix of fixed pay (including basic salary, fixed allowances, retirals and perquisites) and performance-based variable pay (comprising cash component and share-linked instruments). Whereas variable pay shall not exceed three times the annual fixed pay for MD&CEO/ Whole-time Director(s). Annual increments for the senior management are recommended by the NRC and approved by the Board. The annual increments for the MD&CEO/ Whole-time Director(s) are recommended by the NRC and the Board for the approval of RBI and the Members of the Bank. The Board of Directors, on the recommendation of the NRC and on the basis of the evaluation process considering the criteria, such as, the performance of the Bank as well as that of the MD&CEO/ Whole-time Director(s), recommends to the RBI for approval of their variable pay for the FY. The remunerations of the MD&CEO/ Whole-time Director(s) are subject to prior approval of RBI and the approval of the Members of the Bank.

Non-Executive Directors' Compensation and Disclosures

In terms of the provisions of the Companies Act, the SEBI LODR and the Compensation Policy of your Bank, the Non-Executive Directors ('**NED**'), including Independent Directors, of your Bank are paid sitting fees of ₹90,000 per meeting for attending the meetings of the Board, ₹75,000 per meeting for attending meetings of the Audit Committee of the Board and the Risk Management Committee of the Board, and ₹60,000 per meeting for attending meetings of other Committees of the Board as well as meetings of Independent Directors, subject to applicable taxes, and reimbursement of expenses for participation in such meetings. In accordance with the Reserve Bank of India (Commercial Banks - Governance) Directions, 2025 dated November 28, 2025, the Compensation Policy of your Bank provides for payment of compensation in the form of a fixed remuneration commensurate with an individual director's responsibilities and demands on time and which are considered sufficient to attract qualified competent individuals, for NEDs, other than the Chairperson of the Board. Accordingly, pursuant to approval of Members of the Bank, at their 11th AGM held on August 21, 2025, the NEDs, excluding Non-Executive Chairman, were paid fixed remuneration of upto ₹18 lakh per annum per NEDs, on proportionate basis, with effect from April 01, 2025, for a period of one year. In addition to sitting fees, the Non-Executive Chairman of your Bank is also paid fixed remuneration with prior approval of the RBI pursuant to the provisions of the BR Act and approval of the Members of the Bank. During the FY under review, the fixed remuneration of the Non-Executive Chairman of the Bank was ₹27 lakh per annum. Details of sitting fees paid to the NEDs and the fixed remuneration paid to the NEDs, excluding Non-Executive Chairman, and the remuneration paid to Non-Executive Chairman are given hereinafter. The Compensation Policy of your Bank is available on its website and the link for the same has been provided above. No stock options were/are granted to any of the NEDs of your Bank.

Remuneration to Directors

Details of the total remuneration paid to the Directors of your Bank for the financial year ended March 31, 2026 are, as follows:

a. Non-Executive Directors

Sl. No.	Name of the Directors	Fixed Remuneration (Amount in ₹)	Sitting Fees (Amount in ₹)	Total (Amount in ₹)
1.	Dr. Anup Kumar Sinha	27,00,000	21,00,000	48,00,000
2.	Dr. A. S. Ramasastri *(ceased effective July 01, 2025)*	4,50,000	7,95,000	12,45,000
3.	Dr. Aparajita Mitra *(ceased effective July 13, 2025)*	5,10,000	6,15,000	11,25,000
4.	Mr. Arun Kumar Singh	18,00,000	30,15,000	48,15,000
5.	Mr. Avijit Mukerji *(appointed effective September 25, 2025)*	9,30,000	17,40,000	26,70,000
6.	Ms. Divya Krishnan *(ceased effective August 28, 2025)*	7,35,000	12,00,000	19,35,000
7.	Mr. Debashish Mukherjee *(appointed effective March 25, 2026)*	35,000	NA	35,000
8.	Mr. Gauri Prosad Sarma *(appointed effective October 28, 2025)*	7,70,000	12,00,000	19,70,000
9.	Mr. N. V. P. Tendulkar	18,00,000	38,40,000	56,40,000
10.	Mr. Philip Mathew *(ceased effective June 15, 2025)*	3,70,000	3,00,000	6,70,000
11.	Mr. Santanu Mukherjee *(ceased effective December 16, 2025)*	12,75,000	25,65,000	38,40,000
12.	Mr. Subrata Dutta Gupta	18,00,000	28,20,000	46,20,000
13.	Mr. Suhail Chander	18,00,000	32,85,000	50,85,000
14.	Ms. Veni Thapar *(appointed effective June 27, 2025)*	13,70,000	30,00,000	43,70,000
15.	Mr. Vijay Nautamlal Bhatt	18,00,000	35,40,000	53,40,000

During the FY under review, apart from the aforesaid, there was no pecuniary relationship or significant/ material transactions of the NEDs *vis-à-vis* your Bank (except banking transactions in the ordinary course of business and at an arm's length basis).

b. Managing Director & CEO, Mr. Partha Pratim Sengupta

A. Fixed Pay and Perquisites (per annum):

Particulars	FY 2025-26 (Amt. in ₹)
Basic Pay	1,00,00,000
House Rent Allowance	50,00,000
Retirals (Gratuity)	4,80,769
Other allowances & Perquisites*	1,85,19,231
Total Fixed Pay	**3,40,00,000**
Variable Pay	Variable pay for FY 2026 will be paid in FY 2027 after RBI approval

**includes Special Allowance, Medical Allowance, Leave Travel Allowance, Child Education Allowance, Club Membership, Company Provided Car, Car Fuel and Driver Allowances, Insurance Valuation (Group Term Life, Group Mediclaim & Accidental Disability) & Health Check-up, mobile usage and broadband charges, etc. but doesn't include hospitalisation and medical expenses for self, spouse and dependents (max self+4) which are reimbursed on actuals.*

a. Mr. Partha Pratim Sengupta was appointed as the MD&CEO and KMP of the Bank for a period of three years, with effect from November 01, 2024, pursuant to approval of RBI and Shareholders. On the basis of recommendations of the NRC and the Board, the remuneration of the MD&CEO for FY 2025-26 was approved by the Shareholders via Postal Ballot Process on March 01, 2026. Remuneration for FY 2025-26 included fixed component of ₹3.40 Crore per annum whereas variable pay of ₹4.08 Crore including cash component of ₹1.22 Crore and balance being non-cash component. Approval of RBI has been received for the fixed pay of the MD&CEO for FY 2025-26, whereas the approval of RBI for variable pay for FY 2025-26 is awaited.

b. No sitting fees were paid to Mr. Sengupta for attending meetings of the Board and Board Committees. The notice period applicable to Mr. Sengupta is three months. Mr. Sengupta is not eligible for any severance fee.

c. For the overall performance assessment of the MD&CEO, a Balanced Score Card ('**BSC**') is used. The BSC is a performance evaluation technique that takes into consideration a number of financial and non-financial performance indicators aligned to the long-term strategy of the organization. The performance goals are organized to address four perspectives, viz., financial, customer, internal process and people, the latter three being drivers of future performance. As per the RBI Master Directions dated November 28, 2025, the performance based variable pay is subject to in year adjustment, malus or clawback. The deferred compensation would be subject to malus and clawback arrangements in the event of subdued or negative financial performance of the Bank and/or the relevant line of business in any financial year. Further, the representative set of situations provided in your Bank's Compensation Policy for invocation of malus and clawback clauses shall be applicable on the entire variable pay.

d. Further details regarding the compensation of the MD&CEO as well as other disclosures as required to be made pursuant to the Reserve Bank of India (Commercial Banks - Governance) Directions, 2025 dated November 28, 2025, are made available as notes to the Financial Statement forming part of this Integrated Annual Report.

C. Executive Directors (EDs)

A. Fixed Pay and Perquisites (per annum) for FY 2025-26:

Particulars	Mr. Ratan Kumar Kesh, ED&COO	Mr. Rajinder Kumar Babbar, ED&CBO
Basic	98,58,000	78,64,938
House Rent Allowance	49,29,000	39,32,469
Retirals (Provident Fund & Gratuity)	16,57,130	13,22,097
Other Allowances and Perquisites*	1,64,15,870	1,98,80,496
Total Fixed Pay	**3,28,60,000**	**3,30,00,000**
Variable Pay	Variable pay for FY 2026 will be paid in FY 2027 after RBI approval	

**Includes Special Allowance, Medical Allowance, Leave Travel Allowance, Child Education Allowance, Car Fuel and Driver Allowances, Club Membership, Insurance Valuation (Group Term Life, Group Mediclaim & Accidental Disability) & Health Check-up, Payment/ reimbursement of the charges towards mobile connection and Broadband/ Landline charges, etc. Company provided car and staff housing loan at concessional rate has been availed by Mr. Kesh. These doesn't include hospitalization and medical expenses for self, spouse, and dependents (max self+4) which are reimbursed on actuals.*

a. Mr. Ratan Kumar Kesh was appointed as the ED&COO and KMP of the Bank, for a period of three years, from March 31, 2023, pursuant to RBI approval and approval of the Shareholders of the Bank. During the year under review, on the basis of the recommendation of the NRC, the Board and approval of RBI, the Shareholders vide Postal Ballot process on March 01, 2026, approved the re-appointment of Mr. Kesh as an ED&COO and KMP for a period of three (3) years, with effect from March 31, 2026 up to March 30, 2029. On the basis of recommendations of the NRC and the Board, the remuneration of the ED&COO with effect from April 01, 2025, was approved by the Shareholders vide Postal Ballot process on March 01, 2026. Remuneration for FY2025-26 included fixed component of ₹3.29 Crore per annum whereas variable pay of ₹3.94 Crore including cash component of ₹1.18 Crore and balance being non-cash component. Approval of RBI has been received for the fixed pay of the ED&COO for FY 2025-26, whereas the approval of RBI for variable pay for FY 2025-26 is awaited. Pursuant to approval of Shareholders at 11th AGM and approval of RBI, Mr. Kesh was paid variable pay of ₹3.10 Crore for FY 2024-25 including cash component of ₹87 lakh (50% of which was paid during FY 2025-26 and the balance will be paid in three equal instalments over the next three Financial Years) and non-cash component of ₹2.23 Crore against which 3,25,642 stock options were granted on October 21, 2025 to Mr. Kesh. These options would vest not earlier than one year and not later than four years from the date of grant and shall be equally vested over four years with a gap of one year between each vesting. The exercise period for these stock options will be five years from the date of vesting. The said stock options were not issued at any discount.

b. Mr. Rajinder Kumar Babbar was appointed as the ED&CBO and KMP of the Bank, for a period of three years, from March 08, 2024, pursuant to RBI approval and approval of the Shareholders of the Bank. On the basis of recommendations of the NRC and the Board, the remuneration of the ED&CBO with effect from April 01, 2025, was approved by the Shareholders vide Postal Ballot process on March 01, 2026. Remuneration for FY2025-26 included fixed component of ₹3.30 Crore per annum whereas variable pay of ₹3.96 Crore including cash component of ₹1.19 crore and balance being non-cash component. Approval of RBI has been received for the fixed pay of the ED&CBO for FY2025-26, whereas the approval of RBI for variable pay for FY2025-26 is awaited. Pursuant to approval of Shareholders through Postal Ballot on April 21, 2024 and approval of RBI, Mr. Babbar was paid variable pay of ₹3 Crore for FY 2024-25 including cash component of ₹82 lakh (50% of which was paid during FY2025-26 and the balance will be paid in three equal instalments over the next three Financial Years) and non-cash component of ₹2.18 Crore against which 3,18,341 stock options were granted on October 21, 2025 to Mr. Babbar. These options would vest not earlier than one year and not later than four years from the date of grant and shall be equally vested over four years with a gap of one year between each vesting. The exercise period for these stock options will be five years from the date of vesting. The said stock options were not issued at any discount.

c. No sitting fees are paid to EDs for attending meetings of the Board and Board Committees. The notice period applicable for EDs is three months. EDs are not eligible for any severance fees.

d. For the overall performance assessment of the EDs, a BSC is used. The BSC is a performance evaluation technique that takes into consideration a number of financial and non-financial performance indicators aligned to the long-term strategy of the organisation. The performance goals are organised to address four perspectives, viz., financial, customer, internal process and people, the latter three being drivers of future performance. As per the RBI Master Directions dated November 28, 2025, the performance based variable pay is subject to in year adjustment, malus or clawback. The deferred compensation would be subject to malus and clawback arrangements in the event of subdued or negative financial performance of the Bank and/or the relevant line of business in any financial year. Further, the representative set of situations provided in your Bank's Compensation Policy for invocation of malus and clawback clauses shall be applicable on the entire variable pay.

e. Further details regarding the compensation of the EDs as well as other disclosures as required to be made pursuant to the Reserve Bank of India (Commercial Banks - Governance) Directions, 2025 dated November 28, 2025, are made available as notes to the Financial Statement forming part of this Integrated Annual Report.

Senior Management

Particulars of Senior Management of your Bank is provided under the section 'Corporate Overview'. There were certain changes in Senior Management of your Bank during FY 2025-26. Mr. Navin Sharma was appointed as Chief Audit Executive ('**CAE**') effective May 19, 2025, consequently, Mr. Mayank Ghoshal ceased to be Interim CAE. Further, Mr. Biju E Punnachalil was appointed as the Chief Risk Officer ('**CRO**') of your Bank, effective July 14, 2025, for a period of three years, consequently, Mr. Sundeep Bhan ceased to be the Interim CRO. Mr. Santosh G Nair, Head- Consumer Lending & Mortgages, resigned from the services of your Bank effective September 06, 2025. Mr. P Ramaswamy, Chief of Internal Vigilance ('**CIV**') resigned from the service of your Bank and his last working day was February 23, 2026. Accordingly, Mr. Prakash E was appointed as the CIV of the Bank, on an interim basis, with effect from February 24, 2026, upto September 30, 2026, or till the date new CIV joins the Bank, whichever is earlier. Consequent upon the resignation of Mr. Navin Sharma from the position of CAE of the Bank and his last working day being April 13, 2026, Mr. Sandip Kumar Bubna was appointed as the Interim CAE, effective April 27, 2026, for a period of six months or till the date a new CAE joins the Bank, whichever is earlier. Mr. Vishal Wadhwa, Head – Emerging Entrepreneurs Business, resigned from the services of the Bank and his last working day was June 29, 2026. Accordingly, Mr. Surajit Roy Chowdhury was appointed as the Head- Emerging Entrepreneurs Business with effect from June 30, 2026. Mr. Sujoy Roy was appointed as National Collection Head for all lending products of your Bank, with effect from April 28, 2026. Mr. Rajeev Mantri, Chief Financial Officer ('**CFO**') and KMP, resigned from the services of your Bank and his last working day would be September 25, 2026. Accordingly, the Board approved the appointment of Mr. Vinay Jain, Head – Finance & Accounts as Interim CFO and KMP with effect from September 26, 2026 upto March 31, 2027.

Board Committees

The Board has also been conducting its businesses through various Committees constituted to deal with specific matters as may be delegated by it and as mandated under the relevant provisions of the Companies Act, the SEBI LODR, the BR Act, Guidelines and Circulars issued by the RBI, in this regard, from time to time, and the AOA of the Bank.

The agenda for the meetings of the Board Committees is finalised in consultation with the Chairperson of the respective Committees. The Committees ensure that directions given by them during the course of the meetings form part of the Action Taken Report ('**ATR**') for their review and discussion at the subsequent meetings. The Chairperson of the Committees brief the Board on the key decisions taken at respective meetings. In case of business exigency(ies) or urgency(ies) of matters, proposals are approved through circulation by the Board Committees in the form of 'Resolution(s) by Circulation', which are submitted in the subsequent meeting for its noting, as required under the Companies Act.

All the recommendations made by the Committees of the Board which are mandatorily required, were accepted by the Board.

The Board has constituted the following Committees to oversee specific areas:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Risk Management Committee
4. IT Strategy Committee
5. Customer Service Committee
6. Corporate Social Responsibility and Sustainability Committee
7. Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds
8. Stakeholders' Relationship Committee
9. Committee of Directors
10. Review Committee of the Board for Declaration of Wilful Defaulters

Audit Committee

Qualified and Independent Audit Committee

Your Bank has a qualified and independent Audit Committee of the Board ('**ACB**'), with the powers and roles that are in accordance with Section 177 of the Companies Act and rules made thereunder, Regulation 18 of the SEBI LODR, read with Part C of Schedule II thereto, Reserve Bank of India (Commercial Banks - Governance) Directions, 2025 dated November 28, 2025 ('**Master Directions on Governance**'), circulars / guidelines issued by the RBI in this regard, from time to time, which acts as a link between the Management, the Statutory Auditors, Internal Auditors and the Board of Directors and *inter alia*, oversees the financial reporting process, internal control and compliance matters of the Bank.

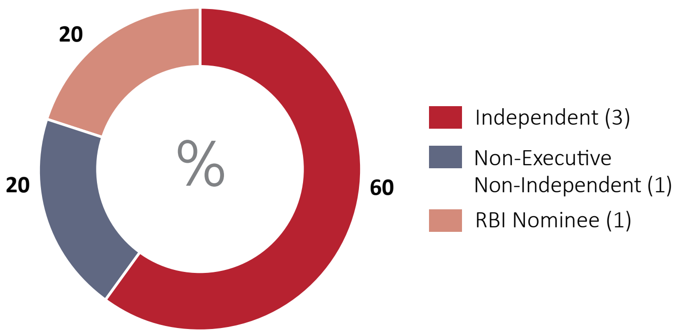
The ACB provides direction to the audit function and monitors the quality of internal and statutory audits. Its responsibilities, *inter alia*, include examining the financial statement and auditors' reports and overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements, recommending appointment of auditors and terms of such appointment, and reviewing and monitoring the internal audit, compliance and vigilance functions of your Bank.

Meetings of the ACB

As on March 31, 2026, the ACB comprised five Directors including three Independent Directors, one Non-Executive Non-Independent Director and one RBI Nominee Additional Director, chaired by Mr. Narayan Vasudeo Prabhutendulkar, an Independent Director, who is a Chartered Accountant and Company Secretary. Further, RBI, vide its letter dated June 20, 2025, extended the term of Mr. Arun Kumar Singh as Additional Director for a further period of one year, effective from June 24, 2025, under the provisions of Section 36AB of the BR Act, and also as a member of the ACB. During FY2026, the ACB met twenty-one times, i.e., on April 01, 2025, April 02, 2025, April 29, 2025, May 20, 2025, May 29, 2025, June 18&19, 2025, June 28, 2025, July 17, 2025, August 21, 2025, September 11, 2025, September 24, 2025, October 29, 2025, November 26, 2025, December 19, 2025, December 22, 2025, January 02, 2026, January 05, 2026, January 21, 2026, February 11, 2026, February 18, 2026 and March 13, 2026 and the gap between any two consecutive meetings did not exceed one hundred and twenty days.

In terms of the SEBI LODR, Mr. Indranil Banerjee, the Company Secretary and Compliance Officer of your Bank, acts as the Secretary to the ACB. He also acts as the Compliance Officer to ensure compliance and effective implementation of your Bank's Code of Conduct for Prevention of Insider Trading ('**PIT Code**') and submitting the reports on the matter relating to the PIT Code to the ACB/ Board at regular intervals.

ACB Composition - (as on date)



(As per Section 36AB of the BR Act, for the purpose of reckoning any proportion of the total number of Directors of the banking company, any additional Director appointed under this section shall not be taken into account. Accordingly, though Mr. Singh has been appointed as a member of the ACB, he has not been considered in determining the constitution of the ACB.)

Further, Mr. Vijay Nautamlal Bhatt was Chairman of the ACB on the date of the last AGM of the Bank held on August 21, 2025; hence, he attended the 11th AGM as the Chairman of the ACB.

Composition (as on March 31, 2026) and Attendance - ACB

Name of Member	Category	Number of Meetings during the FY 2026 (Twenty one meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Narayan Vasudeo Prabhutendulkar, Chairman[1]	Independent	13	13	100	9,75,000
Mr. Arun Kumar Singh[2]	RBI Nominee	21	21	100	15,75,000
Mr. Avijit Mukerji[3]	Non-Executive Non-Independent	10	10	100	7,50,000
Ms. Divya Krishnan[4]	Non-Executive Non-Independent	9	8	88.88	6,00,000
Mr. Santanu Mukherjee[5]	Independent	13	13	100	9,75,000
Mr. Suhail Chander[6]	Independent	6	6	100	4,50,000
Ms. Veni Thapar[7]	Independent	14	14	100	10,50,000
Mr. Vijay Nautamlal Bhatt, Chairman[8]	Independent	15	15	100	11,25,000

[1] Ceased to be a member, effective July 13, 2025 and appointed as Chairman, effective January 01, 2026
[2] Re-appointed as a member, effective June 24, 2025, extension by RBI
[3] Appointed as a member, effective September 25, 2025
[4] Ceased to be a member, effective August 28, 2025
[5] Ceased to be a member, effective December 16, 2025
[6] Appointed as a member, effective January 01, 2026
[7] Appointed as a member, effective July 13, 2025
[8] Ceased to be the Chairman and member, effective January 01, 2026

Note: As on July 21, 2026, the ACB comprised Mr. N V P Tendulkar (Chairman), Independent Director, Mr. Arun Kumar Singh, RBI (Nominee) Additional Director, Mr. Avijit Mukerji, Non-Executive Non-Independent Director, Mr. Suhail Chander, Independent Director and Ms. Veni Thapar, Independent Director. RBI vide its letter dated June 19, 2026, extended the term of Mr. Arun Kumar Singh as Additional Director (RBI Nominee) for a further period of one year, effective from June 24, 2026, on the Board and the ACB of your Bank, under the provisions of Section 36AB of the BR Act.

Terms of reference of the ACB

- Oversight of the Bank's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Reviewing, with the management, the quarterly / half-yearly financial statement before submission to the Board of Directors for approval; and review of the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;
  b. Changes, if any, in accounting policies and practices and reasons for the same;
  c. Major accounting entries involving estimates based on the exercise of judgment by management;
  d. Significant adjustments made in the financial statements arising out of audit findings;
  e. Compliance with listing and other legal requirements relating to financial statements;
  f. Disclosure of any related party transactions; and
  g. Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Scrutiny of inter-corporate loans and investments;
- Monitoring the end use of funds raised through public offers and related matters;
- Approval or any subsequent modifications of transactions of the Bank with related parties (Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions);
- Review of the Bank's Audit Policy and Policy of Appointment of Statutory Auditors;
- Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of Statutory auditors of the Bank;
- Approval of payment of statutory auditors for any other services rendered by the statutory auditors;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing with the management, the performance of statutory auditors and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, including the reporting structure of the internal audit department, staffing and seniority of the official heading the department, coverage and frequency of internal audits;
- To review the effectiveness of Concurrent Audit system;
- To review the Long form Audit Report (LFAR) along with Management's response before submission to RBI within the stipulated timeline;
- Discussion with the internal auditors on significant audit findings from various audits and follow up thereon;
- Overseeing the Information Systems (IS) Audit of the Bank;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Reviewing the instances brought by the Auditors / Internal Audit Department found during the audit where the transactions in the account or the documents point to the possibility of fraudulent transactions in the account for appropriate action;
- To review the appointment, transfer or removal of the Chief Compliance Officer (CCO) and Head of Internal Audit (HIA) in compliance with the regulatory guidelines and to review the performance appraisal of CCO and HIA;
- To conduct one-to-one meeting(s) with the HIA and CCO on a quarterly basis, without the presence of the senior management including MD&CEO;
- To review the Compliance Function of the Bank on a quarterly basis to manage compliance risk and ensure that compliance issues are resolved effectively and expeditiously by top/ senior management with the assistance of compliance staff;
- To conduct a detailed annual review of the Compliance Function (including organizational structure, activities and qualifications of Compliance staff) and recommend changes, if any, to the Compliance Policy of the Bank;
- To monitor and review reporting requirements by the Compliance Function including reporting of Compliance Testing results, compliance breaches/ failures, Compliance Risk Assessment, change in the compliance risk profile, etc.;

- To review instances of all material compliance failures which may attract significant risk of legal or regulatory sanctions, financial loss or loss of reputation promptly;
- To ensure timely and sustainable compliance to all observations of Risk Assessment Report (RAR) / Risk Mitigation Plan (RMP) and the regulatory and supervisory guidelines/ directions in letter and spirit;
- To review the functioning of the whistle blower mechanism including examination of complaints on possible fraud cases/ suspicious activities in account(s) and conclusion of the same appropriately under their Whistle Blower Policy;
- To examine the accountability of very senior executives of the Bank viz. MD&CEO, Executive Director(s), Executives of equivalent rank in case of fraud involving them and to place a report to the Board in this regard;
- To review the compliance with the Code of Conduct for Prevention of Insider Trading and shall verify that the systems for internal control are adequate and are operating effectively, as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Approving the appointment of the Chief Financial Officer (CFO) or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- To review the cases of wilful default and recommend steps to be taken to prevent such occurrences and their early detection should these occur; such review shall focus on identifying root causes of wilful default and addressing deficiencies, if any, in the wilful defaulter classification process adopted by the Bank;
- Valuation of undertakings or assets of the Bank, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing of (1) management discussion and analysis of financial condition and results of operations; (2) the status of long-term (more than one year) or recurring Related Party Transactions, on an annual basis; (3) management letters/letters of internal control weaknesses issued by the statutory auditors; (4) internal audit reports relating to internal control weaknesses; (5) the appointment, removal and terms of remuneration of the Head of Internal Audit and (6) statement of deviations including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Reviewing incidents of fraud on quarterly basis;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the Bank and its Shareholders; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority.

Pursuant to the NFRA Circular dated January 07, 2026, the Board, on the recommendation of the Audit Committee and in consultation with the Joint Statutory Auditors, approved a Framework on Communication Between Statutory Auditors and Those Charged with Governance (‘**TCWG**’). The Framework aims to further strengthen effective communication between Statutory Auditors and TCWG, with defined roles and responsibilities. For the purpose of this Framework, the Board of Directors and the Audit Committee, have been identified as TCWG.

Nomination & Remuneration Committee

Your Bank has a Nomination & Remuneration Committee of the Board (‘**NRC**’), with the powers and roles that are in accordance with Section 178 of the Companies Act and rules made thereunder, Regulation 19 read with Part D of Schedule II of SEBI LODR, and the circulars/ guidelines issued by the RBI in this regard, from time to time, which, *inter alia*, deals with the matters relating to appointments on the Board and Senior Management, performance appraisal and compensation related matters of your Bank.

The NRC evaluates fit and proper criteria of persons who are qualified to become directors in accordance with the criteria laid down, recommends to the Board for their appointment and removal, and specifies the manner for effective evaluation of the performance of the Board, its committees and individual directors. The NRC formulates the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board, a policy relating to the Compensation for the Directors, KMP and Employees of your Bank. Criteria for performance evaluation for Independent Directors are provided in the Board’s Report.

Meetings of the NRC

As on March 31, 2026, the NRC comprised three Independent Directors, chaired by Mr. Vijay Nautamlal Bhatt. During FY 2026, the NRC met six times, i.e., on May 27, 2025, June 24, 2025, September 20, 2025, October 21, 2025, December 11, 2025 and February 10, 2026.

Mr. Suhail Chander was the Chairman of the NRC on the date of last AGM of your Bank held on August 21, 2025, hence, he attended the 11th AGM as the Chairman of the NRC.

Composition (as on March 31, 2026) and Attendance – NRC

Name of Member	Category	Number of Meetings during FY 2026 (Six meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Vijay Nautamlal Bhatt, Chairman[1]	Independent	4	4	100	2,40,000
Mr. Suhail Chander, Chairman[2]	Independent	5	5	100	3,00,000
Dr. Allamraju Subramanya Ramasastri [3]	Independent	2	2	100	1,20,000
Mr. Narayan Vasudeo Prabhutendulkar[4]	Independent	5	5	100	3,00,000
Mr. Philip Mathew[5]	Independent	1	1	100	60,000
Mr. Subrata Dutta Gupta[6]	Independent	1	1	100	60,000

[1] *Appointed as a member effective July 13, 2025 and as Chairman effective January 01, 2026*

[2] *Ceased to be the Chairman and Member, effective January 01, 2026.*

[3] *Ceased to be member, effective July 01, 2025*

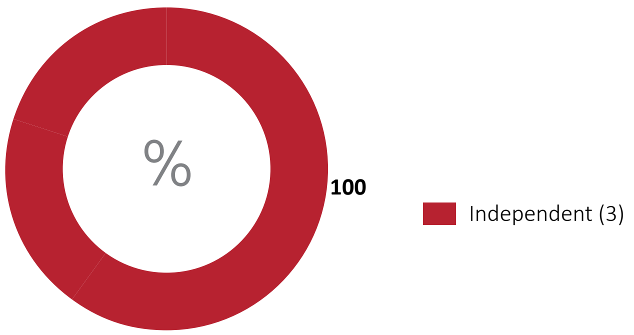
[4] *Appointed as a member, effective June 15, 2025*

[5] *Ceased to be member, effective June 15, 2025*

[6] *Appointed as a member, effective January 01, 2026*

Note: *As on July 21, 2026, the NRC comprised of three Independent Directors, i.e., Mr. Vijay Nautamlal Bhatt (Chairman), Mr. NVP Tendulkar and Mr. Subarata Dutta Gupta.*

NRC Composition - (as on date)



Succession Planning for the Board of Directors and key officials of the Bank

The NRC and the Board, periodically, review succession planning and transitions at the Board and Senior Management levels. The NRC considers the composition of the Board and the profile, skill set, experience, expertise, functional capabilities, disqualifications, adherence to the regulator's fit and proper norms and other relevant information of the Directors before making appropriate recommendations to the Board with regard to their appointment / re-appointment. This is designed to provide the Board with members who have diverse knowledge, practical experience and requisite set of skills to serve the business interests of your Bank and enhance the overall effectiveness of the Board. Wherever necessary, the NRC engages the services of an external consultant / expert, to identify and assess the suitability of candidates for the post of Director of your Bank. Succession planning at Senior Management levels, including business and assurance functions, is reviewed to ensure continuity and depth of leadership.

Terms of reference of the NRC

- Framing suitable policies and systems to ensure that there is no violation by an employee of any applicable laws in India or overseas, including:
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
  - RBI circular dated April 26, 2021 on 'Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board';
  - RBI circular on 'Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff'
- To review the HR strategy and policy including the conduct and ethics of the employees and Directors of the Bank and review any fundamental change in the organization structure which could have wide ranging and high risk implications;
- Analysing, monitoring and reviewing various human resource and compensation matters;

- To review and recommend to the Board, the succession policy at the level of Managing Director & CEO, other Whole-Time Directors (WTDs), senior management one level below the Board and key roles;
- Recommending to the Board of Directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Determining the Bank's policy on remuneration and any compensation payment, for the chief executive officer, the executive directors, key managerial personnel including pension rights and determination of remuneration packages of such personnel;
- Shall work in close coordination with Risk Management Committee of the Bank, to achieve effective alignment between compensation and risks;
- Shall ensure that the cost/income ratio of the Bank supports the compensation package consistent with maintenance of sound capital adequacy ratio;
- To oversee the framing, review and implementation of compensation policy of the Bank and recommend to the Board the overall remuneration philosophy and policy including the compensation levels and structure of fixed pay, variable pay, perquisites, bonus pool, stock based remuneration to senior management personnel and employees, which shall be market-related;
- Reviewing and approving compensation strategy from time to time in the context of the prevailing Indian market in accordance with applicable laws;
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
- Formulating of criteria for evaluation of the performance of the Independent Directors and the Board of Directors;
- Devising a policy on Board of Director's diversity;
- Identifying persons who qualify to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board of Directors their appointment and removal, and specifying the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying appropriate candidates, the Committee may:
    - consider candidates from a wide range of backgrounds, having due regard to diversity;
    - consider the time commitments of the candidates; and
    - use the services of an external agencies, if required.
- Determining whether to extend or continue the term of appointment of an Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Formulating the criteria for determining qualifications, positive attributes and independence of a director and to decide their 'fit and proper' status;
- To report on the systems and on the amount of the annual remuneration of Directors and senior management; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority.

Risk Management Committee

Your Bank has a Risk Management Committee of the Board ('**RMCB**'), with the power and roles that are in accordance with the circulars / guidelines of the RBI on Risk Management Systems and Regulation 21 read with Part D of Schedule II of the SEBI LODR. The functions of the RMCB, *inter alia*, are to review your Bank's risk management framework and policies pertaining various risks including credit, market, liquidity, operational and cybersecurity risks.

Your Bank has laid down a procedure to inform the RMCB and the Board, on a periodic basis, about the identified risks and the steps taken to mitigate and minimise the same. Your Bank has identified and assessed the major elements of risks, which may adversely affect its various divisions. The RMCB reviews the identified risks, including assessment of the said risks and procedures, which are being implemented for monitoring, mitigating and minimising the said risks.

Meetings of the RMCB

As on March 31, 2026, the RMCB comprised four Directors, including three Independent Directors and the MD&CEO, chaired by Mr. Suhail Chander, an Independent Director. During FY 2026, RMCB met seven times, i.e., on May 28, 2025, June 07, 2025, June 20, 2025, September 05, 2025, October 08, 2025, November 28, 2025 and February 23, 2026, and the gap between any two consecutive meetings did not exceed two hundred and ten days. The RMCB meets on a quarterly basis.

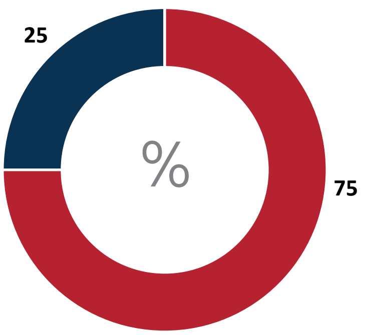
Composition (as on March 31, 2026) and Attendance – RMCB

Name of Member	Category	Number of Meetings during FY 2026 (Seven meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Suhail Chander, Chairman[1]	Independent	1	1	100	75,000
Dr. Aparajita Mitra[2]	Independent	3	3	100	2,25,000
Dr. Allamraju Subramanya Ramasastri[3]	Independent	3	3	100	2,25,000
Mr. Narayan Vasudeo Prabhutendulkar[4]	Independent	3	3	100	2,25,000
Mr. Partha Pratim Sengupta	Executive	7	7	100	N. A.
Mr. Santanu Mukherjee, Chairman[5]	Independent	6	6	100	4,50,000
Ms. Veni Thapar[6]	Independent	4	4	100	3,00,000
Mr. Vijay Nautamlal Bhatt[7]	Independent	1	1	100	75,000

[1] *Appointed as the Chairman, effective January 01, 2026*
[2] *Ceased to be a member, effective July 13, 2025*
[3] *Ceased to be a member, effective July 01, 2025*
[4] *Appointed as a member, effective July 13, 2025 and ceased to be a member, effective January 01, 2026*
[5] *Ceased to be a member and Chairman, effective December 16, 2025*
[6] *Appointed as a member, effective July 13, 2025*
[7] *Appointed as a member, effective January 01, 2026*

Note: As on July 21, 2026, the RMCB comprised Mr. Suhail Chander (Chairman), Independent Director, Mr. Partha Pratim Sengupta, MD&CEO, Ms. Veni Thapar, Independent Director and Mr. Vijay Nautamlal Bhatt, Independent Director.

RMCB Composition - (as on date)



Terms of reference of the RMCB

- To oversee risk management function and obtain assurance from the respective committees and Risk Department that the risk faced by the Bank including cyber security related risks have been properly identified and are being appropriately managed;
- To define the risk appetite of the Bank within overall parameters set by the Board in terms of business strategy and growth;
- To ensure effectiveness in the conduct of the overall risk governance;
- To approve risk limits at the Bank-wide level for various portfolios such as product, industry, geography, risk types, etc.;
- To approve risk management and measurement policy/ policies, framework, guidelines and procedures before submission to the Board which shall include:
  - A framework for identification of internal and external risks specifically faced by the Bank, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - Measures for risk mitigation including systems and processes for internal control of identified risks;
  - Business continuity plan;
  - Appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Bank;
  - Monitor and overseeing implementation of the risk management policy/policies, including evaluating the adequacy of risk management systems;
  - Reviewing the risk management policy/policies, at least on annual basis, including by considering the changing industry dynamics and evolving complexity;
- To ensure effectiveness and performance of risk rating system and associated processes and controls through pre-approval validation, periodical review or as a part of annual validation exercise;
- To conduct one-to-one meeting(s) with the Chief Risk Officer on a quarterly basis, without the presence of MD&CEO;
- To review the cyber security risks/arrangements/ preparedness of the Bank, as placed by the Chief Information Security Officer, at least on a quarterly basis;
- To oversee the effectiveness of the framework for Early Warning Signals (EWS) and Red Flagging of Accounts (RFA) under the overall Fraud Risk Management Policy approved by the Board;

- To prescribe frequency of validation of EWS / RFA framework;
- To ensure its integrity, robustness and consistency of outcomes of the EWS/ RFA framework;
- To review the status of RFAs, including the EWS alerts / triggers, remedial actions initiated by the Bank, etc. at periodic intervals as approved by the Board;
- To approve the EWS indicators identified for monitoring credit facilities / loan accounts and other banking transactions;
- To prescribe appropriate Turnaround Time (TAT), preferably not more than 30 days, for examination of EWS alerts / triggers;
- To oversee allocation and maintenance of sufficient resources (including IT support) for risk identification, measurement, monitoring and reporting;
- To approve risk capital computation and place it to the Board for approval;
- To reinforce the culture and awareness of risk management throughout the organization;
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- Approve development, implementation and modification of credit and operational risk measurement/ assessment, methodologies, models, tools and frameworks as well as framework for periodic validation of any risk measurement/ management model implemented in the Bank;
- Review risk capital charge calculation methodology (ICAAP) and impact on Bank's capital;
- Provide guidance / directives on the matters raised by ALCO;
- To ensure that all the current and future material risk exposures of the Bank are assessed, identified, quantified, appropriately mitigated and managed; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority.

Corporate Social Responsibility ('CSR') and Sustainability Committee

Your Bank has a CSR and Sustainability Committee of the Board ('**CSR&SCB**'), with the powers and roles that are in accordance with Section 135 of the Companies Act and rules made thereunder. The function of the CSR&SCB includes review of CSR initiatives undertaken by your Bank for inclusive growth, formulation and recommendation to the Board of a CSR Policy, indicating the activities to be undertaken by your Bank, and the amount of expenditure to be incurred on such activities. It also makes recommendations to the Board with respect to the CSR initiatives, annual action plan, policies and practices of your Bank, monitors CSR activities, implementation and compliance with the CSR Policy, and reviews and implements, if required, any other matter relating to CSR initiatives as recommended/ suggested by any statutory or regulatory body. Further, the CSR&SCB is also vested with the responsibility of overseeing the implementation and reporting requirements of the Business Responsibility and Sustainability Reporting ('**BRSR**') Policies and reviewing the BRSR of your Bank.

The CSR Policy of your Bank is reviewed annually by the CSR&SCB and the Board. Accordingly, the Policy has been reviewed with no changes during the FY by the CSR&SCB and the Board. The CSR Policy, duly aligned with the provisions of Section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, is available on its website at https://bandhan.bank.in/sites/default/files/2025-02/CSR-Policy-03022025.pdf.

The Report on CSR activities, including the details of the CSR programme and activities carried out by your Bank during FY 2026, is enclosed as **Annex – 1** to the Board's Report and is forming part of this Integrated Annual Report.

Meetings of the CSR&SCB

As on March 31, 2026, the CSR&SCB comprised three Directors, including two Independent Directors and the MD&CEO, chaired by Mr. Subrata Dutta Gupta, Independent Director. During FY 2026, the CSR&SCB met two times, i.e., on May 28, 2025 and December 04, 2025.

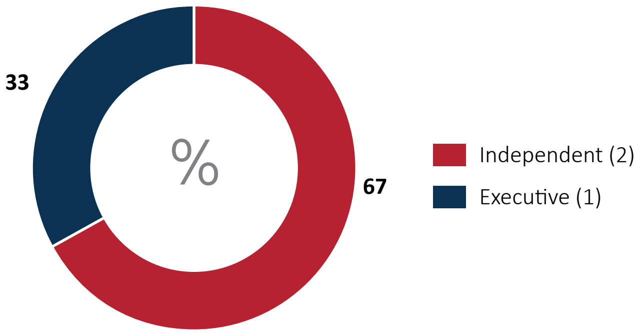
Composition (as on March 31, 2026) and Attendance – CSR&SCB

Name of Member	Category	Number of Meetings during FY 2026 (Two meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Subrata Dutta Gupta, Chairman	Independent	2	2	100	1,20,000
Dr. Aparajita Mitra[1]	Independent	1	1	100	60,000
Mr. Partha Pratim Sengupta	Executive	2	2	100	N. A.
Mr. Rajinder Kumar Babbar[1]	Executive	1	1	100	N.A.
Mr. Vijay Nautamlal Bhatt	Independent	2	2	100	1,20,000

[1] *Ceased to be members, effective July 13, 2025*

Note: As on July 21, 2026, the CSR&SCB comprised Mr. Subrata Dutta Gupta (Chairman), Independent Director, Mr. Partha Pratim Sengupta, MD&CEO, and Mr. Vijay Nautamlal Bhatt, Independent Director.

CSR&SCB Composition - (as on date)



Terms of reference of the CSR&SCB

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Bank as per the Companies Act, 2013;
- Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
- To institute a transparent monitoring mechanism for implementation of the CSR Projects or programs or activities undertaken by the Bank;
- Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Bank in the three immediately preceding financial years;
- To review and recommend to the Board, the CSR Annual Action Plan covering financial outlays, manner of execution, implementation schedules, modalities of utilisation of funds, and monitoring & reporting mechanism;
- Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- To monitor the CSR policy and Business Responsibility and Sustainability Reporting ('**BRSR**') related policies of the Bank from time to time;
- To oversee the implementation of the BRSR related initiatives of the Bank;
- To review and recommend to the Board, the Annual Report on CSR, BRSR Report;
- Any other matter as the CSR&SCB may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or by any other regulatory authority.

Information Technology ('IT') Strategy Committee

Your Bank has an IT Strategy Committee of the Board ('**ITSCB**'), with the power and roles that are in accordance with the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023, and other applicable circulars/ guidelines issued by the RBI, from time to time. It deals with the information technology, information security, cybersecurity, etc., aspects of your Bank. It reviews and recommends the strategy and policy for IT related-matters to the Board, ensures that the IT strategy is aligned with the business strategy, reviews IT risks, ensures proper balance of IT investments for sustaining your Bank's growth, oversees the aggregate funding of IT at the Bank-level, ascertains if the management has adequate resources to ensure proper administration of IT risks and reviews the contribution of IT.

Meetings of the ITSCB

As on March 31, 2026, the ITSCB comprised five Directors, including three Independent Directors and two Executive Directors, chaired by Mr. Gauri Prosad Sarma, Independent Director. During FY 2026, the ITSCB met seven times, i.e., on April 22, 2025, May 15, 2025, July 19, 2025, September 04, 2025, September 23, 2025, November 25, 2025, and January 19, 2026. ITSCB meets on a quarterly basis.

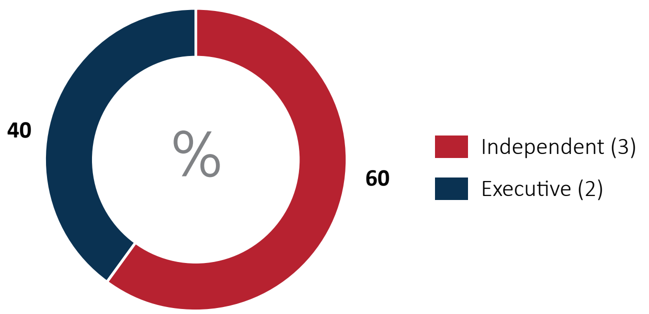
Composition (as on March 31, 2026) and Attendance - ITSCB

Name of Member	Category	Number of Meetings during FY 2026 (Seven meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Gauri Prosad Sarma, Chairman[1]	Independent	2	2	100	1,20,000
Dr. Allamraju Subramanya Ramasastri, Chairman[2]	Independent	2	2	100	1,20,000
Dr. Anup Kumar Sinha[3]	Independent	6	6	100	3,60,000
Mr. Narayan Vasudeo Prabhutendulkar, Chairman[4]	Independent	7	7	100	4,20,000
Mr. Partha Pratim Sengupta	Executive	7	7	100	N. A.
Mr. Ratan Kumar Kesh	Executive	7	6	85.71	N. A.
Ms. Veni Thapar[5]	Independent	5	5	100	3,00,000

[1] *Appointed as a member, effective October 28, 2025 and as the Chairman, effective January 01, 2026*
[2] *Ceased to be a member and Chairman, effective July 01, 2025*
[3] *Ceased to be a member, effective January 01, 2026*
[4] *Designated as Chairman, effective July 13, 2025 and re-designated as a member, effective January 01, 2026*
[5] *Appointed as a member, effective July 13, 2025*

Note: As on July 21, 2026, the ITSCB comprised Mr. Gauri Prosad Sarma (Chairman), Independent Director, Mr. NVP Tendulkar, Independent Director, Mr. Partha Pratim Sengupta, MD&CEO, Mr. Ratan Kumar Kesh, ED&COO, and Ms. Veni Thapar, Independent Director.

ITSCB Composition - (as on date)



Terms of reference of the ITSCB

- To guide in preparation of IT Strategy and recommend IT Strategy and Policy documents to the Board;
- To ensure that:
  - the Bank has put an effective IT strategic planning process in place;
  - the IT Strategy aligns with the overall strategy of the Bank towards accomplishment of its business objectives;
- To satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the Bank;
- To ensure that the Bank has put in place, processes for assessing and managing IT and cybersecurity risks;
- To ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Bank's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives;
- To review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Bank;
- To approve the minimal Recovery Time Objective ('RTO');
- To review the assessment of IT capacity requirements and measures taken to address the issues;
- To approve documented standards and procedures for administering need-based access to information system/ assets;
- To provide consultation to the Risk Management Committee of the Board for periodical review and update in IT related risks, including the Cyber Security related risks, in the risk management policy of the Bank;
- To oversee the constitution and functioning of Information Security Committee of the Bank;
- To review the cyber security risks/arrangements/ preparedness of the Bank, as placed by the Chief Information Security Officer, at least on a quarterly basis;
- Ensuring that the IT and Information Security organizational structure complements the business model and its direction;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- To review & monitor the mechanism of the digital transactions as follows:
  - Progress on implementation of new Digital Products;
  - Number of Digital Transactions on existing digital channels;
  - Increasing the number of Digital Transactions in existing digital channels;
- Assessing Senior Management's performance in implementing IT strategies; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Rules/ Regulations/ Guidelines / Circulars / Directions issued by RBI or by any other regulatory authority.

Customer Service Committee

Your Bank has a Customer Service Committee of the Board ('**CSCB**'), with the power and roles that are in accordance with the Master Circular on Customer Service in Banks issued by the RBI. The functions of CSCB, *inter alia*, include reviewing customer service initiatives, overseeing the functioning of grievance redressal mechanisms for customers, evolving innovative measures for enhancing the quality of customer service and improving the overall satisfaction level of customers of your Bank.

Enhanced disclosures on complaints received by your Bank from its customers and from the Offices of Banking Ombudsman ('**OBOs**') and grievance redress as prescribed under Circular dated January 27, 2021 on Strengthening of Grievance Redress Mechanism in Banks issued by the RBI, are made available as part of Notes to the Annual Financial Statement forming part of this Annual Report.

Meetings of the CSCB

As on March 31, 2026, the CSCB comprised four Directors, including two Independent Directors and two Executive Directors, chaired by Ms. Veni Thapar, Independent Director. During FY 2026, the CSCB met six times, i.e., on April 23, 2025, June 26, 2025, September 04, 2025, September 24, 2025, November 26, 2025 and February 26, 2026. CSCB meets on a quarterly basis.

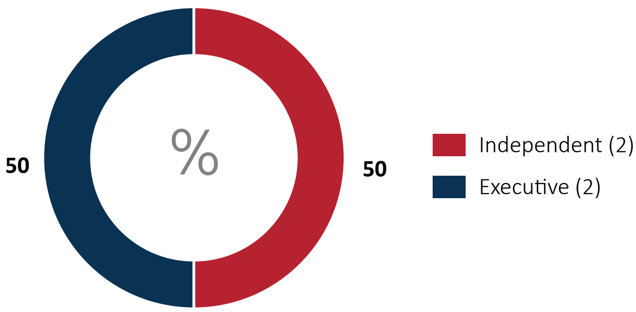
Composition (as on March 31, 2026) and Attendance - CSCB

Name of Member	Category	Number of Meetings during FY 2026 (Six meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Ms. Veni Thapar, Chairperson[1]	Independent	1	1	100	60,000
Mr. Narayan Vasudeo Prabhutendulkar, Chairman[2]	Independent	5	5	100	3,00,000
Mr. Partha Pratim Sengupta	Executive	6	6	100	N. A.
Mr. Philip Mathew[3]	Independent	1	1	100	60,000
Mr. Rajinder Kumar Babbar[4]	Executive	1	1	100	N. A.
Mr. Subrata Dutta Gupta[5]	Independent	4	4	100	2,40,000
Mr. Suhail Chander[6]	Independent	1	1	100	60,000

[1] *Appointed as a member and chairperson, effective January 01, 2026*
[2] *Ceased to be the Chairman and Member, effective January 01, 2026*
[3] *Ceased to be a member, effective June 15, 2025*
[4] *Appointed as a member of the CSCB, effective January 01, 2026*
[5] *Appointed as a member, effective June 15, 2025 and ceased to be a member, effective January 01, 2026*
[6] *Appointed as a member, effective January 01, 2026*

Note: As on July 21, 2026, the CSCB comprised Ms. Veni Thapar (Chairperson), Independent Director, Mr. Partha Pratim Sengupta, MD&CEO, Mr. Rajinder Kumar Babbar, ED&CBO and Mr. Suhail Chander, Independent Director.

CSCB Composition - (as on date)



Terms of reference of the CSCB

- To approve various policies that relate to customer service; including but not limited to:
  - Comprehensive Deposit Policy;
  - Cheque Collection Policy;
  - Customer Compensation Policy;
  - Customer Grievance Redressal Policy;
- To review that a comprehensive deposit policy deals with issues such as death of a depositor for operations of his/her accounts;
- To monitor product approval process with a view to suitability and appropriateness;
- To conduct annual survey of depositor satisfaction and Reviewing results of the surveys conducted that provide quantitative and qualitative information on the state of customer experience;
- To conduct triennial audit of such services;
- To oversee issues such as the treatment of death of a depositor for operations of his account;
- To review, on a periodic basis, the achievement of nomination coverage of various accounts;
- To review grievance redressal mechanism for the Bank to handle customer complaints;
- Reviewing metrics and indicators that provide information on the state of customer service in the Bank and providing direction to the management of the Bank on actions to be taken to improve the metrics;
- Reviewing the actions taken/ being taken by the Bank to standardize the delivery of customer experience across all branches;
- To monitor and follow up complaints / grievances escalated to be resolved by Banking Ombudsmen of the various States;
- Review the decision of the Internal Ombudsman rejected by the Bank;
- To review Internal Ombudsman mechanism and implement awards under the Banking Ombudsman Scheme;
- To determine the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman / Deputy or Additional Internal Ombudsman, which should be appropriate keeping in view the stature and position of the Internal Ombudsman / Deputy or Additional Internal Ombudsman being at the apex of the grievance redress mechanism of the regulated entity as also the need to attract experienced persons with requisite expertise;
- To address issues of systemic deficiencies, if any, brought out by the awards;

- To monitor awards remaining unimplemented for more than three months with the reasons (for report to the Board) for such delays in implementation and for initiating necessary remedial action;
- To review customer service / customer care aspects in the Bank and submit a detailed memorandum in this regard to the Board of Directors, once every six months and initiate prompt corrective action wherever service quality / skill gaps have been noticed;
- To oversee and review root cause analysis of complaint and corrective measures taken by Bank;
- To review the minutes / reports / activities of the Standing Committee of the Customer Service on quarterly basis;
- To address any other issues having a bearing on the quality of customer service rendered, such as examining reports on number and nature of complaints received and status of resolution thereof, etc. and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Rules/ Regulations/ Guidelines / Circulars / Directions issued by RBI or by any other regulatory authority.

Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds

Your Bank's Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds ('**SCBMF**') has been constituted, in terms of the 'Master Directions on Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions' dated July 15, 2024, issued by the RBI. Further, in terms of the said Master Directions, the terms of reference of the Committee have been broadened to include, *inter alia*, overseeing the effectiveness of the fraud risk management in your Bank; review and monitoring of cases of frauds, including root cause analysis; suggesting mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of frauds; and review of cases remaining in red-flagged status beyond 180 days.

Meetings of the SCBMF

As on March 31, 2026, the SCBMF comprised four Directors, including two Independent Directors, the MD&CEO, and one Non-Executive Non-Independent Director, chaired by Mr. Subrata Dutta Gupta, Independent Director. During FY 2026, the SCBMF met four times, i.e., on May 01, 2025, September 05, 2025, December 29, 2025 and February 21, 2026. SCBMF meets on a quarterly basis.

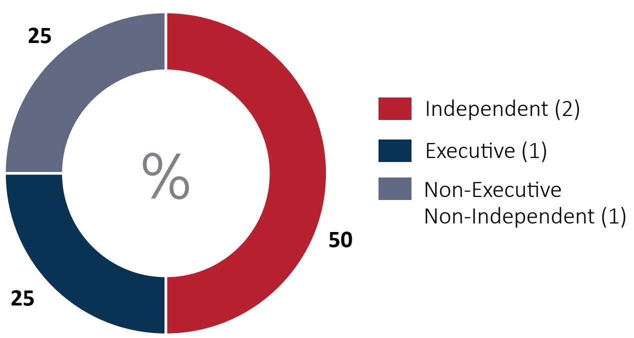
Composition (as on March 31, 2026) and Attendance - SCBMF

Name of Member	Category	Number of Meetings during FY 2026 (Four meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Subrata Dutta Gupta, Chairman[1]	Independent	4	3	75	1,80,000
Mr. Avijit Mukerji[2]	Non-Executive Non-Independent Director	1	1	100	60,000
Mr. Partha Pratim Sengupta	Executive	4	4	100	N. A.
Mr. Rajinder Kumar Babbar[3]	Executive	2	2	100	N.A.
Mr. Santanu Mukherjee[4]	Independent	2	2	100	1,20,000
Mr. Suhail Chander, Chairman[5]	Independent	4	4	100	2,40,000
Mr. Vijay Nautamlal Bhatt[6]	Independent	3	3	100	1,80,000

[1] *Appointed as the Chairman, effective January 01, 2026*
[2] *Appointed as a member, effective January 01, 2026*
[3] *Appointed as a member, effective July 13, 2025, ceased to be a member, effective January 01, 2026*
[4] *Ceased to be a member, effective December 16, 2025*
[5] *Ceased to be the Chairman and continuing as member, effective January 01, 2026*
[6] *Ceased to be a member, effective January 01, 2026*

Note: As on July 21, 2026, the SCBMF comprised Mr. Subrata Dutta Gupta (Chairman), Independent Director, Mr. Avijit Mukerji, Non-Executive Non-Independent Director, Mr. Partha Pratim Sengupta, MD&CEO and Mr. Suhail Chander, Independent Director.

SCBMF Composition - (as on date)



Terms of reference of the SCBMF

- To monitor and review all the frauds as per coverage approved by the Board from time to time including any other incidents referred to it and direct concerned departments for necessary actions;
- To oversee the effectiveness of the fraud risk management in the Bank including prevention, early detection, investigation, staff accountability, monitoring, recovery, analysis and reporting of frauds;

- To review and monitor cases of frauds based on categories/ trends of frauds, industry/sectoral/ geographical concentration of frauds, delay in detection/classification of frauds and delay in examination/conclusion of staff accountability, etc;
- To review the root cause analysis and suggest mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of frauds;
- To review the cases remaining in red-flagged status beyond one hundred and eighty days with adequate reasoning / justification thereof; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Rules/ Regulations/ Guidelines / Circulars / Directions issued by RBI or by any other regulatory authority.

Stakeholders' Relationship Committee

Your Bank has a Stakeholders' Relationship Committee of the Board ('**SRCB**'), with the power and roles that are in accordance with the provisions of Section 178(5) of the Companies Act and Regulation 20 read with Part D of the Schedule II of the SEBI LODR, to specifically look into various matters relating to Shareholders, including the transfer and transmission of shares, issue of share certificates (including the issue of Letter of Confirmation), claims of unclaimed dividend and shares lying in the suspense account as well as with the IEPF Authority, non-receipt of Annual Report and so on. Additionally, the SRCB also looks into other issues, such as, the status of dematerialisation of shares as well as systems and procedures followed to track investors' complaints and suggests measures for improvement, from time to time, and the grievances, if any, related to unsecured debentures issued by your Bank.

Meetings of the SRCB

As on March 31, 2026, the SRCB comprised three Directors, including two Independent Directors and one Non-Executive Non-Independent Director, chaired by Mr. Avijit Mukerji, Non-Executive Non-Independent Director. During FY 2026, the SRCB met three times, i.e., on June 26, 2025, December 15, 2025 and February 26, 2026. The SRCB meets on regular basis. Mr. Indranil Banerjee is the Company Secretary and Compliance Officer of the Bank in terms of the SEBI LODR.

Ms. Divya Krishnan was the Chairperson of the SRCB as on the date of the last AGM of the Bank held on August 21, 2025, hence, she attended the 11th AGM as the Chairperson of the SRCB.

Composition (as on March 31, 2026) and Attendance - SRCB

Name of Member	Category	Number of Meetings during FY 2026 (Three meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Avijit Mukerji, Chairman[1]	Non-Executive Non-Independent	2	2	100	1,20,000
Dr. Allamraju Subramanya Ramasastri[2]	Independent	1	1	100	60,000
Dr. Anup Kumar Sinha	Independent	3	3	100	1,80,000
Dr. Aparajita Mitra[3]	Independent	1	1	100	60,000
Ms. Divya Krishnan, Chairperson[4]	Non-Executive Non-Independent	1	1	100	60,000
Mr. Gauri Prosad Sarma[5]	Independent	1	1	100	60,000
Mr. Narayan Vasudeo Prabhutendulkar, Chairman[6]	Independent	1	1	100	60,000

[1] *Appointed as a member and the Chairman, effective September 25, 2025*

[2] *Appointed as a member, effective June 15, 2025 and ceased to be a member, effective July 01, 2025*

[3] *Ceased to be a member, effective July 13, 2025*

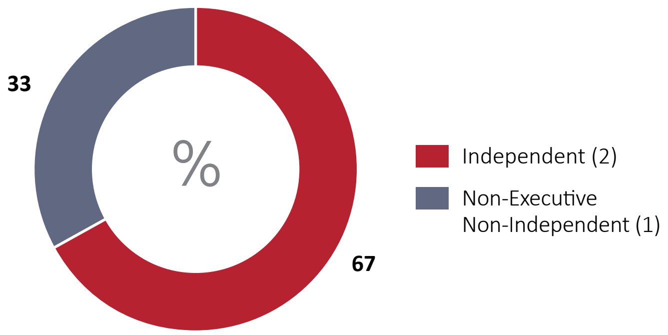
[4] *Appointed as the Chairperson, effective June 15, 2025 and ceased as the Chairperson and Member, effective August 28, 2025*

[5] *Appointed as member, effective January 01, 2026*

[6] *Ceased to be the Chairman and member, effective June 15, 2025, appointed as a member, effective July 13, 2025 and ceased again as a member, effective January 01, 2026*

Note: As on July 21, 2026, the SRCB comprised Mr. Avijit Mukerji (Chairman), Non-Executive Non-Independent Director, Mr. Debasish Panda, Additional (Independent) Director and Mr. Gauri Prosad Sarma, Independent Director. Post March 31, 2026, upon completion of tenure of Dr. Anup Kumar Sinha as Non-Executive Chairman on July 04, 2026 and consequently, as member of the SRCB, Mr. Debasish Panda was inducted as a member of the SRCB, in place of Dr. Anup Kumar Sinha, w.e.f. July 05, 2026.

SRCB Composition - (as on date)



Terms of reference of the SRCB

- Review the various aspects of interest of Shareholders, debenture holders and other security holders;
- Considering and resolving the grievances of the security holders of the Bank including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, general meetings, etc.;
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issuing duplicate certificates and new certificates on split/ consolidation/renewal / Dematerialisation / rematerialisation of shares / Transfer / transmission of shares and their redressal;
- Monitoring and supervision of the Registrar and Transfer Agent (RTA) and review of adherence to the service standards adopted by the Bank in respect of various services being rendered by the RTA;
- Review of the activities of the services provided to the security holders relating to the various services rendered by the Secretarial Department, Investor Services Department, various initiatives taken to *inter alia* to reduce quantum of unclaimed dividends, status of claims received, ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Bank and processed for unclaimed shares, uploading of data relating to unclaimed dividends on the website of Investor Education & Protection Fund and the Bank;
- Review of measures taken for effective exercise of voting rights by Shareholders;
- Review the Action Taken Report in respect of recommendations made by the Committee;
- Review the status of the litigation(s) filed by/ against the security holders of the Bank; and
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or by any other regulatory authority.

Status of Shareholders' Complaints as on March 31, 2026

Particulars	Total
Number of Shareholders' complaints pending at the beginning of the FY 2026	0
Number of Shareholders' complaints received during the FY 2026	20
Number of Shareholders' complaints disposed of during the FY 2026	19
Number of Shareholders' complaints unresolved at the end of the FY 2026	1*

**Resolved on April 02, 2026*

There was no complaint pending against your Bank on the Online Dispute Resolution (ODR) portal as on March 31, 2026.

Pursuant to the authorisation by the Board and/ or the SRCB, the Company Secretary is authorised to approve Transmission/ Subdivision/ Consolidation/ Renewal/ Issue of Duplicate Share Certificate(s)/ Deletion of Name(s) and Dematerialisation of shares of your Bank. A summary of transfer/ transmission, etc., of securities of the Bank so approved by the Company Secretary, along with details of issuance of Letter of Confirmation/ Entitlement Letter, are placed at the meetings of the SRCB.

As an ongoing measure to enhance the ease of dealing in the securities market by investors, the SEBI has issued various circulars in recent times. SEBI has mandated the listed entities to issue securities in dematerialized form only while processing specified service requests made by the physical security holders. The SEBI Master Circular specifies the manner in which such requests are required to be entertained by the listed entities and the manner in which the dematerialization of securities is to be completed. Your Bank encourages the Shareholders to hold the shares in dematerialized mode and necessary details about this are provided on its website.

Committee of Directors

The Committee of Directors ('**COD**') is a Board constituted committee that considers and sanctions various types of fund and non-fund based credit facilities, borrowings including refinancing and any other terms of reference as may be decided by the Board including Policies of your Bank, from time to time.

Meetings of the COD

As on March 31, 2026, the COD comprised four Directors, including three Independent Directors and chaired by the MD&CEO. During FY 2026, the COD met fourteen times, i.e., on June 16, 2025, June 24, 2025, July 24, 2025, August 26, 2025, September 03, 2025, September 19, 2025, October 24, 2025, November 22, 2025, December 17, 2025, December 24, 2025, January 17, 2026, February 21, 2026, March 06, 2026 and March 23, 2026.

Composition (as on March 31, 2026) and Attendance - COD

Name of Member	Category	Number of Meetings during FY 2026 (Fourteen meetings)		% of Attendance	Gross Amount of Sitting Fees paid (in ₹)
		During Tenure	Attended		
Mr. Partha Pratim Sengupta, Chairman	Executive	14	14	100	N. A.
Mr. Gauri Prosad Sarma[1]	Independent	4	4	100	2,40,000
Mr. Ratan Kumar Kesh[2]	Executive	-	-	-	N. A.
Mr. Subrata Dutta Gupta	Independent	14	14	100	8,40,000
Mr. Suhail Chander[3]	Independent	10	10	100	6,00,000
Mr. Vijay Nautamlal Bhatt[4]	Independent	4	4	100	2,40,000

[1] *Appointed as a member, effective January 01, 2026*

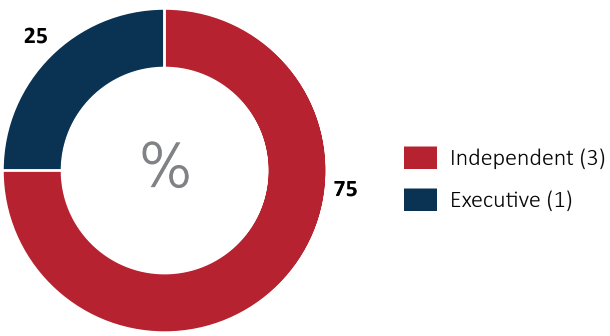
[2] *Ceased as a member, effective May 30, 2025*

[3] *Ceased as a member, effective January 01, 2026*

[4] *Appointed as a member, effective January 01, 2026*

Note: As on July 21, 2026, the COD comprised Mr. Partha Pratim Sengupta (Chairman), MD&CEO and three Independent Directors i.e. Mr. Gauri Prosad Sarma, Mr. Subrata Dutta Gupta and Mr. Vijay Nautamlal Bhatt.

COD Composition - (as on date)



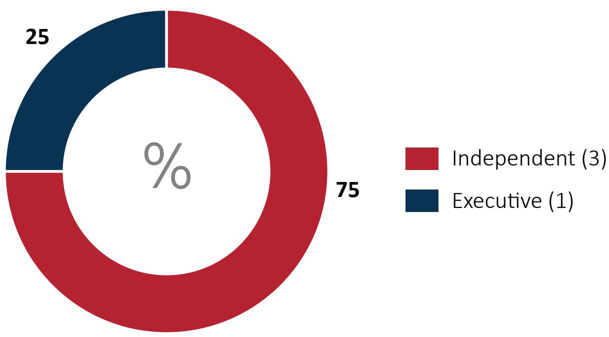
Review Committee of the Board for Declaration of Wilful Defaulters

In terms of the Reserve Bank of India (Commercial Banks – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025 dated November 28, 2025, your Bank has the 'Review Committee of the Board for Declaration of Wilful Defaulters' ('**RCBDWD**'), comprising of four Directors, including three Independent Directors, with the MD&CEO being its Chairman. The power and roles of RCBDWD shall be in accordance with the requirements under the said Master Direction, which, *inter alia*, includes classification of borrower as Wilful Defaulter, after assessing the facts or material on record, including written representation, if any, on the proposal of the Identification Committee.

During FY 2026, no meeting of the RCBDWD was held.

Note: As on July 21, 2026, the RCBDWD comprised Mr. Partha Pratim Sengupta (Chairman), MD&CEO, Mr. Debasish Panda, Additional (Independent) Director, Mr. Gauri Prosad Sarma, Independent Director and Mr. Narayan Vasudeo Prabhutendulkar, Independent Director. During FY 2026, Dr. Aparajita Mitra, Independent Director, ceased as a member effective July 13, 2025 and Mr. Santanu Mukherjee, Independent Director, ceased as a member effective December 16, 2025 whereas Mr. Gauri Prosad Sarma and Mr. Narayan Vasudeo Prabhutendulkar, Independent Directors, appointed as members effective January 01, 2026. Post March 31, 2026, upon completion of tenure of Dr. Anup Kumar Sinha as Non-Executive Chairman on July 04, 2026 and consequently, as member of the RCBDWD, Mr. Debasish Panda was inducted as a member of the RCBDWD, in place of Dr. Anup Kumar Sinha, w.e.f. July 05, 2026.

RCBDWD Composition - (as on date)



Annual General Meetings

Details of AGMs of your Bank, for the previous three (3) financial years are, as under:

Sl. No.	Particulars of meeting	Location	Date & Time	Special Resolutions passed, if any
1.	11th AGM	14th Floor, Adventz Infinity@5, BN-5, Sector V, Salt Lake City, Kolkata- 700 091 (through VC)	August 21, 2025 at 11:00 A.M. (IST)	One Special Resolution was passed
2.	10th AGM	14th Floor, Adventz Infinity@5, BN-5, Sector V, Salt Lake City, Kolkata- 700 091 (through VC)	August 20, 2024 at 11:00 A.M. (IST)	Nil
3.	9th AGM	14th Floor, Adventz Infinity@5, BN-5, Sector V, Salt Lake City, Kolkata- 700 091 (through VC)	August 18, 2023 at 11:00 A.M. (IST)	Two Special Resolutions were passed

Postal Ballot

During the FY 2026, your Bank had sought approval of its Members, for the following resolutions, vide Postal Ballot, through electronic voting ('**remote e-voting**'):

Sl. No.	Date of Postal Ballot Notice	Item of Businesses	Type of Resolution	% of the total number of valid votes cast, in favour	% of total number of valid votes cast, against	Result
1	October 30, 2025	Appointment of Mr. Avijit Mukerji (DIN: 03534116) as a Non-Executive Non-Independent Director (Nominee of Bandhan Financial Holdings Limited)	Ordinary Resolution	95.687	4.313	Passed with requisite majority on December 11, 2025, i.e., the last date of e-voting
2		Appointment of Mr. Gauri Prosad Sarma (DIN: 09107885) as an Independent Director	Special Resolution	99.231	0.769	
3	January 22, 2026	Increase in the aggregate number of employee stock options to be granted under 'Bandhan Bank Employee Stock Option Plan Series 1'	Special Resolution	99.075	0.925	Passed with requisite majority on March 01, 2026, i.e., the last date of e-voting
4		Amendments in the 'Bandhan Bank Employee Stock Option Plan Series 1'	Special Resolution	99.118	0.882	
5		Re-appointment of Mr. Ratan Kumar Kesh (DIN: 10082714) as the Executive Director & Chief Operating Officer and Key Managerial Personnel of the Bank	Ordinary Resolution	98.096	1.904	
6		Remuneration of Mr. Partha Pratim Sengupta (DIN: 08273324), Managing Director & Chief Executive Officer of the Bank	Ordinary Resolution	99.440	0.560	
7		Remuneration of Mr. Rajinder Kumar Babbar (DIN: 10540386), Executive Director & Chief Business Officer of the Bank	Ordinary Resolution	99.440	0.560	
8		Remuneration of Mr. Ratan Kumar Kesh (DIN: 10082714), Executive Director & Chief Operating Officer of the Bank	Ordinary Resolution	99.440	0.560	

Procedure for Postal Ballot:

In compliance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 and other applicable provisions, if any, of the SEBI LODR, the Secretarial Standard on General Meetings ('**SS-2**') issued by the Institute of Company Secretaries of India, guidelines prescribed by the Ministry of Corporate Affairs (the '**MCA**') for holding general meetings/ conducting postal ballot process through electronic voting only vide various General Circulars, including General Circular No. 14/ 2020 dated April 08, 2020 and General Circular No. 17/ 2020 dated April 13, 2020, read with other relevant circulars, including General Circular No. 03/ 2025 dated September 22, 2025, issued by the MCA, Government of India (the '**MCA Circulars**') and any other applicable laws and regulations, your Bank had sent the Postal Ballot Notices, as aforesaid, along with the Explanatory Statements thereto, to its Members, whose names appeared in the Register of Members/ list of Beneficial Owners as received from the Depositories as on Cut-off Date(s), and whose e-mail IDs were registered with your Bank/ its Registrar and Share Transfer Agent ('**RTA**') *[in respect of shares held in physical form] or with the Depositories / Depository*

Participants [in respect of shares held in dematerialised form], for obtaining the consent of the Members to the aforesaid item of businesses, via Ordinary / Special Resolution(s), by electronic means only. The Cut-off Date for the Postal Ballot Notice dated October 30, 2025 was Friday, November 07, 2025 whereas for the Postal Ballot Notice dated January 22, 2026, the Cut-off Date was Friday, January 23, 2026.

Your Bank had engaged the services of KFin Technologies Limited ('**KFin**'), its RTA, as the agency for facilitating remote e-voting. The Board had appointed CS Hansraj Jaria, Practicing Company Secretary (FCS No.: 7703 / CP No.: 19394) failing him, CS Rakesh Agrawal, Practicing Company Secretary (FCS No.: 8792 / CP No.: 9014) as the Scrutiniser to ensure that the Postal Ballot (via remote e-voting) process is conducted in a fair and transparent manner for both the Postal Ballot process.

For the Postal Ballot conducted vide notice dated October 30, 2025, the remote e-voting period commenced from Wednesday, November 12, 2025 at 9.00 A.M. (IST) and ended on Thursday, December 11, 2025 at 5.00 P.M. (IST). Whereas, for the Postal Ballot conducted vide notice dated January 22, 2026, the remote e-voting period commenced from Saturday, January 31, 2026 at 9.00 A.M. (IST) and ended on Sunday, March 01, 2026 at 5.00 P.M. (IST).

Upon completion of the scrutiny of votes cast by Postal Ballot (via remote e-voting), the Scrutinizers submitted their respective Reports to the Company Secretary / the Non-Executive Chairman who countersigned the respective Reports and declared the Results of the Postal Ballots. The Results of the Postal Ballots, along with the Scrutinizers' Reports, were made available on the website of your Bank and KFin, the remote e-voting service provider, and were also displayed on the Notice Boards of your Bank at its Registered Office and Head Office. The Results of the Postal Ballots were simultaneously communicated to all the Stock Exchanges, where the equity shares of your Bank are listed i.e. the BSE Limited and the National Stock Exchange of India Limited.

None of the businesses proposed to be transacted at the ensuing AGM require passing a resolution through Postal Ballot.

Other Disclosures

Management Discussion & Analysis Report

The Management Discussion & Analysis Report, giving an overview of the industry, your Bank's business and its financials, is provided separately as **Annex - 5** to the Board's Report and forms part of this Annual Report.

Disclosure on Material Subsidiary

Your Bank does not have a subsidiary, at present. Therefore, the requirement to formulate a policy for determining 'material' subsidiary does not apply to your Bank.

Commodity Price Risk, Foreign Exchange Risk and Hedging Activities

Your Bank has not traded in any commodity. Your Bank has foreign currency liability with regard to its FCNR(B) portfolio and inter-bank borrowings, however, your Bank does not have foreign currency bonds, bilateral or syndicated loans liability. Your Bank has a Board approved Market Risk Management Policy, which defines a risk control framework for undertaking any foreign exchange transaction. The Board approved Market Risk Policy of your Bank has defined an overall Net Overnight Open Position ('**NOOP**') Limit, Stop Loss Limit, Aggregate Gap Limit ('**AGL**'), Value at Risk ('**VaR**') Limit to control the foreign exchange risk within its risk control framework.

Your Bank uses FX Swaps & Forwards for hedging its currency risk in its balance sheet and proprietary trading in compliance with overall risk limit and control framework. The management of these products and businesses is governed by the Board approved Market Risk Management Policy, Investment Policy and ALM Policy of your Bank.

Accounting Treatment

The Financial Statement has been prepared under the historical cost convention and on the accrual basis of accounting, unless otherwise stated and in compliance with the requirements prescribed under the Third Schedule (Form A and Form B) to the BR Act. The accounting and reporting policies of your Bank used in the preparation of the Financial Statement conform to Generally Accepted Accounting Principles in India ('**Indian GAAP**'), the guidelines issued by the RBI, from time to time, the accounting standards notified under Section 133 and other relevant provisions of the Companies Act, read together with the Companies (Accounting Standards) Rules, 2021, as amended from time to time, to the extent applicable, and practices generally prevalent in the banking industry in India.

Indian Accounting Standard (IND AS) implementation

The RBI issued a circular in February, 2016 requiring banks to implement Indian Accounting Standards ('**Ind AS**') and prepare proforma Ind AS financial statements with effect from April 01, 2018. In line with the RBI guidelines on Ind AS implementation, your Bank had constituted a Steering Committee comprising members from the concerned functional areas. However, the RBI in its press release issued on March 22, 2019 has deferred the applicability of Ind AS for Scheduled Commercial Banks until further notice.

As advised by the RBI, your Bank has been submitting proforma Ind AS financial statements to RBI periodically. The RBI, on January 16, 2023, released a discussion paper on the Expected Loss ('**EL**') based approach for loan loss provisioning by banks to formulate a principle-based guidelines supplemented by regulatory backstops wherever necessary. Further, the RBI released draft directions titled 'Reserve Bank of India (Scheduled Commercial Banks-Asset Classification, Provisioning and Income Recognition) Directions, 2025 – Draft for Comments'.

Accordingly, your Bank has made a diagnostic study to identify gaps and the requisite process and system changes required for Ind AS implementation and is in the process of implementing necessary changes in its IT system and other processes. Your Bank is regularly conducting workshops and training for its staff.

Subsequently, on April 27, 2026, the RBI has notified 'Reserve Bank of India (Commercial Banks- Asset Classification, Provisioning and Income Recognition) Directions, 2026' effective from April 01, 2027, introducing Expected Credit Loss ('**ECL**') and Effective Interest Rate ('**EIR**') Method. Your Bank is reviewing the latest directions to identify the process and system level changes required for implementation.

Related Party Transactions

Related Party Transactions that were entered, during the FY under review, were on an arm's length basis and were in the ordinary course of business, pursuant to the approval of the ACB. Further details are provided in the Board's Report. Weblink for your Bank's Policy on dealing with Related Party Transactions is https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-11/Policy-on-Dealing-With-Related-Party-Transactions.pdf.

Penalties and Strictures for last three financial years

With regard to the matters related to the capital market, there was no non-compliance neither penalties nor strictures imposed on your Bank by the Stock Exchanges and/ or the SEBI and/ or any other statutory authorities during the last three financial years.

Whistle Blower Policy & Vigilance Policy

Your Bank had adopted the Board approved Vigilance Policy and Whistle Blower Policy, as required under Section 177 of the Companies Act, Regulation 22 of the SEBI LODR and applicable circulars issued by RBI, in this regard. The said Policies are available on its website at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-07/Vigilance-Policy-22072025.pdf and https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-07/Whistle-Blower-Policy_22072025.pdf. Further details on the Whistle Blower Mechanism are provided in the Board's Report.

Code of Conduct

Your Bank has in place a Code of Conduct for Directors and also a Code of Conduct for its Senior Management, which are approved by the Board. The Code of Conduct for Senior Management attempts to set forth the guiding principles on which your Bank shall operate and, conduct its daily business with its multitudinous stakeholders, viz., Shareholders, customers, employees, and regulators. This Code is available on your Bank's website at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2020-12/Code-Conduct-for-Senior-Management.pdf. The Code of Conduct for Directors also contains a reference to the duties of the Independent Directors as laid down in Schedule IV of the Companies Act. This Code is also available on your Bank's website at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2020-12/Code-Conduct-for-Directors.pdf. As required under Regulation 26(3) of the SEBI LODR, all Directors and Senior Management personnel have affirmed compliance with the Code of Conduct, as approved and adopted by the Board, for the financial year ended March 31, 2026. Declaration, as required under Para D of Schedule V to the SEBI LODR, with respect to the financial year ended March 31, 2026, duly signed by the MD&CEO, is annexed to this Report.

Policy on the Preservation of Documents

In accordance with Regulation 9 of the SEBI LODR, your Bank has in place a Policy on the Preservation of Documents, which has been approved by the Board of Directors of your Bank. This Policy is intended to guide your Bank and its officers on the maintenance of documents, their preservation and disposal. During the year under review, as part of its annual review, the Policy has been reviewed and amended by the Board, in order to update the provisions of applicable regulatory requirements and insertion of provisions relating to Electronic Data Backup and Restoration Management. The said Policy can be accessed on your Bank's website at https://bandhan.bank.in/sites/default/files/2025-12/Policy-on-Preservation-of-Documents-FY-25-26-11122025.pdf.

Policy for Determination of Material Event/ Information and Archival Policy

In accordance with Regulation 30 of the SEBI LODR, your Bank has in place a Policy for Determination of Material Events/ Information, which provides guidance to the Board, management and staff on the assessment of the materiality of events/ information, which will have bearing on the performance/ operations of your Bank. The Policy has been reviewed and amended by the Board, during the FY under review, primarily, to align it with regulatory provisions. The Policy is available on your Bank's website at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-11/Policy-for-Determination-of-Material-Event-Information.pdf.

Further, your Bank has a Board approved Archival Policy in line with the requirements of the SEBI LODR to ensure that information relating to your Bank is adequately disclosed on its website as required by law. The Policy has been reviewed by the Board, during the FY under review, as part of annual review process with no changes. The Policy is available on your Bank's website at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2026-04/Archival-Policy.pdf.

Code of Conduct for Prevention of Insider Trading

Your Bank has in place a Code of Conduct for Prevention of Insider Trading in its securities ('**PIT Code**'), adopted in line with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('**PIT Regulations**'). The PIT Code, *inter alia*, prohibits trading in the securities of your Bank or any securities forming part of grey list securities by insiders, while in possession of any Unpublished Price Sensitive Information ('**UPSI**') in relation to such securities/ entities. Your Bank has also adopted a Board approved Code of Practices and Procedures for Fair Disclosure of UPSI, which is available on the website of the Bank at https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2024-09/Code-for-Fair-Disclosure-of-UPSI-website.pdf. The Board reviews the PIT Code on an annual basis and whenever required. The PIT Code has been reviewed by the ACB and the Board, as part of annual review process, during the FY under review and certain changes are made therein in order to provide more clarity in certain clauses and to align the code with the recent amendments to the PIT Regulations. The Company Secretary of your Bank acts as the 'Compliance Officer' in terms of the PIT Code and PIT Regulations, and is responsible for implementation and overseeing compliance with the PIT Code across your Bank. Cases of violations observed during the FY were submitted to the Disciplinary Committee of your Bank and accordingly, the intimation, with regard to the action taken by your Bank, along with the details of the penalty amount, if any, remitted to the Investor Protection and Education Fund maintained by the SEBI, were submitted to the Stock Exchanges from time to time. Your Bank has also undertaken various initiatives during the FY to spread awareness amongst its employees about the provisions of the PIT Code and PIT Regulations. Your Bank has automated the process for submission of declarations and disclosures by designated persons electronically through software. Further, your Bank has maintained the Structured Digital Database ('**SDD**') electronically, with adequate internal controls, in compliance with the provisions of Regulation 3(5) of the PIT Regulations. The reports on compliance with the PIT Code and the PIT Regulations are also submitted to the ACB/ Board, periodically.

Dividend Distribution Policy

In accordance with Regulation 43A of the SEBI LODR, your Bank has adopted the Dividend Distribution Policy, which outlines various parameters based on which the Board may recommend or declare Dividend, in accordance with the provisions of applicable laws. The details of the same are provided in the Board's Report.

Directors and Officers Insurance (D&O Policy)

Your Bank has in place a Directors and Officers Liability Policy (D&O Policy) for all its directors, with the quantum and risks determined by its Board of Directors. The Policy covers management liability, company securities, investigation cost, Non-Executive Directors' protection, investigation, extradition, outside directorship, bodily injury and property damage defence costs, assets and liberty, etc.

Complaints pertaining to Sexual Harassment

The details of complaints filed and disposed of during the FY as well as pending cases pertaining to sexual harassment are provided in the Board's Report.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI LODR

During the FY under review, your Bank has not raised any fund through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the SEBI LODR.

Compliance with Mandatory Requirements

Your Bank has complied with all the applicable mandatory requirements of Corporate Governance as prescribed under the SEBI LODR.

Tentative calendar of Board Meetings for the financial year ending March 31, 2027

The tentative calendar of the meetings of the Board of Directors for the consideration of quarterly / annual financial results for the financial year ending on March 31, 2027 are, as follows:

Quarter/Year	Tentative calendar of Board Meetings
First quarter ending on June 30, 2026	Within 45 days from the end of quarter
Second quarter ending on September 30, 2026	Within 45 days from the end of quarter
Third quarter ending on December 31, 2026	Within 45 days from the end of quarter
Fourth quarter and year ending on March 31, 2027	Within 60 days from the end of quarter/ year

Compliance with Non-Mandatory Requirements

a) The Board

The expenses pertaining to the office of the Non-Executive Chairman is maintained by your Bank, along with the reimbursement of all the expenses incurred by the Non-Executive Chairman while performing his duties, in line with the approval of RBI.

b) Shareholder Rights

Your Bank sends the synopsis of its quarterly results along with weblink of quarterly results available on its website to all Shareholders through email. Your Bank also publishes its financial results every quarter on its website at www.bandhan.bank.in, which is accessible to the public at large. The same is also available on the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited. Along with the quarterly results, detailed earnings updates are also hosted on its website. Further, a quarterly investors'/ analysts' conference call is made to discuss the financial results and performance of your Bank, the audio recording and transcripts of which are hosted on its website as well as Stock Exchanges. Your Bank's results for each quarter are published in English newspaper having nationwide circulation and in Bengali newspaper (viz., The Financial Express/ Business Standard and Bartaman/ Ei Samay).

c) Modified Opinion(s) in Audit Report

The Independent Audit Report issued by the Joint Statutory Auditors of your Bank on the Annual Financial Statement for the financial year ended March 31, 2026, is with unmodified audit opinion. The Bank continues to adopt the best practices to ensure a regime of financial statement with unmodified audit opinion.

d) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

Your Bank has separate offices for the Non-Executive Chairman and the MD&CEO. The Non-Executive Chairman of your Bank is not related to any directors of your Bank, including the MD&CEO.

e) Reporting of Internal Auditor

The Reporting of the Chief Audit Executive of the Bank is as per the extant RBI Circular.

f) Independent Directors

As on March 31, 2026, the Bank had 8 Independent Directors. The Independent Directors of the Bank held two meetings during the Financial Year 2025-26, without the presence of Non-Independent Directors and members of the management, and all the independent directors were present at such meetings.

Means of Communication

The Board of your Bank has been approving the quarterly financial results well within the stipulated time of 45 days from the end of respective quarters and the audited annual financial results for the quarter and year ending on March 31 within 60 days from the end of the financial year. The financial results are promptly submitted to the Stock Exchanges and are published in English and Bengali (regional language) newspapers (viz., Business Standard and Ei Samay), within 48 hours of the conclusion of the respective Board meetings at which such financial results are approved. The financial results, as well as press release and Investor Presentation, are simultaneously hosted on your Bank's website accessible at https://bandhan.bank.in/quarterly-report. Earnings calls with analysts and investors and their transcripts are also published on the website at https://bandhan.bank.in/corporate-governance#rctabtwofour. Your Bank also shares the highlights of quarterly financial results with all Shareholders whose e-mail IDs are registered with it / Depositories. All disclosures made to Stock Exchanges by your Bank are available on its website, along with the earnings updates and presentations made to investors and analysts.

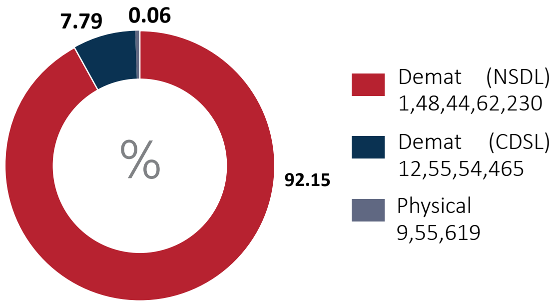
Corporate Policies

Sl. No.	Name of the Policy	Brief Description	Web link
1	Policy on Appointment and Fit & Proper Criteria for Directors	Your Bank has adopted the policy for appointment of Directors on the Board considering their fit and proper criteria, including special knowledge or practical experience required for banking business.	https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-01/Policy-on-Appointment-and-Fit-Proper-Criteria-for-Directors.pdf
2	Vigilance Policy	Your Bank has adopted Vigilance Policy for monitoring of concerns about unethical behavior, actual or suspected fraud.	https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-07/Vigilance-Policy-22072025.pdf
3	Whistle Blower Policy	Your Bank has adopted whistle blower mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud.	https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-07/Whistle-Blower-Policy-22072025.pdf
4	Policy on Dealing with Related Party Transactions	This Policy regulates all transactions between the Bank and its related parties.	https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-11/Policy-on-Dealing-With-Related-Party-Transactions.pdf
5	Policy for Determination of Material Event/ Information	This Policy applies to the determination and disclosure of material information/events for your Bank.	https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-11/Policy-for-Determination-of-Material-Event-Information.pdf
6	Dividend Distribution Policy	Your Bank has adopted the Dividend Distribution Policy to determine the distribution of dividends in accordance with the provisions of circulars issued by RBI, from time to time, and applicable laws.	https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-07/Dividend-Distribution-Policy.pdf
7	CSR Policy	This Policy outlines your Bank's strategy to bring about a positive impact on society through programs relating to skill development, poverty alleviation, education, healthcare, sanitation, water conservation, afforestation, promoting rural sports, etc.	https://bandhan.bank.in/sites/default/files/2025-02/CSR-Policy-03022025.pdf
8	Compensation Policy	This Policy formulates the criteria for determining the remuneration of the Directors, KMP and Employees of your Bank.	https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2025-11/Compensation-Policy.pdf
9	Policy on Preservation of Documents	This Policy formulates categories of documents to be preserved as per regulatory requirements.	https://bandhan.bank.in/sites/default/files/2025-12/Policy-on-Preservation-of-Documents-FY-25-26-11122025.pdf
10	Archival Policy	This Policy deals with the disclosure and archival of disclosure of material events/information on the website of your Bank.	https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2026-04/Archival-Policy.pdf
11	Business Responsibility and Sustainability Reporting Policies	The BRSR Policy has been framed by your Bank based on the National Guidelines for Responsible Business Conduct (NGRBC), which aims to establish links between the financial results of a business with its ESG performance.	https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf

The Board has been reviewing the above policies on an annual basis and whenever required to align with the regulatory and/or business requirements.

General Shareholder Information:

1)	Corporate Identity Number ('**CIN**')	L67190WB2014PLC204622
	Address for Correspondence	**Registered Office**: DN-32, Sector- V, Salt Lake, Kolkata - 700 091 **Head Office**: Floors 12th to 14th, Adventz Infinity@5, BN 5, Sector V, Salt Lake City, Kolkata - 700 091 **Contact**: Mr. Indranil Banerjee, Company Secretary & Compliance Officer (Nodal Officer for IEPF related matters) **Phone Number**: +91 033 6609 0909 **E-mail ID**: investors@bandhanbank.com **Website**: www.bandhan.bank.in
2)	Date, Time and Venue of the Annual General Meeting ('**AGM**')	12th AGM of the Bank will be held on **Monday, August 24, 2026, at 11:00 A.M.** Since the AGM will be conducted through VC/ OAVM pursuant to the MCA General Circular No. 20/2020, dated May 05, 2020, read with other relevant circulars, including General Circular No. 03/ 2025 dated September 22, 2025, as such, there is no requirement to arrange a venue for the 12th AGM of the Bank. For details, please refer to the Notice of the 12th AGM.
3)	AGM Webcast link	https://www.evoting.nsdl.com/
4)	Financial Year	April 01, 2025 to March 31, 2026
5)	Record Date	**Monday, August 17, 2026**
6)	Dividend Payment Date	Dividend, if declared by the Members, will be paid within 30 days of the AGM
7)	Listing on Stock Exchanges	i) National Stock Exchange of India Limited ('**NSE**') Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 ii) BSE Limited ('**BSE**') Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 The Bank has duly paid the Annual Listing Fees to NSE & BSE for the FY 2027. During the FY under review, the equity shares of your Bank were not suspended from trading on the said Stock Exchanges, where its shares are listed or by any Regulatory Body/ Statutory Authority.
8)	Registrar & Share Transfer Agent (both Physical & Demat Segments) (Equity & Debentures)	**KFin Technologies Limited** **Registered Address**: 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai - 400 070, Maharashtra **CIN**: L72400MH2017PLC444072 **Address for Correspondence / Operations Centre**: Selenium Building, Tower-B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032 **Toll Free Number**: 1800 309 4001 **WhatsApp Number**: (+91) 910 009 4099 **E-mail ID**: einward.ris@kfintech.com **Investor Support Centre**: https://kprism.kfintech.com/ **Corporate Website**: www.kfintech.com **RTA Website**: https://ris.kfintech.com **Name of the Contact Person**: Ms. C Shobha Anand, Vice President – Corporate Registry **Web-based Query Redressal System:** Pursuant to the provisions of the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72 dated June 08, 2023, rescinded vide SEBI Master Circular dated February 06, 2026, your Bank's RTA, KFin, has launched an online application which can be accessed under 'Investor Support' under 'Investor Services' at https://ris.kfintech.com. Shareholders are requested to register/ signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, Check for Status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting details.
9)	Share Transfer System	Your Bank's shares which are in dematerialised (demat) mode are transferable through the depository system. With regard to shares held in physical mode, SEBI vide amendment to Regulation 40(1) of the SEBI LODR, with effect from April 01, 2019, mandated that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Further, vide amendment dated January 24, 2022 to Regulation 40(1) of the SEBI LODR, SEBI has mandated that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

		Moreover, SEBI vide Circular dated January 25, 2022, has mandated that the listed companies shall henceforth issue the securities in dematerialized form only while processing certain service requests as explained in subsequent section of this Report. In view of the above, Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic mode are affected through the depositories with no involvement of your Bank. Further, your Bank has also sent individual letters to the Shareholders holding shares in physical form to update their KYC, bank details and nomination details, if any, with the RTA/ the Bank. Your Bank has also implemented the process to issue 'letter of confirmation' pursuant to receipt of duly filled in form ISR-4 by the Shareholders holding shares in physical mode. However, SEBI vide Circular dated January 30, 2026, in order to simplify the process for credit of securities pursuant to investor service requests by reducing the timelines, risk of loss and pilferage, has done away with the requirement of issuance of Letter of Confirmation with effect from April 02, 2026, and directed that the investors shall have a demat account before submitting the service request. Latest Client Master List of the demat account, not older than two months and duly attested by the Depository Participant and duly filled in demat conversion request form shall be submitted by the investor along with the service request to the RTA. Therefore, Shareholders, holding shares in physical mode, are requested to get in touch with any Depository Participant registered with SEBI to open a Demat Account or may also visit website of depositories, viz., National Securities Depository Limited ('**NSDL**') at https://nsdl.co.in/services/demat.php or Central Depository Services (India) Limited ('**CDSL**'), at https://www.cdslindia.com/investors/open-demat.html, for further understanding of the dematerialisation procedure. **Special Window for Re-Lodgement of Transfer Requests of Physical Shares**: SEBI, vide its Circular dated January 30, 2026 on '*Ease of Doing Investment – Special Window for Transfer and Dematerialisation of Physical Securities*', in order to facilitate investors to get rightful access to their securities, has advised that a **Special Window** will remain open, for a period of one year from **February 05, 2026 to February 04, 2027**, to facilitate transfer and dematerialization of physical securities, which were sold/ purchased prior to April 01, 2019. This Special Window is also available for such requests for transfer of shares in physical mode, which were submitted earlier and were rejected/ returned/ not attended to due to deficiency in the documents/ process or otherwise. For further details, the Shareholders are requested to go through the said SEBI Circular, which is also available at the website of your Bank at https://bandhan.bank.in/sebi-circular. Eligible Shareholders are requested to re-lodge their transfer requests with the Bank/ RTA, during the Special Window until February 04, 2027.
10)	Dematerialisation of Shares and Liquidity	Your Bank's equity shares are available for trading in the dematerialized form only under both the Depositories in India, *viz.*, NSDL and CDSL. The annual custodian fees for the FY 2027 have been paid to NSDL and CDSL. As on March 31, 2026, 1,61,00,16,695 Shares representing 99.94 per cent. of the total Share Capital of your Bank were held in dematerialised form. The International Securities Identification Number ('**ISIN**') of the equity shares of the Bank is **INE545U01014**. **Modes of Shares Held** 
11)	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity	Not applicable
12)	Reconciliation of Share Capital Audit	Reconciliation of Share Capital Audit in terms of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, read with SEBI Circular No. D&CC/FITTC/CIR/-16/2002 dated December 31, 2002, as amended, has been carried out by Company Secretary in Practice on quarterly basis, who reports on the reconciliation of total issued and listed capital with that of total share capital admitted/ held in dematerialized form with NSDL and CDSL and those held in physical form. The audit report confirms that the total issued/ paid-up/ listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held through NSDL and CDSL. The quarterly reports in this regard have been submitted to Stock Exchanges, *viz.*, BSE and NSE, and were placed before the Board of Directors of your Bank for its review.

Shareholders holding 1% and above as on March 31, 2026

Sl. No.	Name of the Shareholder	No. of Shares held	% of Total Holdings
1.	Bandhan Financial Holdings Limited	62,59,78,369	38.86
2.	SBI Balanced Advantage Fund	6,86,49,899	4.26
3.	Caladium Investment Pte. Ltd.	6,01,81,865	3.74
4.	Life Insurance Corporation of India	5,94,55,863	3.69
5.	Kotak Mahindra Trustee Co Ltd A/C Kotak Multicap Fund	5,03,14,833	3.12
6.	Government Pension Fund Global	3,14,53,712	1.95
7.	ICICI Prudential Equity & Debt Fund	3,08,27,073	1.91
8.	HDFC Large and Mid Cap Fund	2,59,28,457	1.61
9.	Vontobel Fund- MTX Sustainable Emerging Markets Leaders	2,58,60,064	1.61
10.	MFS Emerging Markets Equity Fund	2,29,94,392	1.43
11.	Blackrock Strategic Funds- Blackrock Emerging Markets Equity Strategies Fund	2,04,61,197	1.27
12.	PI Opportunities AIF V LLP	1,88,72,108	1.17

Note: *Shareholding is consolidated based on Permanent Account Number of Shareholders*

Distribution Schedule as on March 31, 2026

Category (Paid up value of shares held)	No. of Shareholders	% of Shareholders	No. of Shares	% of Total Holdings
1- 5,000	6,60,073	90.38	5,69,65,923	3.54
5,001 – 10,000	34,979	4.79	2,60,22,654	1.62
10,001 – 20,000	18,310	2.51	2,64,37,377	1.64
20,001 – 30,000	6,388	0.87	1,61,68,460	1.00
30,001 – 40,000	2,983	0.41	1,05,80,114	0.66
40,001 – 50,000	1,867	0.26	86,28,326	0.54
50,001 – 1,00,000	3,174	0.43	2,24,17,461	1.39
1,00,001 and above	2,549	0.35	1,44,37,51,999	89.62
Total	**7,30,323**	**100.00**	**1,61,09,72,314**	**100.00**

Note: *Number of Shareholders on the basis of folios*

Top ten Shareholders as on March 31, 2026

Sl. No.	Name of the Shareholder	No. of Shares held	% of Total Holdings
1.	Bandhan Financial Holdings Limited	62,59,78,369	38.86
2.	SBI Balanced Advantage Fund	6,86,49,899	4.26
3.	Caladium Investment Pte. Ltd.	6,01,81,865	3.74
4.	Life Insurance Corporation of India	5,94,55,863	3.69
5.	Kotak Mahindra Trustee Co Ltd A/C Kotak Multicap Fund	5,03,14,833	3.12
6.	Government Pension Fund Global	3,14,53,712	1.95
7.	ICICI Prudential Equity & Debt Fund	3,08,27,073	1.91
8.	HDFC Large and Mid Cap Fund	2,59,28,457	1.61
9.	Vontobel Fund- MTX Sustainable Emerging Markets Leaders	2,58,60,064	1.61
10.	MFS Emerging Markets Equity Fund	2,29,94,392	1.43

Note: *Shareholding is consolidated based on Permanent Account Number of Shareholders*

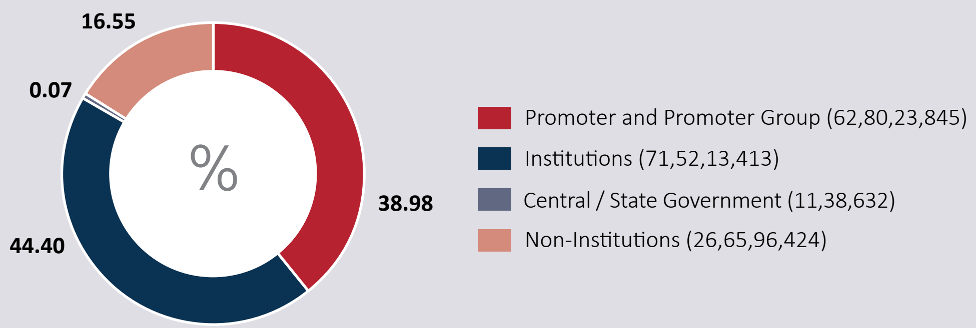
Categories of Shareholders as on March 31, 2026

Sl. No.		Category of Shareholder	No. of Shares held	% of Total Holdings
(A)	**Promoter and Promoter Group[1]**			
	(a)	Bandhan Financial Holdings Limited (Promoter)[2]	62,59,78,369	38.86
	(b)	Bandhan Financial Services Limited (Promoter)	0	0.00
	(c)	Financial Inclusion Trust (Promoter)	0	0.00
	(d)	North East Financial Inclusion Trust (Promoter)	0	0.00
	(e)	Bandhan Konnagar (Promoter Group)	0	0.00
	(f)	Bandhan AMC Limited (Promoter Group)	0	0.00
	(g)	Bandhan Mutual Fund Trustee Limited (Promoter Group)	0	0.00
	(h)	Bandhan Investment Managers (Mauritius) Limited (Promoter Group)	0	0.00
	(i)	Quadra Medical Services Private Limited (Promoter Group)	0	0.00
	(j)	Quadra Hospital and Medical Services Private Limited (Promoter Group)	0	0.00
	(k)	Gamma Spect- Imaging & Diagnostic Centre Private Limited (Promoter Group)	0	0.00
	(l)	Quadra Medical Research & Foundation Private Limited (Promoter Group)	0	0.00
	(m)	Bandhan Life Insurance Limited (Promoter Group)	0	0.00
	(n)	Bandhan Technologies Private Limited (Promoter Group)	0	0.00
	(o)	Bandhan Mutual Fund[1] (Promoter Group)[2]	20,45,476	0.13
	(p)	Novus Global Horizon Private Limited (Promoter Group)	0	0.00
	(q)	Bandhan Technologies Ltd. (UK) (Promoter Group)	0	0.00
	(r)	Bandhan Technologies INC (USA) (Promoter Group)	0	0.00
	(s)	Bandhan Technologies LLC, Dubai (Promoter Group)	0	0.00
		Sub-Total	**62,80,23,845**	**38.98**
(B)	**Public Shareholding**			
(1)	**Institutions**			
	(a)	Mutual Funds	25,13,60,830	15.60
	(b)	Alternative Investment Fund	2,94,33,450	1.83
	(c)	Banks	18,352	0.00
	(d)	Insurance Companies	7,88,98,741	4.90
	(g)	NBFCs registered with RBI	12,093	0.00
	(h)	Foreign Direct Investment	3,61,23,472	2.24
	(i)	Foreign Portfolio Investors (Category I)	30,84,61,475	19.15
	(j)	Foreign Portfolio Investors (Category II)	1,09,05,000	0.68
(2)	**Central Government/ State Government(s)/ President of India**			
	(a)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	11,38,632	0.07
(3)	**Non-Institutions**			
	(a)	Directors and their relatives (excluding independent directors and nominee directors)	2,000	0.00
	(b)	Key Managerial Personnel	3,600	0.00
	(c)	Investor Education and Protection Fund (IEPF)	13,47,905	0.08
	(d)	Resident Individuals holding nominal share capital up to ₹2 lakhs	16,75,37,380	10.40
	(e)	Resident Individuals holding nominal share capital in excess of ₹2 lakhs	5,15,45,333	3.20
	(f)	Non Resident Indians (NRI)	1,12,08,213	0.70
	(g)	Bodies Corporate	1,74,64,309	1.08
	(h)	Clearing Members	1,037	0.00
	(i)	HUF	68,72,525	0.43
	(j)	Trusts	1,06,14,122	0.66
	Sub-Total		**98,29,48,469**	**61.02**
	GRAND TOTAL (A+B)		**1,61,09,72,314**	**100**

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

[2] *Equity Shares held by the Promoter/ Promoter Group are neither under pledge nor under lock-in.*

Category-wise Shareholding



Debenture Trustee

The SEBI LODR requires companies, which have listed their debt securities, to disclose the names of their debenture trustees, with contact details, in their Annual Reports. Your Bank did not have any listed debt securities during the FY 2026. However, the details of the Debenture Trustee for unlisted NCDs are, as under:

IDBI Trusteeship Services Limited

Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai- 400001, India

Contact Nos.: 022-40807005, 022-40807000, +91 8097474605

Email ID: gauri@idbitrustee.com

Website: https://idbitrustee.com

Plant Locations

Being in the banking business, your Bank does not have any plant. However, your Bank had 6,355 Banking Outlets as on March 31, 2026. The total number of ATMs as on March 31, 2026 was 438. The locations of the banking outlets are displayed on your Bank's website.

Rating of Various Debt Instruments (As on March 31, 2026)

Details of rating of various debt instruments of your Bank for the FY 2026 have been provided in the Board's Report forming part of this Annual Report.

CEO and CFO Certification

The MD&CEO and the CFO of the Bank give annual certification on financial reporting and internal controls to the ACB/ Board in terms of Regulation 17(8) of the SEBI LODR. The quarterly/ annual certificate(s) on the financial results for all the quarters/ year were also placed before the ACB/ Board in terms of Regulation 33(2) of the SEBI LODR.

Secretarial Audit Report

The Bank has obtained a Secretarial Audit Report for the FY 2026, in Form MR-3, in terms of Section 204 of the Companies Act and Regulation 24A(1) of the SEBI LODR, from the Secretarial Auditor of your Bank, M/s. Makarand M. Joshi & Co., Company Secretaries (ICSI Firm Registration Number: P2009MH007000). The details of the same have been provided in the Board's Report, which forms part of this Annual Report.

Annual Secretarial Compliance Report

The Bank has obtained the Annual Secretarial Compliance Report for the FY 2026, in the format prescribed by the SEBI, in terms of Regulation 24A(2) of the SEBI LODR, read with the SEBI Master Circular dated July 11, 2023 (last updated on January 30, 2026), from the Secretarial Auditor of your Bank, M/s. Makarand M. Joshi & Co., Company Secretaries (ICSI Firm Registration Number: P2009MH007000). The said Report has been duly filed with the Stock Exchanges and has been uploaded to the website of your Bank at https://bandhan.bank.in/corporate-governance/secretarial-compliance-report.

Compliance Certificate

A Certificate from M/s Makarand M. Joshi & Co., Company Secretaries (ICSI Firm Registration Number: P2009MH007000), regarding compliance with the conditions of Corporate Governance, as stipulated in the SEBI LODR, is annexed to this Report and forms part of the Annual Report.

Certificate on Non-Disqualification of Directors

None of the Directors of the Bank has been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI or the MCA or any such statutory authority. A Certificate to this effect from M/s. Makarand M. Joshi & Co., Company Secretaries (ICSI Firm Registration Number: P2009MH007000) is annexed to this Report forming part of the Annual Report.

Directors E-KYC

The MCA notified the Companies (Appointment and Qualification of Directors) Amendment Rules, 2025, effective March 31, 2026, simplifying the DIN KYC process by replacing the annual Form DIR-3 KYC filing with a triennial KYC intimation. All Directors of the Bank are in compliance with the said requirements.

Other Useful Information for Shareholders

1) Unpaid/ Unclaimed Dividends

Pursuant to provisions of Sections 124 and 125 of the Companies Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('**IEPF Rules**'), any dividend declared by your Bank, which remains unclaimed or unpaid for a period of seven years from the date of transfer to the respective

Unpaid Dividend Account of the Bank, is liable to be transferred to the Investor Education and Protection Fund ('**IEPF**').

Further, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to the IEPF Authority. However, the said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of such shares or where such shares are pledged or hypothecated under the provisions of the Depositories Act, 1996.

During the FY 2026, your Bank has transferred unpaid/ unclaimed dividends declared by it in the year 2018 to the IEPF Authority. Further, GRUH Finance Limited ('**GRUH**') amalgamated into and with your Bank with effect from October 17, 2019, and in light of the aforesaid provisions, the equity shares issued by your Bank as against the equity shares held by the Shareholders of erstwhile GRUH and unclaimed dividend pertaining to such equity shares not claimed for seven consecutive years were required to be transferred to the IEPF during the FY 2026. Accordingly, the dividends that remained unclaimed for seven years, have been transferred to the IEPF during the FY 2026. Further, such equity shares, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of the IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF Authority during FY 2026 are, as follows:

Pertaining to FY 2017-18	Amount of unclaimed dividend transferred (in ₹)	Number of shares transferred
Bandhan Bank	1,22,639	7,854
GRUH Finance	31,77,447	77,656

The concerned shareholder/ claimant, who has a legitimate claim on the transferred dividends/ shares, may claim the same from the IEPF Authority by following the below-mentioned process:

1. Make a request to the Bank/ RTA, along with physical copy of the requisite documents as enumerated in the web based Form IEPF – 5 and IEPF Rules, duly signed, in original, for issuance of 'Entitlement Letter', addressed to Nodal Officer, at the Head Office of your Bank or the address of RTA'. (*In terms of IEPF Circulars, the Bank is required to verify all the documents before issuing Entitlement Letter. Accordingly, you are requested to submit the original documents complete in all respects pertaining to the claim to the Bank or its RTA.*)

2. After due verification of documents by RTA/ the Bank, an Entitlement Letter would be issued. On receipt of the Entitlement Letter, make an application in web based Form IEPF-5 available at https://iepf.gov.in/IEPF/corporates.html, along with the Entitlement Letter; and

3. Thereafter, send the self-certified copy of Form IEPF-5, along with acknowledgement generated on filing of Form IEPF-5, and a signed copy of the Indemnity Bond, to the Bank/ RTA. Additionally, the Shareholders/ claimants may scan the whole set of documents and send the same to the Bank by e-mail at companysecretary@bandhanbank.com to enable quick processing, followed by original physical copy.

Further, in terms of the provisions of the IEPF Rules, your Bank is required to submit the e-verification report to the IEPF Authority within 30 days. In case the original documents complete in all respect are not received by your Bank well within 30 days from the date of submitting details of despatch on MCA website by the claimant, your Bank would be bound to file e-verification report for rejection of such claims. Upon submission of e-verification report by your Bank, the IEPF Authority shall verify the documents as submitted by such shareholder and may approve/ reject such claim.

In the interest of the Shareholders, your Bank has sent reminders to the Shareholders to claim their dividends/ equity shares, three months before the due date for transfer to IEPF Authority. Notices in this regard were also published in the newspapers, and the details of unclaimed dividends and Shareholders whose shares were liable to be transferred to the IEPF Authority are available on its website under the investor relations section https://bandhan.bank.in/unclaimed-dividend.

The following tables give information relating to unclaimed dividends and the dates by which they can be claimed by the Shareholders from your Bank. The unclaimed dividends, thereafter, shall be transferred to the IEPF as stated above.

a. For Shareholders of the Bank:

Financial Year	Date of Declaration of Dividend	Last date for claiming Dividend
2018-19	June 28, 2019	August 02, 2026
2019-20	No dividend declared	Not Applicable
2020-21	August 06, 2021	September 06, 2028
2021-22	No dividend declared	Not Applicable
2022-23	August 18, 2023	September 16, 2030
2023-24	August 20, 2024	September 19, 2031
2024-25	August 21, 2025	September 20, 2032

b. For Shareholders of erstwhile GRUH which has merged with the Bank:

Financial Year	Date of Declaration of Dividend	Last date for claiming Dividend
2018-19	July 19, 2019	August 22, 2026

2) Payment of Dividend through Electronic mode

In terms of Regulation 12 read with Schedule I of the SEBI LODR, every listed entity is required to mandatorily make all payments to Shareholders, including Dividend, through any RBI approved electronic mode of payments, viz., Direct Credit, Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT), Electronic Clearing Service (ECS), National Automated Clearing House (NACH), etc. Your Bank is entitled to use the bank account details of the Shareholders available with it/ Depository Participant to facilitate payment through electronic mode. The dividend shall be paid only through electronic means, as mentioned above or as may be specified by RBI from time to time.

Therefore, all Shareholders of the Bank are requested to update details relating to their respective bank account numbers, including nine digit MICR codes and 11-digit IFSC codes, email addresses and mobile numbers with their respective Depository Participants (in case shares are held in dematerialised mode) or with your Bank's RTA (in case shares are held in physical mode), by submission of form ISR-1 to RTA, along with relevant supporting documents.

3) Information for Physical Shareholders

Compulsory Furnishing of Documents/ Details:

As an on-going measure to enhance the ease of doing business for investors in the securities market, the SEBI had issued various circulars from time to time, which were rescinded vide its Master Circular for Registrars to an Issue and Share Transfer Agents (RTAs) dated February 06, 2026 ('**SEBI Master Circular**'). The SEBI Master Circular has mandated furnishing of PAN, Contact details (Postal Address with PIN and Mobile Number), Bank Account details and Specimen Signature for corresponding folio by all holders of physical securities.

The SEBI Master Circular, read with SEBI Circular dated June 10, 2024, further mandated that the security holder(s) whose folio(s) do not have PAN, KYC details including Contact Details, Bank Account Details and Specimen Signature updated, shall be eligible:

- to lodge grievance or avail any service request from the RTA, only after furnishing PAN and KYC details.
- for any payment including dividend, interest or redemption payment in respect of such folios, only through electronic mode with effect from April 01, 2024, only after furnishing PAN and KYC details.

Members holding shares in physical mode and who have not yet updated their KYC, including e-mail address, if any, mobile no., bank details, etc., are requested to update the same by submitting duly filled in Form ISR-1 with relevant documents to the RTA or the Bank. Similarly, for updation of signature, Form ISR-2; for nomination, Form No. SH 13; and for change/ cancellation in nomination, Form No. SH 14, duly filled in all respect, with relevant documents, shall be submitted to the RTA or the Bank. The detailed process of submission of PAN, KYC details and nomination, along with necessary forms, are available on the website of your Bank at www.bandhan.bank.in/sebi-circular.

Special Window for Re-Lodgement of Transfer Requests of Physical Shares

The SEBI, vide its Circular dated July 02, 2025, on 'Ease of Doing Investment – Special Window for Re-lodgement of Transfer Requests of Physical Shares', in order to facilitate ease of investing for investors and to secure the rights of investors in securities purchased, had opened a Special window from July 07, 2025 to January 06, 2026, for re-lodgement of transfer deeds that were lodged prior to April 01, 2019, by the Shareholders holding shares in physical mode, and rejected/ returned due to deficiency of documents, with requisite documents with the RTA of the Bank.

Further, SEBI vide its Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, in order to further facilitate investors in obtaining rightful access to their securities has opened another special window for the transfer and dematerialization of physical securities which were sold/purchased prior to April 01, 2019, for a period of one year from **February 05, 2026 to February 04, 2027.**

Saksham Niveshak

The Investor Education and Protection fund Authority ('**IEPFA**'), Ministry of Corporate Affairs (MCA) had vide letter dated July 16, 2025, had launched a 100-day campaign titled 'Saksham Niveshak', running from July 28, 2025 to November 06, 2025. This national drive was aimed at empowering Shareholders by creating awareness about unclaimed dividends held by companies and guiding them through the process of updating their KYC and nomination details to reclaim their rightful dividend. The campaign encouraged companies to proactively reach out to their Shareholders, helping them recover unclaimed dividends and resume the regular receipt of dividends by updating essential records. Further, in continuation to the earlier IEPF 100-days campaign, IEPFA, through their communication dated March 27, 2026, had requested companies to initiate the Second 100-days Campaign - 'Saksham Niveshak' focusing on Shareholders whose dividend remain unclaimed, with an emphasis on KYC updation and related compliance measures. Your Bank has been participating in these initiatives and has also submitted the reports to the IEPFA on the same. Timely action by Shareholders will ensure that their dividends and underlying shares are not transferred to IEPFA. Your Bank informs Shareholders about unclaimed dividends by posting details on its website, sending e-mails, and publishing newspaper notices, which are also submitted to the Stock Exchanges. Additionally, it also sends annual e-mails for KYC update requests to Shareholders with physical holdings and sends quarterly emails encouraging Shareholders to update their KYC, bank mandates, and e-mail IDs. These requests are also included in various communications, such as, AGM/ Postal Ballot Notices, Annual Reports and various newspaper notices published by your Bank, from time to time.

4) Total fees for all services paid by your Bank to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Your Bank did not have any subsidiary as on March 31, 2026. The details of the fees paid to M/s. Singhi & Co., Chartered Accountants (till conclusion of the 11th AGM), M/s. V. Sankar Aiyar & Co., Chartered Accountants, and M/s. V. Singhi & Associates, Chartered Accountants (from the conclusion of 11th AGM), Joint Statutory Auditors of the Bank, for FY 2026, are, as under:

Nature of Services	Amount in ₹ Crore
Audit Fees	1.65
Certification and Other Fees to Auditors	1.13
Tax Audit Fees	0.10
Others (Out of Pocket Expenses & Taxes)	0.86
Total	**3.74**

The Shareholders, at their 11th AGM held on August 21, 2025, have approved the audit fees of the Joint Statutory Auditors ₹1.65 crore for FY 2026 and onwards, as may be allocated by your Bank between the Joint Statutory Auditors and as may be mutually agreed by them, depending upon their respective scope of work. It also approved that additionally, the Joint Statutory Auditors would be paid certification and other fees, out-of-pocket expenses, outlays and taxes, as applicable, with the Board/ACB having the power to alter and vary the terms and conditions of remuneration, including allocation of overall audit fees between the Joint Statutory Auditors depending upon their respective scope of works and/ or by reason of necessity, on account of conditions as may be stipulated by the RBI and/ or any other authority, in such manner and to such extent as may be mutually agreed between the Bank and the said Joint Statutory Auditors. Further, it was also mentioned that the remuneration paid to the Joint Statutory Auditors will be disclosed in the Report on Corporate Governance as well as the Annual Financial Statement of your Bank.

Accordingly, the fees paid to the Joint Statutory Auditors, duly approved by the ACB and the Board under the power given by the Shareholders, are disclosed hereinabove as well as in the notes to the Annual Financial Statement forming part of this Annual Report.

5) Equity Shares in the Unclaimed Suspense Account

In terms of Regulation 39(4) read with Schedule VI of the SEBI LODR, the details of Equity shares lying in the Unclaimed Suspense Account are given below, which include the equity shares issued by your Bank, pursuant to the amalgamation of GRUH into and with your Bank, against shares lying in the suspense account of erstwhile GRUH:

Particulars	No. of Cases	No. of Shares
Aggregate number of Shareholders and the outstanding shares as on April 01, 2025	81	1,11,335
Shareholders who approached the Bank for transfer of shares during the FY	-	-
Shareholders to whom shares were transferred during the FY	-	-
Shareholders whose shares were transferred to the demat account of the IEPF Authority as per Section 124 of the Companies Act	33	33,848
Shareholders whose shares got transferred to the Unclaimed Suspense Account during the FY 2026	-	-
Aggregate number of Shareholders and the outstanding shares as on March 31, 2026	48	77,487

The voting rights on the equity shares lying in the suspense account as on March 31, 2026 shall remain frozen until the rightful owner claims such shares.

6) Equity Shares in the Suspense Escrow Demat Account

As per the requirements of various circulars issued by SEBI from time to time, which were consolidated vide its Master Circular for Registrars to an Issue and Share Transfer Agents (RTAs) dated February 06, 2026 (‘**SEBI Master Circular**’), in case the securities holder/ claimant fails to submit the demat request within 120 days of issue of Letter of Confirmation, your Bank was required to credit the said securities to a Suspense Escrow Demat Account, held purely on behalf of the security holders who are entitled to the securities and such securities shall not be transferred in any manner whatsoever except for the purpose of moving the securities from Suspense Escrow Demat Account to the security holder’s/ claimant’s demat account as and when the security holder/ claimant approaches your Bank. Further, corporate benefits in terms of securities, viz., bonus, split, etc., accruing on such securities shall be credited to the Suspense Escrow Demat Account. Accordingly, your Bank has a Suspense Escrow Demat Account. The details of Equity shares lying in the Unclaimed Escrow Demat Account is given below:

Particulars	No. of Cases	No. of Shares
Aggregate number of Shareholders and the outstanding shares as on April 01, 2025	1	7,384
Shareholders whose shares were transferred due to non-submission of demat request within specified timeline of 120 days	-	-
Shareholders to whom shares were transferred during the FY	-	-
Shareholders whose shares were transferred to the demat account of the IEPF Authority as per Section 124 of the Companies Act, if any	-	-
Aggregate number of Shareholders and the outstanding shares as on March 31, 2026	1	7,384

7) Disclosure of certain types of agreements binding the Bank

Neither your Bank has entered into any agreement nor your Bank has been informed about any agreement, which is binding on it, by any of its Shareholders, Promoters, Promoter Group Entities, related parties, Directors, KMP and employees, requiring disclosure under Clause 5A of Para A of Schedule III to the SEBI LODR.

8) Green Initiative in Corporate Governance

In furtherance of the 'Green Initiative in Corporate Governance' initiated by the MCA, your Bank once again requests all the Shareholders, holding shares in dematerialised form and who have not yet registered their e-mail address, to register their respective e-mail addresses with their concerned Depository Participants for receiving notice/ documents, including Annual Report, in electronic mode. Shareholders who hold shares in physical form and who have not yet registered their e-mail address are requested to register their e-mail address by submitting details in form ISR- 1 as explained above, with KFin, RTA of your Bank.

For and on behalf of the Board of Directors
Bandhan Bank Limited

Partha Pratim Sengupta
Managing Director & Chief Executive Officer
(DIN: 08273324)

Rajinder Kumar Babbar
Executive Director & Chief Business Officer
(DIN: 10540386)

Ratan Kumar Kesh
Executive Director & Chief Operating Officer
(DIN: 10082714)

Place: Kolkata
Date: July 21, 2026

Declaration as prescribed under Para D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I confirm that for the Financial Year ended March 31, 2026, the members of the Board of Directors and the Senior Management Personnel of the Bank have affirmed compliance with the provisions of the Bank's Code of Conduct for Board of Directors and the Code of Conduct for Senior Management, respectively.

Partha Pratim Sengupta
Managing Director & Chief Executive Officer
(DIN: 08273324)

Place: Kolkata
Date: April 27, 2026

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

[Pursuant to Para E of SCHEDULE V to the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Bandhan Bank Limited
DN-32, Sector V Salt Lake,
Kolkata 700091, West Bengal, India

We have examined the compliance of conditions of Corporate Governance by **Bandhan Bank Limited** ('**the Bank**'), having CIN: L67190WB2014PLC204622, for the Financial Year ended on March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Paras C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**Listing Regulations**').

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Bank, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Paras C, D and E of Schedule V to the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Bank to ensure the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

We further state that this certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Certificate No.: 6832/2025

Bhavisha Jewani
Partner
FCS No. 8503
CP No. 9346
UDIN: F008503H000906191

Date: July 21, 2026
Place: Mumbai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) read with Schedule V–Para C–Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members
BANDHAN BANK LIMITED
DN-32, Sector V Salt Lake,
Kolkata, West Bengal, India, 700091

We have examined the relevant disclosures provided by the Directors of **BANDHAN BANK LIMITED** (hereinafter referred to as '**the Bank**'), having **CIN: L67190WB2014PLC204622** and having registered office at DN-32, Sector V, Salt Lake, Kolkata, West Bengal, India, 700091 produced before us by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V–Para C–Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information based on (i) documents available on the website of Ministry of Corporate Affairs, BSE Limited and National Stock Exchange of India Limited (ii) Verification of Directors Identification Number ('**DIN**') status at the website of Ministry of Corporate Affairs and (iii) disclosures provided by the Directors to the Bank, we hereby certify that none of the Directors on the Board of the Bank (as enlisted in Table) have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on March 31, 2026.

Sr. No.	Name of the Directors	DIN	Date of appointment	Date of Re-appointment
1.	Dr. Anup Kumar Sinha	08249893	07/01/2019	07/01/2022
2.	Mr. Partha Pratim Sengupta	08273324	01/11/2024	-
3.	Mr. Rajinder Kumar Babbar	10540386	08/03/2024	-
4.	Mr. Ratan Kumar Kesh	10082714	31/03/2023	31/03/2026
5.	Mr. Narayan Vasudeo Prabhutendulkar	00869913	08/05/2020	08/05/2023
6.	Mr. Vijay Nautamlal Bhatt	00751001	08/05/2020	08/05/2023
7.	Mr. Subrata Dutta Gupta	08767943	19/03/2021	19/03/2024
8.	Mr. Suhail Chander	06941577	19/03/2021	19/03/2024
9.	Mr. Arun Kumar Singh	09498086	24/06/2024	24/06/2025
10.	Ms. Veni Thapar	01811724	27/06/2025	-
11.	Mr. Avijit Mukerji	03534116	25/09/2025	-
12	Mr. Gauri Prosad Sarma	09107885	28/10/2025	-
13.	Mr. Debashish Mukherjee	08193978	25/03/2026	-

1. *Dr. Allamraju Subramanya Ramasastri ceased to be a Director of the Bank, with effect from the close of business hours on June 30, 2025*
2. *Dr. Aparajita Mitra ceased to be a Director of the Bank, with effect from July 13, 2025*
3. *Ms. Divya Krishnan ceased to be a Director of the Bank, with effect from the close of business hours on August 27, 2025*
4. *Mr. Philip Mathew ceased to be a Director of the Bank, with effect from the close of business hours on June 14, 2025*
5. *Mr. Santanu Mukherjee ceased to be a Director of the Bank, with effect from December 16, 2025*

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Bank. Our responsibility is to express an opinion on the basis of our verification.

This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Certificate No.: 6832/2025

Bhavisha Jewani
Partner
FCS No. 8503
CP No. 9346
UDIN: F008503H000906235

Date: July 21, 2026
Place: Mumbai

Annex - 5

Management Discussion & Analysis Report

A. Global and Indian Economic Scenario

Global economy – uneven growth prospects amid heightened uncertainty

In 2025, the global economy exhibited a stable overall performance, though this stability masked a range of contrasting underlying forces. According to the World Economic Outlook ('**WEO**') July 2026 report, the International Monetary Fund ('**IMF**') forecasts global Gross Domestic Product ('**GDP**') growth at 3.0 per cent. in 2026, and 3.4 per cent. in 2027, down from the average of 3.5 per cent. observed in FY2024-25, indicating a gradual and measured recovery trajectory. Challenges arising from evolving trade policies and elevated uncertainty were counterbalanced by strong momentum from technology-driven investments, particularly in Artificial Intelligence ('**AI**'), alongside supportive fiscal and monetary policies and generally accommodative financial conditions. However, the global economy now faces renewed disruption, stemming from the outbreak of conflict in the Middle East at the end of February 2026.

Global inflation is expected to pause its steady decline and is projected to rise from 4.1 per cent. in 2025 to 4.7 per cent. in 2026 before easing to 3.9 per cent. in 2027, with the increase for 2026 driven mainly by higher energy and food prices. Inflation trends are likely to vary across economies, driven by differences in exchange-rate transmission, the sustained strength of services inflation, labor market conditions, and the increasing influence of country-specific factors. In several major economies, core inflation is projected to decline towards central bank targets only gradually. It is expected to reach target levels by mid-2027 in the United Kingdom ('**UK**'), by late 2027 in both Japan and the United States ('**US**'), and not until 2028 in the Euro Area[1]. In China, inflation is anticipated to edge higher from its currently subdued levels.

The escalation of conflict in the Middle East has triggered a shift towards risk aversion, resulting in a moderate tightening of global financial conditions, although they remain accommodative by historical standards. Concerns regarding a potential resurgence in inflation have led to rising bond yields and declining equity market valuations. Emerging markets, particularly commodity-importing economies and those with existing structural vulnerabilities, have been disproportionately affected. Meanwhile, the US dollar has appreciated modestly, reinforcing its role as a safe haven currency. Despite these developments, overall market volatility has remained relatively contained, although geopolitical tensions and other factors have contributed to significant fluctuations in safe haven assets.

Global public debt dynamics showed little improvement in 2025, and the onset of conflict in the Middle East has introduced an additional layer of fiscal pressure to an already constrained environment. According to the IMF Fiscal Monitor April 2026 report, global gross government debt reached approximately 94 per cent. of GDP in 2025 and, if current trends persist, is expected to rise to 100 per cent. by 2029, a level previously observed only in the aftermath of World War II. A key concern lies not only in the elevated debt levels but also in the projected trajectory under existing fiscal policies. The same IMF report highlights a sharp increase in interest payments, which have risen from 2 per cent. to nearly 3 per cent. of global GDP within just four years, as governments refinance debt at higher prevailing interest rates.

Recent advancements in AI, particularly the emergence of agentic AI, present the potential for substantial productivity enhancements. However, the transition may not be without challenges. There have been concerns regarding market optimism surrounding these technologies may have outpaced underlying fundamentals, raising the possibility of future price corrections. Additionally, rapid technological change could also result in creation of new job profiles while putting some of the current ones at risk.

Climate change continues to pose significant risks to the global economy, with leading institutions emphasizing the urgency of the issue. The United Nations Environment Programme's Emissions Gap Report 2025 projects that global temperatures are likely to exceed 1.5°C above pre-industrial levels within the next decade. Key contributing factors include the expansion of middle-income populations in emerging markets and the rapid growth of energy-intensive AI infrastructure. Projections indicate that by 2030–2035, data centres alone could account for up to 20 per cent. of global electricity consumption, placing considerable strain on already stressed power systems[2]. Taken together, these developments highlight the critical need for coordinated international action to mitigate climate risks and strengthen adaptation measures to ensure long-term economic resilience.

Indian economy – remains steady amid heightened uncertainty elsewhere

The revised national accounts, incorporating the updated base year of FY2022–23, confirm the sustained strength of domestic economic activity during FY2025-26. As per the National Statistical Office ('**NSO**'), real GDP growth for FY2025-26 is estimated at 7.7 per cent., reflecting an improvement over the 7.1 per cent. recorded in FY2024-25. This acceleration in growth has been primarily driven by robust expansion in Private Final Consumption Expenditure ('**PFCE**') and Gross Fixed Capital Formation ('**GFCF**'), which registered increases of 7.7 per cent. and 8.2 per cent., respectively[3].

[1] World Economic Outlook (WEO), IMF, July 2026

[2] https://iee.psu.edu/news/blog/why-ai-uses-so-much-energy-and-what-we-can-do-about-it

[3] Ministry of Statistics & Programme Implementation

Private consumption continued to serve as the dominant component of aggregate demand during the year, with PFCE growth rising by nearly 2 percentage points in FY2025-26 from 5.8 per cent. in the previous two fiscal years. Consumption demand continues to be supported by strengthening conditions in both rural and urban areas, aided by measures such as rationalisation of Goods and Services Tax ('**GST**') rates and accommodative monetary policy. Nevertheless, latest consumer confidence survey by Reserve Bank of India ('**RBI**') displayed signs of moderation in March 2026, after showing improvement for much of the year, indicating concerns over potential spill-over effects from persistent external uncertainties.

Capital formation remained on a steady trajectory, supported by favourable financial conditions and ongoing structural reforms. Although investment activity showed some softness in the first quarter of FY2025-26, momentum regained considerable strength in the subsequent later quarters. As per early estimates, capacity utilisation of the manufacturing sector at 75.2 per cent. in Q4 FY2025-26[4] remains above the long-term average of 74.0 per cent., indicating strengthened industrial momentum.

Government consumption expenditure continued to provide support to overall economic growth, even as fiscal consolidation efforts progressed. For FY2026-27, the budget estimates further reduction in the Gross Fiscal Deficit ('**GFD**') to 4.3 per cent. of GDP from 4.8 per cent. in FY2024-25, reaffirming the commitment to fiscal discipline[5].

Despite persisting external headwinds, India's merchandise exports demonstrated resilience, while services exports continued to perform strongly, thereby providing support to external demand. According to the RBI data, the overall trade deficit (goods and services) widened to USD 120.7 billion in FY2025-26, compared to USD 98.1 billion in the previous year. This deterioration was primarily due to import growth (6.5 per cent.) outpacing the growth in exports (4.6 per cent.).

In summary, domestic demand conditions were bolstered by policy measures such as GST rationalisation, direct tax cuts, accommodative monetary policy, benign inflation, ongoing structural reforms, and improving employment trends. However, net external demand exerted a drag on growth amid an uncertain and volatile global environment. From the supply side, growth in gross value added was driven by a strong services sector alongside a gradual strengthening in industrial activity. Looking ahead, progress in trade agreements with key global partners is expected to enhance India's growth prospects. At the same time, risks persist due to geopolitical tensions, elevated commodity prices, and disruptions in global supply chains. Policy initiatives aimed at securing alternative sources for critical inputs are anticipated to mitigate the adverse effects arising from geopolitical developments, particularly those linked to the West Asia region.

[4]RBI Bulletin June 2026

[5]Union Budget 2026-27

B. Indian Banking Sector: Key Developments

Indian Banking Sector: Robust and healthy

During FY2025-26, deposits grew at 13.5 per cent. year-on-year, tad behind the credit offtake which grew at 16.1 per cent. The gap between yearly growth of credit and deposits in a Financial Year widened from approx. 74 bps in FY2024-25 to 260 bps in FY2025-26. Consequently, the Credit-to-Deposit ('**CD**') ratio stood at 81.4 per cent. from 80.8 per cent. in the previous year for all Scheduled Commercial Banks ('**SCBs**').

Overall credit growth accelerated in FY2025-26 as compared to the previous year. The growth drivers in the bank credit were broad-based. Having said that, technical tweak in reporting of fortnightly balance sheet data has also led to some swelling of credit growth in FY2025-26.

a. Personal Loans (Retail Loans incl. Housing Loans) growth accelerated to 16.2 per cent. in the FY2025-26 from 11.7 per cent. in the previous Financial Year, Housing and Gold Loans remained robust at 11.5 per cent. and 123.1 per cent., respectively, against 10.7 per cent. and 103.5 per cent., respectively, in the previous year. Gold Loans, in fact with roughly 2 per cent. credit share, has contributed roughly 26 per cent. of the incremental retail credit growth in FY2025-26. Housing credit has contributed 36 per cent. of the incremental growth in personal loans.

b. Credit growth to services sector rose by 19.0 per cent. in FY2025-26 as compared to 12.0 per cent. in FY2024-25. Within the services sector, Non-Banking Financial Companies ('**NBFCs**') remained the largest recipient of bank credit, with lending to them improving following the withdrawal of the additional risk weights effective April 1, 2025. Credit to services excluding NBFCs also expanded at a steady pace. Segments such as trade and commercial real estate recorded robust growth.

c. Credit growth related to Agriculture and allied activities also remained robust at 15.7 per cent. as compared to 10.4 per cent. in the previous year.

d. Industrial credit continued to expand at a robust pace of 15.0 per cent. in FY2025-26. Lending to micro and small enterprises witnessed a significant acceleration, growing by 33.1 per cent., while credit to medium and large industries remained steady at 21.7 per cent. and 8.9 per cent., respectively. Notably, micro and small enterprises accounted for the largest share of incremental industrial credit in FY2025-26, marking the highest contribution since the COVID period. The sustained flow of credit to the MSME sector was facilitated by several regulatory initiatives, including the enhancement of limits under the Credit Guarantee Fund Trust for Micro and Small Enterprises ('**CGTMSE**') scheme, the introduction of a tailored credit card scheme for micro enterprises, the expansion of digital and fintech-based lending through bank-led co-lending frameworks, and the revised definition of MSMEs, among other measures.

Sector	Growth (year-on-year)	
	FY2025-26	FY2024-25
Agriculture & allied activities	15.7%	10.4%
Industries	**15.0%**	**8.2%**
I. Micro and Small	33.1%	8.9%
II. Medium	21.7%	18.5%
III. Large	8.9%	6.9%
Services	**19.0%**	**12.0%**
Personal	**16.2%**	**11.7%**

e. As per the Financial Stability Report ('**FSR**') of RBI (June 2026), Gross Non-Performing Asset ('**GNPA**') ratio of SCBs fell to a multi-decadal low of 1.8 per cent. in March 2026 whereas the Net Non-Performing Assets ('**NNPA**') ratio remained at a record low of 0.4 per cent. At the aggregate level, the Liquidity Coverage ratio ('**LCR**') and Net Stable Funding Ratio ('**NSFR**') of SCBs moderated to 124.2 per cent. and 122.1 per cent., respectively, though all bank groups continued to maintain liquidity buffers well above the respective regulatory minimum levels.

f. Supported by higher credit volumes, growth in Net Interest Income ('**NII**') of SCBs recorded a modest improvement of 4.0 per cent. year-on-year in March 2026. The growth in profit of SCBs slowed in March 2026, as indicated by Profit After Tax ('**PAT**') growth at 7.2 per cent. compared to double digit growth in FY2023-24 and FY2024-25[6].

Potential threats

Spill-overs from external sectors- The West Asia war has disrupted global energy supplies and have resulted in heightened price rise across crude and gas segments. With India getting 40 per cent. and 60 per cent. of its crude and natural gas imports, respectively, from the Strait of Hormuz, higher persistent energy prices could widen Current Account Deficit ('**CAD**') while adversely impacting growth-inflation dynamics. This poses downside risks for multiple sectors – directly impacting credit growth and potentially increasing slippages. As in 2025, heightened global uncertainties linked to policy and trade continue to remain a critical headwind and have the potential to interact with existing vulnerabilities and amplify adverse shocks, which could also be a drag to India's export-linked credit demand.

Financialization of savings – In recent years, alternative financial instruments like mutual funds, equities, and insurance-linked products have gained traction — driven by rising financial literacy, digital investment platforms, and strong post-pandemic capital market returns. This could result in drawing funds away from CASA balances towards these market-linked alternatives, impacting system level deposit growth. Hence, banks would be required to innovate their liability products and offer competitive, inflation-adjusted returns to attract household savings.

Disruptive Technologies – The rapid evolution of AI and Machine Learning ('**ML**') is fundamentally altering the financial services landscape, posing a significant threat to traditional banking. These technologies enable new entrants—often leaner, digital-native, and more agile—to deliver financial products with unprecedented speed, personalization, and efficiency. In response, the RBI has constituted an AI governance committee mandating explainability, audit trails, and data localisation — signalling that technology risk management is now central to prudential oversight. Traditional banks need to adapt quickly and redefine their role in a tech-first financial environment to avoid the risk of losing control.

Climate Risks – Climate-related events have evolved from isolated occurrences to systemic threats with direct implications for the stability and resilience of the Indian banking industry. Physical risks — including floods, droughts, and extreme heat events — increasingly impair borrower repayment capacity, thereby pressuring banks' asset quality and provisioning norms. Transition risks, arising from policy shifts and market realignments towards a low-carbon economy, carry the potential to devalue carbon-intensive assets and fundamentally alter the credit landscape for banks. It is therefore imperative for banks to proactively integrate climate resilience into their credit underwriting, enterprise risk management, and governance frameworks, rather than treat it as a peripheral disclosure exercise.

Cybersecurity related risks – The cybersecurity threats are evolving, driven by rapid technological change and increasing sophistication of the threats. Phishing attacks, ransomware, and AI-powered fraud schemes are increasingly targeting retail customers, UPI ecosystems, and core banking infrastructure. In this context, regulatory mandates from the RBI — including directives on IT risk governance, cyber resilience frameworks, and incident reporting — are compelling banks to significantly strengthen their cybersecurity postures and invest in real-time threat intelligence capabilities. With focus on cyber-security and customer protection, the RBI had also constituted a Working Group on Digital Lending including lending through Online Platforms and Mobile Apps.

C. Strategy

Your Bank stands at an important point in its evolution, having completed a decade of building a differentiated and trusted banking franchise rooted in financial inclusion, customer-centricity and disciplined execution. Over the years, your Bank has established a strong foundation of resilience, operational scale and customer trust across geographies. Building on this foundation, your Bank is continuing its progress towards the next phase of its journey under the broader vision of "Bandhan 2.0" – a forward-looking roadmap aimed at positioning the institution as a diversified, digitally advanced

[6]RBI Financial Stability Report (June 2026)

and future-ready universal bank. The strategy reflects a calibrated balance between continuity and transformation, combining its inclusive heritage with the sophistication, governance standards and technological depth required in a rapidly evolving banking landscape.

Your Bank remains focused on strengthening its presence across geographies and customer segments while preserving the quality and stability of its balance sheet. The strategic emphasis is on expanding the share of business from non-eastern geographies, deepening penetration in metro and urban markets, and broadening relationships across retail, MSME, agri-allied and emerging customer segments, while continuing to maintain its strong connect with rural and semi-urban India. Through calibrated vertical and horizontal expansion, your Bank aims to create a more diversified and balanced business franchise that is resilient across economic cycles and capable of delivering sustainable long-term growth.

A strong risk and governance framework continues to remain central to your Bank's growth philosophy. Your Bank has further strengthened its enterprise-wide risk management architecture through enhanced credit appraisal standards, sharper portfolio monitoring frameworks, stronger recovery and collection mechanisms, and continued investments in governance and compliance capabilities. Your Bank remains committed to embedding a prudent and risk-calibrated approach across businesses, ensuring that growth is supported by robust underwriting discipline, strong oversight mechanisms and responsible capital allocation. This emphasis on governance, compliance and risk management forms the bedrock of your Bank's strategy and supports long-term balance sheet resilience.

At the same time, your Bank continues to focus on strengthening its liability franchise and improving overall balance sheet quality. The strategic focus remains on building a granular and stable deposit base through deeper customer engagement, stronger relationship banking and differentiated product offerings aligned with evolving customer preferences. By driving growth in retail deposits and enhancing customer stickiness, your Bank aims to improve funding resilience, support sustainable asset growth and maintain a balanced liquidity profile. In parallel, your Bank is also focusing on improving capital efficiency and increasing the contribution of fee and other non-interest income streams through initiatives across transaction banking, payments, distribution and customer-led service propositions.

Your Bank is simultaneously undertaking a systemic transformation across people, process and technology to improve organisational effectiveness and execution capability. Your Bank continues to drive sharper accountability through KPI-led performance frameworks, streamlined decision-making structures and stronger alignment between strategic priorities and execution outcomes. By simplifying processes, improving operational efficiency and leveraging data-driven monitoring frameworks, your Bank aims to enhance productivity, accelerate decision velocity and create a more agile and responsive organisation capable of adapting to a rapidly changing operating environment.

Digital transformation remains a key pillar of your Bank's long-term strategy. Your Bank continues to invest in modernising its digital infrastructure, strengthening technology and AI capabilities and redesigning customer journeys to deliver seamless and intuitive banking experiences. The establishment of dedicated functions such as the Digital and Transaction Excellence Unit ('**DTEU**') and Customer Experience ('**CX**') reflects your Bank's strategic commitment towards building a technology-led institution. Through the integration of advanced technologies including AI and Machine Learning, your Bank aims to augment customer engagement, improve service delivery, strengthen operational efficiency and provide contextual, need-based and personalised banking experiences across channels. Your Bank is progressively moving towards a more frictionless and intelligent banking model that combines the strength of physical distribution with digital innovation.

Your Bank also recognizes that people and culture remain fundamental to the successful execution of its strategic agenda. Accordingly, it continues to invest in leadership development, capability building, employee engagement and performance-oriented human capital practices. Your Bank is committed to fostering a culture of accountability, ownership, meritocracy and continuous learning, enabling employees across levels to contribute meaningfully towards institutional growth. These initiatives are aimed at building a future-ready workforce, strengthening organisational capabilities and developing the next generation of leaders required to navigate an increasingly dynamic banking environment.

Beyond business priorities, your Bank remains deeply committed to its broader socio-developmental responsibilities through its CSR initiatives under "Empower". Your Bank continues to undertake focused interventions across education, healthcare, livelihood generation, climate action, skill development, financial literacy and community development. These initiatives reflect your Bank's belief that sustainable institutional growth must remain aligned with broader social progress and inclusive economic development.

Your Bank's strategy represents a thoughtful blend of modernization, diversification and mission continuity. While embracing technology, innovation and organisational transformation to remain competitive in a rapidly evolving financial ecosystem, your Bank continues to remain anchored to its founding principles of trust, inclusion and responsible banking. Through sustained investments in digital capabilities, governance frameworks, human capital and customer-centric growth, your Bank is positioning itself to emerge as a resilient, agile and future-ready institution capable of creating durable long-term value for its customers, employees, Shareholders and the communities it serves.

D. Financial Performance

The financial highlights for the Financial Year under review are presented below:

Summary of Financial Performance

(₹ in Crore)

Particulars	For the Financial Year ended	
	March 31, 2026	March 31, 2025
Deposits	**1,66,344.45**	**1,51,212.50**
Advances (Net)	**1,50,103.78**	**1,31,987.32**
Total Assets/Liabilities	**2,11,123.73**	**1,91,476.29**
Net Interest Income	10,829.69	11,490.58
Non-Interest Income	2,734.02	2,966.60
Less: Operating Expenses (excluding depreciation)	7,394.63	6,789.29
Profit before Depreciation, Provisions and Tax	**6,169.08**	**7,667.89**
Less: Depreciation	304.16	279.20
Less: Provisions	4,131.11	3,765.41
Profit Before Tax (PBT)	**1,733.81**	**3,623.28**
Less: Provision for Tax	510.25	877.98
Profit After Tax (PAT)	**1,223.56**	**2,745.30**
Balance in Profit & Loss Account brought forward from previous year	**10,227.51**	**8,679.13**
Amount available for appropriations	**11,451.07**	**11,424.43**
Less: Appropriations	577.13	1,196.92
Balance carried over to Balance Sheet	**10,873.94**	**10,227.51**
EPS (Basic) (in ₹)	**7.60**	**17.04**
EPS (Diluted) (in ₹)	**7.59**	**17.04**

Key Ratios

Particulars	FY2025-26	FY2024-25
Fee to total income	11.19%	11.91%
Cost to income	56.76%	48.89%
Earnings per share	₹7.60	₹17.04
Book value per share	₹153.62	₹145.32
Return on average assets	0.64%	1.53%
Return on average net worth	4.85%	11.57%
Operating Profit to Average Total Assets	3.06%	4.13%
Net Interest Margin	6.08%	7.07%
Capital Adequacy Ratio (including profits)	18.04%	18.71%
Gross NPA	3.27%	4.71%
Net NPA	0.97%	1.28%

The financial performance of your Bank during the Financial Year ended March 31, 2026, remained steady with the Total Net Revenue (Net Interest Income Plus Other Income) of ₹13,563.71 Crore during the FY2025-26. Net Interest Income for FY2025-26 stood at ₹10,829.69 Crore, decline of 5.8 per cent. over previous year, on account of moderation in Net Interest Margin ('**NIM**') led by continued expansion of secured book and impact of the repo rate cut. The NIM was 6.1 per cent. during FY2025-26 against 7.1 per cent. during the FY2024-25.

Operating (Non-Interest) Expenses increased to ₹7,698.79 Crore from ₹7,068.50 Crore during FY2025-26. The cost to income ratio increased to 56.8 per cent. for FY2025-26 as against 48.9 per cent. for FY2024-25, primarily driven by increase in cost to support the business growth, regulatory cost like Priority Sector Lending Certificates and strategic investment in manpower and technology, lower net total income on account of lesser ROI due to repo reduction by RBI, and one-time claim amounts received from National Credit Guarantee Trustee Company Limited in previous year, etc. During the Financial Year under review, your Bank has set up 240 new branches (including conversion of Housing Finance centres into branches) whereas employee strength stood at 75,397 at the end of March 31, 2026.

The Profit After Tax ('**PAT**') for FY2025-26 stood at ₹1,223.56 Crore. Consequently, the Return on Average Equity ('**ROAE**') was 4.8 per cent. and Return on Average Asset ('**ROAA**') was 0.6 per cent. for FY2025-26. The basic and diluted Earnings Per Share ('**EPS**') were ₹7.60 and ₹7.59, respectively, for FY2025-26. Improvement in the NPA ratios reflects improvement in the asset quality of your Bank's portfolio while maintaining comfortable capital adequacy ratio.

Reflecting on steady growth in the balance sheet, Total Liabilities (including capital and reserves) increased by 10.3 per cent. from ₹1,91,476.29 Crore as on March 31, 2025, to ₹2,11,123.73 Crore as on March 31, 2026, whereas Total Advances (Net) stood at ₹1,50,103.78 Crore, a growth of 13.7 per cent. over FY2024-25. Total Business of your Bank increased by 11.2 per cent. to ₹3,20,578 Crore [Gross Advances: ₹1,54,233 Crore (including Pass-Through Certificates ('**PTC**') of ₹562 Crore) and Deposits: ₹1,66,344 Crore as on March 31, 2026] from previous year of ₹2,88,207 Crore [Gross Advances: ₹1,36,995 Crore (including PTC of ₹265 Crore) and Deposits: ₹1,51,212 Crore as on March 31, 2025]. The Total Provisions and Contingencies (including tax provisions) was ₹4,641.36 Crore as compared to ₹4,643.39 Crore in FY2024-25.

Priority Sector Lending and Investment

RBI has mandated Priority Sector Lending ('**PSL**') of 40 per cent. of advances for all the banks. Your Bank continues to focus on financial inclusion by providing various financial services to the underserved. Your Bank's PSL was ₹67,120.44 Crore as on March 31,2026 and PSL as a proportion of preceding year's Adjusted Net Bank Credit ('**ANBC**') of ₹1,55,268 Crore was 43.22 per cent.

E. Disclosures relating to Internal Financial Control, Business Segment Wise Performance, Risk and Concerns, Development in Human Resources and Disclosure of Accounting Treatment for the Financial Year ended March 31, 2026, forms part of the Board's Report.

For and on behalf of the Board of Directors
Bandhan Bank Limited

Partha Pratim Sengupta
Managing Director & Chief Executive Officer
(DIN: 08273324)

Rajinder Kumar Babbar
Executive Director & Chief Business Officer
(DIN: 10540386)

Ratan Kumar Kesh
Executive Director & Chief Operating Officer
(DIN: 10082714)

Place: Kolkata
Date: July 21, 2026

Annex - 6

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR) – FY2025-26

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L67190WB2014PLC204622
2.	Name of the Listed Entity	Bandhan Bank Limited
3.	Year of Incorporation	2014
4.	Registered office address	DN-32, Sector V, Salt Lake, Kolkata - 700 091, West Bengal
5.	Corporate address	Floors 12-14, Adventz Infinity@5, BN-5, Sector V, Salt Lake City, Kolkata - 700 091, West Bengal
6.	E-mail	investors@bandhanbank.com
7.	Telephone	+91 33 6609 0909
8.	Website	www.bandhan.bank.in
9.	Financial year for which reporting is being done	April 1, 2025 – March 31, 2026
10.	Name of the Stock Exchange(s) where shares are listed	• National Stock Exchange of India Limited ('NSE') • BSE Limited ('BSE')
11.	Paid-up Capital	₹ 16,10,97,23,140
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report	Mr. Siddhartha Sanyal, Executive Vice President Telephone: 033-66090909 / 033-40456456 Email: info@bandhanbank.com
13.	Reporting boundary–Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Since the Bank does not have any subsidiary or associate companies, this report is made on a standalone basis.
14.	Name of assurance provider	CNK & Associates LLP
15.	Type of assurance obtained	Reasonable assurance of BRSR Core parameters

II. Products/services

16. Details of business activities *(accounting for 90% of the turnover):*

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Banking Products & Services	Bandhan Bank, as a universal bank, offers a broad suite of products and services across Personal, Business, NRI and Micro Banking segments, covering retail assets and liabilities, government banking, treasury, corporate and wholesale banking and third-party products. Its Micro Banking vertical drives financial inclusion by providing small-ticket loans and basic banking services to underserved segments, supporting income generation and economic empowerment.	100%

17. Products/Services sold by the entity *(accounting for 90% of the entity's turnover):*

Sl. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	Activities of commercial banks, Regional Rural Banks, Local Area Banks	641901	100%

Note: The NIC Code has been updated from 64191 (NIC 2008) to 641901 in line with the National Industrial Classification (NIC 2025) published by the Ministry of Statistics and Programme Implementation (MoSPI). The change is only on account of the revised classification and does not represent any change in the nature of the Company's principal business activity.

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not applicable	6,793*	6,793*
International		0	0

*Includes 4,400 banking units; 1,955 Branches and 438 ATMs

19. Markets served by the entity:

a.	**Number of locations**	Locations	Number
		National (No. of States & UTs)	Presence in all 35 states and Union Territories (except Lakshadweep)
		International (No. of Countries)	Not applicable
b.	**What is the contribution of exports as a percentage of total turnover of the entity?**	The Bank provides core banking services, including deposits and lending services within India. Owing to the nature of these services, export-related activities are not applicable to our banking operations.	
c.	**A brief on types of customers**	The Bank has 31.8 million customers. The Bank's customer base can typically be categorised into the following segments based on its business operations: **Retail Banking:** The retail banking services cater to individuals, salaried professionals, self-employed professionals, farmers, students, micro and small businesses, trusts, women groups, and entrepreneurs across metropolitan, urban, semi-urban and rural areas. These services include a range of loan products, deposit offerings, and other financial products and services. **Wholesale/Commercial Banking:** The wholesale banking services cater to corporates, government entities, financial institutions, educational institutions, MSMEs, and public sector undertakings (PSU). These services primarily include commercial and transactional banking solutions.	

IV. Employees

20. Details as at the end of FY2025-26

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1.	Permanent (D)	75,397	66,503	88%	8,894	12%
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total employees (D + E)**	**75,397**	**66,503**	**88%**	**8,894**	**12%**
			WORKERS			
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

Note:

1. All the employees of the Bank are on-rolls and there are no employees that are not on the rolls of the Bank. Accordingly, KPIs related to other than permanent employees are nil in any of the tables of the prescribed BRSR format.
2. The Bank does not employ any workers. Accordingly, KPIs related to workers are nil in any of the tables of the prescribed BRSR format.

b. Differently abled employees and workers

Sl. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			DIFFERENTLY ABLED EMPLOYEES			
1.	Permanent (D)	6*	6*	100%	0	0%
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total differently abled employees (D+E)**	**6***	**6***	**100%**	**0**	**0%**
			DIFFERENTLY ABLED WORKERS			
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	**Total differently abled workers (F+G)**					

*Based on voluntary disclosure by the employees.

21. Participation/inclusion/representation of women (As at March 31, 2026)

Particulars	Total (A)	No. and the percentage of females	
		No. (B)	% (B/A)
Board of Directors	13	1	7.69%
Key Management Personnel*	5	-	-

*Includes the Managing Director & CEO, two Whole-time Directors, the Chief Financial Officer and the Company Secretary

22. Turnover rate for permanent employees and workers

Particulars	FY2025-26			FY2024-25			FY2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	27.03%	37.46%	28.22%	23.43%	31.20%	24.38%	21.45%	27.27%	22.14%
Permanent Workers	Not applicable								

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. a. Name of the holding/subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/Associate/ Joint Venture (B)	% of shares held by the listed entity (C)	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) (D)
The Bank does not have any holding company/subsidiary/ associate company/ joint venture.				

VI. CSR details

24. i. Whether CSR is applicable as per Section 135 of the Companies Act, 2013 (Yes/No):
Yes

ii. Turnover:

₹24,423 Crore (FY2025-26)

iii. Net worth:

₹24,747.13 Crore (FY2025-26)

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY2025-26			FY2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Communities	Yes https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf	0	1	A case was filed by the pro-Bengali advocacy organisation Bangla Pokkho entailing all banking documents published by the Bank should be in English, Hindi and Bengali. Bandhan Bank is one of the party among all other Banks & FIs.	0	1	A case was filed by the pro-Bengali advocacy organisation Bangla Pokkho entailing all banking documents published by the Bank should be in English, Hindi and Bengali.
Investors (other than shareholders)	-	-	-	-	-	-	-
Shareholders	Yes Policies on Principle 4- https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf	20	1	The communications from shareholders pertain to dividends-related queries, transfer/ transmission of shares, Annual Reports etc.	117	0*	The communications from shareholders pertain to dividends-related queries, transfer/ transition of shares, Annual Reports etc.
Employees	Yes https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf	Cases- 22 POSH- 27	Cases- 56 POSH–6	22 cases have been filed in the FY2025-26 and 56 cases in total including the old cases, were pending as of March 31, 2026	Cases–11 POSH–31	Cases–44 POSH–08	11 cases have been filed in the FY2024-25 and 44 cases in total including the old cases, were pending as of March 31, 2025

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY2025-26			FY2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Customers	Yes https://bandhan.bank.in/sites/default/files/2026-01/Customer-Policies-08012026.pdf	1,24,311 (Complaint) 522 (Cases)	3,787 (Complaint) 962 (Cases)	Out of 3,787 pending complaints, 3,547 stands closed as on date. 522 cases have been filed in the FY2025-26 and 962 cases in total including the old cases, were pending as of March 31, 2026	1,55,958 (Complaint) 273 (Cases)	6,116 (Complaint) 686 (Cases)	Out of 6,116 pending complaints, 3,609 stands closed as on date. 273 cases have been filed in FY2024-25 and 686 cases in total including the old cases, were pending as of March 31, 2025
Value Chain Partners	Yes https://bandhan.bank.in/pdfViewerJS/index.html#../sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf	0	0	No complaints have been received from value chain partners	0	0	No complaints have been received from value chain partners
Other-Regulators/ Govt. Agencies	-	-	-	-	-	-	-

*All complaints filed by the shareholders have been duly resolved in the last financial year

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, along with its financial implications, as per the following format:

Materiality assessment is a structured process undertaken to identify and prioritise topics that have a significant impact on the Bank's economic, Environmental, Social and Governance (ESG) performance. These topics have the potential to influence the decision-making of key stakeholders, including customers, shareholders, lenders and investors.

The assessment begins with the identification and engagement of relevant stakeholders (or their representatives), whose insights are critical in determining the most pertinent issues. The Bank follows a systematic approach to materiality assessment, as outlined below:

a) Universe of material topics

The Bank undertakes a benchmarking exercise by mapping global frameworks and standards, including the Global Reporting Initiative ('**GRI**'), the United Nations Sustainable Development Goals ('**UN SDGs**'), and the International Integrated Reporting Council ('**IIRC**') framework to identify the universe of relevant material topics. This process is supported, to ensure alignment with globally accepted sustainability frameworks and industry best practices.

b) Identification of material topics

The Bank performs benchmarking against industry leaders and competitors to gain valuable insights into emerging trends, risks, and opportunities that are relevant to the banking sector as it contributes in strengthening the Bank's ESG strategy and supports its objective of enhancing long-term value creation.

c) Stakeholder engagement

The Bank actively engages with internal and external stakeholders to gather their perspectives on identified material topics. Feedback obtained through structured interactions are used to assess the relevance, significance of each topic on our business.

d) Finalisation of key material topics

Stakeholder responses are consolidated and analysed to finalise the key material topics, on the basis of the scoring obtained against each identified material topic to ensure alignment with our strategic objectives and risk management frameworks.

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Change	Risk	• Climate-related risks refer to the potential risks that may arise from climate change or from efforts to mitigate climate change, its impact and the economic and financial consequences. • It can impact the financial sector through two broad channels–physical risks and transition risks. • **Physical Risk:** The physical impacts from climate change will feed through to an economy in various ways, including damages to physical assets through extreme weather, reduced agricultural productivity, heat-related health and medical issues, and loss of biodiversity. • **Transition Risk:** It refers to the risks arising from the process of adjustment towards a low-carbon economy. A range of factors influences this adjustment, including changes in climate-related policies and regulations, the emergence of newer technologies, shifting sentiments and behaviour of customers. The process of transition, i.e., reducing carbon emissions may have a significant impact on the economy. • The uncertainty about the timing and severity of climate-related risks like physical risk and transition risk threatens the safety, soundness and resilience of regulated entities (REs) and in turn, it affects the overall stability of the financial system. • Financial, reputational, regulatory and market risk implications are becoming increasingly prominent with increased threats of climate change such as but not limited to floods, droughts, erratic rainfall, supply chain disruptions, change in market perception.	• The Bank is deliberating to embark on a journey of advocating sustainability in its value chain, such as assessment of the GHG emission footprint of its lending portfolio, lender's customer targets and commitments on ESG resource optimisation, evaluating the quantum of collateral positioned in high-risk flood/drought-prone areas, checking green building certifications of real estate portfolios, social inclusivity of corporates, SME & MSME customers. • The Bank addresses climate and environmental risks through its Environmental and Social Management System (SEMS), which is integrated into the credit appraisal process for eligible long-term lending exposures. The Bank assesses environmental risks, including emissions, pollution, waste management, ecological impact, and disaster management preparedness, while evaluating credit proposals. The Bank also monitors environmental compliance during project implementation through periodic reviews and site inspections and restricts financing to activities prohibited under its environmental risk framework. • Within its operation, the Bank is considering greening the branches and data centres, eliminating the use of paper in the operations, introducing the option of e-receipts on registered mobile numbers at their ATMs, evaluating options of switching over to renewable energy for sourcing power gradually and future-proofing operations against regulatory requirements. • The Bank mitigates climate-related risks through CSR-led social and agroforestry initiatives that promote carbon sequestration, ecosystem restoration, and environmental resilience. These initiatives support the offsetting of emissions from the Bank's operations and have the potential to substantially reduce its net operational carbon footprint over time.	Negative financial implications: • Financial/Credit risk: Rising frequency and severity of extreme weather events can impair the value of assets held by the Banks' customers, or impact supply chains affecting customers' operations and profitability and leading to higher loan defaults and NPAs. • Market risk: Increased volatility in investments because of shifts in investor preferences or climate-induced adverse effects might lead to a decline in lending portfolio valuation. • Reputational risk: Failure to address the challenging climate change vulnerabilities will affect stakeholders' trust resulting in loss of customer base.

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Employee Engagement	Opportunity	In the banking industry, where operations are people-intensive, engaged employees contribute significantly to long-term value creation, operational efficiency, and stakeholder trust. It directly impacts productivity and service quality, customer experience, supports in retaining talent and ensure organisational stability. We have instituted progressive HR policies and practices aimed at empowering our workforce and fostering a high-performance culture. The Bank is committed to creating an inclusive, innovative, and supportive work environment that promotes employee well-being, work-life balance, learning, career progression, and workplace safety. Through these initiatives, the Bank seeks to enhance employee productivity, engagement, and relationships, while positioning itself as a preferred employer, thereby supporting sustainable business performance.	-	Positive financial implications: • Higher productivity leading to revenue growth • Lower attrition costs • Enhanced customer loyalty • Better alignment with social compliance requirements
3.	Workforce safety and security	Risk	Banks recognise workforce safety and security as a critical element of its responsible business conduct, particularly given its extensive field operations in collection, microfinance and customer service activities. The Bank is committed to providing a safe, secure and supportive working environment for all employees and associated personnel, while ensuring that customer-facing interactions are conducted in a responsible and dignified manner.	We have implemented a comprehensive framework to ensure workforce safety and security, particularly in field-based collection operations, through a combination of governance, training, technology, and oversight measures. A Board-approved HR policy, supported by clearly defined protocols for safe travel, emergency response and incident reporting, forms the foundation of this approach. The Bank emphasises on respectful and non-coercive customer engagement and provides regular training on personal safety, conflict resolution and regulatory compliance. Technology-enabled solutions, including geo-tagging, digital collection platforms, and emergency alert systems, are leveraged to enhance field safety and reduce physical interactions. Employee well-being is supported through health benefits and Employee Assistance Programs. Additionally, centralised monitoring, periodic audits, and strong governance of third-party agents ensure consistent adherence to safety and conduct standards across operations.	Negative financial implications: • Physical safety risks for field staff and collection agents • Regulatory risks related to compliance with labour laws, workplace safety standards • Increase in potential costs related to insurance, compensation and legal claims arising from incidents

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Community Engagement and Development	Opportunity	Community engagement and development of disadvantaged communities through programmes on health, education, livelihood and environment drives inclusive growth, strengthens stakeholder trust, and enables long-term market expansion. While it entails short-term costs and operational challenges, the resulting benefits in terms of enhanced reputation, regulatory alignment, and sustainable revenue generation make it a key pillar of responsible and resilient banking.		Positive financial implications: • Stronger brand reputation • Access to new market segments (rural, semi-urban, unbanked population) • Better regulatory alignment and reduced compliance risks
5.	Customer Experience	Opportunity	As banking is a service-driven industry where trust, transparency, and service quality directly influence business performance, customer experience is often seen as an opportunity as it drives customer acquisition, retention, and lifetime value, influences financial outcomes through service quality and satisfaction levels and impacts brand reputation and stakeholder trust. The Bank is committed to strengthening customers' financial well-being by offering tailored products and solutions that address their evolving needs, enabling them to achieve their financial goals and drive long-term growth and stability.	-	Positive financial implications: • Enhanced brand equity • Improved revenue streams and cross selling • Lower customer acquisition costs
6.	Regulatory & statutory compliance	Risk	Owing to the highly regulated environment in which banks operate, non-compliance with applicable laws, regulations, and guidelines issued by regulators such as the Reserve Bank of India (RBI), SEBI, and other authorities may result in financial penalties, legal actions, reputational damage, and restrictions on business operations	The Bank has established a robust compliance framework comprising Board-level oversight through the Risk Management and Compliance Committees, well-defined policies and standard operating procedures, and a dedicated independent compliance function. The Bank leverages technology-driven solutions, including tools for KYC/AML monitoring and automated regulatory reporting, to ensure timely and accurate adherence to evolving regulatory requirements. Continuous employee training, internal audits, and a strong ethical culture further strengthen compliance effectiveness.	Negative financial implications: • Increase in fines and penalties • Lower investor confidence resulting in higher cost of capital • Brand/reputation damage

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Business Ethics & Governance	Risk	Banks recognise business ethics and governance as fundamental to sustaining stakeholder trust and ensuring long-term value creation. Any deviation from ethical standards, may lead to regulatory action, financial losses, litigation, and reputational damage.	To mitigate these risks, the Bank has implemented a robust governance framework anchored by Board-level oversight, including independent directors and specialised committees such as the Audit and Risk Management Committees. The Bank adheres to an HR policy applicable to all employees and directors, supported by clearly defined policies on conflicts of interest and fair business practices.	Negative financial implications: • Brand erosion and reputational damage • Reduced customer trust • Increase in litigation and penalties
8.	Digital Innovation and data privacy	Risk	With increasing adoption of digital banking channels, fintech collaborations, and data-driven decision-making, banks are exposed to evolving technology and data-related risks, which need to be managed through robust governance, control frameworks, and continuous monitoring systems.	We have established a Digital and Transaction Excellence Unit (DTEU) along with a dedicated Customer Experience (CX) function to drive governance, innovation, and continuous enhancement of our digital ecosystem. The revamped mBandhan 2.0 app enables seamless and intelligent payment journeys, supports fully digital customer onboarding through Video KYC, and offers more than 50 self-service functionalities to enhance convenience and accessibility. The Bank maintains robust cybersecurity controls and data protection frameworks across the value chain to safeguard systems and customer information. Stringent measures are in place to ensure the confidentiality, integrity, and security of customer data, with all data handling and assessment processes conducted in strict adherence to applicable regulatory guidelines. Customer information is treated with the highest degree of sensitivity, supported by well-defined governance and access control mechanisms. Further, the Bank has partnered with Hitachi Payment Services to strengthen its merchant acquiring ecosystem, thereby expanding digital payment capabilities and enhancing service delivery for merchants and customers alike.	Negative financial implications: • Increased capital and operating expenditure on digital infrastructure and cybersecurity measures Potential financial losses from cyber incidents, including fraud and service disruptions • Regulatory penalties, litigation costs, and customer compensation in case of data breaches • Investments in upgrading legacy systems and managing technological obsolescence

Sl. No.	Material issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	Financial inclusion	Opportunity	Financial inclusion enables banks to expand access to underserved and unbanked populations (rural, low-income, MSMEs), creating long-term sustainable value. Through its Emerging Entrepreneurs Business (EEB) segment, the Bank extends credit access to underserved communities, active borrowers, predominantly from women-led households. Operating on a group lending model, the Bank not only facilitates financial inclusion but also supports livelihood generation, financial independence, and socio-economic empowerment at the grassroots level.		Positive financial implications: • Expansion of revenue base through access to untapped markets • Enhanced brand image • Improved ESG performance and stronger stakeholder trust
10.	Policy transition	Risk	The Bank is exposed to policy transition risks arising from evolving government mandates on sustainable finance, priority sector lending, and ESG disclosures. Changes in political priorities and frameworks may impact lending strategies, asset quality, and compliance obligations.	The Bank mitigates risks arising from policy transition through a robust governance, compliance and risk management framework. The Bank tracks and disseminates regulatory changes to relevant departments for timely incorporation in policies and vets draft policies before their placement before the Board or Board Committees, wherever applicable. The Bank also undertakes compliance testing in accordance with the approved Annual Compliance Testing Plan. These measures are complemented by proactive policy monitoring, portfolio diversification and capital resilience, including regular stress testing and scenario analysis to assess potential impacts of policy changes on asset quality, liquidity and profitability. The Bank also maintains prudent provisioning, strong capital and liquidity buffers, conservative underwriting standards in policy-sensitive sectors, active engagement with regulators and industry bodies, and leverages government-backed schemes with risk-sharing mechanisms.	Negative financial implications: • Reduced margins due to interest rate caps or priority lending requirements • Higher compliance and regulatory costs • Increase in credit losses • Capital adequacy pressure

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct ('NGRBC') as prescribed by the Ministry of Corporate Affairs advocates nine principles referred to as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web link of the policies, if available	https://bandhan.bank.in/sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• National Guidelines on Responsible Business Conduct, 2019, Ministry of Corporate Affairs, Government of India • P – 6 : IGBC Gold rated green building								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Bandhan Bank is in the process of strengthening its approach towards ESG commitments and responsible business practices. While the Bank has not yet formally established quantified long – term targets across key sustainability parameters, we are actively undertaking a structured exercise to identify, evaluate and define measurable goals aligned with industry standards and regulatory expectations. The Bank is committed to progressively integrating ESG considerations in our business strategy. This includes exploring initiatives to contribute to environmental stewardship, enhancing diversity, equity and inclusion within the workforce, and fostering a culture of continuous learning and employee development. Over the coming years, Bandhan bank intends to develop clear, time-bound targets across these focus areas, supported by robust monitoring frameworks. These efforts will aim to align with evolving best practices and contribute meaningfully to sustainable and inclusive growth.								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	As the Bank has not set formal quantified targets during the reporting period, performance is being assessed against internal benchmarks and regulatory requirements. • **Diversity:** Female workforce representation stands at 12%, reflecting gradual progress towards improving gender diversity • **Learning & Development:** The Bank has significantly exceeded the minimum benchmark of 12.5 hours, achieving an average of 30.4 learning hours per employee, demonstrating strong commitment to employee capability building. • **Environmental initiatives:** Tree plantation activities were undertaken in water-stressed areas as part of CSR efforts, contributing to environmental sustainability. The Bank continues to strengthen its performance tracking mechanisms as part of its ongoing exercise to define formal ESG targets.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements	The statement by the MD & CEO on the BRSR is mentioned at the beginning of this report.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Board of Directors								
9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details	Yes The Corporate Social Responsibility & Sustainability Committee of the Board (CSR & SCB) is responsible for the oversight of sustainability-related matters. The Committee is Chaired by a non-executive independent director and meets at least once in every quarter.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	✓	✓	✓	✓	✓	✓	✓	✓	✓	Annually								
	The CSR & SCB reviewed the Compendium of BRSR policies aligned with the nine principles of the NGRBC. Based on its recommendation, the Board approved the Compendium. BRSR disclosures are periodically reviewed by the CSR & SCB and subsequently approved by the Board.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Bank operates in full compliance with all applicable laws and regulatory requirements across its operations. Adherence to statutory obligations is independently monitored by the Compliance and Internal Audit functions at the management level. Oversight is further strengthened through periodic review by the Audit Committee of the Board									Quarterly								
11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. 12.	✓	✓	✓	✓	✓	✓	✓	✓	✓	-								
	No.																	

13. If the answer to question (1) above is 'No' i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year.

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	**Principle – 1:** • Effective Decision Making and Leadership • Governance, Compliance, Risk Management, Fraud Risk Management, Regulations • Use of AI in Improving Board Governance, Operational Resilience **Principle – 3:** • People Matter: Navigating HR **Principle – 6:** • Climate Crisis **Principle – 7:** • KYC/AML **Principle – 9:** • IT & Cyber Security	88.89%*
Key Managerial Personnel (KMP)*	38	**Principle – 1:** • International Trade Finance • Strategic Leadership in Microfinance **Principle – 3:** • One Bandhan-Team Building Session **Principle – 5:** • POSH **Principle – 7:** • KYC / AML – Regulatory Perspective **Principle – 9:** • IT & Cyber Security	100%
Employees other than the Board of Directors or KMPs	362	**Principle – 1:** • Induction Training • Business Ethics and Politics • Ethics and Code of Conduct • Fraud Awareness and Prevention **Principle – 2:** • Compliance in Banking • Ethics in Banking • KYC-AML & CFT • Risk Management • Process and Compliance **Principle – 3:** • Employment Laws • Interpersonal Effectiveness • Women Leadership • Productivity Enhancement **Principle – 4:** • Employee Engagement **Principle – 5:** • Gender Sensitivity **Principle – 9:** • Consumer Protection & Grievance Redressal • Digital application	93%
Workers	NA	-	NA

*Training coverage is provided as per the total number of Directors present in the entire FY26. 16 out of 18 Directors were provided training in FY26.

2. **Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format [Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website]:**

Monetary					
	NGRBC Principle	**Name of the regulatory / enforcement agencies / judicial institutions**	**Amount (₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	Principle 1	Deputy Commissioner, Range-2, Gujarat	16,89,367/-	The Order has been passed under Section 73 of the CGST Act, 2017, alleging excess / ineligible Input Tax Credit availed / utilised, non-payment of GST on some incomes, etc. by the Bank for FY: 2021-22	Yes
Penalty/ Fine	Principle 1	Assistant Commissioner, CGST & C. EX, Division IX, Mumbai	1,08,86,554/-	The Order has been passed under Section 74 of the CGST Act, 2017, alleging excess / ineligible Input Tax Credit availed / utilised, non-payment of GST on check return charges, etc. by the Bank for FY: 2018-19, 2019-20, 2020-21, 2021-22, 2022-23	Yes
Penalty/Punishment Fine	Principle 1	Reserve Bank of India, Mumbai	44,70,000/-	The Order dated August 26, 2025, passed by the Adjudication Committee of Executive Directors, RBI w.r.t. the Show Cause Notice dated July 3, 2025, served to the Bank, directed the Bank to pay an aggregate penalty of ₹44.70 lakhs, imposed on the Bank, within 14 days from the date of receipt of this Order. The Bank submitted its response to RBI, informing that the payment of penalty amount levied against the Bank has been paid on September 5, 2025.	No
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	NIL	NIL	NIL	NIL	NIL

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL			
Punishment	NIL			

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes.

Link: https://bandhan.bank.in/sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf

The Bank has established a robust Code of Conduct that guides all its actions, ensuring that its operations are carried out with integrity and in an ethical, transparent, and accountable manner. The Code of Conduct is hosted on the Bank's website as part of the Compendium of BRSR Policies, ensuring transparency and accessibility for all stakeholders.

All new employees are required to formally acknowledge the Code of Conduct at the time of onboarding, both through a signed physical declaration and digitally via the HRMS portal upon initial access. Subsequently, all employees, including Key Managerial Personnel (KMP) and Senior Management, are required to provide an annual digital declaration—typically undertaken in April—affirming compliance with the Code of Conduct, including anti-bribery and anti-corruption provisions.

The Bank has also put in place a comprehensive Vigilance Policy and Whistleblower Policy, aimed at establishing effective systems for the prevention, detection, and deterrence of corruption and unethical conduct. To strengthen governance oversight, Bandhan Bank operates a structured two-tier vigilance mechanism comprising:

(i) the Chief of Internal Vigilance (CIV), responsible for vigilance oversight and investigations; and

(ii) the Disciplinary Committee, which examines cases of misconduct and determines appropriate disciplinary actions.

Bandhan Bank follows a zero-tolerance approach towards bribery, corruption, misconduct, and unethical practices. Preventive vigilance measures form an integral part of its governance framework. The CIV undertakes periodic checks and reviews, including scrutiny of high-value procurement transactions, assessment of asset declarations by employees and senior management, and examination of potential or reported conflicts of interest.

These measures reinforce the Bank's commitment to ethical conduct and aim to ensure 100% compliance across the organisation, with the objective of maintaining zero instances of non-compliance. The CIV regularly apprises the Managing Director & Chief Executive Officer and submits reports to the Audit Committee of the Board, thereby ensuring continuous oversight at the highest level of governance.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY2025-26	FY2024-25
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	17	NIL
Workers	NA	NA

6. Details of complaints with regard to conflict of interest

	FY2025-26		FY2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of directors	0	No such complaints received	NIL	NA
Number of complaints received in relation to issues of conflict of interest of KMPs	0	No such complaints received	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

NIL

The Bank's robust internal mechanisms, supported by comprehensive controls, checks, and balances, have effectively ensured full compliance with applicable policies and regulations. No instances of non-compliance have been identified during the reporting period, and no corrective actions were required.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY2025-26	FY2024-25
Number of days of accounts payables	2.59*	36

*The methodology for calculating the number of days of accounts payable has been updated during the current year in alignment with ISF guidelines, enhancing consistency with best practices. Accordingly, the previous year's figures have not been recomputed under the revised methodology and may not be directly comparable with the current year.

9. Open-ness of business

Provide details of the concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY2025-26	FY2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	-	-
	b. Number of dealers/distributors to whom sales are made	-	-
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.006%[Note]	0.007%[Note]
	d. Investments (Investments in related parties / Total Investments made)	-	-

Note:

1. Given the nature of the Bank's operation, there were no sales or purchases done that involved any trading house.
2. The Bank does not appoint any dealers or distributors to provide its products and services to customers. All the customers are direct customers of the Bank. Therefore, there was nil sales to any dealers or distributors.
3. The Bank is a service-oriented company and is not involved in any purchases or sales of goods in its operations. Therefore, there are nil purchases or sales of goods from related parties. However, certain services including rent, accommodation/venue charges for the training of employees, locker rents received and interest paid are provided in the related party transactions are provided in the schedule of the Financial Statement for FY25 and FY26.
4. There is nil investment in any related parties. The Bank has, as per its Policy, extended housing loans to KMPs, the percentage of which is derived on the closing balance of the outstanding loan at the end of the FY. Further details regarding related party transactions are provided in the schedule of the Financial Statement for FY25 and FY26.

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year.

The Bank is in the process of initiating training and awareness programmes for its value chain partners, including call centre and direct sales agent partners, with a focus on promoting ethical conduct, regulatory compliance, employee well-being, responsible business practices, and environmental awareness in line with Principles 1, 2, 3, 5 and 6.

Additionally, the Bank is in the process of introducing awareness initiatives on customer relations, financial literacy, digital banking, and prevention of online frauds, thereby reinforcing responsible and transparent engagement with customers. Further details are provided under Principle 9 of this report.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes.

Bandhan Bank has established a Code of Conduct for its Board of Directors to ensure transparency, integrity, and high ethical standards in the management of its affairs and operations. Board members are required, at the time of appointment and throughout their tenure, to disclose any actual or potential conflicts of interest as and when such situations arise. Non-disclosure of any conflict is treated as a non-compliance.

During the reporting period, the Bank has not entered into any materially significant transactions with Directors or their relatives that could give rise to a conflict of interest, other than those undertaken in the ordinary course of business.

All members of the Board have confirmed their compliance with the applicable Code of Conduct.

Weblink: https://bandhan.bank.in/sites/default/files/2020-12/Code-Conduct-for-Directors.pdf

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

	FY2025-26	FY2024-25	Details of improvements in environmental and social impacts
R&D	NA	NA	-
Capex	0.027%	NA	During FY2025-26, the Company's CSR initiatives contributed meaningfully to strengthening healthcare accessibility and supporting community infrastructure. A total of 18 Advanced Life Support (ALS) ambulances were deployed across diverse geographies and partner institutions, enhancing emergency medical response capabilities and enabling timely access to critical care, particularly in underserved and remote areas. These interventions are expected to improve survival rates, reduce response times, and strengthen public health systems. In addition, the installation of solar-powered high mast street lighting at Pandharpur, Maharashtra, promotes the use of renewable energy while improving public safety and visibility in community spaces. This initiative contributes to reduced carbon emissions and supports sustainable infrastructure development. Collectively, these efforts reflect the Company's commitment to creating positive social outcomes through improved healthcare access and to advancing environmental sustainability through clean energy adoption.

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Currently there is no such procedures in place. However, the Bank's supply chain includes outsourced agencies, third-party service providers, transporters, suppliers of materials and capital goods, franchisees, dealers and distributors. The Bank recognises the need to work closely with the suppliers to reduce waste, improve efficiency and reduce carbon footprint and continuously work towards ensuring greater integration of environmental factors in our procurement practices.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for:**

(a) Plastics (including packaging),

(b) E-waste,

(c) Hazardous waste, and

(d) Other waste.

Given the nature of operations, Bandhan Bank does not have physical product offerings, and therefore the generation of waste requiring reclamation for reuse or recycling is minimal. The Bank continues to adopt responsible waste management practices across its offices and branches, with a focus on resource efficiency and reduction in material usage, including reduced use of paper through digital initiatives.

a. Plastics: Plastic usage in operations is limited. However, for day-to-day usage, designated recycling bins are provided for plastics such as water bottles and containers. These are collected by authorised recycling agencies and processed in accordance with applicable regulations.

b. E-waste: E-waste generated from banking operations across all offices and branches is disposed off responsibly through authorised e-waste recycling vendors, ensuring environmentally sound management and compliance with regulatory requirements.

c. Hazardous Waste: Owing to the nature of banking operations, there is minimal generation of hazardous waste at branches and offices managed by third parties, and hence limited scope for reclamation.

d. Other Waste: Paper waste generated is segregated and disposed of through third-party agencies for recycling, alongside ongoing efforts to minimise paper usage through digitisation.

These practices reflect the Bank's commitment to responsible waste management and sustainable operations.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No. As Bandhan Bank does not have any physical product offerings in the normal course of its operations and has minimal use of plastics in its services, it is not subject to Extended Producer Responsibility (EPR) obligations.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not applicable					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.**

Name of Product / Service	Description of the risk/concern	Action Taken
Not applicable		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY2025-26	FY2024-25
-		

4. **Of the products and packaging reclaimed at the end of life of products, amount (in metric tonnes) reused, recycled and safely disposed.**

Bandhan Bank Limited is primarily a service provider, and its offerings do not involve any significant use of packaging materials, except for limited usage in new account opening kits.

5. **Reclaimed products and their packaging materials (as a percentage of products sold) for each product category**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
-	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by											
	Total (A)	Health insurance		Accident insurance benefits		Maternity benefits		Paternity benefits		Daycare facilities		
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	
Permanent employees												
Male	66,503	66,503	100%	66,503	100%	NA	NA	66,503	100%	-	-	
Female	8,894	8,894	100%	8,894	100%	8,894	100%	NA	NA	-	-	
Total	**75,397**	**75,397**	**100%**	**75,397**	**100%**	**8,894**	**100%**	**66,503**	**100%**	**-**	**-**	
Other than Permanent employees												
Male	Not Applicable											
Female												
Total												

Note: From April 2023 onwards, 100% of male employees are eligible for paternity benefits.

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance benefits		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent workers											
Male	Not Applicable										
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY2025-26	FY2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.38%*	0.39%

*The expenses incurred on well-being measures include the annual health check-up availed by DVP and above employees up to a maximum of ₹11,000

2. Details of retirement benefits for the current and previous financial years:

Benefits	FY2025-26			FY2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	N.A.*	100%	NA	N.A.*
Employees' State Insurance	NA	NA	NA	NA	NA	NA
Others – please Specify	NA	NA	NA	NA	NA	NA

*Gratuity is deposited with the Bandhan Bank Gratuity Fund Trust

3. Accessibility of workplaces: Are the premises/offices accessible to differently-abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

As on March 31, 2026, 49% of the existing Retail Banking branches are equipped with facilities to ensure accessibility for differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Bank has integrated an equal opportunity statement in its internal HR policy and the extract of the same is also available in the Compendium of BRSR policies under Principle 5.

Web-link: https://bandhan.bank.in/sites/default/files/2023-01/Business-Responsibility-and-Sustainability-Reporting-policy-210123.pdf

The Bank is committed to upholding the principles of equal opportunity and merit-based employment to foster an inclusive and high-performing workplace. To reinforce this commitment, we ensure that the policy is communicated to all employees in a clear, appropriate and meaningful manner. In alignment with the principles of sustainable development, non-discrimination and inclusive growth, the Bank's processes relating to recruitment, performance evaluation, compensation, training and employee benefits are free from any form of discrimination based on caste, religion, disability, gender, sexual orientation, race, colour, ancestry, marital status, or affiliation with any political, religious or trade union organisation, or majority/minority group.

5. Return to work and retention rates of permanent employees who took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	90.34%	83.92%	NA	NA
Female	82.80%	72.27%	NA	NA
Total	**88.19%**	**79.65%**	**NA**	**NA**

*Includes employees that are scheduled to return to work post March 31, 2026

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not applicable
Other than Permanent Workers	Not applicable
Permanent Employees	Yes, there is a dedicated email ID- staffcomplaints@bandhanbank.com where employees may raise their grievances
Other than Permanent Employees	Not applicable

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

The Bank upholds the principle of freedom of association. While employees are currently not affiliated with any trade union and no collective bargaining agreements are in place, the Bank remains committed to respecting employees' rights in this regard.

The Bank has established robust mechanisms to address employee concerns, ensuring that grievances can be raised confidentially and anonymously. All such grievances are duly examined by the management through a structured and thorough investigation process, with appropriate action taken to ensure fair and timely resolution.

Category	FY2025-26			FY2024-25		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	75,397	-	-	75,032	-	-
Male	66,503	-	-	66,672	-	-
Female	8,894	-	-	8,360	-	-
Total Permanent Workers	Not Applicable					
Male						
Female						

8. Details of training given to employees and workers:

Category	FY2025-26					FY2024-25				
	Total (A)	On Health and safety measures*		On Skill upgradation		Total (A)	On Health and safety measures*		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Male	66,503	14,330	21.55%	64,228	96.67%	66,672	66,672	100%	63,792	95.68%
Female	8,894	2,821	31.71%	8,371	94.11%	8,360	8,360	100%	7,853	93.94%
Total	**75,397**	**17,151**	**22.75%**	**72,659**	**96.37%**	**75,032**	**75,032**	**100%**	**71,645**	**95.49%**
Workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

*Includes induction, classroom training, fire drills, digital campaign, mailers and online learning platforms

9. Details of performance and career development reviews of employees and worker:

Category	FY2025-26			FY2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	66,503	57,923	87%	66,672	60,682	91%
Female	8,894	6,967	78%	8,360	7,238	87%
Total	**75,397**	**64,890**	**86%**	**75,032**	**67,920**	**91%**
Workers						
Male	Not Applicable					
Female						
Total						

*The performance management system is available to all employees and new joiners who have joined before September. The new joiners after September are considered for the next year's performance management cycle.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes. The Bank is committed to providing a safe, secure, and healthy work environment across all its offices and facilities. As part of this commitment, the Bank has initiated mandatory fire safety and emergency preparedness awareness programs for all employees to enhance readiness and ensure appropriate response during emergencies.

Further, the Bank is in the process of assessing and implementing the requirements of the Occupational Safety, Health and Working Conditions Code, 2020, particularly in relation to workplace safety, security measures, and employee well-being. This initiative aims to strengthen the Bank's safety framework and ensure full compliance with applicable regulatory standards.

Through these efforts, the Bank seeks to establish a robust Occupational Health & Safety Management System (OHSMS) that promotes:

- Safe working practices
- Risk identification and mitigation
- Continuous employee awareness and training
- A culture of safety and accountability

The Bank remains dedicated to continuously improving its safety standards to ensure a safe, secure, and resilient working environment for all employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Bank has been consistently promoting awareness among employees for the proactive identification and management of fire and infrastructure-related hazards. This is being achieved through active employee participation as well as through periodic security and safety audits conducted by specialised teams.

These initiatives are aimed at strengthening the Bank's safety culture, enhancing risk mitigation capabilities, and ensuring a safe and secure working environment across all facilities.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Not applicable as there are no workers associated with the Bank's operations.

Third-party workers engaged for electrical maintenance, housekeeping, and security services are also appropriately sensitised to identify potential fire hazards, particularly those arising from electrical short circuits and poor housekeeping conditions.

They are trained to take timely remedial measures, including prompt escalation of issues to the appropriate teams, to prevent incidents and ensure a safe working environment.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes. The Bank regularly reviews its human resource development initiatives and benchmarks them against leading practices in the banking sector to strengthen its competitive positioning. It offers enhanced employee healthcare benefits, including extended insurance coverage through top-up options, flexible premium payment structures, and expanded coverage for dependents, including spouse, children, parents and parents-in-law.

Additionally, the Bank provides access to digital healthcare services, including telemedicine, through partnerships with established platforms such as Practo, benefiting both employees and their families. To further support employee well-being, a Medical Assistance rider has been introduced to provide coverage in case of accidents.

11. Details of safety-related incidents

Safety Incident/Number	Category	FY2025-26	FY2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.108*	NIL
	Workers	Not applicable	Not applicable
Total recordable work-related injuries	Employees	18*	NIL
	Workers	Not applicable	Not applicable
No. of fatalities (safety incident)	Employees	NIL	NIL
	Workers	Not applicable	Not applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	Not applicable	Not applicable

*A structured data collation process for recording and tracking recordable injuries and relevant lost time injuries has been implemented starting FY26, strengthening the accuracy and consistency of reporting.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Bank has established a comprehensive Workplace Health and Safety Policy in line with its commitment to BRSR Principle 3, reinforcing its focus on environmental responsibility and the well-being of its employees. Ensuring a safe and healthy workplace remains a key priority, supported by robust internal systems, procedures, and employee adherence to safety protocols.

The Bank has also implemented a structured Security Policy framework aligned with recommendations from the Indian Banks' Association, regulatory directives from the Reserve Bank of India (RBI), government advisories, and industry best practices. All banking outlets, ATMs, and offices are equipped with advanced security and safety infrastructure to safeguard employees, customers, and assets.

Key measures undertaken include:

- Deployment of electronic surveillance systems across all ATMs and adherence to RBI-prescribed physical security standards at banking outlets
- Implementation of comprehensive security measures at Currency Chests in line with RBI guidelines
- Full compliance with applicable regulatory and statutory safety and security requirements
- Regular security awareness and training programs to strengthen a culture of safety across the organisation

13. Number of complaints on the following made by employees and workers:

Particulars	FY2025-26			FY2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	NIL	NIL	-
Health and Safety	0	0	-	NIL	NIL	-

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety practices	NIL
Working Conditions	NIL

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health and safety practices and working conditions.

The Bank has formulated a Physical Security Policy, under which periodic electrical safety audits of banking outlets have been mandated to identify gaps and implement necessary remedial measures.

In addition, the Bank has undertaken comprehensive security and safety audits of its banking outlets to proactively manage physical security and safety risks, thereby strengthening overall risk mitigation and ensuring a secure working environment.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of?

Particulars	(Y/N)
Employees	Y
Workers	Not Applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Bank conducts regular review meetings with value chain partners, including vendors and service providers, to evaluate their performance and compliance with statutory requirements. The Bank promotes accountability and transparency through its contractual agreements with the value chain partners. Payments to value chain partners are processed after applicable TDS deductions, and the Bank also ensures confirmation of GST deposited by vendors on transactions.

3. Provide the number of employees/workers having suffered high-consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2025-26	FY2024-25	FY2025-26	FY2024-25
Employees	-	-	-	-
Workers	Not Applicable			

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes. The Bank supports continued employability beyond retirement through structured transition assistance. Extension of employment is based on a comprehensive assessment of past performance and competencies, subject to requisite approvals. Retired employees may also be engaged as consultants or strategic advisors, enabling the Bank to leverage their experience, with benefits provided in line with applicable terms.

5. Details on assessment of value chain partners

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practices	NIL
Working Conditions	NIL

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

The Bank identifies and maps its key stakeholders by evaluating factors such as influence, dependency, responsibility, vulnerability, and spontaneity, considering all entities that directly or indirectly impact its operations, including –

- Shareholders and Investors
- Customers
- Regulatory bodies
- Central and State Government
- Vendors and suppliers
- Local Communities
- Employees

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly / Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	• Annual General Meeting • Emails • Investors meet • Press releases • Newspaper advertisements • Website • Earning Calls • One-on-One meetings or group meetings • Conference calls • Deal/Non-deal roadshows in India and abroad • Meetings/Calls with Sell Side Analysts Banking Analysts • Disclosures to stock exchanges and on the Bank's website	• Yearly • Quarterly • Periodically	• To ensure transparent and consistent communication on the Bank's strategy, performance, risk profile and longterm value creation, and to address investor and analyst queries. • Engagements covered financial performance, asset quality, growth strategy, capital position, risk management, governance practices, operating environment and ESG priorities
Customers	No	• Surveys • Print, digital and social media • 24X7 toll-free number • Direct interaction with Bank employees • Doorstep banking centres and home visits • Financial Literacy programme and customer meet • WhatsApp Banking • Digital Banking	• Ongoing Activity	• Convenience and Ease of Transaction • Quick response to issues raised through grievance redressal mechanisms • Innovative technology • Applications • Transparent communication • Product/service availability • On-time delivery of product/ service
Employees	No	• Induction programmes/ trainings /workshops • Individual performance appraisal • Periodic communication meetings anchored by leadership • Employee engagement, wellness, team building and celebration events • Townhall • Intranet	• Need Basis • Periodically	• Caring and empowering work environment • Personal development and growth • Health and safety • Responsive grievance handling process • Employee benefits and Competitive compensation • Employee welfare and social security • Employee alignment to common organisation goals

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly / Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local communities	Some members of the local communities belong to SHGs, low income groups.	• Collaboration with independent parties/civil society organisations • Formation of village institutions and regular meetings thereon	• Need Basis	• Strengthening of livelihood opportunities • Improvement of social infrastructure for a hygienic and healthy living environment • Economic and social empowerment • Financial literacy and improving access to financial services
Vendors and suppliers	Some of the vendors are identified as a part of vulnerable/ marginalised group (Women entrepreneur)	• Vendor meets • Pre-agreement negotiations • Procurement agreements	• Need Basis	• Regular communication and updates on business plans • Inclusion of local medium and small-scale enterprises in the vendor base • Competency development of local vendors • Stability/ tenure of relationship • Ordering and payment routines • Purchase prices
Central and State Government	No	• Government circulars • Formal notifications	• Weekly • Ongoing • Need basis • Annually	• New financial regulations
Regulatory bodies	No	• Periodic meetings / interactions with regulatory bodies • Mandatory filings with regulators including RBI, SEBI, Stock Exchanges, and MCA • Participation in policy forums	• Ongoing • Need basis	• Compliance with rules and regulations • Know the customer • Fair treatment of customers • Role in the development of the financial system • Banks act as the first line of defence against financial crimes

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Bank recognises that effective stakeholder engagement is essential to achieving its sustainability goal of inclusive growth. Its engagement approach is guided by key principles, including materiality (prioritising significant economic, environmental, and social impacts), completeness (understanding stakeholders' key concerns and expectations), and responsiveness (addressing such concerns in a timely and consistent manner).

Key stakeholder groups include Central and State Governments, regulatory and statutory bodies, media, shareholders, clients, employees, local communities, channel partners, and suppliers. Stakeholders are identified based on attributes such as dependency, accountability, immediacy, and influence. The Bank's engagement approach acknowledges the distinct priorities of each group and uses insights gained to enhance performance and inform decision-making.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. The Bank's management assesses the impact of material matters on its daily operations and overall business performance. Insights and feedback gathered through stakeholder engagement are reviewed by senior management in line with the Bank's sustainability objectives, business strategy, and external market developments to better understand stakeholder expectations.

   The Board and senior leadership are regularly updated on this feedback to guide decision-making and necessary actions. Through its committees, the Board receives periodic inputs on economic, environmental, and social aspects, which inform governance and strategic direction. The inputs are provided but not limited to the following committees:

   - Risk Management Committee
   - Corporate Social Responsibility and Sustainability Committee
   - Stakeholder Relationship Committee
   - Customer Service Committee

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.**

   Bandhan Bank has established appropriate mechanisms to engage with its stakeholders, including marginalised and vulnerable sections of society, and such engagement is governed by the Bank's Corporate Social Responsibility ('**CSR**') Policy. The Bank's CSR initiatives are closely aligned with its vision and mission to enhance the quality of life of communities in which it operates.

   Based on an assessment of prevailing social needs, interventions and strategies are formulated by the **CSR & SCB** Committee. The Committee undertakes detailed studies to identify priority intervention areas and recommends focused CSR programmes aimed at inclusive societal development. These programmes are implemented through designated CSR Project Implementing Agencies ('**PIAs**').

   Each programme is designed to create meaningful and sustained impact across areas such as education, healthcare, livelihood promotion, sustainable livelihood development, climate action, financial literacy, skill development, and employment generation. The Bank's CSR initiatives are aligned with the Sustainable Development Goals ('**SDGs**') and Schedule VII of the Companies Act, 2013.

   Details of such programmes are also provided in the Social and Relationship Capital of Integrated Report for FY2025-26.

PRINCIPE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:**

Category	FY2025-26			FY2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	75,397	70,337	93.29%	75,032	75,032	100%
Other than permanent	-	-	-	-	-	-
Total	**75,397**	**70,337**	**93.29%**	**75,032**	**75,032**	**100%**
Workers						
Permanent	Not Applicable					
Other than permanent						
Total						

Note: All employees are provided training on human rights, including POSH and other HR related policies including digitally acknowledging the code of conduct during joining and on an annual basis.

2. Details of minimum wages paid to employees and workers:

Category	FY2025-26					FY2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	66,503	0	0	66,503	100%	66,672	4,043	6.1%	62,629	93.9%
Female	8,894	0	0	8,894	100%	8,360	645	7.7%	7,715	92.3%
Other than Permanent										
Male	Not Applicable									
Female										
Workers										
Permanent										
Male	Not Applicable									
Female										
Other than Permanent										
Male	Not Applicable									
Female										

3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category in ₹*	Number	Median remuneration/ salary/wages of respective category in ₹*
Board of Directors (BoD)[1]	15	48,00,000	3	19,35,000
Key Managerial Personnel (other than BoD)[2]	2	2,75,85,664	0	NA
Employees[2] other than BoD and KMP	66,498	3,03,912	8,894	2,90,560
Workers	NA	NA	NA	NA

*Annual Remuneration

Note:

[1]This includes WTDs as well as NEDs on the Board of the Bank during the FY 2025-26. For the NEDs, fixed remuneration and sitting fees have been considered, and for WTDs, fixed remuneration, including perquisites, has been considered.

[2]Includes annual remuneration.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY2025-26	FY2024-25
Gross wages paid to females as % of total wages	10.53%	10.36%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impact or issues caused or contributed to by the business? (Yes/No)

Bandhan Bank has a designated focal point to address human rights impacts or issues, accessible through a dedicated email channel. This mechanism enables stakeholders to report concerns confidentially and ensures timely review and resolution. Stakeholders may raise concerns or report human rights-related issues through the designated email id, disciplinemanagement@bandhanbank.com.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

At Bandhan Bank, we have a well-defined internal mechanism, to address grievances related to human rights issues. The grievance redressal system is integrated into the HRMS, providing employees with a centralised, one-stop platform to raise queries or lodge complaints. This facilitates seamless access and enables systematic tracking and effective resolution of concerns. Human rights–related concerns may be communicated through the designated email ID, disciplinemanagement@bandhanbank.com.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY2025-26			FY2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	20	06	All complaints that were open and awaiting closure at the end of the financial year have since been closed	31	08	The pending cases have since been closed
Discrimination at workplace	1	0	-	0	0	-
Child labour	0	0	-	0	0	-
Forced labour / Involuntary labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights-related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY2025-26	FY2024-25
Total Complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	27#	31*
Complaints on POSH as a % of female employees/workers	0.22%	0.23%
Complaints on POSH upheld	19	27

The above reported numbers are based on the Calendar Year 2025. The same is based on the submission of the annual report submitted with district registrar

#20 complaints were filed by female employees of the Bank and 07 complaints were filed by non-employees

*24 complaints were filed by female employees of the Bank and 07 complaints were filed by non-employees

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Internal Committee (IC) of the Bank adopts and complies with all principles and guidelines laid down in the POSH Act, 2013, and the rules framed thereunder, as mandated for employers to prevent, prohibit, and redress workplace sexual harassment.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Bank has incorporated its BRSR Policy under Principle 5, aligned with its processes to ensure that value chain partners comply with human rights requirements.

10. Assessments for the year:

Particulars	% of offices that were assessed (by entity or statutory authorities or third parties)
Child labour	NIL. In addition to oversight by the Vigilance function, the Bank's Internal Audit teams undertake comprehensive compliance audits covering all branches. These audits include a detailed review of adherence to applicable statutory laws and regulatory requirements.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

In instances of allegations which are established, the investigation findings are shared with the 'Disciplinary and Ethics Management Team' (D&EM) and Prevention of Sexual Harassment (POSH) committee for appropriate action. Upon completion of the investigation process, such cases are subsequently placed before the Nomination and Remuneration Committee for review.

LEADERSHIP INDICATORS

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**
   Grievance redressal boxes are available across all operational units, including branches, ensuring that employees and other stakeholders can easily raise concerns. The HR team regularly reviews the nature of complaints received, tracks trends, and ensures timely and effective resolution through a structured redressal mechanism.

2. **Details of the scope and coverage of any Human Rights due diligence conducted.**
   The Bank is in the process of initiating its Human Rights Due Diligence (HRDD) framework and will continue to strengthen and institutionalise this process in the forthcoming reporting cycles, in alignment with applicable regulatory expectations and globally accepted standards.

3. **Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**
   As on March 31, 2026, 49% of the existing Retail Banking branches are equipped with facilities to ensure accessibility for differently abled visitors.

4. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	NIL. The Bank has established policies to promote a responsible supply chain, with no adverse complaints reported during the year. The Bank complies with all applicable laws while assessing its value chain partners.
Discrimination at workplace	
Child labour	
Forced labour/Involuntary labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**
   Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity**

Parameter	FY2025-26	FY2024-25
	TJ	TJ
From Renewable Sources		
Total electricity consumption (A)	0.017	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	0.017	-
From non-renewable sources		
Total electricity consumption (D)	10.828#	6.0552*
Total fuel consumption (E)	0.094	0
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**10.922**	**6.0552**
Total energy consumed (A+B+C+D+E+F)	**10.938**	**6.0552**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (TJ per ₹Crore)	0.00045	
Energy intensity per rupee of turnover (Total energy consumption/ per rupee of turnover adjusted for Purchasing Power Parity (PPP) *(Total energy consumed / Revenue from operations adjusted for PPP)*	0.01	-
Energy intensity in terms of physical output *(Total Energy consumed/full-time employee)*	0.00015	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*Electricity consumption data is captured from the Head Office and Mega Project of the Bank. It does not cover any other sites or branches.

#Electricity consumption data is captured from Head Office, Currency Chest Building and Mega Projects in Kolkata, as well as the corporate offices in Mumbai and Ahmedabad excluding other sites or branches.

For intensity calculation, the adjusted PPP conversion factor of ₹20.34/USD (as per latest IMF rates) has been applied. Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, name of the external agency.

Yes. CNK & Associates LLP

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable. Bandhan Bank does not have any sites or facilities identified as designated consumers (DCs) under the PAT scheme.

3. Provide details of the following disclosures related to water:

Parameter	FY2025-26	FY2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third-party water	8,03,294.72#	65,195*
(iv) Seawater/ desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**8,03,294.72#**	**65,195***
Total volume of water consumption (in kilolitres)	**8,03,294.72#**	**65,195***
Water intensity per rupee of turnover (Water consumed / turnover) (KL per ₹Crore)	32.89	-
Water intensity per rupee ofturnover adjusted for Purchasing Power Parity (PPP) *(Total water consumption / Revenue from operations adjusted for PPP)*	669	-
Water intensity in terms of physical output(*(Total Energy consumed/full-time employee)*	10.65	-

#In the absence of direct measurement systems for water withdrawal and consumption, both metrics have been estimated based on the Central Ground Water Authority (CGWA) guideline of 45 litres per employee per working day.

Note – Water has been estimated for all the branches for FY26

*The water consumption numbers are based on the usage at the Head Office and Mega Projects of the Bank and does not cover any of the branches.

For intensity calculation, the adjusted PPP conversion factor of ₹20.34/USD (as per latest IMF rates) has been applied. Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

Yes. CNK & Associates LLP

4. Provide the following details related to water discharged:

Parameter	FY2025-26	FY2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA

Parameter	FY2025-26	FY2024-25
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment – please specify level of Treatment	6,42,635.77*	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

*As the Bank's office premises are not operated as zero-discharge facilities, water discharge has been conservatively estimated at 80% of total water withdrawal, in accordance with CPCB study on wastewater generation factors

Note – Water has been estimated for all the branches for FY26

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. CNK & Associates LLP

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**
Majority of the Bank units are rented premises, the mechanism for zero liquid discharge is not material for the Bank's operations. The primary water usage in offices and branches is for domestic consumption.

The Bank is setting up a zero liquid discharge facility at its new Mega Projects corporate office.

6. **Please provide details of air emissions (other than GHG emissions) by the entity:**

Parameter	Please specify unit	FY2025-26	FY2024-25
NO_x	-	-	-
SO_x	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity**

Parameter	FY2025-26	FY2024-25
Total Scope 1 emissions–Metric tonnes of CO2 equivalent (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	12.289#	0.47*
Total Scope 2 emissions–Metric tonnes of CO2 equivalent (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	2,135.479	1,284.25*
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Turnover)	0.09	-
Total Scope 1 and Scope 2emission intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenuefrom operations adjusted for PPP)	1.79	
Total Scope 1 and Scope 2emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emissions / total no. of employees)	0.028	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-

*Scope 1 and Scope 2 emissions cover only the Head Office and Mega Projects of the Bank. No other sites or branches are covered

For Scope 1 emissions, as per the Bank's policy, we do not refill any fire extinguishers instead we replace them directly. Refrigerants at BKC, HO is managed by landlord. For CCB, there has been no refill of refrigerants since last year. Mega projects is still not operational. Only refrigerant data for Ahmedabad office is calculated

#Scope 1 and Scope 2 emission cover only the Head Office and Mega Projects in Kolkata, as well as the corporate offices in Mumbai and Ahmedabad. It does not cover any other sites or branches.

For intensity calculation, the adjusted PPP conversion factor of ₹20.34/USD (as per latest IMF rates) has been applied. Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. CNK & Associates LLP

8. **Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details.**

Yes. In FY2025-26, the Bank, in partnership with Say Trees, implemented a Climate Action Programme across 22 districts in 10 states to drive ecological restoration and climate resilience. Over 10,00,000 saplings were planted across farms, community, and institutional lands through agroforestry and social forestry models.

The initiative addressed land degradation, biodiversity loss, and water stress while enhancing carbon sequestration, soil health, and green cover. Agroforestry supported farmer income diversification, while social forestry strengthened community ecosystems.

Farmer engagement, capacity building, and technology-driven monitoring ensured effective implementation and sustainability. Aligned with key SDGs, the programme reinforces the Bank's commitment to sustainable environmental and socio-economic impact.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY2025-26 (In MT)	FY2024-25 (In MT)
Total waste generated (in metric tonnes)		
Plastic waste **(A)**	-	-
E-waste **(B)**	59.84	-
Bio-medical waste **(C)**	-	-
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	2.28	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any**. (G)**	-	-
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Paper Waste–30.13	-
Total (A+B + C + D + E + F + G + H)	**92.25***	**-**
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	0.0038	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.08	-
Waste intensity in terms of physical output (Total waste generated / no. of employees)	0.0012	-
Waste intensity *(optional)* –the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycle	62.12 (E-waste & Battery waste)	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**-**	**-**

Parameter	FY2025-26 (In MT)	FY2024-25 (In MT)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	30.13 (Paper Waste)	-
Total	**-**	**-**

*Only E-waste, Battery waste and Paper Waste is handled by the Bank. Rest of the waste is handled by respective building landlords. The Bank has adopted a comprehensive waste management tracker from FY26.

For intensity calculation, the adjusted PPP conversion factor of ₹20.34/USD (as per latest IMF rates) has been applied. Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. CNK & Associates LLP

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Bank's services do not involve the use of hazardous or toxic chemicals. It continues to enhance waste management practices through responsible disposal and recycling mechanisms. Paper waste at corporate offices is managed through authorised third-party shredding vendors, while battery and e-waste generated across operational units are recycled through certified agencies in compliance with applicable regulations.

The Bank has implemented measures to optimise resource usage and minimise waste generation across its operations. As part of its commitment to reducing plastic waste, initiatives have been undertaken to phase out single-use plastic bottles and replace plastic files with sustainable alternatives.

These efforts reflect the Bank's focus on responsible resource management, waste reduction, and environmentally sustainable operational practices.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of the project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web-link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances.

Yes. The Bank complies with all applicable laws. There have been no instances of non-compliance with respect to the abovementioned regulations.

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	NIL	NIL	NIL	NIL

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY2025-26	FY2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover *(Water consumed / turnover)*	NA	NA
Water intensity *(optional)* – the relevant metric may be selected by theentity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY2025-26	FY2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	-	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emissions intensity (optional)–the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives, as per the following format:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the Initiative
1.	The corporate office is located in IGBC-GOLD rated Green Building-certified property	AdventzInfinity@5 is a superlative green IT/ITes building with about 8.5 lac square feet of high energy work space situated at the heart of Salt Lake, Sector V, Kolkata. The entire infrastructure is designed to maximise daylight and a superior indoor airflow of humidity-controlled fresh air. It is a certified IGBC-GOLD-rated green building and hence uses the latest innovations in energy and water efficiency, sustainable practices, resource recycling and green building practices. https://www.infinityitpark.com/adventzinfinity	The building is advocating a low-carbon economy.
2.	IGBC Gold Pre-certification and Platinum rated Building	The Bank received IGBC Gold Precertification for it's Residential training centre and currency chest Building (CBD 99/2). Head-office Building and Residential Training centre are intended to be IGBC Platinum rated Buildings.	The building is advocating a low-carbon economy.
3.	Water treatment facility in the Corporate Office	Plumbing- 100% waste water recycle plant (STP); use of water-efficient sanitary fixtures. https://www.infinityitpark.com/adventzinfinity	Advocating a wastewater recycling
4.	All offices, branches and business units are equipped with energy-efficient LED lighting systems	All offices, branches and business units are equipped with energy-efficient LED lighting systems.	Advocating a low-carbon economy.
5.	All offices' air conditioners are set at 24-25°C as per the latest standards of ASHRAE and BEE	https://www.ashrae.org/technical-resources/bookstore/standards-62-1-62-2#:~:text=ANSI%2FASHRAE%20Standards%2062.1%20and,adverse%20health%20effects%20for%20occupants.	Advocating a low-carbon economy.
6.	CSR Initiatives on Climate Change adaptation	https://bandhan.bank.in/beyond-banking	Carbon sequestration through afforestation and plantation activities
7.	CSR initiatives on water conservation	https://bandhan.bank.in/beyond-banking	Created rainwater harvesting potential for irrigation purposes and saving the area from groundwater depletion

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**
The Bank acknowledges and recognises the importance of ensuring resiliency in its business operations and maintaining the trust and confidence of its stakeholders, including customers, regulators, employees, and the public at large. To minimise impact on its activities during disasters/disruptions, the Bank has put in place a Business Continuity Plan (BCP) for building resilience in its identified critical operations. The plan is reviewed on an annual basis, and the implementation of this plan is overseen by the Operational Risk Management Committee, chaired by the MD & CEO. The Bank's Business Continuity Management System is ISO 22301 certified. The Bank also has a comprehensive Emergency Response Plan, which aims to minimise the impact of disasters on its business and uphold its commitment to the Bank's customers, internal stakeholders, and employees. The Bank also has Disaster Recovery Plan which has consideration of applicable internal policies as well as regulatory requirements. Periodic testing involving Top Management is also carried out. Bank has e course on BCMS aligned to ISO guidelines for all employees.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**
No such assessment has taken place during FY2025-26

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**
NIL. The Bank is yet to undertake a formal assessment of the environmental impacts of its value chain partners. Going forward, the bank intends to progressively strengthen its environmental due diligence and engagement with value chain partners, with a view to incorporating environmental considerations into its vendor management processes, wherever relevant and feasible.

8. **How many Green Credits have been generated or procured:**
   a. **By the listed entity:** NIL. The Bank has not generated or procured any Green Credits under the Government of India's Green credit Programme during the reporting period. As part of its broader environmental and biodiversity initiatives, the Bank undertakes afforestation programmes, including agroforestry, social forestry and mangrove conservation. These initiatives are estimated to have contributed to the sequestration of approximately 6470.79* tCO_2e during reporting period.

   b. **By the top ten (in terms of value of purchases and sales, respectively) value chain partners:** NIL

***Note –** Carbon sequestration has been estimated based on the Bank's internal methodology by referring to scientific calculation methods.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/associations.**
The Bank is associated with 4 associations as listed in answer 1(b) of this section.

   b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.**

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	IBA (Indian Banks' Association)	National
2	CII (Confederation of Indian Industries)	National
3	BCC&I (Bengal Chambers of Commerce & Industries)	State
4	ICC (Indian Chamber of Commerce)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
There have not been any cases related to anti-competitive conduct of the Bank in the current reporting period.		

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
The Bank does not engage in public policy advocacy and has not partnered with any association for setting any benchmark.					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No such projects have been undertaken by the Bank for which SIA needs to be carried out as per applicable laws.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Bank strives to build strong and meaningful relationships with local communities in its areas of operation. It supports initiatives in education, healthcare, and social welfare by addressing community needs, incorporating feedback, and contributing to the improvement of overall living standards.

Additionally, any community member or beneficiary supported through the Bank's implementing agency may raise concerns or grievances directly or indirectly.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers.**

Particulars	FY2025-26	FY2024-25
Directly sourced from MSMEs/ small producers	9.32%*	-
Directly in India	99.98%*	-

*A streamlined approach to calculating input material sourcing has been introduced from FY26

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY2025-26*	FY2024-25#
Rural	19%	20%
Semi-urban	22%	23%
Urban	34%	33%
Metropolitan	26%	24%

#FY25 disclosure has been restated to align with the applicable RBI classification and updated calculation methodology, ensuring accurate and consistent reporting of the metric.

*The data provided above is as on March 31, 2026

(Location categorised as per RBI Classification System–rural / semi-urban / urban/metropolitan)

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sl. No.	State	Aspirational District	Amount spent
1	Madhya Pradesh	Chhatarpur	51,09,517

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

The Company has an established procurement policy in place. While the policy does not currently include provisions for preferential procurement, the Company, on a best-effort basis, undertakes purchases from marginalised and vulnerable groups, wherever feasible.

(b) **From which marginalised / vulnerable groups do you procure?**

Not Applicable

(c) **What percentage of total procurement (by value) does it constitute?**

Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.**

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.**

Name of Authority	Brief of the Case	Corrective Action Taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects**

Sl. No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Promoting Healthcare and preventive health	38,638	100%
2	Promoting Education and Skill Development	1,85,103	100%
3	Woman Empowerment, Gender equality and measures for reducing inequalities	1,46,182	100%
4	Ensuring environmental sustainability, ecological balance, protection of flora and fauna	11,929	100%
Total		**3,81,852**	**100%**

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Bank is committed to delivering a superior customer experience through a structured and responsive grievance redressal framework. A well-defined mechanism is in place to receive, track and resolve customer complaints across multiple channels, ensuring timely, fair and transparent resolution.

The Bank follows the principle of “First Contact Resolution”, with efforts directed towards addressing customer concerns at the initial point of engagement. The framework extends across all service channels, including outsourced service providers, to maintain uniform standards of customer service.

A centralised grievance management system enables end-to-end tracking of complaints, monitoring against defined turnaround time (TAT) benchmarks and ensuring accountability in resolution. A multi-level escalation framework is implemented for unresolved cases, including review by designated grievance officers and independent oversight through the Internal Ombudsman (IO) mechanism, in line with regulatory requirements.

The Bank has institutionalised robust governance mechanisms through Customer Service Committees at multiple levels. Branch-level committees capture customer feedback and identify service improvement opportunities, while senior management and Board-level committees periodically review complaint trends, root causes and corrective actions.

Insights derived from complaints and feedback are systematically analysed and used to drive process improvements, service enhancements and reduction in recurring issues, thereby strengthening the overall customer experience.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA*
Safe and responsible usage	
Recycling and/or safe disposal	

*Given the Bank's nature as a financial services institution, it does not offer physical products requiring disclosure on environmental or social parameters such as usage or disposal. However, the Bank integrates such considerations into its operations and customer-facing processes through the following initiatives:

- Promotion of digital and paperless banking practices to reduce environmental impact.
- Implementation of Climate Action programme to undertake CSR and environmental initiatives,
- Conducting customer awareness initiatives on digital banking, and fraud prevention to encourage responsible usage of services.
- Ensuring transparent communication of product features, charges, and grievance redressal mechanism.

3. Number of consumer complaints in respect of the following:

Particulars	FY2025-26			FY2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-Security	-	-	-	-	-	-
Delivery of Essential Services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Others*	1,24,311	3,787	Out of 3,787 pending complaints, 3,547 stands closed as on date.	1,55,958	6,116	Out of 6,116 pending complaints, 3,609 has since been closed.

*Customer complaints related to service delivery, excludes court cases (if any)

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	Not applicable as the Bank belongs to the service industry	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes.

Web-link– https://bandhan.bank.in/sites/default/files/2026-01/Customer-Policies-08012026.pdf

The Bank is committed to delivering high-quality services and providing customers with flexibility and choice in accessing banking products. It recognises that customer trust is essential for success in a competitive environment and leverages digital platforms to offer seamless and convenient service access. The Bank has established internal Data Privacy and Cyber Security policies that govern the collection, processing, storage, and protection of information across its operations. While these policies are internal governance documents, information relating to customer data protection, privacy commitments, and customer rights is publicly available through the web link provided above. Service levels are regularly reviewed, and customer feedback is actively incorporated to enhance customer experience and drive continuous improvement.

The Bank also prioritises the protection of customer information as a core responsibility. It ensures data security through robust physical, electronic, and procedural safeguards in line with applicable laws, protecting against loss, misuse, and unauthorised access. Employees are trained in the proper handling of sensitive information, and security measures are continuously reviewed and strengthened to maintain high standards of data protection.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**
   The Bank has established appropriate governance mechanisms, policies, and internal controls to address matters relating to responsible advertising, delivery of essential services, cybersecurity, customer data privacy, and regulatory compliance. During the reporting period, there were no material incidents, breaches, product recalls, or regulatory penalties/actions pertaining to these areas that required corrective action. The Bank continues to periodically review and strengthen its policies, processes, and monitoring frameworks to uphold customer trust and service excellence.

7. **Provide the following information relating to data breaches:**
   a. Number of instances of data breaches–NIL
   b. Percentage of data breaches involving personally identifiable information of customers – 0%
   c. Impact, if any, of the data breaches–NIL

LEADERSHIP INDICATORS

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web-link, if available).**
   The Bank offers a diverse range of products and services tailored to address the varying needs of the Indian economy and society. Robust checks and controls ensure compliance with stringent norms of the Reserve Bank of India, while customer-facing representatives are well-trained in Know Your Customer policies and equipped with relevant product knowledge. Additionally, the Bank leverages social media, digital platforms, WhatsApp banking, and its 'mBandhan 2.0' mobile app to enable customers to conveniently access services and manage their banking needs on the go. Advertisements and information related to products and offerings are also available on the Bank's portal as mentioned below:

   Website link- https://bandhan.bank.in/

   App: mBandhan 2.0

   Internet banking: https://netbanking.bandhan.bank.in/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
   We actively promote customer awareness to ensure safe and responsible use of our products and services.

   Cybercrime Reporting & Fraud Awareness: Customers are encouraged to report cyber fraud via Dial 1930. RBI awareness materials (e.g., Raju & the Forty Thieves) are available on our website to help identify common frauds.

   Safe Banking Guidance: Our website provides information on protecting against phishing, identity theft and unauthorised transactions, along with preventive measures.

   Regular Customer Communication: Through SMS, email and social media, we share tips on secure banking, password safety, fraud prevention and responsible usage of banking services.

   Educational Content: Awareness videos, banners and regulatory advisories are published regularly to enhance understanding of safe banking practices.

   Branch Engagement: Monthly customer meetings at branches provide guidance on safe banking, updates on security measures and a platform to address customer queries.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
   All communications with customers are managed by the Customer Service team within the Customer Experience Department, particularly during crisis situations, where the nature and content of communication are guided by the specific circumstances. Such communication typically includes a detailed description of the crisis, along with the date, time, and affected areas. It also covers the impact of the crisis on the Bank's operations and services, including any interruptions, delays, or outages, and clearly specifies the services affected and the extent of disruption.

   Customers are informed about potential outcomes, including timelines for service restoration and any immediate or long-term implications. The Bank outlines the steps being taken to manage the crisis and minimise its impact, while also providing clear contact details for customers seeking assistance.

Communication with external stakeholders is conducted through multiple channels to ensure timely and effective outreach. These channels include announcements on the Bank's website and social media platforms, email communications, and telephone calls or text messages.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

The Bank operates in a dynamic and competitive environment marked by evolving customer expectations, technological advancements, and economic uncertainties. Recognising that sustained growth is driven by customer trust and satisfaction, the Bank continuously strives to enhance customer experience through efficient operation and seamless service delivery across physical and digital channels.

To strengthen customer relationships, the Bank focuses on providing clear product information and promoting customer awareness. We also conduct customer satisfaction surveys and targeted workshops for key segments such as senior citizens, women customers, and low-income groups to gather insights on service quality parameters, including reliability, responsiveness, empathy and assurance.

Customer feedback is systematically collated and analysed to generate performance scores, which are used to assess and improve the service quality and behaviour of employees across branches and offices.

For and on behalf of the Board of Directors
Bandhan Bank Limited

Partha Pratim Sengupta
Managing Director & Chief Executive Officer
(DIN: 08273324)

Rajinder Kumar Babbar
Executive Director & Chief Business Officer
(DIN: 10540386)

Ratan Kumar Kesh
Executive Director & Chief Operating Officer
(DIN: 10082714)

Place: Kolkata
Date: July 21, 2026

INDEPENDENT REASONABLE ASSURANCE REPORT ON BUSINESS RESPONSIBILITY SUSTAINABILITY REPORT ON CORE KPIS OF BANDHAN BANK LIMITED

To,
The Board of Directors,
Bandhan Bank Limited
Kolkata, India.

We have undertaken to perform a Reasonable Assurance for Business Responsibility Sustainability Report [hereinafter "BRSR"] 'Core Key Performance Indicators (KPIs)' for Bandhan Bank Limited vide Engagement Letter dated June 11, 2026 in respect of the agreed BRSR in accordance with the criteria stated below. This is included in BRSR of the company for the financial year ended March 31, 2026.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is as per the guidelines issued by Securities and Exchange Board of India (SEBI) in accordance with the circulars:

- Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 captioned, "Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities", dated November 11, 2024
- SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated March 28, 2025 and clarifications issued for the same.

This engagement was conducted by a multidisciplinary team including assurance practitioners, social, governance and environmental experts.

Identified Sustainability Information

The identified Sustainability Information for the financial year ended March 31, 2026 is summarised below as per Appendix 1;

The Reasonable Assurance was carried out on standalone basis. For certain Environmental disclosures the following locations are covered for assurance procedures: the Head Office, Mega Project, Mumbai (BKC), Ahmedabad RO and the Currency Chest. Other KPIs for which Reasonable assurance is undertaken are also given in Appendix 1 to the report and;

Our Reasonable Assurance engagement was with respect to the year ended March 31, 2026 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, considering applicable laws and regulations, if any, related to reporting on Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of

BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Our independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) and have the required competencies and experience to conduct this assurance engagement and;

The firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" issued by the ICAI and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a Reasonable assurance conclusion, as applicable and given in the Appendix 1 to this report on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained;

We conducted our engagement in accordance with the 3000 Standard on Sustainability Assurance Engagements (SSAE) "Assurance Engagements on Sustainability Information", issued by the ICAI. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances;

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Basis of Opinion:

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the identified sustainability indicators and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and / or measurements of the identified sustainability indicators;
- Made enquiries of Company's Management, including those responsible for Sustainability, Environment, Social, Governance (ESG), and those with responsibility for managing the Company's BRSR;
- Obtained understanding and performed an evaluation of the design of the key systems, processes and controls for managing, recording and reporting on the Identified Sustainability Indicators;
- Based on that understanding, the risks that the selected information may be materially misstated and determining the nature, timing and extent of further procedures;
- Checked the consolidation for various sites and corporate offices under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported;
- Based on above understanding and the risks that the identified sustainability indicators may be materially misstated, determined the nature, timing and extent of further procedures;
- Performed substantive testing on a sample basis of the Identified Sustainability Indicators to verify that data had been appropriately measured with underlying documents recorded, collated and reported;
- Assessed records and performed testing including recalculation of sample data;
- Reviewed records and performed testing including recalculation of sample data;
- Assessed the level of adherence to the 'Guidance note for BRSR format' issued by Securities and Exchange Board of India (SEBI) followed by the Company in preparing the BRSR Core KPIs;
- Assessed the BRSR Core KPIs for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to agreed indicators and relevant source data/information and
- Obtained representations from Company's Management.

Exclusions:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- To provide a Limited assurance conclusion
- Operations of the Company other than those mentioned in the "Scope of Assurance" as per the above referred Engagement Letter dated June 11, 2026;
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information;
- Data and information outside the defined reporting period i.e., Financial Year 2025 – 26 and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Opinion on Reasonable Assurance

Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information for the financial year ended March 31, 2026 (as stated under "Identified Sustainability Information") is prepared in all material respects, in accordance with the criteria.

Emphasis on Matter (EOM)

Without modifying our conclusion, we draw attention to the following matter:

For the following disclosures included in the BRSR Core KPIs, the underlying data and supporting documentation are on estimated basis:

a) Section C "Principle 6 C9"- Waste generation and management- With respect to waste management disclosures, the Company currently maintains and monitors data for e-waste and battery waste across all branches on a pan-India basis. Data relating to other categories of waste is presently not maintained and accordingly, has not been considered for reporting purposes.

b) Section C "Principle 6 C7"- Scope 1 & Scope 2 emissions- The data relating to fire extinguisher replacements/refills and HVAC refrigerant refilling has been compiled and considered only for the following five locations: Head Office, Mega Project, Mumbai (BKC), Ahmedabad RO and the Currency Chest. Accordingly, refrigerant and fire extinguisher-related emissions, if any, pertaining to other locations have not been considered in the reporting boundary. As a result, the reported Scope 1 GHG emissions may be understated to the extent of such excluded locations. The Scope 2 GHG emissions disclosure has been computed based on electricity consumption data available for only five locations, namely Head Office, Mega Project, Mumbai (BKC), Ahmedabad RO and the Currency Chest. Electricity consumption data for other locations has not been considered within the current reporting boundary. Accordingly, the reported Scope 2 emissions may be understated to the extent of electricity consumption and corresponding emissions attributable to the excluded locations.

c) Section C "Principle 6 C1" – Energy generation through Electricity-The electricity consumption data considered for reporting covers the following five locations only: Head Office, Mega Project, Mumbai (BKC), Ahmedabad RO and the Currency Chest. Data relating to other locations is presently not maintained and accordingly, has not been considered for reporting purposes.

The above matter does not affect our reasonable assurance conclusion.

Restriction on use

Our Reasonable Assurance Report and conclusion have been prepared and addressed to the Board of Directors of Bandhan Bank Limited at the request of the company solely, to assist company in reporting on Company's core KPIs sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addresses of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration Number: 101961 W/W – 100036

Himanshu Kishnadwala
Partner
Membership Number: 037391

Date: June 22, 2026
Place: Mumbai
UDIN: 26037391YOUYMO4503

Appendix - 1

Sr. No.	Indicator Number	Name of Indicator	Coverage	Type of Assurance
1.	Section C- Principle 6 -Q7	Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the given format	Covers 5 locations namely – Head office, Currency Chest, Mega project, Ahemdabad RO & Mumbai BKC	Reasonable
2.	Section C- Principle 6 -Q3	Provide details of the following disclosures related to water withdrawal, in the given format	Covers all offices and branches	Reasonable
3.	Section C- Principle 6 -Q4	Provide the following details related to water discharged	Covers all offices and branches	Reasonable
4.	Section C- Principle 6 -Ql	Details of total energy consumption (in Joules or multiples) and energy intensity, in the given format	Covers 5 locations namely – Head office, Currency Chest, Mega project, Ahemdabad RO & Mumbai BKC	Reasonable
5.	Section C- Principle 6 -Q9	Provide details related to waste management by the entity, in the given format	Covers all offices and branches	Reasonable – Pending Validation as supportings are awaited
6.	Section C- Principle 3 - Q1c	Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the given format	Covers all offices and branches	Reasonable
7.	Section C- Principle 3 - Q11	Details of safety related incidents, in the given format	Covers all offices and branches	Reasonable
8.	Section C- Principle 5 - Q3b	Gross wages paid to females as % of total wages paid by the entity, in the given format	Covers all offices and branches	Reasonable
9.	Section C- Principle 5 - Q 7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the given format	Covers all offices and branches	Reasonable
10.	Section C- Principle 8 -Q4	Percentage of input material (inputs to total inputs by value) sourced from suppliers.	Covers all offices and branches	Reasonable- Pending Validation as supportings are awaited
11.	Section C- Principle 8 - Q 5	Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the given locations, as % of total wage cost	Covers all offices and branches	Reasonable
12.	Section C- Principle 9 - Q 7	Provide the following information relating to data breaches: a. Number Of instances of data breaches b. Percentage of data breaches involving personally identifiable information of customers c. Impact, if any, of the data breaches	Covers all offices and branches	Reasonable
13.	Section C- Principle 1- Q 8	Number of days of accounts payables (Accounts Payable *365) / cost of goods/services procured) in the given format.	Covers all offices and branches	Reasonable
14.	Section C- Principle 1 - Q 9	Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the given format.	Covers all offices and branches	Reasonable

Independent Auditor's Report

To the Members of Bandhan Bank Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of Bandhan Bank Limited ("the Bank") which comprise the Balance Sheet as at March 31, 2026, and the Profit and Loss Account and 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 (hereinafter referred to as "the financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ("the Act") and the circulars, guidelines and directions issued by Reserve Bank of India ("RBI"), in the manner so required for banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021 as amended to the extent applicable, of the state of affairs of the Bank as at March 31, 2026, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters:

Identification and Provisioning of Non-performing Advances (NPA):
Total NPA as at March 31, 2026: ₹ 5,019.55 crore
Provision for NPA as at March 31, 2026: ₹ 3,567.46 crore
(Refer Schedule 9, 18.6 & 18.7 to the Financial Statements)

Key Audit Matter	How our audit addressed the key audit matter
Identification of NPA and measurement of provision on account of NPA is made based on the assessment of various criteria stipulated in the Reserve Bank of India ("RBI") guidelines on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ("IRACP"). The Bank is also required to apply its judgement to determine the identification and provision required against NPAs by applying quantitative as well as qualitative factors. The risk of identification of NPAs is affected by factors like stress and liquidity concerns in certain sectors. The provision against advances is based on criteria such as past due status, out of order status etc. The provision in respect of such NPAs are made based on ageing and classification of NPAs, recovery estimates, value of security, nature of loan products and other qualitative factors and is subject to minimum provisioning levels prescribed by the RBI and approved policy of the bank in this regard. In addition to this, for restructured accounts, provision is made for erosion/ diminution in fair value of restructured loans, in accordance with the RBI guidelines. Further, NPA classification is made borrower wise whereby if one facility of the borrower becomes NPA then all facilities of such a borrower will be treated as NPA.	• Tested the design and operating effectiveness of key controls (including application controls) over approval, recording, monitoring, and recovery of loans, monitoring overdue/ stressed accounts, identification of NPA, provision for NPA, and valuation of security including collateral. Testing of Application controls includes testing of automated controls, reports and system reconciliations. • Evaluated the governance process and tested controls over calculations of provision on non-performing advances, basis of provisioning in accordance with the Board approved policy. • Selected the borrowers based on quantitative and qualitative risk factors for their assessment of appropriate classification as NPA including computation of overdue ageing to assess its correct classification and provision amount as per the IRACP norms and Bank policy.

Key Audit Matter	How our audit addressed the key audit matter
We have identified 'Identification of NPA and Provisioning on Advances' as a key audit matter in view of the significant level of estimation involved, as well as the stringent compliances laid down by the RBI in this regard.	Performed other substantive procedures including but not limited to the following: ❖ Selected sample of performing loans and assessed them independently as to whether these should be classified as NPA; ❖ For sample selected, examined the security valuation, financial statements and other qualitative information of the borrowers; ❖ Considered the accounts reported by the Bank and other Banks as Special Mention Accounts ("SMA") in RBI's Central Repository of Information on Large Credits (CRILC) to identify stress; ❖ Performed inquiries with the credit and risk departments to ascertain if there were indicators of stress or an occurrence of an event of default in a particular loan account or any product category which needs to be considered as NPA; ❖ Assessed the appropriateness of asset classification and adequacy of related provisioning by performing procedures such as computation of overdue ageing, assessment of borrower level, NPA identification and verification of applicable provision rates as per IRACP norms and Bank's Policy on test check basis; and assessed the adequacy of disclosures against the relevant accounting standards and RBI requirements relating to NPAs. ❖ We communicated the observations arising out of our above procedures with those charged with governance and the management. The resultant modifications in IT procedures to improve financial and operating controls have been implemented or expected to be implemented in the near future. In the meanwhile, the management has made compensating computations through specific manual or other off system exercises to which we have applied audit tests, where necessary.

Information Technology ("IT") Systems and Controls impacting Financial Reporting

Key Audit Matter	How our audit addressed the key audit matter
The Bank has a complex IT architecture to support its day-to-day business operations. High volume of transactions are processed and recorded on single or multiple applications. The reliability and security of IT systems plays a key role in the business operations of the Bank. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.	Our procedures with respect to this matter included the following: In assessing the controls over the IT systems of the Bank, we involved our technology specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems. We evaluated and tested relevant IT general controls over the "in-scope" IT systems and IT dependencies identified as relevant for our audit of the financial statements and financial reporting process of the Bank. On such "in-scope" IT systems, we have tested key IT general controls with respect to the following domains: ● Program change management, which includes that program changes are moved to the production environment as per defined procedures and relevant segregation of environment is ensured.

Key Audit Matter	How our audit addressed the key audit matter
We have identified 'IT systems and controls' as key audit matter because of the high level automation, significant number of systems being used by the management and the complexity of the IT architecture and its impact on the financial reporting system.	● User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privilege access to applications, operating systems and databases in the production environment were granted only to authorized personnel. ● Program development, which includes controls over IT application development or implementation and related infrastructure, which are relied upon for financial reporting. In addition, understood where relevant, changes made to the IT landscape during the audit period. ● IT operations, which includes job scheduling, monitoring and backup and recovery. We also evaluated the design and tested the operating effectiveness of relevant key IT dependencies within the key business process, which included testing automated controls, automated calculations/ accounting procedures, interfaces, segregation of duties and system generated reports, as applicable. We communicated the observations arising out of our above procedures with those charged with governance and the management. The resultant modifications in IT Procedures to improve financial and operating controls have been implemented or expected to be implemented in the near future. In the meanwhile, the management has made compensating computations through specific manual or other off system exercises to which we have applied audit tests, where necessary.

Information other than financial statements and auditors' report thereon

5. The Bank's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the Financial Statements

6. The Bank's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, and the provisions of section 29 of the Banking Regulations Act, 1949 and circulars, guidelines and directions issued by the RBI from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and Board of Director either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

   The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Bank.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

13. The financial statements of the Bank for the year ended March 31, 2025 were jointly audited by Singhi & Co. and V. Sankar Aiyar & Co., who vide their audit report dated April 30, 2025 expressed an unmodified opinion on the audited financial statements.

Report on other legal and regulatory requirements

14. In our opinion, the Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of section 29 of the Banking Regulation Act, 1949 and section 133 of the Act.

15. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:

(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;

(c) Since the key operations of the Bank are automated with the key applications integrated to the core banking system, the audit is carried out centrally at the Bank's Head Office located in Kolkata, as all the necessary records and data required for the purposes of our audit are available there. During the course of our audit, we have visited 22 branches and 56 banking units to examine the books of account and other records maintained at the branch and performed other relevant audit procedures.

16. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books, except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules");

(c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with Companies (Accounting Standards) Rules 2021, to the extent they are not inconsistent with the guidelines prescribed by RBI;

(e) On the basis of the written representations received from the directors as on March 31, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act;

(f) The modifications relating to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above on reporting under section 143(3)(b) of the act and paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Rules;

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Bank and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Bank has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Schedule 12 & 18.17 to the financial statements;

ii. The Bank did not have any long term contract including derivative contracts for which there were material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank, during the year ended March 31, 2026;

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Schedule 18.34 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Schedule 18.34 to the financial statements, no funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. (a) The final dividend proposed in the previous year, declared and paid by the bank during the year is in accordance with the section 123 of the Act, as applicable; and

(b) As stated in Schedule 18.3 to the financial statements, the Board of Directors of the Bank have proposed dividend for the financial year 2025-26 which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable, until the date of this report.

vi. Based on our examination, which included test checks, the Bank has used various accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software, except;

(a) The audit trail was not enabled throughout the year for certain accounting masters in respect of two accounting software(s).

(b) The audit trail configured at database-level logs record only modified values in respect of two accounting software(s).

During the course of performing our procedures, other than the aforesaid instances, where the question of our commenting on audit trail does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention except in relation to certain software and databases for which the audit trail feature was not enabled.

17. In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 of the Act are not applicable to the Bank by virtue of section 35B(2A) of the Banking Regulation Act, 1949. Accordingly, the reporting under section 197(16) of the Act regarding payment/ provision for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act, is not applicable.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
(Firm Registration No. 109208W)

Karthik Srinivasan
Partner
Membership No. 514998
UDIN: 26514998UMMVRS2333
Place: Kolkata
Date: April 28, 2026

For **V. Singhi & Associates**
Chartered Accountants
(Firm Registration No. 311017E)

Sunil Singhi
Partner
Membership No. 060854
UDIN: 26060854SIKTZG3756
Place: Kolkata
Date: April 28, 2026

Annexure A

to Independent Auditor's Report

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of Bandhan Bank Limited on the Financial Statements for the year ended March 31, 2026.

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Bandhan Bank Limited ("the Bank") as of March 31, 2026, in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Banks's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Banks's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Banks's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Bank has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
(Firm Registration No. 109208W)

Karthik Srinivasan
Partner
Membership No. 514998
UDIN: 26514998UMMVRS2333
Place: Kolkata
Date: April 28, 2026

For **V. Singhi & Associates**
Chartered Accountants
(Firm Registration No. 311017E)

Sunil Singhi
Partner
Membership No. 060854
UDIN: 26060854SIKTZG3756
Place: Kolkata
Date: April 28, 2026

Balance Sheet

as at March 31, 2026

(₹ in '000)

Particulars	Schedule	As at March 31, 2026	As at March 31, 2025
Capital and Liabilities			
Capital	1	1,61,09,723	1,61,09,714
Employees Stock Options Outstanding	1A	31,85,818	24,59,051
Reserves & Surplus	2	23,64,53,428	22,74,81,304
Deposits	3	1,66,34,44,465	1,51,21,24,991
Borrowings	4	14,30,28,132	11,13,84,927
Other Liabilities and Provisions	5	4,90,15,699	4,52,02,898
Total		**2,11,12,37,265**	**1,91,47,62,885**
Assets			
Cash and Balances with Reserve Bank of India	6	13,12,66,928	7,47,74,496
Balance with Banks and Money at Call and Short Notice	7	82,44,335	2,09,19,416
Investments	8	38,66,82,819	40,71,22,755
Advances	9	1,50,10,37,779	1,31,98,73,177
Fixed Assets	10	1,40,12,955	1,18,03,819
Other Assets	11	6,99,92,449	8,02,69,222
Total		**2,11,12,37,265**	**1,91,47,62,885**
Contingent Liabilities	12	28,87,48,093	16,76,91,610
Bills for Collection		2,16,015	4,714
Significant Accounting Policies and Notes to Accounts	17 & 18		

Schedules referred to above form an integral part of the Balance Sheet

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Registration Number : 109208W

Karthik Srinivasan
Partner
Membership Number : 514998
Place : Kolkata
Date : April 28, 2026

For V. Singhi & Associates
Chartered Accountants
Firm Registration Number : 311017E

Sunil Singhi
Partner
Membership Number : 060854
Place : Kolkata
Date : April 28, 2026

For and on behalf of Board of Directors
For Bandhan Bank Limited

Partha Pratim Sengupta
Managing Director & CEO
Kolkata
DIN: 08273324

Anup Kumar Sinha
Non-Executive (Independent) Chairman
Kolkata
DIN: 08249893

NVP Tendulkar
ACB Chairman & Independent Director
Kolkata
DIN: 00869913

Ratan Kumar Kesh
Executive Director & COO
Kolkata
DIN: 10082714

Rajinder Kumar Babbar
Executive Director & CBO
Kolkata
DIN: 10540386

Rajeev Mantri
Chief Financial Officer
Kolkata

Indranil Banerjee
Company Secretary
Kolkata

Profit & Loss Account

for the year ended March 31, 2026

(₹ in '000)

	Particulars	Schedule	Year ended March 31, 2026	Year ended March 31, 2025
I.	**Income**			
	Interest Earned	13	21,68,91,122	21,94,82,287
	Other Income	14	2,73,40,228	2,96,66,000
	Total		**24,42,31,350**	**24,91,48,287**
II.	**Expenditure**			
	Interest Expended	15	10,85,94,234	10,45,76,451
	Operating Expenses	16	7,69,87,920	7,06,84,951
	Provisions & Contingencies	18.1	4,64,13,569	4,64,33,930
	Total		**23,19,95,723**	**22,16,95,332**
III.	**Net Profit for the year (I-II)**		1,22,35,627	2,74,52,955
	Balance in Profit & Loss Account brought forward from previous year		10,22,75,110	8,67,91,311
IV.	**Amount available for appropriations**		**11,45,10,737**	**11,42,44,266**
V.	**Appropriations/Transfers**			
	Transfer to Statutory Reserves		30,58,907	68,63,239
	Transfer to Statutory Reserve u/s 36(1)(viii) of Income Tax Act 1961		5,72,925	12,36,585
	Transfer to Capital Reserve		5,39,282	97,977
	Transfer to/(from) Investment Fluctuation Reserve		(8,16,241)	13,54,900
	Dividend Paid		24,16,457	24,16,455
	Balance carried over to Balance Sheet		10,87,39,407	10,22,75,110
	Total		**11,45,10,737**	**11,42,44,266**
VI.	**Earnings per Share (refer Note 18.14)**			
	Basic (₹)		7.60	17.04
	Diluted (₹)		7.59	17.04
	Face value per share (₹)		10	10
Significant Accounting Policies and Notes to Accounts		17 & 18		

Schedules referred to above form an integral part of the Profit & Loss Account

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Registration Number : 109208W

Karthik Srinivasan
Partner
Membership Number : 514998
Place : Kolkata
Date : April 28, 2026

For V. Singhi & Associates
Chartered Accountants
Firm Registration Number : 311017E

Sunil Singhi
Partner
Membership Number : 060854
Place : Kolkata
Date : April 28, 2026

For and on behalf of Board of Directors
For Bandhan Bank Limited

Partha Pratim Sengupta
Managing Director & CEO
Kolkata
DIN: 08273324

Anup Kumar Sinha
Non-Executive (Independent) Chairman
Kolkata
DIN: 08249893

NVP Tendulkar
ACB Chairman & Independent Director
Kolkata
DIN: 00869913

Ratan Kumar Kesh
Executive Director & COO
Kolkata
DIN: 10082714

Rajinder Kumar Babbar
Executive Director & CBO
Kolkata
DIN: 10540386

Rajeev Mantri
Chief Financial Officer
Kolkata

Indranil Banerjee
Company Secretary
Kolkata

Cash Flow Statement
for the year ended March 31, 2026

(₹ in '000)

	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A.	**Cash flow from Operating Activities:**		
	Profit Before Taxation	1,73,38,111	3,62,32,770
	Adjustments for:		
	Depreciation and amortization	30,41,552	27,92,019
	Provisions & Contingencies	4,13,11,085	3,76,54,115
	Interest Income from fixed deposits	(1,28,438)	(1,15,868)
	(Profit)/Loss on sale of Held-to-maturity (HTM) securities	(9,60,873)	(1,74,572)
	Interest Income from Investments in Held-to-maturity (HTM) securities	(1,68,91,515)	(1,52,57,623)
	Provision/(reversal of provision) for depreciation in value of investments	(5,20,194)	(28,59,784)
	Employee Stock Options Expense	7,76,555	21,06,974
	(Profit) / Loss on sale of fixed assets	13,331	210
	Operating Profit Before Working Capital Changes	**4,39,79,614**	**6,03,78,241**
	Movements in working capital:		
	(Increase)/Decrease in Advances	(22,20,31,988)	(14,56,31,727)
	(Increase)/Decrease in Other Assets	1,15,58,597	1,53,40,632
	(Increase)/Decrease in Investment in HFT & AFS securities	2,96,96,869	(5,69,68,047)
	Increase / (Decrease) in Deposits	15,13,19,475	16,01,05,129
	Increase / (Decrease) in Other Current Liabilities and Provisions	34,31,562	(5,86,036)
	Cash flows generated from operations	**1,79,54,129**	**3,26,38,192**
	Direct Taxes Paid (net of refunds)	(65,28,212)	(51,14,923)
	Net Cash flows generated from/(used in) Operating Activities (A)	**1,14,25,917**	**2,75,23,269**
B.	**Cash flow from Investing Activities:**		
	Purchase of Fixed Assets/Capital work-in-progress	(52,86,864)	(28,80,720)
	Sale of Fixed Assets	22,843	18,938
	Interest received from fixed deposits	1,28,212	1,15,671
	Interest received from Investments in Held-to-maturity (HTM) securities	1,72,76,107	1,44,49,239
	(Increase)/Decrease in Held to Maturity Investment	(89,74,479)	(5,04,89,600)
	Deposits (created) with banks and financial institutions	(259)	(743)
	Net Cash flows generated from/(used in) Investing Activities (B)	**31,65,560**	**(3,87,87,215)**
C.	**Cash flow from Financing Activities:**		
	Dividend paid	(24,16,457)	(24,16,455)
	Proceeds from share issue (including share premium)	123	298
	Proceeds from/(Repayment) of short term borrowings	3,40,66,500	(2,07,68,305)
	Proceeds from/(Repayment) of long term borrowings	(24,23,295)	(3,15,62,009)
	Net Cash flows generated from Financing Activities(C)	**2,92,26,871**	**(5,47,46,471)**
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	**4,38,18,348**	**(6,60,10,417)**
	Cash And Cash Equivalents at the Beginning of the year	9,56,73,233	16,16,83,650
	Cash And Cash Equivalents at the End of the year	**13,94,91,581**	**9,56,73,233**
	Components of Cash and Cash Equivalents:		
	Cash and Balances with Reserve Bank of India (refer Schedule no. 6)	13,12,66,928	7,47,74,496
	Balance with Banks and Money at call and short notice (refer Schedule no. 7)*	82,24,653	2,08,98,737
	Total	**13,94,91,581**	**9,56,73,233**

*Cash and Cash Equivalents excludes lien marked Fixed Deposits of ₹ 0.74 crore (Previous Year: ₹ 0.71 crore) with original maturity of more than three months & amount transferred to Unpaid Dividend account of ₹ 1.23 crore (Previous Year: ₹ 1.36 crore)

The accompanying notes are forming an integral part of these financial statements.

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Registration Number : 109208W

Karthik Srinivasan
Partner
Membership Number : 514998
Place : Kolkata
Date : April 28, 2026

For V. Singhi & Associates
Chartered Accountants
Firm Registration Number : 311017E

Sunil Singhi
Partner
Membership Number : 060854
Place : Kolkata
Date : April 28, 2026

For and on behalf of Board of Directors
For Bandhan Bank Limited

Partha Pratim Sengupta
Managing Director & CEO
Kolkata
DIN: 08273324

Anup Kumar Sinha
Non-Executive (Independent) Chairman
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NVP Tendulkar
ACB Chairman & Independent Director
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Ratan Kumar Kesh
Executive Director & COO
Kolkata
DIN: 10082714

Rajinder Kumar Babbar
Executive Director & CBO
Kolkata
DIN: 10540386

Rajeev Mantri
Chief Financial Officer
Kolkata

Indranil Banerjee
Company Secretary
Kolkata

Schedules

forming part of the Balance sheet as at March 31, 2026

Schedule 1 - Capital

(₹ in '000)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized Capital		
3,20,00,00,000 (Previous Year: 3,20,00,00,000) Equity Shares of ₹ 10/- each	3,20,00,000	3,20,00,000
Issued, subscribed and fully paid-up capital		
1,61,09,72,314 (Previous Year: 1,61,09,71,405) Equity Shares of ₹ 10/- each (refer Note 18.2)	1,61,09,723	1,61,09,714
Total	**1,61,09,723**	**1,61,09,714**

Schedule 1A - Employees stock options outstanding

(₹ in '000)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	24,59,051	4,41,899
Additions during the Year[1]	7,76,555	21,06,974
Deduction during the Year[2]	(49,788)	(89,822)
Total	**31,85,818**	**24,59,051**

1 Represents cost of stock options recongnised during the year.

2 Represents amount transferred to General Reserve on lapse of employee stock options during the year amounting to ₹ 4.97 crore (Previous Year: ₹ 8.98 crore) and transferred to share premium on excercise of employee stock option amounting to ₹ 0.004 crore (Previous Year: NIL)

Schedule 2 - Reserves & Surplus

(₹ in '000)

	Particulars	As at March 31, 2026	As at March 31, 2025
I.	**Statutory Reserve**		
	Opening Balance	4,30,23,298	3,61,60,059
	Additions during the Year	30,58,907	68,63,239
	Deduction during the Year	-	-
	Total	**4,60,82,205**	**4,30,23,298**
II.	**Statutory Reserve U/S 36(1)(VIII) of Income Tax Act 1961**		
	Opening Balance	1,26,23,971	1,13,87,386
	Additions during the Year	5,72,925	12,36,585
	Deduction during the Year	-	-
	Total	**1,31,96,896**	**1,26,23,971**
III.	**Capital Reserve**		
	Opening Balance	66,17,664	65,19,687
	Additions during the Year[1]	18,50,762	97,977
	Deduction during the Year	-	-
	Total	**84,68,426**	**66,17,664**
IV.	**Share Premium Account**		
	Opening Balance	5,42,10,825	5,42,10,543
	Additions during the Year[2]	155	282
	Deduction during the Year	-	-
	Total	**5,42,10,980**	**5,42,10,825**

Schedules

forming part of the Balance sheet as at March 31, 2026

(₹ in '000)

	Particulars	As at March 31, 2026	As at March 31, 2025
V.	**Investment Fluctuation Reserve**		
	Opening Balance	29,72,982	16,18,082
	Additions during the Year	-	13,54,900
	Deduction during the Year	(8,16,241)	-
	Total	**21,56,741**	**29,72,982**
VI.	**Investment Reserve**		
	Opening Balance	-	18,36,797
	Additions during the Year	-	-
	Deduction during the Year[5]	-	(18,36,797)
	Total	**-**	**-**
VII.	**Additional Reserve[3]**		
	Opening Balance	2,77,389	2,77,389
	Additions during the Year	-	-
	Deduction during the Year	-	-
	Total	**2,77,389**	**2,77,389**
VIII.	**General Reserve**		
	Opening Balance	36,60,411	7,43,530
	Additions during the Year[4]	49,747	29,16,881
	Deduction during the Year	-	-
	Total	**37,10,158**	**36,60,411**
IX.	**AFS Reserve**		
	Opening Balance	18,19,654	-
	Additions during the Year[5]	-	21,87,207
	Deduction during the Year[6]	(22,08,428)	(3,67,553)
	Total	**(3,88,774)**	**18,19,654**
X.	**Balance in Profit and Loss Account**	**10,87,39,407**	**10,22,75,110**
	GRAND TOTAL (I+II+III+IV+V+VI+VII+VIII+IX+X)	**23,64,53,428**	**22,74,81,304**

1. Appropriations made for profit on sale of investments in Held to Maturity (HTM) category, net of taxes & transfer to Statutory reserve amounting to ₹ 53.93 crore (Previous Year: ₹ 9.80 crore) and profit/loss transferred (net of taxes) on sale of equity instruments designated under Available for Sale (AFS) category amounting to ₹ 131.15 crore (Previous Year: NIL).
2. Includes amount transferred from Employees Stock option outstanding on excercise of employee stock option during the year amounting to ₹ 0.004 crore (Previous Year: NIL)
3. Additional Reserve represents reserve created in terms of section 29C of the National Housing Bank Act, 1987 out of the distributable profits by erstwhile Gruh Finance Limited, which have been carried forward in accordance with the terms of the Merger scheme.
4. Includes amount transferred from Employee Stock Options outstanding to general reserve on lapses of employee stock options during the period & previous year includes amount transferred from Investment Reserve pursuant to RBI Master Direction- Classification, Valuation & Operation of Investment portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023
5. Previous year includes amount of transitional adjustments as per RBI Master Direction- Classification, Valuation & Operation of Investment portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023
6. Represents net movement during the year and includes amount of profit/loss transferred to capital reserve on sale of equity instruments.

Schedules

forming part of the Balance sheet as at March 31, 2026

Schedule 3 - Deposits

(₹ in '000)

Particulars			As at March 31, 2026	As at March 31, 2025
A.	I.	Demand Deposits		
		i) From Banks	1,05,69,449	70,41,589
		ii) From Others	10,42,70,370	7,38,44,645
	II.	Savings Bank Deposits	37,26,83,058	39,34,82,862
	III.	Term Deposits		
		i) From Banks	23,33,18,940	26,28,24,788
		ii) From Others	94,26,02,648	77,49,31,107
		Total	**1,66,34,44,465**	**1,51,21,24,991**
B.	I.	Deposits of branches in India	1,66,34,44,465	1,51,21,24,991
	II.	Deposits of branches outside India	-	-
		Total	**1,66,34,44,465**	**1,51,21,24,991**

Deposits includes lien marked deposits amounting to ₹ 7,213.40 crore (March 31, 2025: ₹ 5,708.81 crore) where lien is marked by the Bank in the ordinary course of business

Schedule 4 - Borrowings

(₹ in '000)

Particulars		As at March 31, 2026	As at March 31, 2025
I.	Borrowings in India		
	i) Reserve Bank of India	-	-
	ii) Other banks	56,90,100	59,83,250
	iii) Other Institutions & agencies[1]	5,76,76,632	6,00,99,927
II.	Borrowings outside India	7,96,61,400	4,53,01,750
	Total	**14,30,28,132**	**11,13,84,927**
	Secured borrowings included in (I & II) above	7,50,000	7,50,000

1. Includes borrowings made under refinance.

Schedule 5 - Other Liabilities and Provisions

(₹ in '000)

Particulars		As at March 31, 2026	As at March 31, 2025
I.	Bills Payable	91,33,421	74,92,971
II.	Inter-office Adjustments(Net)	-	-
III.	Interest accrued	39,16,410	39,30,063
IV.	Contingent Provision against Standard Assets (refer Note 18.6(H))	1,07,40,850	1,02,45,113
V.	Provision for Income Tax (Net of Advance tax and Tax deducted at source)	1,11,102	1,72,306
VI.	Others	2,51,13,916	2,33,62,445
	Total	**4,90,15,699**	**4,52,02,898**

Schedules

forming part of the Balance sheet as at March 31, 2026

Schedule 6 - Cash and Balances with Reserve Bank of India

(₹ in '000)

Particulars		As at March 31, 2026	As at March 31, 2025
I.	Cash In hand (including foreign currency notes)	1,13,10,008	85,63,032
II.	Balance with Reserve Bank of India		
	i) In Current Account	4,05,06,920	6,62,11,464
	ii) In Other Accounts[1]	7,94,50,000	-
	Total	**13,12,66,928**	**7,47,74,496**

1. Represents Lending under Standing Deposit Facility (SDF)

Schedule 7 - Balances with Banks and Money at call and short notice

(₹ in '000)

Particulars			As at March 31, 2026	As at March 31, 2025
I.	**In India**			
i)	Balance with Banks			
	a)	In Current Account	48,16,351	33,28,208
	b)	In Other Deposit Accounts	7,356	7,097
ii)	Money at call & short notice			
	a)	With banks	-	-
	b)	With other institutions	2,49,880	1,72,65,368
	Total		**50,73,587**	**2,06,00,673**
II.	**Outside India**			
	a)	In Current Account	1,83,445	3,18,743
	b)	In Other Deposit Accounts	-	-
	c)	Money at call & short notice	29,87,303	-
	Total		**31,70,748**	**3,18,743**
	GRAND TOTAL (I+II)		**82,44,335**	**2,09,19,416**

Schedule 8 - Investments

(₹ in '000)

Particulars			As at March 31, 2026	As at March 31, 2025
I.	**Investment in India in**			
	i)	Government Securities	35,32,99,305	37,79,71,598
	ii)	Other Approved Securities	-	-
	iii)	Shares	12,24,029	38,55,745
	iv)	Debentures & Bonds	66,31,900	35,00,000
	v)	Subsidiaries and /or joint ventures	-	-
	vi)	Others (Mutual Fund units, Certificate of Deposits, Security Receipts and Pass Through certificates)	3,16,70,878	2,38,17,595
	Total		**39,28,26,112**	**40,91,44,938**
	Less- Provision on investments*		(61,43,293)	(20,22,183)
	Total		**38,66,82,819**	**40,71,22,755**
II.	**Investments outside India**		-	-
	Total		**-**	**-**
	GRAND TOTAL (I+II)		**38,66,82,819**	**40,71,22,755**

*Represents Provision against Security Receipts as per RBI guidelines.

Schedules

forming part of the Balance sheet as at March 31, 2026

Schedule 9 - Advances (Net of Provisions)

(₹ in '000)

Particulars			As at March 31, 2026	As at March 31, 2025
A.	i)	Bills Purchased & Discounted	14,45,092	1,72,706
	ii)	Cash credits, overdrafts and loans repayable on demand	23,99,90,779	20,61,61,571
	iii)	Term loans *	1,25,96,01,908	1,11,35,38,900
	Total		**1,50,10,37,779**	**1,31,98,73,177**
B.	i)	Secured by tangible assets (Including Advances against fixed deposits and book debts)	85,61,32,661	68,65,63,163
	ii)	Covered by Bank/Government Guarantees	2,57,186	9,64,654
	iii)	Unsecured#	64,46,47,932	63,23,45,360
	Total		**1,50,10,37,779**	**1,31,98,73,177**
C.	**I)**	Advances in India		
		i) Priority Sector	64,89,49,904	51,66,68,329
		ii) Public Sector	10,00,000	40,12,798
		iii) Banks	50,174	2,78,407
		iv) Others	85,10,37,701	79,89,13,643
	Total		**1,50,10,37,779**	**1,31,98,73,177**
	II)	Advances Outside India	-	-
	Total		**-**	**-**
	GRAND TOTAL		**1,50,10,37,779**	**1,31,98,73,177**

* Including loans outstanding purchased under Inter bank participation certificate ₹ 3,400 crore (Previous Year: ₹ 980 crore)

#Advances- Unsecured includes advances for which security documentation is being perfected

Schedule 10 - Fixed Assets

(₹ in '000)

Particulars		As at March 31, 2026	As at March 31, 2025
I)	**Premises**		
	Gross Block		
	At cost as at 31st March of the preceding year	31,52,290	31,52,290
	Addition during the Year	-	-
	Deduction during the Year	-	-
	Total	**31,52,290**	**31,52,290**
	Depreciation		
	As at the beginning of the Year	1,84,363	1,35,162
	Charge for the year	48,920	49,201
	Deduction during the Year	-	-
	Depreciation to date	**2,33,283**	**1,84,363**
	Net Block	**29,19,007**	**29,67,927**
II)	**Other Fixed Assets (Including Furniture & Fixture)**		
	Gross Block		
	At cost as at 31st March of the preceding year	1,70,17,768	1,53,10,764
	Addition during the Year	38,36,156	17,72,192
	Deduction during the Year	(6,78,809)	(65,188)
	Total	**2,01,75,115**	**1,70,17,768**
	Depreciation		
	As at the beginning of the Year	1,14,33,961	87,37,185
	Charge for the year	29,92,633	27,42,818
	Deduction during the Year	(6,42,635)	(46,043)
	Depreciation to date	**1,37,83,959**	**1,14,33,960**
	Net Block	**63,91,156**	**55,83,808**
III)	**Capital Work-in-progress (including capital advances)**	**47,02,792**	**32,52,084**
GRAND TOTAL (I+II+III)		**1,40,12,955**	**1,18,03,819**

Schedules
forming part of the Balance sheet as at March 31, 2026

Schedule 11 - Other Assets

(₹ in '000)

Particulars		As at March 31, 2026	As at March 31, 2025
I)	Inter Office adjustment (Net)	-	-
II)	Interest Accrued	1,43,29,085	1,59,91,024
III)	Advance Income Tax (Net of Provision) (refer Note 18.46)	65,64,287	11,38,672
IV)	Stationery and stamps	-	-
V)	Non banking assets acquired in satisfaction of claims (Net of Provision)	-	-
VI)	Others *	4,90,99,077	6,31,39,526
Total		**6,99,92,449**	**8,02,69,222**

* Includes Deferred Tax Assets of ₹ 632.47 crore (Previous Year: ₹ 1,008.41 crore) (Refer Note. 18.13) and balance of deposits in Rural Infrastructure and Development Fund amounting to ₹ 2,774.15 crore (Previous Year: ₹ 4,499.88 crore)

Schedule 12 - Contingent liabilities

(₹ in '000)

Particulars		As at March 31, 2026	As at March 31, 2025
I)	Claims against the Bank not acknowledged as debts	40,23,562	28,07,788
II)	Liability for partly paid investments	-	-
III)	Liability on account of outstanding forward exchange contracts		
	a) Other than Tom & spot[1]	5,29,358	14,60,299
	b) For Tom & spot[1]	5,66,65,827	6,55,48,250
IV)	Guarantees given on behalf of constituents		
	a) In India	2,34,96,859	1,41,31,077
	b) Outside India	-	-
V)	Acceptances, endorsements and other obligations	1,92,68,635	59,50,847
VI)	Currency swaps[1]	15,62,71,255	7,43,20,513
VII)	Interest rate swaps, currency options and interest rate futures[1]	2,60,50,000	16,00,000
VIII)	Other items (including Capital Commitments)	24,42,597	18,72,836
	Total	**28,87,48,093**	**16,76,91,610**

1. Represents notional amount

Schedules

forming part of the Profit and Loss Account for the year ended March 31, 2026

Schedule 13 - Interest Earned

(₹ in '000)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
I)	Interest/discount on advances/bills	18,54,71,559	19,36,74,639
II)	Income on investments	2,63,73,303	2,18,18,682
III)	Interest on balances with Reserve Bank of India and other inter-bank funds	8,18,700	9,71,765
IV)	Others (includes gain on IBPC)	42,27,560	30,17,201
	Total	**21,68,91,122**	**21,94,82,287**

Schedule 14 - Other Income

(₹ in '000)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
I)	Commission, exchange and brokerage	2,02,29,041	1,72,55,117
II)	Profit/(Loss) on sale of investments (Net)	29,76,373	13,54,900
III)	Profit/(Loss) on revaluation of investments (Net)	5,20,194	28,59,784
IV)	Profit/(Loss) on sale of fixed assets (Net)	(13,331)	(210)
V)	Profit/(Loss) on exchange/derivative transactions (Net)	1,21,857	3,38,707
VI)	Income earned by way of dividends etc. from subsidiaries/companies and/or joint venture abroad/in India	-	-
VII)	Miscellaneous income	35,06,094	78,57,702
	Total	**2,73,40,228**	**2,96,66,000**

Schedule 15 - Interest Expended

(₹ in '000)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
I)	Interest on deposits	10,18,86,178	9,53,32,391
II)	Interest on Reserve Bank of India/Inter-bank borrowings	16,86,523	33,01,440
III)	Others[1]	50,21,533	59,42,620
	Total	**10,85,94,234**	**10,45,76,451**

1. Includes amortisation of premium on interest rate swaps and foreign currency swaps.

Schedule 16 - Operating Expenses

(₹ in '000)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
I)	Payments to and provisions for employees	4,49,27,417	4,36,09,753
II)	Rent, taxes and lighting	46,32,120	43,16,256
III)	Printing and stationery	3,36,917	2,89,536
IV)	Advertisement and publicity	4,67,823	5,56,910
V)	Depreciation on bank's property	30,41,552	27,92,019
VI)	Directors' fees, allowance and expenses (refer Note 18.37)	76,616	80,096
VII)	Auditors' fees and expenses (refer Note 18.43)	37,364	35,970
VIII)	Law charges	1,90,661	1,90,862
IX)	Postage, telegrams, telephones etc	10,35,460	9,33,338
X)	Repairs and maintenance	13,46,223	10,17,944
XI)	Insurance	19,72,277	18,04,562
XII)	Other expenditure (Refer Note 18.35)	1,89,23,490	1,50,57,705
	Total	**7,69,87,920**	**7,06,84,951**

Schedules

forming part of the Balance sheet as at March 31, 2026

Schedule 17 – Significant accounting policies forming part of the financial statements for the year ended March 31, 2026

1. Background

Bandhan Bank Limited (the 'Bank'), incorporated on 23rd December, 2014 in India, is a banking company, governed by the Banking Regulation Act, 1949. Pursuant to the Banking license received from Reserve Bank of India on 17th June 2015, the Bank has commenced its banking operations from 23rd August, 2015.

2. Basis of preparation

The accompanying financial statements have been prepared under the historical cost convention and on the accrual basis of accounting, unless otherwise stated and comply with the requirements prescribed under the Third Schedule (Form A and Form B) of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India ('Indian GAAP'), the guidelines issued by RBI from time to time, the accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules, 2021 to the extent applicable and practices generally prevalent in the banking industry in India.

3. Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in the preparation of the financial statements shall be prudent and reasonable. Any revisions to the accounting estimates are recognised prospectively in the current and future periods. Actual results could differ from estimates.

4. Significant Accounting Policies

4.1 Revenue Recognition

Interest income is recognised in the profit and loss account on an accrual basis, except in the case of interest on non-performing assets, which is recognised as income on realisation, as per the income recognition and asset classification norms of RBI. Accrual of income shall also be suspended on certain other loans, including projects under implementation where the implementation has been significantly delayed and in the opinion of the management significant uncertainties exist as to the final financial closure and/or date of completion of the project.

The Bank shall not charge and take to income account interest on any NPA. This will apply to Government guaranteed accounts also. However, interest on advances against Term Deposits, National Savings Certificates (NSCs), Indira Vikas Patras (IVPs), Kisan Vikas Patras (KVPs) and Life policies is taken to income account on the due date, provided adequate margin is available in the accounts.

Profit or Loss on sale of investments is recognised in the Profit and Loss Account. However, the profit on sale of investments in 'Held to Maturity' category is appropriated (net of applicable taxes and amount required to be transferred to statutory reserve) to 'Capital Reserve Account'.

Income from hire purchase operations is accrued by applying the interest rate implicit on outstanding investments.

Income from leases is calculated by applying the interest rate implicit in the lease to the net investment outstanding on the lease over the primary lease period.

Income on discounted instruments is recognised over the tenure of the instrument on a straight line basis.

Interest Income on PTC and Loan purchase through assignment are recognised on a constant yield basis.

Dividend is accounted on an when the right to receive the dividend is established.

Loan processing fees is accounted for upfront when it becomes due.

Fees other than loan processing fees received as a compensation of future interest sacrifice are amortized over the remaining period of the facility.

Compromise on settlement is accounted on receipt of settlement money.

Arranger's fee is accrued proportionately where more than 75% of the total amount of finance has been arranged.

Guarantee / Letter of credit (LC) commission is recognised over the period of the guarantee / LC.

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Annual/renewal fee on credit cards and debit cards is recognised upfront.

Locker Rent recognised on Straight Line Method basis over the period of Contract

All fees from deposit accounts are accounted for as and when they are due and realised.

Income from sale of Priority Sector Lending certificate (PSLC) is recognized in the Profit & Loss Account during the quarter on an equated basis from the quarter in which the sale has occurred and the remaining amount will be recognized in the Profit & Loss Account over the remaining quarters of that financial year.

Appropriation of recovery in NPAs and prudential written off accounts:

Any recoveries in NPA accounts and prudential written off accounts will be first appropriated to fees/charges outstanding, if any, then interest outstanding and then principal outstanding except in those cases where bank has specific agreement with the borrower w.r.t appropriation of recoveries.

The sale of NPA and technically written off portfolio is accounted as per guidelines prescribed by RBI:

i. When the Bank sells its financial assets to Securitisation Company (SC)/Reconstruction Company (RC), the same is removed from the books.

ii. If the sale is at a price below the net book value (NBV) (i.e., book value less provisions held), the shortfall is debited to the profit and loss account in the year of sale.

iii. If the sale is for a value higher than the NBV, the excess provision is reversed in the year the amounts are received, as permitted by the RBI.

All other fees are accounted for as and when they become due.

4.2 Investments

Classification, valuation and operation of investment portfolio is carried out in accordance with the Reserve Bank of India (Commercial Banks – Classification, Valuation and Operation of Investment Portfolio) Directions, as amended from time to time.

A) Classification:

Investments shall be classified into three categories, viz. Held to Maturity ('HTM'), Available for Sale ('AFS') and Fair Value through Profit and Loss ('FVTPL'). Held for Trading ('HFT') shall be a separate investment subcategory within FVTPL. The category of the investment shall be decided by the bank before or at the time of acquisition and for reclassification, Bank shall need to obtain approval from the Board of Directors for reclassification between categories ((viz. HTM, AFS and FVTPL (includes FVTPL (HFT) and FVTPL (Non-HFT)). Further, reclassification shall also require the prior approval of the Department of Supervision (DoS), RBI. Investments are accounted for on settlement date basis except for equity shares which are accounted for on trade date.

- Securities that meet the Solely Payment of Principal and Interest ('SPPI') criterion and are acquired with the intention and objective of holding it till maturity, i.e., the financial assets are held with the objective to collect the contractual cash flows shall be classified under HTM.
- Securities that meet the SPPI criterion and are acquired with the objective of both (a) collecting contractual cash flows and (b) selling securities shall be classified under AFS. These includes securities held for ALM.
- Investments, which are not classified in the above two categories, shall be classified as "Fair Value through Profit and Loss (FVTPL)".

B) Initial Recognition:

At initial recognition, bank shall measure all investments at fair value. Bank shall presume acquisition cost to be the fair value unless the facts and circumstances suggest otherwise. Cost of investment excludes broken period interest paid on acquisition of investments. Brokerage and commission paid at the time of acquisition are charged to Profit and Loss Account. Cost of investments is determined on the weighted average cost basis. Any discount or premium on the acquisition of debt securities under AFS, FVPTL & HTM shall be amortised over the remaining life of the instrument.

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C) Valuation & Subsequent Measurement:

Investments classified under the 'AFS' and 'HFT' categories are fair valued periodically as per RBI guidelines.

The fair valuation gains and losses across all performing investments held under AFS shall be aggregated. The net appreciation or depreciation shall be directly credited or debited to a reserve named 'AFS Reserve' without routing through the Profit & Loss Account. Upon sale or maturity of a debt instrument in AFS category, the accumulated gain/ loss for that security in the AFS Reserve are transferred from the AFS Reserve and recognized in the Profit and Loss Account. In the case of equity instruments designated under AFS at the time of initial recognition, any gain or loss on sale of such investments shall not be transferred from AFS-Reserve to the Profit and Loss Account. Instead, such gain or loss shall be transferred from AFS-Reserve to the Capital Reserve.

The securities held in FVTPL shall be fair valued and the net gain or loss arising on such valuation shall be directly credited or debited to the Profit and Loss Account.

The market/fair value for the purpose of periodical valuation of quoted investments included in the 'AFS' and 'FVTPL' categories is the market price of the security available from trades/quotes on the recognized stock exchanges, price list of RBI or prices declared by Financial Benchmarks India Pvt. Ltd. (FBIL), periodically. Other unquoted fixed income securities, including Pass through Certificate wherever linked to the Yield-to-Maturity (YTM) rates, is computed based on residual maturity with a mark-up (applicable to the issuer) over the YTM rates for GOI securities of similar maturities published by FIMMDA/FBIL as directed by RBI.

The fair value of the unquoted equity shares shall be the break-up value (without considering 'revaluation reserves', if any) which is to be ascertained from the company's latest audited Balance Sheet. The date as on which the latest Balance Sheet is drawn up shall not precede the date of valuation by more than 18 months. In case the latest audited Balance Sheet is not available or is more than 18 months old, the shares shall be valued at ₹1 per company.

Discounted instruments like Treasury Bills, Certificate of Deposits, Commercial Papers are valued at carrying cost.

Investments categorized under HTM are carried at acquisition cost, or at amortized cost if acquired at a discount or premium over the face value. Such discount or premium is amortized over the remaining period to maturity of the relevant security on a straight-line basis. Where in the opinion of management, a diminution, other than temporary in the value of investments classified under HTM has taken place, suitable provisions are made. Any profit or loss on the sale of investments in HTM shall be recognised in the Profit and Loss Account. The profit on sale of an investments in HTM shall be appropriated below the line from the Profit and Loss Account to the 'Capital Reserve Account'. The amount so appropriated shall be net of taxes and the amount required to be transferred to Statutory Reserve.

Security receipts issued by the asset reconstruction companies are valued in accordance with the guidelines applicable to such instruments, prescribed by RBI from time to time at the end of each reporting period. Accordingly, in cases where the cash flows from security receipts issued by the asset reconstruction companies are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Bank reckons the net asset value obtained from the asset reconstruction company from time to time, for valuation of such investments at each reporting period end.

D) Repurchase (Repo) and reverse repurchase transactions:

Repurchase ('repo') and reverse repurchase ('reverse repo') transactions including liquidity adjustment facility (with RBI) shall be accounted for as borrowing and lending transactions. Accordingly, securities given as collateral under an agreement to repurchase them continue to be held under the investment account of the Bank and the Bank would continue to accrue the coupon/discount on the security during the repo period. Also, the Bank continues to value the securities sold under repo as per the investment classification of the security. The difference between the clean price of the first leg and clean price of the second leg shall be recognized as interest income/expense over the period of the transaction in the profit and loss account.

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E) Short Sales:

In accordance with the RBI guidelines, the Bank undertakes short sale transactions in Central Government dated securities. Such short positions are categorized under HFT category. These positions are marked-to-market along with the other securities under HFT portfolio and the resultant mark-to-market gains/losses are accounted for as per the relevant RBI guidelines as stated above.

F) Investment Fluctuation Reserve:

The amount transferred to IFR will be lower of the following (i) net profit on sale of investments during the year or (ii) net profit for the year, less mandatory appropriations, until the amount of IFR is at least 2 percent of the AFS and FVTPL including HFT portfolio, on a continuing basis.

G) Non-Performing Investment:

Non-performing investments are identified and depreciation / provision are made thereon based on RBI guidelines. The depreciation / provision on such non-performing investments are not set off against the appreciation in respect of other performing securities. Interest on non-performing investments is not recognized in the Profit & Loss Account until received.

H) Transition and Repeal Provisions:

At the time of transition to these RBI Directions (i.e., on April 1, 2024), banks shall;

a. Reclassify their investment portfolio as at March 31, 2024, as per the directions laid down in Chapter III of these Directions;

b. The balance in provision for depreciation, as at March 31, 2024, shall be reversed into the Revenue/ General Reserve;

c. The balances in Investment Reserve Account (IRA), if any, as of March 31, 2024, shall be transferred to the Revenue/ General Reserve if the bank meets the minimum regulatory requirements of IFR. If the bank does not meet the minimum IFR requirements, the balances in IRA shall be transferred to IFR;

d. In respect of HTM the acquisition cost adjusted for any premium/ discount amortised between date of acquisition and March 31, 2024, shall be the revised carrying value. The difference between the revised carrying value and the previous carrying value shall be adjusted in any Revenue/General Reserve;

e. In respect of FVTPL the fair value as at March 31, 2024 shall be the revised carrying value. The difference between the revised carrying value and the previous carrying value shall be adjusted in any Revenue/ General Reserves;

f. In respect of AFS the fair value of the investment as at March 31, 2024 shall be the revised carrying value. The difference between the revised carrying value and the previous carrying value shall be adjusted in AFS Reserve;

4.3 Loans /Advances and Provisions thereon

Advances are classified into performing and non-performing advances (‘NPAs’) as per the RBI guidelines and Stressed Asset Management & Recovery (SAMR) policy of the bank and are stated net of specific provisions made towards NPAs. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by the RBI. Provisions for NPAs are made for sub-standard and doubtful assets at rates as prescribed by the RBI.

The Bank has a policy of deferment of instalments for micro (EEB) loan borrowers in case the group meetings have been suspended and the same has not been considered as overdue for the purpose of NPA classification.

Amounts recovered against debts written off in earlier years are recognised in the profit and loss account as credit to Miscellaneous Income under the head ‘Other Income’

The Bank maintains general provision on standard advances as prescribed by RBI. In case of micro (EEB & SBAL)) lending portfolio, general provision on standard advances will be maintained by Bank at 1% comprising 0.25% as per the minimum provisioning requirement by RBI and 0.75% as additional provision. Provision made against standard assets is included in “Other liabilities & provisions”.

In case of non-performing micro (EEB & SBAL) lending portfolio, where 30 days have elapsed from the completion of loan tenure, the Bank is making 100% provision.

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Non-performing loans, which have been fully provided for, are written off when the prospect of recovery is considered remote as per the management estimate in compliance with the stressed assets management and recovery policy of the Bank.

Restructured assets are classified and provided for in accordance with the guidelines issued by RBI from time to time.

For entities with Unhedged Foreign Currency Exposure ('UFCE'), provision is made in accordance with the guidelines issued by RBI, which requires to ascertain the amount of UFCE, estimate the extent of likely loss and estimate the riskiness of unhedged position. This provision is classified under Schedule 5 – Other Liabilities in the Balance Sheet.

Further, Incremental capital is maintained in respect of borrower counter parties in the highest risk category, in line with stipulations by RBI.

4.4 Inter Bank Participation Certificate

The Bank enters into Inter Bank Participation with risk sharing as issuing Bank and the aggregate amount of participation are reduced form the aggregate advance outstanding .

Gain on IBPC is the excess of income earned on the participation pool and interest paid to the issuing Bank and is recognised on accrual basis.

4.5 Tangible Assets

All tangible fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Asset under development as at the balance sheet date are shown as Capital Work in Progress. Advance paid towards such development are shown as capital advance.

Any subsequent expenses is capitalised only when it increases the future economic benefit / functioning capability.

4.6 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

4.7 Depreciation and Amortisation

Depreciation is charged over the estimated useful life of a fixed asset on a straight-line basis. The useful lives of the groups of fixed assets are given below:

Asset	Useful life in years
Leasehold Land	99
Building	60
Improvements to leasehold premises	3
Furniture & Fixtures Interior	3
Furniture & Fixtures Modular	5
Furniture & Fixtures Others	10
Office equipments (including air conditioners)	5
Motor vehicles	4
Computers	3
Electrical Installation and Equipment	10
Software/ Intangible Assets	3
Computer Networking/Server	6

Items costing less than ₹ 5,000/- shall be fully depreciated in the year of purchase.

Assets purchased and sold during the year shall be depreciated on the basis of actual number of days the asset has been put to use.

In case of revision in the estimated useful life of assets any unamortized depreciation shall be amortised over the remaining useful life of the assets.

4.8 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which is the greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

4.9 Foreign Currency transactions

All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

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Monetary assets and liabilities in foreign currency are translated at the Balance Sheet date at the closing rates of exchange notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resulting gains or losses are recognised in the Profit and Loss account.

Non-monetary items which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. Non-monetary items, which are measured at fair value or others similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Foreign currency income and expenditure items of domestic operations are translated at the exchange rates prevailing on the date of the transaction.

Foreign exchange spot and forward contracts outstanding as at the Balance Sheet date and held for trading, are revalued at the closing spot and forward rates respectively as notified by FEDAI and at interpolated rates for contracts of interim maturities.

Contingent liabilities at the Balance Sheet date on account of outstanding forward foreign exchange contracts, guarantees, acceptances, endorsements and other obligations denominated in a foreign currency are stated at the closing rates of exchange notified by the FEDAI.

4.10 Employee Stock Option Scheme (ESOS)

In case of Employee stock option plan, measurement and disclosure of the employee share based payment plans is done in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The cost of equity-settled transactions shall be measured using the intrinsic value method for options granted till March 31, 2021. For options granted to all employees after March 31, 2021, the fair value on the date of grant of such instruments is recognized as an expense in accordance with the RBI guidelines on Compensation of Whole-Time Directors / Chief Executive Officers / Material Risk Takers and Control Function staff. The fair value of the stock-based employee compensation is estimated on the date of grant using Black-Scholes model. The cumulative compensation expense is recognized with a corresponding increase in the 'stock options outstanding account' in reserve for equity-settled transactions at each reporting date until the vesting date reflecting the extent to which the vesting period has expired and the Bank's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and shall be recognized in employee benefits expense. ESOP cost is recognized in Profit and Loss Statement on the basis of number of days of vesting period.

4.11 Retirement and employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Bank has no obligation, other than the contribution payable to the provident fund. The Bank recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The Bank provides for compensated absences based on actuarial valuation conducted by an independent actuary.

Actuarial gains/losses are immediately taken to the profit and loss account and are not deferred.

National Pension System (NPS):

In respect of employees who opt for contribution to the NPS, the Bank contributes certain percentage of the basic salary of employees to the aforesaid scheme, a defined contribution plan, which is managed and administered by pension fund management companies. The Bank has no liability other than its contribution and recognises such contributions as an expense in the year incurred.

4.12 Income Taxes

Tax expenses comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income

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Tax Act, 1961 and in compliance with AS 22 "Accounting for Taxation Income". Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Bank has carried forward unabsorbed depreciation and tax losses, all deferred tax assets is recognised only to the extent that there is a virtual certainty supported by convincing evidence that sufficient taxable income will be available in future against which such deferred tax assets can be realised.

At each reporting date, the Bank re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred Tax liability is created on amount transferred to special reserve under section 36(i)(viii) of the Income Tax Act, 1961 as per the RBI guidelines.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date. The Bank writes down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available.

4.13 Non-banking assets
Non-banking assets (NBAs) acquired in satisfaction of claims are valued at the market value on a distress sale basis or value of loan, whichever is lower. Further, the Bank creates provision on these assets as per the extant RBI guidelines or specific RBI directions.

4.14 Earnings per Share
Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed using the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.15 Provisions, Contingent Liabilities and Contingent Assets
A provision is recognized when the Bank has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Bank or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Bank does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets are not recognised in the financial statements.

4.16 Leases
Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight line basis over the lease term.

4.17 Cash and Cash equivalent
Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

4.18 Share Issue Expenses
Share issue expenses are adjusted against the Securities Premium Account in terms of Section 52(2) of the Companies Act, 2013.

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4.19 Reward points

The Bank estimates the probable redemption of debit and credit card reward points using an actuarial method by employing an independent actuary.

Provisions for liabilities on the outstanding reward points are made based on an independent actuarial valuation as at the Balance Sheet date and included in other liabilities and provisions.

4.20 Derivative Transactions

Derivative transactions comprises of forward contracts, currency swaps and interest rate swaps. The Bank undertakes derivative transactions for trading and non trading (Asset & Liability Management).

The Bank recognises all derivative contracts (other than those designated as hedges) at fair value, on the date on which the derivative contracts are entered into and are remeasured at fair value as at the Balance Sheet or reporting dates.

Derivative transactions such as Foreign exchange forward contracts, Forex swap and Interest rate swaps outstanding as at the Balance Sheet date and held for trading, are fair valued at present value basis. The resulting profit or loss on valuation is recognized in the Profit and Loss Account.

Derivatives which are not intended for trading such as Foreign exchange forward contracts and Forex swaps and which are outstanding at balance sheet date are fair valued at the FEDAI closing SPOT rate. The premium or discount arising at the inception of such Forward contracts and Forex swaps is amortised as expense or income over the life of the contract.

Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value).

Pursuant to the RBI guidelines, any receivable under a derivative contract with a counterparty which remains overdue for more than 90 days, mark-to-market gains on any other derivative contract with the same counterparty, is reversed through Profit and Loss account.

4.21 Segment Reporting

The disclosure related to segment information is in accordance with AS-17, Segment Reporting and as per guidelines issued by RBI.

4.22 Corporate Social Responsibility

Expenditure towards corporate social responsibility, in accordance with Companies Act, 2013, is recognised in the profit and loss account.

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Schedule 18 -Notes to accounts forming part of the financial statements for the year ended March 31, 2026

The following disclosures have been made taking into account the requirements of Accounting Standards (ASs) and Reserve Bank of India (RBI) guidelines in this regard.

18.1 Provisions & Contingencies recognised in the Profit and Loss Account comprise:

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Provision for Income Tax		
- Current tax	500.34	1,001.24
- Deferred tax	9.91	(97.80)
- Income tax / Deferred tax for earlier years	-	(25.46)
Total Tax Expenses (A)	**510.25**	**877.98**
Provision for Advances and Others		
Provision for standard assets	59.28	22.03
Provision for non-performing assets [Includes bad debts written off ₹ 2,372.22 crore* (Previous Year:₹ 2,410.94 crore)]	3,976.33	3,607.37
Provision for restructured assets (under the resolution framework of covid-19)	(9.71)	(8.18)
Provision for unhedged foreign currency exposure	1.02	0.16
Provision for country risk	-	-
Provision for one time settlement	110.41	105.27
Provision for other contingencies	(6.22)	38.76
Total (B)	**4,131.11**	**3,765.41**
Total (A+B)	**4,641.36**	**4,643.39**

Note: The Bank has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Bank recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible or the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Bank does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

*Amount received (net) from National Credit Guarantee Trustee Company Ltd (NCGTC) under Emergency Credit Line Guarantee Scheme (ECLGS) held as liability pending adjustment in respective loan account, utilized towards writing off the said portfolio covered under NCGTC amounting to ₹ 323.44 crore in FY 25-26

The following table sets forth, for the periods indicated, the movement in provision for legal and fraud cases, operational risk and other contingencies.

(₹ in crore)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Legal	Other Contingencies	Legal	Other Contingencies
Opening Provisions	5.03	112.89	2.84	76.32
Movement during the year (net)	1.47	(7.69)	2.19	36.57
Less- Adjusted during the year	-	-	-	-
Closing Provisions	6.50	105.20	5.03	112.89

18.2 Capital

During the year ended March 31, 2026, the Bank has allotted 909 Equity Shares (Previous Year: 1,657 Equity Shares) of ₹ 10/-each in respect of stock option exercised aggregating to ₹ 0.0123 crore (Previous Year: ₹ 0.0298 crore) . Accordingly, share capital increased by ₹ 0.0009 crore (Previous Year: ₹ 0.0017 crore) and share premium increased by ₹ 0.0114 crore (Previous Year: ₹ 0.03 crore) respectively.

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Details of movement in the paid-up equity share capital of the Bank are given below:

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
At the beginning of the year	1,610.97	1,610.97
Addition pursuant to share issued during the year#	0.00	0.00
Outstanding at the end of the year	1,610.97	1,610.97

#Denotes less than ₹ 100,000

18.3 Proposed dividend

The Board of Directors at its meeting held on April 28, 2026, has proposed a dividend of ₹ 1.50 per share (Previous Year: ₹ 1.50 per share) for the year ended March 31, 2026 subject to approval of the members at the ensuing Annual General Meeting. In terms of Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance sheet date' revised, as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Rules, 2021, the Bank has not accounted for proposed dividend aggregating to ₹ 241.65 crore (Previous Year: ₹ 241.65 crore) as a liability for the year ended March 31, 2026. Effect of the proposed dividend has been reckoned in determining capital funds in the computation of capital adequacy ratios as at March 31, 2026 and March 31, 2025.

18.4 Regulatory Capital

A) Composition of Regulatory Capital

The Bank is subject to the Basel III capital adequacy guidelines stipulated by RBI with effect from the date of incorporation. As per the guidelines, the Tier-1 capital is made up of Common Equity Tier-1 (CET1) and Additional Tier-1.

The following table sets forth, for the periods indicated, computation of capital adequacy as per Basel III framework.

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
i) Common Equity Tier 1 capital (CET 1)	24,917.23	23,873.39
ii) Additional Tier 1 capital	-	-
iii) Tier 1 capital (i + ii)	24,917.23	23,873.39
iv) Tier 2 capital	1,103.10	1,135.16
v) Total capital (Tier 1+Tier 2)	26,020.32	25,008.55
vi) Total Risk Weighted Assets (RWAs)	1,44,242.71	1,33,641.30
vii) CET 1 Ratio	17.28	17.86
viii) Tier 1 Ratio	17.28	17.86
ix) Tier 2 Ratio	0.76	0.85
x) Capital to Risk Weighted Assets Ratio (CRAR)	18.04	18.71
xi) Leverage Ratio	11.42%	12.18%
xii) Percentage of the shareholding of Government of India	NIL	NIL
xiii) Amount of paid-up equity capital raised during the year#	-	-
xiv) Amount of non-equity Tier 1 capital raised during the year*	-	-
xv) Amount of Tier 2 capital raised during the year*	-	-

#An amount of ₹ 0.0123 crore raised pursuant to exercise of employee stock options during the year ended March 31, 2026 (year ended March 31, 2025: ₹ 0.0298 crore)

*The Bank has not raised (March 31, 2025: Nil) perpetual debt capital instruments qualifying for Additional Tier-1 capital and sub-ordinated debt qualifying for Tier-2 capital (March 31, 2025: Nil).

In accordance with the RBI guidelines, banks are required to make consolidated Pillar 3 and Net Stable Funding Ratio (NSFR) disclosures under the Basel III Framework. These disclosures are available on the Bank's website at the following link: https://www.bandhan.bank.in/regulatory-disclosures. The disclosures have not been subjected to audit by the statutory auditors of the Bank.

B) Draw Down from Reserve

There has been no draw down from reserves during the year ended March 31, 2026 and March 31, 2025.

Schedules

forming part of the Balance sheet as at March 31, 2026

18.5 Investments

i) Composition of Investment Portfolio as at March 31, 2026

(₹ in crore)

Particulars	As at March 31, 2026							As at March 31, 2025						
	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	26,862.59	26,170.90	7,657.05	810.29	-			26,353.03	26,208.00	9,232.40	2,211.73	-		
(ii) Other approved securities	-	-	-	-	-			-	-	-	-	-		
(iii) Shares*	-	-	117.40	-	5.00			-	-	377.90	2.68	5.00		
(iv) Debentures and Bonds	490.00	500.23	-	173.19	-			350.00	350.68	-	-	-		
(v) Subsidiaries, associates and joint ventures														
(vi) Others#	531.98	535.47	29.66	1,942.13	663.31			188.01	194.06	924.05	1,016.81	252.89		
Total	**27,884.57**	**27,206.60**	**7,804.11**	**2,925.62**	**668.31**	**-**	**-**	**26,891.04**	**26,752.74**	**10,534.35**	**3,231.22**	**257.89**	**-**	**-**
Less: Provisions for impairment / NPI					614.33							202.21		
Net	**27,884.57**	**27,206.60**	**7,804.11**	**2,925.62**	**53.98**	**-**	**-**	**26,891.04**	**26,752.74**	**10,534.35**	**3,231.22**	**55.68**	**-**	**-**
II. Investments outside India	-	-	-	-	-			-	-	-	-	-		
(i) Government securities (including local authorities)	-	-	-	-	-			-	-	-	-	-		
(i) Subsidiaries, associates and joint ventures														
(iii) Other investments	-	-	-	-	-			-	-	-	-	-		
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Less: Provisions for impairment / NPI	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total investments (I+II)	**27,884.57**	**27,206.60**	**7,804.11**	**2,925.62**	**53.98**	**-**	**-**	**26,891.04**	**26,752.74**	**10,534.35**	**3,231.22**	**55.68**	**-**	**-**

*Shares include investment in both quoted & unquoted Equity and Preference Shares

#FVTPL- Non HFT includes Security Receipts

Schedules

forming part of the Balance sheet as at March 31, 2026

(ii) (a) Fair value hierarchy of investment portfolio measured at fair value as at March 31, 2026

(₹ in crore)

Particulars	As at March 31, 2026							
	AFS				FVTPL			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
I. Investments in India								
(i) Government securities	3,219.58	4,437.47	-	7,657.05	495.20	315.09	-	810.29
(ii) Other approved securities	-	-	-	-	-	-	-	-
(iii) Shares	116.41	-	0.99	117.40	-	5.00	-	5.00
(iv) Debentures and Bonds	-	-	-	-	173.19	-	-	173.19
(v) Subsidiaries, associates and joint ventures								
(vi) Others*	-	29.66	-	29.66	-	1,942.14	663.31	2,605.45
Total	**3,335.99**	**4,467.13**	**0.99**	**7,804.11**	**668.39**	**2,262.23**	**663.31**	**3,593.93**
II. Investments outside India	-	-	-	-	-	-	-	-
(i) Government securities (including local authorities)	-	-	-	-	-	-	-	-
(i) Subsidiaries, associates and joint ventures								
(iii) Other investments	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total investments (I+II)	**3,335.99**	**4,467.13**	**0.99**	**7,804.11**	**668.39**	**2,262.23**	**663.31**	**3,593.93**

*The amount is excluding Provision on Investments and FVTPL- Level 3 includes Security Receipts

(b) Fair value hierarchy of investment portfolio measured at fair value as at March 31, 2025

(₹ in crore)

Particulars	As at March 31, 2025							
	AFS				FVTPL			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
I. Investments in India								
(i) Government securities	7,198.53	2,033.87	-	9,232.40	-	2,211.73	-	2,211.73
(ii) Other approved securities	-	-	-	-	-	-	-	-
(iii) Shares	375.54	-	2.36	377.90	2.68	5.00	-	7.68
(iv) Debentures and Bonds	-	-	-	-	-	-	-	-
(v) Subsidiaries, associates and joint ventures								
(vi) Others*	-	924.05	-	924.05	-	1,016.81	252.89	1,269.70
Total	**7,574.06**	**2,957.92**	**2.36**	**10,534.35**	**2.68**	**3,233.54**	**252.89**	**3,489.11**
II. Investments outside India	-	-	-	-	-	-	-	-
(i) Government securities (including local authorities)	-	-	-	-	-	-	-	-
(i) Subsidiaries, associates and joint ventures								
(iii) Other investments	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Total investments (I+II)	**7,574.06**	**2,957.92**	**2.36**	**10,534.35**	**2.68**	**3,233.54**	**252.89**	**3,489.11**

* The amount is excluding Provision on Investments and FVTPL- Level 3 includes Security Receipts

Schedules

forming part of the Balance sheet as at March 31, 2026

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

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Recognised in AFS-Reserve	(0.86)	0.27
Recognised in Profit and Loss Account	-	-

(iv) Details of sales made out of HTM

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A) Opening carrying value of securities in HTM	26,891.04	23,950.50
B) Carrying value of all HTM securities sold during the year	8,462.02	1,059.64
C) Less: Carrying values of securities sold under situations exempted from regulatory limit	7,156.27	-
D) Carrying value of securities sold (D=B-C)	1,305.75	1,059.64
E) Securities sold as a percentage of opening carrying value of securities in HTM (E=D÷A)	4.86%	4.42%
F) Amount transferred to Capital Reserve in respect of HTM securities which were sold at a gain	53.93	9.80

(v) Reclassification between categories of investments

There has been no reclassification between categories of investments during the year ended March 31, 2026 and March 31, 2025.

(vi) Movement of provisions for non-performing investments (NPIs) and investment fluctuation reserve

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
i) Movement of provisions held towards NPIs		
a) Opening balance *	-	0.00
b) Add: Provisions made during the year	-	-
c) Less: Write off / write back of excess provisions during the year *	-	(0.00)
d) Closing balance	-	-
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	297.30	161.81
b) Add: Amount transferred during the year	(81.62)	135.49
c) Less: Drawdown	-	-
d) Closing balance	215.67	297.30
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and FVTPL (including HFT) category	2.00%	2.15%

* Denotes less than ₹1,00,000

(vii) Non-SLR investment portfolio

a) The Bank does not have any Non-performing non-SLR investments for the year ended March 31, 2026 and March 31, 2025.

Schedules

forming part of the Balance sheet as at March 31, 2026

b) **Issuer composition of non-SLR investments**

(₹ in crore)

Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities ^	Extent of 'Unlisted' Securities ^
	(2)	(3)	(4)	(5)	(6)
(i) Public Sector Units	-	-	-	-	-
	-	-	-	-	-
(ii) Financial Institutions	644.04	-	-	-	-
	(854.97)	-	-	-	-
(iii) Banks	1,446.66	116.41	-	-	-
	(1,285.36)	(375.54)	-	-	-
(iv) Private Corporates#	620.32	620.32	-	-	-
	(209.58)	(2.36)	-	-	-
(v) Subsidiaries / Joint Ventures	-	-	-	-	-
	-	-	-	-	-
(vi) Others#	1,241.66	1,100.62	-	-	-
	(767.43)	(665.24)	-	-	-
(vii) Less: Provisions held towards depreciation	614.33	-	-	-	-
	(202.21)	-	-	-	-
Total	**3,338.35**	**1,837.35**	**-**	**-**	**-**
	(2,915.13)	**(1,043.14)**	**-**	**-**	**-**

Amounts reported under columns (3), (4), (5) and (6) above are not mutually exclusive.

Discounted instruments are reported at carrying cost

Previous year figures are shown in"()".

#Includes Security receipts and Infrastructure Investment Trust (INVIT units)

^ Excludes investments in securities issued by equity shares, equity / debt instruments / units issued by Category I and II Alternative Investment Funds (AIFs), commercial paper, certificate of deposits, security receipts (SR's), pass through certificates and unlisted non-convertible debentures.

viii) Repo Transactions

(₹ in crore)

Particulars	Minimum outstanding during the year		Maximum outstanding during the year		Daily Average outstanding during the year		Outstanding as at March 31, 2026	
	FV	MV	FV	MV	FV	MV	FV	MV
Securities sold under Repo*								
i. Government securities	-	-	112.85	111.10	1.20	1.19	-	-
	-	-	(1,550.67)	(1,500.00)	(66.01)	(62.89)	-	-
ii. Corporate debt securities	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
iii. Any Other Securities	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Securities purchased under reverse repo*								
i. Government securities	-	-	4,149.83	4,250.00	179.90	182.75	-	-
	-	-	(4,203.13)	(4,000.00)	(73.83)	(73.09)	-	-
ii. Corporate debt securities	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
iii. Any Other Securities	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

Previous year figures are shown in "()".

*Amount reported are based on lending\borrowing amount under LAF/MSF

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forming part of the Balance sheet as at March 31, 2026

ix) Government Security Lending
The Bank has not entered in any Government Security Lending transactions for the year ended March 31, 2026 and March 31, 2025.

18.6 Asset Quality

A) Classification of Advances and Provisions held

(₹ in crore)

Particulars	Standard	Non -Performing				Total
	Total Standard Advances	Sub - standard	Doubtful	Loss	Total Non - Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	1,30,294.47	4,618.38	1,346.74	470.44	6,435.56	1,36,730.03
	(1,19,789.17)	(2,579.55)	(674.05)	(1,531.28)	(4,784.88)	(1,24,574.05)
Add: Additions during the year					5,484.54	
					(5,379.01)	
Less: Reductions during the year*					6,900.55	
					(3,728.33)	
Closing balance	1,48,651.69	3,818.56	1,069.99	131.00	5,019.55	1,53,671.24
	(1,30,294.47)	(4,618.38)	(1,346.74)	(470.44)	(6,435.56)	(1,36,730.03)
*Reductions in Gross NPAs due to:						
i) Upgradation					756.57	756.57
					(849.58)	(849.58)
ii) Recoveries (excluding recoveries from upgraded accounts)					496.10	496.10
					(362.54)	(362.54)
iii) Technical/ Prudential Write-offs					2,372.22	2,372.22
					(2,410.94)	(2,410.94)
iv) Write-offs other than those under (iii) above					110.41	110.41
					(105.27)	(105.27)
v) Sale to ARC's					3,165.25	3,165.25
					-	-
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	1,024.51	3,130.07	1,142.20	470.44	4,742.71	5,767.22
	(1,010.66)	(1,368.37)	(537.62)	(1,531.28)	(3,437.27)	(4,447.93)
Add: Fresh provisions made during the year					5,416.92	
					(4,263.52)	
Less: Excess provision reversed/ Write-off loans					6,592.17	
					(2,958.08)	
Closing balance of provisions held#	1,071.99	2,519.08	917.38	131.00	3,567.46	4,639.45
	(1,024.51)	(3,130.07)	(1,142.20)	(470.44)	(4,742.71)	(5,767.22)
Net NPAs						
Opening Balance		1,488.30	204.55	-	1,692.85	1,692.85
		(1,211.18)	(136.43)	-	(1,347.61)	(1,347.61)
Add: Fresh additions during the year					67.63	
					(1,115.49)	
Less: Reductions during the year					308.39	
					(770.25)	

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forming part of the Balance sheet as at March 31, 2026

(₹ in crore)

Particulars	Standard	Non -Performing				Total
	Total Standard Advances	Sub - standard	Doubtful	Loss	Total Non - Performing Advances	
Closing Balance		1,299.48	152.61	-	1,452.09	1,452.09
		(1,488.30)	(204.55)	-	(1,692.85)	(1,692.85)
Classification of Advances and Provisions Held						
Floating Provisions						
Opening Balance	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Add: Additional provisions made during the year						-
						(-)
Less: Amount drawn down during the year						-
						(-)
Closing balance of floating provisions						-
						(-)
Technical write -offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						6,071.67
						(3,903.91)
Add: Technical/ Prudential write-offs during the year *						2,372.22
						(2,410.94)
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						125.77
						(210.39)
Less: One Time Settlement						33.61
						(32.79)
Less: Sale to ARC						3,707.11
						(-)
Closing balance						4,577.40
						(6,071.67)

Previous year figures are shown in "()".

#Amount received (net) from National Credit Guarantee Trustee Company Ltd (NCGTC) under Emergency Credit Line Guarantee Scheme (ECLGS) held as liability pending adjustment in respective loan account amounting to ₹ 13.52 crore (Previous Year: ₹ 259.68 crore)

*Amount received (net) from National Credit Guarantee Trustee Company Ltd (NCGTC) under Emergency Credit Line Guarantee Scheme (ECLGS) held as liability pending adjustment in respective loan account, utilized towards writing off the said portfolio covered under NCGTC amounting to ₹ 323.44 crore in FY 25-26

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forming part of the Balance sheet as at March 31, 2026

B) Sector wise Advances and Gross NPA's

(₹ in crore)

Sr. No.	Sector	As at March 31, 2026			As at March 31, 2025		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A	**Priority Sector***						
1	Agriculture and allied activities#	18,947.32	710.22	3.75%	7,817.89	548.25	7.01%
2	Advances to industries sector eligible as priority sector lending#	5,988.79	359.54	6.00%	5,294.31	517.64	9.78%
3	Services	25,083.07	1,483.18	5.91%	24,740.42	1,791.24	7.24%
	Transport Operator	4,851.28	215.11	4.43%	4,095.05	195.99	4.79%
	Retail Trade	11,677.11	983.60	8.42%	15,682.93	1,275.77	8.13%
4	Personal loans	17,101.26	487.03	2.85%	16,156.82	344.08	2.13%
	Housing Loans	16,649.14	452.02	2.72%	14,012.77	290.76	2.07%
	Sub Total (A)	**67,120.43**	**3,039.97**	**4.53%**	**54,009.44**	**3,201.21**	**5.93%**
B	**Non Priority Sector**						
1	Agriculture and allied activities	27.39	0.03	0.00%	1,046.53	4.95	0.47%
2	Industry sector	12,982.06	171.25	1.32%	9,641.45	479.06	4.97%
	Basic Metal and Metal Products	2,336.69	1.25	0.05%	2,079.54	8.97	0.43%
	Electricity	1,846.47	-	0.00%	500.34	-	0.00%
	Food Processing	1,410.90	3.71	0.26%	335.26	2.31	0.69%
3	Services	39,493.02	974.90	2.47%	40,979.60	1,960.47	4.78%
	Retail Trade	10,892.63	571.77	5.25%	15,369.91	1,286.31	8.37%
	NBFCs	13,650.56	-	-	13,165.71	-	0.00%
	Commercial Real Estate	4,229.71	24.49	0.58%	2.85	0.01	0.51%
4	Personal loans	34,048.32	833.39	2.45%	31,053.01	789.87	2.54%
	Housing Loans	11,601.42	187.29	1.61%	12,642.47	175.94	1.39%
	Loan Against Property	7,314.50	316.88	4.33%	6,254.78	256.63	4.10%
	Sub Total (B)	**86,550.81**	**1,979.58**	**2.29%**	**82,720.59**	**3,234.35**	**3.91%**
	Total (A+B)	**1,53,671.24**	**5,019.55**	**3.27%**	**1,36,730.03**	**6,435.57**	**4.71%**

Segments contributing in excess of 10% of the Sector as at March 31 of the respective years are individually listed

*Priority sectors includes ₹ 6,200 crore (Previous Year: ₹ 1,000 crore), in respect of which the Bank has sold Priority Sector Lending Certificates (PSLC). During the year ended March 31, 2026, the Bank has bought PSLC amounting ₹ 20,572 crore (Previous Year: ₹ 14,451.50 crore), which is not included in above.

#The SFMF classification is based on Self certified Land Holding declaration as per approved PSL policy of the Bank and Turnover, Investment in P&M/Equipment is based on Udyam Registration Certificates for MSME classification.

As per Board approved PSL policy of the Bank and in line with RBI Master direction, Priority Sector Lending as updated by FIDD-RBI from time to time, the portfolio classified as Priority Sector advances for the year ended March 31, 2026 stands at ₹ 67,120.43 crore (Previous Year: ₹ 54,009.44 crore).

The bank has compiled the data for the purpose of this disclosure from the internal MIS/ Reports which has been furnished by the management and has been relied upon by the auditors.

C) Ratios (in percent)

Particulars	As at March 31, 2026	As at March 31, 2025
Gross NPA to Gross Advances	3.27%	4.71%
Net NPA to Net Advances	0.97%	1.28%
Provision coverage ratio (without Prudential write-offs)	71.07%	73.70%
Provision coverage ratio (including Prudential write-offs)	84.87%	86.47%

Note: Net NPAs are non-performing assets net of specific provisions, claims received (net) from Credit Guarantors held pending adjustment.

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D) Overseas Assets, NPAs and Revenue

The Bank does not have any overseas loan assets as on March 31, 2026 and March 31, 2025.

E) Divergence in asset classification and provisioning

In terms of the RBI guidelines banks are required to disclose the divergence in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever the additional provisioning assessed / additional gross NPAs identified by RBI exceeds the threshold specified by RBI. The threshold for provisioning is 5 per cent (Previous year 5 per cent) of the reported profit before provisions and contingencies for the reference period and that for additional gross NPAs is 5 per cent (Previous year 5 per cent) of the published incremental Gross NPAs for the reference period. Based on the above, there was no reportable divergence in asset classification and provisioning for NPAs in current year and previous year.

F) Transfer of Loan Exposures

Details of loans transferred & acquired excluding through Inter- Bank Participation Certificate (IBPC) during the year ended March 31, 2026 under the RBI Master Direction on "Commercial Banks- Transfer and Distribution of Credit Risk" Directions, 2025 dated November 28, 2025 are given below:

i) Details of Financial Assets sold to Securitisation /Asset Reconstruction company

The details of stressed loans transferred and Investment made in Security Receipts during the year ended March 31, 2026 to ARCs for Technically written off and NPA accounts are given below:

Particulars	To Asset Reconstruction Companies (ARC's) (NPA Portfolio Sold)	To Asset Reconstruction Companies (ARC's) (Write off Portfolio Sold)
No. of accounts	8,04,768	8,89,952
	(-)	(-)
Aggregate principal outstanding of loans transferred (₹ in crore)	3,165.25	3,707.11
	(-)	(-)
Weighted average residual tenor of the loans transferred (in years)	0.16	0.34
	(-)	(-)
Net book value of loans transferred (at the time of transfer) (₹ in crore) *	-	-
	(-)	(-)
Aggregate consideration (₹ in crore)	569.75	331.97
	(-)	(-)
Additional consideration realized in respect of accounts transferred in earlier years	-	-
	(-)	(-)
Quantum of excess provisions reversed to Profit and Loss Account (₹ in crore) **	303.39	125.60
	(-)	(-)
Investment in Security Receipts (SR) (₹ in crore) ***	266.36	206.37
	(-)	(-)

Previous year figures are shown in "()".

* The portfolio transferred to ARC was already 100% provided.

**The quantum of excess provision reversed to Profit and Loss Account is accounted as per RBI guidelines i.e. maximum upto the level where the portion of cash received exceeds the net book value of the loan transferred. The amount received from sale of write off portfolio has been transferred to "Miscellaneous income under Other Income" in the year ended March 31, 2026

*** The Investment in Security Receipts (SR's) are not rated and carried 100% provision as per RBI guidelines.

ii) Details of Non Performing Financial Assets Purchased

The Bank did not purchase any Non Performing Financial Assets during the year ended March 31, 2026 and March 31, 2025.

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iii) Details of Special Mention Account (SMA) or Stressed Financial Assets Purchased

The Bank did not purchase any Special Mention Account (SMA) or Stressed Financial Assets during the year ended March 31, 2026 and March 31, 2025.

iv) Details of Loan Acquired through assignment

Details of Loan not in default acquired through direct assignment during the year ended March 31, 2026 and March 31, 2025 are given below:

Particulars	Value
Aggregate amount of loans acquired (₹ in crore)	4,052.93
	(97.64)
Weighted average residual maturity (in years)	1.52
	(2.70)
Weighted average holding period by originator (in years)	1.09
	(0.89)
Retention of beneficial economic interest by the originator	10.00%
	(10.00%)
Tangible security coverage (%)	47.27%
	(100%)

Previous year figures are shown in"()".

Note: The loans acquired are not rated.

v) Rating of Security Receipts

The following table sets forth, for the period indicated, rating-wise distribution of Security Receipts held by the bank.

(₹ in crore)

Rating	Recovery Rating	As at March 31, 2026		As at March 31, 2025	
		Gross	Net#	Gross	Net#
RR1+	More than 150%	0.17	-	4.31	-
RR1	100%-150%	0.39	-	43.34	-
RR3	50%-75%	-	-	154.56	-
RR4	25%-50%	141.04	-	-	-
Unrated *		472.73	-	-	-
Total		**614.33**	**-**	**202.21**	**-**

*Represents SR's received against stress loan transferred during the year.

#Provision for depreciation considered @ 100%

G) Disclosure of Provision for Frauds

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
No. of Frauds reported during the year to Reserve Bank of India	849	3,049
Amount involved in such Frauds (₹ in crore)	38.21	47.92
Amount involved in such Frauds net of recoveries / write-offs (₹ in crore)	30.32	23.65
Amount of provision made/held for such frauds (₹ in crore)	30.32	23.65
Amount of Unamortised provision debited from 'other reserves' as at the end of the year (₹ in crore)	-	-

Note: The information on frauds as above includes certain accounts which were already reckoned as NPAs in the prior years and these are fully provided for.

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RBI vide circular No: DoS.CO.FMG.No. S332/23.04.001/2022-23 dated 13.01.2023, has directed Banks to report all UEBT (Unauthorized Electronic Banking Transactions) incidents on the XBRL platform (which is the same platform used to report frauds through FMR). These UEBT transactions are to be reported irrespective of whether customers have shared OTP/bank account credentials or not.

Accordingly, a total of 2583 UEBT incidents (out of total 3049 fraud incidents reported during FY 2024-25) amounting to ₹ 16.84 crore (not classified by the Bank as fraud) for the period- April 01, 2024 to July 31, 2024 pertaining to FY 2024-25 were reported by the Bank to the RBI and are considered as contingent Liability as "Claim against the bank not acknowledge as debts".

Post July, 2024, Bank has stopped reporting UEBT incidents as per instructions vide RBI circular No:RBI/DOS/2024-25/118:DOS.CO.FMG.SEC. No.5/23.04.001/2024-25 dated July 15, 2024.

H) Provisions on Standard Assets

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Provisions towards Standard Assets*	1,074.09	1,024.51

*Include provision on derivatives portfolio amounting to ₹ 2.09 crore (Previous Year: NIL), accelerated & additional provision amounting to ₹ 516.61 crore (Previous Year: ₹ 533.25 crore) and also includes provision against advances restructured under the Resolution Framework for COVID-19-related Stress amounting to ₹ 63.60 crore (Previous Year: ₹ 73.31 crore).

I) Disclosure on Advances

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Gross Advances (Including advances sold under Inter bank participation certificate)	1,56,071.24	1,36,730.03
Less: Managed Advance (advances sold under Inter bank participation certificate)	2,400.00	-
Gross Advances (Excluding Managed Advances)	1,53,671.24	1,36,730.03
Less: Provision on NPA	3,567.46	4,742.71
Net Advances (Refer Schedule 9)	1,50,103.78	1,31,987.32

J) Disclosure on Co- Lending Arrangements (CLA)

The bank has not entered into Co-Lending arrangements during the year ended March 31, 2026 and March 31, 2025

K) Disclosure related to project finance

The details for project finance for the year ended March 31, 2026 as per the Reserve Bank of India (Commercial Banks - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, is given below:

(₹ in crore)

Sl No.	Item Description	Number of accounts	Total outstanding
1	Projects under implementation accounts at the beginning of the year	24	979.70
2	Projects under implementation accounts sanctioned during the year	34	1,335.96
3	Projects under implementation accounts where DCCO has been achieved during the year	18	822.72
4	Projects under implementation accounts at the end of the year. (1+2-3) *	40	1,698.94
5	Out of '4' – accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked.	6	318.67
5.1	Out of '5' – accounts in respect of which Resolution plan has been implemented.	6	318.67
5.2	Out of '5' – accounts in respect of which Resolution plan is under implementation.	Nil	Nil
5.3	Out of '5' – accounts in respect of which Resolution plan has failed.	Nil	Nil
6	Out of '5', accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked due to change in scope and size of the project.	Nil	Nil

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(₹ in crore)

Sl No.	Item Description	Number of accounts	Total outstanding
7	Out of '5', account in respect of which cost overrun associated with extension in original / extended DCCO, as the case may be, was funded	Nil	Nil
7.1	Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously	Nil	Nil
7.2	Out of '7', accounts where SBCF was not presanctioned or renewed continuously	Nil	Nil
8	Out of '4' – accounts in respect of which resolution process not involving extension in original / extended DCCO, as the case may be, has been invoked.	Nil	Nil
8.1	Out of '8' – accounts in respect of which Resolution plan has been implemented.	Nil	Nil
8.2	Out of '8' – accounts in respect of which Resolution plan is under implementation.	Nil	Nil
8.3	Out of '8' – accounts in respect of which Resolution plan has failed.	Nil	Nil

* In respect of number of accounts

18.7 Disclosure under Resolution Framework for COVID-19-related Stress

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the end of the previous half-year i.e September 30, 2025 (A)	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2026	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half- year*	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e March 31, 2026**
Personal Loans (Housing)	526.93	10.10	-	66.16	450.67
	(582.15)	(16.13)	-	(33.90)	(532.12)
Corporate persons	-	-	-	-	-
	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
	-	-	-	-	-
Others	-	-	-	-	-
	-	-	-	-	-
Total	**526.93**	**10.10**	**-**	**66.16**	**450.67**
	(582.15)	**(16.13)**	**-**	**(33.90)**	**(532.12)**

Previous year figures are shown in"()".

*Net of increase in exposure during the period

**Does not include loans restructured under the above frameworks amounting to ₹ 8.76 crore (Previous Year: ₹ 16.50 crore) which were not standard as at September 30, 2025 and upgraded to standard during the half year ended March 31, 2026.

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18.8 Exposures

A) Exposure to Real Estate Sector

(₹ in crore)

Category	As at March 31, 2026	As at March 31, 2025
a) Direct exposure		
(i) Residential Mortgages - represents lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	37,321.86	34,192.71
of which: individual housing loans eligible for priority sector advances	17,302.80	14,183.00
(ii) Commercial Real Estate - represents lending secured by mortgages on commercial real estate	4,834.50	3,342.92
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
1. Residential	100.50	165.37
2. Commercial Real Estate	46.95	3.38
b) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs) *	4,357.60	3,705.91
Total Exposure to Real Estate Sector	**46,661.40**	**41,410.29**

* Includes purchase of retail mortgage loans through Inter Bank Participation Certificate (IBPC) route.

Note:

Exposure is higher of limits sanctioned or the amounts outstanding as at the year end.

B) Exposure to Capital Market

(₹ in crore)

Category	As at March 31, 2026	As at March 31, 2025
Direct investments in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt#	69.99	226.85
Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds are taken as primary security	-	-
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds i.e. where primary security other than shares/convertible bonds/ convertible debentures/units of equity-oriented mutual funds does not fully cover the advances	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers*	250.00	575.20
Loans sanctioned to corporates against the security of shares/ bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
Bridge loans to companies against expected equity flows/issues	-	-
Underwriting commitments taken up in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds	-	-
Financing to stock brokers for margin trading	-	-
All exposures to Venture Capital Funds (both registered and unregistered)#	9.49	9.32
Total Exposure to Capital Market	**329.48**	**811.37**

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Note:

Exposure is higher of limits sanctioned or the amounts outstanding as at the year end.

*Excludes Advances against Bank own deposit

#As per the Master Circular on Exposure norms dated July 1, 2014 banks direct investment in shares, convertible bonds, convertible debentures, units of equity oriented mutual funds and exposures to venture capital funds have been shown at their respective cost price.

C) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Bank

During the year ended March 31, 2026 and March 31, 2025, the Bank's credit exposure to single borrower and group borrowers was within the prudential exposure limits prescribed by RBI.

D) Unsecured Advances against Intangible Collaterals

During the year ended March 31, 2026 and March 31, 2025, there are no unsecured advances for which intangible securities such as charge over the rights, licenses, authority etc. has been taken as collateral by the Bank.

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Total unsecured advances of the bank (Gross)	67,355.08	67,779.93
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	-	-
Estimated value of such intangible securities	-	-

E) Risk Category wise Country Exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorised into seven risk categories namely insignificant, low, moderately low, moderate, moderately high, high, very high on the basis of Export Credit Guarantee Corporation of India Limited (ECGC) guidelines. The net funded exposure of the Bank in respect of foreign exchange transactions with each country is within 1% of the total assets of the Bank and hence no provision is required to be made in respect of country risk as per the RBI guidelines.

(₹ in crore)

Risk Category	Exposure (net) at March 31, 2026	Provision Held – March 31, 2026	Exposure (net) at March 31, 2025	Provision Held – March 31, 2025
Insignificant	11.26	-	11.64	-
Low	2.22	-	0.54	-
Moderately Low	-	-	-	-
Moderate	-	-	-	-
Moderately High	-	-	-	-
High	-	-	-	-
Very High	-	-	-	-
Total	**13.48**	**-**	**12.18**	**-**

F) Unhedged Foreign Currency Exposure

During the year ended March 31, 2026, the Bank made provision of ₹ 1.02 crore (Previous Year: ₹ 0.16 crore) towards un-hedged foreign currency exposure. As on March 31, 2026, the Bank held cumulative provision towards un-hedged foreign currency exposure of ₹ 12.58 crore (Previous Year: ₹ 11.56 crore).

As on March 31, 2026, the Bank is required to provide additional Capital of ₹ 122.34 crore (Previous Year: ₹ 90.17 crore) towards borrowers having un-hedged foreign currency exposures in accordance with RBI guidelines and Bank's policy.

G) Intra Group Exposures

The Bank did not have any intra group exposure during the year ended March 31, 2026 and March 31, 2025.

H) Factoring Exposures

The Bank did not have any factoring exposure during the year ended March 31, 2026 and March 31, 2025.

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18.9 Disclosure of penalties imposed by RBI

Penalty amounting to ₹ 0.88 crore (Previous Year: ₹ 0.01037 crore) has been levied on the Bank by RBI during the year ended March 31, 2026. The details for FY 2025-26 are specified below:

Details	Particulars
Nature of Breach	Penalty for Deficiency identified by RBI during Incognito Visit
Number of Instances of default	9
Quantum of penalty imposed	₹ 0.009 crore
Other details	In terms of extant regulatory guidelines, all the branches of banks in all parts of the country are required to mandatorily accept/exchange soiled/mutilated/defective currency notes and exchange coins. During the financial year 2025-26, RBI has imposed penalties in nine instances, with ₹ 10,000 on each occasion, due to deficiency in services identified during their incognito visits.
Nature of Breach	Penalty for Currency Chests for deficiency in rendering customer service to the members of public
Number of Instances of default	14
Quantum of penalty imposed	₹ 0.001245 crore
Other details	In terms of extant regulatory guidelines, penalties have been imposed for mutilated notes/ shortages of notes/ fake currency notes/ excess of currency notes detected during the course of Currency Verification and Processing System (CVPS) based on the cash remitted by the Bank's Currency Chests. During the financial year 2025-26, RBI has imposed penalty of ₹ 12,450 in total for all 14 instances.
Nature of Breach	Penalty for Deficiency identified by RBI during Inspection for Supervisory Evaluation (ISE) of the Bank conducted by the Reserve Bank of India ('RBI') from August 26, 2024, to November 15, 2024 with reference to its financial position as on March 31, 2024
Number of Instances of default	1
Quantum of penalty imposed	₹ 0.447 crore
Other details	The Order dated August 26, 2025, by the Adjudication Committee of Executive Directors, RBI w.r.t, the Show-Cause Notice dated July 3, 2025, served to the Bank, directed the Bank to pay an aggregate penalty of ₹ 44.70 lakhs in contravention of the provisions of the BR Act and non-compliance with RBI directions observed during Statutory inspection of the bank with reference to the financial position as on March 31, 2024.
Nature of Breach	Penalty for Deficiency identified by RBI during Inspection for Supervisory Evaluation (ISE) of the Bank conducted by the Reserve Bank of India ('RBI') from July 07, 2025 to August 01, 2025 and from August 11, 2025 to September 05, 2025 with reference to its financial position as on March 31, 2025.
Number of Instances of default	1
Quantum of penalty imposed	₹ 0.418 crore
Other details	The Order dated April 21, 2026, by the Adjudication Committee of Executive Directors, RBI w.r.t, the Show Cause Notice dated March 10, 2026, served to the Bank, directed the Bank to pay an aggregate penalty of ₹ 41.80 lakhs in contravention of the provisions of the BR Act and non-compliance with RBI directions observed during Statutory inspection of the bank with reference to the financial position as on March 31, 2025.

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18.10 Employee Benefits

A) Gratuity

The Bank has a defined benefit gratuity plan. Every employee who has completed four years 240 days or more of service is eligible for gratuity on departure and it is computed at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarize the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the Gratuity plan.

(₹ in crore)

	Particulars	As at March 31, 2026	As at March 31, 2025
i)	**Table Showing changes in present value of Defined Benefit obligation:**		
	Present value of defined benefit obligations as at beginning of the year	327.01	254.15
	Interest cost	20.97	17.37
	Current service cost	60.74	49.88
	Past Service Cost *	129.42	-
	Benefit Paid	18.66	12.08
	Actuarial loss/(gain) on obligations	(51.21)	17.69
	Present value of defined benefit obligations as at end of the year	**468.26**	**327.01**
ii)	**Table showing fair value of plan assets:**		
	Fair value of plan assets as at beginning of the year	268.16	222.60
	Expected return on plan assets	18.77	15.70
	Contributions paid	150.33	40.00
	Benefits Paid	18.66	12.08
	Actuarial gain/ (loss) on plan assets	(6.18)	1.94
	Fair value of plan assets at end of the year	**412.42**	**268.16**
iii)	**Actuarial gain/(loss) recognised:**		
	Actuarial (gain)/loss on obligations	(51.21)	17.69
	Actuarial (loss)/gain for the year-Plan assets.	(6.18)	1.94
	Net Actuarial gain/(loss) recognised in the year	**45.03**	**(15.75)**
iv)	**The amounts to be recognised in the Balance Sheet and Profit and Loss Account:**		
	Present value of obligations at the end of the year	468.26	327.01
	Fair value of plan assets at the end of the year	412.42	268.16
	Net liability recognised in balance sheet	**55.84**	**58.85**
v)	**The Principal assumptions used in the actuarial valuation are shown below:**		
	Discount Rate	7.00%	6.60%
	Salary Escalation	6.50%	8.00%
	Withdrawal Rate	For Ages <=35- 16%; For Ages >35 - 8%	For Ages <=35- 16%; For Ages >35 - 8%
	Expected rate of return on assets	7.25%	7.25%

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vi) Expenses Recognised in Profit and Loss Account:

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current Service Cost	60.74	49.88
Interest Cost	20.97	17.37
Past Service Cost*	121.39	-
Expected return	(18.77)	(15.70)
Net Actuarial loss/(Gain) recognised in the year	(45.03)	15.75
Expenses recognised in profit and loss account	**139.30**	**67.30**
Actual return on plan assets	12.59	17.64

*As per the actuarial valuation, the management has assessed and disclosed the incremental impact of the Labour Codes on its employee benefit obligations based on the information available as on date, in a manner consistent with the guidance issued by the Institute of Chartered Accountants of India ("ICAI"). The Bank has estimated and recognized an additional liability of ₹ 121.39 crore towards past service cost on gratuity during the year ended March 31, 2026 and for fixed term employees whose gratuity liability have not vested the past service cost amounting to ₹ 8.03 crore will be amortized over the period of three years (refer note 18.10 (D))

vii) Amounts for the current and previous year are as follows:

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a) Defined Benefit Obligations at the end of the period	(468.26)	(327.01)	(254.15)	(202.39)	(168.13)
b) Plan Assets at the end of the period	412.42	268.16	222.60	176.48	140.82
c) Deficit	(55.84)	(58.85)	(31.55)	(25.91)	(27.31)
d) Experience adjustments on plan liabilities [(Gain)/Loss]	(51.21)	17.69	6.53	(2.62)	1.48
e) Experience adjustments on plan assets [Gain/(Loss)]	(6.18)	1.94	0.50	(7.60)	(5.25)

viii) The Major categories of Plan Assets as a percentage of the fair value of Total Plan Asset are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Insurance Managed Fund	62.69%	83.40%
Others	37.31%	16.60%

ix) The estimates of future salary increases considered in actuarial valuation, takes account of inflation,applicable laws, seniority and other relevant factors, such as supply and demand in the employment market.

x) The Bank expects to contribute ₹ 40 crore to gratuity fund in 2026-27 (Previous Year: ₹ 40 crore in FY 2025-26)

xi) The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the year over which the obligation is to be settled.

B) Provident Fund

Amount incurred as expense for defined contribution to Provident Fund is ₹ 205.11 crore (Previous year ended March 31, 2025: ₹ 200.08 crore)

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C) Compensated Absences

The following tables summarize the components of net benefit expense recognised in the profit and loss account and amounts recognised in the balance sheet. As per the actuarial valuation by the independent actuary appointed by the Bank.

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Total actuarial liability	336.44	331.07
Cost [1]	51.69	99.68
Assumptions		
Discount rate	7.00%	6.60%
Salary escalation rate	6.50%	8.00%

1. Included in line item 'Payments to and provision for employees' of Schedule-16 Operating expenses

D) New Labour Codes

On November 21, 2025, the Government of India notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the ""Labour Codes""), consolidating 29 existing labour laws. The Ministry of Labour & Employment has published draft Central Rules and FAQs to facilitate assessment of the financial impact arising from changes in the regulatory framework.

As per the actuarial valuation, the management has assessed and disclosed the incremental impact of the Labour Codes on its employee benefit obligations based on the information available as on date, in a manner consistent with the guidance issued by the Institute of Chartered Accountants of India (""ICAI""). Based on the preliminary assessment, the Bank has estimated and recognized an additional liability of ₹ 121.39 crore (Previous Year: NIL) towards past service cost on gratuity which is included under ""Payments to and provisions for employees"" during the year ended March 31, 2026. The incremental impact primarily arises from changes in the definition of wages, resulting in an increase in gratuity.

The Bank continues to monitor the finalisation of Central and State rules and upon clarifications / notification issued by the Government in relation to the Labour Codes will be appropriately accounted for.

E) Disclosure on amortisation of expenditure on account of enhancement in family pension of employees of banks

The bank has not incurred any expenditure on account of enhancement in family pension of employees of bank during the year ended March 31, 2026 and March 31, 2025

18.11 Segment Reporting

A) Segment Identification

Pursuant to the guidelines issued by RBI on AS 17 - Segment Reporting, the following business segments have been reported:

i) Treasury:

Treasury operations include investments in sovereign securities and trading operations. The Treasury segment also includes the central funding unit.

ii) Retail banking:

Includes lending to individuals/small businesses through the branch network and other delivery channels subject to the orientation, nature of product, granularity of the exposure and low value of individual exposure thereof. It also includes liability products, card services, internet banking, mobile banking, ATM services and NRI services. All deposits sourced by branches are classified in retail category.

iii) Corporate/Wholesale Banking:

Includes corporate relationships not included under Retail Banking.

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iv) **Other Banking Business:**

Include para banking activities like third party product distribution and other banking transaction not covered under any of the above three segments.

v) **Unallocated:**

Includes items such as tax paid in advance net of provision, deferred tax and provisions to the extent reckoned at the entity level

Income, expenses, assets and liabilities are either specifically identified with individual segments or are allocated to segments on a systematic basis.

The liabilities of the Bank are first used by the units generating the same. Any excess liabilities of the units are pooled to central funding unit (Treasury). Treasury then lends these funds to other units at appropriate rates.

The transfer pricing mechanism of the Bank is periodically reviewed. The segment results are determined based on the transfer pricing mechanism prevailing for the respective reporting periods.

Revenues of the Treasury segment primarily consist of fees and gains or losses from trading operations and interest income on the investment portfolio. The principal expenses of the segment consist of interest expense on funds borrowed from external sources and other internal segments, premises expenses, personnel costs, other direct overheads and allocated expenses.

Revenues of the Corporate/Wholesale Banking segment consist of interest and fees earned on loans given to customers falling under this segment and fees arising from these. Revenues of the Retail Banking segment are derived from interest earned on loans classified under this segment, fees for banking services and ATM interchange fees. Expenses of the Corporate/Wholesale Banking and Retail Banking segments primarily comprise interest expense on deposits and funds borrowed from other internal segments, infrastructure and premises expenses for operating the branch network and other delivery channels, personnel costs, other direct overheads and allocated expenses.

Segment income includes earnings from external customers and from funds transferred to the other segments. Segment result includes revenue as reduced by interest expense and operating expenses and provisions, if any, for that segment. Segment-wise income and expenses include certain allocations. Inter segment interest income and interest expense represent the transfer price received from and paid as per the transfer pricing mechanism presently followed by the Bank.

B) Segment Information

Primary (Business Segment)

(₹ in crore)

Particulars	Treasury	Retail Banking	Corporate/ Wholesale Banking	Other banking business	Total
Segment Revenue					
Gross interest income (external customers)	2,776.65	16,304.66	2,607.80	-	21,689.11
	(2,346.92)	(17,509.83)	(2,091.48)	-	(21,948.23)
Other income	306.99	1,758.65	120.09	548.29	2,734.02
	(170.90)	(2,288.24)	(121.66)	(385.80)	(2,966.60)
Total income as per profit and Loss Account	**3,083.64**	**18,063.31**	**2,727.89**	**548.29**	**24,423.13**
	(2,517.82)	**(19,798.07)**	**(2,213.14)**	**(385.80)**	**(24,914.83)**
Add: Inter segment interest income	-	3,848.32	-	-	3,848.32
	-	(2,139.28)	-	-	(2,139.28)
Total segment revenue	**3,083.64**	**21,911.63**	**2,727.89**	**548.29**	**28,271.45**
	(2,517.82)	**(21,937.35)**	**(2,213.14)**	**(385.80)**	**(27,054.11)**

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(₹ in crore)

Particulars	Treasury	Retail Banking	Corporate/ Wholesale Banking	Other banking business	Total
Less: Interest expenses	677.34	9,957.13	224.95	-	10,859.42
	(977.72)	(8,997.85)	(482.08)	-	(10,457.65)
Less: Inter segment interest expenses	1,400.16	-	2,439.53	8.63	3,848.32
	(669.60)	-	(1,463.75)	(5.93)	(2,139.28)
Less: Operating expenses	22.14	7,433.90	226.67	16.08	7,698.79
	(30.17)	(6,787.29)	(238.81)	(12.22)	(7,068.49)
Operating Profit	**984.00**	**4,520.60**	**(163.26)**	**523.58**	**5,864.92**
	(840.33)	**(6,152.21)**	**(28.50)**	**(367.65)**	**(7,388.69)**
Less: Provisions for non performing assets/ others	2.09	4,054.32	74.70	-	4,131.11
	-	(3,807.01)	(-41.6)	-	(3,765.41)
Segment results	**981.91**	**466.28**	**(237.96)**	**523.58**	**1,733.81**
	(840.33)	**(2,345.20)**	**(70.10)**	**(367.65)**	**(3,623.28)**
Less: provisions for tax					510.25
					(877.98)
Net profit					**1,223.56**
					(2,745.30)
Other information					
Segment assets	52,591.16	1,17,387.92	39,689.89	75.42	2,09,744.39
	(50,416.35)	(1,10,283.46)	(29,532.54)	(45.02)	(1,90,277.37)
Unallocated assets					1,379.34
					(1,198.92)
Total assets	**52,591.16**	**1,17,387.92**	**39,689.89**	**75.42**	**2,11,123.73**
	(50,416.35)	**(1,10,283.46)**	**(29,532.54)**	**(45.02)**	**(1,91,476.29)**
Segment liabilities*	40,561.69	1,62,197.11	8,183.37	-	2,10,942.17
	(36,247.96)	(1,49,770.05)	(5,272.63)	-	(1,91,290.64)
Unallocated liabilities					181.56
					(185.65)
Total liabilities	**40,561.69**	**1,62,197.11**	**8,183.37**	**-**	**2,11,123.73**
	(36,247.96)	**(1,49,770.05)**	**(5,272.63)**	**-**	**(1,91,476.29)**
Capital Expenditure	**-**	**518.28**	**10.41**	**-**	**528.69**
	-	**(276.42)**	**(11.65)**	**-**	**(288.07)**
Depreciation	**18.05**	**280.12**	**5.99**	**-**	**304.16**
	(22.77)	**(245.06)**	**(11.37)**	**-**	**(279.20)**

*Treasury segment liabilities includes share capital and reserve & surplus

Notes:

The business of the Bank does not extend outside India and it does not have any assets outside India or earnings emanating from outside India. Accordingly, the Bank has reported operations in the domestic segment only.

The RBI vide its circular dated April 7, 2022 on establishment of Digital Banking Units (DBUs), has prescribed reporting of Digital Banking Segment as a sub-segment of Retail Banking Segment. The Bank does not have any DBUs, hence Digital Banking Segment disclosures is not applicable.

Segment information is provided as per the MIS available for internal reporting purposes, which include certain estimates/assumptions. The methodology adopted in compiling and reporting the above information has been relied upon by the auditors.

Previous year figures are shown in”()”.

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18.12 Related Party disclosure

The Bank has transactions with its related parties comprising of associates/other related entities, key management personnel and the relatives of key management personnel.

A) As per AS 18 "Related Party Disclosures", notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, the Bank's related parties for the year ended March 31, 2026 are disclosed below:

Names of related parties and nature of relationship

Entities	Nature of relationship
Bandhan Financial Services Limited	Entity having Significant influence (Promoter)
Bandhan Financial Holdings Limited	Entity having Significant influence (Promoter)
Bandhan Konnagar	Promoter Group Entity
Bandhan AMC Limited	Entity in which Promoter entity exercises control
Key Management Personnel	
Mr. Partha Pratim Sengupta (w.e.f. November 01, 2024)	Managing Director & Chief Executive Officer
Mr. Ratan Kumar Kesh (Interim MD & CEO w.e.f. July 10, 2024 upto October 31, 2024)	Executive Director & Chief Operating Officer
Mr. Rajinder Kumar Babbar	Executive Director & Chief Business Officer
Mr. Rajeev Mantri	Chief Financial Officer
Mr. Indranil Banerjee	Company Secretary
Relatives of Key Management Personnel	
Sarmishtha Sengupta, Debabrata Sengupta, Poulami Sengupta, Aiushi Sengupta, Sutirtha Thakur- (w.e.f. November 01, 2024) Antara Kesh, Ashalata Kesh, Rajarshi Kesh, Manik Chand Kesh, Sulekha Sam, Sipra Roy Inderpreet Kaur, Nauvtej Singh Babbar, Gourima Singh Babbar, Sarla Grover, Anju Sethi, Shashi Sachdeva Rupal Mantri, Vijay Shankar Mantri, Sampat Mantri, Raaghav Mantri, Ria Mantri, Naveen Mantri, Suman Rathi Saswati Banerjee, Arati Banerjee, Ishaan Banerjee, Mousumi Mukherjee	

In accordance with paragraph 5 & 6 of AS-18, the Bank has not disclosed certain transactions with entity in which Key management personnel or their relatives are interested as they are in the nature of banker-customer relationship.

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

(₹ in crore)

Items/Related Party	Entity having Significant influence (Promoter)	Promoter Group Entity	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits taken*	531.13	25.75	3.50	0.91	561.30
	(636.89)	(327.15)	(4.06)	(1.67)	(969.78)
Deposits placed	-	-	-	-	-
Advances given	-	-	8.93	-	8.93
	-	-	(9.70)	-	(9.70)
Security Deposit given	-	0.76	-	-	0.76
Payables	-	0.30	-	-	0.30
Dividend paid	96.62	-	0.00	0.00	96.62
Interest received	-	-	0.56	-	0.56
Interest paid	41.89	14.11	0.16	0.10	56.25
Rendering of services by Bank	0.00	0.00	0.00	0.00	0.00
Remuneration paid	-	-	15.37	-	15.37
Rental Expense	-	4.97	-	-	4.97
Training Expense	-	-	-	-	-
CSR Expense	-	12.96	-	-	12.96
Other reimbursements	-	1.24	0.23	-	1.47

*Deposits taken includes Fixed Deposits

Figures in bracket () indicate maximum balance outstanding during the year.

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Value of transactions involving income and expenses nature of transactions are exclusive of all taxes.

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

(₹ in crore)

Items/Related Party	Entity having Significant influence (Promoter)	Promoter Group Entity	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits taken*	514.87	326.01	2.44	5.67	848.99
	(784.73)	(357.08)	(5.88)	(7.80)	(1,155.49)
Deposits placed	-	-	-	-	-
Advances given	-	-	9.70	-	9.70
	-	-	(10.22)	-	(10.22)
Security Deposit given	-	0.76	-	-	0.76
Payables	-	1.11	-	-	1.11
Dividend paid	96.62	-	0.25	0.00	96.87
Interest received	-	-	0.63	-	0.63
Interest paid	50.20	26.34	0.27	0.53	77.34
Rendering of services	0.00	0.00	0.00	0.00	0.00
Remuneration paid	-	-	13.73	-	13.73
Stock options exercised during the year	-	-	-	-	-
Rental Expense	-	6.68	-	-	6.68
Training Expense	-	11.12	-	-	11.12
CSR Expense	-	21.78	-	-	21.78
Other reimbursements	-	1.47	0.16	0.00	1.63

* Deposits taken includes Fixed Deposits

Notes:

Figures in bracket () indicate maximum balance outstanding during the year.

Value of transactions involving income and expenses nature of transactions are exclusive of all taxes.

A specific related party transaction is a significant transaction wherever it exceeds 10% of all related party transactions in that category. The significant transactions between the Bank and related parties during the year ended March 31, 2026 and March 31, 2025 are given below

(₹ in crore)

Particulars	Entity having Significant influence (Promoter)	Promoter Group Entity	Key Management Personnel	Relatives of Key Management Personnel
Deposits*				
Bandhan Financial Services Limited	469.80			
	(462.63)			
Bandhan Financial Holdings Limited	61.33			
	(52.24)			
Bandhan Konnagar		25.75		
		(326.01)		
Advances				
Ratan Kumar Kesh			3.17	
			(3.36)	
Rajinder Kumar Babbar			5.22	
			(5.53)	
Dividend paid				

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(₹ in crore)

Particulars	Entity having Significant influence (Promoter)	Promoter Group Entity	Key Management Personnel	Relatives of Key Management Personnel
Bandhan Financial Holdings Limited	96.62			
	(96.62)			
Interest paid				
Bandhan Financial Services Limited	38.38			
	(36.05)			
Bandhan Financial Holdings Limited	3.51			
	(14.15)			
Bandhan Konnagar		14.11		
		(26.34)		
Interest received				
Rajinder Kumar Babbar			0.42	
			(0.48)	
Ratan Kumar Kesh			0.11	
			(0.12)	
Rendering of services				
Nilima Ghosh				#
				(#)
Bandhan Konnagar		#		
		(#)		
Bandhan Financial Holdings Limited	#			
	(-)			
Bandhan Financial Services Limited	#			
	(#)			
Rent Expense				
Bandhan Konnagar		4.97		
		(6.68)		
Training Expense				
Bandhan Konnagar		-		
		(11.12)		
CSR Expense				
Bandhan Konnagar		12.96		
		(21.78)		
Other reimbursements				
Bandhan Konnagar		1.24		
		(1.47)		
Remuneration paid				
Partha Pratim Sengupta			3.34	
			(1.39)	
Chandra Shekhar Ghosh			-	
			(1.87)	
Ratan Kumar Kesh			3.30	
			(2.73)	
Rajinder Kumar Babbar			3.35	
			(2.93)	
Rajeev Mantri			3.74	
			(3.23)	
Indranil Banerjee			1.64	
			(1.57)	

*Deposits taken includes Fixed Deposits

#Denotes amount less than ₹ 1 lacs

Previous year figures are shown in "()".

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18.13 Deferred Tax

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets arising out of		
Depreciation on fixed assets	66.68	51.74
Provisions for loan losses *	460.30	1,058.32
Provision for depreciation/revaluation in value of investments#	156.04	-
Expenditure charged to the profit & Loss account in the current year but allowed for tax purposes on payment basis	247.12	224.24
Others	32.19	33.46
Total (a)	**962.33**	**1,367.76**
Deferred Tax Liability arising out of		
Special reserves	(329.86)	(315.44)
Provision for depreciation/revaluation in value of investments#	-	(43.91)
Total (b)	**(329.86)**	**(359.35)**
Deferred tax asset (net) (a+b) *	**632.47**	**1,008.41**

*During the current year, there is a reversal of deferred tax assets of ₹ 460.10 crore on account of deduction claimed for earlier years under the Income tax Act, 1961 (for details refer Note 18.46), which is included in Note No. 18.1 under head "Income tax / Deferred tax for earlier years".

#During the current year, there is a reversal of deferred tax liability amounting to ₹ 94.07 crore (net) on account of mark to market (MTM) adjustment in reserves and the sale of investments designated as Available for sale (AFS) in accordance with RBI guidelines, which is not routed through Profit and Loss account.

18.14 Earnings per Share

The Bank reports basic and diluted earnings per equity share in accordance with Accounting Standard 20- "Earnings per Share".

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Basic		
Weighted Average Number of equity shares	1,61,09,71,407	1,61,09,70,817
Net Profit after tax available for equity share holders	1,223.56	2,745.30
Basic Earnings Per Share (FV ₹10/-)	7.60	17.04
Diluted		
Weighted Average Number of equity shares (including dilutive potential equity share)	1,61,25,81,341	1,61,11,40,600
Net Profit after tax available for equity share holders	1,223.56	2,745.30
Diluted Earnings Per Share (FV ₹10/-)	7.59	17.04
Nominal value per share (in ₹)	10.00	10.00

The dilutive impact is due to stock options granted to employees of the Bank.

18.15 Liability for Operating Leases

The Banking Units premises are generally rented on cancellable terms for less than twelve months with no escalation clause and renewable at the option of the Company. The Head office and the Bank Branches office premises are obtained on non- cancellable lease terms. Lease payment during the year are charged in the profit & loss account.

The amount of rent expenses included in the Profit & Loss account towards operating leases aggregate to ₹ 394.12 crore (Previous Year: ₹ 364.80 crore).

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Particulars of future minimum lease payment in respect of Head office & Bank branches are as mentioned below:

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Not later than 1 year	290.81	253.79
b) Later than 1 year and not later than 5 years	918.23	743.63
c) Later than 5 years	539.20	451.09

18.16 Small and Micro Industries

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments during the years ended March 31, 2026 and March 31, 2025. The above is based on the information available with the Bank which has been relied upon by the auditors.

18.17 Description of contingent liabilities

i) Claims against the Bank not acknowledged as debts

An amount of ₹ 402.36 crore (Previous Year: ₹ 280.77 crore) is outstanding as at March 31, 2026, as claims against the Bank not acknowledged as Debts including ₹ 239.97 crore (Previous Year: ₹ 162.90 crore) being in the nature of a contingent liability on account of proceedings pending with Tax authorities. The Bank is a party to various taxation matters in respect of which appeals are pending and various legal proceedings in the normal course of business. The Bank has reviewed and classified these items as possible obligations based on legal opinion/judicial precedents/assessment and does not expect the outcome of these proceedings to have a materially adverse effect on the Bank's Financial Statements.

ii) Liability on account of Forward Exchange contracts

The Bank has entered into foreign exchange contracts with interbank Counterparties. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. The forward exchange contracts that are not intended for trading and are entered into to establish the amount of reporting currency required or available at the settlement date of a transaction are effectively valued at closing spot rate. The premium or discount arising on inception of such forward exchange contracts is amortised over the life of the contract as interest Expense / income. The amount in contingent liability represents notional outstanding principal amount

iii) Guarantees given on behalf of constituents, Acceptances, Endorsements and Others

An amount of ₹ 4,276.55 crore (Previous Year: ₹ 2,008.19 crore) is outstanding as at March 31, 2026. As part of its commercial banking activity, the Bank issues documentary credit and guarantees on behalf of its customers. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfil its financial or performance obligations.

iv) Currency swaps & interest rate swaps

This item represents the notional principal amount of various derivative instruments which the Bank undertakes in its normal course of business. The Bank undertakes these contracts to manage its own interest rate and foreign exchange positions.

v) Other items (including Capital Commitments)

An amount of ₹ 244.26 crore (Previous Year: ₹ 187.28 crore) is outstanding as at March 31, 2026. These include:

a) Liability in respect of capital commitments relating to fixed assets amounting to ₹ 243.53 crore (Previous Year: ₹ 186.86 crore)

b) Amount transferred to RBI under Depositor Education and Awareness Fund (DEA Fund).

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18.18 Additional Disclosures

A) Disclosure of customer complaints

Summary information on complaints received by the bank from customers and from the offices of Ombudsman

Sr. No		Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	Complaints received by the bank from its customers			
1		Number of complaints pending at beginning of the year	6,116	1,150
2		Number of complaints received during the year *	1,24,311	1,55,958
3		Number of complaints disposed during the year *	1,26,640	1,50,992
	3.1	Of which, number of complaints rejected by the bank	22,659	22,082
4		Number of complaints pending at the end of the year	3,787	6,116
	Maintainable complaints received by the bank from OBOs#			
5		Number of maintainable complaints received by the bank from OBOs	1,727	1,407
	5.1	Number of complaints resolved in favour of the bank by 'BOs'	1,547	601
	5.2	Number of complaints resolved through conciliation/mediation/ advisories issued by 'BOs'	180	806
	5.3	Number of complaints resolved after passing of Awards by 'BOs' against the bank	-	-
6		Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

*The above does not include 1,16,224 Nos. of complaints received and resolved within next working day during the year ended March 31, 2026 (Previous Year: 1,11,500 Nos.)

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

Top five grounds of complaints received by the bank from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ (decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended March 31, 2026					
Account opening/difficulty in operation of accounts	2,773	51,076	22.10%	1,457	151
Internet/Mobile/Electronic Banking	1,149	25,837	-43.92%	341	41
Loans and advances	751	17,663	47.00%	840	199
ATM/Debit Cards	397	14,136	-47.09%	223	10
Mis-selling/Para-Banking	128	5,313	3.35%	258	117
Others	918	10,286	-57.47%	668	23
Total	**6,116**	**1,24,311**		**3,787**	**541**

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Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ (decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended March 31, 2025					
Account opening/difficulty in operation of accounts	300	41,831	237.59%	2,773	502
Internet/Mobile/Electronic Banking	312	46,068	104.74%	1,149	319
Loans and advances	223	12,016	187.74%	751	182
ATM/Debit Cards	148	26,718	48.79%	397	95
Mis-selling/Para-Banking	131	5,141	566.80%	128	33
Others	36	24,184	854.38%	918	495
Total	**1,150**	**1,55,958**		**6,116**	**1,626**

B) Letter of Comfort (LOC's) issued by the Bank

The Bank has not issued any Letter of Comfort (LOC) during the year ended March 31, 2026 and March 31, 2025.

C) Bancassurance Business

The following table shows breakup of income derived from sale of insurance.

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
For selling life insurance policies	493.79	341.96
For selling non-life insurance policies	40.75	32.04

D) Concentration of Deposits, Advances, Exposures & NPAs

I) Concentration of Deposits

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i) Total Deposits of twenty largest depositors	29,529.86	25,132.77
ii) Percentage of Deposits of twenty largest depositors to Total Deposits of the bank	17.75%	16.62%

II) Concentration of Advances

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i) Total Advances to twenty largest borrowers	10,200.59	9,437.55
ii) Percentage of Advances to twenty largest borrowers to Total Advances of the Bank	6.21%	6.67%

Advances comprises credit exposure (funded and non-funded credit limits), and excludes Advances against Bank own deposit computed as per current exposure method in accordance with RBI guidelines.

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III) Concentration of Exposures

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i) Total Exposure to twenty largest borrowers / customers	11,017.50	9,708.80
ii) Percentage of Exposures to twenty largest borrowers / customers to total exposure of the bank on borrowers / customers	6.55%	6.71%

Exposure comprises credit exposure (funded and non-funded credit limits), Investment exposure, Derivatives exposure and excludes Advances against Bank own deposit computed as per current exposure method in accordance with RBI guidelines.

IV) Concentration of NPAs

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Total Exposure to the top twenty NPA accounts *	216.55	275.91
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs *	4.31%	4.29%

*Excludes Non-funded credit limits

18.19 Disclosures on Remuneration

Qualitative Disclosures

A) Information relating to the composition and mandate of the Remuneration Committee.

The Bank's Nomination and Remuneration Committee (NRC) oversees the framing, review and implementation of the Compensation Policy on behalf of the Board of Directors. The NRC reviews the policy at least once a year to ensure that the reward design is aligned to industry best practices and is consistent with effective risk management and long term business interests of the Bank. The NRC works in close coordination with the Risk Management Committee of the Bank, to achieve the effective alignment between remuneration and risks.

As on March 31, 2026 the NRC comprises of the following directors:

Mr. Vijay Nautamlal Bhatt–Chairman of the committee

Mr. NVP Tendulkar

Mr. Subrata Dutta Gupta

The NRC functions with the following main objectives:

i) To identify persons who are qualified to become directors in accordance with the criteria laid down, recommend to the Board their appointment, re-appointment or removal and to carry out evaluation of every Director's performance;

ii) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and decide their 'fit & proper' status;

iii) To oversee the framing, review and implementation of compensation policy of the Bank and recommend to the Board the overall remuneration philosophy and policy including the level and structure of fixed pay, variable pay, perquisites, bonus pool, stock based remuneration to employees;

iv) To oversee the framing, implementation and review of the Remuneration of the Whole Time Director (WTDs) /Managing Director (MD)/ Chief Executive Officer (CEOs) as per the RBI Guidelines and Companies Act, 2013. The Committee shall recommend to the Board the remuneration package for the Managing Director & CEO and the other Whole Time Directors – including the level of fixed pay, variable pay, stock based Remuneration and perquisites;

v) To review the HR strategy and policy including the conduct and ethics of the Bank and review any fundamental changes in the organization structure which could have wide ranging and high risk implications;

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vi) To review and recommend to the Board, the succession policy at the level of Managing Director & CEO, other WTDs, senior management one level below the Board and key roles.

B) Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy

Objectives of the Remuneration Policy

The Compensation Policy reflects the Bank's objectives for good corporate governance as well as sustained and long-term value creation for stakeholders. The aims of the Bank's remuneration framework are to:

i) Attract, motivate and retain people with requisite skill, experience and ability to deliver the Bank's strategy;

ii) Create an alignment and balance between the rewards and risk exposure of shareholders and interests of employees;

iii) Link rewards to creation of long term sustainable shareholder value consistent with strategic goals and appropriate risk management; and

iv) Encourage behaviour consistent with the Bank's values and principles.

v) Support appropriate conduct and meritocratic culture through differentiated performance rewards.

To achieve the above objectives, the philosophy adopted by the Bank is as follows:

i) Market referenced: offer employees competitive salary, achieved through benchmarking with peer groups.

ii) Making fixed salary the main remuneration component.

iii) Ensure that jobs of similar internal value are grouped and pegged within a range guided by market benchmarked jobs.

iv) Risk Adjusted: By integrating non-financial considerations relating to conduct in performance assessments, employing proper mix of compensation elements and aligning compensation incentives to risk outcomes and factoring the time horizon of risks.

v) Focus on 'Total rewards', all aspects of compensation, rewards and well defined benefits, including rewarding work environment and personal development.

vi) The focus will be to ensure that the Bank is competitive in its overall salary offer to its employees without being excessively expensive for the Bank.

The compensation structure for the MD & CEO also mirrors the Bank's philosophy of aligning with the principles of sound compensation practices to ensure:

i) Effective and independent governance of compensation.

ii) Effective alignment of compensation with prudent risk taking.

iii) Effective supervisory oversight and engagement by stakeholders.

Design & Structure of Remuneration process

The total compensation is a prudent mix of fixed remuneration and performance-based variable remuneration.

The key remuneration elements are:

1) Fixed Pay

2) Discretionary Performance-based Variable Remuneration

The Bank ensures that the fixed pay element is reasonable, taking into account the market rates and trends. The fixed pay is reviewed annually using market intelligence provided by a leading global performance/ reward consulting and benchmarking firm for financial services industry to ensure that the Bank remains competitive in marketplace and that the Bank is able to attract and retain best talent. The level of fixed pay shall be sufficient enough in order to discourage inappropriate risk-taking.

Performance-based variable remuneration may comprise cash bonus, stock linked instruments, and is awarded by ensuring:

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i) an appropriate balance between fixed and performance-based components;

ii) that the fixed component represents a higher proportion of the total remuneration;

iii) that the performance-based component reflects the risk underlying the achieved result;

iv) that a substantial part of the performance-based component may be deferred;

v) that no hedging of deferred shares takes place;

Presently, the bank utilises only two form of performance based variable remuneration, viz.,cash bonus, ESOP, as referred in note no 18.32 is linked to continuous service with the Bank.

The compensation policy of the Bank is reviewed by the NRC and approved by the Board of Directors. The NRC oversees the implementation of the policy and reviews the fixed pay increases, the organizational performance threshold for bonus to be paid, cash bonus and deferred variable remuneration.

C) Description of the ways in which current and future risks are taken into account in the remuneration process

The MD & CEO, employees in the grades of SVPs and above and employees engaged in the functions of Risk Control and Compliance are included in the policy of risk alignment of compensation.

The alignment of compensation to prudent risk taking is ensured through the following:

i) Structure of remuneration is such that a significant part of performance based variable remuneration is deferred.

ii) Performance hurdles includes financial and non-financial parameters, ensuring compensation is aligned to both.

iii) Fixed Salary is reasonable and sufficient, thereby discouraging inappropriate risk taking.

iv) Annual Bonus Plan is managed with an independent governance framework.

v) Variable remuneration awards are conditional, discretionary and contingent upon a sustainable and risk-adjusted performance. They are therefore capable of forfeiture or reduction at the Bank's discretion.

vi) For employees included in the policy of risk alignment of compensation, NRC has the discretion to apply malus and clawback – ex-post risk adjustment, allowing the Bank to adjust previously awarded remuneration to take account of subsequent performance and potential risk outcomes and thus enabling to recoup variable pay in the event of a negative contribution.

Deferral of Variable Pay

To ensure that risk measures are not focused only on the achievement of short term goals, variable payout is deferred, if it exceeds 50% of the fixed pay.

The Bank's compensation policy aims to ensure that both ex-ante estimates and ex-post outcomes of risk affect payoffs; so that one or the other, can better address the various situations or risks.

D) Description of ways in which the Bank seeks to link performance, during a performance measurement period with levels of remuneration.

The Bank has a performance measurement framework in place to assess the achievements of the organization as a whole, its business lines and organizational units as well as individual employees. In order to maximise the incentive to deliver adequate performance and to take into account any risks of the business activities, the Bank seeks to closely link remuneration outcomes with performance and risk outcomes. Accordingly, the Bank's performance management and compensation philosophy is designed in a manner to help achieve the Bank's business objectives.

The performance management system in the Bank is aligned to the balanced scorecard approach. The goal setting process helps individuals to have clarity on their roles and align their profiles in line with the broad organization strategy. Both quantitative / financial and qualitative / non-financial performance measures are considered. The qualitative or non-financial measures include customer service, adherence to risk and compliance standards, behaviour and values such as accountability, team work, etc., which builds a culture conducive to sustainable business performance.

The performance appraisal process starts with the employee conducting self-appraisal followed by the assessment of the supervisor via appraisal feedback and discussion.

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Individual fixed pay increases and variable remuneration are based on the final performance ratings. In addition, the fixed pay increase is also influenced by an employee's position in the salary range and relevant market salaries. Performance related variable compensation is linked to corporate performance, business performance and individual performance. The performance ratings based bonus distribution matrix is reviewed by the NRC.

Employees engaged in all control functions including Compliance and Risk do not carry business profit targets in their goal sheets and hence are compensated based on their achievement of key result areas as per the balance score card. The aim is to ensure that the remuneration system and outcomes relating to such control functions maintain the independence of the function and Bank's robust risk management framework. Accordingly, for the control functions, the variable pay is conservative to promote prudent risk management behaviour and the 'pay mix' is skewed towards fixed pay.

In the case of performance evaluation of the Managing Director and Chief Executive Officer of the Bank, factors such as financial performance measures, cost management initiatives, other strategic initiatives, prudential risk and compliance management, recognition and awards to the Bank, etc., is taken into account, which may vary from year to year depending on the Bank's strategic priorities. Based on the inputs from NRC, the Board reviews the performance and recommends the rate of bonus to be paid, and the increments for the MD & CEO, for regulatory approval in terms of Section 35B of the Banking Regulation Act, 1949 (B.R. Act, 1949).

E) Bank's policy on deferral and vesting of variable remuneration and bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.

In terms of RBI guidelines, the Compensation Policy specifically addresses the following categories of employees:

Category I: Managing Director &Chief Executive Officer / Whole Time Directors / Material Risk Takers

Category II: Risk Control and Compliance Staff

Category III: Other Categories of Staff (employees receiving share-linked variable pay)

The following principles are applied for grant and deferral of performance-based variable remuneration for the above categories of employees.

Category I

i) Variable pay shall not exceed 3 (three) times the annual fixed pay for MD & CEO and WTDs.

ii) Variable pay shall not exceed 2.5 (two and half) times the annual fixed pay for MRTs.

iii) At minimum, variable pay shall be equal to the annual fixed pay.

iv) If an executive is barred by regulation/ statute to receive grant of share-linked instruments, the variable pay shall be capped at 1.5 (one and half) times the annual fixed pay, but will be more than 50% of the annual fixed pay

v) If variable pay is up to 2 (two) times the annual fixed pay, then at least 50% of the variable pay shall be in the form of share-linked instruments (i.e. non-cash).

vi) If variable pay is between 2 (two) to 3 (three) times the annual fixed pay, then at least two—thirds of the variable pay shall be in the form of share-linked instruments (i.e. non-cash).

vii) At least 60% of total variable pay shall be deferred including at least 50% of cash-based variable pay. However, in cases where the cash component of variable pay is under INR 25 lakh, the Bank at its discretion, may not necessarily have deferral requirements.

viii) Deferral of cash based variable pay shall be for 3 years on pro-rata yearly basis (annual vesting).

ix) Deferral of share-linked variable pay shall be for 3 years on pro-rata yearly basis (annual vesting).

x) In case the employee exits the organization before the vesting of all three parts, the remaining deferred cash based variable pay will not be paid.

Category II

i) The mix of Fixed Pay and Variable remuneration will be weighed towards Fixed Pay.

ii) Variable pay shall not exceed the annual fixed pay.

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iii) At least 40% of the variable pay shall be in the form of share-linked instruments (i.e. non-cash).

iv) Deferral of share-linked variable pay shall be for 4 years on pro-rata yearly basis (annual vesting).

v) The compensation will be commensurate to their key role in the Bank.

Category III

i) Variable Remuneration will be as per the NRC approved pay-out levels in terms of performance, grade and role matrix.

ii) Variable pay shall not exceed the annual fixed pay.

iii) At least 50% of the variable pay shall be in the form of share-linked instruments (i.e. non-cash).

iv) Deferral of share-linked variable pay shall be for 4 years on pro-rata yearly basis (annual vesting).

For the three categories of employees mentioned hereinabove, the awarded performance based variable pay shall be subject to in-year adjustment, malus or clawback as decided by the NRC, in the event of negative contribution of the Bank and / or relevant line of business and in material cases of detrimental conduct of individual or business.

Negative contribution of the Bank and / or relevant line of business is defined as:

Conduct related:

i) If an employee engages in certain detrimental conduct, including mis-selling practices, manipulation of interest rate benchmarks, illegal activity, breach of a fiduciary duty, etc. that causes material financial or reputational harm to the Bank.

ii) If the award was based on a material misrepresentation by the employee.

iii) If there is reasonable evidence of employee malfeasance and breach of integrity inviting disciplinary actions.

iv) Violation of Anti Hedging and Anti Pledging Policy or Code of Conduct for Prevention of Insider Trading.

Risk related and others:

i) If the awarded performance-based variable pay was granted on a deliberately erroneous foundation or an incorrect decision made due to gross negligence not considered as errors of judgement.

ii) If the employee who is reasonably expected to be aware of the failure, misconduct or weakness in approach that contributed to the failure, improperly or with gross negligence failed to identify, assess, report or escalate in a timely manner.

iii) If the performance, decisions or actions taken leads to the Bank or the relevant business unit suffering a significant material downturn in its financial performance.

iv) If the RBI assessed divergence in the Bank's provisioning for Non-Performing Assets (NPAs) or asset classification exceeds the prescribed threshold for public disclosure, the bank shall not pay the unvested portion of the variable compensation for the assessment year under malus clause. Further, in such a situation, there shall not be any increase in variable pay for the assessment year. In case the bank's post assessment Gross NPAs are less than 2.0%, these restrictions will apply only if the criteria for public disclosure are triggered either on account of divergence in provisioning or both provisioning and asset classification.

v) In the event of a material restatement, correction or amendment of the Bank's financial results for the relevant period.

F) Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the bank utilizes and the rationale for using these different forms.

The Bank presently utilizes multiple form of variable remuneration, viz., cash bonus and ESOPs which is linked to corporate performance, business performance and individual performance ensuring differential pay based on the performance.

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Quantitative disclosures:

The quantitative disclosures pertaining to the MD & CEO, WTDs & MRTs, for the year ended March 31, 2026 and March 31, 2025 are given below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
a) i) Number of meetings held by the Remuneration Committee during the year.	6	9
ii) Remuneration paid to its members (sitting fees).	₹ 10,80,000	₹ 19,20,000
b) Number of employees having received a variable remuneration award during the year (Active & Inactive).	18	21
c) Number and total amount of sign on awards made during the year.	Nil	Nil
d) Details of guaranteed bonus, if any, paid as joining / sign on bonus.	Nil	Nil
e) Details of severance pay, in addition to accrued benefits, if any.	Nil	Nil
f) Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms.	₹ 3.02 crore (Cash) Unvested ESOP (Shares)- 45,33,023	₹ 3.06 crore (Cash) Unvested ESOP (Shares)- 42,87,244 CSARs-2,87,267#
g) Total amount of deferred remuneration paid out in the year (paid in cash).	₹ 0.15 crore (Cash)	₹0.46 crore (Cash)
h) Breakdown of amount of remuneration awards for the year to show fixed and variable, deferred and non deferred.	Fixed- ₹ 41.16 crore, Variable- ₹ 6.27 crore, Non-deferred- ₹ 3.81 crore, Deferred- ₹ 2.46 crore	Fixed- ₹ 51.08 crore, Variable - ₹ 5.27 crore, Non-deferred - ₹ 4.01 crore, Deferred- ₹ 1.26 crore
i) Shares granted under ESOP	ESOP- 20,49,418	ESOP- 8,73,621 CSAR- 2,87,267#
j) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and / or implicit adjustments.	Nil	Nil
k) Total amount of reductions during the year due to ex post explicit adjustments.	Nil	Nil
l) Total amount of reductions during the year due to ex post implicit adjustments.	Nil	Nil
(m) Number of MRTs identified. (Including inactive)*	24	31
(n) (i) Number of cases where malus has been exercised.	Nil	Nil
(ii) Number of cases where clawback has been exercised.	Nil	Nil
(iii) Number of cases where both malus and clawback have been exercised.	Nil	Nil

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Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(o) The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay.	The mean pay for the Bank as a whole (excluding sub-staff)- ₹ 0.0479 crore. The deviation of the fixed pay of MD from the mean pay- ₹ 3.35 crore. The deviation of the fixed pay of ED & CBO from the mean pay- ₹ 3.25 crore. The deviation of the fixed pay of ED & COO from the mean pay- ₹ 3.24 crore.	The mean pay for the Bank as a whole (excluding sub-staff)- ₹ 0.0457 crore. The deviation of the fixed pay of MD from the mean pay- ₹ 3.41 crore. The deviation of the fixed pay of ED & CBO from the mean pay- ₹ 2.89 crore. The deviation of the fixed pay of ED & COO from the mean pay- ₹ 2.37 crore.

*As on year ended March 31, 2026 and March 31, 2025 number of active MRTs are 22 and 28 respectively.

#CSAR denotes Cash Settled Stock Appreciation Rights

18.20 Disclosure relating to Securitisation

The Bank has not originated any securitisation transactions during the year ended March 31, 2026 and March 31, 2025.

18.21 Marketing and distribution

The following table sets forth, for the periods indicated, income received from marketing and distribution function

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
For selling mutual fund products	13.14	10.94
Others	0.58	0.72

18.22 Off-balance Sheet SPVs sponsored

The Bank has not sponsored any special purposes vehicle which is required to be consolidated as per accounting norms.

18.23 Transfer to Depositor education and awareness fund (DEA Fund)

The details of amount transferred to Depositor Education and Awareness Fund during the year ended March 31, 2026 and March 31, 2025:

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance of amounts transferred to DEA Fund	0.42	0.06
Add: Amounts transferred to DEA Fund during the year	0.32	0.36
Less: Amounts reimbursed by DEA Fund towards claims	0.01	-
Closing balance of amounts transferred to DEA Fund	0.73	0.42

18.24 Transfer to Investor education and protection fund (IEPF)

There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Bank during the years ended March 31, 2026 and March 31, 2025.

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18.25 Other Information

A) The key business ratios is set out below

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income as a percentage to working funds[1]	10.94%	12.03%
Non-interest income as a percentage to working funds[1]	1.38%	1.63%
Cost of Deposits	6.75%	7.06%
Net Interest Margin[5]	6.08%	7.07%
Operating profit as a percentage to working funds[1,2]	2.96%	4.05%
Return on assets[1]	0.62%	1.50%
Profit per employee (₹ in crore)[3]	0.017	0.035
Business (deposits less inter-bank deposits plus advances) per employee (₹ in crore)[3,4]	3.99	3.35

1. Working funds represent average of total assets as reported to Reserve Bank of India in Form X under Section 27 of the Banking Regulation Act, 1949, during the year ended March 31, 2026 and March 31, 2025.
2. Operating profit is profit for the year before considering provisions and contingencies.
3. Productivity ratios are based on average number of employees for the year.
4. Business per employee (Deposits plus Gross Advances (on book), inter-bank deposits shall be excluded.
5. Net interest income/Average earning assets. Net interest income is the difference of interest income and interest expense. Average earning assets are average of balance of interest earning assets.

B) Payment of DICGC Insurance Premium

(₹ in crore)

Sr No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i)	Payment of DICGC Insurance Premium*	183.23	164.87
ii)	Arrears in payment of DICGC premium	-	-

*The amount includes GST.

There has been no delay in payment of DICGC premium by the Bank during the year ended March 31, 2026 and March 31, 2025

18.26 Green Deposits raised by the bank

There has been no green deposits during the year ended March 31, 2026 and March 31, 2025.

18.27 Disclosure on Liquidity Coverage Ratio

(A) Qualitative disclosure

The Bank has adopted the Basel III framework on liquidity standards as prescribed by RBI and has put in place requisite systems and processes to enable periodical computation and reporting of the Liquidity Coverage Ratio (LCR). The Risk department computes the LCR and reports the same to the Asset Liability Management Committee (ALCO) every month for review.

The Bank follows the criteria laid down by RBI for calculation of High Quality Liquid Assets (HQLA),gross outflows and inflows within the next 30-day period. HQLA predominantly comprises Government securities in excess of minimum SLR requirement viz. Treasury Bills, Central and State Government securities and excess of minimum cash reserve ratio (CRR).

The Board of Directors has the overall responsibility for management of liquidity risk. The Board at overall level decides the strategy, policies and procedures of the bank to manage liquidity risk in accordance with the liquidity risk tolerance/limits. The Board has constituted Risk Management Committee, which reports to the Board, and consist of Managing Director and certain other Board Members. The Committee is responsible for evaluating the overall risks faced by the bank including liquidity risk.

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(B) Quantitative Disclosure as on March 31, 2026

(₹ in crore)

Particulars	Quarter ended June 30, 2025		Quarter ended September 30, 2025		Quarter ended December 31, 2025		Quarter ended March 31, 2026	
	Total Unweighted Value (Average)#	Total Weighted Value (Average)#	Total Unweighted Value (Average)#	Total Weighted Value (Average)#	Total Unweighted Value (Average)#	Total Weighted Value (Average)#	Total Unweighted Value (Average)#	Total Weighted Value (Average)#
High Quality Liquid Assets								
1) Total High Quality Liquid Assets (HQLA)		41,367.00		41,249.38		40,069.77		37,646.22
Cash Outflows								
2) Retail Deposits and deposits from small business customers, of which:	83,159.26	7,832.72	85,839.93	8,100.60	88,673.60	8,367.95	90,698.21	8,164.19
a) Stable deposits	9,664.16	483.21	9,667.86	483.39	9,988.12	499.41	18,112.71	905.64
b) Less stable deposits	73,495.10	7,349.51	76,172.07	7,617.21	78,685.48	7,868.55	72,585.50	7,258.55
3) Unsecured wholesale funding, of which:	21,468.67	13,282.55	25,763.63	17,072.71	26,815.42	18,094.61	29,685.74	20,274.78
a) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
b) Non-operational deposits (all counterparties)	21,468.67	13,282.55	25,763.63	17,072.71	26,815.42	18,094.61	29,685.74	20,274.78
c) Unsecured debt	-	-	-	-	-	-	-	-
4) Secured wholesale funding	264.00	-	638.48	-	870.37	-	20.16	-
5) Additional requirements, of which:	9,241.06	2,569.57	10,174.52	2,010.09	11,691.86	2,345.83	12,934.98	2,917.11
a) Outflows related to derivative exposures and other collateral requirements*	1,517.43	1,517.43	209.85	209.85	408.58	408.58	899.95	899.95
b) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
c) Credit and liquidity facilities	7,723.63	1,052.14	9,964.67	1,800.24	11,283.28	1,937.25	12,035.03	2,017.16
6) Other contractual funding obligations	3,383.49	3,383.49	2,779.42	2,779.42	1,977.25	1,977.25	3,204.75	3,204.75
7) Other contingent funding obligations	2,469.40	82.02	2,695.65	90.59	3,343.46	115.38	4,232.06	140.61
8) **Total Cash outflows**		**27,150.34**		**30,053.41**		**30,901.02**		**34,701.43**
Cash Inflows								
9) Secured lending (eg. Reverse repos)	1,635.10	-	1,064.33	-	498.03	-	1,505.44	-
10) Inflows from fully performing exposures	7,845.81	4,907.53	8,131.65	5,252.96	8,386.53	5,531.54	8,907.05	6,065.34
11) Other cash inflows	1,618.72	1,569.39	365.50	287.90	578.07	494.18	1,121.02	1,024.97
12) **Total Cash Inflows**	**11,099.63**	**6,476.93**	**9,561.49**	**5,540.86**	**9,462.63**	**6,025.73**	**11,533.51**	**7,090.31**
13) Total HQLA		41,367.00		41,249.38		40,069.77		37,646.22
14) Total Net Cash outflow		20,673.42		24,512.55		24,875.30		27,611.12
15) Liquidity Coverage Ratio(%)		**200.10%**		**168.28%**		**161.08%**		**136.34%**

#The average weighted & unweighted amounts are calculated taking simple average based on daily observation for the respective quarters.

*Item shown under derivative exposure relates to Fx swaps

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(C) Quantitative Disclosure as on March 31, 2025

(₹ in crore)

Particulars	Quarter ended June 30, 2024		Quarter ended September 30, 2024		Quarter ended December 31, 2024		Quarter ended March 31, 2025	
	Total Unweighted Value (Average)#	Total Weighted Value (Average)#	Total Unweighted Value (Average)#	Total Weighted Value (Average)#	Total Unweighted Value (Average)#	Total Weighted Value (Average)#	Total Unweighted Value (Average)#	Total Weighted Value (Average)#
High Quality Liquid Assets								
1) Total High Quality Liquid Assets (HQLA)		35,714.41		32,690.42		33,817.07		35,196.52
Cash Outflows								
2) Retail Deposits and deposits from small business customers, of which:	72,451.17	6,752.93	74,893.26	6,962.59	77,354.66	7,233.93	79,749.71	7,483.59
a) Stable deposits	9,843.75	492.19	10,534.77	526.74	10,030.69	501.53	9,827.70	491.38
b) Less stable deposits	62,607.43	6,260.74	64,358.49	6,435.85	67,323.96	6,732.40	69,922.02	6,992.20
3) Unsecured wholesale funding, of which:	23,998.32	15,257.86	22,820.89	14,688.41	26,698.62	17,044.16	24,731.64	15,969.50
a) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
b) Non-operational deposits (all counterparties)	23,998.32	15,257.86	22,820.89	14,688.41	26,698.62	17,044.16	24,731.64	15,969.50
c) Unsecured debt	-	-	-	-	-	-	-	-
4) Secured wholesale funding	-	-	-	-	-	-	-	-
5) Additional requirements, of which:	5,997.03	811.20	7,420.93	2,312.61	6,373.98	1,466.33	6,744.29	1,183.42
a) Outflows related to derivative exposures and other collateral requirements*	196.97	196.97	1,331.10	1,331.10	351.71	351.71	159.95	159.95
b) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
c) Credit and liquidity facilities	5,800.06	614.24	6,089.83	981.51	6,022.28	1,114.62	6,584.34	1,023.47
6) Other contractual funding obligations	3,828.24	3,828.24	4,041.69	4,041.69	2,243.25	2,243.25	2,567.41	2,567.41
7) Other contingent funding obligations	2,063.92	69.47	1,968.41	61.19	2,230.95	73.40	2,156.12	70.93
8) **Total Cash outflows**		**26,719.70**		**28,066.48**		**28,061.07**		**27,274.85**
Cash Inflows								
9) Secured lending (eg. Reverse repos)	2,418.07	-	961.90	-	594.05	-	349.26	-
10) Inflows from fully performing exposures	7,803.90	4,906.56	8,007.83	4,964.28	7,594.13	4,580.36	8,330.31	5,408.38
11) Other cash inflows	297.03	297.03	1,453.28	1,393.91	443.08	397.92	341.72	251.89
12) **Total Cash Inflows**	**10,519.00**	**5,203.59**	**10,423.01**	**6,358.20**	**8,631.26**	**4,978.28**	**9,021.29**	**5,660.28**
13) Total HQLA		35,714.41		32,690.42		33,817.07		35,196.52
14) Total Net Cash outflow		21,516.11		21,708.29		23,082.79		21,614.57
15) Liquidity Coverage Ratio(%)		**165.99%**		**150.59%**		**146.50%**		**162.84%**

#The average weighted & unweighted amounts are calculated taking simple average based on daily observation for the respective quarters.

*Item shown under derivative exposure relates to Fx swaps

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18.28 Maturity pattern of certain items of assets and liabilities

(₹ in crore)

Particulars	Day 1	2 to 7 days	8 to 14 days	15 to 30 days	31 days to 2 months	Over 2 months and to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Liabilities												
Borrowings*	-	-	474.18	2,704.21	1,661.02	475.58	4,666.17	2,461.87	1,799.70	60.09	-	14,302.82
	(50.17)	-	(427.38)	(253.69)	(1,880.45)	(2,859.97)	(970.75)	(1,789.25)	(2,449.48)	(457.36)	-	(11,138.49)
Deposits*	2,531.71	5,365.71	1,958.91	4,419.65	7,177.78	10,335.11	16,788.24	39,232.73	67,289.86	7,788.59	3,456.15	1,66,344.45
	(1,203.54)	(3,395.75)	(1,394.01)	(3,036.60)	(3,764.80)	(3,138.36)	(15,790.59)	(38,267.21)	(59,530.78)	(9,719.97)	(11,970.89)	(1,51,212.50)
Foreign Currency Liabilities#	-	3.21	474.18	2,441.69	1,334.19	143.78	3,431.63	881.02	4.33	-	-	8,714.04
	-	(2.82)	(427.38)	(213.92)	(1,880.73)	(2,394.96)	(221.88)	(10.15)	(125.07)	(0.48)	-	(5,277.38)
Assets												
Advances	2,486.70	1,889.85	1,907.71	1,756.03	4,907.32	5,006.73	15,694.36	23,626.90	48,918.88	13,252.91	30,656.39	1,50,103.78
	(635.52)	(1,947.77)	(2,743.07)	(1,969.29)	(5,317.27)	(5,214.49)	(14,935.74)	(22,384.85)	(37,603.36)	(9,977.89)	(29,258.08)	(1,31,987.32)
Investment	8,443.69	504.66	904.44	1,408.27	1,743.39	1,572.13	2,988.43	7,722.19	9,863.43	1,753.08	1,764.57	38,668.28
	-	(427.59)	-	(447.98)	(749.92)	(1,164.76)	(2,450.57)	(2,627.58)	(2,617.60)	(5,843.60)	(24,382.70)	(40,712.28)
Foreign Currency Assets#	18.34	237.09	-	61.64	-	-	-	-	-	-	-	317.07
	(31.87)	-	-	-	-	(6.41)	-	(41.03)	-	-	-	(79.31)

*Deposits & Borrowings includes Foreign Currency Liabilities which is shown separately

#Excludes off-balance sheet assets and liabilities & includes Foreign currency borrowings & deposits

Classification of non-maturing assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI, which has been relied upon by the auditors.

Previous year figures are shown in”()”.

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18.29. Derivatives

(i) Details of derivative portfolio

(₹ in crore)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Interest Rate Derivatives						
MTM – Assets	47.53	-	-	3.85	-	-
MTM – Liabilities	48.37	-	-	3.81	-	-
Net Gain / Loss recognised in Profit &Loss Account	(0.84)	-	-	0.04	-	-
Exchange Rate Derivatives						
MTM – Assets	-	-	-	-	-	-
MTM – Liabilities	-	-	-	-	-	-
Net Gain / Loss recognised in Profit &Loss Account	-	-	-	-	-	-
Credit Risk Derivatives						
MTM – Assets	-	-	-	-	-	-
MTM – Liabilities	-	-	-	-	-	-
Net Gain / Loss recognised in Profit &Loss Account	-	-	-	-	-	-
Trading Swaps						
MTM – Assets	118.21	-	-	15.29	-	-
MTM – Liabilities	118.24	-	-	14.84	-	-
Net Gain / Loss recognised in Profit &Loss Account	(0.03)	-	-	0.45	-	-

(ii) Forward rate agreement / Interest rate swap

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i) The notional principal of swap agreements	2,605.00	160.00
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
ii) Collateral required by the bank upon entering into swaps	-	-
iv) Concentration of credit risk arising from the swaps (for example, exposures to particular industries, or swaps with highly geared companies.)	-	-
v) The fair value of the swap book	(0.84)	0.04
(Note- If the swaps are linked to specific assets, liabilities, or commitments, the fair value shall be the estimated amount that the bank would receive or pay to terminate the swap agreements as on the balance sheet date. For a trading swap the fair value shall be its mark to market value)		

*During the review period, Interest rate swap (OIS) trades are executed with The Clearing Corporation of India Limited (CCIL).

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The following tables set forth, for the periods indicated, the nature and terms OIS.

Benchmark	Type	As at March 31, 2026		As at March 31, 2025	
		Notional principal (₹ in crore)	No. of deals	Notional principal (₹ in crore)	No. of deals
MIBOR	Fixed receivable v/s Floating payable	1385.00	66	80.00	6
MIBOR	Fixed payable v/s Floating receivable	1220.00	76	80.00	5

(iii) Exchange traded interest rate derivatives

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
i) Notional principal amount of exchange traded interest rate derivatives undertaken during the year	-	-
ii) Notional principal amount of exchange traded interest rate derivatives outstanding as on March 31, 2026	-	-
iii) Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective'	NA	NA
iv) Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective'	NA	NA

(iv) Disclosures on risk exposure in derivatives

(a) Qualitative disclosures: Derivatives

Derivatives are financial instruments whose characteristics are derived from underlying parameters like interest rates or foreign exchange rates. These include forward contracts, swaps, etc. These transactions may expose the Bank to risks primarily in the nature of market and credit risk. The following sections outline the nature and terms of the derivative transactions undertaken by the Bank.

Interest Rate swaps undertaken by the Bank involve the exchange of interest obligations with a counterparty for a specified period without exchanging the underlying principal i.e., notional amount. The Bank has undertaken derivative transactions in Rupee Interest Rate Swaps (OIS) only on the Astroid platform of CCIL for proprietary trading.

Foreign Exchange forward contracts and Foreign Exchange Swaps are agreements to buy /sell/exchange fixed amounts of currency against another currency at an agreed exchange rate on Spot / forward date. These instruments are carried at fair value.

The Bank has adopted the following mechanism for managing risks arising out of the derivative transactions.

The derivative transactions are governed by the Investment Policy and Market Risk Management Policy of the Bank as well as by the extant RBI guidelines. The risk limits are set up and actual exposures are monitored vis-à-vis the limits allocated. These limits are set up taking into account market volatility, risk appetite, business strategy and management experience. Risk limits are in place for risk parameters viz. Value at Risk (VaR), Maximum tenor, deal size and Price Value of a Basis Point (PVBP). Actual positions are monitored against these limits on a daily basis and breaches if any are reported promptly.

The Treasury has entered into derivative transactions with interbank counterparties. The Bank has an independent back-office and mid-office as per regulatory guidelines. The MTM position of the derivative portfolio is monitored on a daily basis. The risk profile of the outstanding portfolio is reviewed by the Board at regular intervals.

Derivative transactions such as foreign exchange forward contracts, foreign exchange swap and Interest rate swaps outstanding as at the Balance Sheet date and held for trading, are fair valued. The resulting profit or loss on valuation is recognized in the Profit and Loss Account. Derivatives which are not intended for trading such as, Foreign Exchange forward contracts and Forex swaps and which are outstanding at balance sheet date, are fair valued at the FEDAI closing rate. The premium or discount arising at the inception of such Forward contracts and Foreign Exchange swaps are amortised as

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expense or income over the life of the contract. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Bank has placed margin/collateral to Central Counterparty (CCIL) for various asset classes, wherever applicable.

(b) Quantitative disclosures

(₹ in crore)

Sr. No	Particular	As at March 31, 2026		As at March 31, 2025	
		Currency Derivatives	Interest rate Derivatives	Currency Derivatives	Interest rate Derivatives
a)	**Derivatives (Notional Principal Amount)[1]**				
	i) FX Forwards and Swaps- Hedging	9,629.59	NIL	5,354.62	NIL
	ii) FX Forwards and Swaps- Trading	6,050.47	2605.00	2,239.45	160.00
b)	**Marked to Market Positions(Trading Book)[1]**				
	i) Asset (+)	118.21	47.53	15.29	3.85
	ii) Liability (-)	118.24	48.37	14.84	3.81
c)	**Credit Exposure[2]**	374.67	4.96	109.20	0.70
d)	**Likely impact of one percentage change in interest rate (100*PV01)**				
	i) on hedging derivatives	0.04	-	0.37	-
	ii) on trading derivatives	1.04	1.30	-	-
e)	**Maximum of 100*PV01 observed during the year**				
	i) on hedging	1.09	-	1.16	-
	ii) on trading	2.36	1.30	-	0.05

Note:-

1 Excluding FX Tom & Spot contracts. FX Forwards and Swaps position are comprising of USD/INR trades. The premium or discount arising on inception of ALM Swaps/ Forward contracts is amortised over the life of the contract as interest Expense / income. The accrued Swap cost amount is ₹ 40.00 crore (Previous Year: ₹ 42.82 crore) as on March 31, 2026 which is not included in above Marked to Market Positions. The amount in contingent liability represents notional outstanding principal amount.

2 During the review period, Interest rate swap (OIS) trades are executed with The Clearing Corporation of India Limited (CCIL).

3 PV01 amounts given are absolute values on a net basis,the Bank has computed the maximum and minimum of PV01 for the year based on the balances as at the end of every month

*In respect of derivative contracts, the Bank has computed the exposure under the Current Exposure Method based on the guidelines issued by RBI.

(v) Credit default swaps

The Bank has not transacted in credit default swaps during the year ended March 31, 2026 and March 31, 2025.

18.30 Details of Priority sector lending certificates (category wise) sold and purchased:

(₹ in crore)

Sl No.	Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
		Purchase	Sale	Purchase	Sale
i)	PSLC – Agriculture	7,232.00	1,200.00	5,500.00	-
ii)	PSLC- Small & Marginal farmers(SFMF)	13,340.00	-	8,951.50	-
iii)	PSLC- Micro Enterprises	-	5,000.00	-	1,000.00

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18.31 Details of Inter-Bank Participation Certificate (IBPC) transactions

(₹ in crore)

Sl No.	Particulars	As at March 31, 2026		As at March 31, 2025	
		Sale	Purchase	Sale	Purchase
i)	Aggregate value of IBPCs entered	5,200.00	8,200.00	-	980.00
ii)	Aggregate value of consideration received/paid	5,200.00	8,200.00	-	980.00
iii)	Aggregate gain/(loss) recorded	221.64	-	-	-
iv)	Value of IBPCs outstanding	2,400.00	3,400.00	-	980.00

18.32 Employee Stock Option Scheme (ESOS)

On July 26, 2017 the board of directors approved the Bandhan Bank Employee Stock Option Plan Series 1 for issue of stock options to eligible employees and directors of the Bank.

The Shareholders of the Bank at the meeting held on 23rd November, 2017 has approved the Employee Stock Option Plan Series 1 and the grant of Employee Stock Option to the employees of the Bank. The said approval accords the Board of Directors of the Bank or any Committee including the Nomination and Remuneration Committee, which the Board has constituted, to create, offer, and grant at any time to permanent employees of the Bank, including any Director of the Bank, whether whole-time or otherwise but excluding Promoter(s), Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares, employee stock options from time to time in one or more tranches.

This plan was framed in accordance with the SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time and as applicable at the time of the grant. The accounting for the stock options has been in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 to the extent applicable.

Employee Stock Option Plan Series 1 provides for the issuance of options at the recommendation of the Nomination and Remuneration Committee of the Board ('NRC') at the closing price on the working day immediately preceding the date when options are granted. The closing price of the Bank's equity share on an Indian stock exchange with the highest trading volume as of the working day preceding the date of grant set forth by the NRC at the time of grant. The period in which the options may be exercised cannot exceed five years from date of expiry of vesting period. However, if the participant's employment terminates due to retirement (including pursuant to any early/ voluntary retirement scheme), the whole of the unvested options shall vest on the first vesting date relating to the said grant, immediately following the date of superannuation. During the years ended March 31, 2026 and March 31, 2025, few modifications were made to the terms and conditions of ESOPs as approved by the NRC.

Activity in the options outstanding under the various employee stock option plans as at March 31, 2026:

Sl No.	Particulars	Number of options	Weighted average exercise price (₹)
i)	Options outstanding, beginning of year	4,83,15,851	268.27
ii)	Granted during the year	27,96,778	157.93
iii)	Exercised during the year *	7,182	135.34
iv)	Forfeited / Lapsed during the year	32,85,893	348.07
v)	Options outstanding, end of year	4,78,19,554	256.36
vi)	Options exercisable	2,73,04,108	303.58

*Includes 6273 shares against which application money was received but pending allotment to ₹ 0.085 crore

Activity in the options outstanding under the various employee stock option plans as at March 31, 2025:

Sl No.	Particulars	Number of options	Weighted average exercise price (₹)
i)	Options outstanding, beginning of year	3,99,71,840	317.76
ii)	Granted during the year	1,30,17,308	140.11
iii)	Exercised during the year	1,408	180.00
iv)	Forfeited / Lapsed during the year	46,71,889	334.59
v)	Options outstanding, end of year	4,83,15,851	268.27
vi)	Options exercisable	1,97,82,288	348.55

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The following table summarises the information about stock options outstandings as at March 31, 2026:

Sl No.	Plan	Range of exercise price (₹)	Number of shares arising out of options	Weighted average remaining life of options (in years)	Weighted average exercise price (₹)
1	Plan Series 1	135.34 to 538.75	4,78,19,554	4.50	256.36

The following table summarises the information about stock options outstandings as at March 31, 2025:

Sl No.	Plan	Range of exercise price (₹)	Number of shares arising out of options	Weighted average remaining life of options (in years)	Weighted average exercise price (₹)
1	Plan Series 1	135.34 to 539.22	4,83,15,851	5.23	268.27

Fair value methodology

The weighted average fair value of stock option granted during the year was ₹66.84. The fair value of options used to compute the proforma net profit and earnings per equity share have been estimated on the dates of each grant using the binomial option-pricing model. The Bank estimates the volatility based on the historical prices of its equity shares. The various assumptions considered in the pricing model for the ESOPs granted during the year ended March 31, 2026 are:

Particulars	As at March 31, 2026
Dividend yield (%)	0-0.95%
Expected volatility (%)	34.94%,36.37%,37.06%,47.37%
Risk-free interest rate (%)	5.93%,6.07%,6.19%,6.30%
Expected remaining life of the options (yrs)	0.20- 8.87 yrs

The expected volatility reflects the assumption that is indicative of future trends, which may also not necessarily be the actual outcome.

The Bank measures the cost of ESOP using the Fair valuation method w.e.f April 1, 2021. Had the Bank used the fair value model to determine compensation for options granted before April 1, 2021, its profit after tax and earnings per share as reported would have changed as indicated below:

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Profit after tax as reported* (₹)	1,223.56	2,745.30
Add: ESOP cost using the intrinsic value method (₹)	-	-
Less: ESOP cost (net of taxes) using the fair value method (₹)	11.85	2.54
Proforma profit after tax (₹)	1,211.71	2,742.76
Weighted Average Number of equity shares (No.s)	1,61,09,71,407	1,61,09,70,817
Weighted Average Number of equity shares (including dilutive potential equity share) (No.s)	1,61,25,81,341	1,61,11,40,600
Earnings Per Share (₹ per Share)		
Basic		
- As reported	7.60	17.04
- Proforma	7.52	17.03
Diluted		
- As reported	7.59	17.04
- Proforma	7.51	17.02

*Previous year Includes additional cost of ₹ 183.07 crore as employees stock option expenses on account of RBI advisory.

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18.33 Corporate Social Responsibility

a) Gross amount required to be spent by the Bank during the year ended is ₹ 63.43 crore (Previous year ended March 31, 2025: ₹39.89 crore)

(₹ in crore)

Sl No.	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Amount required to be spent by the Bank during the year[1]	63.43	39.89
(ii)	Amount of expenditure incurred[2]	46.96	23.25
(iii)	Amount in unspent CSR account/ yet to be paid in cash at the end of the year[3]	33.45	16.64
(iv)	Details of related party transactions (Bandhan Konnagar for Inclusive Growth)[4]	13.07	21.92

1 Includes spends from surplus generated from CSR activities towards Bank Interest in project account (FY2026:₹ 0.17 crore; FY2025:₹ 0.13 crore)

2 Includes Unspent CSR Amount of previous years amounting to ₹ 16.61 crore and includes spends from surplus generated from CSR activities towards Bank Interest in project account of ₹ 0.36 crore (FY2025: NIL)

3 Includes Unspent CSR Amount of previous years amounting to ₹ 0.03 crore & ₹ 33.41 crore (including Bank Interest earned in project account of ₹ 0.15 crore) budgeted in FY2026 for ongoing projects but remained unspent. The amount was transferred to the Unspent CSR Account in April 2026 and would be spent as per CSR rules

4 Includes spends from surplus generated from CSR activities towards Bank Interest in project account and spent through Bandhan Konnagar (FY2026: ₹ 0.11 crore; FY2025: ₹ 0.13 crore)

CSR activities during FY2026 were in the areas of affordable and accessible healthcare, education, skill development, women empowerment, financial literacy, environmental and ecological projects like afforestation and rainwater harvesting, livelihood projects and social interventions.

b) The following table sets forth, for the periods indicated, the amount spent by the Bank on CSR related activities;

(₹ in crore)

Sl No.	Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
		In Cash	Yet to be paid in Cash	Total	In Cash	Yet to be paid in Cash	Total
i)	Construction/ acquisition of any assets	-	-	-	-	-	-
ii)	On purpose other than (i) above *	46.96	33.45	80.41	23.25	16.64	39.89

*For the year ended March 31, 2026, amount (yet to be paid in cash), as required under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, Includes Unspent CSR Amount of previous years amounting to ₹ 0.03 crore & ₹ 33.42 crore (including Bank Interest earned in project account of ₹ 0.15 crore) budgeted in FY2026 for ongoing projects but remained unspent. The amount was transferred to the Unspent CSR Account in April 2026 and would be spent as per CSR rules

The following table sets forth, for the periods indicated, the details of movement in provision pertaining to CSR related activities

(₹ in crore)

Sl No.	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Opening balance of provision	16.64	-
(ii)	Add: Provision for expenses during the year	63.26	16.64
(iii)	Less: Payment during the year	46.61	-
(iv)	Closing balance of provision*	33.29	16.64

*The above movement excludes Bank Interest earned in project account of ₹ 0.15 crore (Previous Year: ₹ NIL)

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18.34 Disclosure under Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014

As part of the normal banking business, the Bank grants loans and advances to its borrowers with permission to lend/invest or provide guarantee/security in other entities identified by such borrowers or on the basis of security/guarantee provided by the co-borrower. Similarly, the Bank may accept funds from its customers, who may instruct the Bank to lend/invest/provide guarantee or security or the like against such deposit in other entities identified by such customers. These transactions are part of Bank's normal banking business, which is conducted after exercising proper due diligence including adherence to "Know Your Customer" guidelines.

Other than the nature of transactions described above:

- No funds have been advanced or loaned or invested by the Bank to or in any other person(s) or entity(ies) ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Bank (Ultimate Beneficiaries).

- The Bank has not received any fund from any party(s) (Funding Party) with the understanding that the Bank shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

18.35 Disclosure of Items that exceeds one percent under respective categories:

Other expenditure includes IT Operating expenses amounting to ₹ 440.60 crore (Previous Year: ₹ 277.20 crore) and premium paid on purchase of Priority Sector Lending Certificate (PSLC) amounting to ₹ 353.10 crore (Previous Year: ₹ 239.14 crore) exceeding 1% of the total income of the Bank.

18.36 Other Assets includes Investment in RIDF (Rural Infrastructure Development Fund) amounting to ₹ 2,774.15 crore (Previous Year: ₹ 4,499.88 crore)

18.37 Remuneration paid to the Non-Executive Directors (including sitting fees) during the year ended March 31, 2026 amounting to ₹ 5.25 crore (Previous Year: ₹ 5.89 crore).

18.38 Accounting Software Used for maintenance of Books of Accounts

As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 the Bank uses only such accounting software(s) for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made within such accounting software. This feature of recording audit trail has operated throughout the year and was not disabled, tampered with during the year and audit trail has also been preserved in accordance with statutory record retention requirements, except-

1) The audit trail was not enabled throughout the year for certain accounting masters in respect of two accounting software(s).

2) The audit trail configured at database-level logs record only modified values in respect of two accounting software(s).

The Bank has preserved the audit trail, to the extent maintained in the prior years, as per the statutory requirements for record retention except in relation to certain software and/or databases for which the audit trail feature was not enabled.

18.39 Provision for credit card and debit card reward points

Reward points on cards are accounted for based on value per point after taking into account the probability of redemption of such reward points. The Bank is carrying a provision of ₹ 8.05 crore in FY 25-26 (Previous Year: ₹ 5.85 crore) in respect of reward points on debit & credit cards as per the actuary report.

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18.40 Accounts restructured under Micro, Small and Medium Enterprises (MSME) sector

The following table sets forth, for the periods indicated, the details of accounts restructured under MSME sector as per RBI circular no. FIDD.MSME & NFS.BC.No. 21/06.02.31/2015-16 dated March 17, 2016 subsequent changes thereafter.

As at March 31, 2026		As at March 31, 2025	
Number of accounts restructured	Amount Outstanding (₹ in crore)	Number of accounts restructured	Amount Outstanding (₹ in crore)
NIL	NIL	NIL	NIL

18.41 Resolution of Stressed Assets

During the year ended March 31, 2026 and March 31, 2025, the Bank has not implemented any resolution plan under the prudential framework for stressed assets issued as per RBI/2025-26/165 DOR.STR.REC.84/21.04.048/2025-26 dated November 28, 2025 on Resolution of Stressed Assets

18.42 Details of Accounts subjected to Restructuring

Particulars		Agriculture and allied activities		Corporates (excluding MSME)		Retail (excluding agriculture and MSME)		Total	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Standard	Number of Borrowers	-	-	-	-	-	1	-	1
	Gross Amount (in ₹ crore)	-	-	-	-	-	0.000	-	0.000
	Provision Held (in ₹ crore)	-	-	-	-	-	0.000	-	0.000
Substandard	Number of Borrowers	-	-	-	-	-	4	-	4
	Gross Amount (in ₹ crore)	-	-	-	-	-	0.008	-	0.008
	Provision Held (in ₹ crore)	-	-	-	-	-	0.006	-	0.006
Doubtful	Number of Borrowers	-	-	-	-	-	-	-	-
	Gross Amount (in ₹ crore)	-	-	-	-	-	-	-	-
	Provision Held (in ₹ crore)	-	-	-	-	-	-	-	-
Total	Number of Borrowers	-	-	-	-	-	5	-	5
	Gross Amount (in ₹ crore)	-	-	-	-	-	0.008	-	0.008
	Provision Held (in ₹ crore)	-	-	-	-	-	0.006	-	0.006

18.43 Details of payments to Auditors

(₹ in crore)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Statutory Audit Fees	1.65	1.65
Others	2.09	1.95

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

The RBI issued a circular in February, 2016 requiring banks to implement Indian Accounting Standards ('Ind AS') and prepare proforma Ind AS financial statements with effect from April 01, 2018. In line with the RBI guidelines on Ind AS implementation, the Bank had constituted a Steering Committee comprising members from the concerned functional areas. However, the RBI in its press release issued on March 22, 2019 has deferred the applicability of Ind AS for Scheduled Commercial Banks until further notice.

As advised by the RBI, the Bank has been submitting proforma Ind AS financial statements to RBI periodically.

The RBI, on January 16, 2023, released a discussion paper on the Expected Loss (EL) based approach for loan loss provisioning by banks to formulate a principle-based guidelines supplemented by regulatory backstops wherever necessary. Further, the RBI released draft directions titled "Reserve Bank of India (Scheduled Commercial Banks-Asset Classification, Provisioning and Income Recognition) Directions, 2025 – Draft for Comments".

Accordingly, the Bank has made a diagnostic study to identify gaps and the requisite process and system changes required for Ind AS implementation and is in the process of implementing necessary changes in its IT system and other processes. The Bank is regularly conducting workshops and training for its staff.

Subsequently, on April 27 2026, the RBI has notified "Reserve Bank of India (Commercial Banks- Asset Classification, Provisioning and Income Recognition) Directions, 2026" effective from April 1, 2027, introducing Expected Credit Loss (ECL) and Effective Interest Rate (EIR) Method. The Bank is currently reviewing the latest directions to identify the process and system level changes required for implementation.

18.45 The Bank has applied its significant accounting policies in the preparation of these financial statements consistent with those followed in the annual financial statements for the year ended March 31, 2025. Any circular / direction issued by RBI is implemented prospectively when it becomes applicable.

18.46 Pursuant to a review of income tax positions relating to earlier years, it was identified that certain claims / taxable income had inadvertently not been considered in the respective income tax returns. Based on expert opinion, appropriate claims / representations have since been filed with the tax authorities and the management is confident regarding admissibility of such additional claims.

Accordingly, Income Tax recoverable amounting to ₹ 460.10 crore (net) has been recognised during the year, with a corresponding adjustment to deferred tax assets. Consequently, there is no net impact on the Profit and Loss Account.

18.47 Previous year figures have been regrouped/reclassified, wherever necessary, to conform to current year classification.

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Registration Number : 109208W

Karthik Srinivasan
Partner
Membership Number : 514998
Place : Kolkata
Date : April 28, 2026

For V. Singhi & Associates
Chartered Accountants
Firm Registration Number : 311017E

Sunil Singhi
Partner
Membership Number : 060854
Place : Kolkata
Date : April 28, 2026

For and on behalf of Board of Directors
For Bandhan Bank Limited

Partha Pratim Sengupta
Managing Director & CEO
Kolkata
DIN: 08273324

Anup Kumar Sinha
Non-Executive (Independent) Chairman
Kolkata
DIN: 08249893

NVP Tendulkar
ACB Chairman & Independent Director
Kolkata
DIN: 00869913

Ratan Kumar Kesh
Executive Director & COO
Kolkata
DIN: 10082714

Rajinder Kumar Babbar
Executive Director & CBO
Kolkata
DIN: 10540386

Rajeev Mantri
Chief Financial Officer
Kolkata

Indranil Banerjee
Company Secretary
Kolkata

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Bandhan Bank

Registered Office

DN-32, Sector V, Salt Lake, Kolkata - 700 091, West Bengal, India
T: +91-33-6609 0909 | F: +91-33-6609 0502
www.bandhan.bank.in

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