

Policy Certification

Title **Policy on related party transactions**

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Owned By:	CO: Investor Services Cell
Prepared By :	CO: Investor Services Cell
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POLICY ON RELATED PARTY TRANSACTIONS

1. Preface

In terms of Regulation 23 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank is required to formulate a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions.

Having regards to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other Statutory/Regulatory stipulations applicable to the Bank, the Policy on Related Party Transactions by the Banks has been framed to regulate the transactions between the Bank and its Related Parties based on the laws and regulations applicable to Bank.

2. Objective

The policy has been framed as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and intended to ensure proper approval and reporting of transactions between the Bank and its Related Parties. Such transactions shall be appropriate, only if, they are in the best interest of the Bank and its stakeholders.

3. Definitions:

SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
“Arm’s length transaction”	“Arm’s length transaction” means a transaction as defined under the Companies Act, 2013, between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
“Associate”	As defined under the Companies Act, 2013 “Associate” means an enterprise in which the Bank has significant influence but which is not a subsidiary having such influence and includes a Joint Venture of the Bank.
“Audit Committee or Committee” (ACB)	“Audit Committee or Committee” means Committee of Board of Directors of the Bank constituted in pursuance of the directives of Reserve Bank of India and in compliance with the Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970/1980 and provisions of SEBI LODR Regulations.
“Board”	“Board” means Board of Directors of the Bank constituted in terms of Section 9 (3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/80.
“Control”	“Control” shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
Industry Standard Note	Note as recommended by the Industry Standards Forum constituted by SEBI from time to time, for making mandatory disclosures to the Audit Committee and the Shareholders of the Bank as required under the SEBI PIT Regulations.

“Joint Venture”	Joint Venture means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement
“Key Managerial Personnel” (KMP)	<p>“Key Managerial Personnel” means Key Managerial Personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013:</p> <ul style="list-style-type: none"> (a) Chief Executive Officer or the Managing Director appointed under The Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970/80; (b) Board Secretary / Company Secretary; (c) Executive Director / Whole-time director; (d) Chief Financial Officer; and (e) such other officer/s as may be prescribed.
“Material Related Party Transaction”	<p>Material Related Party Transaction means a transaction with a related party, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover/total income of the Bank as per the last audited financial statements of the Bank, whichever is lower.</p> <p>Notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover/ income of the Bank as per the last audited financial statements of the Bank.</p>
“Policy”	“Policy” means Related Party Transaction Policy.
“Related Party”	<p>An entity shall be considered as related if:</p> <ul style="list-style-type: none"> (a) such entity is a related party under Section 2(76) of the Companies Act, 2013 – <ul style="list-style-type: none"> (i) a director or his relative (ii) a key managerial personnel or his relative (iii) a firm, in which a director or his relatives is a partner (iv) a private company in which a director or manager or his relative is a member or a director (v) a public company in which a director or manager is a director and holds along with his relatives, more than two percent of its paid up share capital (vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director (vii) any person on whose advice, directions or instructions a director is accustomed to act. <p>Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;</p> (viii) any company which is: <ul style="list-style-type: none"> (a) a holding, subsidiary or an associate company of

	<p>such company; or</p> <p>(b) subsidiary of a holding company to which it is also a subsidiary.</p> <p>(c) an investing company or the venturer of the company</p> <p>A Director (Other than an independent Director) or Key Managerial Personnel of the holding company or his relative with reference to a company shall be deemed to be a related party. Provided that any person or entity belonging to the promoter or promoter group of the Bank or any person or entity holding 10% or more of shareholding in the Bank shall be deemed to be a related party.</p> <p>(b) such entity is a related party under the applicable accounting standards –</p> <p>parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions.</p>
“Related Party Transaction”	<p>“Related party transaction” means a transaction involving a transfer of resources, services or obligations between:</p> <p>(a) The Bank or any of its subsidiaries on one hand and a related party of the Bank or any of its subsidiaries on the other hand; or</p> <p>(b) The Bank or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Bank or any of its subsidiaries,</p> <p>regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract.</p> <p>Provided that the following shall not be a related party transaction:</p> <p>(a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;</p> <p>(b) the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:</p> <ol style="list-style-type: none"> payment of dividend; subdivision or consolidation of securities; issuance of securities by way of a rights issue or a bonus issue; and buy-back of securities.

	<p>(c) acceptance of fixed deposits by the Bank at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board.</p> <p>(d) acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time. Explanation: For the purpose of clauses (c) and (d) above, acceptance of deposits includes payment of interest thereon.</p> <p>(e) retail purchases from any listed entity or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors.</p>
“Relative”	<p>“Relative” means and shall include coparceners of the same HUF, spouse and</p> <ul style="list-style-type: none"> (a) Father (including step-father); (b) Mother (including step-mother); (c) Son (including step-son); (d) Son’s wife; (e) Daughter; (f) Daughter’s husband; (g) Brother (including step-brother); (h) Sister (including step-sister).
“Subsidiary”	<p>“Subsidiary” means a company in which the Bank:</p> <ul style="list-style-type: none"> a) Controls the composition of the Board of directors; or b) Exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies.
“Material Subsidiary”	<p>“Material subsidiary” shall mean a subsidiary, whose turnover/ income or net worth exceeds ten percent of the consolidated turnover/ income or net worth respectively, of the Bank and its subsidiaries in the immediately preceding accounting year.</p>
Material Modification in Related Party Transaction	<p>Material Modification in Related Party Transaction means any variation/ change in contract value of sale /purchase/service which result in more than 10% variation in total cost /charges/fees involved in a particular transaction.</p>

4. Disclosures:

In terms of SEBI (LODR) Regulations, 2015, the Bank shall submit to the Stock Exchanges, disclosures of related party transactions in the format as specified by SEBI from time to time and publish the same on its website. The format as prescribed by SEBI is enclosed as Annexure- 1.

The Bank shall make such disclosures every six months on the date of publication of its standalone and consolidated financial results.

The policy on dealing with Related Party Transactions is also required to be disclosed on Bank's website and a web link thereto to be provided in the Annual report.

Details of contract(s) or arrangement(s) with related parties shall be reported to the Audit Committee of the Board with the justification (if any). It shall also be disclosed in the Annual Report of the Bank.

The Reserve Bank of India vide its Master Direction DOR.ACC.REC.No.45/21.04.018/2021-22 dated 30.08.2021 (updated as on 01 April 2024) on Financial Statements - Presentation and Disclosures, has provided detailed guidance to Banks in the matter of disclosures in the 'Notes to Accounts' to the Financial Statements.

The Accounting Standard 18 (AS-18) relating to Related Party Disclosures is applicable for reporting related party relationships and transactions between a reporting enterprise and its related parties. The illustrative format as prescribed by RBI for disclosure by banks for the purpose of AS-18 is annexed as Annexure -2.

5. Policy:

All Related Party Transactions (RPT) must be reported to the Audit Committee and referred for approval to the Committee in accordance with this Policy.

- 5.1** Related Party includes Directors, Key Managerial Personnel and their relatives. During discussion on related party agenda item, wherein any Director or KMP is interested, he / she shall recuse from the respective ACB meeting.
- 5.2** All Related Party Transactions (RPTs) and subsequent material modifications shall require prior approval of the Audit Committee of the Board (ACB).

Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions. Provided further that:

- (a) a related party transaction to which the subsidiary of the Bank is a party but the Bank is not a party, shall require prior approval of the audit committee of the Bank if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover/income, as per the last audited financial statements of the Bank, whichever is lower;
- (b) A related party transaction to which the subsidiary of the Bank is a party but the Bank is not a party, shall require prior approval of the audit committee of the Bank if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover/total income, as per the last audited financial statements of the subsidiary;
- (c) prior approval of the audit committee of the Bank shall not be required for a related party transaction to which the listed subsidiary is a party but the Bank is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of SEBI (LODR) regulations are applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred to in (c) above, the prior approval of the audit committee of the listed subsidiary shall suffice.

- (d) remuneration and sitting fees paid by the Bank or its subsidiary to its Director, Key Managerial Personnel or senior management, except who is part of promoter or promoter group, shall not require approval of the audit committee provided that the same is not material.
- (e) The members of the audit committee, who are independent directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier, subject to the following conditions:
 - (i) the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;
 - (ii) the transaction is not material related party transaction;
 - (iii) rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;
 - (iv) the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of regulation 23 (9) of SEBI (LODR) regulations;
 - (v) any other condition as specified by the audit committee.

Provided that failure to seek ratification of the audit committee shall render the transaction voidable at the option of the audit committee and if the transaction is with a related party to any director, or is authorised by any other director, the director(s) concerned shall indemnify the listed entity against any loss incurred by it.

5.3 However, the ACB may grant omnibus approval for RPTs proposed to be entered into by the Bank or its subsidiary subject to the following conditions:

- (a) The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature.
- (b) The Audit Committee shall satisfy itself the need for omnibus approval and that the approval is in the interest of the Bank.
- (c) Omnibus approval shall specify: (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit.

Provided that where the need for RPT cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding **Rs.1 crore** per transaction.

- (d) Audit committee shall review, at least on a quarterly basis, the details of RPTs entered into by the Bank or its subsidiary pursuant to each of the omnibus approval given.

- (e) Any omnibus approval shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of **one year**.

5.4 **Ceiling on Related Party Transactions:**

Ceiling on the amount	Approval required		
	Audit Committee	Board of Directors	Shareholders (ordinary resolution)
Upto 10% of the annual consolidated turnover/ income of the Bank	Yes	-	-
In excess of the above limit	Yes	Yes	Yes. (No related parties can vote to approve the transaction)

- 5.5** All material related party transactions and subsequent material modifications as defined by the audit committee shall require prior approval of the shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.
- 5.6** Provided that prior approval of the shareholders of the Bank shall not be required for a related party transaction to which the listed subsidiary is a party but the Bank is not a party, if regulation 23 and regulation 15 (2) of SEBI (LODR) Regulations 2015 are applicable to such listed subsidiary.

Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice.

- 5.7** The rules mentioned in points 5.1 to 5.6 shall not be applicable in the following cases:

- Transactions entered into between two public Sector companies.
- Transactions entered into between the Bank and its wholly owned subsidiary whose accounts are consolidated with the Bank and placed before the shareholders at the General Meeting for approval.
- transactions entered into between two wholly-owned subsidiaries of the Bank, whose accounts are consolidated with the Bank and placed before the shareholders at the general meeting for approval.
- transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.
- transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand

5.8 Type of Transactions to be covered:

- (a) The following transactions will be covered under this Policy:
- (i) Sale, purchase or supply of any goods or materials.
 - (ii) Selling or otherwise disposing of, or buying, property of any kind.
 - (iii) Leasing of property of any kind.
 - (iv) Availing or rendering of any services.
 - (v) Appointment of any agent for purchase or sale of goods, materials, services or property etc.
 - (vi) Such related party's appointment to any office or place of profit in the Bank, its subsidiary company or associate company.
 - (vii) Underwriting the subscription of any securities or derivatives thereof, of the Bank.
- (b) Pursuant to RBI Guidelines on Disclosure in Financial Statements - Notes to Accounts (Accounting Standard 18), the following transactions will be covered such as:
- (i) Borrowings
 - (ii) Deposit
 - (iii) Placement of deposits
 - (iv) Advances
 - (v) Investments
 - (vi) Non-funded commitments
 - (vii) Leasing/HP arrangements availed
 - (viii) Leasing/HP arrangements provided
 - (ix) Purchase of fixed assets
 - (x) Sale of fixed assets
 - (xi) Interest paid
 - (xii) Interest received
 - (xiii) Rendering of services
 - (xiv) Receiving of services
 - (xv) Management contracts

5.9 Identification of potential Related Party Transactions:

Each Director and Key Managerial Personnel is responsible for providing notice to the Board or the Audit Committee of any potential Related Party Transaction involving him/her or his/her Relative, including any additional information about the transaction that the Board/ Audit Committee may reasonably request. The Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

The notice of any such potential Related Party Transaction should be given to the Board/Audit Committee well in advance so that the Audit Committee has adequate time to obtain and review information about the proposed transaction.

5.10 Procedure for seeking approval of Related Party Transactions:

As and when any transaction is contemplated with any Related Party, the concerned office / department entertaining the request shall submit to the Board Secretariat at Corporate Office, the details of proposed transaction with details/draft contract/ draft agreement or other supporting documents justifying that the transactions are on arms' length basis in an ordinary course of business at prevailing market rate. Based on this, the Board Secretariat shall appropriately take it up for necessary prior approvals from the Audit Committee at its next meeting and convey back the decision to the originator. The Board Secretariat shall maintain records indicating particulars of all contracts or arrangements and thereafter the same shall be placed before the next meeting of the Board. The departments who have obtained such approvals from ACB should report the details of sanction, indicating material transactions separately, to CO: Investor Services Cell on quarterly basis for reporting to Stock Exchanges / in Annual Reports.

5.11 Review and Approval of Related Party Transactions:

Related Party Transactions will be referred to the next regularly scheduled meeting of Audit Committee for review and approval. Any member of the Committee who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Bank and to the Related Party, and any other relevant matters. The Bank shall ensure that the Minimum information as prescribed in the Industry Standard Note issued from time to time is provided to the Audit Committee / Shareholders as the case may be to enable them to take informed decisions. In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- ❖ Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Bank and would apply on the same basis if the transaction did not involve a Related Party;
- ❖ Whether there are any compelling business reasons for the Bank to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- ❖ Whether the Related Party Transaction would affect the independence of an independent director;
- ❖ Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
- ❖ Whether the Bank was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Bank; and

- ❖ Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Bank, taking into account the size of the transaction, the overall financial position of the Director, Chief Executive Officer or other Related Party, the direct or indirect nature of the Director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors, the Board/Committee deems relevant.

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case decides to review any such matter or it is mandatory under any law for the Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee or Shareholders:

- a. Any transaction that involves providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Bank or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- b. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Bank and all holders of such securities receive the same benefits pro rata as the Related Party.

6. Related Party Transactions without the prior approval under this Policy:

In the event the Bank becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Committee shall consider all the relevant facts and circumstances regarding the Related Party Transaction and shall evaluate all options available to the Bank, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy and shall take any such action it deems appropriate.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction.

In connection with any review of a Related Party Transaction, the Audit Committee has the final authority to modify or waive any procedural requirements of this Policy.

7. Secrecy Provisions:

In terms of paragraph 5 of Accounting Standard 18, the disclosure requirements do not apply in circumstances when providing such disclosures would conflict with the reporting enterprise's duties of confidentiality as specifically required in terms of statute, by regulator or similar competent authority. In terms of Paragraph 6 of Accounting Standard 18, in case a statute or the RBI or a similar competent authority governing the Bank, prohibit the Bank from disclosing certain

information which is required to be disclosed, non-disclosure of such information would not be deemed as non-compliance with the requirements of Accounting Standard 18. It is clear from the above that bank is obliged by the law to maintain confidentiality in respect of the customers' transactions and the accounting standard 18 would not override the obligation of the Bank to preserve the confidentiality of customers' dealings.

8. Amendments to this Policy

The Board of Directors of the Company shall review and amend this policy including threshold limits for Material Related Party transactions, at least once every three years and updated accordingly.

The listed entity shall provide the audit committee with the information as specified in the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction", while placing any proposal for review and approval of an RPT.

The notice being sent to the shareholders seeking approval for any RPT shall, in addition to the requirements under the Companies Act, 2013, include the information as part of the explanatory statement as specified in the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction"

Annexure - 1

Format for disclosure of related party transactions to Stock Exchanges, NSE & BSE as per SEBI guidelines

(In terms of SEBI circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated 31.12.2024)

S. No.	Details of the party (listed entity/subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction (see Note 3)	Value of the related party transaction as approved by the audit committee (see Note 4a)	Value of the related party transaction ratified by the audit committee (see Note 4b)	Value of transaction during the reporting period (see Note 4c)	In case monies are due to either party as a result of the transaction (see Note 1)	
Total (of Note 4c)	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary					Opening balance	Closing balance

Notes:

- The details in this format are required to be provided for all transactions undertaken during the reporting period. However, opening and closing balances, including commitments, to be disclosed for existing related party transactions even if there is no new related party transaction during the reporting period.
- Where a transaction is undertaken between members of the consolidated entity (between the listed entity and its subsidiary or between subsidiaries), it may be reported once.
- Each type of related party transaction (for e.g. sale of goods/services, purchase of goods/services or whether it involves a loan, inter-corporate deposit, advance or investment) with a single party shall be disclosed separately and there should be no clubbing or netting of transactions of same type. However, transactions with the same counterparty of the same type may be aggregated for the reporting period. For instance, sale transactions with the same party may be aggregated for the reporting period and purchase transactions may also be disclosed in a similar manner. There should be no netting off for sale and purchase transactions. Similarly, loans advanced to and received from the same counterparty should be disclosed separately, without any netting off.
- In case of a multi-year related party transaction:
 - The aggregate value of such related party transaction as approved by the audit committee shall be disclosed in the column "Value of the related party transaction as approved by the audit committee".
 - The value of the related party transaction ratified by the audit committee shall be disclosed in the column "Value of the related party transaction ratified by the audit committee".
 - The value of the related party transaction undertaken in the reporting period shall be reported in the column "Value of related party transaction during the reporting period".

Annexure -2

Format for Related Party Disclosures as per RBI guidelines

{Refer RBI Circular No. RBI/DOR/2021-22/83DOR.ACC.REC.No.45/21.04.018/2021-22 dated 30.08.2021}

(Amount in INR crore)

Items / Related Party	Parent (as ownership control)	per or	Subsidiaries	Associates / Joint Ventures	KMP @	Relatives of KMP	Total
Borrowings #							
Deposit #							
Placement of deposits #							
Advances #							
Investments #							
Non funded commitments #							
Leasing/HP arrangements availed #							
Leasing /HP arrangements provided #							
Purchase of fixed assets							
Sale of fixed assets							
Interest paid							
Interest received							
Rendering of services*							
Receiving of services*							
Management contracts*							

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

@ Whole time directors of the Board and CEOs of the branches of foreign banks in India.

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

Note:

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