

kkc & associates llp

Chartered Accountants
(formerly Khimji Kunverji & Co LLP)

Independent Auditor's Report

To
The Chief Executive Officer
Australia And New Zealand Banking Group Limited – Gift City Branch
304-305, Pragya 2, Block 15,
Road 1C, Zone 1, GIFT SEZ,
Dist. Gandhinagar - 382050

Report on the Audit of Special Purpose Financial Statements of Australia and New Zealand Banking Group Limited, IBU GIFT City Branch

Opinion

We have audited the accompanying Special Purpose Financial Statements of Australia and New Zealand Banking Group Limited, Gift City Branch ("the Branch"), which comprise the Balance Sheet as at 31 March 2025, Statement of Profit and Loss Account (including other comprehensive income), Statement of Changes in Equity for the year then ended and notes to the special purpose financial statements, including a summary of material accounting policies (together herein referred to as "Special Purpose Financial Statements"). The Special Purpose Financial Statements have been prepared by the management of the Branch as per International Financial Reporting Standards (IFRS) and for onward submission to the International Financial Service Centres Authority (IFSCA) to comply with IFSCA Regulations.

In our opinion and to the best of our information and explanations given to us, the accompanying Special Purpose Financial Statements are prepared in the manner so required and give a true and fair view in conformity with the International Financial Reporting Standards ('IFRS'), of the state of affairs of the Branch as at 31 March 2025 and profit and other comprehensive income, cash flow statement and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Special Purpose Financial Statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Financial Statements.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to note 23(2) to the accompanying Special Purpose Financial Statements, which describes the basis of accounting used for preparing the aforesaid financial statements. These Special Purpose Financial Statements have been prepared by Branch, in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) for onward submission to the International Financial Services Centre Authority ("IFSCA").

Our report is intended solely for the use of Branch's management for onward submission to IFSCA and should not be distributed to or used by any other parties. We shall not be liable to the Bank or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of this matter.



Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013, India
T: +91 22 6143 7333 E: info@kkcllp.in W: www.kkcllp.in LLPIN: AAP-2267

Suite 52, Bombay Mutual Building, Sir Phirozshah Mehta Road, Fort, Mumbai 400001, India

Responsibilities of management and those charged with governance for the Special Purpose Financial Statements

The Management is responsible for the preparation and fair presentation of the Special Purpose Financial Statements in accordance with the material accounting policies that give a true and fair view of the financial position, financial performance and cash flows of the Branch in accordance with the IFRS and IFSCA Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the IFSCA Regulations for safeguarding the assets of the Branch, preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of such internal financial controls that were operating effectively as Management determines necessary for ensuring the accuracy and completeness of accounting records relevant to the preparation of Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Branch's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose 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. Misinformation 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 special purpose Financial Statement.

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 Special Purpose 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 circumstance, but not for expressing our opinion on whether the Branch has internal financial controls with reference to Special Purpose Financial Statements in place and the operating effectiveness of such controls. However, we are not responsible for expressing our opinion on whether the Branch has adequate internal financial control with reference to financial statement 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.



kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

- 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 Branch'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 Special Purpose 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 Branch to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Those Charged with Governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For KKC & Associates LLP

Chartered Accountants

ICAI Firm Registration No.: 105146W/W100621

Vinit K Jain

Partner

Membership No.: 145911

UDIN: 25145911BMNRBG9871



Place: Mumbai

Date: 14 October 2025

dk

Australia and New Zealand Banking Group Limited - GIFT City branch

Balance Sheet as at March 31, 2025

Currency: USD in '000s

Particulars	Note	As at March 31, 2025
Assets		
Cash and balances with banks	1	2,046
Investments	2	-
Advances	3	2,188
Property, plant and equipment	4	494
Current tax assets	5	-
Deferred tax assets	6	-
Other assets	7	37
Total assets		4,765
Liabilities and Equity		
Liabilities		
Deposits	8	-
Borrowings	9	4,000
Other liabilities and provisions	10	1,972
Current tax liabilities	11	-
Deferred tax liabilities	12	-
Total Liabilities		5,972
Equity		
Capital (H.O. Funds)	13	2,175
Other Equity	14	(3,382)
Total Equity		(1,207)
Total Liabilities and Equity		4,765
Contingent liabilities, commitments and guarantees	15	1,21,000
Material Accounting Policies and Notes forming part of financial statements	23	

The accompanying notes are integral part of financial statements

As per our report of even date attached

For KKC & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 105146W/W100621



Vinit K Jain

Partner

Membership No.: 145911



Place : Mumbai

Date: October 14, 2025

For and on behalf of

Australia and New Zealand Banking Group

Limited- GIFT City branch



Vivek Sharma

Head of GIFT City branch



Place : GIFT City, Gandhinagar

Date: October 14, 2025

Australia and New Zealand Banking Group Limited - GIFT City branch
Statement of profit and Loss for the year ended March 31, 2025

Currency: USD in '000s

Particulars	Note	Year ended March 31, 2025
Interest income	16	11
Interest expense	17	9
Net interest income (A)		2
Other income	18	-
Other Income (B)		-
Total income (A+B)		2
Impairment losses on financial instruments	19	1,812
Employee benefits	20	114
Depreciation and Amortization	21	6
Other expenses	22	1,452
Total expenses		3,384
Net profit/(loss) before taxes for the year		(3,382)
Exceptional items		-
Net profit/(loss) before taxes		(3,382)
Taxes		
- Current tax		-
- Deferred tax		-
Net profit/(loss) for the period		(3,382)
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
Subtotal (A)		-
B (i) Items that will be reclassified to profit or loss		-
(ii) Income tax relating to items that will be reclassified to profit or loss		-
Subtotal (B)		-
Other Comprehensive Income (A + B)		-
Total Comprehensive Income for the period		(3,382)

The accompanying notes are integral part of special purpose financial statements

As per our report of even date attached
For KKC & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 105146W/W100621



Vinit K Jain
Partner
Membership No.: 145911



Place : Mumbai
Date: October 14, 2025

For and on behalf of
Australia and New Zealand Banking Group Limited- GIFT City branch



Vivek Sharma
Head of GIFT City branch



Place : GIFT City, Gandhinagar
Date: October 14, 2025

Australia and New Zealand Banking Group Limited - GIFT City branch

Statement of Cash flow for the year ended March 31, 2025

Currency: USD in '000s

Sr.	Particulars	Year ended March 31, 2025
I	Cash Flow from Operating Activities	
	Net Profit before tax	(3,382)
	Adjustments for:-	
	Depreciation and amortisation	6
	Impairment losses on financial instruments	1,812
	Cash Flow before Changes in Working Capital	(1,564)
	Adjustments for working capital changes:-	
	Increase/(Decrease) in Deposits	-
	Increase/(Decrease) in Other Liabilities	1,972
	(Increase)/Decrease in Advances	(4,000)
	(Increase)/Decrease in Other Assets	(37)
	Cash generated from Operating Activities	(3,629)
II	Cash Flow from Investing Activities	
	Addition to Property, plant and equipment	(500)
	Cash generated from Investing Activities	(500)
III	Cash Flow from Financing Activities	
	Net Proceeds / (repayments) from borrowings	4,000
	Infusion of capital - support funds	2,175
	Cash generated from Financing Activities	6,175
IV	Increase/Decrease during the Year (I + II + III)	2,046
V	Opening Cash and Cash Equivalents	-
VI	Closing Cash and Cash Equivalents	2,046
	Notes to the Cash Flow Statement:	
	Cash and cash equivalents includes the following:	
	Cash and balances with banks	2,046
	Cash and cash equivalents at the end of the year	2,046

The accompanying notes are integral part of special purpose financial statements

As per our report of even date attached
For KKC & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 105146W/W100621



Vinit K Jain
Partner
Membership No.: 145911



Place : Mumbai
Date: October 14, 2025

For and on behalf of
Australia and New Zealand Banking
Group Limited- GIFT City branch



Vivek Sharma
Head of GIFT City branch



Place : GIFT City, Gandhinagar
Date: October 14, 2025

Australia and New Zealand Banking Group Limited - GIFT City branch

Statement of Changes in Equity for the year ended March 31, 2025

Currency: USD in '000s

I Capital (H.O. Funds)

Particulars	As at March 31, 2025
Balance at the beginning of the year	-
Addition during the year	2,175
Reductions during the year	-
Balance at the close of the year	2,175

The minimum prescribed initial capital of USD 20 million for IBU operations is earmarked by Australia and New Zealand Banking Group Limited ('Parent Bank') on and from the date of commencement of the Gift City branch.

II Other equity

Particulars	Reserves and Surplus	Items of Other Comprehensive Income (OCI)	Total
	Retained Earnings	Remeasurements of net defined benefit plans	
Balance as at 1 April 2024	-	-	-
Profit (loss) for the year	(3,382)	-	(3,382)
Other Comprehensive Income for the year #	-	-	-
Total Comprehensive Income for the year ended 31 March 25	(3,382)	-	(3,382)

The accompanying notes are integral part of special purpose financial statements

As per our report of even date attached
For KKC & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 105146W/W100621



Vinit K Jain
Partner
Membership No.: 145911



For and on behalf of
Australia and New Zealand Banking Group Limited - GIFT City branch



Vivek Sharma
Head of GIFT City branch



Place : Mumbai
Date: October 14, 2025

Place : GIFT City, Gandhinagar
Date: October 14, 2025

Australia and New Zealand Banking Group Limited - GIFT City branch
Notes to the financial statements

Currency: USD in '000s

1 Cash and balances with banks

Sr No	Particulars	As at March 31, 2025
I	Cash in hand (including foreign currency notes)	-
II	Balances with bank	
	(a) Balances in India	177
	(b) Balances outside India	1,869
	Subtotal (a and b)	2,046
	Total (I and II)	2,046



Australia and New Zealand Banking Group Limited - GIFT City branch
Notes to the financial statements (continued)

Currency: USD in '000s

2 Investments

Particulars	As at March 31, 2025					Total
	Amortised Cost	Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal	
A. Investments in India (Gross) :						
Less: Impairment Loss Allowance						
Net						
B. Investments outside India (Gross)						
Less: Impairment Loss Allowance						
Net				Nil		
Total Investments – Gross (C) = (A) + (B)						
Less: Impairment Loss						
Total Net						



Australia and New Zealand Banking Group Limited - GIFT City branch
Notes to the financial statements (continued)

Currency: USD in '000s

3 Advances

Particulars	As at March 31, 2025					Total
	Amortised Cost	Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal	
Advances						
A (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-
(ii) Cash Credits, Overdrafts, Loans repayable on Demand	-	-	-	-	-	-
(iii) Term Loans	4,000	-	-	-	4,000	4,000
Gross	4,000	-	-	-	4,000	4,000
Less : Impairment loss allowance	1,812	-	-	-	1,812	1,812
Net	2,188	-	-	-	2,188	2,188
B: (i) Secured by tangible assets						
(ii) Covered by Bank/ Government Guarantees	-	-	-	-	-	-
(ii) Unsecured	4,000	-	-	-	4,000	4,000
Gross	4,000	-	-	-	4,000	4,000
Less: Impairment loss allowance	1,812	-	-	-	1,812	1,812
Total	2,188	-	-	-	2,188	2,188
C.I Advances in India						
(i) Banks	-	-	-	-	-	-
(ii) Others	4,000	-	-	-	4,000	4,000
Gross	4,000	-	-	-	4,000	4,000
Less: Impairment loss allowance	1,812	-	-	-	1,812	1,812
Net	2,188	-	-	-	2,188	2,188
II. Advances outside India						
(i) Banks	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Gross	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Net	-	-	-	-	-	-
Total: (C-I and C II)	2,188	-	-	-	2,188	2,188



Australia and New Zealand Banking Group Limited - GIFT City branch
Notes to the financial statements (continued)

Currency: USD in '000s

4 Property, Plant and Equipment

Particulars	As at March 31, 2025
I. Premises	
At cost, beginning of the year	-
Additions during the year	-
Deductions during the year	-
At cost or fair value at the end of the year	-
Accumulated depreciation and impairment as at the beginning of the year	-
Depreciation for the year	-
Disposals	-
Accumulated depreciation and impairment as at the end of the year	-
Net carrying amount as at the end of the year	-
II. Other Fixed Assets (including furniture and fixtures)	
At cost, beginning of the year	-
Additions during the year	13
Deductions during the year	-
At cost or fair value at the end of the year	13
Accumulated depreciation and impairment as at the beginning of the year	-
Depreciation for the year	-
Disposals	-
Accumulated depreciation and impairment as at the end of the year	1
Net carrying amount as at the end of the year	12
III. Leased Assets	
At cost, beginning of the year	-
Additions during the year	487
Deductions during the year	-
Depreciation to date	5
Net carrying amount as at the end of the year	482
IV. Assets under Construction (Including Premises)	-
Total	494



Australia and New Zealand Banking Group Limited - GIFT City branch

Notes to the financial statements (continued)

Currency: USD in '000s

5 Current Tax

Particulars	As at March 31, 2025
Current Tax Assets	-
Total	-

6 Deferred tax

Particulars	As at March 31, 2025
Deferred Tax Assets	-
Total	-

7 Other Assets

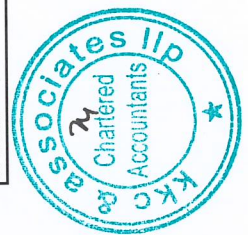
Particulars	As at March 31, 2025
Interest accrued	3
Inter Office Adjustments (Net)	-
Security and other Deposits	31
Others	3
Total	37



Australia and New Zealand Banking Group Limited - GIFT City branch
Notes to the financial statements (continued)

Currency: USD in '000s

Particulars	As at March 31, 2025		
	At Amortised Cost (1)	At Fair Value through Profit and Loss (2)	Total (3)=(1)+(2)
8 Deposits			
Demand Deposits			
(i) From Banks			
(ii) From Others			
Savings Deposits			
Term Deposit			
(i) From Banks			
(ii) From Others			
(iii) Certificate of Deposits			
Total		NIL	
Deposits of branches in India			
Deposits of branches outside India			
Total			
Deposits - Non-interest bearing			
Deposits - interest bearing			
Total			



Australia and New Zealand Banking Group Limited - GIFT City branch

Notes to the financial statements (continued)

Currency: USD in '000s

9 Borrowings

Particulars	As at March 31, 2025		
	At Amortised Cost (1)	At Fair Value through Profit and Loss (2)	Total (3)=(1)+(2)
Reserve Bank of India			
Other Banks			
Others	4,000	-	4,000
Total	4,000	-	4,000
Borrowings in India			
Borrowings outside India			
Total	4,000	-	4,000



Australia and New Zealand Banking Group Limited - GIFT City branch

Notes to the financial statements (continued)

Currency: USD in '000s

10 Other Liabilities and Provisions

Particulars	As at March 31, 2025
Interest accrued	3
Bills payable	-
Lease liability	484
Inter Office Adjustments (Net)	-
Others	1,485
Total	1,972

11 Current tax liability

Particulars	As at March 31, 2025
Current tax liability	-
Total	-

12 Deferred tax liability

Particulars	As at March 31, 2025
Deferred tax liability	-
Total	-



Australia and New Zealand Banking Group Limited - GIFT City branch

Notes to the financial statements (continued)

Currency: USD in '000s

13 Capital (H.O. Funds)

Particulars	As at March 31, 2025
Capital Infusion by Head Office (Support funds)	2,175
Total	2,175
The minimum prescribed initial capital of USD 20 million for IBU operations is earmarked by Australia and New Zealand Banking Group Limited ('Parent Bank') on and from the date of commencement of the Gift City branch.	

14 Other equity

Particulars	As at March 31, 2025
Retained Earnings	
Opening Balance	-
Profit for the year	(3,382)
Closing Balance (A)	(3,382)
Other Comprehensive income	
Opening Balance	-
Other Comprehensive income for the year	-
Closing Balance (B)	-
Total (A+B)	(3,382)

15 Contingent Liabilities and Commitment

Particulars	As at March 31, 2025
Claims against bank not acknowledged as debts	-
Liability for partly paid investments	-
Acceptances, endorsements and Other obligations	-
Others	1,21,000
Total	1,21,000

Others represents undrawn commitment



Australia and New Zealand Banking Group Limited - GIFT City branch

Notes to the financial statements (continued)

Currency: USD in '000s

16 Interest Income

Particulars	Year ended March 31, 2025
Interest on balances with and dues from banks	6
Interest on advances	5
Interest income from investments	-
Other interest income	-
Total	11

17 Interest Expense

Particulars	Year ended March 31, 2025
Interest on deposits	-
Interest on borrowings	3
Interest on debt securities	-
Interest on subordinated liabilities	-
Other interest expense	6
Total	9

18 Other income

Particulars	Year ended March 31, 2025
Net gain/(loss) on Derecognition of financial assets at amortised cost	-
Net gain/(loss) on ineffective portion of hedges	-
Net gain/(loss) on Derecognition of property, plant and equipment	-
Dividend	-
Foreign exchange gain/ (loss)	-
Others	-
Total	-

19 Impairment losses on financial instruments

Particulars	Year ended March 31, 2025
On advances	1,812
On investments	-
On other assets	-
Total	1,812



Australia and New Zealand Banking Group Limited - GIFT City branch
Notes to the financial statements (continued)

Currency: USD in '000s

20 Employee benefits

Particulars	Year ended March 31, 2025
Salaries and wages including bonus	113
Post employment benefits	0
Employee Share Based Payments	-
Others (employee expenses)	1
Total	114

21 Depreciation

Particulars	Year ended March 31, 2025
Depreciation- Property	-
Depreciation- Equipment & Furniture	1
Depreciation- Leased assets	5
Total	6

22 Other expenses

Particulars	Year ended March 31, 2025
Rent, taxes and energy costs	7
Repairs and maintenance	-
Communication Costs	-
Printing and stationery	-
Advertisement and publicity	-
Director's fees, allowances and expenses	-
Auditor's fees and expenses	6
Legal and Professional charges	39
Insurance	-
Other expenditure	1,400
Total	1,452



Note 23 - Material accounting Policies and Notes to Special Purpose Financial Statements

for the year ended 31 March 2025

1. Reporting entity

The Australia and New Zealand Banking Group Limited – GIFT City branch (“hereinafter referred to as “IBU” or “the branch”), branch of Australia and New Zealand Banking Group Limited incorporated in Australia with limited liability, established as International Banking Unit (IBU) under International Financial Services Centres Authority (“IFSCA”) Banking Regulations, 2020, as amended, having its registered office at Gujarat International Finance Tec city (GIFT City), Gandhinagar, Gujarat, India. The Branch received approval from IFSCA in June 2024 and started its business operations during the FY 2024-25.

Principal activities: The Branch offers foreign currency loans and Buyer’s credit to multinationals, large and mid-corporates.

It is governed by the banking regulations of IFSCA as may be applicable at the time of operations and as amended from time to time for smooth functioning of banking operations in International Financial Service Centre (IFSC).

2. Basis of accounting

As per IFSCA Regulations, the Branch of a Foreign Bank is required to follow the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), including any new amendments thereto, for preparing and maintaining its financial statements on standalone basis and for the purpose of reporting and compliance under the relevant IFSCA regulations, rules, directions, circulars and guidelines applicable for IBUs. Accordingly, the Financial Statement of the Branch has been prepared in accordance with the IFRS. The Financial Statements are in conformity with IFRS. The financial statements for the year ended 31 March 2025 comprises of Balance Sheet as at 31 March 2025, Profit and Loss Account, including the cash flow statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of certain financial assets and financial liabilities measured at fair value through profit or loss or measured at fair value through other comprehensive income.

3. Functional and presentation currency

These financial statements are presented in United States Dollar (\$/USD), which is the branch’s functional currency and presentation currency. All amounts have been rounded to the nearest thousands, except when otherwise indicated.

4. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the IBU’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

Significant accounting estimates and critical judgements

Significant accounting estimates and judgements represent those items which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year. Significant accounting estimates and judgements are:

- **Impairment of Financial assets:** Establishing the criteria for determining whether credit risk on a financial asset has increased significantly since initial recognition and impairment using Expected Credit Loss.
- **Business Model:** Assessment of the business model for classification and measurement of financial instruments.

Assumptions and estimation uncertainties:

- Recognition and measurement of contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Useful life of property, plant, equipment and intangibles.
- Impairment of non-financial assets amounts.

These Financial Statements are first set of Financial Statements for the Branch and hence there are no comparative numbers. These financial statements were approved by the Governing Body on October 14, 2025.

5. Changes in significant accounting policies

The IBU has commenced operations during the year.

6. Material accounting policies

A. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the IBU at the exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined.

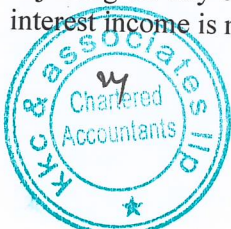
Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are generally recognized in profit or loss.

B. Net interest income

The interest income and expense are recognised in net interest income for all financial instruments. The effective interest rate method is used to calculate the amortised cost of assets held at amortised cost and to recognise interest income on financial assets measured at amortised cost and FVOCI. The effective interest rate is the rate that discounts the stream of estimated future cash receipts or payments over the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or liability.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is not accrued.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

Fees, transaction cost incurred and all other premiums or discounts that are integral to the effective interest rate on a financial asset or liability are included in the effective interest rate.

C. Fees and commission

The fee and commission revenue arising from contracts with customers are recognised (a) over time when the performance obligation is satisfied across more than one reporting period, or (b) at a point in time when the performance obligation is satisfied immediately or is satisfied within one reporting period.

D. Leases

At inception of a contract, the IBU assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Acting as a lessee

The IBU recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liabilities are initially measured at the present value of the future lease payments using the Group's incremental borrowing rate at the lease commencement date. The carrying amount is then subsequently adjusted to reflect the interest on the lease liability, lease payments that have been made and any lease reassessments or modifications

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the IBU's estimate of the amount expected to be payable under a residual value guarantee, if the IBU changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

E. Financial assets

(i) Classification and Measurement

There are three measurement classifications for financial assets: amortised cost, FVTPL and FVOCI. Financial assets are classified into these measurement classifications on the basis of two criteria:

- The business model within which the financial asset is managed; and
- The contractual cash flow characteristics of the financial asset (specifically whether the contractual cash flows represent solely payments of principal and interest).

The resultant financial asset classifications are as follows:

- Amortised cost: Financial assets with contractual cash flows that comprise solely payments of principal and interest and which are held in a business model whose objective is to collect their cash flows;
- FVOCI: Financial assets with contractual cash flows that comprise solely payments of principal and interest and which are held in a business model whose objective is to collect their cash flows or to sell the assets; and
- FVTPL: Any other financial assets not falling into the categories above are measured at FVTPL.

Fair value option for financial assets

A financial asset may be irrevocably designated on initial recognition:

- FVTPL: When the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise; or
- FVOCI: For investments in equity securities, where that instrument is neither held for trading nor contingent consideration recognised by an acquirer in a business combination.

Financial assets are recognised in the IBU's balance sheet when the IBU becomes a party to the contractual provisions of the instrument.

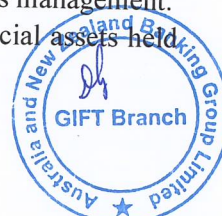
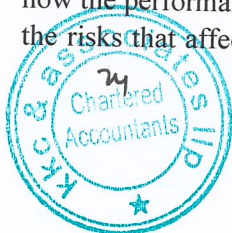
Financial assets are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets are added/reduced to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs and revenues of financial Assets carried at fair value through the profit or loss account are recognized immediately in the Statement of Profit or Loss.

(ii) Business model assessment

The IBU makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice.
- how the performance of the portfolio is evaluated and reported to the IBU's management.
- the risks that affect the performance of the business model (and the financial assets held



Notes to the Financial Statements (Continued)

for the year ended 31 March 2025

- within that business model) and its strategy for how those risks are managed.
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
 - the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the IBU's stated objective for managing the financial assets is achieved and how cash flows are realised.

The IBU reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

If the business model under which the IBU holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results the reclassification.

The IBU considers sale of financial assets measured at amortised cost portfolio as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are:

- due to an increase in the assets' credit risk or
- due to other reasons such as sales made to manage credit concentration risk (without an increase in the assets' credit risk) and are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).

The IBU's business comprises primarily loans to customers that are held for collecting contractual cash flows.

Assessment of whether contractual cash flows are solely payments of principal and interest ('SPPI'):

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the IBU considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the IBU considers

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the IBU's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

Equity instruments have contractual cash flows that do not meet the SPPI criterion. Accordingly, all such financial assets are measured at FVTPL unless the FVOCI option is selected

(iii) Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the IBU changes its business model for managing financial assets.

(iv) Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit or loss. The transaction costs and fees are also recorded related to these instruments in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Any gain or loss on derecognition is recognised in the statement of profit or loss.
Financial assets (other than Equity Investments) at FVOCI	Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

(v) Derecognition

The IBU derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the IBU neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of:

- the consideration received (including any new asset obtained less any new liability assumed) and
 - any cumulative gain or loss that had been recognised in OCI
- is recognised in profit or loss.

Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the IBU is recognised as a separate asset or liability.

(vi) Modifications of financial assets

If the terms of a financial asset are modified, then the IBU evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value plus any eligible transaction costs.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximize recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the IBU plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI asset, then the IBU first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification.

Any costs or fees incurred, and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

(vii) Offsetting

The financial assets and financial liabilities are offset on the Balance Sheet when there is:

- a current legally enforceable right to set off the recognised amounts in all circumstances; and
- an intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously.

(viii) Fair value measurement

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the IBU has access at that date. The fair value of a liability reflects its non-performance risk.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs- quoted prices (unadjusted) in active markets for identical assets or liabilities that the IBU can access at reporting date

Level 2 inputs- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs- Inputs are unobservable inputs for the valuation of assets or liabilities

When one is available, the IBU measures the fair value of an instrument using the quoted price in an active market for that instrument.

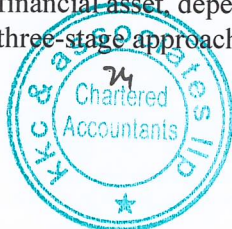
If there is no quoted price in an active market, then the IBU uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the IBU determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

(ix) Impairment

The measurement of expected credit losses reflects an unbiased, probability weighted prediction which evaluates a range of scenarios and takes into account the time value of money, past events, current conditions and forecasts of future economic conditions.

Expected credit losses are either measured over 12 months or the expected lifetime of the financial asset, depending on credit deterioration since origination, according to the following three-stage approach:



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

- Stage 1: At the origination of a financial asset, and where there has not been a Significant Increase in Credit Risk (SICR) since origination, an allowance for ECL is recognized reflecting the expected credit losses resulting from default events that are possible within the next 12 months from the reporting date. For instruments with a remaining maturity of less than 12 months, expected credit losses are estimated based on default events that are possible over the remaining time to maturity.
- Stage 2: Where there has been a SICR since origination, an allowance for ECL is recognized reflecting expected credit losses resulting from all possible default events over the expected life of a financial instrument. If credit risk were to improve in a subsequent period such that the increase in credit risk since origination is no longer considered significant, the exposure returns to a Stage 1 classification with ECL measured accordingly.
- Stage 3: Where there is objective evidence of impairment, an allowance equivalent to lifetime ECL is recognized.

Expected credit losses are estimated on a collective basis for exposures in Stage 1 and Stage 2, and on either a collective or individual basis when transferred to Stage 3.

Measurement of expected credit loss

ECL is calculated as the product of the following credit risk factors at a facility level, discounted to incorporate the time value of money:

- Probability of default (PD) - the estimate of the likelihood that a borrower will default over a given period;
- Exposure at default (EAD) - the expected balance sheet exposure at default taking into account repayments of principal and interest, expected additional drawdowns and accrued interest; and
- Loss given default (LGD) - the expected loss in the event of the borrower defaulting, expressed as a percentage of the facility's EAD, taking into account direct and indirect recovery costs.

These credit risk factors are adjusted for current and forward-looking information through the use of macroeconomic variables.

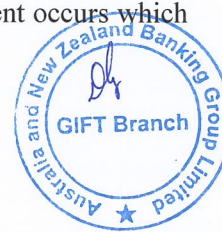
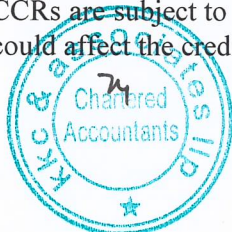
Significant increase in credit risk

Stage 2 assets are those that have experienced a SICR since origination. In determining what constitutes a SICR, the Branch considers both qualitative and quantitative information:

- Internal credit rating grade

For the majority of portfolios, the primary indicator of a SICR is a significant deterioration in the internal credit rating grade of a facility since origination and is measured by the application of thresholds.

For non-retail portfolios, a SICR is determined by comparing the Customer Credit Rating (CCR) applicable to a facility at reporting date to the CCR at origination of that facility. A CCR is assigned to each borrower which reflects the PD of the borrower and incorporates both borrower and non-borrower specific information, including forward-looking information. CCRs are subject to review at least annually or more frequently when an event occurs which could affect the credit risk of the customer.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

- Backstop criteria

The Branch uses 30 days past due arrears as a backstop criterion

Forward-looking information

Forward-looking information is incorporated into both our assessment of whether a financial asset has experienced a SICR since origination and in our estimate of ECL. In applying forward-looking information for estimating ECL, the Branch considers four probability-weighted forecast economic scenarios as follows:

- Base case scenario

The base case scenario is the Branch's view of future macroeconomic conditions. It reflects the basis of assumptions used by management for strategic planning and budgeting.

- Upside and iii. Downside scenarios

The upside and downside scenarios are fixed by reference to average economic cycle conditions (that is, they are not based on the economic conditions prevailing at balance date) and are based on a combination of more optimistic (in the case of the upside) and pessimistic (in the case of the downside) economic events and uncertainty over long term horizons; and

- Severe downside scenario

The severe scenario assumes a deep economic downturn, both domestically and globally. Forecast macroeconomic variables for such a scenario are developed by ANZ Research - Economics (ANZ Economics), reflecting a plausible scenario unfolding over a 5-year period given current economic conditions.

The four scenarios are described in terms of macroeconomic variables used in the PD, LGD and EAD models (collectively the ECL models) depending on the lending portfolio and country of the borrower. Examples of the macroeconomic variables include unemployment rates, Gross Domestic Product (GDP) growth rates, residential property price indices, commercial property price indices and consumer price indices.

Probability weighting of each scenario is determined by management considering the risks and uncertainties surrounding the base case economic scenario, as well as specific portfolio considerations where required.

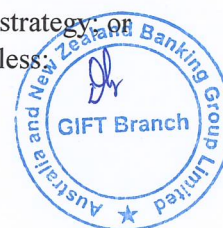
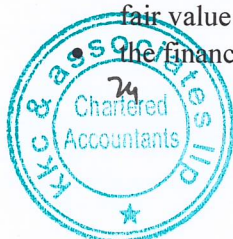
Where applicable, temporary adjustments may be made to account for situations where known or expected risks have not been adequately addressed in the modelling process.

F. Financial Liabilities

Financial liabilities are recognized in the IBU's balance sheet when there is a present obligation to transfer economic resources as a result of past events.

Financial liabilities are measured at amortised cost, or FVTPL when they are held for trading. Additionally, financial liabilities can be designated at FVTPL where:

- the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise;
- a group of financial liabilities are managed and their performance are evaluated on a fair value basis, in accordance with a documented risk management strategy; or
- the financial liability contains one or more embedded derivatives unless:



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

- a) the embedded derivative does not significantly modify the cash flows that otherwise would be required by the contract; or
- b) the embedded derivative is closely related to the host financial liability.

Where financial liabilities are designated as measured at fair value, gains or losses relating to changes in the Branch's own credit risk are included in Other comprehensive income, except where doing so would create or enlarge an accounting mismatch in profit or loss.

The IBU classifies its financial liability as "Financial liability measured at amortised cost" except for those classified as financial liabilities measured at fair value through profit and loss (FVTPL).

G. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, impairment, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

H. Property and equipment

Property, Plant and Equipment are stated at historical cost less accumulated depreciation. Depreciation is provided, from the month in which the asset is capitalised, on the straight-line method over the useful life of the asset as estimated by the Management.

Asset type	Maximum estimated useful life
Computers including laptops	3 years
Office equipment	5 years

*For these classes of assets, based on internal assessment and technical evaluation, the management believes that the useful lives as given above best represents the maximum period over which management expects to use these assets.

I. Impairment of non-financial assets

At each reporting date, the IBU reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

J. Employee benefits

(i) Provident Fund

The IBU's contribution towards provident fund, being a defined contribution scheme, is accounted for on an accrual basis and recognized in the statement of Profit and Loss. The IBU makes contributions to EPFO on monthly basis.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

(ii) Gratuity

Liability for Gratuity, being defined benefit retirement schemes, are determined based on an actuarial valuation as at the Balance Sheet date as per the Projected Unit Credit method as computed by an independent actuary. Actuarial gains/losses arising during the year are recognized in the Other comprehensive income.

(iii) National Pension Scheme

The IBU contributes 10% of the total basic salary of certain employees to National Pension Scheme (NPS), a defined contribution plan, which is managed and administered by pension fund management companies. The IBU also gives an option to its employees allowing them to receive the amount in lieu of such contributions along with their monthly salary during their employment. The amounts so contributed/paid by the IBU to the NPS or to employee during the year are recognized in the profit and loss account.

K. Borrowing Cost

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

L. Provisions, contingent liabilities and contingent assets:

Provisions are recognised only when:

- An entity has a present obligation (legal or constructive) as a result of a past event; and
- 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

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

7. Notes to Accounts

A. Summarised classification of assets liabilities

Amount in USD'000

As at 31 st March 2025				
Particulars	Amortised Cost	At Fair Value	Others	Total
Assets				
Cash and balances with banks	2,046	-	-	2,046
Advances	2,188	-	-	2,188
Property, plant and equipment	494	-	-	494
Other assets	37	-	-	37
Total assets	4,765	-	-	4,765
Liabilities				
Borrowings	4,000	-	-	4,000
Other liabilities and provisions	1,972	-	-	1,972
Total liabilities	5,972	-	-	5,972

B. Financial Risk Management

Risk is an inherent part of the Branch's business activities. The Branch's risk management framework and governance structure are intended to provide comprehensive controls and an ongoing management of major risks inherent in its business activities. The Branch's risk management objectives are consistent with those of the head office.

The Branch's activities expose it to a variety of risks; market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

Market Risk

Market risk is the risk associated with the effect of changes in market factors, such as interest and foreign exchange rates, credit spreads or implied volatilities, on the value of assets and liabilities held for both the short and long term. The Branch doesn't hold any investments and derivatives as at the year end. Given the current balance sheet of the branch, market risk management is overseen by the Group market risk team.

Foreign currency risk

Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the Branch's functional currency. The Branch's foreign currency exposure results primarily from movements of the Non-US Dollar (USD) against the US Dollar (USD). During the year, the material transactions of the Bank were denominated in USD, which is also its functional currency. Consequently, as at 31 March 2025, the Bank does not face any material foreign exchange risk exposure.

Interest rate risk

Non-traded interest rate risk relates to the potential adverse impact of changes in market interest rates. The interest rate risk arises mainly from mismatches between the repricing dates of interest-bearing assets and liabilities.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

The branch has floating rate advances and borrowings linked to USD SOFR. The below table shows impact 100bps movement in SOFR. Since the loans and borrowings are linked to SOFR, there is no interest rate risk for the branch.

Amount in USD'000

Increase/Decrease	Receivable	Payable
+100bps	40	40
-100bps	(40)	(40)

Liquidity Risk

Liquidity risk is the risk that the Branch will be unable to meet its contractual and contingent Financial obligations as they arise or that it does not have the appropriate amount, composition and tenor of funding and liquidity to support its assets and liabilities. As per IFSCA regulations the branch needs to maintain adequate liquidity ratios in its parent's head office books as per the requirements of the head office regulator. No separate liquidity requirements are needed at branch level. The branch accordingly submits a quarterly return to IFSCA confirming the LCR maintained by head office.

The table below analyses the Branch's non-derivative financial assets and financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

Amount in USD'000

Particulars	Carrying Amount	Upto 3 Months	3 to 6 months	6 to 12 months	1 year to 3 years	Over 3 years
Financial Assets						
Cash and balances with banks	2,046	2,046	-	-	-	-
Advances (Gross)	4,000	-	-	-	-	4,000
Financial Liabilities						
Borrowings	4,000	-	-	-	-	4,000
Other liabilities and provisions	1,972	323	-	1,164	-	-
Lease liability	484	5	5	12	89	373

Credit Risk

Credit risk is the risk of loss resulting from the decline in credit quality (or downgrade risk) or failure of a borrower, counterparty, third party or issuer to honor its financial or contractual obligations

Credit risk is:

- measured as the amount that could be lost if a customer or counterparty fails to make repayments. The Branch considers the amount of principal outstanding and interest due as credit exposure from its borrowers;
- monitored using various internal risk management measures and
- managed through a robust risk control framework and governance process, which outlines clear and consistent policies, principles and guidance for credit sanctioning, lending and risk.



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

Amount in USD'000					
Particulars	Credit risk description	Stage 1	Stage 2	Stage 3	TOTAL
CCR: 5	Satisfactory	4,000	-	-	4,000
Gross carrying amount (at amortized cost)		4,000	-	-	4,000
Less: Expected Credit losses		1,812	-	-	1,812
Net Carrying amount as at 31 March 2025		2,188	-	-	2,188

C. Related Party Disclosures

The related parties of the Bank are broadly classified as follows:

i. Parent

Australia and New Zealand Banking Group limited, which is incorporated in the Australia with limited liability, is head office of the GIFT City branch.

ii. Other Related parties

Australia and New Zealand Banking Group Limited – India branches

Australian and New Zealand Banking Group Limited – Singapore Branch

iii. Transactions with the related parties during the year ended 31 March 2025:

Amount in USD'000		
Particulars	Transactions	Amount outstanding
Australia and New Zealand Banking Group limited - Parent		
Capital infusion	2,175	2,175
Reimbursement of Technology set up cost	1,110	1,110
Australia and New Zealand Banking Group limited – Singapore branch		
Borrowing	4,000	4,000
Interest payable on borrowing	3	3
Australia and New Zealand Banking Group limited – Mumbai branch		
Reimbursement of expenses	112	112



Notes to the Financial Statements (Continued)
for the year ended 31 March 2025

D. Leases

The Branch has taken one office premises on lease. The lease typically runs for a period of 15 years beginning from February 01, 2025

Particulars	Amount in USD'000
	As at 31 March 2025
Right of use assets	
Opening Balance	-
Additions to RoU assets for the year/period	487
Amortisation of RoU assets for the year/period	(5)
Closing Balance	482
Lease Liability	
Opening Balance	-
Additions during the year/period	487
Finance cost accrued	6
Lease payments	(9)
Closing balance	484
Amount recognized in Profit and loss account	
Interest expense on lease liabilities	6
Depreciation expense of right-of-use assets	5

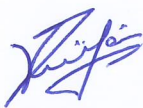
E. Comparative Numbers

The branch has commenced operations during FY24-25, hence comparative numbers are not shown.

For KKC & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 105146W/W100621



Vinit K Jain
Partner

Membership No. 145911

Place: Mumbai

Date: October 14, 2025



For and on behalf of

Australia and New Zealand Banking Group Limited - GIFT City branch



Vivek Sharma
Head of GIFT City branch

Place: GIFT City, Gandhinagar

Date: October 14, 2025

