

INDEPENDENT AUDITOR'S REPORT

The Chief Executive Officer
JSC VTB Bank, New Delhi Branch

Report on audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **JSC VTB Bank, New Delhi Branch** ("the Bank"), which comprise the Balance Sheet as at 31st March 2025, the Profit and Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ("the Act") in the manner so required for Banking Companies and are in conformity with Accounting Standards prescribed under section 133 of the Act read with Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India and give a true and fair view of the state of affairs of the Bank as at 31st March 2025, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the Financial Statements for the year ended 31st March 2025. These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:



S. No.	Key Audit Matters	Auditors Response
1	<p>The Forex transactions / Remittances and Profit thereon.</p> <p>This is considered as Key Audit Matter due to its nature and area of significant risk which may have material impact on the financial statements</p>	<p>An understanding of the system of Forex Transactions / Remittances and profit thereon was obtained and adopted the following audit procedures:</p> <ul style="list-style-type: none"> - Evaluated and tested the effectiveness of the design of bank's internal controls relating to recognition and measurement of these transactions. - The documents related to these transactions were verified on test check basis (other than certain data, including beneficiary details, nature of deals etc. which is proprietary & confidential in nature, considering the business of the bank). - Verified on test check basis the GST Returns and calculation of GST on the remittances made. <p>Based on the above procedures performed and based on the explanations / representation by the bank, the accounting of these transactions is considered to be adequate and reasonable.</p>

Other Information

- The Bank's Management is responsible for the other information. The other information comprises information included in the Pillar 3 Disclosure under the New Capital Adequacy Framework (Basel III disclosures) but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover such other information and we do not express any form of assurance conclusion thereon.
- Our responsibility in connection with the audit of the financial statements is to read the other information and in doing so, examine if the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read this other information, if we conclude that there is material misstatement of this other information, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.
- The Bank's Management is not required to prepare an annual report. Accordingly, the requirement for our reporting on such other information is not applicable.

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

- The Bank's Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the



financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, Bank's Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Bank's Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Bank's Management is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Bank's Management.
 - Conclude on the appropriateness of Bank's Management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.

Report on Other Legal and Regulatory Requirements

14. In our opinion, the Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, Section 133 of the Companies Act, 2013, the circulars, guidelines and directions issued by the RBI from time to time and other accounting principles generally accepted in India.
15. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:
- (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
 - (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
 - (c) there are no other offices or branches of the bank in India.
16. Further, as required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Bank so far it appears from our examination of those books, except as mentioned in note 23 of schedule 18 of financial statements that the books of account and other books and papers maintained in electronic mode have been maintained on servers physically located outside India up to December 2024. Subsequently, the Bank has migrated its CBS along with all data pertaining to Indian operations to India Data centers collocated at Nashik and Mumbai.
 - c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounts) Rules 2014, to the extent they are not inconsistent with the accounting policies prescribed by RBI;
 - e) the requirements of section 164(2) of the Companies Act, 2013 are not applicable considering the Bank is a branch of VTB Bank (PJSC) which is incorporated with limited liability in Russia;
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Bank has no pending litigations against it which would have impact on its financial position;
 - ii. the Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts; - Refer Note 24 of Schedule 18 to the financial statements;



- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Bank;
- iv. with respect to the matter to be included in the Auditor's Report under section 197(16), the requirements of Section 197 of the Act are not applicable considering the Bank is a branch of VTB Bank (PJSC), which is incorporated with limited liability in Russia;
- v. i) the Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 22 of Schedule 18 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- ii) the Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 22 of Schedule 18 to the financial statements, no funds have been received by the Bank from any person(s) or entity (ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- iii) Based on such audit procedures that we have considered reasonable and appropriate by us in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement;
- vi. The requirements of section 123 of the Companies Act, 2013 are not applicable considering the Bank is a branch of VTB Bank (PJSC), which is incorporated with limited liability in Moscow Russia;
- vii. Based on our examination which included test checks, the Bank has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Bank as per the statutory requirements for record retention.

For Dhawan & Co.
Chartered Accountants
Firm Reg. No. 002864N



Anushk Kapoor
(Partner)
M. No. 543825

ICAI UDIN Ref No. : 25543825BMJBVM4900

Date : 27th June 2025
Place : New Delhi

Annexure A to the Independent Auditor's report of even date on the financial statements of JSC VTB Bank, New Delhi Branch

(Referred to in paragraph 16 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of **JSC VTB Bank, New Delhi Branch** ('the Bank') as at 31st March 2025 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls Over Financial Reporting

2. The Bank's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A bank's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A bank's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that



receipts and expenditures of the bank are being made only in accordance with authorizations of Bank's Management; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Dhawan & Co.
Chartered Accountants
Firm Reg. No. 002864N



(CA. Anushk Kapoor)
Partner
M. No. 543825

ICAI UDIN Ref No. : 25543825BMJBVM4900

Date : 27th June 2025
Place : New Delhi