

XII

THE RESERVE BANK'S ACCOUNTS FOR 2024-25

The size of the Reserve Bank's balance sheet as on March 31, 2025 increased by 8.20 per cent year on year. While income for the year increased by 22.77 per cent, expenditure increased by 7.76 per cent. The year ended with an overall surplus of ₹2,68,590.07 crore as against ₹2,10,873.99 crore in the previous year, resulting in an increase of 27.37 per cent.

XII.1 The balance sheet of the Reserve Bank reflects activities carried out in pursuance of its various functions including issuance of currency as well as monetary policy and reserve management objectives.

XII.2 Key financial results of the Reserve Bank's operations during the year 2024-25 are set out in following paragraphs.

XII.3 The size of the balance sheet increased by ₹5,77,718.72 crore, i.e., 8.20 per cent from ₹70,47,703.21 crore as on March 31, 2024 to ₹76,25,421.93 crore as on March 31, 2025. Increase on assets side was due to rise in gold, domestic investments and foreign investments by 52.09 per cent, 14.32 per cent and 1.70 per cent, respectively. On liabilities side, expansion was due to increase in notes issued, revaluation accounts, and other liabilities by 6.03 per cent, 17.32 per cent and 23.31 per cent, respectively. Domestic

assets constituted 25.73 per cent while foreign currency assets, gold (including gold deposit and gold held in India) and loans and advances to financial institutions outside India constituted 74.27 per cent of total assets as on March 31, 2025 as against 23.31 per cent and 76.69 per cent, respectively, as on March 31, 2024.

XII.4 A provision of ₹44,861.70 crore was made and transferred to Contingency Fund (CF). No provision was made towards Asset Development Fund (ADF). Trends in income, expenditure, net income and surplus transferred to the Central Government are given in Table XII.1.

XII.5 Independent Auditors' Report, Balance Sheet and Income Statement for the year ended March 31, 2025 along with schedules, statement of Significant Accounting Policies and supporting Notes to Accounts are given in ensuing paragraphs.

Table XII.1: Trends in Income, Expenditure, Net Income and Surplus Transferred to the Central Government

(Amount in ₹ crore)

Item	2020-21	2021-22	2022-23	2023-24	2024-25
1	2	3	4	5	6
a) Income	1,33,272.75	1,60,112.13	2,35,457.26	2,75,572.32	3,38,308.09
b) Total Expenditure ¹	34,146.75 ²	1,29,800.68 ³	1,48,037.04 ⁴	64,694.33 ⁵	69,714.02 ⁶
c) Net Income (a-b)	99,126.00	30,311.45	87,420.22	2,10,877.99	2,68,594.07
d) Transfer to funds ⁷	4.00	4.00	4.00	4.00	4.00
e) Surplus transferred to the Central Government (c-d)	99,122.00	30,307.45	87,416.22	2,10,873.99	2,68,590.07

Note: 1. Include provisions towards CF and ADF.

2. Includes a provision of ₹20,710.12 crore towards transfer to CF.

3. Include provisions of ₹1,14,567.01 crore and ₹100 crore towards transfer to CF and ADF, respectively.

4. Includes a provision of ₹1,30,875.75 crore towards transfer to CF.

5. Includes a provision of ₹42,819.91 crore towards transfer to CF.

6. Includes a provision of ₹44,861.70 crore towards transfer to CF.

7. An amount of ₹1 crore each has been transferred to the National Industrial Credit (Long Term Operations) Fund, the National Housing Credit (Long Term Operations) Fund, the National Rural Credit (Long Term Operations) Fund and the National Rural Credit (Stabilisation) Fund during each of the five years.

INDEPENDENT AUDITORS' REPORT

To,

The President of India

Report on Audit of Financial Statements of the Reserve Bank of India

Opinion

We, the undersigned auditors of the Reserve Bank of India (hereinafter referred to as the "Bank"), do hereby report to the Central Government upon the Balance Sheet of the Bank as on March 31, 2025, the Income Statement read with Schedules and Significant Accounting Policies as at and for the year ended on that date (hereinafter referred to as "Financial Statements"), which have been audited by us.

In our opinion and to the best of our information and according to explanations given to us and as shown by the books of accounts of the Bank, the Balance Sheet read with Schedules and Significant Accounting Policies is a full and fair Balance Sheet containing all necessary particulars and is properly drawn up in accordance with the requirements of the provisions of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934") and Regulations framed there under, as amended, so as to exhibit true and correct view of the state of affairs of the Bank as on March 31, 2025 and its results of operations for the year ended on that date.

Basis for Opinion

We conducted our audit of the aforesaid Financial Statements in accordance with the Standards on Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditors' 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 ICAI together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Reserve Bank of India Act, 1934 and Regulations framed thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Management is responsible for the other information. The other information comprises the information included in the Notes to Accounts but does not include the Financial Statements and our auditors' report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Bank's Management and Those Charged with Governance for the Financial Statements are responsible for the preparation of the Financial Statements that give a true and correct view of the state of affairs and results of operations of the Bank in accordance with the requirements of the provisions of the RBI Act, 1934 and Regulations framed thereunder and the accounting policies and practices followed by the Bank. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Bank and 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 internal control relevant to the preparation and presentation of the Financial Statements that give a true and correct view and are free from material misstatement, whether due to fraud or error.

The Management is also responsible for assessing the Bank's ability to continue as a 'Going Concern' and using the 'Going Concern' basis of accounting. As per the RBI Act, 1934, the Bank can be liquidated only by the Central Government by order and in any other manner as it may direct.

Those Charged with Governance are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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. Reasonable assurance includes aforesaid concepts of materiality and use of test-checks in line with the Standards on Auditing.

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, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal financial control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the Going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a Going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report.
- Evaluate the overall presentation, structure and content of the Financial Statements, are drawn up in accordance with the requirements of the provisions of the RBI Act, 1934 and Regulations framed there under and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters

The audit of the Financial Statements of the Bank for the year ended March 31, 2024, was carried out and reported jointly by M/s Chandabhoj & Jassoobhoj, Chartered Accountants and M/s Ford Rhodes Parks & Co. LLP, Chartered Accountants, who have expressed an unmodified opinion vide their audit report dated May 22, 2024, which has been furnished to us by the Management and has been relied upon by us for the purpose of our audit of the Financial Statements.

We report that we have called for information and explanations from the Bank considered necessary for the purpose of our audit and such information and explanations have been given to our satisfaction.

We also report that the Financial Statements include the accounts of twenty-five accounting units of the Bank which have been audited by Statutory Branch Auditors, and we have relied on their report in this regard.

Our opinion is not modified in respect of these matters.

For Sorab S. Engineer & Co.
Chartered Accountants
(ICAI Firm Registration No. 110417W)

Naushir D. Anklesaria
Partner
Membership No. 010250
UDIN: 25010250BMOKKD2705

For Kalyaniwalla & Mistry LLP
Chartered Accountants
(ICAI Firm Registration No. 104607W/W100166)

Daraius Z. Fraser
Partner
Membership No. 042454
UDIN: 25042454BMOETV3890

Place: Mumbai

Date: May 23, 2025

RESERVE BANK OF INDIA BALANCE SHEET AS ON MARCH 31, 2025

(Amount in ₹ crore)

Liabilities	Schedule	2023-24	2024-25	Assets	Schedule	2023-24	2024-25
Capital		5.00	5.00	Assets of Banking Department (BD)			
Reserve Fund		6,500.00	6,500.00	Notes, Rupee Coin, Small Coin	6	10.13	11.26
Other Reserves	1	240.00	242.00	Gold-BD	7	2,74,714.27	4,31,624.80
Deposits	2	17,19,838.56	17,17,404.03	Investments-Foreign-BD	8	14,89,081.42	14,32,572.10
Risk Provisions				Investments-Domestic-BD	9	13,63,368.97	15,58,573.83
Contingency Fund		4,28,621.03	5,42,426.96	Bills Purchased and Discounted		0.00	0.00
Asset Development Fund		22,974.68	22,974.68	Loans and Advances	10	3,75,593.49	4,34,710.24
Revaluation Accounts	3	11,30,963.71	13,26,793.43	Investment in Subsidiaries	11	2,063.60	2,063.60
Other Liabilities	4	2,60,520.73	3,21,248.79	Other Assets	12	64,831.83	78,039.06
Liabilities of Issue Department				Assets of Issue Department (ID) (As backing for Notes Issued)			
Notes Issued	5	34,78,039.50	36,87,827.04	Gold-ID	7	1,64,604.91	2,36,537.54
				Rupee Coin		458.54	328.76
				Investments-Foreign-ID	8	33,12,976.05	34,50,960.74
				Investments-Domestic-ID	9	0.00	0.00
				Domestic Bills of Exchange and other Commercial Papers		0.00	0.00
						34,78,039.50	36,87,827.04
Total Liabilities		70,47,703.21	76,25,421.93	Total Assets		70,47,703.21	76,25,421.93

Sangeeta Lalwani
Chief General Manager-In-Charge

Poonam Gupta
Deputy Governor

Swaminathan J
Deputy Governor

T. Rabi Sankar
Deputy Governor

M. Rajeshwar Rao
Deputy Governor

Sanjay Malhotra
Governor

RESERVE BANK OF INDIA
INCOME STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(Amount in ₹ crore)

INCOME	Schedule	2023-24	2024-25
Interest	13	1,88,605.73	2,10,687.64
Other Income	14	86,966.59	1,27,620.45
Total		2,75,572.32	3,38,308.09
EXPENDITURE			
Printing of Notes	15	5,101.40	6,372.82
Expenditure on Remittance of Currency		128.39	151.02
Agency Charges		3,976.31	3,669.56
Employee Cost		7,890.11	9,146.71
Interest		2.19	2.44
Postage and Telecommunication Charges		242.75	106.43
Printing and Stationery		29.53	24.24
Rent, Taxes, Insurance, Lighting, etc.		254.14	274.65
Repairs and Maintenance		173.07	177.55
Directors' and Local Board Members' Fees and Expenses		5.75	4.80
Auditors' Fees and Expenses		7.37	7.24
Law Charges		18.06	17.67
Depreciation		370.62	623.63
Miscellaneous Expenses		3,674.73	4,273.56
Provisions		42,819.91	44,861.70
Total		64,694.33	69,714.02
Available Balance		2,10,877.99	2,68,594.07
Less:			
(a) Contribution to:			
(i) National Industrial Credit (Long Term Operations) Fund		1.00	1.00
(ii) National Housing Credit (Long Term Operations) Fund		1.00	1.00
(b) Transferable to NABARD:			
(i) National Rural Credit (Long Term Operations) Fund ¹		1.00	1.00
(ii) National Rural Credit (Stabilisation) Fund ¹		1.00	1.00
(c) Others			
Surplus payable to the Central Government		2,10,873.99	2,68,590.07

1. These funds are maintained by the National Bank for Agriculture and Rural Development (NABARD).

Sangeeta Lalwani
Chief General Manager-In-Charge

Poonam Gupta
Deputy Governor

Swaminathan J
Deputy Governor

T. Rabi Sankar
Deputy Governor

M. Rajeshwar Rao
Deputy Governor

Sanjay Malhotra
Governor

SCHEDULES FORMING PART OF BALANCE SHEET AND INCOME STATEMENT

(Amount in ₹ crore)

		2023-24	2024-25
Schedule 1:	Other Reserves		
	(i) National Industrial Credit (Long Term Operations) Fund	33.00	34.00
	(ii) National Housing Credit (Long Term Operations) Fund	207.00	208.00
	Total	240.00	242.00
Schedule 2:	Deposits		
	(a) Government		
	(i) Central Government	5,000.30	5,000.85
	(ii) State Governments	42.46	42.48
	Sub total	5,042.76	5,043.33
	(b) Banks		
	(i) Scheduled Commercial Banks	9,56,010.64	9,26,001.43
	(ii) Scheduled State Co-operative Banks	10,934.25	8,439.50
	(iii) Other Scheduled Co-operative Banks	12,272.97	11,606.14
	(iv) Non-Scheduled State Co-operative Banks	6,515.91	6,569.07
	(v) Other Banks	39,714.96	38,872.35
	Sub total	10,25,448.73	9,91,488.49
	(c) Financial Institutions outside India		
	(i) Repo Borrowing-Foreign	1,61,402.27	1,11,579.53
	(ii) Reverse Repo Margin-Foreign	2,146.54	1,092.49
	Sub total	1,63,548.81	1,12,672.02
	(d) Others		
	(i) Administrators of RBI Employee PF A/c	4,778.94	4,902.84
	(ii) Depositor Education and Awareness Fund	78,212.53	97,545.12
	(iii) Balances of Foreign Central Banks	1,702.86	348.37
	(iv) Balances of Indian Financial Institutions	7,727.18	10,159.58
	(v) Balances of International Financial Institutions	501.00	501.14
	(vi) Mutual Funds	1.33	1.32
	(vii) Others	4,32,874.42	4,94,741.82
	Sub total	5,25,798.26	6,08,200.19
	Total	17,19,838.56	17,17,404.03
Schedule 3:	Revaluation accounts		
	(i) Currency and Gold Revaluation Account (CGRA)	11,30,793.34	13,02,964.89
	(ii) Investment Revaluation Account-Foreign Securities (IRA-FS)	0.00	0.00
	(iii) Investment Revaluation Account-Rupee Securities (IRA-RS)	0.00	16,843.35
	(iv) Foreign Exchange Forward Contracts Valuation Account (FCVA)	170.37	6,985.19
	Total	11,30,963.71	13,26,793.43
Schedule 4:	Other Liabilities		
	(i) Provision for Forward Contracts Valuation Account (PFCVA)	0.00	0.00
	(ii) Provision for payables	4,827.02	4,088.31
	(iii) Gratuity and Superannuation Fund	33,321.37	36,470.57
	(iv) Surplus payable to the Central Government	2,10,873.99	2,68,590.07
	(v) Bills Payable	11.35	0.09
	(vi) Miscellaneous	11,487.00	12,099.75
	Total	2,60,520.73	3,21,248.79
Schedule 5:	Notes Issued		
	(i) Notes held in the Banking Department	10.06	11.19
	(ii) Notes in circulation	34,77,795.32	36,86,799.39
	(iii) CBDC-W	0.08	0.00
	(iv) CBDC-R	234.04	1,016.46
	Total	34,78,039.50	36,87,827.04

THE RESERVE BANK'S ACCOUNTS FOR 2024-25

		2023-24	2024-25
Schedule 6:	Notes, Rupee Coin, Small Coin		
	(i) Notes	10.06	11.19
	(ii) Rupee Coin	0.06	0.06
	(iii) Small Coin	0.01	0.01
	Total	10.13	11.26
Schedule 7:	Gold		
	(a) Banking Department		
	(i) Gold	2,60,537.16	4,17,205.49
	(ii) Gold deposit	14,177.11	14,419.31
	Sub Total	2,74,714.27	4,31,624.80
	(b) Issue Department		
		1,64,604.91	2,36,537.54
	Total	4,39,319.18	6,68,162.34
Schedule 8:	Investments-Foreign		
	(i) Investments-Foreign-BD	14,89,081.42	14,32,572.10
	(ii) Investments-Foreign-ID	33,12,976.05	34,50,960.74
	Total	48,02,057.47	48,83,532.84
Schedule 9:	Investments-Domestic		
	(i) Investments-Domestic-BD	13,63,368.97	15,58,573.83
	(ii) Investments-Domestic-ID	0.00	0.00
	Total	13,63,368.97	15,58,573.83
Schedule 10:	Loans and Advances		
	(a) Loans and Advances to:		
	(i) Central Government	0.00	0.00
	(ii) State Governments	6,599.94	32,688.09
	Sub total	6,599.94	32,688.09
	(b) Loans and Advances to:		
	(i) Scheduled Commercial Banks	1,93,341.00	2,53,663.00
	(ii) Scheduled State Co-operative Banks	0.00	0.00
	(iii) Other Scheduled Co-operative Banks	0.00	0.00
	(iv) Non-Scheduled State Co-operative Banks	0.00	0.00
	(v) NABARD	0.00	0.00
	(vi) Others	12,397.51	36,426.09
	Sub total	2,05,738.51	2,90,089.09
	(c) Loans and Advances to Financial Institutions outside India		
	(i) Reverse Repo Lending-Foreign	1,62,822.88	1,11,579.53
	(ii) Repo Margin-Foreign	432.16	353.53
	Sub total	1,63,255.04	1,11,933.06
	Total	3,75,593.49	4,34,710.24
Schedule 11:	Investment in Subsidiaries/Associates		
	(i) Deposit Insurance and Credit Guarantee Corporation (DICGC)	50.00	50.00
	(ii) Bharatiya Reserve Bank Note Mudran (P) Ltd. (BRBNMPL)	1,800.00	1,800.00
	(iii) Reserve Bank Information Technology (P) Ltd. (ReBIT)	50.00	50.00
	(iv) National Centre for Financial Education (NCFE)	30.00	30.00
	(v) Indian Financial Technology & Allied Services (IFTAS)	33.60	33.60
	(vi) Reserve Bank Innovation Hub (RBIH)	100.00	100.00
	Total	2,063.60	2,063.60

		2023-24	2024-25
Schedule 12:	Other Assets		
	(i) Fixed Assets (net of accumulated depreciation)	2,042.64	2,512.81
	(ii) Accrued income (a + b)	58,878.51	64,001.01
	a. on loans to employees	421.47	479.85
	b. on other items	58,457.04	63,521.16
	(iii) Swap Amortisation Account (SAA)	0.00	0.00
	(iv) Revaluation of Forward Contracts Account (RFCA)	170.37	6,985.19
	(v) Miscellaneous	3,740.31	4,540.05
	Total	64,831.83	78,039.06
Schedule 13:	Interest		
	(a) Domestic Sources		
	(i) Interest on holding of Rupee Securities	92,589.51	85,524.67
	(ii) Net Interest on LAF Operations	-7,052.08	-4,739.82
	(iii) Interest on SDF	-5,616.80	-5,844.65
	(iv) Interest on MSF Operations	3,413.37	464.22
	(v) Interest on Loans and Advances	2,094.09	1,922.77
	Sub total	85,428.09	77,327.19
	(b) Foreign Sources		
	(i) Interest Income from Foreign Securities	65,327.93	97,006.66
	(ii) Net Interest on Repo/ Reverse Repo transactions	228.64	158.59
	(iii) Interest on Deposits	37,621.07	36,195.20
	Sub total	1,03,177.64	1,33,360.45
	Total	1,88,605.73	2,10,687.64
Schedule 14:	Other Income		
	(a) Domestic Sources		
	(i) Exchange	0.00	0.00
	(ii) Discount	0.00	0.00
	(iii) Commission	3,886.95	4,131.64
	(iv) Rent Realised	9.19	9.00
	(v) Profit/ Loss on sale and redemption of Rupee Securities	859.32	1,105.16
	(vi) Depreciation on Rupee Securities inter portfolio transfer	-68.74	-69.50
	(vii) Amortisation of premium/ discount on Rupee Securities	-2,394.71	-2,681.71
	(viii) Profit/ Loss on sale of Bank's property	1.73	2.16
	(ix) Provision no longer required and Miscellaneous Income	379.29	-353.40
	Sub total	2,673.03	2,143.35
	(b) Foreign Sources		
	(i) Amortisation of premium/ discount on Foreign Securities	2,235.86	13,686.63
	(ii) Profit/ Loss on sale and redemption of Foreign Securities	-630.56	661.64
	(iii) Exchange gain/ loss from Foreign Exchange transactions	83,615.86	1,11,143.38
	(iv) Miscellaneous Income	-927.60	-14.55
	Sub total	84,293.56	1,25,477.10
	Total	86,966.59	1,27,620.45
Schedule 15:	Agency Charges		
	(i) Agency Commission on Government Transactions	3,806.71	3,531.76
	(ii) Underwriting Commission paid to the Primary Dealers	48.47	15.78
	(iii) Sundries (Handling charges and turnover commission paid to banks for Relief/ Savings Bonds subscriptions; SBLA, etc.)	28.12	6.47
	(iv) Fees paid to the External Asset Managers, Custodians, Brokers, etc.	93.01	115.55
	Total	3,976.31	3,669.56

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED MARCH 31, 2025

(a) General

1.1 Among other things, the Reserve Bank was established under the Reserve Bank of India Act, 1934 (RBI Act, 1934) “to regulate the issue of banknotes and the keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage”.

1.2 The main functions of the Reserve Bank are:-

- a) Issue of banknotes and circulation of coins;
- b) Acts as monetary authority and formulates, implements and monitors the monetary policy, including acting as the Lender of Last Resort;
- c) Regulation and supervision of the financial system;
- d) Regulation and supervision of the payment and settlement systems;
- e) Acts as manager of foreign exchange;
- f) Maintaining and managing the country's foreign exchange reserves;
- g) Acting as the banker to banks and the governments;
- h) Acting as the debt manager of the governments;
- i) Developmental functions to support national objectives.

1.3 The RBI Act, 1934 requires that the issue of banknotes should be conducted by the Reserve Bank in an Issue Department which shall be separated and kept wholly distinct from the

Banking Department, and the assets of the Issue Department shall not be subject to any liability other than the liabilities of the Issue Department. The RBI Act, 1934 requires that the assets of the Issue Department shall consist of gold coins, gold bullion, foreign securities, rupee coins and rupee securities to such aggregate amount as is not less than the total of the liabilities of the Issue Department. The RBI Act, 1934 requires that the liabilities of the Issue Department shall be an amount equal to the total of the amount of the currency notes of the Government of India and banknotes for the time being in circulation.

(b) Significant Accounting Policies

2.1 Convention

The Financial Statements are prepared in accordance with the RBI Act, 1934 and notifications issued thereunder and, in the form, prescribed by the Reserve Bank of India General Regulations, 1949. These are based on historical cost except where it is modified to reflect revaluation and/or amortisation. The accounting policies followed in preparing financial statements are consistent with those followed in the previous year unless otherwise stated.

2.2 Revenue Recognition

- a) Income and expenditure are recognised on accrual basis except penal interest charged from banks which is accounted for only when there is certainty of realisation. Dividend income on shares is recognised on accrual basis when the right to receive the same is established.
- b) Balances unclaimed and outstanding for more than three clear consecutive accounting years in certain transit accounts including Drafts Payable Account, Payment

Orders Account, Sundry Deposit Account-Miscellaneous-BD, Remittance Clearance Account, Earnest Money Deposit Account and Security Deposit Account are reviewed and written back to income. Claims, if any, are considered and charged against income in the year of payment.

- c) Income and expenditure in foreign currency are recorded at exchange rates prevailing on the day.
- d) Exchange gains/losses on sale of foreign currencies and gold are accounted for using the weighted average cost method for arriving at the cost.

2.3 Gold & Foreign Currency Assets and Liabilities

Transactions in gold & foreign currency assets and liabilities are accounted for on settlement date basis.

a) Gold

Gold (including gold deposit) is revalued on a daily basis at ninety (90) per cent of the London Bullion Market Association (LBMA) gold price in US dollar and Rupee-US dollar market exchange rate. Unrealised valuation gains/losses are accounted for in Currency and Gold Revaluation Account (CGRA).

b) Foreign Currency Assets and Liabilities

All foreign currency assets and liabilities (excluding foreign currency received under swaps that are in the nature of repos and contracts where the rates are fixed contractually) are translated on a daily basis at market exchange rates prevailing on the day. Unrealised gains/losses arising from such translation of foreign currency assets and liabilities are accounted for in CGRA.

Foreign securities, other than Treasury Bills (T-Bills), Commercial Papers and certain 'Held to Maturity' securities [such as investments in notes issued by the International Monetary Fund and bonds issued by India Infrastructure Finance Company (IIFC), UK which are valued at cost] are marked-to-market on a daily basis. Unrealised gains/losses on revaluation are recorded in 'Investment Revaluation Account-Foreign Securities' (IRA-FS). Credit balance in IRA-FS is carried forward to subsequent accounting year. Debit balance in IRA-FS, if any, on the balance sheet date, is charged to Contingency Fund (CF) and the same is reversed on the first working day of the following accounting year.

Foreign T-Bills and Commercial Papers are carried at cost as adjusted by daily amortisation of discount/premium. Premium or discount on foreign securities is amortised daily. Profit/ loss on sale of foreign securities is recognised with respect to the amortised book value.

c) Forward/ Swap Contracts

Forward contracts entered into by the Reserve Bank are revalued on a half-yearly basis. While mark-to-market net gain is credited to 'Foreign Exchange Forward Contracts Valuation Account' (FCVA) with contra debit to 'Revaluation of Forward Contracts Account' (RFCA), mark-to-market net loss is debited to FCVA with contra credit to 'Provision for Forward Contracts Valuation Account' (PFCVA). On maturity of the contract, actual gain or loss is recognised in the income account and unrealised gains/ losses previously recorded in FCVA, RFCA

and PFCVA are reversed. At the time of half-yearly revaluation, balance in FCVA and RFCA or PFCVA as on that day is reversed and fresh revaluation is done for all outstanding forward contracts.

Debit balance in FCVA, if any, on the balance sheet date, is charged to CF and reversed on the first working day of the following accounting year. The balance in RFCA and PFCVA represents net unrealised gains and losses, respectively, on valuation of forward contracts.

In case of swaps at off-market rates that are in the nature of repo, the difference between future contract rate and the rate at which the contract is entered into is amortised over the period of the contract and recorded in income account with contra entry in 'Swap Amortisation Account' (SAA). Amounts recorded in SAA are reversed on maturity of underlying contracts. Further, amounts received under these swaps are not subject to periodic revaluation.

While FCVA forms part of 'Revaluation Accounts', PFCVA forms part of 'Other Liabilities' and RFCA and SAA form part of 'Other Assets'.

d) Repurchase Transactions

The Reserve Bank participates in foreign Repurchase transactions (Repo and Reverse Repo) as part of Reserve Management operations. Repo transactions are treated as borrowing of foreign currencies and are shown under 'Deposits', whereas Reverse Repo transactions are treated as lending of foreign currencies and are shown under 'Loans and Advances'.

e) Transactions in Derivatives

Transactions in derivatives like Interest Rate Futures, Currency Futures, Interest Rate Swaps and Overnight Indexed Swaps undertaken as part of Reserve Management operations are marked-to-market periodically and resultant gain/loss is booked in income account.

f) Security Lending Transactions

The Reserve Bank participates in Security Lending transactions as part of Reserve Management operations. The securities lent remain a part of the Reserve Bank's Investments and continue to be amortised, accrue interest and are marked-to-market.

2.4 Transactions in Exchange Traded Currency Derivatives (ETCD)

ETCD transactions undertaken by the Reserve Bank, as part of its intervention operations, are marked-to-market on a daily basis and resultant gain/ loss is booked in income account.

2.5 Domestic Investments

- a) Rupee Securities and Oil Bonds, except T-Bills and those mentioned in (d), are marked-to-market as on the last business day of each week ending Friday and the last business day of each month. Unrealised gains/losses on revaluation are recorded in 'Investment Revaluation Account-Rupee Securities' (IRA-RS). Credit balance in IRA-RS is carried forward to subsequent accounting year. Debit balance in IRA-RS, if any, on the balance sheet date, is charged to CF and the same is reversed on the first working day of the following accounting year. On sale/redemption of Rupee Securities/

Oil Bonds, valuation gain/ loss thereof, lying in IRA-RS, is transferred to income account. Rupee Securities and Oil Bonds are also subjected to daily amortisation.

- b) T-Bills are carried at cost as adjusted by daily amortisation of discount/premium.
- c) Investments in shares of subsidiaries are valued at cost.
- d) Rupee Securities and Oil Bonds earmarked for various staff funds [like Gratuity and Superannuation Fund, Provident Fund, Leave Encashment Fund, Medical Assistance Fund (MAF)], Depositor Education and Awareness (DEA) Fund and Payments Infrastructure Development Fund (PIDF) are treated as 'Held to Maturity' and are held at amortised cost.
- e) Transactions in domestic investment are accounted for on settlement date basis.

2.6 Liquidity Adjustment Facility (LAF) Repo/ Reverse Repo, Marginal Standing Facility (MSF) and Standing Deposit Facility (SDF)

Repo transactions under LAF and MSF are treated as lending and are accordingly being shown under 'Loans and Advances' whereas Reverse Repo transactions under LAF and SDF are being treated as deposits and shown under 'Deposits-Others'.

2.7 Fixed Assets

Fixed Assets are stated at cost less depreciation except art and paintings and freehold land which are held at cost.

2.7.1 Fixed Assets other than Land and Buildings

- a) Fixed Assets, costing up to ₹1 lakh (except easily portable electronic assets

like laptop/e-book reader) are charged to income in the year of acquisition. Easily portable electronic assets, such as laptops, *etc.* costing more than ₹10,000 are capitalised and depreciation is calculated on monthly *pro-rata* basis at the applicable rate.

- b) Individual items of computer software costing more than ₹1 lakh are capitalised, and depreciation is calculated on monthly *pro-rata* basis at applicable rates.
- c) Depreciation on fixed assets acquired and capitalised during the accounting year would be reckoned on a monthly *pro-rata* basis from the month of capitalisation and effected on a half-yearly basis at prescribed rates depending upon the useful life of assets applied.
- d) Depreciation on fixed assets is provided on a straight-line basis depending on the useful life of an asset in the following manner:

Asset Category	Useful life (Rate of Depreciation)
1	2
Electrical installations, UPS, Motor Vehicles, Furniture, Fixtures, CVPS/ SBS Machines, <i>etc.</i>	5 years (20 per cent)
Computers, Servers, Micro-processors, Printers, Software, Laptops, e-book reader/i-Pad, <i>etc.</i>	3 years (33.33 per cent)

- e) Depreciation is provided on half-year end balances of fixed assets on monthly *pro-rata* basis. In case of additions/deletions of assets, depreciation is calculated on monthly *pro-rata* basis including the month of addition/deletion of such assets.
- f) Depreciation on subsequent expenditure:
 - i. Subsequent expenditure incurred on an existing fixed asset which has not

been fully depreciated in the books of accounts, is depreciated over remaining useful life of the principal asset.

- ii. Subsequent expenditure incurred on modernisation/addition/overhauling of an existing fixed asset, which has already been fully depreciated in the books of accounts, is first capitalised and thereafter, depreciated fully in the year in which the expenditure is incurred.

2.7.2 Land and Buildings: Accounting treatment in respect of land and buildings is as follows:

a) Land

- i. Land acquired on leasehold basis for a period of more than 99 years is treated as on perpetual lease basis. Such leases are considered as freehold properties and accordingly not subjected to amortisation.
- ii. Land acquired on lease up to 99 years is amortised over the period of lease.
- iii. Land acquired on a freehold basis is not subject to any amortisation.

b) Buildings

- i. The life of all buildings is assumed as 30 years and depreciation is charged on a 'straight-line' basis over a period of 30 years. In respect of buildings constructed on lease hold land (where the lease period is less than 30 years) depreciation is charged on 'straight-line' basis over the lease period of the land.

- ii. Impairment of buildings: For assessment of impairment, buildings are classified into two categories, as under:

- *Buildings which are in use but have been identified for demolition in future or will be discarded in future:* The value in use of such buildings is the aggregate of depreciation for the future period up to the date it is expected to be discarded/demolished. The difference between the book value and aggregate of depreciation so arrived at, is charged as depreciation.
- *Buildings which have been discarded/vacated:* These buildings are shown at realisable value (net selling price if the asset is likely to be sold in future) or scrap value less demolition cost (if it is to be demolished). If the resultant amount is negative, then the carrying value of such buildings is shown at ₹1. The difference between book value and realisable value (net selling price)/scrap value less demolition cost is charged as depreciation.

2.8 Employee Benefits

- a) The Reserve Bank contributes monthly at a determined rate to Provident Fund for eligible employees and these contributions are charged to income in the year to which it relates.
- b) Other liability on account of long-term employee benefits is provided based on an actuarial valuation under 'Projected Unit Credit' method.

NOTES TO ACCOUNTS

XII.6 LIABILITIES OF THE RESERVE BANK

XII.6.1 Capital

The Reserve Bank was constituted as a private shareholders' bank in 1935 with an initial paid-up capital of ₹5 crore. The Reserve Bank was nationalised with effect from January 1, 1949 and its entire ownership remains vested with the Government of India. The paid-up capital continues to be ₹5 crore in terms of Section 4 of the RBI Act, 1934.

XII.6.2 Reserve Fund

The original Reserve Fund of ₹5 crore was created in terms of Section 46 of the RBI Act, 1934 as contribution from the Central Government for currency liability of the then sovereign government taken over by the Reserve Bank. Thereafter, an amount of ₹6,495 crore was credited to this fund from out of gains on periodic revaluation of gold up to October 1990, taking it to ₹6,500 crore. The fund has been static since then as unrealised gain/loss on account of valuation of gold and foreign currency is since being booked in Currency and Gold Revaluation Account (CGRA) which appears under the head 'Revaluation Accounts'.

XII.6.3 Other Reserves

This includes National Industrial Credit (Long Term Operations) Fund and National Housing Credit (Long Term Operations) Fund.

a) *National Industrial Credit (Long Term Operations) Fund*

This fund was created in July 1964, in terms of Section 46C of the RBI Act, 1934 with an initial corpus of ₹10 crore. The fund witnessed annual contributions from the Reserve Bank

for financial assistance to eligible financial institutions. Since 1992-93, a token amount of ₹1 crore is being contributed each year to the Fund. The balance in the Fund stood at ₹34 crore as on March 31, 2025.

b) *National Housing Credit (Long Term Operations) Fund*

This Fund was set up in January 1989, in terms of Section 46D of the RBI Act, 1934 for extending financial accommodation to the National Housing Bank (NHB). The initial corpus of ₹50 crore has been enhanced by annual contributions from the Reserve Bank thereafter. Since 1992-93, a token amount of ₹1 crore is being contributed each year to the Fund. The balance in the Fund stood at ₹208 crore as on March 31, 2025.

Note: Contribution to other Funds

There are two other Funds constituted in terms of Section 46A of the RBI Act, 1934, viz., National Rural Credit (Long Term Operations) Fund and National Rural Credit (Stabilisation) Fund which are maintained by the National Bank for Agriculture and Rural Development (NABARD) for which a token amount of ₹1 crore each is set aside and transferred to NABARD every year.

XII.6.4 Deposits

These represent balances maintained with the Reserve Bank by banks, the Central and State Governments, All India Financial Institutions, such as, Export Import Bank (EXIM Bank), NABARD, etc., Foreign Central Banks, International Financial Institutions, balances in Administrators of RBI Employee Provident Fund, DEA Fund,

amount outstanding against Reverse Repo, SDF, MAF, PIDF, *etc.* Total deposits decreased by 0.14 per cent from ₹17,19,838.56 crore as on March 31, 2024 to ₹17,17,404.03 crore as on March 31, 2025.

a. *Deposits-Government*

The Reserve Bank acts as the banker to the Central Government in terms of Sections 20 and 21, and as banker to State Governments by mutual agreement in terms of Section 21A of the RBI Act, 1934. Accordingly, the Central and State Governments maintain deposits with the Reserve Bank. The balances held by the Central and State Governments were ₹5,000.85 crore and ₹42.48 crore, respectively, as on March 31, 2025 as compared to ₹5,000.30 crore and ₹42.46 crore, respectively, as on March 31, 2024.

b. *Deposits-Banks*

Banks maintain balance in their current accounts with the Reserve Bank to provide for the Cash Reserve Ratio (CRR) requirements and for working funds to meet payment and settlement obligations. Deposits held by banks decreased by 3.31 per cent from ₹10,25,448.73 crore as on March 31, 2024, to ₹9,91,488.49 crore as on March 31, 2025. The decrease in this head is mainly on account of reduction in CRR in December 2024, with the banks required to maintain CRR at 4 per cent of Net Demand and Time Liabilities (NDTL) as on March 31, 2025, as compared to CRR requirement of 4.5 per cent of NDTL as on March 31, 2024.

c. *Deposits-Financial Institutions Outside India*

The balance under the head decreased by 31.11 per cent from ₹1,63,548.81 crore as on March 31, 2024 to ₹1,12,672.02 crore as on

March 31, 2025, reflecting the outstanding repo transactions.

d. *Deposits-Others*

‘Deposits-Others’ consist of balances of Administrators of RBI Employee Provident Fund, DEA Fund, Foreign Central Banks, Indian and International Financial Institutions, MAF, PIDF, amount outstanding under Reverse Repo, SDF, *etc.* ‘Deposits-Others’ increased by 15.67 per cent from ₹5,25,798.26 crore as on March 31, 2024 to ₹6,08,200.19 crore as on March 31, 2025 primarily due to increase in deposits under SDF.

XII.6.5 Risk Provisions

The extant Economic Capital Framework (ECF) was adopted by the Reserve Bank in August 2019, subsequent to the approval and acceptance of the recommendations of the ‘Expert Committee to Review the Extant Economic Capital Framework of the Reserve Bank of India’ (Chairman: Dr. Bimal Jalan) by the Central Board in its meeting held in August 2019. In line with the recommendation of the Expert Committee, the Reserve Bank undertook an internal review of the framework. The outcome of the review was considered by the Central Board in its meeting held on May 15, 2025, and a revised framework was approved.

Risk provisions maintained by the Reserve Bank comprise Contingency Fund (CF) and Asset Development Fund (ADF). These risk provisions, along with Capital and Reserve Fund, are components of the Reserve Bank’s Available Realised Equity (ARE) under the Economic Capital Framework (ECF) adopted by the Reserve Bank. Details of Capital and Reserve Fund have been given in earlier paragraphs.

a. *Contingency Fund (CF)*

This is a specific provision meant for meeting unexpected and unforeseen contingencies, including depreciation in value of securities, risks arising out of monetary/exchange rate policy operations, systemic risks and any risk arising on account of special responsibilities enjoined upon the Reserve Bank. As on March 31, 2025, an amount of ₹81,366.87 crore was charged to CF on account of debit balance in IRA-FS. The charge to CF is reversed on first working day of the following accounting year. Further, an amount of ₹44,861.70 crore was also provided towards CF to maintain the Available Realised Equity at the level of 7.50 per cent of the size of the balance sheet. Accordingly, balance in CF as on March 31, 2025 was ₹5,42,426.96 crore as compared to ₹4,28,621.03 crore as on March 31, 2024.

b. *Asset Development Fund (ADF)*

Asset Development Fund was created in 1997-98 and the balance therein represents provision specifically made till date towards investments in subsidiaries and associate institutions and to meet internal capital expenditure. No provision was made towards ADF in the year 2024-25. As on March 31, 2025, the balance in ADF at ₹22,974.68 crore remains the same as on March 31, 2024 (Table XII.2).

XII.6.6 Revaluation Accounts

Unrealised mark-to-market gains/losses are recorded in revaluation heads, viz., Currency and Gold Revaluation Account (CGRA), Investment Revaluation Accounts (IRA) and Foreign Exchange Forward Contracts Valuation Account (FCVA). Details of the same are given here:

**Table XII.2: Balances in Capital, Reserve Fund and Risk Provisions
[Available Realised Equity (ARE)]**

(₹ crore)

As on	Capital	Reserve Fund	CF	ADF	ARE	ARE as a per cent of balance sheet
1	2	3	4	5	6 = (2+3+4+5)	7
March 31, 2021	5.00	6,500.00	2,84,542.12 [@]	22,874.68	3,13,921.80	5.50
March 31, 2022	5.00	6,500.00	3,10,986.94 ^{\$}	22,974.68 ^{\$\$}	3,40,466.62	5.50
March 31, 2023	5.00	6,500.00	3,51,205.69 [*]	22,974.68	3,80,685.37	6.00
March 31, 2024	5.00	6,500.00	4,28,621.03 [^]	22,974.68	4,58,100.71	6.50
March 31, 2025	5.00	6,500.00	5,42,426.96 ^{^^}	22,974.68	5,71,906.64	7.50

@: Increase in CF is the net impact of provision of ₹20,710.12 crore and charging of the debit balance in FCVA amounting to ₹6,127.35 crore.

\$: Increase in CF is the net impact of provision of ₹1,14,567.01 crore and charging of the debit balance in IRA-FS amounting to ₹94,249.54 crore.

\$\$: Increase in ADF is due to provision of ₹100 crore on account of investment in RBIH.

*: Increase in CF is the net impact of provision of ₹1,30,875.75 crore and charging of debit balances in IRA-FS and IRA-RS amounting to ₹1,65,488.93 crore and ₹19,417.61 crore, respectively.

^: Increase in CF is the net impact of provision of ₹42,819.91 crore and charging of debit balances in IRA-FS and IRA-RS amounting to ₹1,43,220.82 crore and ₹7,090.29 crore, respectively.

^^: Increase in CF is the net impact of provision of ₹44,861.70 crore and charging of debit balance in IRA-FS amounting to ₹81,366.87 crore.

a. *Currency and Gold Revaluation Account (CGRA)*

Major sources of market risk faced by the Reserve Bank are currency risk, interest rate risk and movement in gold prices. Unrealised gains/losses on valuation of Foreign Currency Assets (FCA) and gold are not taken to income account but instead accounted for in CGRA. Net balance in CGRA, therefore, varies with size of the asset base, its valuation and movement in exchange rate and price of gold. CGRA provides a buffer against exchange rate/gold price fluctuations. It can come under pressure if there is an appreciation of rupee *vis-à-vis* major currencies or a fall in price of gold. When CGRA is not sufficient to fully meet exchange losses, it is replenished from CF. The balance in CGRA increased from ₹11,30,793.34 crore as on March 31, 2024 to ₹13,02,964.89 crore as on March 31, 2025 mainly due to depreciation of rupee against major currencies and increase in price of gold.

b. *Investment Revaluation Account-Foreign Securities (IRA-FS)*

Foreign dated securities are marked-to-market on a daily basis and unrealised gains/losses arising therefrom are accounted for in IRA-FS. The balance in IRA-FS increased from ₹(-)1,43,220.82 crore as on March 31, 2024 to ₹(-)81,366.87 crore as on March 31, 2025 because of softening of yields across the yield curve in major currencies. As per the extant policy, debit balance of ₹81,366.87 crore in IRA-FS was adjusted against CF on March 31, 2025 which was reversed on the

first working day of the following accounting year. Accordingly, balance in IRA-FS as on March 31, 2025 was Nil.

c. *Investment Revaluation Account-Rupee Securities (IRA-RS)*

Rupee Securities and Oil Bonds (with exception as mentioned under Significant Accounting Policies) held as assets of the Banking Department are marked-to-market as on the last business day of each week ending Friday and the last business day of each month and unrealised gains/losses arising therefrom are accounted for in IRA-RS. The balance in IRA-RS increased from ₹(-)7,090.29 crore as on March 31, 2024 to ₹16,843.35 crore as on March 31, 2025 due to softening of yields across the curve. As per the extant policy, credit balance of ₹16,843.35 crore in IRA-RS is carried forward to the next financial year.

d. *Foreign Exchange Forward Contracts Valuation Account (FCVA)*

Marking to market of outstanding forward contracts as on March 31, 2025 resulted in net unrealised gain of ₹6,985.19 crore, which was credited to FCVA with contra debit to Revaluation of Forward Contracts Account (RFCA) as compared to net unrealised gain of ₹170.37 crore as on March 31, 2024.

XII.6.7 Other Liabilities

'Other Liabilities' increased by 23.31 per cent from ₹2,60,520.73 crore as on March 31, 2024 to ₹3,21,248.79 crore as on March 31, 2025, primarily due to increase in surplus payable to the Central Government.

Table XII.3: Balances in Currency and Gold Revaluation Account (CGRA), Investment Revaluation Account-Foreign Securities (IRA-FS), Investment Revaluation Account-Rupee Securities (IRA-RS), Foreign Exchange Forward Contracts Valuation Account (FCVA) and Provision for Forward Contracts Valuation Account (PFCVA)

(₹ crore)

As on	CGRA	IRA-FS	IRA-RS	FCVA	PFCVA
1	2	3	4	5	6
March 31, 2021	8,58,877.53	8,853.67	56,723.79	0.00	6,127.35
March 31, 2022	9,13,389.29	0.00	18,577.81	2,576.90	0.00
March 31, 2023	11,24,733.16	0.00	0.00	1,354.96	0.00
March 31, 2024	11,30,793.34	0.00	0.00	170.37	0.00
March 31, 2025	13,02,964.89	0.00	16,843.35	6,985.19	0.00

i. Provision for Forward Contracts Valuation Account (PFCVA)

The balance was Nil in this account as on March 31, 2025 as well as on March 31, 2024.

Balances in Revaluation Accounts and PFCVA for the last five years are given in Table XII.3.

ii. Provision for Payables

This represents year-end provisions made for expenditure incurred but not defrayed and income received in advance/payable, if any. The balance under this head decreased by 15.30 per cent from ₹4,827.02 crore as on March 31, 2024 to ₹4,088.31 crore as on March 31, 2025.

iii. Surplus Payable to the Central Government

Under Section 47 of the RBI Act, 1934, after making provisions for bad and doubtful debts, depreciation in assets, contribution to staff and superannuation funds and for all matters for which provisions are to be made by or under the Act or that are usually provided by bankers, the balance of the profits of the

Reserve Bank is required to be paid to the Central Government. Under Section 48 of the RBI Act, 1934, the Reserve Bank is not liable to pay income tax or super tax on any of its income, profits or gains. Accordingly, after adjusting the expenditure including provision for CF and contribution of ₹4 crore to four statutory funds, the surplus payable to the Central Government for the year 2024-25 amounted to ₹2,68,590.07 crore (including ₹228.62 crore as against ₹291.42 crore in the previous year payable towards the difference in interest expenditure borne by the Government, consequent on conversion of special securities into marketable securities).

iv. Bills Payable

The Reserve Bank provides remittance facilities for its constituents through issue of Demand Drafts (DDs) and Payment Orders (POs) [besides electronic payment mechanism]. The balance under this head represents unclaimed DDs/ POs. The amount outstanding under this head decreased from ₹11.35 crore as on March 31, 2024 to ₹0.09 crore as on March 31, 2025.

v. *Miscellaneous*

This is a residual head representing items such as interest earned on earmarked securities, amounts payable on account of leave encashment, medical provisions for employees, global provision, *etc.* The balance under this head increased from ₹11,487.00 crore as on March 31, 2024 to ₹12,099.75 crore as on March 31, 2025.

XII.6.8 Liabilities of Issue Department-Notes Issued

Liabilities of Issue Department reflect quantum of currency notes in circulation. Section 34(1) of the RBI Act, 1934 requires that all banknotes issued by the Reserve Bank since April 1, 1935 and currency notes issued by the Government of India before the commencement of operations of the Reserve Bank, be part of the liabilities of the Issue Department. 'Notes Issued'¹ increased by 6.03 per cent from ₹34,78,039.50 crore as on March 31, 2024 to ₹36,87,827.04 crore as on March 31, 2025. The value of banknotes in circulation in digital form e₹-Retail (e₹-R) stood at ₹1,016.46 crore as on March 31, 2025 as compared to ₹234.04 crore as on March 31, 2024.

Earlier, an amount of ₹10,719.37 crore, representing the value of Specified Bank Notes (SBNs) not paid was transferred to 'Other Liabilities' as on June 30, 2018. The Reserve Bank has made payments to the extent of ₹10.28 crore towards exchange value of SBNs to eligible tenderers during the year ended March 31, 2025 and the cumulative payment made against the head stands at ₹46.42 crore.

Table XII.4: Physical holding of Gold

	As on March 31, 2024	As on March 31, 2025
	Volume in metric tonnes	Volume in metric tonnes
1	2	3
Gold held as backing for Notes Issued (held in India)	308.03	311.38
Gold (including Gold Deposit) held as asset of Banking Department (including gold held abroad)	514.07 [#]	568.20 [*]
Total	822.10	879.58
[#] : 100.28 metric tonnes held in India and 413.79 metric tonnes held abroad.		
[*] : 200.60 metric tonnes held in India and 367.60 metric tonnes held abroad.		

XII.7 ASSETS OF THE RESERVE BANK

XII.7.1 ASSETS OF BANKING DEPARTMENT

i) **Notes, Rupee Coin, Small Coin**

This head represents the balances of banknotes, one-rupee notes, rupee coins of ₹1, 2, 5, 10 and 20 and small coins kept for meeting day-to-day requirements of banking functions conducted by the Reserve Bank. The balance as on March 31, 2025 was ₹11.26 crore as against ₹10.13 crore as on March 31, 2024.

ii) **Gold-Banking Department (BD)**

As on March 31, 2025, total gold held by the Reserve Bank was 879.58 metric tonnes as compared to 822.10 metric tonnes as on March 31, 2024 reflecting an increase of 57.48 metric tonnes of gold during the year.

Of 879.58 metric tonnes as on March 31, 2025, 311.38 metric tonnes of gold is held as an asset of the Issue Department as compared to 308.03 metric tonnes as on March 31, 2024. The remaining 568.20 metric tonnes as on March 31, 2025 is treated as asset of the

¹ Includes banknotes in physical and digital form

Banking Department as compared to 514.07 metric tonnes on March 31, 2024 (Table XII.4).

The value of gold (including gold deposit) held as asset of Banking Department increased by 57.12 per cent from ₹2,74,714.27 crore as on March 31, 2024 to ₹4,31,624.80 crore as on March 31, 2025. This increase is on account of addition of 54.13 metric tonnes of gold and also due to increase in price of gold and depreciation of INR *vis-à-vis* USD.

iii) Bills Purchased and Discounted

Though the Reserve Bank can undertake purchase and discounting of commercial bills under the RBI Act, 1934, no such

activity was undertaken in the year 2024-25. Consequently, there was no such asset in the books of the Reserve Bank as on March 31, 2025.

iv) Investments-Foreign-Banking Department (BD)

Foreign Currency Assets (FCA) of the Reserve Bank include: (i) deposits with other Central Banks; (ii) deposits with the Bank for International Settlements (BIS); (iii) deposits with commercial banks overseas; (iv) investments in foreign T-Bills and securities; and (v) Special Drawing Rights (SDR) acquired from the Government of India (Gol).

Table XII.5: Details of Foreign Currency Assets (FCA)

(₹ crore)

Particulars	As on March 31	
	2024	2025
1	2	3
I Investments-Foreign-BD*	14,89,081.42	14,32,572.10
II Investments-Foreign-ID	33,12,976.05	34,50,960.74
Total	48,02,057.47	48,83,532.84

*: Includes Shares in BIS and Society for Worldwide Interbank Financial Telecommunications (SWIFT) and SDR transferred from Gol valued at ₹13,361.50 crore as on March 31, 2025 compared to ₹12,553.70 crore as on March 31, 2024.

- Note:**
- The Reserve Bank has agreed to make resources available under the IMF's New Arrangements to Borrow (NAB). Effective January 01, 2021, India's commitment under NAB stands at SDR 8.88 billion (₹1,00,631.55 crore/US\$ 11.77 billion). As on March 31, 2025, no investments are outstanding under NAB.
 - The Reserve Bank has agreed to invest up to an amount, the aggregate of which shall not exceed US\$ 5 billion (₹42,734.30 crore), in the bonds issued by India Infrastructure Finance Company (UK) Limited. As on March 31, 2025, the Reserve Bank has invested US\$0.40 billion (₹3,418.74 crore) in such bonds.
 - During the year 2013-14, the Reserve Bank and Gol entered into a MoU for transfer of SDR holdings from Gol to RBI in a phased manner. As on March 31, 2025, SDR 1.15 billion (₹13,024.49 crore/US\$ 1.52 billion) were held by the Reserve Bank.
 - With a view to strengthening regional financial and economic cooperation, the Reserve Bank has agreed to offer an amount of US\$ 2 billion both in foreign currency and Indian rupee under SAARC Swap Arrangement to SAARC member countries. As on March 31, 2025, amount lent under SAARC and ACU currency swap arrangements stood at US\$1.90 billion (₹16,255.62 crore).
 - The nominal value of foreign securities posted as collateral and margin in repurchase and IRF transactions was ₹1,19,719.62 crore/ US\$ 14.01 billion and the nominal value of those received under reverse repurchase transactions was ₹1,28,132.06 crore/US\$14.99 billion as on March 31, 2025.
 - The nominal value of foreign securities lent under Security Lending arrangement was ₹1,04,213.03 crore/ US\$ 12.19 billion as on March 31, 2025.
 - The notional amount of IRF contracts and currency futures contracts was US\$ 1.99 billion and Nil, respectively. The notional amount of futures contracts is used to compute daily margin payable/receivable and does not necessarily require settlement.
 - The notional amount outstanding under cross-currency forwards/swaps (other than USD-INR deals) was US\$ 3.03 billion.

FCA is reflected under two heads in the balance sheet: (a) 'Investments-Foreign-BD' shown as asset of Banking Department; and (b) 'Investments-Foreign-ID' shown as asset of Issue Department.

'Investments-Foreign-ID' are FCA, eligible as per Section 33(6) of the RBI Act, 1934, used for backing of Notes Issued. The remaining of FCA constitutes 'Investments-Foreign-BD'.

The position of FCA for the last two years has been given in Table XII.5.

v) **Investments-Domestic-Banking Department (BD)**

Investments comprise dated Government Rupee Securities, State Government Securities and Special Oil Bonds. The Reserve Bank's holding of domestic securities increased by 14.32 per cent, from ₹13,63,368.97 crore as on March 31, 2024 to ₹15,58,573.83 crore as on March 31, 2025. The increase was mainly on account of liquidity management operations conducted by way of net purchase, after redemption of the securities, of government securities in the portfolio.

A part of Investments-Domestic-BD is also earmarked for various staff funds, DEA Fund and PIDF as explained in para 2.5(d). As on March 31, 2025, ₹1,43,476 crore (face value) was earmarked for the said funds.

vi) **Loans and Advances**

a) *Central and State Governments*

These loans are extended in the form of Ways and Means Advances (WMA) and Overdraft (OD) to the Central Government and in the form of WMA, OD and Special Drawing Facility (SDF) to

State Governments, in terms of Section 17(5) of the RBI Act, 1934. The WMA limit, in case of the Central Government, is fixed from time to time in consultation with the Government of India and in case of State Governments, the limit for individual State/Union Territory is fixed based on the recommendations of Advisory Committee/Group constituted for this purpose. The position of WMA for the Central Government was Nil as on March 31, 2025, similar to March 31, 2024. However, there was an increase of 395.28 per cent in the loans and advances to State Governments which rose from ₹6,599.94 crore as on March 31, 2024, to ₹32,688.09 crore as on March 31, 2025.

b) *Loans and Advances to Commercial, and Co-operative Banks, NABARD and Others*

• *Loans and advances to Commercial and Co-operative Banks:*

These include amounts outstanding against Repo under Liquidity Adjustment Facility (LAF), Marginal Standing Facility (MSF) and special liquidity facility to banks. The amount outstanding increased by 31.20 per cent from ₹1,93,341.00 crore as on March 31, 2024 to ₹2,53,663.00 crore as on March 31, 2025 due to higher borrowings by banks under Repo Operations.

• *Loans and Advances to NABARD:*

The Reserve Bank can extend loans to NABARD under Section 17(4E) of the RBI Act, 1934. No loans

and advances were outstanding as on March 31, 2025, as well as on March 31, 2024 and accordingly, balance in this account was Nil.

- *Loans and Advances to Others:*

The balance under this head represents loans and advances to National Housing Bank (NHB), Small Industries Development Bank of India (SIDBI) and liquidity support provided to Primary Dealers (PDs). The balance under this head increased by 193.82 per cent from ₹12,397.51 crore as on March 31, 2024 to ₹36,426.09 crore as on March 31, 2025.

- c) *Loans and Advances to Financial Institutions Outside India*

Balances under the head decreased by 31.44 per cent from ₹1,63,255.04 crore as on March 31, 2024 to ₹1,11,933.06 crore as on March 31, 2025 reflecting the outstanding reverse repo transactions.

vii) Investment in Subsidiaries/Associates

The comparative position of investment in subsidiaries/associate institutions as on March 31, 2024 and March 31, 2025 has been given in Table XII.6. Total holding as on March 31, 2025 was ₹2,063.60 crore, same as on March 31, 2024.

viii) Other Assets

'Other Assets' comprise fixed assets (net of depreciation), accrued income, Swap Amortisation Account (SAA), Revaluation of Forward Contracts Account (RFCA) and miscellaneous assets. Miscellaneous assets comprise mainly loans and advances to staff, amount spent on projects pending completion, security deposit paid, etc. The amount outstanding under 'Other Assets' increased by 20.37 per cent from ₹64,831.83 crore as on March 31, 2024 as compared to ₹78,039.06 crore as on March 31, 2025.

- a. *Swap Amortisation Account (SAA)*

As on March 31, 2025, as well as on March 31, 2024, the balance in SAA was Nil as there were no outstanding contracts of swaps which were in nature of repo at off-market rate.

Table XII.6: Holdings in Subsidiaries/Associates

(₹ crore)

	2023-24	2024-25	Per cent holding as on March 31, 2025
1	2	3	4
a) Deposit Insurance and Credit Guarantee Corporation (DICGC)	50.00	50.00	100
b) Bharatiya Reserve Bank Note Mudran (P) Ltd. (BRBNMPL)	1,800.00	1,800.00	100
c) Reserve Bank Information Technology (P) Ltd. (ReBIT)	50.00	50.00	100
d) National Centre for Financial Education (NCFE)	30.00	30.00	30
e) Indian Financial Technology & Allied Services (IFTAS)	33.60	33.60	100
f) Reserve Bank Innovation Hub (RBIH)	100.00	100.00	100
Total	2,063.60	2,063.60	

b. *Revaluation of Forward Contracts Account (RFCA)*

The balance in RFCA was ₹6,985.19 crore as on March 31, 2025 representing net mark-to-market gain on outstanding forward contracts as against ₹170.37 crore as on March 31, 2024.

XII.7.2 Assets of Issue Department

The eligible assets of the Issue Department held as backing for Notes Issued consist of gold coins, gold bullion, foreign securities, rupee coins, rupee securities and Domestic Bills of Exchange and other Commercial Papers. The Reserve Bank holds 879.58 metric tonnes of gold, of which 311.38 metric tonnes are held as backing for Notes Issued as on March 31, 2025 (Table XII.4). The value of gold held as asset of Issue Department increased by 43.70 per cent from ₹1,64,604.91 crore as on March 31, 2024 to ₹2,36,537.54 crore as on March 31, 2025.

This increase in the value of gold during the year is on account of addition of 3.35 metric tonnes of

gold, increase in price of gold and depreciation of INR vis-à-vis USD.

Consequent upon increase in Notes Issued, Investments-Foreign-ID held as its backing increased by 4.16 per cent from ₹33,12,976.05 crore as on March 31, 2024 to ₹34,50,960.74 crore as on March 31, 2025.

The balance of Rupee Coins held by the Issue Department decreased by 28.30 per cent from ₹458.54 crore as on March 31, 2024 to ₹328.76 crore as on March 31, 2025.

FOREIGN EXCHANGE RESERVES

XII.8 Foreign Exchange Reserves (FER) comprise Foreign Currency Assets (FCA), Gold (including gold deposit), Special Drawing Rights (SDR) holdings and Reserve Tranche Position (RTP). SDR holdings acquired from Gol form part of the Reserve Bank's balance sheet and are included under 'Investments-Foreign-BD'. SDR holdings remaining with Gol and RTP, which represents India's quota contribution to IMF in foreign currency, is not a part of the Reserve Bank's

Table XII.7(a): Foreign Exchange Reserves (Rupee)

(₹ crore)

Components	As on		Variation	
	March 31, 2024	March 31, 2025	Absolute	Per cent
1	2	3	4	5
Foreign Currency Assets (FCA)	47,61,844.48 [^]	48,50,833.99 [#]	88,989.51	1.87
Gold (including gold deposit)	4,39,319.18 [@]	6,68,162.34 [*]	2,28,843.16	52.09
Special Drawing Rights (SDR)	1,51,223.44	1,55,289.18	4,065.74	2.69
Reserve Tranche Position (RTP) in IMF	38,868.77	37,855.07	-1,013.70	-2.61
Foreign Exchange Reserves (FER)	53,91,255.87	57,12,140.58	3,20,884.71	5.95

[^]: Excludes (a) SDR Holdings of the Reserve Bank amounting to ₹12,225.23 crore, which is included under the SDR holdings; (b) Investment of ₹7,773.08 crore in bonds issued by IIFC (UK); and (c) ₹20,214.68 crore lent under SAARC and ACU currency arrangements.

[#]: Excludes (a) SDR Holdings of the Reserve Bank amounting to ₹13,024.49 crore, which is included under the SDR holdings; (b) Investment of ₹3,418.74 crore in bonds issued by IIFC (UK); and (c) ₹16,255.62 crore lent under SAARC and ACU currency arrangements.

[@]: Of this, Gold valued at ₹1,64,604.91 crore is held as an asset of Issue Department and Gold (including gold deposit) valued at ₹2,74,714.27 crore is held as an asset of Banking Department.

^{*}: Of this, Gold valued at ₹2,36,537.54 crore is held as an asset of Issue Department and Gold (including gold deposit) valued at ₹4,31,624.80 crore is held as an asset of Banking Department.

Table XII.7(b): Foreign Exchange Reserves (USD)

(US\$ billion)

Components	As on		Variation	
	March 31, 2024	March 31, 2025	Absolute	Per cent
Foreign Currency Assets (FCA)	570.95*	567.56**	-3.39	-0.59
Gold (including gold deposit)	52.67	78.18	25.51	48.43
Special Drawing Rights (SDR)	18.13	18.17	0.04	0.22
Reserve Tranche Position (RTP) in IMF	4.66	4.42	-0.24	-5.15
Foreign Exchange Reserves (FER)	646.41	668.33	21.92	3.39

*: Excludes (a) SDR Holdings of the Reserve Bank amounting to US\$ 1.46 billion, which is included under SDR holdings; (b) US\$ 0.93 billion invested in bonds of IIFC (UK); and (c) US\$ 2.42 billion lent under the SAARC and ACU currency swap arrangements.

** : Excludes (a) SDR Holdings of the Reserve Bank amounting to US\$ 1.52 billion, which is included under SDR holdings; (b) US\$ 0.40 billion invested in bonds of IIFC (UK); and (c) US\$ 1.90 billion lent under the SAARC and ACU currency swap arrangements.

balance sheet. The position of FER as on March 31, 2024 and March 31, 2025 in Indian Rupees and US dollars, which is the numéraire currency for the Reserve Bank's FER, has been furnished in Tables XII.7 (a) and (b).

ANALYSIS OF INCOME AND EXPENDITURE INCOME

XII.9 The components of Reserve Bank's income are 'Interest' and 'Other Income' including: (i) Discount (ii) Exchange (iii) Commission (iv) Amortisation of premium/discount on Foreign and Rupee Securities (v) Profit/Loss on sale and redemption of Foreign and Rupee Securities (vi) Depreciation on Rupee Securities inter portfolio transfer (vii) Rent Realised (viii) Profit/

Loss on sale of Bank's property (ix) Provision no longer required and (x) Miscellaneous Income. Certain items of income such as interest on LAF repo, Repo in foreign security and exchange gain/loss from foreign exchange transactions are reported on net basis.

Earnings from Foreign Sources

XII.10 Income from foreign sources increased by 38.07 per cent from ₹1,87,471.20 crore in the year 2023-24 to ₹2,58,837.55 crore in the year 2024-25. The rate of earnings on foreign currency assets was 5.31 per cent in the year 2024-25 as compared to 4.21 per cent in the year 2023-24 (Table XII.8).

Table XII.8: Earnings from Foreign Sources

(₹ crore)

Item	2023-24	2024-25	Variation	
			Absolute	Per Cent
1	2	3	4	5
Foreign Currency Assets (FCA)	48,02,057.47	48,83,532.84	81,475.37	1.70
Average FCA	44,52,358.86	48,73,053.30	4,20,694.44	9.45
Earnings from FCA (interest, discount, exchange gain/loss, capital gain/loss on securities)	1,87,471.20	2,58,837.55	71,366.35	38.07
Earnings from FCA as per cent of average FCA	4.21	5.31	1.10	26.15

Earnings from Domestic Sources

XII.11 Net income from domestic sources decreased by 9.80 per cent from ₹88,101.12 crore in the year 2023-24 to ₹79,470.54 crore in the year 2024-25 mainly on account of decrease in Interest on holding of Rupee Securities (Table XII.9).

XII.12 Interest on holding of Rupee Securities (including Oil Bonds) decreased from ₹92,589.51 crore in the year 2023-24 to ₹85,524.67 crore in the year 2024-25.

XII.13 Net Interest Income from Liquidity Adjustment Facility (LAF)/Marginal Standing Facility (MSF)/Standing Deposit Facility (SDF) operations decreased from ₹(-)9,255.51 crore in the year 2023-24 to ₹(-)10,120.25 crore in the year 2024-25.

XII.14 Profit on sale and redemption of Rupee Securities increased from ₹859.32 crore in the year 2023-24 to ₹1,105.16 crore in the year 2024-25 primarily on account of higher sale of

Table XII.9: Earnings from Domestic Sources

(₹ crore)

Item	2023-24	2024-25	Variation	
			Absolute	Per cent
1	2	3	4	5
Earnings (I+II+III+IV)	88,101.12	79,470.54	-8,630.58	-9.80
I. Earnings from Rupee Securities and discounted instruments				
i) Interest on holding of Rupee Securities (including Oil Bonds)	92,589.51	85,524.67	-7,064.84	-7.63
ii) Profit/Loss on sale and redemption of Rupee Securities	859.32	1,105.16	245.84	28.61
iii) Depreciation on Rupee securities inter portfolio transfer	-68.74	-69.50	-0.76	-1.11
iv) Amortisation of premium/discount on Rupee securities (including Oil Bonds)	-2,394.71	-2,681.71	-287.00	-11.98
v) Discount	0.00	0.00	0.00	0.00
Sub Total (i+ii+iii+iv+v)	90,985.38	83,878.62	-7,106.76	-7.81
II. Interest on LAF/MSF/SDF				
i) Net Interest on LAF Operations	-7,052.08	-4,739.82	2,312.26	32.79
ii) Interest on SDF	-5,616.80	-5,844.65	-227.85	-4.06
iii) Interest on MSF operations	3,413.37	464.22	-2,949.15	-86.40
Sub Total (i+ii+iii)	-9,255.51	-10,120.25	-864.74	-9.34
III. Interest on other loans and advances				
i) Government (Central & States)	1,294.43	1,259.20	-35.23	-2.72
ii) Banks & Financial Institutions	718.92	564.32	-154.60	-21.50
iii) Employees	80.74	99.25	18.51	22.93
Sub Total (i+ii+iii)	2,094.09	1,922.77	-171.32	-8.18
IV. Other Earnings				
i) Exchange	0.00	0.00	0.00	0.00
ii) Commission	3,886.95	4,131.64	244.69	6.30
iii) Rent Realised, Profit or Loss on sale of Bank's Property, Provision no longer required and Miscellaneous Income	390.21	-342.24	-732.45	-187.71
Sub Total (i+ii+iii)	4,277.16	3,789.40	-487.76	-11.40

securities and softening of yields across the yield curve in the current year which led to higher realisation on the sale. In the year 2024-25, sale operations amounted to ₹24,090 crore (Face Value).

XII.15 Amortisation of Premium/Discount on Rupee Securities (including Oil Bonds): Premium/Discount on Rupee Securities and Oil Bonds held by the Reserve Bank, are amortised on a daily basis during the period of residual maturity. Net income from premium/discount on amortisation of Rupee Securities decreased from ₹(-)2,394.71 crore in the year 2023-24 to ₹(-)2,681.71 crore in the year 2024-25.

XII.16 Discount: There was no income from holding of discounted instruments (T-Bills) in the year 2024-25, same as the year 2023-24.

XII.17 Interest on loans and advances

a. *Central and State Governments:*

Interest income on loans and advances extended to Central and State Governments taken together decreased by 2.72 per cent from ₹1,294.43 crore in the year 2023-24 to ₹1,259.20 crore in the year 2024-25. The interest income from the Central Government decreased by 94.77 per cent from ₹385.71 crore in the year 2023-24 to ₹20.16 crore in the year 2024-25. Interest income from State Governments increased by 36.35 per cent from ₹908.72 crore in the year 2023-24 to ₹1,239.04 crore in the year 2024-25. The marginal decline in overall interest income is attributed to lower interest income on funds availed by Central Government.

b. *Banks & Financial institutions:*

Interest income from loans and advances to banks and financial institutions decreased by 21.50 per cent from ₹718.92 crore in the year 2023-24 to ₹564.32 crore in the year 2024-25.

c. *Employees:*

Interest income from loans and advances to employees increased by 22.93 per cent from ₹80.74 crore in the year 2023-24 to ₹99.25 crore in the year 2024-25.

XII.18 Commission: Commission income increased by 6.30 per cent from ₹3,886.95 crore in the year 2023-24 to ₹4,131.64 crore in the year 2024-25, primarily on account of increase in: a) management commission received for servicing outstanding Central Government loans; and b) management commission received for servicing outstanding State Governments loans.

XII.19 Rent Realised, Profit/Loss on sale of Bank's property, Provision no longer required and Miscellaneous Income: Earnings from these income heads decreased from ₹390.21 crore in the year 2023-24 to ₹(-)342.24 crore in the year 2024-25.

EXPENDITURE

XII.20 The Reserve Bank incurs expenditure in the course of performing its statutory functions by way of agency charges/commission, printing of notes, expenditure on remittance of currency, besides employee related and other expenses. The Bank has taken a policy decision to avail and utilise Input Tax Credit (ITC) as per section 17(4) of the Central Goods and Services Tax (CGST)

Table XII.10: Expenditure

(₹ crore)

Item	2020-21	2021-22	2022-23	2023-24	2024-25
1	2	3	4	5	6
i. Interest	1.10	1.77	1.92	2.19	2.44
ii. Employee Cost	4,788.03	3,869.43	6,003.93	7,890.11	9,146.71
iii. Agency Charges/Commission	3,280.06	4,400.62	4,068.62	3,976.31	3,669.56
iv. Printing of Notes	4,012.09	4,984.80	4,682.80	5,101.40	6,372.82
v. Provisions	20,710.12	1,14,667.01	1,30,875.75	42,819.91	44,861.70
vi. Others	1,355.35	1,877.05	2,404.02	4,904.41	5,660.79
Total (i+ii+iii+iv+v+vi)	34,146.75	1,29,800.68	1,48,037.04	64,694.33	69,714.02

Act, 2017, *i.e.*, fifty per cent of eligible ITC, with effect from April 1, 2024. Total expenditure of the Reserve Bank increased by 7.76 per cent from ₹64,694.33 crore in the year 2023-24 to ₹69,714.02 crore in the year 2024-25 (Table XII.10).

i) Interest

During the year 2024-25, an amount of ₹2.44 crore was paid as interest to Dr. B. R. Ambedkar Birth Centenary Year Fund and RBI Employees' Benevolent Fund. In the previous year, *i.e.*, 2023-24, the interest payment in these Funds was ₹2.19 crore. Increase in interest expenditure by ₹25 lakh is due to increase in Fund balances as on March 31, 2025.

ii) Employee Cost

Employee cost increased by 15.93 per cent from ₹7,890.11 crore in the year 2023-24 to ₹9,146.71 crore in the year 2024-25. The increase was due to increase in the Reserve Bank's provision towards accrued liabilities of various superannuation funds in the year 2024-25.

iii) Agency Charges/Commission

a. Agency Commission on Government Transactions

The Reserve Bank discharges the function of banker to governments through a large network of agency bank branches that serve as retail outlets for governments' receipts and payments. The Reserve Bank pays commission to these agency banks at prescribed rates. Net agency commission paid on account of government business decreased by 7.22 per cent from ₹3,806.71 crore in the year 2023-24 to ₹3,531.76 crore in the year 2024-25.

b. Underwriting Commission paid to Primary Dealers

The expenditure on account of underwriting commission paid to Primary Dealers (PDs) decreased from ₹48.47 crore in the year 2023-24 to ₹15.78 crore in the year 2024-25. The reduction in underwriting commission during the current year may be attributed

to the orderly market conditions and strong demand from investors.

c. Sundries

This includes expenses incurred on handling charges, turnover commission paid to banks for Relief/Savings Bonds subscriptions and Commission paid on Securities Borrowing and Lending Arrangement (SBLA), *etc.* The commission paid under this head decreased from ₹28.12 crore in the year 2023-24 to ₹6.47 crore in the year 2024-25.

d. Fees paid to the External Asset Managers, Custodians, Brokers, *etc.*

Expenditure under the head increased from ₹93.01 crore in the year 2023-24 to ₹115.55 crore in the year 2024-25.

iv) Printing of Notes

The supply of notes increased by 24.69 per cent from 2,43,000 lakh pieces during the year 2023-24 to 3,03,000 lakh pieces during the year 2024-25. Expenditure incurred on printing of banknotes increased from ₹5,101.40 crore in the year 2023-24 to ₹6,372.82 crore in the year 2024-25.

v) Provisions

The ECF requires Contingent Risk Buffer (CRB) to be maintained in the range of 4.50 per cent to 7.50 per cent of the size of the balance sheet. The Central Board approved that CRB may be maintained at 7.50 per cent of the size of the balance sheet of the Reserve Bank for the year 2024-25.

Accordingly, a provision of ₹44,861.70 crore was made and transferred to CF during the year (Table XII.2).

vi) Others

Other expenses comprise expenditure on remittance of currency, printing and stationery, audit fees and related expenses, miscellaneous expenses, *etc.* which increased by 15.42 per cent from ₹4,904.41 crore in the year 2023-24 to ₹5,660.79 crore in the year 2024-25.

Contingent Liabilities

XII.21 Total contingent liabilities of the Reserve Bank amounted to ₹1,031.64 crore, the main component of this being partly paid shares, denominated in SDR, of the Bank for International Settlements (BIS) held by the Reserve Bank. The uncalled liability on partly paid shares of the BIS as on March 31, 2025 was ₹1,010.99 crore. The balances are callable at three months' notice by a decision of the BIS Board of Directors.

Prior Period Transactions

XII.22 For the purpose of disclosure, prior period transactions of ₹1 lakh and above only have been considered. The prior period transactions under expenditure and income amounted to ₹15.88 crore and ₹0.01 crore, respectively.

Payment to Micro and Small Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006

XII.23 The following table sets forth the cases of delayed payments of the principal amount or interest due thereon to Micro and Small Enterprises:

THE RESERVE BANK'S ACCOUNTS FOR 2024-25

(₹ crore)

Particulars	2023-24		2024-25	
	Principal	Interest	Principal	Interest
1	2	3	4	5
i. the principal amount and the interest due thereon remaining unpaid to any supplier as at March 31;	-	-	-	-
ii. the amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year;	-	-	0.0057	0.0004
iii. the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act;	-	-	-	-
iv. the amount of interest accrued and remaining unpaid at the end of the accounting year;	-	-	-	-
v. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	NA	NA	NA	NA
-: Nil. NA: Not Applicable.				

Previous Year's Figures

XII.24 Figures for the previous year have been rearranged, wherever necessary to make them comparable with the current year.

Auditors

XII.25 The statutory auditors of the Reserve Bank are appointed by the Central Government in terms

of Section 50 of the RBI Act, 1934. The accounts of the Reserve Bank for the year 2024-25 were audited by M/s Sorab S. Engineer & Co., Mumbai and M/s Kalyaniwalla & Mistry LLP, Mumbai, as the Statutory Central Auditors and M/s Lodha & Co. LLP, Kolkata, M/s S. Viswanathan LLP, Chennai and M/s Walker Chandiook & Co. LLP, New Delhi as Statutory Branch Auditors.