



RBiH

Reserve Bank Innovation Hub

Annual Report 2021-2022



Reserve Bank Innovation Hub
(wholly owned subsidiary of RBI)

Keonics-K Wing, 4th Floor,
27th Main, 1st Sector,
HSR Layout Bengaluru 560102



The Governor inaugurating RBIH



Board of Directors



Shri Senapathy "Kris" Gopalakrishnan
Chairman Axilor Ventures,
Cofounder Infosys



Shri Ajay Kumar Choudhary
Executive Director,
Reserve Bank of India



Shri. A. P. Hota
Former Chief Executive Officer, National
Payments Corporation of India



Shri Arun Kumar Singh
Head of Department, Information
Technology, Reserve Bank of India



Prof. Ashok Jhunjunwala
Professor at IIT Madras



Shri. D. Janakiram
Director of The Institute for
Development & Research
in Banking Technology (IDRBT)



Shri Gopal Srinivasan
Chairman, TVS Capital
Funds Limited



Prof. H. Krishnamurthy
Former Chief Research
Scientist, Indian Institute of
Science, Bengaluru



Shri. Mrutyunjay Mahapatra
Former Managing Director & Chief
Executive Officer, Syndicate Bank



Shri Rajesh Bansal
Chief Executive Officer,
Reserve Bank Innovation Hub

Leadership Team



Shri Rajesh Bansal
Chief Executive Officer,
Reserve Bank Innovation Hub



Aditi Namdeo
Chief Partnership Officer
Reserve Bank Innovation Hub



Amit Saxena
Chief Technology Officer
Reserve Bank Innovation Hub



N Gopal
Chief Administrative Officer Reserve
Bank Innovation Hub



Governor lighting the lamp



Lighter moments with the Deputy Governor

Directors' Report



The RBIH Board

To,
The Members,

Your Directors have pleasure in presenting herewith their First Annual Report on the business and operations of the Company together with the Financial Statements of the Company for the Financial Year commenced from March 23rd, 2021 and ended on March 31st, 2022.

1. Financial results of the company

Particulars	For the period from 23rd March 2021 to 31st March 2022 (In INR) (In Lakhs)
Total Income	367.58
Total Expenditure	442.76
Profit Before Tax	(75.18)
Tax Expenses	
Current Tax	---
Deferred tax	18.92
Tax adjustment for earlier years	---
Profit After Tax	(56.26)
Earnings Per Share	
Basic	(0.06)
Diluted	(0.06)

2. Operations

The Company's operations are reflected in the Financial Statements enclosed herewith. The Net Expenditure over Income of the Company is Rs. 56.26 lakhs. At present the company does not have any revenue from operations and has only other income as interest income from fixed deposits with banks, of the initial corpus provided by the Reserve Bank of India.

3. Dividend

The directors do not recommend any dividend on the equity shares of the Company for the Financial Year ended March 31, 2022.

4. State of company's affair

Your Company was incorporated to be engaged in the business of creating an eco-system conducive to technological innovation affecting financial services in general but focusing on promoting access to financial services and products in frictionless manner to a billion Indians.

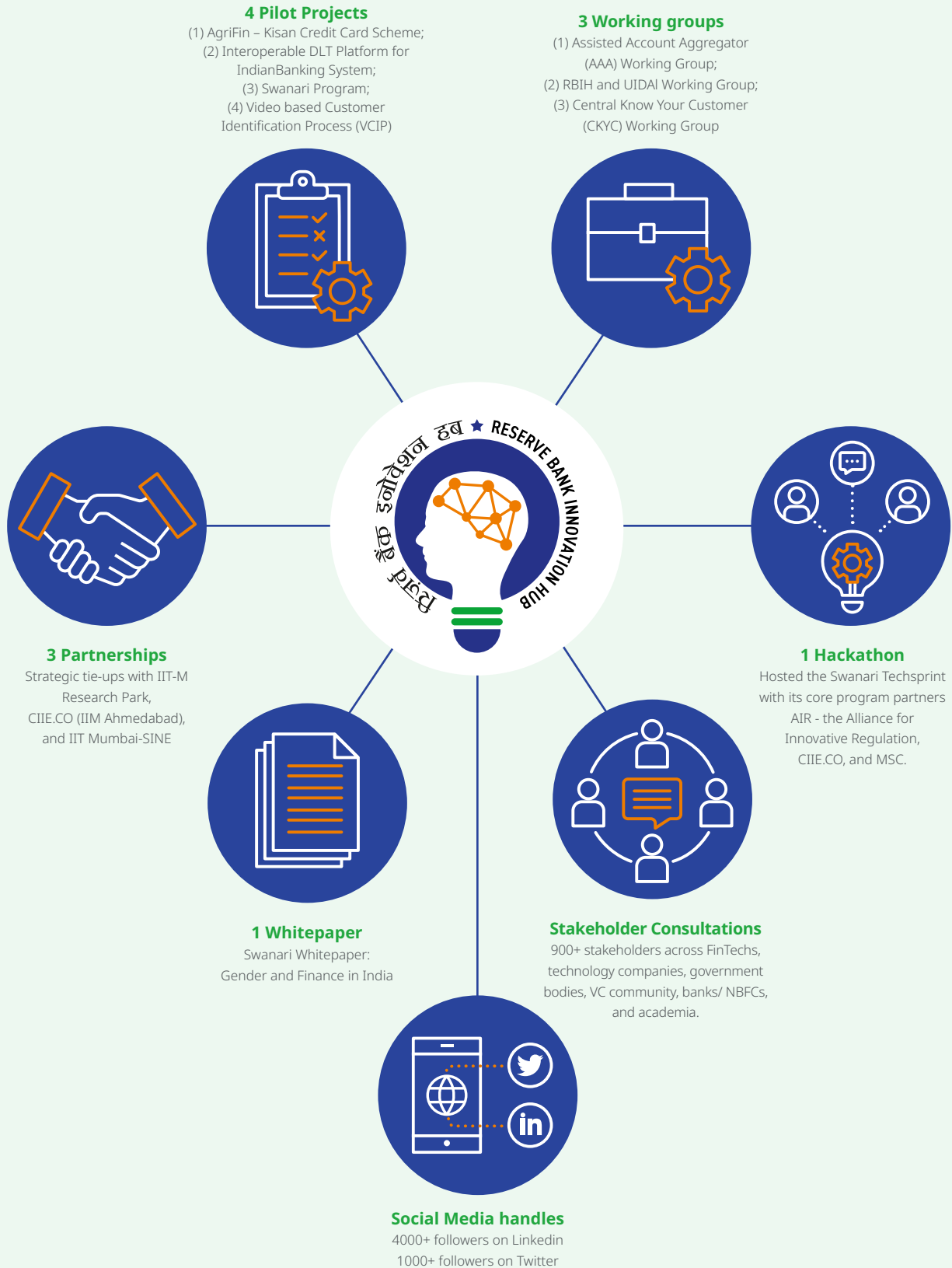
The year 2021-22 marked the beginning of the Reserve Bank Innovation Hub's (RBIH) journey. Your Company had one incredible year of activity and has lined up several key projects in the last one year.

The year 2021-22 marked the beginning of the Reserve Bank Innovation Hub's journey. This was also the time when the world was slowly emerging from a pandemic unlike anything seen before in our lifetimes. Our company was set up during these challenging times and has come a long way since then. Your company had one incredible year of activities and has lined up several key projects for the future.

Given that this is the first Annual Report, your directors would like to walk you through the institution building activities and key projects undertaken in the last one year.

The year at a glance

The Foundation year for RBIH (2021-22)



Genesis

Laying down the foundation stones of an organization is a momentous experience. The last one year is marked with several milestones which will go down in this organization's history as your company continues to grow.

RBIH Timeline 2021-22

An idea was born

Honorable Governor of RBI, announced that the RBI will set up RBIH to promote innovation across the financial sector.



AUGUST 2020

RBIH came into being

RBIH was incorporated on 23rd March 2021 under section-8 of the Companies Act.



MARCH 2021

Establishment of RBIH headquarters

Mr. Rajesh Bansal was appointed as the Chief Executive Officer (CEO) of RBIH.



NOVEMBER 2021

Inauguration of RBIH

Honorable Governor of RBI inaugurated RBIH on 24th March, 2022 in Bengaluru.



MARCH 2022



Guided by illustrious industrial leaders

RBIH would be guided and managed by a Governing Council that became the Board of RBIH after the incorporation of the company.



Appointment of the CEO

Mr. Rajesh Bansal was appointed as the Chief Executive Officer (CEO) of RBIH.



RBIH strategy approved by the board

The organisation's strategy articulating the mission, vision and objectives, was approved by the Board.

An idea was born

The Governor of the Reserve Bank of India (RBI), during the Monetary Policy Statement on Development and Regulatory Policies dated **August 6, 2020**, announced that the RBI will set up Reserve Bank Innovation Hub (RBIH) to promote innovation across the financial sector by leveraging on technology and creating an environment which would facilitate and foster innovation.

Guided by illustrious industry leaders

Shortly after, in November 2020, the RBI announced that RBIH would be guided and managed by a **Governing Council (GC)** that became the Board of RBIH after the incorporation of the company. The Board is Chaired by Shri Kris Gopalakrishnan.

The company was born

RBIH was **incorporated on 23rd March 2021** as a not-for-profit company under section-8 of the Companies Act thus bringing the idea of an innovation hub to life. Following which, I was appointed as the Chief Executive Officer (CEO) of the RBIH in May 2021.

Ready for business

November 2021 marked the **establishment of the RBIH functional office** in Bengaluru which is the Tech Capital of the country. To open up formal channels of communication, your company launched the social media handles followed by its corporate website (<https://rbihub.in/>).



RBIH functional office in Bengaluru





The Governor inaugurating RBIH

We defined our strategy and intentions

The organizational strategy articulating the mission, vision and objectives, was approved by the Board on December 20th 2021 in the 7th Board Meeting, thereby setting a robust foundation for RBIH.

Inauguration of RBIH

An important milestone in our company's journey was when **Shri Shaktikanta Das, Honorable Governor, RBI inaugurated RBIH** on 24th March, 2022 in Bengaluru in the presence of Shri T. Rabi Sankar, Deputy Governor, RBI; Shri Kris Gopalakrishnan, Chairman RBIH; and Dr. E. V. Ramana Reddy, Additional Chief Secretary, Government of Karnataka.

Below is a quick recap of the key activities and projects undertaken at your company in the last one year.

Building a Vibrant Ecosystem

In the true spirit of collaboration, RBIH hosted several workshops, meetings, roundtables, and conferences ensuring meaningful dialogue with key FinTech's, technology companies, banks/NBFs, VC community, Government bodies and academia. Through our consultations, we were able to reach 900+ stakeholders.

Identity and Innovation Conference:

RBIH and Unique Identification Authority of India (UIDAI) hosted the "Identity and Innovation: Key to India's Financial Sector Revolution" conference on 24th February 2022. The event **focused on the next wave of financial inclusion in India** by leveraging existing and emerging technology to serve all segments of India's population.

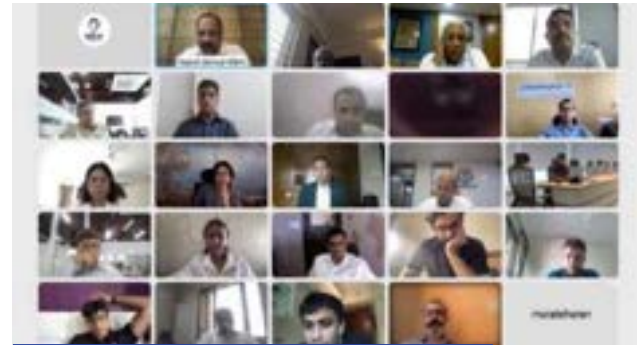


"Identity and Innovation: Key to India's Financial Sector Revolution" conference held on 24th February 2022.

DLT Roundtable: RBIH hosted a virtual DLT round table on “Deploying DLT solutions at Scale: A Global perspective” on 13th January 2022. We had stakeholders from FinTechs', Banks and fabric providers. This round-table kickstarted a series of conversations and actions **aimed at building a scalable DLT ecosystem in India**. Post this round-table the participants of the Proof of Concept were identified for solution building.

Central KYC (Know Your Customer) Round-table:

To understand some of the issues around the Central KYC process, RBIH hosted a round table on August 11th, 2021 on the subject of “KYC for a billion Indian Users”. The meeting had representatives from RBI, public and private sector banks, FinTechs', and the Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI). The round table led to the formation of two **CKYC Working Groups (WG)** with a mandate to streamline and remove friction from the current CKYC process. So far, the WGs have held five meetings, in which they have successfully solved issues related to incorrect pin code mapping and data templates.



Central KYC (Know Your Customer) Round-table

Round-table on Assisted Account Aggregator Framework:

RBIH hosted an engaging discussion on 16th February 2022, on Assisted Account Aggregator Framework to further the cause of financial inclusion. The virtual roundtable hosted participants from various industries such as FinTechs', banks, and business correspondents. Participants deliberated the need and **scope of expanding digital lending services** to the informal sector and explored potential use cases for building safe and secure models for improving digital lending journeys.

Innovating for tomorrow's India: We decided to focus on few key projects that were high impact and scalable. The objective was to undertake short sprints and deliver meaningful solutions.



RBIH's Agri Credit project

Unlocking credit for millions of farmers: RBIH's Agri Credit project focuses on simplifying the Kisan Credit Card (KCC) scheme process for a loan application by making it paperless to unlock frictionless credit for 100 million farmers across India. Primary objective of the proposed pilot is to **reduce the Turn Around Time from 3-4 weeks to a few minutes**. Currently, the team is working closely with the Government of Tamil Nadu and Federal Bank on a pilot to successfully demonstrate the solution. The Hub is also working with the Governments of Madhya Pradesh and Tripura and a number of banks- SBI, Axis Bank and Union Bank of India to further scale up the pilot.



Blockchain Interoperability: Weaver Protocol Framework

Enabling modern banking using DLT: Idea of development of an Interoperable DLT platform for the Indian Banking Industry is a first of its kind initiative by our company. Prior efforts in this direction did not see substantial success. RBIH undertook this initiative and brought together FinTechs', banks and fabric layer partners to work towards a Proof of Concept for introducing an interoperable DLT platform to the country. Following a virtual Roundtable hosted by RBIH, inland Letter of Credit was chosen as a use case for PoC exercise to demonstrate capabilities of the DLT platform to the banks. The PoC is currently in progress with 11 participating banks and is being closely monitored and mentored by the RBIH team.

Making banking truly seamless: RBIH conducted a gap study of the current Video- based Customer Identification Process (V-CIP) and identified several areas of improvement to the current process flow. The findings of the study were compiled in a report titled "Video Based Customer Identification Process V-CIP: Way forward towards a **100% Presence-less and Paperless KYC**". This report recommends the standardization of a few key V-CIP processes to help bridge the gaps. To test the viability of the recommendations, RBIH is currently conducting a pilot with SBI, HSBC and Union Bank of India.

Partnerships: A key to boost innovation: A key focus of RBIH is to create a partner ecosystem with India's leading incubators to identify and mentor fintech start-ups. In this direction, RBIH announced **strategic tie-ups with IIT-M Research Park, CIIE.CO (IIM Ahmedabad), and IIT Mumbai-SINE**. As part of its incubation efforts, RBIH will support co-incubates in mentoring, funding, networking, etc. RBIH will also conduct brainstorming sessions, training, experiential talks, and events to generate awareness and strengthen the fintech entrepreneurial ecosystem.

An attempt to improve the financial lives of underserved and unbanked women in India: RBIH conducted a week-long hackathon called Swanari Techsprint (18th - 22nd April 2022) soliciting ideas on ways to advance financial inclusion for women in India as a follow up to the White Paper. The TechSprint received a great response from the ecosystem witnessing 500 plus participants.



Week-long hackathon: Swanari Techsprint

Growing fast, organically: RBIH's social media handles on Twitter and LinkedIn saw a huge organic growth over the last one year with **Twitter reaching 1000+ followers and LinkedIn reaching 4000+ followers**. From a media perspective, a total of 60 publications covered news and events of RBIH in the last one year.

Way Forward

In summary, your company can look back at the year gone by with a great deal of satisfaction. It invested a lot of hard work and time towards institution-building, identifying meaningful projects to work on and initiating pilots. It worked closely with the financial ecosystem through collaborative approach touching several entities and stakeholders in the process. In the coming year you will see several of these pilots materializing into concrete projects to be undertaken at a country-wide level.

Your company has much to look forward to in the coming year!

5. Change in the nature of business, if any

No change in the nature of the business of the company has occurred during the year under review. The activities are as stated in its Memorandum of Association.

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial Year of the Company on March 31, 2022 and the date of this Report.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

8. Details in respect of adequacy of internal financial controls with reference to the financial statements

The Company has in place adequate Internal Financial Controls with reference to the Financial Statements of the Company. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

9. Details of subsidiary/joint ventures/associate companies

Since the company does not have any subsidiary/associates/joint venture companies therefore this clause is not applicable.

10. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement

Since the company does not have any subsidiary/associates/joint venture companies therefore this clause is not applicable.

11. Deposits

The Company has not taken any deposits during the year under review.

12. Statutory auditors

M/s. Prakash Chandra Jain & Co, Chartered Accountants (Firm Registration No. 002438C), were appointed as the First Statutory Auditors of the Company until the conclusion of the First Annual General Meeting of the Company. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

Your directors recommend the appointment of M/s. Prakash Chandra Jain & Co, Chartered Accountants, (Firm Registration No. 002438C) as the Statutory Auditors of the Company from the conclusion of the First Annual General Meeting until the conclusion of the next Annual General Meeting. The Company has received a certificate from the Auditors to the effect that their appointment, if made, would be in accordance with the provisions of section 141 of the Companies Act, 2013.

13. Auditors' report

The report of the Statutory Auditors of the Company for the year under review is self-explanatory and requires no comments.

14. Form mgt-8 by practicing company secretary

The report of the Practicing Company Secretary is enclosed as Form MGT-8 to this report.

15. Capital structure

There is no change in the Authorized and Paid-up share capital of the company during the year.

The Authorized Share Capital of the Company is Rs. 1,00,00,00,000 /- (Rupees Hundred Crore Only) divided into 10,00,00,000 (Ten Crore Only) equity share shares of Rs. 10/- (Rupees Ten Only) each.

The Paid up share capital of the Company is Rs. 1,00,00,00,000/- (Rupees Hundred Crore Only) divided into 10,00,00,000 (Ten Crore Only) equity share shares of Rs. 10/- (Rupees Ten Only) each.

During the year under review the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity or otherwise.

16. Extract of the annual return

The copy of the Annual Return in Form MGT-7 as required under section 92 of the Companies Act 2013 for the Financial Year ended March 31, 2022 is placed on the website of the Company i.e. www.rbihub.in

17. Particulars regarding conservation of energy and technology absorption

(A) Conservation of energy

Since the Company has no manufacturing activities thus there are no particulars required to be furnished under Section 134 (3) (m) of the Companies Act, 2013.

(B) Technology Absorption

Since the Company has no manufacturing activities thus there are no particulars required to be furnished under Section 134 (3) (m) of the Companies Act, 2013.

18. Foreign exchange earnings / outgo

Earning in Foreign Currency	NIL
Expenditure in Foreign Currency	NIL

19. Corporate social responsibility (CSR)

As the Company does not fall under the threshold limits prescribed under section 135 of the Companies Act 2013, the provisions of that section are not applicable to the Company for the year under review.

20. Directors

Following changes have occurred in the composition of Board of Directors of the Company during the year under review –

- Mr. Deepak Kumar (DIN: 08080298) was the First Director but he resigned from his directorship w.e.f 11.02.2022 consequent to he being elevated as Executive Director in Reserve Bank of India and moving on to his new role.
- Mr. T. Rabi Sankar (DIN: 08740231) was the First Director but he resigned from his directorship w.e.f 19.05.2021 consequent to he being elevated as Deputy Governor and moving on.
- Mr. Vivek Deep (DIN: 07053296) has been appointed as the Additional Director with effect from 19th May, 2021 but he resigned from his directorship w.e.f 11.02.2022 consequent to moving to oversee other departments and relinquishing charge of the department concerned with RBIH activities.
- Mr. Senapathy Gopalakrishnan (DIN: 00041656), Mr. Gopal Srinivasan (DIN: 00177699), Mr. Ashok Jhunjunwala (DIN: 00417944), Mr. Abhaya Prasad Hota (DIN: 02593219), Mr. Mrutyunjay Mahapatra (DIN: 03168761), Mr. Dharani Janakiram Pragada (DIN: 03392680), and Mr. Krishnamurthy Hanumantha Rao (DIN: 05329716) were appointed as the Additional Directors with effect from 16th April, 2021 and hold office up to the date of ensuing Annual General Meeting and are proposed to be regularized in the ensuing Annual General Meeting of the Company as Directors of the Company.
- Mr. Rajesh Bansal (DIN: 07974968) has been appointed as the Additional Director with effect from 19th May, 2021 and holds office up to the date of ensuing Annual General Meeting and is proposed to be regularized in the ensuing Annual General Meeting of the Company as Director of the Company.
- Mr. Arun Kumar Singh (DIN: 09498086) and Mr. Ajay Kumar Choudhary (DIN: 09498080) have been appointed as Additional

Directors with effect from 11th February, 2022 and hold office up to the date of ensuing Annual General Meeting and are proposed to be regularized in the ensuing Annual General Meeting of the Company as Directors of the Company.

21. Number of meetings of the board of directors

The Board has duly met nine times during the Financial Year ended March 31, 2022. The details of the meetings are as follows:

Serial No.	Date of the Board Meeting
1	16.04.2021
2	19.05.2021
3	15.06.2021
4	15.07.2021
5	25.08.2021
6	08.10.2021
7	20.12.2021
8	11.02.2022
9	25.03.2022

The Nomination and Remuneration Committee has duly met eight times during the Financial Year ended March 31, 2022.

The details of the meetings are as follows:

Serial No.	Date of the Board Meeting
1	27.05.2021
2	02.06.2021
3	08.06.2021
4	25.06.2021
5	13.07.2021
6	25.07.2021
7	10.08.2021
8	23.08.2021

The Audit Committee Board has duly met five times during the Financial Year ended March 31, 2022.

The details of the meetings are as follows:

Serial No.	Date of the Board Meeting
1	19.05.2021
2	22.06.2021
3	25.10.2021
4	22.11.2021
5	07.03.2022

22. Audit committee

The provisions relating to the formation of an Audit Committee under the Companies Act, 2013 are not applicable to the Company. However, the Company has voluntarily constituted an Audit Committee having the following members:

- a) Shri Mrutyunjay Mahapatra
- b) Shri Abhaya Prasad Hota
- c) Shri Arun Kumar Singh

23. Details of establishment of vigil mechanism for directors and employees

The Company has duly formulated a Vigilance Policy and Whistleblower Policy.

There were no complaints reported in accordance with the policies during the year under review

24. Nomination and remuneration committee

The provisions relating to appointing a Nomination and Remuneration Committee under the Companies Act, 2013 are not applicable to the Company. However, the Company has voluntarily constituted a Nomination and Remuneration Committee having the following members:

- a) Shri Gopal Srinivasan
- b) Prof. H. Krishnamurthy
- c) Shri Arun Kumar Singh

25. Particulars of loans, guarantees or investments under section 186

Since the Company has not entered in any contract or arrangements with related parties, this clause is not applicable.

26. Particulars of contracts or arrangements with related parties

The company has not entered into contracts or arrangements with related parties.

27. Particular of employees remuneration

No disclosure is required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as the remuneration paid to the employees, during the year under review, does not exceed the limits stated therein.

28. Disclosure under the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013

The Company has duly formulated a Policy on Prevention of Sexual Harassment at the workplace. The Internal Compliant Committee as per the provision mentioned under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 would be constituted shortly. There were no complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the year under review.

29. Secretarial standards

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied with by the Company.

30. Maintenance of cost record

Since the Company is engaged in the business of creating an eco-system conducive to technological innovation affecting financial services in general, the provision as specified under Section 148 of the Companies Act, 2013 is not applicable.

31. Risk management policy

The Company has formulated a Risk Management Policy and has got it approved by the Board. These procedures are reviewed to ensure execution of management control, cover risks through the means of properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas of business, project execution, financial, human, and environmental resources, and statutory compliances. The company has an insurance policy for fire, burglary, earthquake and terrorism.

32. Directors' responsibility statement

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act 2013, the directors state that—

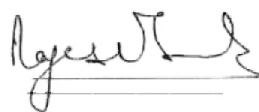
- a) in the preparation of the annual accounts for the Financial Year ended March 31, 2022, the applicable accounting standards have been followed and there are no material departures from the same;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis; and
- e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33. Acknowledgment

Your directors place on records their sincere thanks to the Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees, support and co-operation extended by the valued business associates and continuous patronage of the customers of the Company.

By order of the Board

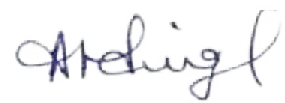
For Reserve Bank Innovation Hub



Rajesh Bansal
Director

(DIN: 07974968)

Flat No. E-31, RBI Officers Flats,
Vasant Vihar, New Delhi 110057



Arun Kumar Singh
Director

(DIN: 09498086)

Flat No. 99-100, Block R,
RBI Officers Colony, Jaipur 302015

Date: 22/06/2022

Place: Bengaluru



Governor with the RBIH team



RBIH's Board of Directors sharing a laugh

Independent Auditors' Report



Prakash Chandra Jain & Co.
Chartered Accountants

705, 3C Dheeraj Enclave CHSL,
Borivall East, Mumbai - 400066
Phone: 91-22-40165342
Website: pcjco.com
Email: admin@pcjco.com,
pcj_ca@rediffmail.com

Independent Auditors' Report

To the Members of Reserve Bank Innovation Hub

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Reserve Bank Innovation Hub** ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of Income and Expenditure and the statement of cash flows for the period from 23rd March 2021 to 31st March 2022, along with notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its excess of expenditure over income and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Company 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board of



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Prakash Chandra Jain & Co.
Chartered Accountants

705,3C Dheeraj Enclave CHSL,
Borivali East, Mumbai - 400066
Phone: 91-22-40165342
Website: pcjco.com
Email: admin@pcjco.com,
pcj_ca@rediffmail.com

Directors' report 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 Company's Management and its Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, income/expenditure and cash flows of the Company in accordance within the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company'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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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Prakash Chandra Jain & Co.
Chartered Accountants

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Email: admin@pcjco.com,
pcj_ca@rediffmail.com

Board of Directors is also responsible for overseeing the Company'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 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.

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 financial 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- 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 Company'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



Udaipur : 91-294-2413671, Vadodara - Ph. 91-265-2334365, Telefax: 2331056, Ahmedabad - 079-48645085



Prakash Chandra Jain & Co.
Chartered Accountants

705,3C Dheeraj Enclave CHSL,
Borivali East, Mumbai - 400066
Phone: 91-22-40165342
Website: pcjco.com
Email: admin@pcjco.com,
pcj_ca@rediffmail.com

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 Company 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.

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.

Report on Other Legal and Regulatory Requirements

1. As the Company is a Company licensed to operate under Section 8 of the Act, the requirements of reporting under the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of section 143(11) of the Act are not applicable to the Company as per sub-clause (iii) of sub para 2 of paragraph 1 of the said Order.

2. (A) As required by Section 143(3) of the Act, we report that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- The Balance Sheet, the Statement of Income and Expenditure, and statement of cash flows dealt with by this Report are in agreement with the books of account;
- In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act;





Prakash Chandra Jain & Co.
Chartered Accountants

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Borivali East, Mumbai - 400066
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Email: admin@pcjco.com,
pcj_ca@rediffmail.com

e) On the basis of written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act; and

f) In view of the MCA notification dated 13 June 2017, the Company is exempt from the requirements of clause (i) of Section 143(3) and therefore the report on adequacy and operating effectiveness of internal financial controls is not being made.

(B) 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 Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanation given to us, the provisions of Section 197 of the Act in relation to the remunerations paid by the Company to its directors is applicable only to a public company as defined under the Act. Accordingly, the matter to be included in the Auditors' Report under Section 197(16) of the Act is not applicable to the Company.

For Prakash Chandra Jain & Co.
Chartered Accountants
Firm Regn.No. 002438C

Prateek Nalwaya

(Prateek Nalwaya)

Partner

M. No. : 414356

UDIN : 22414356ALOGVN7866



Place: Bengaluru

Date: 22.06.2022



Governor and Deputy Governor with RBIH's Board members



The Governor and Dr. E. V. Ramana Reddy, Additional Chief Secretary, Government of Karnataka having a discussion

Financial Statement

Reserve Bank Innovation Hub
(A Company Licensed under Section 8 of the Companies Act, 2013)
Balance Sheet as at March 31, 2022
CIN : U72900TG2021NPL149978

Particulars	Note No.	(₹ in Lakhs) As at March 31, 2022
I. EQUITY AND LIABILITIES		
Equity		
Shareholders' Funds		
(a) Share Capital	3	10,000.00
(b) Reserves and surplus	4	(56.26)
		<u>9,943.74</u>
Liabilities		
Non-Current Liabilities		
(a) Long Term Provisions	5	7.17
Current Liabilities		
(a) Financial Liabilities		
(i) Trade Payables		
- Total Outstanding dues of micro enterprises and small enterprises, and	6	5.50
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		24.65
(b) Other Current Liabilities	7	17.22
(c) Short Term Provisions	8	1.28
		<u>48.64</u>
	TOTAL	<u><u>9,995.55</u></u>
II. ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	9	107.58
(b) Intangible Assets	10	0.70
(c) Deferred Tax Assets (net)	11	18.92
		<u>127.20</u>
Current assets		
(a) Cash and Cash Equivalents	12	9,834.71
(b) Other Current Assets	13	37.64
		<u>9,872.35</u>
	TOTAL	<u><u>9,995.55</u></u>

Corporate Information 1
Significant Accounting Policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Prakash Chandra Jain & Co.
Chartered Accountants
Firm's Registration No. 002438C

Prateek Nalwaya
Partner

Membership No: 41435E

UDIN : 22419352AL04UN7866

Place : Bangalore
Dated : 22/06/2022



For Reserve Bank Innovation Hub

(Rajesh Bansal)
Director
DIN- 0007974968

(Arun Kumar Singh)
Director
DIN - 0009498086

Place : Bangalore
Dated : 22/06/2022

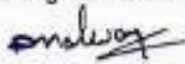
Reserve Bank Innovation Hub
(A Company Licensed under Section 8 of the Companies Act, 2013)
Statement of Income and Expenditure Account for the period from 23rd March, 21 to 31st March, 2022
CIN : U72900TG2021NPL149978

(₹ In Lakhs)

Particulars	Note No.	Period ended March 31, 2022
I. Revenue from operations	14	-
II. Other income	15	367.58
III. Total Income (I + II)		<u>367.58</u>
IV. Expenditure:		
Employee Benefits Expenses	16	301.36
Depreciation and amortisation Expenses	17	14.95
Other Expenses	18	226.45
V. Total Expenditure (IV)		<u>442.76</u>
VI. Profit before exceptional and extraordinary items and tax (III-V)		(75.18)
VII. Exceptional items		-
VIII. Profit before extraordinary items and tax (VI - VII)		(75.18)
IX. Extraordinary items		-
X. Profit before tax (VIII- IX)		(75.18)
XI. Tax expense:		
(1) Current tax		-
(2) Deferred Tax		18.92
		<u>(56.26)</u>
XII Profit/(Loss) for the period		(56.26)
Earnings per equity share:	19	
[Nominal value of equity share 10/- (Previous Year: 10)]		
Basic		(0.06)
Diluted		(0.06)
Corporate Information	1	
Significant Accounting Policies	2	
The accompanying notes are an integral part of the financial statements		

As per our report of even date attached

For Prakash Chandra Jain & Co.
Chartered Accountants
Firm's Registration No. 002438C



Prateek Nalwaya
Partner
Membership No: 414356
UDIN : 22414356 ALOCHVN7866

Place : Bangalore
Dated : 22/06/2022

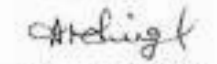


For Reserve Bank Innovation Hub



(Rajesh Bansal)
Director

DIN- 0007974968



(Arun Kumar Singh)
Director

DIN - 0009498086

Place : Bangalore
Dated : 22/06/2022

Reserve Bank Innovation Hub

(A Company Licensed under Section 8 of the Companies Act, 2013)

Cash Flow Statement for the period from 23rd March, 2021 to 31st March, 2022

CIN : U71900TG2021NPL149978

(` In Lakhs)

Particulars	Disc No.	Year ended March 31, 2022
(A) Cash Flow from Operating Activities:		
Profit / (Loss) Before Tax as per Statement of Income and Expenditure Account		(75.18)
Adjustments for:		
- Depreciation and amortization expense		14.95
- Interest Income		(367.58)
- Unrealised foreign exchange loss/(gain)		-
		(352.63)
Operating Profit before Working Capital Changes		(427.81)
Adjustments for:		
- (Increase)/Decrease in Trade and other Receivables		(37.54)
- Increase/(Decrease) in Trade Payables and other Liabilities		48.64
- Increase/(Decrease) in Non-Current Liabilities		7.17
		18.17
Cash generated from Operation		(409.63)
- Net Income tax paid / (refund) received		-
Net cash flow from/ (used in) operating activities - Total (A)		(409.63)
(B) Cash Flow from/(used in) Investing Activities		
Interest Received		367.58
Net decrease/(Increase) in fixed deposits (other than Cash and Cash Equivalents)		-
Purchase of Fixed Assets		(133.23)
Net Cash flow from / (used in) Investing activities - Total (B)		234.35
(C) Cash Flow from Financing Activities		
Dividend Paid (including taxes on dividend) from issue of shares		10,000.90
Net Cash flow from/(used in) Financing Activities - Total (C)		10,000.90
Net Increase in Cash and Bank balance		9,834.71
Cash and cash equivalents		
- at beginning of the year		-
- at end of the year		9,834.71
Net (decrease)/increase in cash and cash equivalents		9,834.71
Components of cash and cash equivalents as at the year end comprises of :		
Balances with Banks - On Current Accounts		434.68
Balances with Bank Deposits less than 12 months Maturity		2,380.00
Balances with Bank Deposits more than 12 months Maturity		5,550.00
Interests Accrued on Deposits		320.03
		9,834.71

Corporate Information

1

Significant Accounting Policies

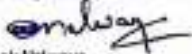
2

As per our report of even date attached

For Prakash Chandra Jain & Co.

Chartered Accountants

Firm's Registration No. 022438C



Prateek Nalwaya

Partner

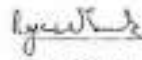
Membership No: 414366

UDIN: 22414356ALDGUN7866

Place : Bangalore

Dated : 22/09/2022

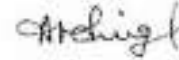
For Reserve Bank Innovation Hub



(Rajesh Bansal)

Director

DIN- 0007974568



(Arun Kumar Singh)

Director

DIN - 0001498086

Place : Bangalore

Dated : 22/09/2022



Reserve Bank Innovation Hub

(A Company Licensed under Section 8 of the Companies Act, 2013)
Notes on Financial Statements for the period ended March 31, 2022
CIN : U72900TG2021NPL149978

3. Share Capital	₹ In Lakhs	
	Number in Lakhs	As at 31 March 2022
Authorised Shares:		
Equity Shares of 10/- each (Par Value)	1,000	10,000.00
	1,000	10,000.00
Issued, Subscribed & Fully Paid up Shares:		
Equity Shares of 10/- each (Par Value)	1,000	10,000.00
	1,000	10,000.00

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	Number in Lakhs	As at 31 March 2022
At the beginning of the period	-	-
Add: Issued during the period	1,000	10,000.00
Outstanding at the end of the period	1,000	10,000.00

3.2 Terms / rights attached to equity shares

The company has one class of shares referred to as Equity Shares having par value of Rs. 10/- each. Each Holder of equity shares is entitled to one vote per share. The same position exists as at the beginning and end of the reporting

3.3 Shares held by holding company or ultimate holding company or subsidiaries or associates of the holding company or the holding company.

Reserve Bank of India (the holding company) (Authorized Representative - Mr T. Rabi Sankar) 9,99,99,999 Equity Shares of Rs. 10 each fully paid up	999.99	99.99
	999.99	99.99

3.4 Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

- There are no shares that have been issued as bonus shares
- There are no shares which have been issued for consideration other than cash.
- There are no shares which have been bought back.

3.5 The details of Shareholders holding more than 5% shares in the Company :

	Number in Lakhs	As at 31 March 2022 % shareholding
Reserve Bank of India (the holding company)	999.99	99.99

3.6 Shares in the Company held by each Promoters :

2021-22				
Shares held by promoters at the end of the year				% change during the year
S. No	Promotor Name	No. of Shares in Lakhs	% of total Shares	
1	Reserve Bank of India	999,99999	99.999999	N.A
2	Mr. Deepak Kumar	0.00001	0.000001	N.A
	Total	1,000.00000	100.00000	

3.7 Terms of securities convertible into equity/preference shares

There are no securities convertible into equity/preference shares.



Reserve Bank Innovation Hub

(A Company Licensed under Section 8 of the Companies Act, 2013)
Notes on Financial Statements for the period ended March 31, 2022
CIN : U72900TG2021NPL149978

3.8 Shares reserved for issue

There are no shares that are reserved for issue under options and contracts. Further, there are no commitments for the sale of shares/disinvestment.

4 Reserves and Surplus

As at 31 March 2022		
<u>Surplus</u>		
Profit / (Loss) for the period transferred from statement of Profit and Loss		(56.26)
Amount available for appropriations	(56.26)	
Less: Appropriations		
- Transferred to General Reserve		
Net surplus in the statement of Profit and Loss	(56.26)	(56.26)
Total		(56.26)

5 Long Term Provisions

As at 31 March 2022	
Provision for employee benefits:	
-For Leave Encashment	7.17
Total	7.17

6 Trade Payable

Particulars	As at 31 March 2022		
	Outstanding for following period from due date of payment		Total
	Less than 1 year	1-2 years	
i) MSME	5.50	-	5.50
ii) Others	24.65	-	24.65
iii) Disputed dues - MSME	-	-	-
iv) Disputed dues - Others	-	-	-
Total	30.15	-	30.15

7 Other Current Liabilities

As at 31 March 2022	
Statutory Dues	13.73
Employee Dues	1.92
Director's Payable	1.57
Total	17.22

8 Short Term Provisions

As at 31 March 2022	
Provision for employee benefits:	
-For Leave Encashment	1.28
Total	1.28



RESERVE BANK INNOVATION HUB

(A Company Incorporated under Section 8 of the Companies Act, 2013)
Notes on Financial Statements for the period ended March 31, 2022
CIN : U72900TG2021NPL149978

9 Property, Plant and Equipment

(₹ in Lakhs)

Particulars Description of Assets	Gross Block			Depreciation/Amortisation			Net Book Value
	Additions during the Period	Disposals during the Period	As at March 31, 2022	for the Period	Eliminated on disposals during the period	As at March 31, 2022	As at March 31, 2022
Office Equipment	19.96	-	19.96	3.06	-	3.06	16.90
Computers	8.75	-	8.75	2.23	-	2.23	6.52
Furniture & Fixture	1.51	-	1.51	0.10	-	0.10	1.40
Lease Hold Improvements	90.77	-	90.77	8.01	-	8.01	82.76
Assets less than 0.10/-	1.47	-	1.47	1.47	-	1.47	-
Total	122.46	-	122.46	14.88	-	14.88	107.58

10 Intangible Assets

(₹ in Lakhs)

Particulars Description of Assets	Gross Block			Depreciation/Amortisation			Net Book Value
	Additions during the Period	Disposals during the Period	As at March 31, 2022	for the Period	Eliminated on disposals during the period	As at March 31, 2022	As at March 31, 2022
Computer software-Website & Development	0.77	-	0.77	0.07	-	0.07	0.70
Total	0.77	-	0.77	0.07	-	0.07	0.70



Reserve Bank Innovation Hub

(A Company Licensed under Section 8 of the Companies Act, 2013)
Notes on Financial Statements for the period ended March 31, 2022
CIN : U72900TG2021NPL149978

(₹ in Lakhs)

11 Deferred Tax

Particulars	As at 31 March 2022
Deferred Tax Asset (Net)	
- On Account of Depreciation	1.63
- On Account of Leave Encashment	2.13
- On Account of Preliminary Expenses	0.12
- On Account of Business Loss	15.04
Total	18.92

12 Cash & Cash Equivalents

Particulars	As at 31 March 2022
Balance with Banks	
- In Current account	484.68
- In Fixed Deposit with Bank having Maturity less than 12 Months	2,380.00
Interest Accrued on Fixed Deposit	67.46
Other Bank Balances	
-Fixed Deposit with Bank having Maturity of More than 12 Months	6,650.00
Interest Accrued on Fixed Deposit	252.58
Total	9,834.71

13 Other Current Assets

Particulars	As at 31 March 2022
Prepaid Taxes (Net of Provision of Rs. NIL)	36.76
Others	0.88
Total	37.64



Reserve Bank Innovation Hub

(A Company Licensed under Section 8 of the Companies Act, 2013)
Notes on Financial Statements for the period ended March 31, 2022
CIN : U72900TG2021NPL149978

(₹ in Lakhs)

14 Revenue from operations		Period ended 31 March 2022
Particulars		
Sale of services		-
Total		-
15 Other Income		Period ended 31 March 2022
Particulars		
Interest on Fixed Deposits		367.58
Note:- The Interest Income as of now, is the initial corpus provided by Reserve Bank of India and placed as Fixed deposits with banks.		
Total		367.58
16 Employees Benefits Expenses		Period ended 31 March 2022
Particulars		
Salary, Wages and Bonus		199.37
Staff Welfare Expense		1.99
Total		201.36
17 Depreciation and Amortisations		Period ended 31 March 2022
Particulars		
Depreciation		14.88
Amortisation		0.07
Total		14.95
18 Other Expenses		Period ended 31 March 2022
Particulars		
Electricity and Water charges		5.04
Rent		34.56
Repairs and maintenance:		
- Buildings		12.96
- Others		0.24
Rates and taxes		0.78
Travelling and conveyance expenses		10.99
Auditors' Remuneration		
- as audit fee		1.00
Telephone expenses		0.50
Printing and Stationery		0.75
Legal and professional charges		102.29
Director's Sitting Fee		21.30
Business Promotion Expenses		3.50
Miscellaneous Expenses		31.70
Preliminary Expenses-Written Off		0.83
Total		226.45



Reserve Bank Innovation Hub

(A Company Licensed under Section 8 of the Companies Act, 2013)
Notes on Financial Statements for the period ended March 31, 2022
CIN : U72900TG2021NPL149978

(₹ in Lakhs)

19 EARNINGS PER EQUITY SHARE (FACE VALUE OF Rs. 10 EACH)

Particulars	Period ended 31 March 2022
Profit / (Loss) for the period	(56.76)
Weighted average number of equity shares outstanding during the Period (in Lakhs)	1,000.00
Earnings per share (Basic)	(0.06)
Earnings per share (Diluted)	(0.06)
There are no potential diluted equity share.	



Reserve Bank Innovation Hub
(A Company Licensed under Section 8 of the Companies Act, 2013)
Notes on Financial Statements for the year period March 31, 2022
CIN : U72900TG2021NP1149978

(₹ in Lakhs)

20 Contingent liabilities and Commitments

Particulars	Period ended March 31, 2022
Contingent liabilities (not provided for)	Nil
Capital Commitments	Nil
Other Commitments	Nil

21 Deferred Tax Asset (Net) as on March 31, 2022 is as follows :

Particulars	As at 31st March, 2022
Deferred tax assets	
-On account of Depreciation	1.53
-On account of Leave Encasement	2.13
-On account of Preliminary Expenses	0.12
-On account of business loss	15.04
Net Deferred Tax Asset as on 31st March, 2022	18.92

22 The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2021 ("the Act") has been determined to the extent such parties have been identified by the company on the basis of information and records available with the company. Disclosure as required under section 22 of the Act, is as under:

S.No.	Particulars	As at March 31, 2022
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	5.50
	- Principal	-
	- Interest	-
(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 each accounting year;	-
(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 this Act;	-
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-
(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 22.	-

23 Related Party disclosures

The disclosure of transactions with the related parties during the year as described in the AS-18 issued by the Companies (Accounting Standard) Rules, 2021 are given below:

1) Key Management Personnel (KMP's)

Name	Designation	Date of Appointment	Date of Cessation
Mr. Deepak Kumar	Director	23-03-2021	16-02-2022
Mr. T. Rabi Sankar	Director	23-03-2021	19-05-2021
Mr. Vivek Deep	Director	-	11-02-2022
Mr. Sengapathy Gopalakrishnan	Additional Director	15-04-2021	-
Mr. Gopal Srinivasan	Additional Director	15-04-2021	-
Mr. Ashok Jhanjhanale	Additional Director	15-04-2021	-
Mr. Abhaya Poojod Hoda	Additional Director	15-04-2021	-
Mr. Ananturaj Alahappa	Additional Director	15-04-2021	-
Mr. Dharam Jankiram Pragada	Additional Director	15-04-2021	-
Mr. Krishnamurthy Hanumantha Rao	Additional Director	15-04-2021	-
Mr. Rajesh Basal	Additional Director	19-05-2021	-
Mr. Ajay Kumar Chaudhary	Additional Director	11-02-2022	-
Mr. Arun Kumar Singh	Additional Director	11-02-2022	-

2) Enterprise which is able to exercise significant influence :- "Reserve Bank of India"

- Transactions with the related parties :

Particulars	Period Ended March 31st 2022
Issue of share capital Reserve Bank of India (RBI)	13,000.00
Remuneration (including expenses) to KMP Mr. Rajesh Basal, Additional Director	80.13
Directors - Sitting Fees	21.30



Reserve Bank Innovation Hub
 (A Company licensed under Section 8 of the Companies Act, 2013)
 Notes on Financial Statements for the year period March 31, 2022
 CIN : U72500TG2021NPL149976

(₹ In Lakhs)

24 Employee Benefits

a) Defined Contribution Plan

The Company contributes at a specified percentage of salary towards the Employees Provident Fund (EPF) for all qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner under the schemes, the company is required to contribute a specified percentage of payroll cost to fund the benefits. The company has recognized Rs. 9,34,889/- for Provident Fund Contribution. The contributions payable to this plan by the company are at rates specified in the rules of the schemes.

b) Defined Benefit Plan

Leave Encashment

Leave Encashment Report Under AS 15 (Revised 2005) for the year ended 31st March 2022:-

	Current Year (2021-2022)
Components of Employer Expense	
(a) Current Service Cost	8,44,800
(b) Interest Cost	-
(c) Expected Return on Plan Assets	-
(d) Actuarial (Gain)/Loss	-
(e) Net Cost recognized in the Statement of Profit & Loss	8,44,800
Net Asset/Liability recognized in Balance Sheet as at 31st Mar. 2022	
(a) Present Value of Obligation as at the end of Year	8,44,800
(b) Fair Value of Plan Assets as at the end of Year	-
(c) Liability recognized in the Balance Sheet	8,44,800
(d) Net Asset net recognized in the Balance Sheet	-
II. Reconciliation of opening and closing balances of obligations	
(a) Present Value of Obligation as at beginning of the period	-
(b) Current Service Cost	8,44,800
(c) Interest Cost	-
(d) Actuarial (Gain)/Loss	-
(e) Benefits Paid	-
(f) Present Value of Obligation as at the end of period	8,44,800
IV. Changes in the Fair value of Plan Assets	
(a) Present Value of Plan Assets as at beginning	-
(b) Expected Return on Plan Assets	-
(c) Actuarial Gain/Loss	-
(d) Actual Company Contribution	-
(e) Benefits Paid	-
(f) Fair Value of Plan Assets as at the end of period	8,44,800
V. Actuarial Assumptions	
Economic	
(a) Discount Rate (per annum)	6.50%
(b) Expected Rate of Return on Assets (per annum)	-
(c) Future Salary Escalation	7.00%
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.	
Demographic	
(a) Retirement Age	60 Years
(b) Mortality Table	ALM 2012-14 etc.

25 The provisions of payment of Gratuity Act, 1972 and the Employees State Insurance Act, 1948 are not applicable to the company as the number of employees is less than the statutory limit stated in the relevant Acts.

26 The company has taken office premises on lease with an option to renew the lease after initial lease term. Lease Payments amounting to Rs. 34,56,640/- have been recognized as an expense in the statement of Profit & Loss. There are no sub lease payments received/receivable that have been recognized in the statement of Profit & Loss.

27 The following are the ratios:

	Particulars	Numerator	Denominator	2021-22	Variance
(i)	Current Ratio	Current Assets	Current Liabilities	207.95	-
(ii)	Return on Equity	Net profit after taxes	Shareholder's equity	-0.69	-
(iii)	Trade Payable Turnover Ratio	Purchase of service and other expenses	Trade payable	7.51	-
(iv)	Net Capital Turnover Ratio	Revenue	Working Capital	6.04	-
(v)	Net Profit Ratio	Net profit	Revenue	-13%	-
(vi)	Return on Capital Employed	EBIT	Capital Employed	0.8%	-

Note: As this is the first set of financial statements prepared by the company, the requirement to disclose variance is not applicable.



Reserve Bank Innovation Hub

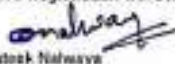
(A Company Licensed under Section 8 of the Companies Act, 2013)
Notes on Financial Statements for the year ended March 31, 2022
CIN : U72900TG2821NP14997B

(₹ In Lakhs)

- 28 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has considered the possible effects of COVID-19 on the carrying values of the Assets. In developing the assumptions, external and internal sources of information/indicators has been considered to estimate the future performance of the company. Based on the current estimates, the Company does not expect any significant impact on such carrying values. Further, the management believes that the impact of COVID-19 on the business is only short term and will not affect the business in long term. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from the estimated as at the date of approval of these financial statements. The company will continue to monitor the situation and the impact assessment of the same on the Company's financial results shall be made and provided as required.
- 29 The Government of India vide the Taxation Laws (Amendment) Ordinance 2019 dated 20-09-2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay income tax at reduced rate effective 01-04-2019, subject to certain conditions. Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961. Accordingly, Company has recognised provision for Income Tax for the year ended March 31, 2022 and re-measured its Deferred Tax liability on the basis of the rate prescribed in the said section. The full impact of this change has been recognised in the Statement of Profit & Loss for the year.
- 30 The figures for the current period relate to the period beginning from 23rd March 2021 & ending on 31st March, 2022. As this is the first set of financial statements prepared by the company, the requirement to disclose previous year's figures is not applicable.

As per our report of even date attached

For Prakash Chandra Jain & Co.
Chartered Accountants
Firm's Registration No. 602438C


Prateek Nihways
Partner
Membership No: 414356
UPIN - 22.414356 ALOCHVN7866

Place : Bangalore
Dated : 22/05/2022

For Reserve Bank Innovation Hub


(Rajesh Bensa)
Director
DIN - 0057974968

Place : Bangalore
Dated : 22/05/2022


(Arun Kumar Singh)
Director
DIN - 0009490088

Place : Bangalore
Dated :





The Governor with RBIH's CEO and Chairperson



Discussion in the RBIH Board room

Accounting Policy

Corporate information

Reserve Bank Innovation Hub (RBIH) is a private limited Company domiciled in India with its registered office at **IDRBT Campus, Castle Hills Road, Road No.1, Masab Tank, Hyderabad, Telangana 500057**. The Company is a wholly owned subsidiary of Reserve Bank of India, set up solely for the purpose of fostering and evangelizing innovation in the financial sector with no profit motive.

The Company was incorporated under sub-section (2) of section 7 and sub-section (1) of section 8 of the Companies Act 2013 on **March 23rd 2021**, issued by Registrar of Companies. The Corporate Identity of the Company is **U72900TG2021NPL149978**.

The Company's principal business is creating an ecosystem conducive to technological innovation in financial services; develop capabilities for innovation; focal point for networking of experts; act as a platform for fostering innovation for all firms and to publish reports/ studies/data / surveys pertaining to financial innovation.



RBIH'S office building



RBIH'S Reception area

Significant accounting policies

Preamble

RBIH, being a non-profit organisation would follow very conservative accounting policies and to the extent feasible, full disclosure would be made in the accounting of its expenditure, and income. Any change in the Accounting Policy during the year would be fully disclosed. Any change in the treatment of an item of expenditure or income would be considered as a change in the Accounting Policy and would be fully disclosed.

Basis of accounting

The financial statements will be prepared & presented on the accrual basis of accounting in accordance with the Indian Generally Accepted Accounting Principles (IGAAP) and mandatory Accounting Standards (AS) as specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other accounting pronouncement of the Institute of Chartered Accountants of India (ICAI), to the extent applicable.

Preparation & presentation of financial statements

The Balance Sheet and the Statement of Income and Expenditure will be prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement will be prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Income and Expenditure, as prescribed in the Schedule III to the Act, will be presented by way of notes forming part of accounts along with the other notes required to be disclosed under the applicable Accounting Standards.

Use of estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimate and assumptions that affect the reported amount of assets, liabilities, and the disclosure of contingent liabilities as at the date of financial statements and revenue & expenses for the reporting period. Actual results could differ

from those estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Any revision to accounting estimates will be recognised prospectively in current and future periods.

Current/ non-current classification

All assets and liabilities will be classified into current and non-current.

Assets

An asset will be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for rendering services or consumption in, the company's normal operating cycle;
- (b) it is expected to be realised within 12 months after the reporting date; or
- (c) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- (d) Current assets include the current portion of non-current financial assets maturing within one year.
- (e) All other assets will be classified as non-current.

Liabilities

A liability will be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled within 12 months or one financial year
- (b) it is due to be settled within 12 months after the reporting date; or
- (c) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.
- (d) Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.
- (e) Current liabilities include current portion of non-current financial liabilities which are due within 12 months or in one financial year All other liabilities will be classified as non-current.

Property plant and equipment and depreciation

Tangible assets and depreciation

1. Tangible assets will be initially recognized at cost and will be stated at original cost less accumulated depreciation and impairment, if any. Cost includes all direct costs attributable to acquisition, installation, commissioning and operating.

2. Cost of tangible assets not ready for use before the balance sheet will be disclosed as capital work-in-progress. Advances paid towards the acquisition of tangible assets outstanding as of each balance sheet date will be disclosed under long term loans and advances.

3. Tangible assets costing less than 0.10 lakh, will be depreciated at the rate of 100% depreciation in the year of purchase. Depreciation will be provided on pro rata basis for assets purchased and sold during the year. Depreciation methods, useful lives and residual values will be reviewed periodically.

4. Estimated useful life of tangible Assets has been considered as per Schedule II to the Companies Act, 2013

Description of Asset	Type of Asset	Estimated useful Life of Asset
Building	Tangible	60 years
Furniture and Fixtures	Tangible	10 years
Computers - End User Devices	Tangible	3 years
Computers – Servers & Network	Tangible	6 Years
Electrical Installations	Tangible	10 years
Air Conditioners	Tangible	10 years
Vehicles	Tangible	8 years
Office Equipment	Tangible	5 years
Computer Software	Tangible	3 years

5. Depreciation on improvements to leasehold property will be provided on straight line method at the rates arrived at on the basis of the primary lease period.

Intangible assets and amortization

1. Intangible Assets will be stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

2. Intangible assets will be amortized on straight-line basis. These assets will be amortized over their estimated useful

life not exceeding 3 years. However, in the case of computer software such useful life will be estimated as 5 years.

3. Estimated useful life of Intangible Assets has been considered as per Schedule II to the Companies Act, 2013

Impairment of assets

An asset will be treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss, if any, will be charged to the Income and Expenditure Account to the extent carrying cost of asset exceeds their recoverable

amount in the year in which an asset is identified as impaired. Consideration will be given at each balance sheet date to determine whether there is any indication of impairment of the company's assets. If any indication exists, an asset's recoverable amount will be estimated. An impairment loss will be recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount will be determined on the basis of value in use. In assessing value in use, the estimated future cash flows will be discounted to their present value based on an appropriate discount factor.

Revenue recognition

At present RBIH does not generate revenue from its operations since it does not undertake any revenue generating activity. Going forward, the company could undertake some activity which would result in revenues and the income recognition would be as per accounting standards.

Interest income

Interest income will be recognized on a time proportion basis considering the amount outstanding and the rate applicable.

Expenditure

Expenses will be accounted for on the accrual basis and provisions are made for all known losses and liabilities.

Cash and cash equivalent

Cash and cash equivalents comprise cash balances on hand, cash balance with banks, and highly liquid investment with original maturity, at the date of purchase / investment, or three months or less.

Operating lease

Operating Lease payments made for the premises acquired on lease will be charged to statement of Income and Expenditure on a straight-line basis over the lease term. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor will be classified as operating leases

Insurance claims

Insurance claims if any will be accounted for "as and when settled."

Employee benefits

1. Short Term Employee Benefits

Short term employee benefits will be recognized as an expense on an undiscounted basis in the Income and Expenditure Account of the year in which the related services are rendered.

2. Post-Employment Benefits

a. Defined Contribution Plans

The Employer's contribution to Provident Fund and Employees' Pension Scheme, a defined contribution plan will be made in accordance with the Provident Fund Act, 1952 read with the Employees' Pension Scheme, 1995 The Employer's Contribution to Employees' State Insurance, a defined contribution plan will be made in accordance with the Employees' State Insurance Act, 1948 if and when applicable.

b. Defined Benefit Plan

For defined benefit schemes, the cost of providing benefits will be determined using the Projected Unit Credit Method, with actuarial valuation being carried out on Balance Sheet Date. Actuarial gains or losses are recognized in full in the Profit and Loss account for the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of defined benefit obligation.

3. Long term Benefits

Liability for leave encashment will be recognized on the basis of actuarial valuation made at the end of the financial year

Provision for contingency

1. Provisions

A Provision will be recognized (for liabilities that can be measured by using a substantial degree of estimation) when:

- a. the company has a present obligation because of a past event,
- b. a probable outflow of resources embodying economic benefits is expected to settle the obligation; and
- c. the amount of the obligation can be reliably measured.

2. Contingent liability

A disclosure of contingent liability will be made when there is:

- a. a possible obligation (obligation is a possible obligation if, based on the evidence available, its existence at the balance sheet date is considered not probable) that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise
- b. a present obligation that arises from past events but is not recognised because
 - i. it is not probable that an outflow embodying economic benefits will be required to settle the obligation; or

- ii. a reliable estimate of the amount of the obligation cannot be made.

Accounting for taxation

Income Tax expenses comprises current tax (i.e. amount of tax for the year determined in accordance with Income Tax laws) and deferred tax charged or credit.

Income Taxes are accrued in the same period the related revenue and expenses arise.

The differences that arise between the profit considered for income taxes and profit as per the financials statement will be identified and thereafter a deferred tax asset /liability will be recorded for the timing differences, namely the differences, that originate in one accounting period reverse in another, based on the tax effect of the aggregate amount being considered.

The tax effect will be calculated on the accumulated timing differences at the end of an accounting period based on the tax rates that have been enacted or substantially enacted by the Balance Sheet date.

Where there is unabsorbed depreciation or carry forward losses, deferred tax assets will be recognised only to the extent there is a virtual certainty of realisation of such assets. In other situation, deferred Tax assets will be recognised only to the extent there is reasonable certainty of realisation of such assets in future.

At each balance sheet date, unrecognized deferred tax asset will be reviewed and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

Earning per share (eps)

The basic earnings per share will be computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the reporting period. Diluted earnings per equity share will be computed by dividing the net profit after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the reporting period.



Team RBIH with the Governor and Deputy Governor



Contact us at
communications@rbihub.in.