

35th ANNUAL REPORT

2023-2024

PROSPERITY...
HUMSE HAI...



Vardhaman Bank

వర్ధమాన్ బ్యాంక్ | वर्धमान बैंक

VARDHAMAN (MAHILA) CO-OP URBAN BANK LTD.



Head Office : #8-2-351/N/1, Nishant House, 3rd Floor,
Road No. 3, Banjara Hills, Hyderabad - 34. Telangana



Tel : +91 40 4666 4777



www.vardhamanbank.com

BOARD OF DIRECTORS



Sri Ritesh Kumar Daga

Chairman



Smt. Nirmala Daga

Sr. Vice Chairperson



Smt. Rajkumari Bai

Vice-Chairperson



Smt. Chayya S Golechha

Director



Dr. Asha Khivsara

Director



Smt. Chhaya Lohade

Director



Smt. Nirmala Jain

Director



Smt. Pushpa Sancheti

Director



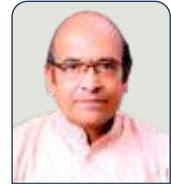
Smt. Pooja Jain

Director



CA Shantilal Daga

Director



CA P.P. Singhvi

Director



CA Tushar Savla

Director



CA Mahender Kumar Jain Golecha

Director



Sri Madan Chand Jain Lunawat

Director



Sri Jugraj Jain

Director



CA SBS Manian

Prof. Director (Co-Opted)



Sri. V. V. Krishna Murthy

Prof. Director (Co-Opted)



Sri. A.D.N.V. Prasad

C.E.O.



వర్ధమాన్ బ్యాంక్

वर्धमान बैंक

VARDHAMAN (MAHILA) CO-OPERATIVE URBAN BANK LTD.

(REGD. NO. T.A. 1341)

Head Office : 3rd Floor, Nishant House, 8-2-351/N/1,
Road No. 3, Banjara Hills, Hyderabad-500 034. (TS) **Tel. 46664777**
E-mail : ho@vardhamanbank.com Website : www.vardhamanbank.com

BRANCHES

BRANCHES / IFSC Code	ADDRESS / PHONE NUMBERS
1. EDENBAGH HDFC0CVB222	#3-5-141/E/7, Geetanjali Complex, Edenbagh, Ramkote, Hyderabad- 500 001. Ph: 24757409, 24750747 E-mail : edenbagh@vardhamanbank.com
2. RANIGUNJ HDFC0CVB003	# 4-3-180/1 Futnani Chambers, First Floor, Mahankali Street, Ranigunj, Secunderabad – 500 003. Ph: 27712435, 23449462 E-mail : ranigunj@vardhamanbank.com
3. FEELKHANA HDFC0CVB004	#15-8-437, 2nd Floor, Solanki Nivas, Feelkhana, Begum Bazar, Hyderabad. Ph.23449463,24733381 E-mail : mahaboobgunj@vardhamanbank.com
4. AMEERPET HDFC0CVB005	# 7-1-113/13, Ground Floor, Tarun Towers, Near Aditya Enclave, Ameerpet, Hyderabad- 500 016. Ph: 23440222, 23737513 E-mail : ameerpet@vardhamanbank.com
5. BALANAGAR HDFC0CVB007	#10-11-43 to 46, 1st Floor, Fatehnagar, Balanagar, Hyderabad – 500 042. Ph: 9394763686 E-mail : balanagar@vardhamanbank.com
6. LOTHUKUNTA HDFC0CVB006	#1-8-86 & 87, DVR Oneiro, 1st Floor, Alwal Main Road, Golnaka, Alwal, Secunderabad - 500 010 Ph: 27867304, 27864255 E-mail : lothukunta@vardhamanbank.com
7. DILSUKHNAGAR HDFC0CVB009	# 3-116, First Floor, Hanuman Nagar Colony, Chaitanyapuri, Dilsukhnagar, Hyderabad – 500 060. Ph: 24050425, 24050455 E-mail : dilsukhnagar@vardhamanbank.com
8. AC GUARDS MAHAVIR HOSPITAL HDFC0CVB008	Mahavir Hospital Premises, A.C.Guards, Hyderabad – 500 004 Ph: 23371865 E-mail : acguards@vardhamanbank.com
9. BANJARA HILLS HDFC0CVB010	3rd Floor, Nishant House, 8-2-351/N/1, Road No. 3, Banjara Hills, Hyderabad -500 034. Ph: 46664777 E-mail : banhill@vardhamanbank.com

We welcome correspondence through e-mail



NOTICE OF 35th ANNUAL GENERAL BODY MEETING



Notice is hereby given that the 35th Annual General Body Meeting of shareholders of the Bank will be held on Thursday, 8th of August, 2024, at 4.00 p.m. at Kutchhi Bhavan, 3-5-141/2/A/1, Ramkote, Hyderabad- 500001 to transact the following business.

1. To consider and adopt the 35th Annual Report together with the Audited statement of accounts and Auditor's Report for the year 2023-24.
2. To consider and appropriate Net Profit of the Bank and declare dividend for the year ended 31.03.2024.
3. I. To ratify the excess expenditure incurred over the budgeted amount during the financial year 2023-24.
II. To approve the revised Budget of Income & Expenditure of the bank for the Financial Year 2024-25.
4. To note and ratify the admission & retirement of members and receipt & refund of share capital during the period 01.01.2024 to 31.05.2024.
5. To note and confirm the Investments made / withdrawn by the Bank during the period 01.01.2024 to 31.05.2024.
6. To review position of NPA and measures taken for recovery.
7. To authorise the Board to appoint Statutory Auditors for Financial Year 2024-25 and fix their remuneration subject to approval of RBI.
8. To consider the conversion of Mahila Bank to General Bank and to request RBI for permission.
9. To consider & approve respective amendments of Bye-laws of the Bank as circulated.
10. Any other matter with the permission of the Chair.

All members are requested to attend the Annual General Body meeting.

Date : 27.06.2024

By order of the Board of Directors

Place : Hyderabad

-sd/-

Chief Executive Officer

Note:

1. In the event of absence of quorum, the adjourned Annual General Body Meeting will be held at the same venue, the same day after 30 minutes of adjournment.
2. Members are requested to bring along with them their share certificates/Identity Cards for admission.
3. Members are requested to submit their phone numbers, email & account details to update the data in Bank records.
4. The financial results are available on Banks website www.vardhamanbank.com

FOR INFORMATION OF MEMBERS

1. Shareholders are requested to:
 - a) Verify their name and address on the Annual Report sent to them. Changes, if any, may kindly be intimated to the Shares Department of the Bank for updating records.
 - b) Avail Nomination facility by submitting the nomination form, if not already availed.
 - c) Record member's standing instructions with the Shares Department for credit of dividend to Current / Savings Bank account with the Bank.
2. In case of deceased shareholders, legal heirs/nominees are requested to submit the share certificates along with relevant certificates of heirship / death certificate etc., to the Shares Department for settlement.
3. Attention of the members is invited to Bye-Law No.45 (iv) by which dividend remaining undrawn for more than 3 years are liable to be forfeited and credited to Reserve Fund Account. Members who have not received the dividend for the previous years are requested to contact Bank's Share Dept.
4. All eligible depositors are requested to submit 15G and 15H along with copy of PAN Card if they have not already done so.
5. All members are requested to open account with the Bank to receive any dividend payout by the Bank. Please note that dividend will be credited to Bank account directly.



Dear Members,

The Directors of Vardhaman (Mahila) Cooperative Urban Bank Ltd. extend a warm welcome to you at the Annual General Meeting and present the 35th Annual Report, including the Audited Balance Sheet, Profit & Loss Account, Receipt and Payment Account, Accounting Policies, Notes, and Disclosures for the financial year ended 31st March 2024.

(₹ in lakhs)

FINANCIAL INDICATORS		
Particulars	31.03.2024	31.03.2023
Share Capital	2471.96	2452.83
Profit before tax	1130.55	1043.95
Net Profit for the year	738.85	712.43
Deposits	52305.41	51667.84
Advances	33760.58	32263.94
Working Capital	59326.64	58461.72
CD Ratio (%)	64.55	62.44
Gross NPA	1021.00	442.00
Net NPA	406.00	167.00

Financial Performance:

We are delighted to report that the Bank has achieved significant milestones in the fiscal year 2023-24. The key financial indicators demonstrate robust growth:

- ✦ Profit before tax rose to Rs. 1130.55 lakhs, marking an 8.30% increase.
- ✦ Net Profit for the year amounted to Rs. 738.85 lakhs, up by 3.71%.
- ✦ Deposits grew to Rs. 52305.41 lakhs, showing a rise of 1.23%.
- ✦ Advances reached Rs. 33760.58 lakhs, reflecting a growth of 4.64%.
- ✦ The Bank maintained a healthy CD Ratio of 64.55%.
- ✦ The Bank paid income Tax of Rs.351 lacs and GST of Rs.31 lacs.
- ✦ The Bank's Owned Funds increased from Rs. 69.80 crores to Rs.72.58 crores

Statutory Compliances:

We are proud to inform you that the Bank has adhered meticulously to all statutory and regulatory compliances:

- ✦ CRAR was maintained at 18.50%, well above the regulatory requirement of 12%.
- ✦ Provisions for NPA coverage totalled Rs. 615 lakhs, covering 60% of GNPA.
- ✦ Investments were marked to market with a provision of Rs. 156.72 lakhs fully provided.
- ✦ Investment Fluctuation Reserve stood at 5% on eligible Government Securities.
- ✦ Various provisions including on NPA, Gratuity, and leave encashment were made as per regulatory norms. Bank has made extra provision of Rs.202 lacs towards NPA.
- ✦ Gratuity provision of Rs.265 lacs is made as per actuarial valuation.

Operational Highlights for Financial Year 2023-24:

In terms of operational achievements:

- ✦ Total Business crossed Rs. 861 Crores, reflecting steady growth.
- ✦ The Bank's Owned Funds increased significantly, sustaining our strong financial foundation.
- ✦ Bank has created a Building Fund of Rs.750.00 lacs out of general reserve.
- ✦ We are pleased to report an increase in Net Profit and a strategic focus on achieving a Provision Coverage Ratio of 60%.



Economy

As of the latest forecast, the Reserve Bank of India (RBI) anticipates GDP growth rate of 7.2% for the year 2024-2025. Inflation is expected to be 4.5% and being closely monitored amid global uncertainties and domestic factors. The RBI aims to maintain a balanced approach to monetary policy to support growth while keeping inflation within targeted ranges.

Outlook for Urban Cooperative Banks:

The Government of India has established a dedicated Ministry of Cooperation to aim at improving the Cooperative Sector. Concurrently, the Reserve Bank of India (RBI) has implemented a more liberalized branch licensing policy, particularly favoring Financially Strong and Well Managed Banks (FSWM). This initiative by RBI marks a significant step towards growth of cooperative banks, emphasizing robust governance, financial stability, risk management protocols, enhanced customer service, cybersecurity measures, and a culture of stringent compliance. These proactive measures will pave the way for the development of those cooperative banks, adhering to all regulatory and statutory requirements with utmost diligence.

Financially Strong and Well Managed Bank :

We are happy to inform that Bank is satisfying all conditions stipulated by RBI to continue as a Financially Strong and Well Managed Bank.

Expansion Plans

Extension Counter at Mahavir Hospital and Research Centre is upgraded to full-fledged branch with effect from 03-10-2023 and named as AC Guards Mahaveer Hospital Branch.

We are happy to inform you that Reserve Bank of India has permitted the Bank for opening three new branches at (i) Manikonda (ii) Attapur and (iii) Maredpally. Necessary action has been initiated to open these branches in time.

Area of Operation

Reserve Bank of India has permitted for expansion of area of operation of the Bank to the entire state of Telangana.

Business Goals for the year 2024-25

Looking forward, amidst a stable economic backdrop, the Bank aims to achieve a business milestone of Rs. 1000 Crores in the coming fiscal year. Bank has received RBI approval for three new Branches at Manikonda, Attapur & Maredpally, we are set to open these three new branches. Our goals include:

- a) Deposits of Rs. 600 Crores and Advances of Rs. 400 Crores.
- b) Profit before tax target of Rs. 1400 lakhs and a CD Ratio exceeding 65%.
- c) Zero Net NPA, emphasizing our commitment to asset quality.

Dividend

After due provisions and reserves, the Board proposes a dividend of 15% for the fiscal year 2023-24, continuing with prudent financial management and conserving capital.

Appropriation

Profits earned by the Bank during the year have been proposed to be apportioned as under:

(₹ in lakhs)

Particulars	31.03.2024
Statutory Reserve	184.71
General Reserve	50.00
Co-operative Education Fund	1.50
Common Good Fund	7.39
Dividend (proposed) @15%	370.00
Total	613.60

After meeting the requirement for the statutory provisions and reserves as detailed above and making provision for the proposed dividend, the balance of undistributed profit carried forward is Rs.804.23 lakhs.

Reserves

The position of Reserves as on 31-03-2024 is as under :

(₹ in lakhs)

Particulars	As on 31.03.2024
Statutory Reserve Fund	1683.42
General Reserve	107.68
Investment Fluctuation Reserve	322.38
Investment Depreciation Reserve	395.84
Common Good Fund	7.01
Education Fund	17.29
Building Fund	750.00
Special Reserve	84.56
Undistributed Profit before dividend	1417.83
Total	4786.01

Building Fund

The Head Office and all Branches of the Bank are located in rented premises. Considering the long-term requirement, the Bank has requested RBI for creation of a building fund of Rs.7.50 Crores out of the General Reserve. The Bank has created a Building Fund of Rs.7.50 Crores out of the General Reserve, post permission of RBI.

Deposits

The Segment wise break-up of deposits is as under:

(₹ in lakhs)

	31.03.2024		31.03.2023	
Current Accounts	4%	2151.18	6%	2909.21
Savings Accounts	12%	6121.33	11%	5855.32
Term Deposits	84%	44032.90	83%	42903.31
TOTAL	100%	52305.41	100%	51667.84

Insurance with DICGC

All Deposits are insured with DICGC for Rs.5.00 lacs per depositor as per government guidelines. The Bank paid a sum of Rs.63.00 lacs towards DICGC Premium.

Funds management and Investments

Bank has fully complied with RBI guidelines on maintenance of CRR and SLR. The figures as on 31.03.2024 are given below :

(₹ in lakhs)

	CRR		SLR	
	Percentage	Amount	Percentage	Amount
Required	4.50%	2223.40	18.00%	8893.60
Maintained	5.35%	2644.32	31.52%	15574.19

The surplus funds available to the Bank after maintaining CRR and SLR have been invested in Call Money, Govt. Securities, Bonds and Fixed Deposits with reputed banks. Bank has been a net lender in call money market during the year under review.

The breakup of the Investment portfolio as on 31st March, 2024 is as under : (₹ in lakhs)

Category of investment	31.03.2024	Yield	31.03.2023	Yield
Govt. securities – SLR	15153.27	6.96%	15157.54	6.99%
Non-SLR Securities	1933.31	8.82%	1933.31	8.82%
Deposits with Banks	3093.91	6.71%	3515.50	5.47%
Call Money	2900.00	6.57%	2900.00	5.29%

Non-Performing Assets

Bank is strictly following the guidelines of RBI relating to Income Recognition and Asset Classification. The Gross NPA of Bank was Rs.10.21 Crores and Net NPA at Rs.4.06 Crores. The Gross NPAs is 3.02% of advances and net NPA is 1.22% of advances. The Bank has made a provision of Rs.1.17 crores on Standard Assets as per RBI guidelines.

The bank has taken action for recovery against all NPA accounts in different Courts, DRT, Co-operative dept and NCLT. Action under SARFAESI Act is initiated and actively pursued where ever applicable.

Human Resources

The bank conducts regular recruitment drives through campus placements and direct interviews to onboard new employees. These recruits undergo extensive training in banking products and information technology. The bank consistently strives to enhance the quality and skills of its workforce.

Inspection & Audit

The Reserve Bank of India has conducted Inspections for 2022-2023. The bank ensures full compliance with regulatory inspections.

The bank's internal inspection team conducts risk-based internal audits of all branches to ensure adherence to regulations. Quarterly risk-based internal audits of all branches are introduced in the current year. Additionally, three big branches are under concurrent audits by external CA firms.

IT & Cyber Security

Cybersecurity remains a top priority, with comprehensive measures implemented across CBS and network systems. Network accessibility is strictly controlled, and firewalls are deployed at all Branches and HO. Employees participate in various programs conducted by RBI and other agencies.

Technology

Mobile banking operations in the bank have stabilized and are functioning smoothly. The bank is committed to continuously enhancing the user experience of its IT products, making them more customer-friendly. A team of Marketing & IT Professionals are interacting with customers on regular basis to popularise the IT products.

Audit Rating

Over the past years, the Bank is consistently rated 'A' Grade by the Statutory Auditors. It has retained the same rating of 'A' grade for the year 2023-24.

Corporate Governance

The bank upholds a commitment to transparent and ethical business practices. It benefits from the guidance of two Professional Directors on its Board, leveraging their extensive expertise and experience in critical decision-making.

In accordance with RBI guidelines, the bank has established a Board of Management (BOM) comprising five members, duly approved by the RBI.

Several committees have been established to deliberate on key decisions concerning the bank's operations. Details regarding these committees, including the number of meetings held, are provided below:



	Nos.
I. Board Meetings	- 11
II. Board of Management	- 09
III. Loan Committee	- 09
IV. Staff Committee	- 05
V. Audit Committee	- 03
VI. Investment Committee	- 05
VII. ALM Committee	- 04
VIII. Fraud Monitoring committee	- 02
IX. Strategic Planning Committee	- 03
X. Nomination & Remuneration Committee	- 02

Various policies are periodically reviewed and decisions are taken by the Committees/Board in compliance with these policies.

Bank is following all Regulatory guidelines of RBI and complying with all Statutory requirements of various agencies of Government.

General Body meetings

Two meetings of General Body of the bank were held on 27th June 2023 and 7th March 2024.

Customer Service

The Bank has formulated a Customer Grievance Redressal Policy and fixed time lines for redressal of grievances. A Nodal Officer for Customer grievance is nominated at HO and his Mobile Number is listed on all Notice Board and Website of the Bank.

Appointment of Statutory Auditors

Bank approved the appointment of M/s. Mathesh & Ramana, Chartered Accountants, as Statutory Auditors for the FY 2023-24.

Corporate Social Responsibility

As part of Corporate Social responsibility, the Bank has contributed by way of donations to various charitable institutions/ entities and has spent Rs.6.00 lacs during the year 2023-2024.

Acknowledgment

We extend our heartfelt gratitude to Reserve Bank of India, Cooperative Department, Government of Telangana, regulatory authorities, auditors, and all stakeholders for their unwavering support. We acknowledge the dedication of our executives and staff whose efforts have been pivotal to our success.

In conclusion, with a strong foundation and strategic initiatives in place, Vardhaman (Mahila) Cooperative Urban Bank Ltd. is well-positioned for sustainable growth and to meet the evolving needs of our stakeholders.

Thank you for your trust and continued partnership.

By order of the Board of Directors

Sd/-
Chairman

Place: Hyderabad

Date: 27.06.2024



INDEPENDENT AUDITOR'S REPORT

To,
The Members
Vardhaman (Mahila) Co-operative Urban Bank Limited
Hyderabad

Report on Financial Statements

1. We have audited the accompanying Financial Statements of Vardhaman (Mahila) Co-operative Urban Bank Limited which comprise the Balance Sheet as at 31st March 2024, Profit and Loss Account, the Receipts & payments Account for the year then ended, and a summary of significant accounting policies and other explanatory notes and information. The returns of 9 branches audited by us are incorporated in these financial statements.

Opinion

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements together with the Notes thereon give the information required by the Banking Regulation Act, 1949 (as applicable to co-operative societies), the Telangana Cooperative Societies Act, 1964, the Telangana Cooperative Societies Rules, 1964 and guidelines issued by Reserve Bank of India and Registrar of Cooperative societies, Telangana in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of state of affairs of the Bank as at 31st March 2024;
- (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Receipts and Payments Statement, of the receipts and payments for the year ended on that date.

Management's Responsibility for the Financial Statements:

3. The Bank's Board of Directors and those charged with governance in accordance with Section 55A of the Telangana Co-operative Societies Act, 1964 is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and receipts and payments of the Bank in accordance with the Banking Regulation Act 1949 (as applicable to co-operative societies), the guidelines issued by the Reserve Bank of India and the Registrar of Cooperative Societies, Telangana, the Telangana Co-operative Societies Act, 1964, and the Telangana Co-operative Societies Rules, 1964, (as applicable) and generally accepted accounting principles in India so far as applicable to the Bank. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the above stated Acts for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



INDEPENDENT AUDITOR'S REPORT

Auditors' Responsibility:

4. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The Procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit opinion.

Report on Other Legal and Regulatory Requirements:

7. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949 and provisions of the Telangana Co-operative Societies Act, 1964 and the Telangana Co-operative Societies Rules 1964, subject to compliance under Rule 36-B, which is on cash basis.

8. We report that :

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found to be satisfactory;
- b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches/offices;
- c) The transactions of the Bank which have come to our notice are within the powers of the Bank;
- d) The Balance Sheet and the Profit and Loss Account dealt with by this report, are in agreement with the books of account and the returns;
- e) The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to banks

9. We further report that for the year under audit, the Bank has been awarded "A" classification.

For **Mathesh & Ramana**
Chartered Accountants
ICAI FRN No. 002020S

CA B. V. Ramana Reddy
Partner

Hyderabad
Date: 27.06.2024

M.No. 026967
UDIN: 24026967BKBOYV9369



BALANCE SHEET AS AT MARCH 31ST, 2024

PARTICULARS	Schedule	As at 31-03-2024 ₹	As at 31-03-2023 ₹
CAPITAL & LIABILITIES			
Capital	1	24,71,96,275	24,52,83,200
Reserves and Surplus	2	47,86,01,185	45,27,49,181
Deposits	3	5,23,05,41,339	5,16,67,83,968
Borrowings	4	-	-
Other Liabilities & Provisions	5	21,52,89,223	16,48,00,303
TOTAL		6,17,16,28,022	6,02,96,16,652
ASSETS			
Cash and Balances with RBI	6	21,39,61,534	25,34,09,419
Balance with Banks & Money at Call & Short Notice	7	75,44,71,196	72,73,25,681
Investments	8	1,70,86,58,062	1,70,90,84,437
Advances	9	3,37,60,58,256	3,22,63,94,271
Fixed Assets	10	2,19,44,857	1,69,35,892
Other Assets	11	9,65,34,117	9,64,66,952
TOTAL		6,17,16,28,022	6,02,96,16,652
Contingent Liabilities	12	2,07,32,998	2,53,21,051
Significant Accounting Policies and Notes on Accounts -	18	-	-

The schedules referred to above form an integral part of the accounts.

As per our report attached
For MATHESH & RAMANA
Chartered Accountants
ICAI FRN No. 002020S

Sd/-
(CA B.V.RAMANA REDDY)
Partner
M No. 026967

For and on behalf of Board of Directors
Smt. Nirmala Daga
Sr. Vice Chairperson
Smt. Rajkumari Bai
Vice Chairperson

A.D. N. V. Prasad
Chief Executive Officer

Place : Hyderabad
Date: 27.06.2024



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2024

PARTICULARS	Schedule	For the year 2023-24 ₹	For the year 2022-23 ₹
INCOME:			
Interest Earned	13	57,14,18,025	50,78,21,104
Other Income	14	3,26,87,219	2,92,87,067
Total		60,41,05,244	53,71,08,171
EXPENDITURE:			
Interest Expended	15	35,55,36,800	32,82,02,348
Employees Cost		4,23,22,530	3,91,70,238
Other Operating Expenses	16	4,62,44,043	4,36,91,194
Total		44,41,03,373	41,10,63,780
OPERATING PROFIT		16,00,01,871	12,60,44,391
Provisions & Contingencies	17	4,69,46,486	2,16,48,949
PROFIT BEFORE TAX		11,30,55,385	10,43,95,442
Taxes on Income:			
Current Tax		(3,51,00,000)	(2,83,00,000)
Deferred Tax Assets (Liabilities)		5,15,480	5,18,310
Income Tax of earlier years		22,18,827	(45,35,833)
Transfer to Special Reserve u/s.36(1)(viii) of IT Act		(12,55,653)	(8,34,501)
Transfer to Statutory Reserve		(13,87,250)	-
Transfer to Investment Depreciation Reserve (IDR)		(41,61,750)	-
NET PROFIT FOR THE YEAR		7,38,85,039	7,12,43,418

Significant Accounting Policies and Notes on Accounts - 18

The schedules referred to above form an integral part of the accounts.

As per our report attached
For MATHESH & RAMANA
Chartered Accountants
ICAI FRN No. 002020S

For and on behalf of Board of Directors
Smt. Nirmala Daga
Sr. Vice Chairperson
Smt. Rajkumari Bai
Vice Chairperson

A.D. N. V. Prasad
Chief Executive Officer

Sd/-
(CA B.V.RAMANA REDDY)
Partner
M No. 026967

Place : Hyderabad
Date: 27.06.2024



RECEIPTS AND PAYMENTS
FOR THE YEAR 2023-24



(Amount in ₹)

PARTICULARS	RECEIPTS	PAYMENTS
Share Capital	5201775	3288700
Reserve Fund & Other Reserves	131700186	85387764
Education Fund & Common good fund	916138	728768
Deposit and Other accounts	20697755028	20633997657
Borrowings	0	0
Contingencies on loans for collection contra	0	0
Overdue Interest Reserve	38649979	27077178
Interest Payable	101243611	105384699
Other Liabilities	1046179820	1009873512
Undistributed Profits	0	72674576
Contingent liability for Bank guarantee issued	130000	5500000
Contingent liability unclaimed deposit with RBI DEAF	1817216	796527
Interest & Discounts	588543115	17125091
Commission exc. Brokerage	828307	2514
Other receipts	36193668	3816761
Cash On hand	4644254804	4624886450
Cash & Balances with other banks	50518575752	50483628006
Investments	426375	0
Money at Short Call & Short Notice	54420000000	54460000000
Advances	7649510829	7799174814
Interest Receivable	83910301	96362671
Loans for collection contra	0	0
Branch adjustments	40739035737	40739035737
Furniture & fittings	1134534	7885335
Other assets	2343287249	2351641872
Customer Liability under Guarantee	5500000	130000
Unclaimed deposit with RBI DEAF	796527	1817216
Interest on deposit/borrowings	4737840	360274640
Income Tax	0	35100000
Establishment	0	42322530
Directors sitting fees	0	1164400
Rent Rates & taxes insurance	0	16678187
Postage & Telegrams & Telephone	0	317806
Law Charges	0	996424
Auditors Fees	0	195000
Depreciation & Repairs	0	4146624
Printing & Stationery, Advertisement	0	2272015
Income Tax Demand for earlier years	774759	0
Other expenditure	0	20473587
Provision & contingencies	0	46946486
Total	183061103550	183061103550

In Terms of our report attached

For MATHESH & RAMANA
Chartered Accountants
ICAI FRN No. 002020S

Sd/-

(CA B.V.RAMANA REDDY)

Partner

M No. 026967

For and on behalf of Board of Directors

Smt. Nirmala Daga
Sr. Vice Chairperson

Smt. Rajkumari Bai
Vice Chairperson

A.D. N. V. Prasad

Chief Executive Officer

Place : Hyderabad

Date: 27.06.2024

**SCHEDULES FORMING PART OF
BALANCE SHEET AS ON MARCH 31ST, 2024**

(Amount in ₹)

	As at 31-03-2024	As at 31-03-2023
SCHEDULE - 1		
CAPITAL		
(i) Authorised Capital		
2,00,00,000 Equity shares of Rs.25/- each	50,00,00,000	50,00,00,000
	50,00,00,000	50,00,00,000
(ii) Issued and Subscribed Capital		
(Held by Individuals and Others)		
98,87,851 (previous year's 98,11,328) Equity shares of Rs.25/- each	24,52,83,200	25,11,53,625
Add: Acceptance of share capital during the year 2,05,071 (Pr Yr 21,378)	51,26,775	5,34,450
Less: Refund of share capital during the year 1,28,548 (Pr. Yr 2,56,195)	(32,13,700)	(64,04,875)
Total	24,71,96,275	24,52,83,200
SCHEDULE - 2		
RESERVES AND SURPLUS		
(i) Statutory Reserve		
Opening Balance:	14,78,01,688	13,33,82,601
Additions : Appropriation	2,05,40,688	1,32,48,047
Deductions : Transfer from Unclaimed Dividend	-	11,71,040
Total	16,83,42,376	14,78,01,688
(ii) General Reserve		
Opening Balance:	8,07,61,927	8,07,55,817
Additions : Appropriation	50,06,080	6,110
Deductions - Transfer to Building Fund	(7,50,00,000)	-
Total	1,07,68,007	8,07,61,927
(iii) Investment Fluctuation Reserve		
Opening Balance:	3,13,33,164	2,09,52,164
Additions : Appropriation	9,05,000	1,03,81,000
Deductions:	-	-
Total	3,22,38,164	3,13,33,164
(iv) Depreciation Reserve for Investments		
Opening Balance:	4,28,37,500	3,10,80,500
Additions : Appropriation	41,61,750	1,17,57,000
Deductions: Net of taxes	(74,15,000)	-
Total	3,95,84,250	4,28,37,500
(v) Common Good Fund		
Opening Balance:	5,34,900	5,54,978
Additions : Appropriation	7,66,138	5,29,922
Deductions:	(6,00,000)	(5,50,000)
Total	7,01,038	5,34,900
(vi) Education Fund		
Opening Balance:	17,07,881	17,12,090
Additions : Appropriation	1,50,000	1,50,000
Deductions :	(1,28,768)	(1,54,209)
Total	17,29,113	17,07,881

(Amount in ₹)

	As at 31-03-2024	As at 31-03-2023
(vii) Building Fund		
Opening Balance:	-	-
Additions : Transfer from General Reserve Fund	7,50,00,000	-
Deductions:		
Total	7,50,00,000	-
(viii) Special Reserve U/s 36 (i) (viii) of I.T ACT		
Opening Balance:	71,99,856	63,65,355
Additions :	12,55,653	8,34,501
Total	84,55,509	71,99,856
(ix) BALANCE IN PROFIT AND LOSS		
Profit brought forward of previous year	14,05,72,265	13,13,37,816
Less: (i) Appropriations for reserves and dividend	(6,21,69,576)	(5,16,27,969)
(ii) Transfer to Investment Fluctuation Reserve	(9,05,000)	(1,03,81,000)
Balance profit of previous year	7,74,97,689	6,93,28,847
(i) Transfer from General Reserve	7,50,00,000	-
Less : (i) Transfer to Building Fund	(7,50,00,000)	-
(ii) Provision for gratuity of Earlier Years	(96,00,000)	-
Profit for the year	7,38,85,039	7,12,43,418
Total	14,17,82,728	14,05,72,265
Total	47,86,01,185	45,27,49,181
SCHEDULE : 3		
DEPOSITS:		
(i) Demand Deposits		
a) Current Deposits	19,99,50,009	26,97,74,019
b) Savings Bank Deposits	61,21,33,159	58,55,31,630
c) Credit Balances in CC/OD a/cs	1,51,67,659	2,11,47,284
(ii) Term Deposits		
(i) Fixed Deposits	4,40,32,90,512	4,29,03,31,035
Total	5,23,05,41,339	5,16,67,83,968
SCHEDULE : 4		
BORROWING:	Nil	Nil
(i) From Reserve Bank of India, State/Central Co-operative Bank: - State Co-op Bank		
(ii) From Other Banks	-	-
(iii) From Other institutions and agencies	-	-
Total	Nil	Nil
SCHEDULE : 5		
OTHER LIABILITIES & PROVISIONS		
(a) Inter-office adjustments(net)	-	-
(b) Interest accrued on Deposits	3,57,71,485	3,99,12,573
(c) Unclaimed Dividends	59,10,581	53,08,087
Less Transfer to Statutory Reserve	-	(11,71,040)
Sub total	59,10,581	41,37,047
(d) Others (Details enclosed)	17,36,07,157	12,07,50,683
Total	21,52,89,223	16,48,00,303

(Amount in ₹)

	As at 31-03-2024	As at 31-03-2023
Details of "Others' under Other Liabilities & Provisions		
(i) Overdue interest reserve (contra)	3,82,57,191	2,66,84,390
ii) Banker's cheque/pay order	9,48,013	73,04,713
iii) Demand Drafts Payable	73,29,678	81,64,103
iv) Outstanding Liabilities	20,68,959	19,42,595
v) Sundry creditors	2,69,262	3,88,721
vi) Clearing	51,128	84,750
vii) Unclaimed Deposits	26,38,669	28,84,856
viii) TDS payable	98,11,500	90,42,299
ix) Provision for Gratuity	2,65,48,243	96,53,673
xi) Provision for Bad & Doubtful debts	6,15,02,603	2,75,02,603
xii) Provision for leave encashment	30,38,188	2,57,875
xiii) Provision for other Contingencies	30,60,000	50,00,000
xiv) Provision for other Expenses	12,28,640	13,13,240
xv) Provision for Depreciation on Bonds	29,05,475	29,05,475
xv) Provision for Standard Assets	1,17,29,750	1,12,88,220
xvi) Provision for Income Tax (net of tax)	18,30,199	59,44,195
xvii) GST Payable	3,44,416	3,43,732
xviii) Sundry Creditors PO's Refund	26,381	26,381
xix) BBPS Funded	18,862	18,862
Total	17,36,07,157	12,07,50,683
SCHEDULE: 6		
CASH AND BALANCES WITH RBI		
I) In hand	4,14,33,446	6,08,01,799
ii) Balance with Reserve Bank		
a) In Current Account	17,25,28,088	19,26,07,620
b) In Other Accounts		
Total	21,39,61,534	25,34,09,419
SCHEDULE: 7		
BALANCE WITH OTHER BANKS & MONEY AT CALL AND SHORT NOTICE :		
I Balances with Banks		
(i) In Current Accounts	11,50,80,082	8,57,75,746
(ii) in Other Deposit Accounts	30,93,91,114	35,15,49,935
II Money at Call & Short Notice		
(i) With Banks	-	-
(ii) With Other Institutions	33,00,00,000	29,00,00,000
Total	75,44,71,196	72,73,25,681
SCHEDULE: 8		
INVESTMENTS		
i) Govt. Securities	1,51,53,27,338	1,51,57,53,713
ii) Other Approved Securities	-	-
iii) Shares	-	-
iv) Debentures and Bonds	17,35,80,224	17,35,80,224
iv) Others - Commercial Paper	1,97,50,500	1,97,50,500
Total	1,70,86,58,062	1,70,90,84,437

(Amount in ₹)

	As at 31-03-2024	As at 31-03-2023
SCHEDULE : 9		
ADVANCES: (Ref: Schedule -19 Note No: B (v))		
I		
i. Bills purchased and discounted	2,39,80,749	76,64,690
ii. Cash Credits, Overdrafts and Loans payable on demand	1,83,36,72,893	2,11,51,61,316
iii. Term Loans	1,51,84,04,614	1,10,35,68,265
Total	3,37,60,58,256	3,22,63,94,271
II		
i. Secured by tangible assets	3,34,36,60,368	3,20,27,17,680
ii. Covered by Bank / Government Guarantee	-	-
iii. Unsecured	3,23,97,888	2,36,76,591
Total	3,37,60,58,256	3,22,63,94,271
III		
i. Priority sector	2,27,54,02,499	2,15,33,15,000
ii. Public sector	-	-
iii. Banks	-	-
iv. Others	1,10,06,55,757	1,07,30,79,271
Total	3,37,60,58,256	3,22,63,94,271
IV		
Sub-Classification		
Short Terms Loans- Cash Credit, Overdraft, Bills Discounted & other ST Loans	1,85,76,53,642	2,12,28,26,006
Medium Term Loans	31,36,33,250	12,66,41,370
Long Term Loans	1,20,47,71,364	97,69,26,895
Total	3,37,60,58,256	3,22,63,94,271
SCHEDULE: 10		
OTHER FIXED ASSETS (INCLUDING FURNITURE & FIXTURES)		
At Cost on 31st March of the preceding year	4,04,60,441	3,81,66,813
Additions during the year	78,81,987	37,83,855
	4,83,42,428	4,19,50,668
Deduction during the year	(11,31,185)	(14,90,227)
	4,72,11,243	4,04,60,441
Depreciation to date	(2,52,66,386)	(2,35,24,549)
Total	2,19,44,857	1,69,35,892
SCHEDULE: 11		
OTHER ASSETS:		
(i) Interest receivable		
On Investments	3,71,97,743	3,63,18,175
On Non-Performing advances (contra)	3,82,57,191	2,66,84,390
ii) Stationary and Stamps	5,71,753	9,72,568
iii) Income Tax refund receivable	22,57,817	7,74,759
iv) Income Tax Refund Receivable from Income Tax Department	-	1,42,92,445
v) Deferred Tax Asset	1,08,26,400	1,03,10,920
vi) Others (Details enclosed)	74,23,213	71,13,695
Total	9,65,34,117	9,64,66,952

(Amount in ₹)

	As at 31-03-2024	As at 31-03-2023
Details of "Others" under Other Assets:		
i) Staff advances	8,64,000	8,27,400
ii) Prepaid expenses	4,77,745	4,45,686
iii) Telephone Deposit	1,55,995	1,55,995
iv) Rental Deposit	57,44,091	53,34,292
v) Electricity Deposit	36,000	1,41,422
vi) Sundry Debtors	1,45,382	2,08,900
Total	74,23,213	71,13,695
SCHEDULE: 12		
Cotigent Liability		
i) Claims against the Bank not acknowledged as Debts		
ii) Guarantees given on behalf of Constituents	44,80,000	98,50,000
iii) Acceptances, Endorsements and Other Obligations	-	-
iv) Income Tax Demands	-	-
v) Amount Transferred to DEAF	1,62,52,998	1,52,32,309
vi) Other items for which the bank is contingently liable	-	2,38,742
Total	2,07,32,998	2,53,21,051
SCHEDULE: 13		
INTEREST EARNED		
Interest/ Discount on Advances / Bills	41,05,35,698	33,40,89,470
Income on Investments	11,91,16,030	12,01,74,995
Interest on Balances with RBI and Other Inter Bank Funds / Call Money lending	4,17,66,297	5,35,56,639
Total	57,14,18,025	50,78,21,104
SCHEDULE: 14		
OTHER INCOME		
Commission, Exchange and Brokerage	8,25,793	5,47,740
Interest on Income Tax Refund	6,05,664	51,43,327
Incidental Charges	67,351	27,209
Income on Lockers	9,67,133	10,55,550
Miscellaneous Income	2,08,66,278	2,25,13,241
Excess Provision Written Back	93,55,000	-
Total	3,26,87,219	2,92,87,067
SCHEDULE: 15		
INTEREST EXPENDED		
Interest on Deposits	35,55,36,715	32,82,01,854
Interest on RBI / Inter Bank Borrowings	85	494
Others	-	-
Total	35,55,36,800	32,82,02,348

(Amount in ₹)

	As at 31-03-2024	As at 31-03-2023
SCHEDULE: 16		
OTHER OPERATING EXPENSES		
Rent, Taxes and Lighting etc	1,20,32,123	1,17,87,112
Insurance	65,26,492	59,60,776
Law Charges	9,96,424	8,01,854
Postage, Telegrams & Telephone Charges	3,17,806	4,43,250
Auditors fees and Expenses	1,95,000	1,65,000
Depreciation on Bank's Property	28,22,318	25,60,708
Repairs & Maintenance	13,24,307	11,99,584
Core Banking & Internet Banking Expenses	32,35,251	31,81,076
Interest on Income Tax	2,91,574	14,54,445
Printing and Stationery	12,82,886	8,97,556
Advertisement and Publicity	9,89,129	10,90,551
Director's Fees, Allowances and Expenses	11,64,400	15,53,700
GST Expenses	30,92,483	20,75,993
Security Charges	19,50,213	16,94,674
Other Expenditure	1,00,23,637	88,24,915
Total	4,62,44,043	4,36,91,194
SCHEDULE: 17		
PROVISIONS AND CONTINGENCIES:		
Provision for Gratuity	89,25,699	12,86,875
Provision for Leave Encashment	30,38,188	2,57,875
Provision for Bonus / Ex-gratia	3,17,169	3,40,195
Provision for Standard Assets	4,41,530	14,08,306
Provision for Depreciation on Investments charged during the year	-	1,17,57,000
Provision for Depreciation on Bonds	-	29,05,475
Provision for ATM maintenance	2,23,900	-
Provision for Bad & Doubtful Debts	3,40,00,000	34,03,221
Provision for contested case		2,90,002
Total	4,69,46,486	2,16,48,949



SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. ACCOUNTING POLICIES:

1. General:

The Financial Statements are prepared on historical cost convention and on accrual basis of accounting, unless otherwise stated, by following going concern assumption and confirm in all material aspects to the statutory provisions, regulatory guidelines and Generally Accepted Accounting Principles in India. The financial statements comply with the applicable mandatory accounting standards issued by the Institute of Chartered Accountants of India. The accounting policies are consistently applied, except for the changes disclosed, if any, in the financial statements with those used in the previous year.

2. Investments:

The Investments, other than Term Deposits with Banks/Institutions, are classified in accordance with Reserve Bank of India guidelines under three categories i.e., "Held to Maturity", "Available for Sale" and "Held for Trading" which is decided at the time of acquisition in accordance with the Reserve Bank of India (RBI) guidelines on Classification and Valuation of Investments for all Primary (Urban) Co-Op Banks.

Transfer of scrips, if any, from one category to another, is done at the lowest of acquisition cost/book value/market value on the date of transfer. Depreciation, if any, on such transfer is provided in accordance with guidelines issued by Reserve Bank of India from time to time.

Investments are disclosed in the Balance Sheet (schedule-8) under (i) Government Securities, (ii) Other Approved Securities (iii) Shares, (iv) Debentures & Bonds and (v) Others for the purpose of aggregation in the values. The net depreciation in any category is provided and net appreciation in any category is ignored. Valuation of investments is done in accordance with the guidelines issued by Reserve Bank of India.

The Statutory Reserve fund is invested in Government and trustee securities or other approved securities or in fixed deposits with the District Co-Operative Central Bank or the State Co-operative Bank or Banks as permitted by law.

(i) Held to Maturity:

Securities acquired with an intention to hold them up to maturity are categorised in this category. Investments under this category are carried at acquisition cost net of amortization. The premium paid, if any, on the investment under this category is amortised over the period remaining to maturity of the particular assets. Profit on Sale /Redemption of Investments, is first credited to the profit and loss account and thereafter transferred to Investment Fluctuation Reserve as an appropriation from the Profit and Loss Account in accordance with the RBI guidelines. Loss on sale/redemption of investments is taken to the Profit and Loss account.

(ii) Held for Trading:

Securities acquired with an intention to trade by taking advantage of the short-term price/interest rate movements are classified under this category subject to holding of such securities not beyond 90 days. The individual scrips under this category are marked to market. The book value of individual securities would not undergo any change after marking to market.

(iii) Available for Sale:

Securities which do not fall within the above two categories are classified under AFS category.

All quoted securities, in AFS category and HFT category, are valued at market rates/quotes declared by FBIL. Unquoted securities are valued as per norms laid down by Reserve Bank of India. Net appreciation in each category, if any, based on the valuation, is ignored and net depreciation, if any, is fully provided for by creating Investment depreciation Reserve (IDR).

In the event provisions created on account of depreciation in the AFS and HFT category are found to be in excess of the required amount in any year, the excess is credited to the profit and loss Account and an equivalent amount (net of taxes, if any, and net of transfer to Statutory Reserves as applicable to such excess provision), is appropriated to IFR/IDR account to be utilised to meet future depreciation requirement for investments in this category.

Income recognition, provisioning, profit on sale of securities, decrease in market value of securities in AFS category and in the event of creation of excess provision for depreciation in AFS and HFT category in any year and appropriation of the same are done as per the extant guidelines of Reserve Bank of India in respect of such categories of securities.

Bank has followed the guidelines given by Reserve Bank of India for treatment of AFS securities.

3. Advances:

Advances are classified as performing and non-performing assets and provisions are made in accordance with the prudential norms prescribed by the Reserve Bank of India. All advances have been classified under the following categories.

- i) Standard Assets
- ii) Sub-Standard Assets
- iii) Doubtful Assets
- iv) Loss Assets

The provision required to be made on the above categorized advances are provided as follows:

- | | |
|----------------------------------|------------------------------------|
| a) In respect of standard assets | – Direct Agriculture /SME 0.25 % |
| | – Commercial real estate 1% |
| | – CRE – Residential Housing 0.75 % |
| | – All others 0.40% of outstanding. |

The provisions on Standard Assets are reflected in Schedule 5 of the Balance Sheet under the head “Other Liabilities and Provisions” and are not considered for arriving at Net NPAs.

- | | |
|--------------------------------------|--|
| b) In respect of sub-standard assets | – 10% of the outstanding. |
| c) Doubtful assets Secured portion | – 20% up to one year, 30% above one year to 3 years and 100% above 3 years and 100% on the unsecured portion of the outstanding. |
| d) 100% on Loss Assets. | |

4. Income and Expenditure:

Income/Expenditure is accounted on accrual basis except that:

- a. Interest income on Non-Performing Advances and Non-performing Investment is accounted as per prudential norms laid down by the Reserve Bank of India.
- b. Commission, Exchange, rent on lockers etc., are accounted on realization.
- c. Adequate provision is made in respect of interest payable on matured term deposits.
- d. Interest on Government securities and other fixed income securities is recognized on accrual basis.
- e. Income on discounted instruments is accounted on effective interest method over the tenure of the instrument.
- f. All expenses are accounted on accrual basis.



5. Employee Benefits:

The Bank has provided for its employees benefits as per AS 15, as under:

- (i) Retirement benefits in the form of Provident Fund are charged to Profit and Loss account for the year when the contribution to the fund is due.
- (ii) Gratuity and Leave Encashment liability are non-contributory defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- (iii) Bonus is provided to eligible staff members as per Bonus act.

6. Fixed Assets:

Premises and Fixed assets are accounted on historical cost basis. Depreciation is provided on written down value method on all the assets, except on computers where straight line method is adopted. Rates of Depreciation on all types of fixed assets are as under:

Furniture	10.00%
Electrical	15.00%
Computers	33.33%

In case of CBS software cost, the useful life is assessed as 5 years and the cost is amortised over a period of 5 years i.e., 20% per year under straight line method.

Depreciation is calculated on proportionate basis for the fixed assets purchased/ disposed off during the year. The Bank has not revalued any Fixed Assets during the period under review.

7. Net Profit for the year:

The Net Profit disclosed in the Profit and Loss Account is after:

1. Provision on advances in accordance with the Reserve Bank of India guidelines.
2. Provision for depreciation on investments as per Reserve Bank of India guidelines.
3. Provision for depreciation on fixed assets.
4. Provision for taxation
5. Provision on Standard Assets
6. Other usual and necessary provisions and adjustments.

8. Special Reserve:

Revenue and other Reserves include Special Reserve created under section 36(i) (viii) of the Income Tax Act, 1961. The Board of Directors of the Bank have passed a resolution approving creation of the Reserve, confirming that it has no intention to make withdrawal from the Special Reserve.

9. Provision for taxation:

Provision for tax is made for both Current and Deferred Taxes.

Current Income Tax:

Current Income Tax is determined on the profits for the year in accordance with the provisions of Income Tax Act, 1961 and the rules framed there under.

Deferred Tax:

- i) Deferred tax asset and liability arising on account of timing differences and which are capable of reversal in subsequent periods are recognised using the tax rates and laws that have been enacted or substantively enacted as of Balance Sheet date.
- ii) Deferred tax asset is recognised when the virtual certainty that sufficient future taxable income will be available against which such deferred tax asset will be realised.

B. Notes on Accounts:

(1) Regulatory Capital :

(a) Composition of Regulatory Capital :

₹ in crores

No.	Particulars	Current Year	Previous Year
i)	Paid up share capital and reserves	60.32	57.36
ii)	Other Tier 1 capital	NIL	NIL
iii)	Tier 1 Capital (i+ii)	60.32	57.36
iv)	Tier 2 capital	4.64	4.49
v)	Total Capital (Tier 1 +Tier 2)	64.96	61.85
vi)	Total Risk Weighted Assets (RWAs)	351.07	329.94
vii)	Paid up share capital and reserves as a percentage of RWAs	17.18%	17.38%
viii)	Tier 1 ratio (Tier 1 capital as a percentage of RWAs)	17.18%	17.38%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.32%	1.36%
x)	Capital to Risk weighted Assets Ratio (CRAR)		
	(Total Capital as a percentage of RWAs)	18.50%	18.74%
xi)	Amount of paid up share capital raised during the year	0.50	0.05
xii)	Amount of non-equity Tier 1 capital raised during the year.	NIL	NIL
xiii)	Amount of Tier 2 capital raised during the year	0.15	0.07

(2) Asset Liability Management:

Maturity Pattern of certain items of assets and liabilities:

₹ in crores

	Day 1	2 to 7 days	8 to 14 days	15 to 30 days	31 days to 2 months	Over 2 months and to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	11.10	2.26	2.83	5.35	11.15	12.78	68.34	144.19	259.68	3.96	1.41	523.05
Advances	16.78	5.26	0.18	0.70	12.01	4.17	35.53	98.99	30.20	33.01	100.78	337.61
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.54	3.40	161.92	170.86

(3) INVESTMENTS:

- a) The Bank as on 31-03-2024 holds Rs.10509.19 lakhs (previous year Rs.10643.18 lakhs) under Investments in Held to Maturity category, comprising investments acquired with the intention to hold these securities till maturity. The balance of premium for the remaining period of maturity as at year ended 31-03-2024 is Rs.11.57 lakhs (Previous year Rs. 15.83 lakhs), which shall be amortized on yearly basis.
- b) The Bank as on 31-03-2024 holds Rs.6379.88 lakhs (previous year Rs. 6379.88 lakhs) under Investments in Available for Sale category. In respect of "Available for Sale" category, there is a depreciation of Rs.185.77 lakhs (previous year depreciation Rs.259.92 lacs) over and above the purchase price.



c) Composition of Investment Portfolio:

As at 31.03.2024

(In ₹)

	Investments in India						
	Government securities	Other approved securities	Shares	Debentures and Bonds	Subsidiaries and/or Joint Ventures	Others	Total Investments in India
Held to Maturity							
Gross	105,09,18,915	0	0	0	0	0	105,09,18,915
Less: Provision for Non-performing investments (NPI)	0	0	0	0	0	0	0
Net	105,09,18,915	0	0	0	0	0	105,09,18,915
Available for Sale							
Gross	46,44,08,423	0	0	17,35,80,224	0	1,97,50,500	65,77,39,147
Less: Provision for Depreciation and for Non-performing investments (NPI)	1,56,72,000	0	0	29,05,475	0	1,97,50,500	3,83,27,975
Net	44,87,36,423	0	0	17,06,74,749	0	0	61,94,11,172
Held for Trading							
Gross	0	0	0	0	0	0	0
Less: Provision for Depreciation and for Non-performing investments (NPI)	0	0	0	0	0	0	0
Net	0	0	0	0	0	0	0
Total Investments	1,51,53,27,338	0	0	17,35,80,224	0	1,97,50,500	170,86,58,062
Less: Provision for Non-performing investments (NPI)	0	0	0	0	0	1,97,50,500	1,97,50,500
Less: Provision for Depreciation and for Non-performing investments (NPI)	1,56,72,000	0	0	29,05,475	0	0	1,85,77,475
Net	1,49,96,55,338	0	0	17,06,74,749	0	0	1,67,03,30,087

As at 31.03.2023

	Investments in India						
	Government securities	Other approved securities	Shares	Debentures and Bonds	Subsidiaries and/or Joint Ventures	Others	Total Investments in India
Held to Maturity							
Gross	105,13,45,290	0	0	0	0	0	105,13,45,290
Less: Provision for Non-performing investments (NPI)	0	0	0	0	0	0	0
Net	105,13,45,290	0	0	0	0	0	105,13,45,290
Available for Sale							
Gross	46,44,08,423	0	0	17,35,80,224	0	1,97,50,500	65,77,39,147
Less: Provision for Depreciation and for Non-performing investments (NPI)	2,30,87,000	0	0	29,05,475	0	1,97,50,500	4,57,42,975
Net	44,13,21,423	0	0	17,06,74,749	0	0	61,19,96,172
Held for Trading							
Gross	0	0	0	0	0	0	0
Less: Provision for Depreciation and for Non-performing investments (NPI)	0	0	0	0	0	0	0
Net	0	0	0	0	0	0	0
Total Investments	151,57,53,713	0	0	17,35,80,224	0	1,97,50,500	170,90,84,437
Less: Provision for Non-performing investments (NPI)	0	0	0	0	0	1,97,50,500	1,97,50,500
Less: Provision for Depreciation and for Non-performing investments (NPI)	2,30,87,000	0	0	29,05,475	0	0	2,59,92,475
Net	149,26,66,713	0	0	17,06,74,749	0	0	1,66,33,41,462

(d) Movement of Provisions for Depreciation and Investment Fluctuation Reserve:

(Amount in ₹)

S.No.	Particulars	Current Year	Previous Year
(i)	Movement of provisions held towards depreciation on investments		
	(a) Opening Balance	4,28,37,500	3,10,80,500
	(b) Add: Provision made during the year	-	1,17,57,000
	(c) Net off tax appropriation	41,61,750	-
	(d) Less : Write Off/ write back of excess provisions during the year	74,15,000	-
	(e) Closing Balance	3,95,84,250	4,28,37,500
(ii)	Movement of investment Fluctuation Reserve		
	(a) Opening Balance	3,13,33,164	2,09,52,164
	(b) Add: Amount transferred during the year	9,05,000	1,03,81,000
	(c) Less: Drawdown	0	0
	(d) Closing Balance	3,22,38,164	3,13,33,164
(iii)	Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	5.05%	4.91%

e) Non-SLR Investment Portfolio:

(I) Non Performing NON – SLR Securities :

(₹ In cores)

S.No.	Particulars	Current Year	Previous year
a	Opening Balance	1.97	1.97
b.	Additions during the year since 1 st April	--	--
c.	Reduction during the above Period	--	--
d.	Closing Balance	1.97	1.97
e.	Total Provisions held	1.97	1.97

f) Issuer composition of Non-SLR Securities 31.03.2024

(₹ In Crores)

S. No.	Issuer	Amount		Extent of private placement		Extent of 'below investment grade' securities		Extent of 'unrated' securities		Extent of 'unlisted' securities	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
(1)	(2)	(3)		(4)		(5)		(6)		(7)	
1	PSUs	17.36	17.36	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	FIs										
3	Nationalized										
4	Banks										
5	Others Provision held towards depreciation	1.97	1.97	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total	19.33	19.33	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(g) SUMMARIZED POSITION OF THE BANK'S INVESTMENT:

(₹ In Crores)

S.No.	Types of Securities	As at 31.03.2024			As at 31.03.2023		
		Face Value	Book Value	Market Value	Face Value	Book Value	Market Value
1.	Government Securities						
	HTM	105.48	105.09	103.42	105.48	105.13	101.82
	AFS	46.44	46.44	44.87	46.44	46.44	44.13
	HFT	0.00	0.00	0.00	0.00	0.00	0.00
2.	Treasury Bills	0.00	0.00	0.00	0.00	0.00	0.00
3.	Commercial Paper	5.00	1.97	0.00	5.00	1.97	0.00
4.	Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00
5.	PSU - Bonds	16.50	17.36	17.07	16.50	17.36	17.26
	Total Investments	173.42	170.86	165.36	173.42	170.90	163.21
	DEPOSITS WITH BANKS	35.15	35.15	35.15	35.15	35.15	35.15
	Total		206.01			206.05	

(4) Asset Quality:

(a) Classification of advances and provisions held as on 31.03.2024

(₹ In cores)

	Standard	Non-performing			Total Non-performing Advances	Total
	Total Standard Assets	Sub-Standard	Doubtful	Loss		
Gross Standard Advances and NPAs						
Opening Balance	318.22	0.63	3.55	0.24	4.42	322.64
Add: Additions during the year					6.20	
Less: Reductions during the year					0.41	
Closing Balance	327.40	6.71	3.26	0.24	10.21	337.61
Reductions in Gross NPAs due to:						
i) Upgradation					0.00	
ii) Recoveries (excluding recoveries from up-garded accounts)					0.41	
iii) Technical/ Prudential Write-offs					0.00	
iv) Write-offs other than those under (iii) above					0.00	
Provisions (excluding Floating provisions)						
Opening Balance of provision held	1.13	1.26	1.25	0.24	2.75	3.86
Add: Fresh provisions made during the year					3.40	
Less: Excess provision reversed/write off loans					-	
Closing balance of provision held	1.17	2.64	3.27	0.24	6.15	7.32
Net NPAs						
Opening Balance		-0.63	2.30	0.00	1.67	
Add: Fresh additions during the year					2.39	
Less: Reductions during the year					0	
Closing Balance		3.56	0.50	0.00	4.06	

	Standard	Non-performing				Total
	Total Standard Assets	Sub-Standard	Doubtful	Loss	Total Non performing Advances	
Floating Provisions						
Opening Balance	NIL	NIL	NIL	NIL	NIL	NIL
Add: Additional provisions made during the year	NIL	NIL	NIL	NIL	NIL	NIL
Less: Amount draw down during the year	NIL	NIL	NIL	NIL	NIL	NIL
Closing Balance	NIL	NIL	NIL	NIL	NIL	NIL
Technical write-offs and the recoveries made thereon						
Opening balance of Technical / Prudential written-offs accounts	NIL	NIL	NIL	NIL	NIL	NIL
Add: Technical / Prudential write offs during the year	NIL	NIL	NIL	NIL	NIL	NIL
Less: Recoveries made from previously technical/ prudential written-off accounts during the year	NIL	NIL	NIL	NIL	NIL	NIL
Closing Balance	NIL	NIL	NIL	NIL	NIL	NIL

Classification of advances and provisions held as on 31.03.2023:

(₹ In cores)

	Standard	Non-performing				Total
	Total Standard Assets	Sub-Standard	Doubtful	Loss	Total Non-performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	231.60	9.23	3.29	0.24	12.58	244.18
Add: Additions during the year					0.64	
Less: Reductions during the year					8.80	
Closing Balance	318.22	0.63	3.55	0.24	4.42	322.64
Reductions in Gross NPAs due to:						
i) Upgradation						
ii) Recoveries (excluding recoveries from up-garded accounts)					8.16	
iii) Technical/ Prudential Write-offs						
iv) Write-offs other than those under (iii) above						
Provisions (excluding Floating provisions)						
Opening Balance of provision held	0.99	0.92	1.25	0.24	2.41	3.40
Add: Fresh provisions made during the year					1.05	
Less: Excess provision reversed/write off loans					0.71	
Closing balance of provision held	1.13	1.26	1.25	0.24	2.75	3.88
Net NPAs						
Opening Balance		8.31	1.86	0.00	10.17	
Add: Fresh additions during the year					0.06	
Less: Reductions during the year					8.56	
Closing Balance		-0.63	2.30	0	1.67	

	Standard	Non-performing				Total
	Total Standard Assets	Sub-Standard	Doubtful	Loss	Total Non-performing Advances	
Floating Provisions						
Opening Balance	NIL	NIL	NIL	NIL	NIL	NIL
Add: Additional provisions made during the year	NIL	NIL	NIL	NIL	NIL	NIL
Less: Amount draw down during the year	NIL	NIL	NIL	NIL	NIL	NIL
Closing Balance	NIL	NIL	NIL	NIL	NIL	NIL
Technical write-offs and the recoveries made thereon						
Opening balance of Technical / Prudential written-offs accounts	NIL	NIL	NIL	NIL	NIL	NIL
Add: Technical / Prudential write-offs during the year	NIL	NIL	NIL	NIL	NIL	NIL
Less: Recoveries made from previously technical / prudential written-off accounts during the year	NIL	NIL	NIL	NIL	NIL	NIL
Closing Balance	NIL	NIL	NIL	NIL	NIL	NIL

Ratios	Current Year	Previous Year
Gross NPA to Gross Advances	3.02%	1.37%
Net NPA to Net Advances	1.22%	0.52%
Provision coverage ratio	60.24%	62.16%

(b) Sector-wise Advances and Gross NPAs:

(₹ In cores)

S. No.	Sector	Current Year			Previous Year		
		Outstanding to Total advances	Gross NPAs	Percentage of Gross NPAs to total advances in that sector	Outstanding to Total advances	Gross NPAs	Percentage of Gross NPAs to total advances in that sector
i)	Priority Sector						
a)	Agriculture and allied activities	2.43	0	0	20.80	0	0
b)	Advances to Industries sector eligible as priority sector	172.25	8.19	4.75%	148.24	3.78	2.55%
c)	Services	52.87	-	-	46.3	0.22	0.48%
d)	Personal						
	Sub-total (i)	227.55	8.19	3.60%	215.34	4	1.86%
ii)	Non-priority sector						
a)	Agriculture and allied activities	0	0	0.00%	0	0	0.00%
b)	Industry	0	0	0.00%	0	0	0
c)	Services	0	0	0.00%	0	0	0.00%
d)	Personal	110.06	2.02	1.83%	107.3	0.42	0.39%
	Sub-total (ii)	110.06	2.02	1.83%	107.3	0.42	0.39%
	Total (i+ii)	337.61	10.21	3.02%	322.64	4.42	1.37%

c) Fraud accounts :

	Current year	Previous year
Number of frauds reported	NIL	NIL
Amount involved in fraud (₹ In crores)	NIL	NIL
Amount of provision made for such frauds (₹ In crores)	NIL	NIL
Amount of unamortised provision debited from 'other reserves' as at the end of the year (₹ In crores)	NIL	NIL

(5) Exposures:
a) Exposure to Real estate sector:

(₹ In crores)

Category	Current Year	Previous Year
i) Direct Exposure		
a) Residential Mortgages —	7.98	8.35
b) Commercial Real Estate —	21.13	20.61
c) Investments in Mortgage -Backed Securities (MBS) and other securitised exposures	NIL	NIL
(i) Residential		
(ii) Commercial Real Estate		
ii) Indirect Exposure	NIL	NIL
Total Exposure to Real Estate Sector	29.11	28.96

b) Exposure to Capital Market: NIL
c) Unsecured Advances:

(₹ In crores)

Particulars	Current Year	Previous Year
Total unsecured advances of the Bank	3.23	2.37
Out of above, amount of advances for which intangible securities such as charge over the rights, licenses, authority etc have been taken	NIL	NIL
Estimated value of such intangible securities	NIL	NIL

(6) Concentration of deposits, advances, exposures and NPAs:
a) Concentration of deposits :

(₹ In crores)

Particulars	Current year	Previous year
Total deposits of the twenty largest deposits	75.44	84.24
Percentage of deposits of twenty largest depositors to total deposits of the Bank.	14.42%	16.30%

b) Concentration of advances :

(₹ In crores)

Particulars	Current year	Previous year
Total advances of the twenty largest Borrowers	113.42	109.28
Percentage of advances of twenty largest Borrowers to total Borrowers of the Bank.	33.59%	33.87%

c) Concentration of exposures :

(₹ In crores)

Particulars	Current year	Previous year
Total exposure to the twenty largest borrowers/ customers	113.86	139.74
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the Bank on borrowers/ customers.	33.72%	43.31%

d) Concentration of NPAs:

(₹ In cores)

Particulars	Current year	Previous year
Total exposure to the top twenty NPA accounts	10.21	4.42
Percentage of exposure to the twenty largest NPA exposure to total Gross NPAs.	100%	100%

(7) Derivatives:

The Bank has not entered into any derivative transactions, both in the current year and previous year.

(8) Disclosure of Complaints :

a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman:

Sl.No	Particulars	Previous year	Current year
	Complaints received by the bank from its customers		
1.	Number of complaints pending at the beginning of the year	NIL	NIL
2.	Number of complaints received during the year	25	29
3.	Number of complaints disposed during the year	25	29
3.1	Of which, number of complaints rejected by the Bank	NIL	NIL
4.	Number of complaints pending at the end of the Year	NIL	NIL
	Maintainable complaints received by the bank from Office of Ombudsman		
5.	Number of maintainable complaints received by The bank from Office of Ombudsman	NIL	NIL
5.1	Of 5,number of complaints resolved infavour of The bank by Office of Ombudsman	NIL	NIL
5.2	Of 5,number of complaints resolved through Conciliation / mediation/advisories issued by Office of Ombudsman	NIL	NIL
5.3	Of 5,number of complaints resolved after Passing of Awards by Office of Ombudsman against the bank	NIL	NIL
6.	Number of Awards unimplemented with in the Stipulated time (other than those appealed)	NIL	NIL

Note : Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.

(b) Top five grounds of complaints received by the bank from customers:

Ground of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	Decrease in the number of complaints received over the Previous year	Number of complaints pending at the end of the year	Of 5, Number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Others	0	06	-04	0	0
Internet / Mobile / Electronic Banking ATM / Debit Cards	0	19	+1	0	0
Levy of charges	0	0	0	0	0
Total	0	25	-03	0	0
Previous Year					
Others	0	10	0	0	0
Internet / Mobile / Electronic Banking ATM/Debit Cards	0	18	12	0	0
Levy of charges	0	1	0	0	0
Total	0	29	0	0	0

(9) Other Disclosures :
a) Business Ratios :

Particulars	Current year	Previous year
(i) Interest Income as a percentage to Working capital Funds	9.63%	8.69%
(ii) Non-interest Income as a percentage of Working Funds	0.55%	0.50%
(iii) Cost of Deposits	7.11%	6.91%
(iv) Net Interest Margin	3.77%	3.22%
(v) Operating Profit as a percentage to Working Funds	2.69%	2.16%
(vi) Return on Assets	1.21%	1.28%
(vii) Business (deposits plus advances) per employee (₹ In crores)	11.32	11.82
(viii) Profit per employee (₹ in crores)	0.10	0.11

B) Provisions and Contingencies :

(₹ In cores)

Provision debited to Profit and Loss account	Current year	Previous year
(i) Provision for NPI	NIL	NIL
(ii) Provision towards NPA	3.40	1.05
(iii) Provision made towards Income Tax	3.51	2.83
(iv) Other provisions and contingencies (with details)		
(a) Provision for gratuity	0.89	0.13
(b) Provision for leave encashment	0.30	0.03
(c) Provision for bonus/exgratia	0.03	0.03
(d) Provision for standard Assets	0.05	0.14
(e) Provision for depreciation on bonds	-	0.29
(f) Provision for contested case	-	0.03
(g) Provision on AFS securities on a/c of marked to market	-	1.17
(h) Provision on ATM maintenance	0.02	-

C) Payment of DICGC Insurance Premium:

(₹ In cores)

Particulars	Current year	Previous year
(i) Payment of DICGC Insurance Premium	0.63	0.58
(ii) Arrears in payment of DICGC premium	NIL	NIL

(d) Disclosure of facilities granted to directors and their relatives:

No facilities (fund or non-fund) are granted/outstanding to the directors and their relatives, companies or firms in which the directors are interested excepting deposit loans.

(10) During the financial year 2023-24, restructured accounts in terms of the restructuring packages are NIL (Previous Year-NIL).

(11) As per RBI Guidelines, the amount transferred to DEAF is to be reflected under Contingent Liabilities – Others. The position is as under:

(₹ In Lakhs)

S. No	Particulars	Current Year	Previous Year
(i)	Opening Balance of amounts transferred to DEAF	152.32	142.51
(ii)	Add : amounts transferred to DEAF during the year	17.82	9.81
(iii)	Less: Amounts reimbursed by DEAF towards claims	7.61	-
(iv)	Closing Balance of amounts transferred to DEAF	162.53	152.32

(12) Advances:

Additional information in respect of Advances as required Under Schedule 3 applicable to Co-operative Banks is as under (In ₹)

Particulars	Short Term Loans	Medium Term Loans	Long Term Loans
1. Secured by:			
Government & Approved Securities			
Other Tangible Securities	1825255754	313633250	1204771364
	(2099149414)	(126641370)	(976926895)
Unsecured	32397888	0	0
	(23676592)	(0)	(0)
Total	1857653642	313633250	1204771364
	(2122826006)	(126641370)	(976926895)
2. Due From:			
Individuals (including others, other than Co-Op. Institutions)	1857653642	313633250	1204771364
	(2122826006)	(126641370)	(976926895)
Co-Operative Institutions	0	0	0
	(0)	(0)	(0)
Total	1857653642	313633250	1204771364
	(2122826006)	(126641370)	(976926895)
3. Amounts Overdue (including NPAs)	701552057	104690784	237821156
	(254697278)	(174239)	(8417914)
4.Bad and Doubtful Debts (NPAs as per RBI Norms)	77182439	24410378	498877
	(42967137)	(0)	(1278928)

*Note : Figures in bracket relates to previous year.

(13) BORROWINGS: Fixed Deposits worth Rs. 10.48 Crore (previous year Rs.7.10 crore) are pledged with other banks as security for availing temporary overdrafts/ and as margin for Bank Guarantees issued on behalf of our customers.

(14) Penalty imposed by RBI: No penalty was imposed by RBI during the period under review.

(15) ACCOUNTING STANDARDS: In compliance with the guidelines issued by the Reserve Bank of India regarding requirements of the various Accounting Standards issued by the Institute of Chartered Accountants of India, following information is furnished:

a) Accounting Standard -5 – Net Profit or Loss for the period, prior period items:

There is no material prior period item included in Profit and Loss account which is required to be disclosed as per the Accounting Standard issued by the Institute of Chartered Accountants of India read with guidelines issued by RBI.

b) Accounting Standard-9 – Revenue Recognition:

As mentioned in Accounting Policy-4 of Schedule -18 certain items are accounted on cash basis on account of statutory/regulatory requirements and materiality.

c) Accounting Standard – 15 – Employee Benefits:

(i) The assumptions and other disclosures relating to the Actuarial Valuation of Gratuity are as under:

Valuation Results : The valuation results for the defined benefit gratuity plan as at 31/03/2024 are produced in the tables below: (In Rupees)

Changes in the Present Value of Obligation		Para 120 (c) of AS 15		
		Gratuity (Non funded)		Leave Encashment
Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Defined Benefit Obligation at the beginning	24744386	10211801	257875	281406
Current Service Cost	1287770	527228	886364	-
Interest Cost	1782697	671616	-	-
Prior Service Cost – Vested benefit	-	-	3698509	-
Prior Service Cost – Non-Vested benefit	-	-	-	-
Curtailments	-	-	-	-
Benefits Paid directly by the Company	-1631129	-1845003	-971809	-972471
Benefits Paid from Fund	-	-	-	-
Net transfer in/(out) (including the effect of any business combinations /divestitures)	-	-	-	-
Actuarial Loss / (Gain) on Obligation	3645191	88031	-832751	948940
Defined Benefit Obligation at the end	26548243	9653673	3038188	257875

Changes in the Fair Value of Plan Assets		Para 120 (e) of AS 15		
		Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023	Financial Year Ending 31/03/2024
Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Fair Value of Plan Assets at the beginning	-	-	-	-
Adjustment to Opening Balance	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Employer Contributions	1631129	1845003	971809	972471
Employee's Contributions	-	-	-	-
Benefits Paid	-1631129	-1845003	-971809	-972471
Net transfer in/(out) (including effect of any business combinations / divestitures)	-	-	-	-
Actuarial Gain / (Loss) on the Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end	-	-	-	-

Fair Value of Plan Assets		Para 120 (e) of AS 15		
		Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023	Financial Year Ending 31/03/2024
Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Fair Value of Plan Assets at the beginning	-	-	-	-
Adjustment to Opening Balance	-	-	-	-
Actual Return on Plan Assets	-	-	-	-
Employer Contributions	1631129	1845003	971809	972471
Employees Contributions	-	-	-	-
Benefits Paid	-1631129	-1845003	-971809	-972471
Net transfer in / (out) (including the effect of any business combinations / divestiture)	-	-	-	-
Fair Value of Plan Assets at the end	-	-	-	-
Excess of Actual over estimated return on Plan Assets	-	-	-	-

(In ₹)

Expenses Recognized in the Profit and Loss Account

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Current Service cost	1287770	527228	886364	-
Interest Cost on Obligation	1782697	671616	-	-
Past Service Cost	-	-	3698509	-
Expected Return on Plan Assets	-	-	-	-
Amortization of Prior Service Cost	-	-	-	-
Net Actuarial (Gain) / Loss to be recognized	364519	88031	-832751	948940
Transfer In / Out	-	-	-	-
Curtailment (Gain) / Loss recognized	-	-	-	-
Settlement (Gain) / Loss recognized	-	-	-	-
Expense recognized in Profit and Loss Account	34,34,986	1286875	3752122	948940

Amount for the Current Period

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Actuarial Loss / (Gain) for the current period – Obligation	364519	88031	-832751	948940
Actuarial Loss / (Gain) for the current period - Plan Assets	-	-	-	-
Total Actuarial Loss / (Gain) for the current period	364519	88031	-832751	948940
Actuarial Loss / (Gain) loss recognized in the current period	364519	88031	-832751	948940

Movement in the Liability recognized in the Balance Sheet

Particulars	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023	Financial Year Ending 31/03/2024	Financial Year Ending 31/03/2023
Present Value of Obligations as at the beginning	24744386	10211801	257875	281406
Expenses Recognized in P & L Statement	3434986	1286875	3752122	948940
Benefits Paid	-1631129	-1845003	-971809	-972471
Actual Return on Plan Assets	-	-	-	-
Acquisition Adjustment	-	-	-	-
Present Value of Obligations as at the end	26548243	9653673	3038188	257875
Assumptions				
Discount Rate	7.20%	7.64%	7.20%	7.64%
Rate of increase in compensation	12%	12%	12%	12%
Rate of return (expected) on plan assets	-	-	-	-
Attrition Rate	3%	3%	3%	3%

d) Accounting Standard 17 – Segment Reporting:

Part A: Business Segments

(₹ in crores)

Business Segments	Treasury		Corporate/ Wholesale		Retail Banking		Other banking Business		Total	
	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23
Particulars	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23
Revenue	16.09	17.37	34.32	27.98	6.73	5.43	3.27	2.93	60.41	53.71
Result	3.13	2.96	5.17	4.68	1.02	0.91	1.99	1.89	11.31	10.44
Unallocated expenses									--	--
Operating profit									11.31	10.44
Income taxes									3.51	2.83
Extraordinary profit/loss	--	--	--	--	--	--	--	--	--	--
Net Profit									7.39	7.12
Other Information	--	--	--	--	--	--	--	--	--	--
Segment Assets	170.87	170.91	282.28	270.20	55.32	52.44	108.69	109.41	617.16	602.96
Unallocated Assets									--	--
Total Assets									617.16	602.96
Segment Liabilities			406.75	404.56	79.71	78.49	130.70	119.92	617.16	602.96
Unallocated Liabilities									--	--
Total Liabilities									617.16	602.96

Part-B: Geographic Segments:

There is only one geographic segment namely Domestic segment.

e) Accounting Standard 18 – Related Party Disclosures:

Details are shown as per RBI guidelines - Refer Note No. 16(d)

f) Accounting Standard 22—Accounting for Taxes on Income- Deferred Tax:

(₹ in lakhs)

Timing Difference	31.03.2024		31.03.2023	
	DTL	DTA	DTL	DTA
Depreciation on Fixed Assets	2.46	-	0.06	-
Special Reserve Created u/s 36(1)(viii) of IT Act	21.28	-	18.12	-
Provision for Standard Assets	-	29.52	-	28.41
Provision for Other Liabilities	-	7.70	-	49.48
Provision for Staff benefits	-	75.26	-	24.95
Premium on Investments amortised	-	19.52	-	18.45
Total	23.74	132.00	18.18	121.29

g) Accounting Standard 28- Impairment of assets :

Assessment is made at each Balance sheet date whether there is any indication that a Fixed Asset is impaired. If any such indication exists, an estimate of the recoverable amount is made and impairment loss, if any, is provided for.

h) Accounting Standard 29- Provisions, Contingent Liabilities and Contingent Assets :

Past events leading to possible and present obligations is treated as contingent liability. Provision is recognised in the case of present obligation where the realisable estimate can be made and where there are probable outflow of resources embodying foregoing of economic benefits to settle the obligations. Contingent assets are neither disclosed nor recognised.

(16) DISCLOSURE AS PER RBI GUIDELINES:

(₹ in crores)

S. No.	Particulars	31.03.2024	31.03.2023
a)	Capital Risk Assets Ratio and movement in CRAR Capital Adequacy Ratio	18.50%	18.74%
b)	Advances against Shares and Debentures	0.00	0.00
c)	Advances against Real Estates, Construction business & Housing		
	Real Estate	6.81	6.20
	Construction Business	14.32	20.10
	Housing	7.98	8.35

S. No.	Particulars	31.03.2024	31.03.2023
d)	Loans and Advances to Directors, their relatives, Companies / Firms in which they are interested		
	Fund based	NIL	NIL
	Non-fund based	NIL	NIL
e)	Average Cost of Deposits	7.11%	6.91%
f)	Non-performing advances		
	% of gross NPA to Total Advances	3.02%	1.37%
	% of net NPA to Total Advances	1.22%	0.52%
g)	Movement in Non-Performing Advances		
	Opening Gross NPA	4.42	12.58
	Additions (Fresh NPA)	6.20	0.64
	Less: Recoveries	0.41	8.80
	Less: Write offs	0.00	0.00
	Closing Gross NPA	10.21	4.42
	Net NPA	4.06	1.67
h)	Profitability		
	Interest income to working fund	9.63%	8.68%
	Non-interest income to working fund	0.55%	0.50%
	Operating profit to working fund	2.69%	2.16%
	Return on assets	1.28%	1.28%
	Business (Deposit + Advances) per employee	11.32	11.82
	Profit per employee	0.10	0.11
i)	Provision made during the year towards		
	Non-Performing Assets	3.40	1.05
	Depreciation on Investments	-	1.18
	Provision for Standard Assets	0.04	0.14
	Provision for Income Tax & Deferred Tax	3.56	2.88
	Provisions for Others (Bonds)	-	0.29
j)	Movement in provisions for Non-Performing Advances		
	Opening Provision	2.75	2.41
	Additions	3.40	1.05
	Deletion	-	0.71
	Closing Provision	6.15	2.75
k)	DICGC premium paid	0.63	0.58

(17) Appropriation of profits will be made after the approval of the General Body.

(18) With regard to appropriation to "Establishment and Contingency Fund" as required U/s 31A (23) (f) read with Rule 36B, bank is maintaining appropriate records wherein amounts as per the above-mentioned requirements of Telangana Co-operative Societies Act, 1964 are being credited and monthly expenditure incurred and monitored accordingly.

(19) Previous year figures have been regrouped/rearranged wherever necessary.

For MATHESH & RAMANA

Chartered Accountants

ICAI FRN No. 002020S

Sd/-

(CA B.V.RAMANA REDDY)

Smt. Nirmala Daga

Sr. Vice Chairperson

Smt. Rajkumari Bai

Vice Chairperson

A.D. N. V. Prasad

Chief Executive Officer

Place : Hyderabad

Date: 27.06.2024

Partner

M No. 026967

APPROPRIATION OF PROFIT FOR THE YEAR 2023-24

Vide subject no.2 of the Agenda

Particulars	Amount in ₹	Amount in ₹
Opening Balance of Profit & Loss Account		14,05,72,265
Less: Appropriations made as approved by AGM		6,30,74,576
		7,74,97,689
Add: Transfer from General Reserve	7,50,00,000	7,50,00,000
		15,24,97,689
Less: Transfer to Building Fund	7,50,00,000	
Provision for Gratuity of earlier years	96,00,000	8,46,00,000
		6,78,97,689
Profit for the year 2023-24 after Tax		7,38,85,039
		14,17,82,728
Balance of profit available for Appropriation		
(a) Appropriation as per Co-operative Act		
(i) Co-operative Education Fund	1,50,000	
(ii) Common Good Fund	7,38,850	8,88,850
		14,08,93,878
(iii) 25% of Profit transferred to Statutory Reserve	1,84,71,260	
(iv) General Reserve Fund	50,00,000	
(v) Dividend 2023-24 @ 15%-- proposed	3,70,00,000	6,04,71,260
Balance available in un-distributed profit		8,04,22,618



PROGRESS AT A GLANCE

(₹ In Lacs)

Year	Share Capital	No. of Members	Deposits	Advances	Working Capital	Net Profit	Dividend %
1990-91	12.78	2219	199.35	101.10	215.18	0.24	
1992-93	22.71	2762	502.03	383.72	556.85	15.80	15
1994-95	30.51	3029	915.56	633.92	1047.98	20.37	20
1996-97	54.98	3570	2154.51	1070.75	2283.89	42.73	25
1998-99	83.98	4226	3751.08	1838.98	3987.91	50.19	28
2000-01	95.64	4483	5602.59	2958.46	5995.59	85.08	26
2001-02	99.63	4551	5534.89	3262.12	6067.54	90.42	
2002-03	103.73	5068	5151.56	3063.05	5787.83	90.62	10
2003-04	100.78	5473	5436.45	2480.69	5754.05	60.06	10
2004-05	103.89	6098	5432.48	2813.17	5702.13	49.35	15
2005-06	109.07	6561	6204.49	2568.19	6548.86	52.82	16
2006-07	161.82	7175	6630.22	2906.42	7644.14	81.73	17
2007-08	186.91	7591	7222.62	3097.91	8401.91	143.39	17
2008-09	201.77	8012	8918.21	3532.59	10248.21	181.27	20
2009-10	240.06	8486	11521.32	4079.52	12375.36	181.14	20
2010-11	245.79	9224	12616.62	4891.90	13791.19	180.83	20
2011-12	320.52	9715	14418.88	6966.36	15743.49	177.81	20
2012-13	381.41	10442	15871.47	7834.78	17356.67	212.29	20
2013-14	438.36	9283	17318.68	8573.62	18884.82	229.63	20 Special 5
2014-15	464.15	7162	18961.54	10593.30	20671.86	257.39	20
2015-16	502.93	7701	22046.67	11945.83	23914.02	229.00	20
2016-17	983.13	8188	28221.49	12939.81	30447.66	329.12	20
2017-18	979.40	8167	30008.99	16020.81	32441.32	390.57	18
2018-19	1630.51	8721	38674.92	25583.78	41952.64	560.06	18
2019-20	2539.27	9834	41743.43	29425.83	46286.96	753.90	
2020-21	2539.17	8335	43659.12	25853.40	49224.27	632.01	15
2021-22	2511.53	8233	47080.41	24421.77	54192.36	529.92	15
2022-23	2452.83	8778	51667.84	32263.94	58461.72	766.14	15
2023-24	2471.96	9215	52305.41	33760.58	59326.65	738.85	

INTEREST RATE ON TERM DEPOSITS

S.No.	Period	Rate of Interest	
		For General	For Senior Citizens
1.	15 days to 30 Days	4.25%	4.75%
2.	31 days to 90 Days	4.75%	5.25%
3.	91 days to 180 Days	5.25%	5.75%
4.	181 days to 1 Year	6.50%	7.00%
5.	Above 1 Years to 3 Years	8.00%	8.50%
6.	Above 3 Years	7.50%	8.00%
7.	450 days (compounding quartely)	8.50%	9.00%
8.	900 days (Vardhaman Smart deposit Scheme) (Interest will be paid on maturity along with principal)	8.75% (Simple)	9.25% (Simple)
9.	RECURRING DEPOSITS		
	Above 1 Year to 3 Years	8.00%	8.50%
	Above 3 Years	7.50%	8.00%

Rate of Interest are subject to change from time to time.

INTEREST RATE ON LOANS & ADVANCES

Facility	Rate of Interest
Term Loans & Mortgage Loans, Secured Overdraft, Cash Credit, MSME	A+ 13.00 Other's - 14.00
Vehicle Loans	12.00
Personal Loans	14.00
Housing Loans	12.00
Education Loans	14.00



GOLD LOANS

VARDHAMAN SMART GOLD LOANS	9.75%
SHORT TERM GOLD LOANS	9.75%
OD AGAINST GOLD / JEWELLERY	12.00%



SERVICES

- ◆ Mobile Banking Services and deployment of BBPS services
- ◆ Three ATM's at Edenbagh, Ameerpet & A C Gaurds - Mahavir Hospital
- ◆ Free RTGS NEFT Transfers
- ◆ Internet Banking (View facility), SMS Alerts
- ◆ Any Branch Banking.
- ◆ Lockers Facility in all Branches,
- ◆ EMV Chip Based Rupay Debit Cards
- ◆ Short Term Gold Loans at attractive Rate of Interest
- ◆ Vardhaman – Personal Loans for business/personal consumption.
- ◆ Vardhaman Property Overdraft (VPOD) / Property Term Loan (VPTL) for various segments in the society
- ◆ Personalized Cheque Books
- ◆ Attractive Rate of Interest on Loans and Advances



**Inauguration New Premises Cash Cabin of
Lothukunta Branch by Sri. Shantilal Daga Director**



**The Board of Directors Customers and Staff at the
New Premises of Lothukunta Branch**



**VARDHAMAN (MAHILA)
CO-OP URBAN BANK LTD.**

honours its

Mahila Members and Customers

LAUNCHING

MAHILA SHAKTI
EXCLUSIVE FOR FEMALE CUSTOMERS

BENEFITS :

- ▶ Free RTGS / NEFT / UPI / Debit Card / SMS
- ▶ 10% concession in Locker Rent
- ▶ 0.50% concession on Personal & Consumer Loans
- ▶ Unsecured Personal Loans up to ₹ 50000/-*
- ▶ Special Consumer Loans Scheme up to ₹ 5 Lacs*
- ▶ No Processing charges

*conditions apply