PEOPLE'S URBAN CO-OPERATIVE BANK LTD. NO.51, TRIPUNITHURA **BALANCE SHEET AS AT 31ST MARCH 2023**

			As on 31-03-2023	As on 31-03-2022				As on 31-03-2023	As on 31-03-2022
		Capital and Liabilities	₹	₹			Property and Assets	₹	₹
1	/iii	Capital:			1		Cash		
	(i)	Authorised capital 1,80,00,000 (1,80,00,000) 'A' Class shares of Rs. 25/- each	45,00,00,000.00 5,00,00,000.00				In hand and with Reserve Bank of India, State Bank of India State Co-operative Bank		
		50,000 (50,000) 'B" Class shares of Rs. 1000/- each	50,00,00,000.00				and Central Co-operative Bank	1,36,79,35,801.65	1,29,21,40,270.0
	(ii)	Subscribed capital 1,13,56,442(1,17,04,618) 'A' Class shares of Rs. 25/- each	28,39,11,060.00		2	(i)	Balances with other banks Current deposits	22,90,04,782.70	33,58,05,603.6
		14,761 (17,608) 'B' Class shares of Rs. 1000/- each	1,47,61,000.00 29,86,72,060.00	1,76,08,000.00		(ii)	Savings bank deposits	215.00	215.0
	(iii)	Amount called and paid up	==,==,=,=,==					22,90,04,997.70	33,58,05,818.6
		1,13,56,442(1,17,04,618) 'A' Class shares of Rs. 25/- each each less calls unpaid	28,39,11,060.00	29,26,15,460.00			Money at call and short Notice	-	
		On 0 shares at Rs 0 each less calls unpaid			4		Investments		
		Of (iii) above held by (a) Individuals 28,39,11,060.00				(i)	In Central and State Government securities (at book	2.04.46.10.552.00	2 15 54 505 0
		(b) Co-operative institutions. (c) State Government 14,761 (17,608) 'B' Class shares of Rs. 1000/- each	1,47,61,000.00	1,76,08,000.00			value) Rs. 2,98,47,10,000.00 Market value Rs. 2,79,66,68,069.00	2,94,46,10,752.00	3,17,76,34,785.0
		12)/01 (1/3000) D Class sinites of 16, 1000/- cuch	29,86,72,060.00				7. Milet value 10. 2,7 2,00,00,000		
2		Reserve Fund and other reserves:				(ii)	Other trustee securities	-	
	(i) (ii)	Statutory Reserve Agricultural (Credit Stabilization Fund)	18,30,35,442.50	-		(iii)	Shares in co-operative institutions	1,25,000.00	1,25,000.0
	(iii) (iv)	Building Fund Dividend Equalization Fund	7,27,54,791.54 1,02,84,378.35 5,65,39,227.49	81,33,406.20		(:)	other than in item (5) below Other investments		
	(vi) (vii)	Special Bad Debts Reserve Bad and Doubtful Debts Reserve Investment Depreciation Reserve	7,02,93,691.00	-		(1V)	Other investments	2,94,47,35,752.00	3,17,77,59,785.0
	(viii)	Other funds and Reserves Capital Reserve	11,09,387.00		5		Investments out of the Principal/	2,94,47,33,732.00	3,17,77,39,783.0
		Investment Fluctuation Reserve Reserve for Computer Recoupment	8,19,35,750.00 27,66,630.00	8,19,35,750.00			Subsidiary State Partnership Fund In shares of -		
		Special Reserve u/s 36 (1)(viii) of I.T.Act Staff Welfare Fund	6,07,39,387.00 55,56,386.29	4,83,83,302.00 44,76,544.29		(i)	Central Co-operative Bank	-	
		Common Good Fund Vehicle Recoupment Fund	11,58,104.97 11,68,901.20			(ii)	Primary Agricultural Credit Societies	-	
$\mid \mid$		Revaluation Reserve Contingent Provision Against Standard Assets	12,37,05,605.55 5,67,17,877.16	5,17,92,827.16		(iii)	Other Societies	-	
		Members Relief Fund	1,00,000.00 72,78,65,560.05	1,00,000.00					
H		Principal/Subsidiary State Partnership	/ 4,/ 0,00,500.05	01,/2,74,1/8.90	6		Advances:		
3		Frincipal/Subsidiary State Partnership Fund Account:		-	j	(i)	Short-term loans, cash credits,		
	(i)	Deposits and other accounts: Fixed deposits				(-/	overdrafts and bills discounted	2,77,94,98,071.34	2,63,13,92,547.9
		(a) Individuals (b) Central Co-operative Banks	7,21,57,93,393.20	7,37,90,72,293.25			Of which secured against -		
		(c) Other societies	1,17,56,80,044.00	1,55,25,86,996.60			(a) Government and other approved securities		
	(ii)	Savings bank deposits	0.4.05.05.500.21	01 < 0.04 500.14					
		(a) Individuals (b) Central Co-operative Banks (c) Other societies	94,95,97,502.31 - 88,476.00	91,68,84,502.14 - 84,97,683.00			(b) Other tangible securities Of the advances, amount due from		
	(iii)	Current deposits	88,470.00	64,97,063.00			Individuals Of the advances, amount overdue		
	(===)	(a) Individuals (b) Central Co-operative Banks	7,70,04,251.37	8,18,87,148.51 -			Considered bad and doubtful of recovery * Rs. 1,84,86,680.06		
		(c) Other societies	95,58,579.08	2,52,67,288.45		(ii)	Medium-term loans	24,87,29,063.88	22,00,20,482.29
			9,42,77,22,245.96	9,96,41,95,911.95			Of which secured against -		
4		Borrowings	-				(a) Government and other approved securities		
5		Bills for collection being bills receivable as per contra	78,69,428.00	1,50,40,970.09			(b) Other tangible securities Of the advances, amount due from		
6		Branch Adjustments (Net)	-	-			Individuals Of the advances, amount due from Of the advances, amount overdue		
7		Overdue interest Reserve	11,27,58,984.40	15,46,96,902.00			Considered bad and doubtful of recovery * Rs. 5,04,34,233.00		
8		Interest payable	22,09,95,793.77	29,17,20,658.31		(iii)	Long-term loans	3,16,60,86,430.58	3,46,07,03,562.5
9		Other Liabilites					Of which secured against and		
	(ii)	Bills payable Unclaimed dividends and proposed dividend payable	98,53,274.70 94,15,256.00	1,67,07,316.79 2,26,79,095.00			(a) Government and other approved securities		
	(iii)	Suspense Sundries	97,03,856.90	47,55,264.90 63,29,559.02			(b) Other tangible securities		
	(v)	Provision for Non performing Assets	68,04,739.73 37,67,47,736.68	30,08,58,431.20			Of the advances, amount due from		
	(vi) (vii)	Provision for Leave benefit to employees Provision for Salary Revision	1,51,77,034.00	1,80,66,737.00			Individuals Of the advances, amount overdue		
	(ix)	Provision for Gratuity Provision for Deferred NPA/ Restructured Loans	3,44,25,570.77 83,31,643.30				Considered bad and doubtful of recovery * Rs. 21,76,88,793.37		
	(x) (xi)	Provision for Other Assets Provision against un-realided interest on NBA Asset	27,35,113.80 6,07,82,899.13	-					
	(xii) (xiii)	Provision for Income Tax Deferred Tax Liability	5,90,94,880.00	4,27,39,320.00 1,69,38,335.00				6,19,43,13,565.80	6,31,21,16,592.8
H			59,30,72,005.01	44,68,15,775.71	7		Interest receivable Of which overdue:	23,88,70,334.96	32,40,89,403.3
10		Profit and Loss Profit as per last Balance Sheet	3,06,63,829.96	2,94,50,442.00			Considered bad and doubtful of recovery Rs.11,27,58,984.40		
		Profit as per profit and loss account	5,88,21,165.32	9,04,29,491.43	8		Bills receivable being bills for		
		Less appropriations:	8,94,84,995.28	11,98,79,933.43	_		collection as per contra	78,69,428.00	1,50,40,970.0
		Statutory Reserves Education Fund Building Fund	1,17,64,233.00 60,000.00	1,80,85,968.00 60,000.00	10		Branch Adjustments Premises 16,17,16,144.45	41,38,666.00	1,14,70,361.0
		Building Fund Members Relief Fund Dividend Equalisation Fund	1,00,000.00 21,50,972.15	1,00,000.00	10		Premises 16,17,16,144.45 less: Depreciation 69,19,218.16	15,47,96,926.29	15,57,44,954.9
		Special Bad Debts Reserve Special Reserve (Sec36(1)(viii) of IT Act)	1,23,56,085.00		11		Furniture and fixtures 6,61,27,170.55 less: Depreciation 5,89,75,962.78	71,51,207.77	62,46,517.2
		Staff Welfare Fund Common Good Fund	15,00,000.00	15,00,000.00	12		Other assets (to be specified)		
		Computer Recoupment Fund Capital Reserve		5,76,000.00			Vehicles 43,05,312.00 less: Depreciation 38,67,601.96	4,37,710.04	8,92,642.5
		Investment Fluctuation Reserve Investment Depreciation Reserve Vehicle Recoupment Fund		1,87,98,496.64	13		Advance Income Toy	4 20 22 207 52	2 22 22 440 2
H		Vehicle Recoupment Fund Dividend paid for the year 2021-22		2,94,50,442.00	13		Advance Income Tax	4,29,22,397.50	3,22,33,660.0
H			6,15,53,705.13	3,06,63,829.96	14		Other Assets	2,06,50,863.48	47,46,189.1
		Contingent Liabilities			15		Non-banking assets acquired in satisfaction of claims (stating mode		
	(I)	Outstanding liabilities for guarantees issued					of valuation) - At cost. Asset taken over as per the valuation of the approved valuer.	23,76,82,131.13	16,23,64,522.0
		Guarantees given on behalf of Constituents in India Claim against the Bank not acknowledged	45,00,000.00	57,19,641.00	16		(Refer note No. Part B 16) Profit and Loss	-	
	(ii)	Others Depositor Education and Awareness Fund (DEAF-2014)	58,00,328.71	50,80,728.46	17		Deferred Tax assets		
		Expositor Education and Awareness Fund (DEAF-2014)		11,83,06,51,686.92			Total	11,45,05,09,782.32	11,83,06,51,686.9
ш			11,23,03,03,03,/82.32	11,03,00,31,080.92				report of even date	

Place: Tripunithura Date: 03-05-2023

As per our report of even date For Krishnamoorthy & Krishnamoor Chartered Accountants Firm's Reg No.0001488S (Sd/-) (KT Mohanan Place: Ernakulam Date: 03-05-2023 UDIN: 23201484BGWMEH4689 Partner (M.No.201484)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PEOPLE'S URBAN CO-OPERATIVE BANK LIMITED, TRIPUNITHURA.

Report on the Financial Statements:

We have audited the accompanying financial statements of the People's Urban Co-Operative Bank Limited ("the Bank"), which comprise the Balance Sheet as at 31st March, 2023, the Profit and Loss Account and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Bank's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act 1949, Accounting Standards issued by the Institute of Chartered Accountants of India in so far as they apply to the banks and the Guidelines issued by the Reserve Bank of India. This ii) responsibility includes the design, implementation and maintenance of internal controls 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. Auditor's Responsibility:

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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation read with the accounting policies followed by the Bank and Notes of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes

and the reasonableness of the accounting estimates made by the and give a true and fair view in conformity with the accounting Management, as well as evaluating the overall presentation of the financial statements.

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

Emphasis of Matter

Attention is invited to: Note No: 8 of Part B, being the Notes forming part of financial statements, explaining the rectification of the variations identified in the automation of Income Recognition, Asset Classification and Provisioning norms and the management's confirmation of having no material variations remaining unidentified as on the date of reporting.

Note No. 15 of Part B, being the Note forming part of financial statements, regarding the computation of deferred tax in accordance with Accounting Standard 22 (AS22), resulting in deferred tax asset and the management decision not to recognize the same as a matter of abundant caution.

iii) Note No.16 of Part B being the Note forming part of financial statements, regarding the creation of provision of Rs.607.83 lakhs, towards the interest recognized in respect of Non-Banking Assets which were taken possession and adjusted against the loan amount and interest due till the date of reporting, pending disposal of the said non-banking assets. Note No.17 of Part B being the Note forming part of financial

statements, regarding the restrictions on activities imposed by the Reserve Bank of India under Supervisory Action Frame Work (SAF).

Our opinion is not modified in respect of this matter Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements thereon give the information required by the Banking Regulation Act, 1949 in the manner so required for Co-operative banks and

evaluating the appropriateness of the accounting policies used the Guidelines issued by Reserve Bank of India from time to time

principles generally accepted in India: in the case of the Balance Sheet, of the state of affairs of the

Bank as at 31st March, 2023; ii) in the case of the Profit and Loss Account, of the profit for the

year ended on that date; and iii) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date

Report on Other Legal and Regulatory Requirements We report that:

(i) 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;

the transactions of the Bank, which have come to our notice, have been within the powers of the Bank.

(iii) the returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit. (iv) in our opinion, proper books of account, as required by law, have been kept by the bank so far as appears from our examination of

those books, and we further report that the Balance Sheet and the Profit and Loss account and the Cash Flow dealt with in this report are in agreement with the books of accounts and returns. in our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement, dealt with by this report comply with

the Accounting Standards issued by the Institute of Chartered Accountants of India read with guidelines issued by the Reserve Bank of India in so far as they apply to the bank.

> For Krishnamoorthy & Krishnamoorthy Chartered Accountants Firm's Reg No.0001488S

Place: Cochin - 16 Date: 03-05-2023 UDIN: 23201484BGWMEH4689

(Sd/-) (KT Mohanan Partner (M.No.201484)

	m It	31-03-2023	31-03-2022		Income	31-03-2023	31-03-2022
	Expenditure	₹	₹		Income	₹	₹
	Interest on deposits,			1	Interest and discount	1,04.54.31.014.31	98.45,19.882.82
_	borrowing, etc.	63,31,05,609,46	65,05,12,421.62	1	Interest and discount	1,04,54,51,014.51	90,43,19,002.0.
	borrowing, etc.	03,31,03,007,10	05,05,12,421.02	2	Commissions exchange and		
	Salaries and allowances and				brokerage	1,88,268.00	1,78,858.0
	provident fund	8,75,99,567.00	9,40,56,093.00	_			
_	Director's and local committee			3	Subsidies and donations	-	
	member's fees and allowances	6,42,450.00	5,89,700.00	4	Income from non banking assets and		
_	member o rees and anovances	0,12,100,00	510517 00100		profit from sale of or dealing with such		
	Rent, taxes, insurance, lighting etc.	3,25,12,814.14	3,00,31,002.33		assets	60,75,420.00	
_	Law charges	14,47,750.00	4,68,500.00	5	Other receipts Profit on sale of Investments(net)	01 45 500 00	(1.01.255.0
_	Postage, telegrams and telephone charges	13.82.020.00	12.51.967.95	_	Profit on sale of investments(net)	91,45,500.00	61,81,375.0
_	rostage, telegrams and telephone charges	13,02,020.00	12,51,507.55	6	Provision for NPA no longer required		
	Auditor's fees	20,75,336.92	31,54,404.85		reversed	-	
_	Depreciation and repairs to property	82,65,610.91	87,42,186.38	7	Profit on sale of Units of Mutual Funds	4,756.69	
_	Stationery, printing and advertisement, etc.	19,98,120,77	18,29,633.67	0	Profit on sale of fixed assets		5,76,000.0
_	Stationery, printing and advertisement, etc.	19,98,120.//	18,29,033.07	- 0	Profit on sale of fixed assets	-	5,/6,000.0
)	Loss from sale of or dealing with			9	Rent		
	non-banking assets	-	-				
	_						
l	Other expenditure	1,83,78,986.53	1,51,34,886.91	10	Transfer from Special Bad Debts		
_	1	-,-,-,-	-,-,-,-		Reserve		
_	16. 161 1707				Transfer from Dividend Equalisation		
2	M to M loss on AFS Investment	4,95,53,298.00	2,07,40,393.00	11	Fund	-	48,00,000.0
_							
3	Provisions & contingencies	49,25,050,00	3,45,948.00	12	Investment Depreciation Reserve (Excess Provision Reversed)		
_	Provision for standard assets Provision for Non Performing assets	7,58,89,305,48	5,91,98,083.00	_	(Excess Provision Reversed)		
_	Provision for Deferred NPA/Restructured	7,30,07,303.40			Provision For Other Assets no longer		
	Loans		35,18,500.00	13	required	16,48,103.00	50,000.0
	Provision for Gratuity	2,32,65,870.00	-				
	Provision for Overdue interest		-	14	Provision for Deferred NPA/ Restruc- tured Loans	50,26,856.70	
_	Provision for Leave benefit to Employees	(28,89,703.00)	(47,29,745.00)		no longer required		
	Provision for Salary revision	(20,05,700100)	(17,85), 10100)		9		
	Provision against un-realided interest on	6,07,82,899,13		1.5	Miscellaneous Income	3,09,19,863.96	3,08,82,593.3
_	NBA Asset	0,07,02,099.13		15	Miscenaneous income	-	
	Provision for Other Assets		43,06,411.00				
	Provision for Income tax(Income tax expenses)	5,76,21,967.00	4,08,51,590.00				
	Provision for Deferred tax liability/(Assets)	(1,69,38,335.00)	67,57,241.00				
_	N . D . C. (7)		0.01.00.15				
<u> </u>	Net Profit/(Loss) carried to Balance sheet	5,88,21,165.32	9,04,29,491.43				
_	Total	1,09,84,39,782.66	1,02,71,88,709.14			1,09,84,39,782.66	1,02,71,88,709.1
	2000	1,07,02,07,702,00	23023/ 13003/ 07:14			1,07,01,07,702,00	1,049/ 1,009/ 07:1
	Basic and Diluted earning per share (Rs.)	4.92	7.29				
	(Ref. Note No. B. 14 of Notes on Accounts) Notes on Accounts						

(Sd/-)

Don't color	2022-23	2021-22
Particulars	₹	₹
A.Cash Flow from Operating Activities		
Profit Before Tax	9,95,04,797.32	13,80,38,322.43
Adjustments for:		
Depreciation on Fixed Assets	49,30,763.37	57,61,124.90
Provisions and Contingencies	16,19,73,421.61	6,26,39,197.00
Reserve/Provisions Reversal	(66,74,959.70)	(48,50,000.00)
Provision for Salary Revision Reversal		
Operating Profit before Working Capital Change	25,97,34,022.60	20,15,88,644.33
Adjustment for Working Capital Change		
Advances	11,78,03,027.03	37,30,88,958.68
Investments	30,33,17,724.00	(87,41,50,696.00)
Other Operating Assets	(4,06,09,437.64)	(5,35,74,285.79)
Deposits	(53,64,73,665.99)	43,51,17,420.52
Borrowings	-	-
Other Operating Liabilities	(6,10,55,433.15)	8,21,722.63
Utilisation of various funds	(6,08,158.00)	(28,37,603.00)
Cash generated from Operations	4,21,08,078.85	8,00,54,161.37
Direct Taxes Paid	(5,19,55,144.50)	(2,91,71,710.00)
Net Cash Flow from Operations (A)	(98,47,065.65)	5,08,82,451.37
B.Cash Flow from Investment Activities		
Net Additions to Fixed Assets	(44,32,492.69)	(25,14,174.25)
Net Cash Flow from Investment Activities (B)	(44,32,492.69)	(25,14,174.25)
C.Cash Flow from Financing Activities		
Share Capital	(1,15,51,400.00)	8,00,100.00
Dividend Paid	(51,74,331.00)	(1,89,55,344.00)
Net Cash generated from Financing Activities (C)	(1,67,25,731.00)	(1,81,55,244.00)
D.Net increase in Cash and Cash Equivalents (A+B+C)	(3,10,05,289.34)	3,02,13,033.12
Cash and Cash Equivalents as at Opening	1,62,79,46,088.69	1,59,77,33,055.57
Cash and Cash Equivalents as at Closing	1,59,69,40,799.35	1,62,79,46,088.69

Date: 03-05-2023 UDIN: 23201484BGWMEH4689 PEOPLE'S URBAN CO-OPERATIVE BANK LTD.

Place: Ernakulam

(KT Mohanan

Partner (M.No.201484)

Notes on Accounts for the Year 2022-23

(Sd/-) Chairmar

Place: Tripunithura Date : 03-05-2023

Place: Tripunithur Date: 03-05-2023

A. Significant Accounting Policies
1. GENERAL 11. GENERAL

The Financial Statements have been prepared under the historical cost convention on accrual basis of accounting except for locker rent and bank guarantee commission which are recognized on cash basis and also for the recognition of interest on Non-Performing Advances, which is recognized in accordance with Income Recognition and Asset Classification norms prescribed by Reserve Bank

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosures of contingent liabilities at the date of the financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

nnancial statements are prudent and reasonable.

The Co-operative Bank is a Level I entity as per the latest announcement of criteria for classification of non-company entities for applicability of Accounting Standards issued by ICAI, which came into effect on 1st April 2020. Accordingly, the Accounting Standards applicable to the said level of entities has been complied with while preparing the financial statements.

Accounting Policies not referred to otherwise are consistent with generally accepted accounting principles including the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

2.INVESTMENTS

a) In terms of RBI guidelines, the entire investments portfolio has been classified under three categories for valuation purpose, viz., "Held to Maturity," 'Available for sale' and "Held for Trading."

b) Valuation of Securities:

i) Investments in "Held to Maturity" category are accounted for at acquisition cost. In case the cost is higher than the face value, the premium is amortised over the period remaining to maturity using constant Yield Method.

ii) Securities classified as "Available for Sale" are valued scrip-wise on a quarterly basis and net depreciation is provided for, while net ampreciation is ignored.

the tappreciation is ignored.

iii) Securities in "Held for Trading" category are revalued as on the last day of every month at the market price and the depreciation, if any, is provided for.

3. ADVANCES
Provision for Non-Performing Assets has been made based on asset classification and provisioning requirement under the prudential accounting norms laid down by the RBI and the same is included under Other Liabilities.
Contingent Provision against Standard Assets is maintained as per RBI guidelines and the same is included under Reserve fund and other reserves.
4. FIXED ASSETS (PROPERTY, PLANT AND EQUIPMENTS)

4. FIXED ASSETS (PROPERTY, PLANT AND EQUIPMENTS)

Premises and other fixed assets are stated at historical cost.

a) Depreciation on Buildings is provided at a flat rate of 2.50% on Straight Line Method.
b) Depreciation on Furniture and Fixtures is provided at a flat rate of 10% on Straight Line Method.
c) Depreciation on Computer & Computer Software is provided at a flat rate of 33.33% on Straight Line Method.
d) Depreciation on Motor Vehicles is provided at a flat rate of 30% in the year of addition, 25% for the second year, 20% for the third year, 15% for the fourth year and 10% for the fifth year on Straight Line Method.
e) Depreciation on Solar Power is provided at a flat rate of 20% on Straight Line Method.

5. STAFF BENEFITS

Defined Contribution Plan:

a) Defined Contribution Plan:
The Bank has defined contribution plans for employees comprising of Provident Fund. The contribution paid/ payable to these plans during the year is charged to Profit & Loss Account.
b) Defined Benefit Plan

by Defined Benefit Plan

As per the terms of employment, the long term benefits available are Gratuity and leave encashment. The obligation arising from defined benefit plans is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

6. INCOME RECOGNITION

a. Interest / discount on edinance / bill.

a. Interest / discount on advances / bills are recognized on accrual basis except on non- performing assets where the income is recognized only on realization.

b. Exchange, Brokerage, Commission & Rent on lockers are recognized on cash basis.
c. Income from Investments (other than income from mutual funds and income from non- performing investments) is recognized

on accrual basis.
PROVISION FOR TAXATION

7. PROVISION FOR TAXATION

 a) Income tax is computed in accordance with Accounting Standard on Accounting for Taxes on Income (AS22) which includes current tax and deferred tax. Current tax is computed applying the prevailing rate of tax for co-operative societies.
 b) Deferred Tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred Tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be sufficient future profit to absorb the asset.

 B. OTHER NOTES ON ACCOUNTS

 1. Format of Balance Sheet and Profit and Loss account:
 Section 56 was inserted to Ranking Regulations Act 1949 vide Amendment Act 39 which came into force on 29-9-2020 whereby.

1. Format of Balance Sheet and Profit and Loss account:

Section 56 was inserted to Banking Regulations Act 1949, vide Amendment Act 39, which came into force on 29-9-2020, whereby the various provisions of Banking Regulation Act has been made applicable to co-operative society doing banking business (including Urban Co-operative Banks). Accordingly, section 29 has been amended, whereby cooperative societies are required to prepare the Balance sheet and Profit and Loss account in accordance with the format prescribed under schedule III to Banking Regulations Act. Further Vide notification no.45/21.04.018/2021-22 dated 30/08/2002; the Reserve Bank of India has issued Master Directions on Financial Statement – Preparation and Disclosure. As per the said circular format of Balance Sheet and Profit and Loss account has been prescribed both for commercial banks and URBs. In the said notification, the format applicable to commercial bank is mentioned as "Form A" as per Third schedule and is reproduced as "Annexure" to the notification. It his annexure is in consonance mentioned as "Form A" as per Third schedule and is reproduced as "Annexure" to the notification. This annexure is in consonance with second Form A as per Third schedule. As per section 56(zjj) of the Banking Regulations Act, it is stated that the format of Balance Sheet and Profit and Loss applicable to UCBs is the form prescribed as per Third Schedule and the notification of RBI dtd.29-09-2020, also states that the form applicable to UCBs is the form prescribed under Third Schedule. Since the form prescribed as per the latest notification is for commercial bank, which is given as annexure to the notification, the Peoples Urban Co-operative bank is following the first "Form A" as per Third Schedule, in accordance with section 56 of Banking Regulation Act and also complying with the Notification dtd. 29-09-2020.

In accordance with AS 17 and with RBI guidelines in regard to business segments of banks, the operation of the bank is confined in one business segment. The Bank has only the domestic geographic segment.

3. Related Party Transactions Disclosure of facilities granted to directors and their relatives

11275.82

(Amount in ₹ Lakhs									
Nature of Transaction	Directors	KMP	Total						
Sitting Fee & Honorarium	6.42	-	6.42						
Remuneration	-	18.05	18.05						
Fixed Deposit	13.14	0.00	15.48						
Borrowings	-	3.83	3.83						
Interest Received	-	0.19	0.19						
Interest Paid	0.76	0.00	1.17						

TUESDAY 73.

4. Employee Benefits
a) Defined Contribution Plan:
i) Employees of the Bank are covered by Provident Fund to which bank makes a defined contribution measured as a fixed percentage of Basic Salary and Dearness Allowance.
b) Defined Benefit Plans:

i) Gratuity to Employees is covered under The Group Gratuity Scheme of LIC of India and the premium paid is charged to Profit and Loss Account. The additional liability, if any, arising on account of assessing the liability based on actuarial valuation as on the date of reporting and the fund balance with LIC, is provided.

a.Gratuity		(Rs.In Lakhs)*
Particulars	31-03-2023	31-03-2022*
Opening Defined benefit obligation	379.84	
Current Service cost	22.42	
Interest cost	27.53	
Benefits paid	-67.57	
Actuarial Losses/(Gain)	32.03	
Past Service cost		
Closing Defined Benefit obligation	394.25	
Change in Value of Assets:		
Opening Fair value of assets	171.47	
Expected Return on Plan assets	8.87	
Actuarial Gain/loss	0	
Contribution by Employer	48.82	
Benefits paid	-67.57	
Closing Fair value of assets	161.59	
Present Value of unfunded obligation	232.66	
Amount Receivable from LIC		
Amounts debited to Profit and Loss a/c. @	73.11	
Actuarial Assumptions used:		
Discount Rate	7.25	
Expected Return of Assets	7.00	
Salary Escalation Rate	7.00	

b. Leave Encashment:

The details are given below:

ii) Leave benefits to employees is provided on the basis of accumulated leave to the credit of the employees on the basis of eligible salary at the year end and the provision for the same is made based on the actuarial valuation assessing the outstanding lease as on the date of reporting.

The liability on account of leave encashment facility available to employees is provided based on actuarial valuation.

		(KS.III Lakiis).
Particulars	31-03-2023	31-03-2022*	
Opening Defined benefit obligation	180.67		
Fair value of assets	-		
Closing Defined benefit obligation	151.77		
Amount paid during the year			
Amounts debited to Profit and Loss a/c	(28.90)		
			_

* Since the actuarial valuation is obtained for the first time during the current year, no previous year figures are available.

5. Regulatory Capital

			(Rs.In Lakh
Sl. No.	Particulars	Current Year	Previous Yea
i)	Common Equity Tier 1 capital (CET 1)* / Paid up share capital and reserves@ (net of deductions, if any)	7335.32	6,263.16
ii)	Additional Tier 1 capital*/ Other Tier 1 capital		
iii)	Tier 1 capital (i + ii)	7335.32	6,263.16
iv)	Tier 2 capital	1535.84	2,071.89
v)	Total capital (Tier 1+Tier 2)	8871.16	8,335.05
vi)	Total Risk Weighted Assets (RWAs)	57318.19	59,092.40
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)* / Paid-up share capital and reserves as percentage of RWAs@	12.80	10.60
/iii)	vii) Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	12.80	10.60
ix)	ix) Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	2.68	3.51
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	15.48	14.11
xi)	Percentage of the shareholding of		
	a) Government of India	-	-
	b) State Government (specify name)\$	-	-
	c) Sponsor Bank\$	-	-
xii)	Amount of paid-up equity capital raised during the year	-115.51	8.00
(iii)	Amount of non-equity Tier 1 capital raised during the year, of which:	-	-
	Give list [1] as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.).		
(iv	Amount of Tier 2 capital raised during the year, of which	-	-
	Give list [2] as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.).		·

6. Asset liability management

Maturity pattern of certain items of assets and liabilities As at 31-03-2023

											(Amount 1	n ₹ Lakhs)
	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	1408.68	1077.88	1212.86	3461.23	5013.42	5934.20	128089.23	38142.89	16516.47	2018.89	1401.47	94277.22
Advances	68.56	803.69	945.72	2035.96	5278.13	3191.58	3564.74	9461.92	2483.33	3518.02	30591.49	61943.14
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	198.10	199.90	1845.51	27202.60	29446.11
Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others FD,SB&CD in other banks	737.83	983.77	1229.71	1229.71	737.83	0.00	201.00	5386.90	2964.08	0.00	2212.71	15683.54

7. Composition of Investment Portfolio

	Investments in India							Investments outside India				Total Investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross	13845.46						13845.46				-	13845.46
Less: Provision for non- performing investments (NPI)							-					
Net	13845.46						13845.46					13845.46
Available for Sale												
Gross	15600.65						15600.65				-	15600.65
Less: Provision for depreciation and NPI											-	
Net	15600.65						15600.65					15600.65
Held for Trading												
Gross												
Less: Provision for depreciation and NPI	-											
Net	-											
Total Investments	29446.11						29446.11				-	29446.11
Less: Provision for non- performing investments							-				-	
Less: Provision for depreciation and NPI							-					
Net	29446.11						29446.11					29446.11

715 41 51 05 202												
			I	Investments in Ir	ndia				Investments ou	tside India		Total Investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross	15,596.60						15,596.60				-	15,596.60
Less: Provision for non- performing investments (NPI)												
Net	15,596.60						15,596.60					15,596.60
Available for Sale												
Gross	16,387.15						16,387.15					16,387.15
Less: Provision for depreciation and NPI	207.40						207.40					207.40
Net	16,179.75						16,179.75					16,179.75
Held for Trading												
Gross	-											
Less: Provision for depreciation and NPI	-											
Net												
Total Investments	31,983.75						31,983.75				-	31,983.75
Less: Provision for non- performing investments	207.40						207.40				-	207.40
Less: Provision for depreciation and NPI												-
Net	31,776.35						31,776.35				-	31,776.35

Movement of Provisions for Depreciation and Investment Fluctuation Reserve

	(Amc	ounts in < takns)
Particulars	Current Year	Previous Year
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	0.00	0.00
b) Add: Provisions made during the year	702.94	0.00
c) Less: Write off / write back of excess provisions during the year	0.00	0.00
d) Closing balance	702.94	0.00
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	819.36	631.36
b) Add: Amount transferred during the year	0.00	188.00
c) Less: Drawdown	0.00	0.00
d) Closing balance	819.36	819.36
iii) Closing balance in IFR as a percentage of closing balance of investments $$ in AFS and HFT/Current category	5.25%	5.00%

c) Sale and transfers to/from HTM category - Nil

In respect of Investments in 'Held to Maturity' category, the amount of amortization of excess of acquisition cost over a) Exposure to real estate sector face value for the year is Rs.0.84 lakhs, (previous year Rs. 0.84 lakhs) and is netted against Income on investment grouped under the head 'Interest and discount' income.

d) Non-SLR investment portfolio i) Non-performing non-SLR investments

		(Amount in < Lakns)
Sl. No.	Particulars	Current Year	Previous Year
a)	Opening balance		-
b)	Additions during the year since 1st April	-	-
c)	Reductions during the above period		-
d)	Closing balance	-	-
e)	Total provisions held		-

ii) Issuer composition of non-SLR investments

(Amount in ₹ Lakhs)

Sr. No.	Issuer	Amount Extent of Private Investme Grade' Placement Grade' Securitie		ment de'	Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities				
(1)	(2)	(3	i)	(4)		(5)		(6)		(7)	
		Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
a)	PSUs										
b)	FIs										
c)	Banks										
d)	Private Corporates										
e)	Subsidiaries/ Joint Ventures			NIL							
f)	Others										
g)	Provision held towards depreciation										
	Total *										

e) Repo transactions (in face value terms) - Nil

8. Asset quality
a) Classification of advances and provisions held

(Amount in ₹ Lakhs)

Standard		Non-Perf	orming		Total
Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non Performing Advances	
51792.83	6192.60	5135.74	0	11328.34	63121.17
4925.05				1820.52	6745.57
-	-	-	-	7923.60	7923.60
56717.88	2359.16	2866.10		5225.56	61943.14
				5086.43	5086.43
				2837.17	2837.17
517.93	1,331.57	1,677.01	-	3,008.58	3,526.51
49.25	-	758.89	-	758.89	808.14
567.18	1331.57	2435.90	-	3767.47	4334.65
	4861.03	3458.73	-	8319.76	
	-		-	-	
	3833.44	3028.53	-	6861.97	
	1027.59	430.20	-	1457.79	
					-
	Total Standard Advances 51792.83 4925.05 - 56717.88	Total Standard Advances 51792.83 6192.60 4925.05	Total Standard Advances 51792.83 6192.60 5135.74 4925.05 56717.88 2359.16 2866.10 517.93 1,331.57 1,677.01 49.25 - 758.89 567.18 1331.57 2435.90 4861.03 3458.73 3833.44 3028.53	Total Standard Advances Sub-standard Doubtful Loss 51792.83 6192.60 5135.74 0 4925.05 56717.88 2359.16 2866.10 517.93 1,331.57 1,677.01 49.25 - 758.89 567.18 1331.57 2435.90 4861.03 3458.73 3833.44 3028.53	Total Standard Advances

Ratios (in per cent)	Current Year	Previous Year
Gross NPA to Gross Advances	8.44	17.95
Net NPA to Net Advances	2.53	13.96
Provision coverage ratio	72.10	26.56
D. T		

b) The recognition of income and classification of assets is done in accordance with the norms prescribed by the Reserve Bank of India and the process of IRAC norms compliance is generally automated. However, because of various technical snags noticed in the software system and also because of difficulty in incorporating the various directions issued by controlling authority in provisioning considering the pandemic situation, instances of technical glitches in automation of assets classification and income recognitions were observed at the time of review by the external auditors during the year. However, the bank management confirms that the entire possible technical snags in automating the asset classification and provisioning have been attended to and there will not be any material variations remaining unidentified as on the date of reporting.

c) Sector-wise Advances and Gross NPAs

		Current Yea	ar	Previous Year				
Sector*	Outstanding Total Advances Gross NPAs		Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector		
i) Priority Sector								
a) Agriculture and allied activities	705.58	8.01	1.13	929.07	203.55	21.9		
b) Advances to industries sector eligible as priority sector lending	201.49	0.36	0.18	140.03	2.39	1.7		
c) Services	28166.36	1351.67	4.80	29,807.26	4,878.91	16.3		
d) Personal loans	11514.78	1004.14	8.72	10,095.67	1,704.93	16.8		
Sub-total (i)	40588.21	2364.18	5.82	40,972.03	6,789.78	16.5		
ii) Non-priority Sector								
a) Agriculture and allied activities	2.94		-	3.00	-			
b) Industry	-		-	-	-			
c) Services	39.43	-	-	11.00	-			
d) Personal loans	21312.5	2861.08	13.42	22,135.14	4,538.56	20.5		
Sub-total (ii)	21354.93	2861.08	13.40	22,149.14	4,538.56	20.4		
Total (I + ii)	61943.13	5225.26	8.44	63,121.17	11,328.34	17.9		

c) Details of accounts subjected to restructuring

Asset Category	Particulars	Agriculture and allied (excluding activities MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total			
		CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
	Number of borrowers					4	2				
Standard	Gross Amount (₹ lakhs)						2,297.48				2,297.48
	Provision held (₹ lakhs)						133.59				133.59
	Number of borrowers										Nil
S u b - standard	Gross Amount (₹ lakhs)										
	Provision held (₹ lakhs)										
	Number of borrowers										Nil
Doubtful	Gross Amount (₹ lakhs)										
	Provision held (₹ lakhs)										
	Number of borrowers						4				
Total	Gross Amount (₹ lakhs)						2,297.48				2,297.48
	Provision held (₹ lakhs)						133.59				133.59

e) Details of financial assets sold to Asset Reconstruction Companies (ARCs) - Nil f) Details of non-performing financial assets purchased/sold from/to other banks/Financial Institutions/ NBFCs (excluding ARCs) - Nil

g) Fraud Accounts (Amounts in ₹ lakhs) Previous year Current year Number of frauds reported Amount involved in fraud (₹ lakhs) Nil Nil Amount of provision made for such frauds Not Applicable Not Applicable (₹ lakhs) Amount of Unamortised provision debited from 'other reserves' as at the end of the year. Not Applicable Not Applicable

(₹ lakhs) 9. Disclosure under Resolution Framework for COVID-19-related Stress

100						(Amounts in < lakns)	
00	Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half year	Of (A) NPA during the half year amount written off during the half-year	Of (A) amount paid by the borrowers during the half- year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year	
00	Personal Loans	provious and your (iz)		11011 7 001	111111 3 0 0 1	01 01110 11111 9 0111	
00	Corporate persons*						
36	Of which MSMEs	835.00				833.16	
%	Others						
	Total	835.00				833.16	

10. Exposures

(Amounts in ₹ lakhs) Current year Previous Year Category i) Direct exposure a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupie by the borrower or that is rented. Individual housing loans eligible for inclusion i priority sector advances shall be shown separately. Exposure would also include non 11215.83 12,160.57 fund based (NFB) limits b) Commercial Real Estate –
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multitenanted commercial premises, industrial or warehouse space, hotels, land acquisition. 59.99 70.04 development and construction, etc.). Exposure would also include non-fund base c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures Residential Commercial Real Estate 0.00 0.00

Total Exposure to Real Estate Sector 12,230.61 b) Exposure to capital market - Nil c) Unsecured advances Current year | Previous Year **Particulars** Total unsecured advances of the bank 966.39

ii) Indirect Exposure
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies

Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken Estimated value of such intangible securities 11. Concentration of deposits, advances, exposures and NPAs (Amount in ₹ lakhs) a) Concentration of deposits Particulars Current year Previous Year 10328.79 Total deposits of the twenty largest depositors

13623.24 Percentage of deposits of twenty largest depositors to total deposits of the bank 10.96 13.67 b) Concentration of advances (Amount in ₹ lakhs) Current year Previous Year **Particulars** Total advances to the twenty largest borrowers 9,699.76 Percentage of advances to twenty largest borrowers to total advances of the bank 15.60 15.36 c) Concentration of exposures (Amount in ₹ lakhs)

Particulars Current year Previous Year Total exposure to the twenty largest borrowers/customers 3090.96 2560.79 (Group borrowers) Percentage of exposures to the twenty largest borrowers/ customers to the total 4.99 12.30 exposure of the bank on borrowers/ customers d) Concentration of NPAs (Amount in ₹ lakhs) Current year Previous Year Particulars

Total Exposure to the top twenty NPA accounts 1408.00 3,696.14 Percentage of exposures to the twenty largest NPA exposures to total Gross NPAs. 32.63 (Amount in ₹ lakhs) 12. Transfers to Depositor Education and Awareness Fund (DEA Fund Particulars 2022-23 2021-22 Opening balance of amounts transferred to DEAF 50.81 29.05 Add: Amounts transferred to DEAF during the year 21.99 Less: Amounts reimbursed by DEAF towards claims Closing balance of amounts transferred to DEAF 50.81 13. Disclosure of Complaints

mary information on complaints received by the bank from customers and from the office of Banking Ombudsman

Sr. No	Particulars	Current year	Previous year					
	Complaints received by the bank from its customers							
1.	Number of complaints pending at beginning of the year	0	0					
2.	Number of complaints received during the year	9	4					
3.	Number of complaints disposed during the year	9	4					
3.1	Of which, number of complaints rejected by the bank	0	0					
4.	Number of complaints pending at the end of the year	0	0					
	Maintainable complaints received by the bank from Office of Ombudsman							
5	Number of maintainable complaints received by the bank from Office of Ombudsman	0	1					
5.1	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	0	1					
5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman		0					
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	0	0					
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0					

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

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ 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										
ATM/ Debit cards	0	7	0	0	0					
Others	0	2	0	0	0					
Total										
Previous Year										
ATM/ Debit cards	0	0	0	0	0					
Others	0	4	0	0	0					
Total	0	4	0	0	0					

14. Other Disclosures

Particulars	Current Year	Previous Year
i) Interest Income as a percentage to Working Funds	9.23	8.44
ii) Non-interest income as a percentage to Working Funds	0.47	0.37
iii) Cost of Deposits	6.62	6.58
iv) Net Interest Margin	2.61	1.86
v) Operating Profit as a percentage to Working Funds	1.76	1.67
vi) Return on Assets	0.51	0.79
vii) Business (deposits plus advances) per employee (in ₹ lakhs)	1370.35	1565.03
viii) Profit per employee (in ₹ lakhs)	5.16	8.70

b) Bancassurance business - Nil 14. Earnings per share (AS – 20)

The numerators and denominators used to calculate the earnings per share as per Accounting Standard – 20 issued by the Institute of Chartered Accountants of India are as under:

Particulars	Year ended 31-03-2023	Year ended 31-03-2022
Net profit as reported (Rs. In Lakhs)	588.21	904.29
Average number of shares outstanding 'A' class shares of Rs. 25/- each and 'B' class	1,19,46,882	1,24,08,938
shares of Rs. 1,000/- each (converted to Common Denomination of Rs. 25/- each)	4.92	7.29
Basic Earnings per share (Rs.)	4.92	7.29

15. AS 22 – Accounting for Taxes on Income
a) Provision for Income Tax of Rs. 5,76,21,967/- includes Current year provision for income tax of Rs.5,75,35,440/- and prior year's tax amounting to Rs. 86,527/b) The components of Deferred Tax Assets and Deferred Tax Liability arising out of timing difference are as follows:

As on 31-03-2023 As on 31-03-2022 **Particulars** Deferred Tax Liability (DTL) /(Assets) -(DTA) On account of depreciation difference 0.31 On account of special reserve u/s.36(1)(viii) of the Income Tax Act 152.87 169.07 154.62 169.38 Deferred tax Asset On account of Provision for loans and advances 1122.15 On account of provision for employees benefits and others 124.84 Sub-total 1246.99 Closing DTL /- (DTA) (Net) (1092.37)

c) During the year under consideration, the Management has assessed the computation of Deferred Tax in accordance with Accounting Standard 22 (AS 22), considering the deferred tax liability and deferred tax asset on account of timing difference. Accordingly, the deferred tax asset (considering the provision for Advances also) is more than the deferred tax liability. Since the deferred tax asset is more than the deferred ax liability, as a matter of abundant caution and considering the uncertainty of having sufficient future profit to absorb the deferred tax asset, he same has not been taken into account and is disclosed by way note above. During the previous year, only the deferred tax liability was being recognized, without taking into account the deferred tax asset. The impact of the same in the current year is reversal of opening deferred ax liability of Rs.169.38 lakhs.

16. Non-Banking Assets:

Non-Banking assets acquired in settlement of debts / dues are accounted at the lower of their cost of acquisition or net realizable value,

on-Banking assets acquired in settlement of debts / dues are accounted at the lower of their cost of acquisition or net realizable value, ased on the valuation of assets by an Approved valuer. Any valuation in excess of the amount due to the Bank is not recognized. Also, Non-anking assets acquired in satisfaction of claims includes certain non-banking assets, the title of the property of which is in the process of being ansferred to the Bank's name. During the year the Bank has accounted non-banking assets amounting to Rs.753.18 lakhs (Rs.439.54 lakhs) in ansterict to the Bains and the unrealized interest portion recognized as income out of these transactions is Rs.234.47 lakhs (Rs.178.01 lakhs).

As a matter of abundant caution, provision has been created for Rs.607.83 lakhs (nil) during the year towards the unrealized interest recognized are respect of Non-Banking Assets which were taken possession and adjusted against the loan amount and interest due till the date of reporting,

nding disposal of the said non-banking assets. ending disposal of the said non-banking assets.

During the year, the Bank had sold one property taken possession as a non-banking asset in earlier years and subsequently registered in tank's name for Rs.187.00 lakhs. Since the sale had taken place subsequent to the registration of the property in the name of the Bank, the xcess of sale consideration over the cost at which it is registered in the name of the Bank is treated as Profit on sale of non-banking asset, the mount being Rs.60.75 lakhs. Further in one of the cases of Non-Banking Asset, acquired during earlier year, while proceeding with acquisition rocedures, it is observed that there is claim form another Bank on the property and legal proceedings initiated. Pending disposal of the case y Hon'ble Chief Judicial Magistrate Court (CJM court), provision is created for the entire value of non-banking asset amounting to Rs.26.58 when during a late treate and the provision is retained negling disposal of the case. khs during last year and the provision is retained pending disposal of the case.

17. (a) Proposed Dividend:

(i) The Board of Directors has proposed a dividend of 10% per Equity Share [(Previous Year 10%) for the year ended 31st March 2023, subject to the approval of the shareholders at the ensuing Annual General Meeting. In terms of revised Accounting Standard (AS) – 4, 'Contingencies and events Occurring After Balance Sheet Date' issued by the Institute of Chartered Accountants of India, proposed dividend of Rs. 310.00 lakhs Previous yearRs.306.64 lakhs) is not recognized as Liability as on 31st March 2023, because no obligation exists as on the date of reporting

revious years. 5.00.04 taxis) is not recognized as an ask Lationity as on 31st March 2025, because no obligation exists as on the date of reporting and will be recognized as and when approved by the shareholders.

(b) Restriction imposed by Reserve Bank of India under Supervisory Action Frame Work (SAF):

The Reserve Bank of India vide order dtd. 1207/2022 has direction restricting the activities of the Bank, by imposing the Supervisory Action Frame Work (SAF), which restricted the activities of the Bank during the year, including advancing of loans and declaration of dividend. Consequent to this dividend of 10% per Equity Share for the year ended 31st March, 2022, proposed by the Boards of Directors could not be leclared in the General Meeting of Shareholders However, the Shares holders passed a resolution approving the declaration of dividend subject of Reserve Bank lifting the SAF restriction. Pending lifting the SAF restriction by the RBI, the dividend proposed by the Directors and approved whe shares holders have been recognized as a lightly the sequence and lighting a visite as on the date of reporting and will be precognized as and

to keerve Bank ming the SAP restriction. Frending firting the SAP restriction by the SAP restriction of the SAP re

retained, the amount being Rs.83.31 lakhs.

18. Disclosure on Divergence in Asset Classification and Provisioning for Non-Performing Assets as per RBI Circular wide DBR.BP.BC. NO.6321.04.018/2016-17, dated18th April 2017 – Nil

NO.63/21.04.018/2010-1/, dated18tin April 2017 - Nil

19. Reconciliation

Initial reconciliation of the inter-branch/office accounts has been completed as on 31.03.2022. Steps have been taken to eliminate the object of the bank's opinion, consequential impact on Profit and Loss Account will not be material.

21. Foreign Currency Assets and Liabilities

NIL

22. Payment of D.I.C.G.C Insurance Premium (Rs. in Lakks)

22. Payment of D.I.C.G.C Insurance Premium (Rs. in Lakhs)
a. Insurance Premium Paid (up to date)
b. Of the above arrears
119.36
b. Of the above arrears
23. Contingent Liabilities and provisions:
On account of counter guarantee given towards Bank Guarantee issued Rs.50.00 lakhs (Rs,50.00 lakhs)
24. Fixed Assets Valuation (Revaluation of Asset
This land was revalued during the year 2021-22 and total market value as on 24-03-2022 is Rs. 1237.95 Lakhs. The difference between revalued amount and book value of Rs. 1021.95 Lakhs is credited to Revaluation Reserve. Further a second revaluation of assets has been done on 14/03/2023, the value being Rs. 1287.47 lakhs. Considering the second revaluation, the revaluation reserve has been considered as part of tier I capital during the year, though the same has been considered as part of tier II capital during last year.
25. Previous year's figures have been re-grouped /recast, wherever necessary, to conform to the current year's presentation

For Krishnamoorthy & Krishnamoorthy Chartered Accountants Firm's Reg No.0001488S (Sd/-) Chief Executive Officer (Sd/-) (KT Mohanan

Place: Ernakulam Date : 03-05-2023. UDIN: 23201484BGWMEH4689 Place: Tripunithura Date: 03-05-2023. Partner (M.No.201484)