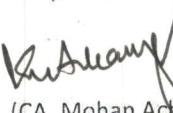


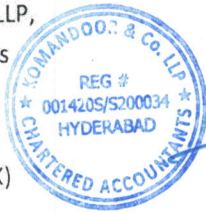
ANDHRA PRADESH GRAMEENA VIKAS BANK
HEAD OFFICE :: WARANGAL
FORM "A"
BALANCE SHEET AS AT 31st March 2022

('In 000s)


Particulars	Sch No.	As on 31.03.2022	As on 31.03.2021
<u>CAPITAL & LIABILITIES</u>			
Capital	1	9,40,850	9,40,850
Reserves & Surplus	2	4,71,11,643	3,91,33,254
Deposits	3	22,73,19,516	21,83,84,767
Borrowings	4	6,60,67,407	7,68,03,188
Other Liabilities & Provisions	5	2,18,51,392	1,25,47,064
Total		36,32,90,808	34,78,09,123
<u>ASSETS</u>			
Cash and Balances with RBI	6	1,00,74,415	88,99,891
Balances with Banks and Money at Call & Short Notice	7	6,77,80,307	6,73,93,080
Investments	8	6,78,38,233	6,06,66,999
Advances	9	19,86,89,822	19,91,97,423
Fixed Assets	10	8,06,387	7,44,824
Other Assets	11	1,81,01,644	1,09,06,906
Total		36,32,90,808	34,78,09,123
Contingent Liabilities	12	17,63,237	15,17,525

For Komandoor & Co LLP,
Chartered Accountants


(CA. Mohan Acharya K)
Partner
Mem No. 029082



For Andhra Pradesh Grameena Vikas Bank

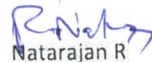

General Manager (OPS)
(K Eswara Subrahmanyamu)

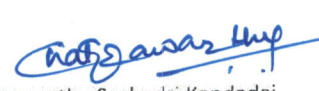




Chairman
(K. Praveen Kumar)

UDIN: 22029082 AHGF 707832

Pradeep Karunakaran
(Director)



Natarajan R
(Director)


Chakrawarthi Seshadri Kandadai
(Director)


Subhash Seraphim
(Director)

Ravi Rayi
(Director)

Satyanarayana KVV
(Director)


K. Praveen Kumar
(Director)

Place: Warangal

Date: 18th April 2022

ANDHRA PRADESH GRAMEENA VIKAS BANK
HEAD OFFICE :: WARANGAL
FORM "B"

PROFIT AND LOSS ACCOUNT For the period ended 31st March 2022

(In 000s)

Sl.No.	Particulars	Sch no	31.03.2022	31.03.2021
I	Income			
	Interest Earned	13	3,04,86,937	2,99,51,790
	Other Income	14	38,37,712	45,37,533
	TOTAL		3,43,24,649	3,44,89,323
			-	-
II	Expenditure			
	Interest Expended	15	1,34,24,723	1,48,22,733
	Operating Expenses	16	56,75,006	43,20,784
	Provisions and Contingencies		70,86,665	52,49,234
	Total		2,61,86,394	2,43,92,751
			-	-
III	Profit/Loss for the period		81,38,255	1,00,96,572
	Appropriation			
	Transfer to Statutory Reserves		16,27,651	20,19,314
	Transfer to other Reserves		2,77,118	2,34,556
	Transfer to Government/ proposed dividend		-	-
	Balance carried over to Balance Sheet		62,33,486	78,42,702

For Komandoor & Co LLP,
Chartered Accountants

K. Mohan Acharya K
(CA. Mohan Acharya K
Partner

Mem No. 029082

UDIN: 22029082 AHG F TO 7832

Pradeep Karunakaran
(Director)

Subhash Seraphim
(Director)

Place: Warangal

Date: 18th April 2022

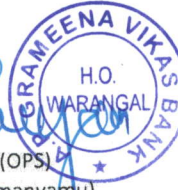
For Andhra Pradesh Grameena Vikas Bank

K. Eswara Subrahmanyam
General Manager (OPS)
(K Eswara Subrahmanyam)

Natarajan R
(Director)

Ravi Rayi
(Director)

K. Praveen Kumar
K. Praveen Kumar
(Director)



Chakrawarthy Seshadri Kandadai
Chakrawarthy Seshadri Kandadai
(Director)

Satyanarayana KVV
(Director)

K. Praveen Kumar
Chairman
(K. Praveen Kumar)

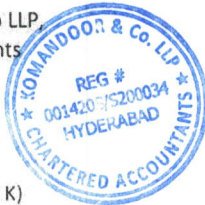
ANDHRA PRADESH GRAMEENA VIKAS BANK::HEAD OFFICE WARANGAL

CASH FLOW STATEMENT AS ON 31st March 2022. Rs. '000s

Particulars	31.03.2022	31.03.2021
Cash Flows from Operating Activities:		
Net Profit after Tax	81,38,254.00	1,00,96,572.00
Add:		
Depreciation debited to P&L	1,26,161.00	1,16,314
Provision for Income Tax	26,95,645.00	32,32,716
Investment Fluctuation reserve reversed	(1,59,866.00)	-
Deferred Tax Asset Adjustment	-	-
Interest Paid on Amounts received from RBI, SBI, NABARD	32,63,370.00	40,11,780
Income on Investments	(47,46,481.00)	(32,52,029)
Operating profit before working capital changes	93,17,084.00	1,42,05,352
Working Capital Changes:		
Increase / (Decrease) in Deposits	89,34,749.00	3,34,27,861
Increase / (Decrease) in Liabilities and Provisions	66,08,683.00	(38,54,496)
(Increase) / Decrease in Advances	5,07,601.00	(2,69,02,425)
(Increase) / Decrease in Other Assets	(12,86,353.00)	53,61,458
Cash generated from Operations	2,40,81,763.00	2,22,37,751
Less: Income Tax Paid	(59,08,384.00)	(29,45,500)
Net cash from Operating Activities	1,81,73,379.00	1,92,92,251
Cash Flows from Investing Activities:		
(Purchase) / Sale of fixed assets	(1,87,724.00)	(1,76,152)
(Purchase) / Sale of Investments	(71,71,234.00)	(2,22,78,465)
Income from Investments	47,46,481.00	32,52,029
Net cash from Investing Activities	(26,12,478.00)	(1,92,02,588)
Cash Flows from Financing Activities:		
Funds from SBI, NABARD, NHB	(1,07,35,781.00)	(78,55,564)
Interest paid to SBI, NABARD, NHB	(32,63,370.00)	(40,11,780)
Net cash from Financing Activities	(1,39,99,151.00)	(1,18,67,343)
Effect of Foreign Exchange Rate Changes		
Net Increase/(Decrease) In Cash And Cash Equivalents	15,61,750.00	(1,17,77,680)
Add: Opening cash and cash equivalents		
i) Cash on hand	11,87,040.00	10,40,490
ii) Balances with Reserve Bank of India & Other banks	87,16,098.00	57,17,967
iii) Deposit Accounts	6,63,89,834.00	8,13,12,195
Total	7,78,54,722.00	7,62,92,972
Note:		
Closing Cash and Cash Equivalents		
i) Cash on hand	7,50,765.00	11,87,040
ii) Balances with Reserve Bank of India & other banks	98,55,713.00	87,16,098
iii) Deposit Accounts	6,72,48,243.00	6,63,89,834
Total	7,78,54,722.00	7,62,92,972
Check Total	-	-

For Komandoor & Co LLP
Chartered Accountants

(CA. Mohan Acharya K)
Partner
Mem No. 029082



For Andhra Pradesh Grameena Vikas Bank

General Manager (OPS) (K Eswara Subrahmanyamu) Chairman (K. Praveen Kumar)



ANDHRA PRADESH GRAMEENA VIKAS BANK
HEAD OFFICE :: WARANGAL
SCHEDULES FORMING PART OF FORM A AND FORM B - 31st March 2022

SCHEDULE -1
CAPITAL

(in Rs '000s.)

Particulars	AS ON 31.03.2022	AS ON 31.03.2021
Authorised Capital (2000000000 Equity Shares of Rs10/-each)	2,00,00,000	2,00,00,000
Issued Capital (94085049 Equity Shares of Rs10/-each)	9,40,850	9,40,850
Subscribed Capital (94085049 Equity Shares of Rs10/-each)	9,40,850	9,40,850
Called Up Capital (94085049 Equity Shares of Rs10/-each)	9,40,850	9,40,850
Less: Calls unpaid	NIL	NIL
Add: Forfeited Shares	NIL	NIL
Total	9,40,850	9,40,850



SCHEDULE -2
RESERVES AND SURPLUS

(in Rs '000s.)

	Particulars	AS ON 31.03.2022	AS ON 31.03.2021
I	Statutory Reserves		
	Opening Balance	78,09,351	57,90,037
	Additions During the Year	16,27,651	20,19,314
	Deductions During the Year	NIL	NIL
	TOTAL	94,37,002	78,09,351
II	Capital Reserves	-	-
	Opening Balance	1,11,038	1,11,038
	Additions During the Year	NIL	NIL
	Deductions During the Year	NIL	NIL
	TOTAL	1,11,038	1,11,038
III	Share Premium	-	-
	Opening Balance	NIL	NIL
	Additions During the Year	NIL	NIL
	Deductions During the Year	NIL	NIL
	TOTAL	NIL	NIL
IV	Revenue and Other Reserves	-	-
	Opening Balance	9,27,647	6,93,091
	Additions During the Year	2,77,118	2,34,556
	Deductions During the Year	1,59,866	-
	TOTAL	10,44,899	9,27,647
		-	-
V	Balance in Profit and Loss Account	-	-
	Opening Balance	3,02,85,216	2,24,55,316
	Additions During the Year	-	-12,801
	Profit for the year	62,33,486	78,42,701
	TOTAL	3,65,18,702	3,02,85,216
	TOTAL (I, II, III, IV and V)	4,71,11,641	3,91,33,252



SCHEDULE-3
DEPOSITS

(in Rs '000s.)

Particulars		AS ON 31.03.2022	AS ON 31.03.2021
A. I	Demand Deposits		
	(i) From Banks	28,681	27,600
	(ii) From Others	16,78,981	18,91,464
II	Savings Bank Deposits	8,75,59,685	7,84,01,565
III	Term Deposits		
	(i) From Banks	4,26,91,331	4,27,66,278
	(ii) From Others	9,53,60,838	9,52,97,861
	TOTAL (I, II and III)	22,73,19,516	21,83,84,768
B	(i) Deposits of Branches in India	22,73,19,516	21,83,84,768
	(ii) Deposits of Branches Out Side India	NIL	NIL
	TOTAL	22,73,19,516	21,83,84,768

SCHEDULE -4
BORROWINGS

(in Rs '000s.)

Particulars		AS ON 31.03.2022	AS ON 31.03.2021
I	Borrowings in India		
	(a) Reserve Bank of India	NIL	NIL
	(b) Other Banks	752	3,76,687
	(c) Other Institutions and agencies	6,60,66,656	7,64,26,501
	1 NABARD	6,21,49,302	7,15,59,932
	2 NHB	37,19,552	44,83,064
	3 NSTFDC	8,135	15,305
	4 NBCFDC	4,667	Nil
	5 MUDRA	1,85,000	3,68,200
II	Borrowings Out Side India	NIL	NIL
	TOTAL (I and II)	6,60,67,408	7,68,03,188



**SCHEDULE-5
OTHER LIABILITIES AND PROVISIONS**

(in Rs '000s.)

	Particulars	AS ON 31.03.2022	AS ON 31.03.2021
I	Bills payable	4,82,806	7,98,490
II	Inter Office Adjustments (Net)	-	-
III	Interest Accrued	51,93,189	55,89,870
IV	Others (Including Provisions)	1,61,75,397	61,58,704
	TOTAL	2,18,51,392	1,25,47,064

**SCHEDULE-6
CASH AND BALANCE WITH RESERVE BANK OF INDIA**

(in Rs '000s.)

	Particulars	AS ON 31.03.2022	AS ON 31.03.2021
I	Cash in Hand	7,50,765	11,87,040
	(Including Foreign Currency Notes)		
II	Balances with Reserve Bank of India		
	(a) In Current Account	93,23,650	77,12,851
	(b) In Other Account	NIL	NIL
	TOTAL (I and II)	1,00,74,415	88,99,891



SCHEDULE-7
BALANCE WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

(in Rs '000s.)

	Particulars	AS ON 31.03.2022	AS ON 31.03.2021	
I	In India			
	(i) Balance with Banks			
	(a) In Current Accounts	5,32,063	10,03,247	
	(b) In Other Deposit Accounts (TDRs)	6,72,48,243	6,63,89,834	
	(ii) Money at Call & Short Notice			
	(a) With Banks	NIL	NIL	
	(b) With Other Institutions	NIL	NIL	
	TOTAL (i and ii)	6,77,80,306	6,73,93,081	
	II	Outside India		
		(i) In Current Accounts	NIL	NIL
(ii) In Other Deposit Accounts		NIL	NIL	
(iii) Money at Call & Shortnotice		NIL	NIL	
TOTAL (i , ii and iii)		-	-	
GRAND TOTAL (I and II)		6,77,80,306	6,73,93,081	



**SCHEDULE -8
INVESTMENTS**

(in Rs '000s.)

	Particulars	AS ON 31.03.2022	AS ON 31.03.2021
I	Investment in India		
	(i) Government Securities	6,61,75,887	5,94,47,557
	(ii) Other Approved Securities	NIL	NIL
	(iii) Shares	2,499	2,499
	(iv) Debentures and Bonds	NIL	NIL
	(v) Subsidiaries and /or joint Ventures	NIL	NIL
	(v) Others (Mutual Funds Units)	16,59,847	12,16,943
	TOTAL	6,78,38,233	6,06,66,999
II	Investments Out Side India		
	(i) Government Securities (Including Local Authorities)	NIL	NIL
	(ii) Subsidiaries and/or Joint Ventures	NIL	NIL
	(iii) Other Investments (To Be Specified)	NIL	NIL
	TOTAL	-	-
	GRAND TOTAL (I and II)	6,78,38,233	6,06,66,999

**SCHEDULE-9
ADVANCES**

(in Rs '000s.)

	Particulars	AS ON 31.03.2022	AS ON 31.03.2021
A	(i) Bills Purchased and Discounted	NIL	NIL
	(ii) Cash Credits, Overdrafts and Loans Repayable on Demand	13,01,52,425	13,56,87,341
	(iii) Term Loans	6,85,37,397	6,35,10,082
	TOTAL (A)	19,86,89,822	19,91,97,423
B	(i) Secured by Tangible Assets	19,83,98,244	19,89,20,559
	(ii) Covered by Bank/Government Guarantees	NIL	NIL
	(iii) Unsecured	2,91,578	2,76,864
	TOTAL (B)	19,86,89,822	19,91,97,423
C-I	Advances in India		
	(i) Priority Sector	16,49,09,985	16,78,42,311
	(ii) Public Sector	NIL	NIL
	(iii) Banks	NIL	NIL
	(iv) Others	3,37,79,837	3,13,55,111
	TOTAL	19,86,89,822	19,91,97,422
C-II	Advances Out Side India		
	(i) Due from banks	NIL	NIL
	(ii) Due from Others	NIL	NIL
	TOTAL (CII)	-	-
	GRAND TOTAL (CI and CII)	19,86,89,822	19,91,97,422



**SCHEDULE-10
FIXED ASSETS**

(in Rs '000s.)

	Particulars	AS ON 31.03.2022	AS ON 31.03.2021
I	Premises		
	At cost as on the 31st March of the Preceeding Year	1,07,262	1,01,867
	Additions During the Year	42,886	5,396
	Deductions During the Year		
	Depreciation to date	4,638	2,872
	TOTAL	1,45,510	1,04,391
II	Other Fixed Assets (including Furniture and Fixtures)		
	At cost as on the 31st March of the Preceeding Year	15,79,320	14,39,893
	Additions During the Year	1,88,173	1,42,636
	Deductions During the Year	3,424	3,210
	Depreciation to date	11,06,970	9,82,575
	TOTAL	6,57,099	5,96,744
III	Capital Work in Progress		
	At cost as on the 31ST March of the Preceeding Year	43,690	12,360
	Additions During the Year	24,406	31,330
	Deductions During the Year	64,317	-
	TOTAL	3,779	43,690
	TOTAL (I+II+III)	8,06,388	7,44,825



**SCHEDULE-11
OTHER ASSETS**

(in Rs '000s.)

	Particulars	AS ON 31.03.2022	AS ON 31.03.2021
I	Inter Office Adjustments (NET)	-	-
II	Interest Accrued	23,73,120	30,27,541
III	Tax paid in Advance/ Tax deducted at Source	59,19,761	29,49,056
IV	Stationery and stamps	13,726	9,989
V	Others *	97,95,038	49,20,320
	TOTAL	1,81,01,645	1,09,06,906

**SCHEDULE-12
CONTINGENT LIABILITIES**

(in Rs '000s.)

	Particulars	AS ON 31.03.2022	AS ON 31.03.2021
I	Claims against the Banks not acknowledged as debts	12,24,552	10,33,063
II	Liabilities for partly paid Investments	NIL	NIL
III	Liabilities on account of outstanding forward exchange contracts	NIL	NIL
IV	Guarantees Given on behalf of Constituents		
	(a) In India	95,012	86,221
	(b) Out Side India	NIL	NIL
V	Acceptances, Endorsements and other Obligations	NIL	NIL
VI	Other items for which the Bank is contingently liable (DEAF Account)	4,43,673	3,98,240
	TOTAL	17,63,237	15,17,524



**SCHEDULE-13
INTEREST EARNED**

(in Rs '000s.)

	Particulars	Period ended 31.03.2022	Year ended 31.03.2021
I	Interest/ Discount on Advances/Bills	2,40,18,474	2,25,64,399
II	Income on Investments	47,46,481	32,52,029
III	Interest on Balances with RBI and Other Inter Bank Funds	17,21,982	41,35,362
IV	Others	NIL	NIL
	TOTAL	3,04,86,937	2,99,51,790

**SCHEDULE-14
OTHER INCOME**

(in Rs '000s.)

	Particulars	Period ended 31.03.2022	Year ended 31.03.2021
I	Commission, Exchange and Brokerage	31,00,262	29,28,342
II	Profit on Sale of Investment	7,11,029	4,52,599
	Less: Loss on sale of Investments		
III	Profit on Revaluation of Investments	NIL	NIL
	Less: Loss on Revaluation of Investments		
IV	Profit on Sale of Lands, Buildings and Other Assets	NIL	NIL
	Less: Loss on Sale of Lands, Buildings and Other Assets		
V	Profit on Exchange Transactions	NIL	NIL
	Less: Loss on Exchange Transactions		
VI	Income Earned by way of Dividend Etc, From Subsidiaries/Companies and /Or Joint Ventures Abroad /In India	NIL	NIL
VII	Miscellaneous Income	26,420	11,56,593
	TOTAL	38,37,711	45,37,534

**SCHEDULE-15
INTEREST EXPENDED**

(in Rs '000s.)

	Particulars	Period ended 31.03.2022	Year ended 31.03.2021
I	Interest on Deposits	1,01,61,353	1,08,10,953
II	Interest on Reserve Bank of India/Inter Bank Borrowings	32,63,370	40,11,780
III	Others	NIL	NIL
	TOTAL	1,34,24,723	1,48,22,733



**SCHEDULE-16
OPERATING EXPENSES**

(in Rs '000s.)

	Particulars	Period ended 31.03.2022	Year ended 31.03.2021
I	Payments to provisions for employees	39,10,894	27,01,724
II	Rent, Taxes, Lighting and Fuel	2,03,290	3,25,493
III	Printing and Stationery	27,478	34,126
IV	Advertisement and Publicity	1,488	1,746
V	Depreciation on Banks Property	1,26,161	1,16,314
VI	Directors' Fees, Allowances and Expenses	-	-
VII	Auditors Fee and Expenses	9,000	7,676
VIII	Law Charges	1,216	1,311
IX	Postage, Telegrams, telephone, etc	7,068	9,670
X	Repairs and Maintenance	1,687	2,143
XI	Insurance	3,41,960	3,05,047
XII	Other Expenditure	10,44,765	8,15,534
	TOTAL	56,75,007	43,20,784

PROVISIONS AND CONTINGENCIES

(in Rs '000s.)

	Particulars	Period ended 31.03.2022	Year ended 31.03.2021
I	Provision on NPA's	18,30,117	6,24,765
II	Provision on Standard Assets	9,51,316	4,249
III	Provision on Frauds	9,331	-359
IV	Depreciation on SLR Securities under AFS cate	11,27,961	-
V	Provision on Wage revision	-2,03,054	11,50,000
VI	IFR Reversal	-1,59,866	-
VII	Provison on Pension	10,20,704	2,70,000
VIII	Audit Fee Provision	-1,982	-
	Provision on Tax		
	Deferred Tax	-1,83,507	-32,136
	Income Tax	26,95,645	32,32,716
	TOTAL	70,86,665	52,49,235





ANDHRA PRADESH GRAMEENA VIKAS BANK

HEAD OFFICE : WARANGAL

PRUDENTIAL NORMS - CRAR

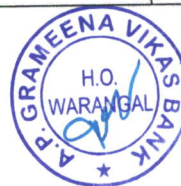
PROJECTED STATEMENT OF CAPITAL FUNDS, RISK ASSETS/EXPOSURES AND RISK ASSET RATIO
FOR THE PERIOD ENDED 31 DECEMBER 2021

PART A - CAPITAL FUNDS AND RISK ASSETS RATIO

CAPITAL		(Rs.000s)	
I			
A	TIER I CAPITAL		
a	Paid up capital	9,40,850	
	Share capital deposit	-	
	Less: Intangible assets and losses	2,34,224	
	TOTAL	7,06,626	
b	Reserves & Surplus		
1	Statutory Reserves & Surplus	94,37,003	
2	Capital Reserves	1,11,038	
3	Other Reserves	1,43,149	
4	Special Reserve U/s 36(1)(viii) of the I.T. Act, 1961	9,01,750	
5	Surplus in Profit and Loss account	3,65,18,702	
6	TOTAL	4,71,11,643	
	TOTAL TIER I CAPITAL	4,78,18,269	
B	TIER II CAPITAL		
1	Undisclosed Reserves	-	
2	Revaluation Reserves	-	
3	General Provisions and loss Reserves	15,53,522	
4	Investment fluctuation Reserves/Funds	-	
	TOTAL TIER II CAPITAL	15,53,522	
	TOTAL TIER I + TIER II CAPITAL	4,93,71,791	
II			
a	Adjusted value of funded risk assets i.e., Balance Sheet Items	20,86,65,055	
b	Adjusted value of Non funded risk assets i.e., Balance Sheet	17,63,237	
c	Total risk weighted Assets(a+b)	21,04,28,292	
III	Percentage of capital funds to Risk Weighted Assets(I:II)	23.46	
	Tier I Capital Ratio	22.72	
	Tier II Capital Ratio	0.74	



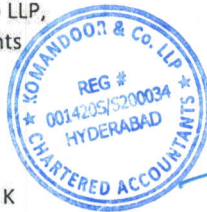
A. Funded Risk Assets				
S.no	Item of Asset or Liability	Balance as on 31.12.2021	Risk weight (%)	Adjusted value
I	1.Cash & Balances with RBI	1,00,74,415	0.00	-
	2.Balance in current account with other banks	5,32,063	20.00	1,06,412.66
	3.Claims on Banks - STDRs with banks	3,05,48,243	20.00	61,09,648.65
II	Investments			
	1.Investment in Govt.Sec.	6,61,75,887	2.50	16,54,397.18
	2.Investment in other approved securities guranteed by	-	2.50	-
	3.Investments in other securities where payment of interest	-	2.50	-
	4.Investment in other securities where payment of interest	-	2.50	-
	Note: Investment in securities where payment of interest or			
	5.Investment in other securities where payment of interest		22.50	-
	6.Investment in Government guranteed securities of Govt.	-	22.50	-
	7.claims on commercial banks	-	22.50	-
	8.Investment in Securities which are guranteed by Banks as to	-	22.50	-
	9.Investment in bonds issued by Public Financial Institutions	-	102.50	-
	10. All other investments including investments in securities	16,59,847	102.50	17,01,342.95
	11. Direct investment in equity shares, convertible bonds,	2,499	127.50	3,186.48
III	Loans and Advances including bills purchased and			
	1.Loans and advances Guranteed by Govt.of india		0.00	-
	2.Loans Guranteed by State Govt.		0.00	-
	3.State Government guranteed loan which has become a		100.00	-
	4.Loans granted to PSUs of GOI		100.00	-
	5.Loans granted to public sector undertakings of State Govt.		100.00	-
	6. Others including PFIs	16,48,48,480	100.00	16,48,48,479.64
	7(i) For the purpose of credit exposure, bills purchased		20.00	-
	7 (ii) Bills negotiated under LCs under reserve, bills purchased			
	1.Government		0.00	-
	2.Banks		20.00	-
	3.Others		100.00	-
	8.Micro and small enterprises (MSE) Advances Guranteed by Credit Gurantee Fund Trust for Micro and Small Enterprises (CGTMSE) up to the guranteed portion. Note: Banks may assign zero risk weight for the guranteed portion. The balance outstanding in excess of the guranteed portion would attract a risk-weight as appropriate to the counter party.	1,56,49,487	0.00	-
	9(a)Housing Loans to Individuals : RBI Circular DBR: BP.BC.No.44/08.12.015/2015-16 dated 08.10.2015			
	Category of Loan	LTV Ratio (%)		
	(a) Up to Rs. 20 Lakh	TV Ratio - 90	50.00	69,89,965.88
	(b) Above Rs.20 Lakh and Upto Rs.75 lakh	TV Ratio - 80	50.00	1,01,34,564.20
	(c) Above Rs.75 lakhs	(LTV Ratio - 75%)	75.00	1,67,260.40
	9(b)Housing loans guranteed by Credit Risk Gurantee Fund Trust for Low Income Housing (CRGFTLIH) up to the guranteed portion. Note: The Bank may assign zero risk weight for the guranteed portion. The balance outstanding in excess of the guranteed portion would attract a risk-weight as appropriate to the counter party.		50.00	-



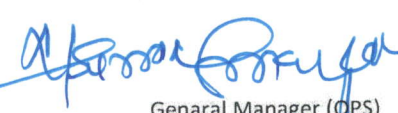
10.Consumer credit including personal loans	15,23,297	100.00	15,23,296.78
11.Loans up to Rs.1 lakh against Gold and silver ornamentals. Note: In case the loan amount is more than Rs.1 lakh, entire loan amount has to be risk weighted for the purpose for which the loan has been sanctioned.	1,24,55,666	50.00	62,27,832.95
12.Education Loans	4,39,549	100.00	4,39,549.34
13.Loans extended against primary / collateral security of		125.00	-
14.Advances covered by DICGC / ECGC Note: The risk weight of 50% should be limited to the amount guaranteed and not the entire outstanding balance in the accounts. In other words, the outstanding in excess of the amount guaranteed, will carry 100% risk weight.		50.00	-
15.Advances for term deposits, life policies , NSC IVPs and KVPs where adequate margin is available	22,88,202	0.00	-
16.Loans and advances granted by RRBs to their staff	37,13,068	20.00	7,42,613.59
17.Take out finance			
a.where full credit risk is assumed by taking over institute		20.00	-
b.where only partial credit risk is assumed by taking over	-		
(i).the amount taken over	-	20.00	-
(ii).the amount not to be taken over	-	100.00	-
(ii).Conditional take over (in the books of lending and taking		100.00	-
Notes: While calculating the aggregate of funded and non-			
(a) advances collateralized by cash margins or deposits			
(b) credit balances in current or other accounts of th			
(c) in respect of any assets where provisions for depreciation			
(d) claims received from DICGC/ECGC and kept in a separate			
(e) Subsidies received against various schemes and kept in a			
IV. Other Assests			
1.Premises,furnitures and fixtures	8,06,387	100.00	8,06,387.44
2.Int.due on Govt. Securities	12,41,540	0.00	-
3.Subvention amount received/receivable from Government	37,27,878	0.00	-
4.Income tax deducted at source(net of prov)	13,726	0.00	-
5.Advance tax paid (Net of provision)	59,08,384	0.00	-
6. All other Assets	72,10,117	100.00	72,10,116.72
Total Assets	36,32,90,808		20,86,65,054.88
V Market Risk on Open Position			
1.Market risk on foreign exchange open position (Applicable to Authorised Dealers only)	-	100.00	-
2. Market risk on open gold position	-	100.00	-

For Komandoor & Co LLP,
Chartered Accountants


(CA. Mohan Acharya K
Partner
Mem No. 029082



For Andhra Pradesh Grameena Vikas Bank


General Manager (OPS)
(K Eswara Subrahmanyamu)


Chairman
(K. Praveen Kumar)



UDIN : 22029082 AHGFTO 7832

ANDHRA PRADESH GRAMEENA VIKAS BANK
HEAD OFFICE : WARANGAL
PRUDENTIAL NORMS - CRAR

PROJECTED STATEMENT OF CAPITAL FUNDS, RISK ASSETS/EXPOSURES AND RISK ASSET RATIO
FOR THE HALF PERIOD ENDED 31 MARCH 2022

3

The credit risk exposure attached to off-Balance Sheet items has to be first calculated by multiplying the face amount of each of the off-Balance Sheet items by 'credit conversion factor' as indicated in the table below. This will then have to be again multiplied by the weights attributable to the relevant counter-party as specified above.

S.No	Instruments	Amount	Credit Conversion factor(%)	Equivalent value	Risk weight	Adjusted value
1	Direct credit substitutes e.g. general guarantees of indebtedness (including standby L/Cs serving as financial guarantees for loans and securities) and acceptances (including endorsements with the character of acceptance).	95012	100.00	95012	100	95012
2	Certain transaction-related contingent items (e.g. performance bonds, bid bonds, warranties and standby L/Cs related to particular transactions).		50.00	0	0	0
3	Short-term self-liquidating trade-related contingencies (such as documentary credits collateralised by the underlying shipments).		20.00	0	0	0
4	Sale and repurchase agreement and asset sales with recourse, where the credit risk remains with the bank.		100.00	0	0	0
5	Forward asset purchases, forward deposit and partly paid shares and securities, which represent commitments with certain draw down.		100.00	0	0	0
6	Note issuance facilities and revolving underwriting facilities.		50.00	0	0	0
7	Other commitments (e.g., formal standby facilities and credit lines) with an original maturity of over one year.		100.00	0	100	0
8	Similar commitments with an original maturity up to one year, or which can be unconditionally cancelled at any time.		0.00	0	0	0
9	i. Guarantees issued by banks against the counter guarantees of other banks.		20.00	0	0	0
	ii. Rediscounting of documentary bills accepted by banks. (Bills discounted by banks which have been accepted by another bank will be treated as a funded claim on a bank)		20.00	0	0	0
	Note: In these cases, banks should be fully satisfied that the risk exposure is, in fact, on the other bank.					
10	Aggregate outstanding foreign exchange contracts of original maturity -					
	(a) less than one year		2.00	0	0	0
	(b) for each additional year or part thereof		3.00	0	0	0
11	Claims against bank not acknowledged as debt	1224552.5	100.00	1224552	100	1224552.45
12	Others	443673.1	100.00	443673	100	443673.103
		1763237				1763237
	Note : At present,RRB may not be undertaking most of the balance sheet transactions.However,keeping in view their potential for expansion,risk-weights are indicated against various off balance sheet items,which,perhaps banks may undertake in future.					



ANDHRA PRADESH GRAMEENA VIKAS BANK
HEAD OFFICE: WARANGAL
SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation:

The Bank's financial statements are prepared under the historical cost convention, on the accrual basis of accounting on going concern basis, unless otherwise stated and conform in all material aspects to Generally Accepted Accounting Principles (GAAP) in India, which comprise applicable statutory provisions, regulatory norms / guidelines prescribed by the National Bank for Agriculture and Rural Development (NABARD) / Reserve Bank of India (RBI), Banking Regulation Act 1949, Regional Rural Bank Act, 1976 and amendments thereto and Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI), and the practices prevalent in the banking industry in India.

B. Use of estimates:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from to these estimates.

C. Significant Accounting Policies:

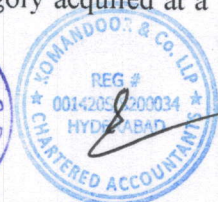
1. Revenue Recognition:

1.1. Income and Expenditure are accounted on accrual basis, except otherwise stated.

1.2. Interest income is recognised in the Profit and Loss Account as it accrues except, (i) income from Non Performing Assets (NPAs), comprising of advances and investments which is recognised upon realisation, as per the prudential norms prescribed by the RBI or other regulatory authorities. (ii) overdue interest on investments and bills discounted, (iii) Income on Rupee Derivatives designated as "Trading", which are accounted on realisation.

1.3. Profit / loss on sale of investments is recognised in the Profit and Loss Account.

1.4. Income (other than interest) on investments in "Held to Maturity (HTM)" category acquired at a



discount to the face value is recognised only at the time of sale / redemption.

1.5. Commission & Exchange and Locker rent have been recognized on realization basis.

1.6. Interest on overdue term deposits is accounted for on renewal basis.

1.7. In case of suit filed accounts, legal and other expenses incurred are charged to Profit and Loss Account and at the time of recovery of such expenses is accounted as income.

2. Investments:

The transactions in Government Securities are recorded on "Settlement Date". Investments other than Government Securities are recorded on "Trade Date".

2.1. Classification: Investments are classified into three categories viz., Held to Maturity (HTM), Available for Sale (AFS) and Held for Trading (HFT) as per RBI guidelines.

2.2. Basis of classification:

I. Investments that the Bank intends to hold till maturity are classified as Held to Maturity (HTM).

II. Investments that are held principally for resale within 90 days from the date of purchase are classified as Held for Trading (HFT).

III. Investments, which are not classified in the above two categories, are classified as Available for Sale (AFS).

IV. An investment is classified as HTM / HFT / AFS at the time of its purchase and subsequent shifting amongst categories is done in conformity with regulatory guidelines.

However, for disclosure in Balance Sheet these are classified as under - Government Securities, Other Approved Securities and Others.

2.3. Valuation:

i). In determining the acquisition cost of an investment:

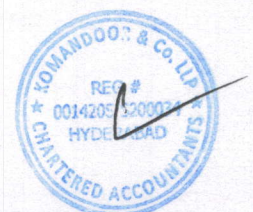
a) Brokerage or Commission received on subscriptions is reduced from the cost.

b) Brokerage, Commission, Securities Transaction Tax (STT) etc., paid in connection with acquisition of investments are expensed upfront and excluded from cost.

c) Broking period interest paid / received on debt instruments is treated as interest expense / income and is excluded from cost or sale consideration.

d) Cost is determined on the weighted average cost method for investments under AFS and HFT category and FIFO basis (First in First out) for investments under HTM category.

ii) Transfer of securities from HFT / AFS category to HTM category is carried out at the lower of acquisition cost / book value / market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for. However, transfer of securities from HTM category to AFS



category is carried out on acquisition price / book value. After transfer, these securities are immediately re-valued and resultant depreciation, if any, is provided

iii) Treasury Bills and Commercial Papers are valued at carrying cost.

iv) Held to Maturity category:

a) Investments under Held to maturity category are carried at acquisition cost unless it is more than the face value, in which case the premium is amortised over the period of remaining maturity on constant yield basis. Such amortisation of premium is adjusted against income under the head "Interest on Investments".

b) Investments in equity shares of other companies are valued at historical cost. A provision is made for diminution, other than temporary, for each investment individually.

v) Investments under AFS and HFT category: Investments under AFS and HFT category are individually re-valued at market price or fair value determined as per regulatory guidelines, and only the net depreciation of each group for each category (viz., (i) Government securities (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and debentures, and (v) others) is provided for and net appreciation, is ignored. On provision for depreciation, the book value of individual security remains unchanged after marking to market.

vi) Investments are classified as Performing and Non Performing investments, based on the guidelines issued by the RBI. Investments of domestic offices become non performing where:

- a) Interest or instalment (including maturity proceeds) is due and remains unpaid for more than 90 days.
- b) In the case of equity shares, in the event the investment in the shares of any company is valued at Rs. 1/- per company on account of the non availability of the latest balance sheet, those equity shares would be reckoned as NPI.

3. Cash Flow Statement:

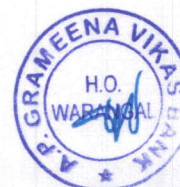
In conformity with AS – 3, "Cash Flow Statement", issued by the ICAI, the bank opt indirect method for preparing cash flow statement stating the cash inflows and outflows from operation activities, Investing activities and financing activities.

4. Loans or Advances and Provisions thereon:

4.1. Loans and advances are classified as performing and non-performing, based on the guidelines/directives issued by the RBI. Loan assets become Non Performing Asset (NPA) where:

i) In respect of agriculture advances:

- a) For short duration crops, where the instalment of principal or interest remains overdue for two crop seasons, and
- b) For long duration crops, where the principal or interest remains overdue for one crop season.



ii) In respect of Non Agriculture advances:

a) In respect of term loans, interest and / or instalment of principal remains overdue for a period of more than 90 days.

b) In respect of Overdraft or Cash Credit Advances, the account remains "out of order", i.e. if the outstanding balance exceeds the sanctioned limit or drawing power continuously for a period 90 days, or if there are no credits continuously for 90 days as on the date of balance sheet, or if the credits are not adequate to cover the interest debited during the same period.

4.2. All advances have been classified under four categories i.e., Standard Assets, Sub-standard Assets, Doubtful Assets and Loss Assets. Provisions are made as per the extant guidelines/directives prescribed by the RBI.

Provisions on Advances are made as under:

I Standard Assets: General Provision for Standard Assets at the following rates:

Direct Advances to Agriculture and SME sectors at 0.25%

Commercial Real Estate sector at 1%

Housing Loans >20.00 lacs @ 0.75%

All other advances not included in (1) & (2) above at 0.40%

As per RBI circular vide RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021, due to implementation of the restructuring plan, APGVB has been provided a provision of 10 percent of the residual debt of the borrower in Micro, Small and Medium Enterprises (MSMEs).

II Sub-Standard Assets:

A loan asset that has remained non performing for a period less than or equal to 12 months is a Sub Standard Asset

General Provision of 15% on the total outstanding

Additional Provision of 10% for exposures which are unsecured ab-intio (i.e. where realisable value of security is not more than 10% ab-initio).

III Doubtful Assets:

A loan asset that has remained in the sub-standard category for a period of 12 months is Doubtful Asset

Secured Portion	Up to One year 25%
	One to three years 40%
	More than three years 100%
Unsecured Portion	100%

IV Loss Assets:

A loan asset where Loss has been identified but the amount has not been fully written of is a Loss



Asset.

100% Provision on outstanding Advances.

4.3. Advances are net of specific loan loss provisions, unrealised interest, ECGC claims received and Inter Bank Participation Certificates.

4.4. For Restructured / Rescheduled assets, provisions are made in accordance with the extant guidelines issued by the RBI.

4.5 In the case of loan accounts classified as NPAs, an account may be reclassified as a performing asset if it confirms to the guidelines prescribed by the regulators.

4.6. Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.

4.7. In addition to the specific provision on NPAs, general provisions are also made for Standard Assets as per extant RBI guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities and Provisions – Other Provisions" and are not considered for arriving at the net NPAs.

4.8. Appropriation of recoveries in NPAs (not out of fresh/additional credit facilities sanctioned to the borrower concerned) towards principal or interest due as per the Bank's extant instructions is done in accordance with the following priority:

- a. Charges
- b. Unrealized Interest/Interest
- c. Principal

5. Floating Provisions:

The bank has a policy for creation and utilisation of floating provisions separately for advances, investments and general purposes. The quantum of floating provisions to be created is assessed at the end of the financial Year.

6. Fixed Assets- Depreciation:

6.1. Fixed Assets are carried at historical cost less accumulated depreciation.

6.2. Cost includes cost of purchase and all expenditure such as site preparation, installation costs and professional fees incurred on the asset before it is put to use. Subsequent expenditure incurred on the assets put to use are capitalised only when it increases the future benefits from such assets or their functioning capability.

6.3. Depreciation is provided on straight line method as per the following rates:

Description of Fixed Asset	Depreciation rates
Buildings	1.6667%



Furniture & Fixtures other than Electrical Fittings and Fixtures	10%
Electrical Fittings with 3 years life	33.33%
Electrical Fittings with 5 years life	20%
Safe Deposit Lockers, Fire proof data safe	5%
Computer systems & ATMs	33.33%
Computer software which does not form an integral part of computer hard ware and cost of software development	33.33%
Vehicles	20%

6.4. In respect of assets acquired during the year (for domestic operations), depreciation is charged on proportionate basis for the number of days the assets have been put to use during the year.

6.5. Assets costing less than Rs.5,000 each are charged off in the year of purchase.

7. Impairment of Assets:

Fixed assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future Net Discounted Cash Flows expected to be generated by the asset. If such assets are impaired, the impairment to be recognised is measured by the amount which the carrying amount of the asset exceeds the fair value of the asset.

8. Employee Benefits:

8.1. Short Term Employee Benefits:

The undiscounted amount of short – term employee benefits, such as medical benefits etc., which are expected to be paid in exchange for the services rendered by employees, are recognized during the period when the employee renders the service.

8.2. Long Term Employee Benefits

i). Defined Benefit Plans:

a. Gratuity:

The Bank provides for Gratuity liability based on actuarial valuation for all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to the cap prescribed by the Statutory Authorities. Vesting occurs upon completion of five years of service. The Bank makes periodic



contributions to a fund administered by Trustees based on an independent external actuarial valuation carried out annually, and contributes to SBI Life Insurance Company Limited.

b. Leave Encashment:

The Bank provides for Leave Encashment liability. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment and vesting occurs at different stages as per rules. The Bank makes periodic contributions based on an independent

external actuarial valuation carried out annually, and contributes to SBI Life Insurance Company Limited.

c. Pension:

As per the order of Hon`ble Supreme Court of India, the Bank provides for pension to all eligible employees. The benefit is in the form of monthly payments as per the rules to vested employees on retirement or on death while in employment, or on termination of employment. Vesting occurs at different stages as per rules. The pension liability is reckoned based on an independent actuarial valuation carried out and Bank makes such initial contributions periodically to the Fund as may be required to secure payment of the benefits under the pension regulations.

d. The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

ii) Defined Contribution Plans such as Provident Fund are recognized as an expense and charged to the Profit & Loss Account on accrual basis.

iii) The Bank operates New Pension System (NPS) for all staff joined on or after 1st April 2018 and staff joined between 1st April 2010 to 31st March 2018 and opted for NPS, which is a defined Contribution Plan. As per the scheme employees contribute 10% of their basic pay and DA together with matching contribution from the Bank.

iv) Other Long Term Employee benefits:

All eligible employees of the Bank are eligible for leave fare concession, home travel concession. The costs of such long term employee benefits are debited to Profit & Loss account of the Bank, in the year of expense incurred.

9. **Taxes on Income:**

Income Tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. Current tax expense and deferred tax expense are determined in accordance with the provisions of the Income Tax Act, 1961 and as per the Accounting Standard 22 – “Accounting for Taxes on Income” respectively and which are based on the tax laws prevailing in India. Deferred tax adjustments comprise of changes in the deferred tax assets or liabilities during the year. Deferred tax



assets and liabilities are recognised by considering the impact of the timing differences between taxable income and accounting income for the current year, and carry forward losses. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. The impact of changes in deferred tax assets and liabilities is recognised in the Profit and Loss Account. Deferred tax assets are recognised and reassessed at each reporting date, based on management's judgement as to whether their realisation is considered as reasonably certain. Deferred Tax Assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future profits.

10. Contingent Liabilities & provisions:

10.1 In conformity with AS – 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the ICAI, the bank recognises provisions only when it has a present obligation as a result of a past event, and would result in a probable outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

10.2. No provision is recognised for:

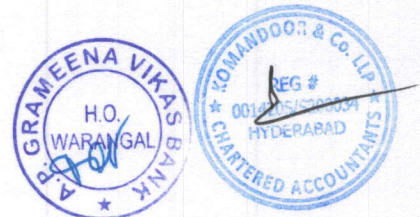
- i). Any possible obligation that arises from past events and existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the bank; or
- ii). Any present obligation that arises from past events but is not recognised because:
 - a). It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - b). A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

iii). Contingent Assets are not recognised in the financial statements.

11. Special Reserves:

Revenue and other Reserve include Special Reserve created under Section 36(i)(viii) of the Income Tax Act, 1961.



ANDHRA PRADESH GRAMEENA VIKAS BANK
HEAD OFFICE: WARANGAL
DISCLOSURE IN FINANCIAL STATEMENTS – 'NOTES TO ACCOUNTS'

1. Regulatory Capital

a) Composition of Regulatory Capital

(Amount in ₹ Crore)

Sr.No.	Particulars	Current Year	Previous Year
i)	Common Equity Tier 1 capital (CET 1) / Paid up share capital and reserves (net of deductions, if any)	4,781.83	3,986.35
ii)	Additional Tier 1 capital*/ Other Tier 1 capital	-	-
iii)	Tier 1 capital (i + ii)	4,781.83	3,986.35
iv)	Tier 2 capital	155.35	76.03
v)	Total capital (Tier 1+Tier 2)	4,937.18	4,062.38
vi)	Total Risk Weighted Assets (RWAs)	21,042.83	21,077.72
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs) / Paid-upshare capital and reserves as percentage of RWAs		
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	22.72	18.91
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	0.74	0.36
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	23.46	19.27
xi)	Leverage Ratio	NA	NA
xii)	Percentage of the shareholding of		
	a) Government of India	50.00	50.00
	b) State Government (specify name)	15.00	15.00
	c) Sponsor Bank	35.00	35.00
xiii)	Amount of paid-up equity capital raised during the year	Nil	Nil
xiv)	Amount of non-equity Tier 1 capital raised during the year, of which: Give list as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.). Commercial banks (excluding RRBs) shall also specify if the instruments are Basel II or Basel III compliant.	Nil	Nil
xv)	Amount of Tier 2 capital raised during the year, of which: Give list as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.). Commercial banks (excluding RRBs) shall also specify if the instruments are Basel II or Basel III compliant.	Nil	Nil



b) Draw down from Reserves

As per the Reserve Bank India notification RBI/2013-14/434.RPCD. CO.RRB.BC.No./74 /03.05.33/2013-14 dated 07.01.2014; RRBs are required to value their securities under AFS (Available for sale). As the market rates of securities under AFS category have come down, Bank has reversed the Investment Fluctuation Fund of Rs.15,98,65,603/- from Reserve in the Balance Sheet to the Profit and Loss Account for current year.

2. Asset liability management

a) Maturity pattern of certain items of assets and liabilities

(Amount in ₹ Crore)

	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	0.01	281.67	1165.24	701.46	1386.64	815.23	3333.56	4813.14	9737.22	307.76	190.02	22731.95
Advances	13.06	39.38	5924.78	253.47	567.68	1023.79	3469.19	8063.43	324.21	332.25	3950.77	23961.99
Investments	0	165.98	0	0	0	0	0	14.73	42.62	1731.30	4829.19	6783.82
Borrowings	0.08	0	0	0	0	23.74	1772.54	1408.42	2522.92	847.38	31.66	6606.74
Foreign Currency assets	0	0	0	0	0	0	0	0	0	0	0	0
Foreign Currency liabilities	0	0	0	0	0	0	0	0	0	0	0	0



3. Investments

a) Composition of Investment Portfolio as at 31.03.2022

(Amount in ₹ Crore)

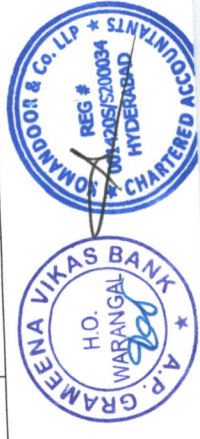
	Investments in India						Investments outside India				Total Investments	
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others		Total Investments outside India
Held to Maturity	1830.40	0.00	0.00	0.00	0.00	0.00	1830.40	0.00	0.00	0.00	0.00	1830.40
Gross								0.00	0.00	0.00	0.00	0.00
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
Net	1830.40	0.00	0.00	0.00	0.00	0.00	1830.40	0.00	0.00	0.00	0.00	1830.40
Available for Sale	4787.19	0.00	0.25	0.00	0.00	0.00	4953.42	0.00	0.00	0.00	0.00	4953.42
Gross								0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	112.79	0.00	0.00	0.00	0.00	0.00	112.79	0.00	0.00	0.00	0.00	112.79
Net	4674.40	0.00	0.25	0.00	0.00	0.00	4840.63	0.00	0.00	0.00	0.00	4840.63
Held for Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross								0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	6617.59	0.00	0.25	0.00	0.00	0.00	6783.82	0.00	0.00	0.00	0.00	6783.82
Less: Provision for non-performing investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	112.79	0.00	0.00	0.00	0.00	0.00	112.79	0.00	0.00	0.00	0.00	112.79
Net	6504.80	0.00	0.25	0.00	0.00	0.00	6671.03	0.00	0.00	0.00	0.00	6671.03



Composition of Investment Portfolio as at 31.03.2021

(Amount in ₹ Crore)

	Investments in India						Investments outside India				Total Investments	
	Government Securities	Other Securities	Approved Shares	Debtures 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	1833.34	0.00	0.00	0.00	0.00	0.00	1833.34	0.00	0.00	0.00	0.00	1833.34
Gross	1833.34	0.00	0.00	0.00	0.00	0.00	1833.34	0.00	0.00	0.00	0.00	1833.34
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	1833.34	0.00	0.00	0.00	0.00	0.00	1833.34	0.00	0.00	0.00	0.00	1833.34
Available for Sale	4111.41	0.00	0.25	0.00	0.00	121.69	4233.35	0.00	0.00	0.00	0.00	4233.35
Gross	4111.41	0.00	0.25	0.00	0.00	121.69	4233.35	0.00	0.00	0.00	0.00	4233.35
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	4111.41	0.00	0.25	0.00	0.00	121.69	4233.35	0.00	0.00	0.00	0.00	4233.35
Held for Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	5944.75	0.00	0.25	0.00	0.00	121.69	6066.69	0.00	0.00	0.00	0.00	6066.69
Less: Provision for non-performing investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	5944.75	0.00	0.25	0.00	0.00	121.69	6066.69	0.00	0.00	0.00	0.00	6066.69



b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ₹ Crore)

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	112.79	0.00
c. Less: Write off / write back of excess provisions during the year	0.00	0.00
d. Closing balance	112.79	0.00
ii) Movement of Investment Fluctuation Reserve		
a. Opening balance	15.99	15.99
b. Add: Amount transferred during the year	0.00	0.00
c. Less: Drawdown	15.99	0.00
d. Closing balance	0.00	15.99
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	0.00	0.38

c) Sale and transfers to/from HTM category

Bank has not sold or transferred securities to/from HTM category in the current Financial Year.

d) Non-SLR investment portfolio

(Amount in ₹ Crore)

Sr.No.	Particulars	Current Year	Previous Year
a)	Opening balance	121.94	85.00
b)	Additions during the year since 1 st April	454.27	362.34
c)	Reductions during the above period	409.98	325.40
d)	Closing balance	166.23	121.94
e)	Total provisions held	0.00	0.00



Disclosure in Financial Statements – ‘Notes to Accounts’

i) Issuer composition of non-SLR investments

(Amount in ₹ Crore)

Sr.No.	Issuer	Amount		Extent of Private Placement		Extent of ‘Below Investment Grade’ Securities		Extent of ‘Unrated’ Securities		Extent of ‘Unlisted’ Securities	
		(3)	(4)	(5)	(6)	(7)					
(1)	(2)	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
a)	PSUs	0.25	0.25	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b)	FIs	0.00	0.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c)	Banks	0.00	0.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d)	Private Corporates	0.00	0.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e)	Subsidiaries/ Joint Ventures	0.00	0.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f)	Others	165.98	121.69	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g)	Provision held towards depreciation	0.00	0.00	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total *	166.23	121.94	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL



e) Repo transactions (in face value terms)

(Amount in ₹ Crore)				
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during theyear	Outstanding as on March31
i) Securities sold under repo				
a) Government securities	NIL	NIL	NIL	NIL
b) Corporate debt securities				
c) Any other securities				
ii) Securities purchased under reverse repo				
a) Government securities	NIL	NIL	NIL	NIL
b) Corporate debt securities				
c) Any other securities				



1. Asset quality

a) Classification of advances and provisions held

(Amount in ₹ 000's)

	Non-Performing				Total
	Standard	Sub-standard	Doubtful	Loss	
Gross Standard Advances and NPAs					
Opening Balance	219246933	1227120	1124485	3746	2355351
Add: Additions during the year					23301286
Less: Reductions during the year					21497135
Closing balance	235460413	2330317	181819	11068	4159504
Reductions in Gross NPAs due to:					21497135
i) Upgradation					21017677
ii) Recoveries (excluding recoveries from upgraded accounts)					473538
iii) Technical/ Prudential Write-offs					0
iv) Write-offs other than those under (iii) above					5920
Provisions (excluding Floating Provisions)					
Opening balance of provisions held	600241	1227120	1124295	3746	2355161
Add: Fresh provisions made during the year					
Less: Excess provision reversed/ Write-off loans					
Closing balance of provisions held	1551557	2330317	1818117	3514	4151948
Net NPAs					
Opening Balance		0	0	0	0
Add: Fresh additions during the year					4286017
Less: Reductions during the year					4286017
Closing Balance		0	0	0	0



	Non-Performing				Total
	Standard	Sub-standard	Doubtful	Loss	
Floating Provisions					0
Opening Balance					0
Add: Additional provisions made during the year					0
Less: Amount drawn down during the year					0
Closing balance of floating provisions					0
Technical write-offs and the recoveries made thereon					0
Opening balance of Technical/ Prudential written-off accounts					0
Add: Technical/ Prudential write-offs during the year					0
Less: Recoveries made from previously technical/ prudential written-off accounts during the year					0
Closing balance					0

Ratios (in per cent)	Current Year	Previous Year
	Gross NPA to Gross Advances	1.74
Net NPA to Net Advances	0.00	0.00
Provision coverage ratio	100	100



Disclosure in Financial Statements – 'Notes to Accounts'

b) Sector-wise Advances and Gross NPAs

(Amounts in ₹ crore)

Sr.No.	Sector	Current Year		Percentage of Gross NPAs to Total Advances in that sector	Previous Year		Percentage of Gross NPAs to Total Advances in that sector
		Outstanding Total Advances	Gross NPAs		Outstanding Total Advances	Gross NPAs	
i)	Priority Sector						
a)	Agriculture and allied activities	16308.26	298.65	1.83 %	15390.28	148.05	0.96 %
b)	Advances to industries sector eligible as priority sector lending	1385.62	58.48	4.22 %	1306.93	39.83	3.05 %
c)	Services	315.07	21.10	6.70 %	271.62	24.59	9.05 %
d)	Personal loans	2152.05	2.68	0.12 %	2044.68	8.61	0.42 %
	Subtotal (i)	20161.00	380.91	1.89 %	19013.51	221.08	1.16 %
ii)	Non-priority Sector						
a)	Agriculture and allied activities	0	0	0	0	0	0
b)	Industry	3657.35	25.36	0.69 %	3001.95	3.92	0.13 %
c)	Services	75.49	3.36	4.45 %	86.33	2.61	3.02 %
d)	Personal loans	68.15	5.56	8.16 %	58.43	6.99	11.96 %
	Sub-total (ii)	3800.99	34.28	0.90 %	3146.71	13.52	0.43 %
	Total (i + ii)	23961.99	415.19	1.74 %	22160.22	234.60	1.06 %

c) Overseas assets, NPAs and revenue

(Amount in ₹ Crore)

Particulars	Current Year	Previous Year
Total Assets	NIL	NIL
Total NPAs	NIL	NIL
Total Revenue	NIL	NIL

d) Particulars of resolution plan and restructuring

i) Details of accounts subjected to restructuring

(Amount in ₹ Crore)

		Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Standard	Number of borrowers	NA	NA	NA	NA	91509	NA	NA	NA	91509	NA
	Gross Amount (₹ crore)	NA	NA	NA	NA	995.14	NA	NA	NA	995.14	NA
	Provision held (₹ crore)	NA	NA	NA	NA	102.00	NA	NA	NA	102.00	NA
Sub-standard	Number of borrowers	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA



Disclosure in Financial Statements – ‘Notes to Account

		Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	Gross Amount (₹ crore)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Provision held (₹ crore)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Doubtful	Number of borrowers	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Gross Amount (₹ crore)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Provision held (₹ crore)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	Number of borrowers	NA	NA	NA	NA	91509	NA	NA	NA	91509	NA
	Gross Amount (₹ crore)	NA	NA	NA	NA	995.14	NA	NA	NA	995.14	NA
	Provision held (₹ crore)	NA	NA	NA	NA	102.00	NA	NA	NA	102.00	NA



e) Disclosure of transfer of loan exposures

- (i) In the case of stressed loans transferred or acquired, the following disclosures should be made:

Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA)			
(all amounts in ₹ crore)	To ARCs	To permitted transferees	To other transferees (please specify)
No: of accounts	NA	NA	NA
Aggregate principal outstanding of loans transferred	NA	NA	NA
Weighted average residual tenor of the loans transferred	NA	NA	NA
Net book value of loans transferred (at the time of transfer)	NA	NA	NA
Aggregate consideration	NA	NA	NA
Additional consideration realized in respect of accounts transferred in earlier years	NA	NA	NA
Details of loans acquired during the year			
(all amounts in ₹ crore)	From SCBs, RRBs, UCBs, StCBs, DCCBs, AIFIs, SFBs and NBFCs including Housing Finance Companies (HFCs)	From ARCs	
Aggregate principal outstanding of loans acquired		NA	NA
Aggregate consideration paid		NA	NA
Weighted average residual tenor of loans acquired		NA	NA

f) Fraud accounts

Banks shall make disclose details on the number and amount of frauds as well as the provisioning thereon as per template given below.

	Current year	Previous year
Number of frauds reported	6	3
Amount involved in fraud (₹ crore)	1.55	0.10
Amount of provision made for such frauds (₹ crore)	0.95	0.02
Amount of Unamortised provision debited from 'other reserves' as at the end of the year (₹ crore)	0	0

g) Disclosure under Resolution Framework for COVID-19-related Stress

A special window under the Prudential Framework was extended vide circular DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 to enable the lenders to implement a resolution plan in respect of eligible corporate exposures, and personal loans, while classifying such exposures as Standard. Banks shall make disclosures in the format prescribed below every half-year, i.e., in the financial statements as on September 30 and March 31, starting from the half-year ending September 30, 2021 till all exposures on which resolution plan was implemented are either fully extinguished or completely slip into NPA, whichever is earlier.

Format for disclosures to be made half year ending March,

(Amounts in ₹ crore)

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) 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
Personal Loans	0	0	0	0	0
Corporate persons*	0	0	0	0	0
Of which MSMEs	43.44	0	0	0	43.44
Others	0	0	0	0	0
Total	43.44	0	0	0	43.44

* As defined in section 3(7) of the Insolvency and Bankruptcy Code, 2016



2. Exposures

a) Exposure to real estate sector

(Amount in ₹ Crore)

Category	Current year	Previous Year
<i>i) Direct exposure</i>		
a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans eligible for inclusion in priority sector advances shall be shown separately. Exposure would also include non-fund based (NFB) limits.	3271.39	3185.48
b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB)limits;	28.19	17.56
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures – i. Residential ii. Commercial Real Estate	NIL	NIL
<i>ii) Indirect Exposure</i> Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.		
Total Exposure to Real Estate Sector	3299.58	3203.04



b) Exposure to capital market

(Amount in ₹ Crore)

Particulars	Current Year	Previous Year
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	26.24	5.25
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	NIL	NIL
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	NIL	NIL
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	NIL	NIL
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	NIL	NIL
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL	NIL



Particulars	Current Year	Previous Year
vii) Bridge loans to companies against expected equity flows / issues;	NIL	NIL
viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	NIL	NIL
ix) Financing to stockbrokers for margin trading;	NIL	NIL
x) All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total exposure to capital market	26.24	5.25

c) Risk category-wise country exposure

(Amount in ₹ Crore)

Risk Category	Exposure (net) as at March,22 (Current Year)	Provision held as at March,21 (Current Year)	Exposure (net) as at March,22 (Current Year)	Provision held as at March,21 (Current Year)
Insignificant	NA	NA	NA	NA
Low	NA	NA	NA	NA
Moderately Low	NA	NA	NA	NA
Moderate	NA	NA	NA	NA
Moderately High	NA	NA	NA	NA
High	NA	NA	NA	NA
Very High	NA	NA	NA	NA
Total	NA	NA	NA	NA



d) Unsecured advances

Banks shall disclose the total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken as also the estimated value of such intangible collateral as per the following format.

(Amounts in ₹ crore)

Particulars	Current year	Previous Year
Total unsecured advances of the bank	29.16	27.69
Out of the 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

e) Factoring exposures

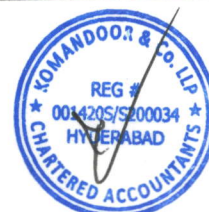
Factoring exposures shall be separately disclosed.

f) Intra-group exposures

The following is the summary of significant related party transactions:

(Amounts in ₹ 000's)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Refinance received from State Bank of India	NIL	NIL
Interest paid to SBI	1 11 88	4 07 46
Investments made with:		
SBI - in the form of STDRs	195 34 64	188 21 95
SBI Fund Management Private Limited	43 99 78	82 95 00
Interest received from SBI	5 74 48	20 62 64
Profit on sale of Investments on SBI	1 36 21	3 74 23
Contributions to Gratuity Fund with SBI Life Insurance Company Limited	NIL	NIL
Contributions to Group Leave Encashment Policy with SBI Life Insurance Company Limited	NIL	NIL
Contributions to Pension Trust Policy with SBI Life Insurance Company Limited on behalf of Trust	NIL	225 28 10
Current Account Balance with SBI	36 03 25	8 27
Breach of limits on intra-group exposures and regulatory action thereon, if any	NIL	NIL



3. Concentration of deposits, advances, exposures and NPAs
a) Concentration of deposits

(Amount in ₹ Crore)

Particulars	Current Year	Previous Year
Total deposits of the twenty largest depositors	4600.82	4524.28
Percentage of deposits of twenty largest depositors to total deposits of the bank	20.24 %	20.72 %

b) Concentration of advances

(Amount in ₹ Crore)

Particulars	Current Year	Previous Year
Total advances to the twenty largest borrowers	22.21	22.87
Percentage of advances to twenty largest borrowers to total advances of the bank	0.09 %	0.10 %

c) Concentration of exposures

(Amount in ₹ Crore)

Particulars	Current Year	Previous Year
Total exposure to the twenty largest borrowers/customers	23.75	23.14
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the bank on borrowers/customers	0.10 %	0.11 %

d) Concentration of NPAs

(Amount in ₹ Crore)

Particulars	Current Year	Previous Year
Total Exposure to the top twenty NPA accounts	4.25	1.07
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	1.02 %	0.45 %



4. Derivatives

a) Forward rate agreement/Interest rate swap

(Amount in ₹ Crore)

Particulars	Current Year	Previous Year
i) The notional principal of swap agreements	Not entered into	Not entered into
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	any transactions in derivatives in the current and previous years.	any transactions in derivatives in the current and previous years
iii) Collateral required by the bank upon entering into swaps		
iv) Concentration of credit risk arising from the swaps		
v) The fair value of the swap book		



b) Exchange traded interest rate derivatives

Sr. No.	Particulars	Current Year	Previous Year
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument wise)	Not entered into any transactions in derivatives in the current and previous years	Not entered into any transactions in derivatives in the current and previous years
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 st March, 2022 (instrument wise)		
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)		
iv)	Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)		

c) Disclosures on risk exposure in derivatives

i) Qualitative disclosures

Bank has not entered into any transactions in derivatives in the current and previous years.

Quantitative disclosures

Bank has not entered into any transactions in derivatives in the current and previous years.

d) Credit default swaps

Not Applicable

5. Transfers to Depositor Education and Awareness Fund (DEA Fund)

(Amount in ₹ Crore)

Sr.No	Particulars	Current Year	Previous Year
i)	Opening balance of amounts transferred to DEA Fund	39.82	3.41
ii)	Add: Amounts transferred to DEA Fund during the year	9.88	37.18
iii)	Less: Amounts reimbursed by DEA Fund towards claims	5.34	0.77
iv)	Closing balance of amounts transferred to DEA Fund	44.37	39.82



6. Disclosure of complaints

a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman³¹

Sr.No	Particulars	Previous year	Current year
Complaints received by the bank from its customers			
1.	Number of complaints pending at beginning of the year	25	24
2.	Number of complaints received during the year	828	1083
3.	Number of complaints disposed during the year	829	1104
3.1	Of which, number of complaints rejected by the bank	0	0
4.	Number of complaints pending at the end of the year	24	3
Maintainable complaints received by the bank from Office of Ombudsman			
5.	Number of maintainable complaints received by the bank from Office of Ombudsman	83	52
5.1.	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	83	52
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	0	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
<p>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.</p>			



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					
Ground - 1	8	357	48.84	1	0
Ground - 2	6	282	9.70	0	0
Ground - 3	2	87	30.80	0	0
Ground - 4	1	65	56.96	0	0
Ground - 5	4	162	22.62	0	0
Others	3	130	42.69	2	0
Total	24	1083	30.80	3	0
Previous Year					
Ground - 1	7	240	NA	8	0
Ground - 2	8	257	NA	6	0
Ground - 3	2	66	NA	2	0
Ground - 4	1	41	NA	1	0
Ground - 5	4	132	NA	4	0
Others	3	91	NA	3	0
Total	25	828	NA	24	0

Ground-1: ATM/DEBIT CARDS RELATED

Ground-2: Mobile/Internet/Electronic Banking Related

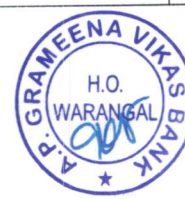
Ground-3: Loans and Advances

Ground-4: Levy of Charges

Ground-5: UPI Related

7. Disclosure of penalties imposed by the Reserve Bank of India

Sl.No	Penalties imposed by the Reserve Bank of India under the provisions of	Penalties
(i)	Banking Regulation Act, 1949	NIL
(ii)	Payment and Settlement Systems Act, 2007	NIL
(iii)	Government Securities Act, 2006 (for bouncing of SGL)	NIL
(iv)	REPO- number of instances of default as well as the quantum of penalty paid	NIL



to the Reserve Bank of India	
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8. Disclosures on remuneration

Particulars of Managerial Remuneration:

(Amount in ₹)

Particulars	For the year ended 31 st March 2022	For the year ended 31 st March 2021
Shri K. Praveen Kumar, Chairman	3182719	3118480
Shri Gouru Sukumar General Manager	2555350	2726573
Shri Ch Srirama Somayaji General Manager	2601764	2481039
Shri.G.Nagaraju, General Manager	897426	2509123
Shri. Mahesha Basava, General Manager	1656212	Nil
Shri P.Pardhasaradhi General Manager	2411262	2526286
Shri N. Venkata Ramana, General Manager	2924652	2658528
Shri Eswara Subrahmanyamu Karri General Manager	2556106	2472654

9. Other Disclosures

a) *Business Ratios*

Particular	Current Year	Previous Year
i) Interest Income as a percentage to Working Funds	8.70%	8.88%
ii) Non-interest income as a percentage to Working Funds	1.09%	1.35%
iii) Cost of Deposits	4.70%	5.27%
iv) Net Interest Margin	5.21%	4.85%
v) Operating Profit as a percentage to Working Funds	4.34%	4.55%
vi) Return on Assets	2.32%	2.99%
vii) Business (deposits plus advances) per employee(in ₹ crore)	12.95	12.26
viii) Profit per employee (in ₹ crore)	0.25	0.31



b) Bancassurance business

The details of fees / brokerage earned in respect of insurance broking, agency and bancassurance business undertaken by them shall be disclosed for both the current year and previous year.

2020-21	2021-22
Rs. 10.36 Crores	Rs. 15.67 Crores

c) Marketing and distribution

Banks shall disclose the details of fees / remuneration received in respect of the marketing and distribution function (excluding bancassurance business) undertaken by them.

2020-21	2021-22
Rs. 59.52 lakh	Rs. 208.56 lakh

d) Disclosures regarding Priority Sector Lending Certificates (PSLCs)

The bank has sold and purchased following priority sector advances through Priority sector lending certificate (PSLC) in RBI’s e-Kuber platform during the Financial Year 2021-22 on various dates and booked a net expenditure of Rs.1.49 Crores. The PSLC is valid upto 31.03.2022.

The summary of advances sold and bought through PSLC is furnished under:

(Amount in Crores)

PSLC SOLD		PSLC Purchased		Net Profit/Loss during the Year
Total Sold	Premium Received	Total Purchased	Premium paid	
4160	2.82	4360	4.31	-1.49

Inter Bank Participation Certificate (IBPC):

The bank has entered into the risk sharing participation contract with Axis Bank Ltd and HDFC Bank Ltd. under the Interbank Participation Certificate (IBPC) and issued priority sector advances on various dates and for 180 days. Few contracts were entered in to agreement in the previous financial year 2020-21 and extended till this financial year. Contract of Rs.1500 Crores and Rs.2170 Crores are entered in this financial year in quarter ending 31.12.2021 & quarter ending 31.03.222 and extended to the next financial year on cash pay-out basis having maturity dates and income earned on account of depositing the same at differential RoI with a net interest rate margin after duly obtaining Board approval as mentioned below:



Transactions done & Income earned on IBPC during FY 2021-22						
Sl No	AMT (In Crore)	Net Margin	FROM	TO	No of Days	INT EARNED (In Crore)
1	2000.00	4.25	01.04.2021	19.09.2021	172	40.05
2	1200.00	2.15	28.06.2021	24.12.2021	180	12.72
3	800.00	2.25	30.06.2021	26.12.2021	178	8.78
4	2000.00	2.24	24.09.2021	22.03.2022	180	22.09
5	1200.00	2.80	30.12.2021	27.06.2022	92	8.47
6	300.00	2.60	30.12.2021	27.06.2022	92	1.97
7	2170.00	3.80	24.03.2022	31.03.2022	8	1.81
	9670.00					95.89

e) Provisions and contingencies

(Amount in ₹ Crore)

S. No	Provision debited to Profit and Loss Account	Current Year	Previous Year
i.	Provisions for NPI	-	-
ii.	Provision towards NPA	183.01	62.48
iii.	Provision made towards Income tax	251.21	320.06
iv.	Other Provisions and Contingencies (with details)		
	Provision on Standard Assets	95.13	0.42
	Provision on Frauds	0.93	-0.04
	Depreciation on SLR Securities under AFS category	112.80	-
	Provision on Wage revision	-20.31	115.00
	Investment Fluctuation reserve	-15.99	-
	Audit Fee provision	-0.20	-
	Provision on Pension	102.07	27.00



Disclosure in Financial Statements – ‘Notes to Accounts’

f) Payment of DICGC Insurance Premium

(Amount in ₹ Crore)

Sr.No.	Particulars	Current Year	Previous Year
i)	Payment of DICGC Insurance Premium	23.16	24.41
ii)	Arrears in payment of DICGC premium	NIL	NIL

g) Disclosure on amortisation of expenditure on account of enhancement in family pension of employees of banks

Govt. of India, Ministry of Finance, Department of Financial Services, vide Order No. F.No.81112021-RRB dated 01 April, 2021, in exercise of their powers under provision 2 of section 17(1) of RRB Act, 1976 has communicated the revised salary and allowances to the RRB staff in terms of 11th Bipartite Settlement. Whereas regarding the enhanced family pension to RRBs, consequent to the 11th Bipartite Settlement, it has not been conveyed its approval or otherwise. Accordingly, the enhanced family pension is not implemented in our bank.

Further, the pension liability as on 31.03.2022 is arrived with existing family pension rates. The revised liability will be arrived after approval of competent authority, i.e. Govt. of India, for revision of family pension to employees of RRBs.

For Komandoor & Co LLP,
Chartered Accountants


(CA. Mohan Acharya K)
Partner

Mem No. 029082

UDIN: 22029082 AHGF TO 7832

Pradeep Karunakaran
(Director)


Subhash Seraphim
(Director)

Place: Warangal
Date: 18th April 2022

For Andhra Pradesh Grameena Vikas Bank



General Manager (OPS)
(K Eswara Subrahmanyamu)

Natarajan R
(Director)

Ravi Rayi
(Director)


K. Praveen Kumar
(Director)




Chairman
(K. Praveen Kumar)


Chakrawarthy Seshadri Kandadai
(Director)

Satyanarayana KVV
(Director)



Independent Auditor's Report

To

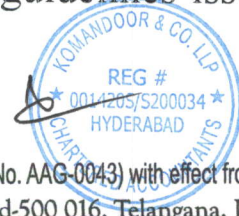
The Members of Andhra Pradesh Grameena Vikas Bank
Warangal

Report on Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Andhra Pradesh Grameena Vikas Bank ('the Bank'), which comprise the Balance Sheet as at 31 March 2022, the Profit and Loss Account and the Statement of Cash Flows for the year then ended, and notes to financial statements including a summary of significant accounting policies and other explanatory information in which are included the returns for the year ended on that date of the Head Office,
- 28 branches audited by us and
 - 538 branches audited by statutory branch auditors.

The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued



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to the Bank by the National Bank for Agriculture and Rural Development (NABARD). Also incorporated in the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows are the returns from 210 branches which have not been subjected to audit.

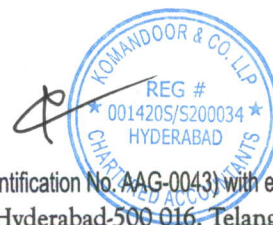
These unaudited branches account for 24.77 percent of advances, 27.33 per cent of deposits, 25.04 per cent of interest income and 27.59 per cent of interest expenses.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Regional Rural Banks Act, 1976, circulars, directions and guidelines issued by Reserve Bank of India (RBI, NABARD from time to time and in the manner so required for bank and are in conformity with accounting principles generally accepted in India and:

- a. The Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at 31st March, 2022;
- b. The Profit and Loss Account, read with the notes thereon shows a true balance of profit/; and
- c. The Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the ICAI. Our responsibilities under



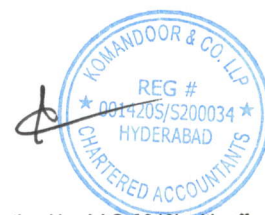


those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the financial statements prepared in accordance with the

3. Accounting principles generally accepted in India, including the Accounting Standards issued by the ICAI, and provisions of the Regional Rural Banks Act, 1976 and circulars and guidelines issued by the RBI and NABARD from time to time and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters prescribed below to be the key audit matters to be communicated in our report.



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Key Audit Matter	How it has been addressed
<p>Verification of Advances:</p> <p>The carrying value of these advances (net of provisions) may be materially misstated if individual or collective income recognition, classification and provisions are not appropriately identified and estimated as per RBI guidelines. Identification of performing and nonperforming assets, involves establishment of proper mechanism. The Bank accounts for all the transactions related to advances in its Information Technology System called Core Banking Solution (CBS). Further, NPA stamping and provisioning is also done in the CBS. Considering the nature of the</p>	<p>Our Procedure:</p> <p>We have tested the design and operation of CBS to ensure that IT system is designed in line with the Master Circular on IRAC norms and other related circulars issued by RBI/ NABARD and internal policies developed by the Bank in accordance with such Norms, including: The accuracy of the data input in the system used for income recognition, asset classification and provisioning in accordance with RBI regulations, Business Logics/ Parameters are in-built in CBS for Tracking, Identification and stamping of NPA. Existence and effectiveness of monitoring mechanisms like</p>



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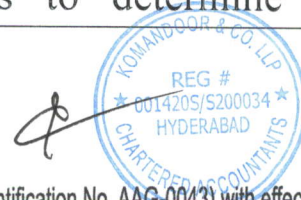


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transactions, regulatory requirements, existing business environment, and the materiality, audit of advances require significant efforts in verification of the income recognition, asset classification and provisioning. Further, it is a matter of high importance for the intended users of the financial statement. Considering these aspects, we have considered this as a key Audit Matter.

Internal Audit, Systems Audit, Snap Audit and daily Concurrent Audit. We have examined: The Reports, MOCs and certificates issued by the Branch Auditors have been considered including observations made in LFAR. Observations, if any, by various audits conducted as per the monitoring mechanism of the bank including NABARD Inspection and how they have been dealt with.

Our audit procedures included considering the appropriateness of the Bank's accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. We have examined the efficiency of various internal controls over advances to determine the



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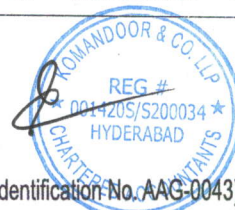
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nature, timing and extent of the substantive procedures. We performed test of controls over asset classification with specific focus on whether IRAC norms are followed adequately along with the provisioning requirements. In carrying out substantive procedures, we have examined all large advances while other advances have been examined on a sampling basis. All the stressed accounts of significant amount have been examined in detail. Large numbers of Branches are being audited by the Statutory Branch Auditors who are firms of Chartered Accountants included in the panel of NABARD and appointed by the Bank. We have relied on the various returns relating to advances audited by these



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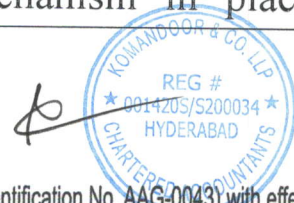
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	<p>Statutory Branch Auditors and there report in respect thereof. We have also reviewed the report of Concurrent Audit, Snap Audit and reports and inspection reports of NABARD.</p>
<p>Provision for Pension:</p> <p>The Bank has provided under a Defined Benefit Plan for pension of all the eligible employees. The pension liability is reckoned based on an independent actuarial valuation carried out and bank makes such initial contributions, periodically to the fund as may be required to secure payment of the benefits under the pension regulations. The cost of providing defined benefits is determined using the</p>	<p>Our procedure:</p> <p>The Bank has a HRMS package in place where details of employees such as Name, Date of Birth, Date of Joining, Basic Pay and other relevant information are being maintained. Details of all the eligible employees have been considered from such package and are forwarded to registered actuarial valuer along with assumptions for actuarial valuations. We have verified the mechanism in place to</p>



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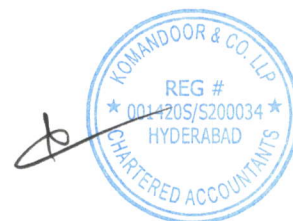
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Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. The measurement of provision being complex, requiring significant professional judgment and estimation in the selection of requisite long-term assumptions and any deficiency / error in such assumptions may result in accurate valuation as per AS 15 and consequent significant impact on the Financial Assertions, in view of the same we consider this to be a key audit matter.

ensure completeness of the employee data shared for valuation. Further, we have reviewed the experts assessment of the appropriateness and reasonableness of the assumptions submitted by the bank in relation to such valuation and for matters involving significant professional judgment; we have relied upon the methodologies adopted by the actuarial expert as suggested in SA 620- Using the work of an Expert”.



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

5. The Bank's Board of Directors is responsible for the other information. The other information comprises the information included in the management report and chairman's statement but does not include the financial statements and our auditor's report thereon

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated

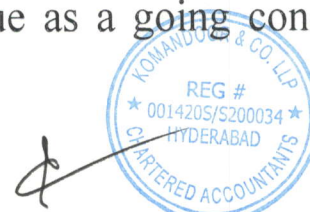
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





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

6. The Bank's Board of Directors is responsible with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards,
- and provisions of Regional Rural bank Act, 1976 and circulars and guidelines issued by the Reserve Bank of India ('RBI') and National Bank for Agriculture and Rural Development (NABARD) from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern,



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disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management

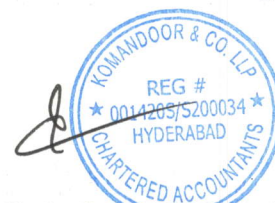
either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and



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perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the bank to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the



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KOMANDOOR & CO. LLP

Chartered Accountants



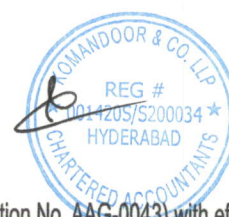
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financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatements in the standalone financial statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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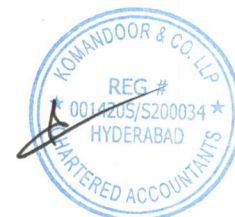


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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

8. We did not audit the financial statements / information of 533 branches and processing centres included in the financial statements of the Bank whose financial statements / financial information reflect total assets of Rs.15856.06 crores as at 31st March 2022 and total revenue of Rs. 1527.52 cr for the year ended on that date, as considered in the financial statements. These branches and processing centers cover 66.17% of advances, 59.13 % of deposits and 69.12 % of Non-performing assets as at 31st March 2022 and 66.79% of revenue for the year ended 31st March 2022. The financial statements / information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to



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the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

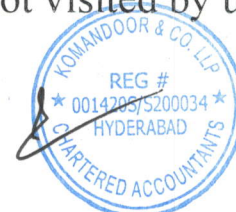
Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

9. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949;

Subject to the limitations of the audit indicated in paragraphs 5 to 8 above and as required by the Regional Rural Banks Act, 1976, and subject also to the limitations of disclosure required therein, 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 purposes of our audit and have found them to be satisfactory;
 - b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and
 - c) The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.
10. We further report that:
- a) 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 branches not visited by us



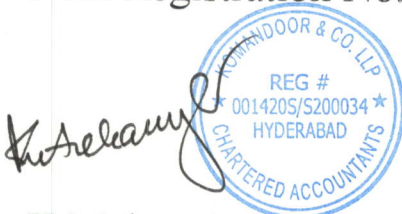
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- b) the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us.
- c) the reports on the accounts of the branch offices audited by branch auditors of the Bank under Regional Rural Banks Act, 1976 have been sent to us and have been properly dealt with by us in preparing this report; and
- d) In our opinion, the Balance Sheet, the Statement of Profit and Loss Account and the Statement of Cash Flows comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by NABARD and RBI.

For Komandoor and Co LLP.
Chartered Accountants
Firm Registration No. 001420S/S200034



K Mohan Acharya
Partner
M.No : 029082
UDIN: 2209082AHGFTO7832

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ANDHRA PRADESH GRAMEENA VIKAS BANK
HEAD OFFICE: WARANGAL
LONG FORM AUDIT REPORT TO THE MANAGEMENT
BY STATUTORY CENTRAL AUDITORS OF THE BANK
FINANCIAL YEAR: 2021-22

I. **ADVANCES**

1. **Loan Policy**

- Existence of Loan Policy - specifying the prudential exposure norms, industry-wise exposure, regular updation of the policy, system of monitoring and adherence thereto.

Bank has adopted the Credit policy duly approved by Bank's board in their meeting dated 27th January 2021 and reviewed the Credit Policy by Bank on 7th January 2022.

In addition, the management issues circulars from time to time to all the Branches as well as Regional offices on prudential exposure norms, industry wise exposure and system of monitoring and adherence thereto. Adequate delegation of powers has been given to Branch Managers / Regional Managers by the Board.

2 **Credit Appraisal**

- Existence of a well laid-down system of appraisal of loan / credit proposals, including adequacy of information for appraising the credit worthiness of the applicant and adherence thereto.

The system of appraisal of loan / credit proposals is implemented with circulars and appropriate training has been given to staff from time to time.

3 **Sanction / Disbursement**

- Delegation of powers/authority at various levels, adherence to authorized limits, whether disbursements are made after complying with terms and conditions of sanction, etc.

Yes, generally, disbursements are made after fulfilling the sanctioned terms and conditions of the Competent Authorities.

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4 Documentation

- Systems of ensuring that documents are executed as per the terms and conditions of sanction.

Generally the documents are executed as per the terms and conditions of sanction norms.

- System of documentation in respect of joint / consortium advances.

No such advances are sanctioned during the financial year.

- Renewal of documents.

No significant deficiencies were observed.

5. Review / Monitoring / Supervision

- Periodic balance confirmation/ acknowledgement of debts.

In a few cases balance confirmations and acknowledgement of debt was not obtained from borrowers.

- Receiving regular information, Stock / Book Debt, Statements, Balance Sheet, etc.

In the borrower accounts verified by us and by the branch auditors, in most of the cases, we have observed that the requirement for obtaining timely stock and book debts statements doesn't arise. However, the other financial information applicable to such loans for review and monitoring was taken as applicable.

- Receiving audited accounts in the case of borrowers with limits beyond Rs.25 lakhs.

Audited financial statements are obtained and kept on record.

- System of scrutiny of the above information and follow-up by the bank.

Satisfactory.

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- System of periodic physical verification or inspection of stocks, equipments and machineries and other securities.

Yes, as informed, wherever applicable, periodic physical verification / inspection of stocks, equipments and machinery and other securities hypothecated/pledged to the Bank has been done by officers of the Bank.

- Inspection reports and their follow-up.

Normally visits are noted in a unit inspection register and remarks are noted but no separate reports are prepared. The register needs to be improved to make the follow up effective.

- Insurance coverage

a) The bank was insuring the hypothecated/mortgaged assets to the extent of bank finance/as a percent of bank finance (say 110%) instead of value of the assets.

- Norms and awarding of Credit Rating.

We are informed that Systems of "norms and awarding of credit rating" was introduced in the Bank and being adopted all Terms Loan and Commercial Loans.

- Review of advances including enhancement of limits.

Review of advances including enhancement of limits are satisfactory.

- Monitoring and follow-up of over dues arising out of other businesses such as leasing, hire purchase, credit cards, etc.

No such accounts.

- Overall monitoring of advances through maturity/aging/industry-wise analysis; Industry-wise exposures and adherence to the Loan Policy

The bank had issued detailed guidelines/circulars/instructions to Regional offices/branches from time to time on various loan products.

The bank had decentralized the process of sanction of loans and advances by delegating powers to Regional offices/branches/Asset Management Hubs. The

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extent of delegation of powers to various levels in the bank was approved by the Bank's Board.

- System of monitoring of off-balance sheet exposures including periodic review of:
 - Claims against the bank not acknowledged as debts-

Claims against the bank not acknowledged as debts amounts to Rs.122,45,52,454.65 which pertains to the Income Tax demands on which appeals are pending at various authorities.

- Letters of credit

No such cases.

- Guarantees

Follow up action for financial guarantees are taken properly and detailed guidelines have been given. The letters sent to the beneficiary of the guarantee advising the expiry of the guarantee and seeking return of the original guarantee are to be kept on record.

- Ready forward transactions

Not applicable.

- Co-acceptances

Not applicable.

- Swaps, etc.

Not applicable.

6. Recovery Policy in respect of and Bad / Doubtful debts / NPAs

- Existence of Recovery Policy; regular updation thereof; monitoring and adherence thereto; compliance with the RBI guidelines.

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Bank has adopted the recovery policy duly approved by Bank's board in their meeting dated 27.01.2021 and the same has been reviewed and approved by Bank's Board on 07.01.2022.

The Bank is having well established system and procedures, in the case of recovery. The following strategies are in existence:

- 1) *Cash Recovery,*
- 2) *Lok Adalat,*
- 3) *Compromises,*
- 4) *OTS,*
- 5) *Write-Off,*
- 6) *SARFESAI*

- System of monitoring of recovery from credit card dues in respect of credit cards issued.

- Not applicable.

- Effectiveness of the system for compiling data relating to the bad and doubtful debts and the provision in respect thereof.

It is adequate and satisfactory

- System for identification, quantification and adequacy of provision (including at foreign branches).

The Bank follows IRAC norms for income recognition, asset classification and provisioning. Bank follows a system generated process in this regard.

- System for suspension of charging of interest and adherence thereto.

With regard to all loan assets, identified by the system as Non Performing, charging of interest was stopped as per guidelines of Reserve Bank of India.

- Ascertaining the realizable value of securities (including valuation of fixed assets) and the possible realization from guarantors including DICGCI / ECGC.

Not applicable.

- Assessment of the efficacy of rehabilitation programs.

Not applicable.

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- Method of appropriation of recoveries against principal, interest etc.

Repayment received is appropriated to the charges and interest portion first and balance is adjusted towards principal portion.

- System of compromise settlements: Review all such cases and cases of recovery of over Rs.1.00 crore and also the cases wherein limits of sacrifice laid down in the Recovery Policy are exceeded. Compliance with RBI guidelines.

Being Complied

- Provision / write-off: under proper authority.

Every year, Bank is adopting write-off policy with the Board's approval.

- Recovery procedures including that relating to suit filed and decreed accounts.

Branches submit the proposals for filing of suits to the respective Regional Offices who scrutinizes and recommend the proposals to Head Office with due approval of ROCC. The Bank is closely monitoring suit filed cases in "P" review meetings being conducted at monthly intervals.

Suit filed Position as on 31.03.2022:

Particulars	31.03.2022
Total No of Suits	1297
Total No of Suits decreed	765
Total No of EPs Filed	278
Total No of EPs not filed	487

- System of identifying and reporting of willful defaulters.

The branches are identifying and reporting willful defaulters to Regional Offices/ Head Office. Review is being done by Regional Offices in consultation with Head Office.

- Crop Insurance: ***Balance in Crop Insurance account is Rs.1,345,615.44***
- Subsidy Reserve Fund:
Balance Subsidy Reserve Fund account is Rs. 21,546,862.26

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Branches are to verify and return the subsidy to respective agencies in cases where the schemes are not scheduled to be grounded. In cases where the outstanding is more than 3 years, the back ended subsidies are to be adjusted to accounts duly complying with extant guidelines.

7. Large Advances

- Comments on adverse feature in respect of large advances considered significant and which need management's attention.

Loans above Rs. 1.00 Cr are being closely monitored at Head Office and put up to Board for review and follow up. Further top 50 accounts are closely monitored by the board and issues if any are considered for review and resolved in Board Meetings.

II. LIQUIDITY AND FUNDS MANAGEMENT

1. Investments

- Existence of Investment Policy and adherence thereto; compliance with RBI guidelines.

The Bank has constituted an Investment Committee and has adopted as an investment policy dated 28.09.2021 duly approved by Bank's Board. The Committee meets periodically and approves the purchase and sale of Investments in line with the policy.

- System of purchase and sale of investments; delegation of powers; reporting systems, segregation of back office functions, etc.

Portfolio Management Services are being undertaken through SBI Securities Services Branch, Mumbai.

- Controls over investments, including periodic verification / reconciliation of investments with book records.

Yes, there is periodical physical verification by the internal audit department. Bank is obtaining confirmation of balances from the respective Banks/financial institutions.

- Valuation; mode; change in mode of valuation compared to previous year; shortfall and provision thereof.

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Investments are classified under 'Held to Maturity (HTM)' category and 'Available for Sale (AFS)' category as per RBI instructions and valued as per the directions of RBI from time to time.

- Investments held at foreign branches; valuation mode; regulatory reserve requirements; liquidity.

Not applicable.

- Composition of investment portfolio as per RBI guidelines and the depreciation on investments, if any, not provided for.

No adverse remarks.

- System relating to unquoted investments in the portfolio and the liquidity of such investments.

Unquoted investments to the extent applicable are valued as per the investment policy of the bank and no material adverse remarks are noticed.

- System relating to SGL / BRs control over SGL / BRs outstanding at the year end and their subsequent clearance.

SGL Account maintained with SBI Security Services, Mumbai is reviewed at regular intervals.

- System and periodicity of concurrent and internal audit / inspection of investment activities; follow up of such reports.

Inspection and Audit department verifies investments at monthly intervals which are satisfactory and no material adverse remarks are noticed.

- System of recording and accounting of income from investments.

Income from investments is accounted on accrual basis in case of 'Held to maturity' category. Profit or loss on sale of investments held under 'Available for Sale Category' is accounted for to Profit and Loss account.

- System of monitoring of income accrued and due but not received.

The bank is maintaining Investment Registers in both Digital portal and also in manual record and the monitoring is satisfactory.

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- System of monitoring matured investments and their timely encashment.

Satisfactory

- Average yield on investments.

Yield on investments is 7.00%

- System relating to Reports.

The system of reporting periodical reports to NABARD/RBI is satisfactory.

2. SLR / CRR Requirements – system of ensuring compliance

- System of compiling weekly DTL position from branches.

The Bank is observing fortnightly DTL position for ensuring SLR / CRR compliance.

- Records maintained for the above purpose.

DTL Register is maintained, updated on day to day basis.

3. Cash

- System of monitoring of cash at branches; and management of cash through currency chest operations.

Regional Offices reviewing and fixing the retention limit for every branch basing on seasonality and business regularly. However, some of the branches are holding excess cash balance over and above the retention limits. The Bank has no currency chest operations.

- Insurance cover (including insurance for cash in transit).

Satisfactory-

- System and procedure for physical custody of cash.

Cash is being held under joint custody at all the branches.

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4. Call Money Operations

- System relating to inter-bank call money operations

No call money operations

5. Asset Liability Management

- Existence of Policy on Asset – Liability Management and monitoring thereof; compliance with the RBI guidelines.

Asset Liability Management Committee has been constituted as per RBI Guidelines and the performance is satisfactory.

- Functioning of Asset Liability Management committee.

ALM Committee is monitoring the Assets, Liabilities, Maturity, Investment decisions, Interest decisions, risk factors and placing them before the Bank's management.

- Structural Liquidity at periodical intervals.

Structural Liquidity position is reported to Board at quarterly basis for their review.

III. INTERNAL CONTROL

1. Written guidelines / instructions manual for accounting aspects.

Head Office is providing to all Branches written guidelines / instructions manuals in the form of E circulars regularly through Vikasnet.

2. Balancing of Books / Reconciliation of control and subsidiary records

Not applicable, as the books of account are being maintained in Core Banking System.

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- System of monitoring the position of balancing of books / reconciliation of control and subsidiary records.

Books of account are being maintained in Core Banking System.

- Follow-up action.

No adverse remarks.

3. Inter-branch Reconciliation

- Comments on the system / procedure and records maintained.

In CBS, well laid down systems and procedure are/ is adopted for accounting Inter Branch / Regional Office transactions.

- Test check for any unusual entries put through Inter-Branch / Head Office accounts.

There are no unusual entries in Inter Branch / Regional Office / Head Office Accounts.

- Position of outstanding entries, system for locating long outstanding items of high value.

There are no long outstanding entries for more than six months and the system of locating outstanding items of high value is satisfactory.

- Steps taken or proposed to be taken for bringing the reconciliation up-to-date.

Reconciliation process is on regular basis.

- Compliance with RBI guidelines with respect to provisioning for old outstanding entries.

No material adverse remarks noticed.

4. Branch Inspection

- System of branch inspections: frequency; scope / coverage of inspection / internal audit, concurrent audit or revenue audit; reporting.

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- ✓ *Separate Inspection and Audit department is established at Head Office and it is conducting Inspection & Audits, Income Audits and Concurrent Audits of branches at periodic intervals.*
- ✓ *During the current financial year 407 branches were due for internal audit and 407 were audited. The inspection reports were reviewed and closed except two branches.*
- ✓ *Only 91 branches are covered under Concurrent Audit for the entire financial year due to Covid pandemic and shortage of Concurrent auditor. The reports were reviewed and closed.*
- ✓ *Snap Audits were conducted by Regional Offices at prescribed intervals and wherever it was felt necessary. The same were monitored at Inspection and Audit department at Head Office.*
- ✓ *Status of Audit Observations*

Type of Audit	No of Audits Conducted	No of Irregularities	Pending Irregularities
RFIA	407	24827	3256
SNAP	1266	11394	5064

- System of follow-up of these reports; position of compliance.

The system of follow-up and compliance is satisfactory.

5. Frauds / Vigilance

- Observations on major frauds discovered during the year under audit.

No.	Particulars	Number of Frauds
1	Total Fraud cases as on 31.03.2021	25
2	No. of cases added during the year	06
3	No. of cases closed during the year	07
4	Total Fraud Cases as on 31.03.2022	24

Six (06) new cases of frauds were reported involved an amount of Rs.1,55,51,643/-. The enquiries and further action are under process except Tilaru and Aswapuram Branches, which were conducted and closed.

No.	FY	Branch Name	Involved (Rs.)	Recovered (Rs.)	Written off (Rs.)	Outstanding (Rs.)
1	2021	Tilaru	2008000	318000	-	1690000
2	2021	Midgil	3200000	3200000	-	-
3	2021	Bhupalapally	3979889	2015055	-	1964834

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4	2022	Aswapuram	67500	-	67500	-
5	2022	AMH Warangal	6264360	400000	-	5864360
6	2022	Mettapalli	31894	31894	-	-
		Total	15551643	5964949	67500	9519194
The Fraud amount is increased in the Previous year's amounts						
1	2020-21	Srikurmam	2380	190230	0	0
2	2017-18	Zaffargadh	17500	17500	0	0
		Total	15571523	6172679		

- System of follow-up of frauds / vigilance cases.

We were informed that Vigilance Department investigates the fraud noticed; based on its report, disciplinary action is initiated. If necessary, legal action is being taken by the Management.

6. Suspense Accounts, Sundry Deposits etc.

- System for clearance of items debited / credited to these accounts.

There were no outstanding entries in Suspense Account and no long outstanding entries in Sundry Deposit Account.

IV. CAPITAL ADEQUACY

	31.03.2022	31.03.2021
Capital adequacy Ratio	23.46	19.27%

(The capital adequacy ratio of the Bank is higher than the prescribed limit of 9%)

V. AUTOMATION AND COMPUTERISATION

- Existence of Computerization and Automation Policy, progress made during the year under review

All branches are computerized and are brought under CBS.

- Critical areas of operations not covered by automation.

Nil

- Number of branches covered by computerization and the extent of computerization

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All the branches are computerized and are under CBS.

- Procedures for back-ups, off-site storage, contingency and disaster recovery and adherence thereto.

Taken care by C-Edge Technologies Limited (service provider).

- Existence of systems / EDP audit; coverage of such audit.

IS audit for HO, IT cell and SLC were conducted by an external auditor in April 2022.

- Electronic Banking: existence of systems and procedures; monitoring; regular updation of technology; method of review and audit of procedures.

We are given to understand that E-banking facility (Mobile Banking & Viewing rights in internet banking) was introduced from May, 2016. Transaction rights in Internet Banking are introduced from March, 2021. Regular review and follow up is taken by Information Technology cell which is located at By-pass road, Prasanth Nagar, Sangareddy District.

- Suggestions, if any, with regard to computerization and automation.

It was observed by few of the Branch Auditors that the Master Data entered in the systems contains few errors. Hence, it is suggested that data purification is to be done on ongoing basis and Master Data is to be rectified and validated by applying software checks.

VI. PROFITABILITY

- Analysis of variation in major items of income and expenditure compared to previous year.

Total interest income increased from Rs.2995.17 Crores in 2020-21 to Rs.3048.69 Crores in 2021-22.

Non-interest income, i.e. Commission, Exchange & Brokerage Income has decreased from Rs. 453.75 crores in 2020-21 to Rs. 383.77 Crores in 2021-22.

Miscellaneous Income has decreased from Rs.160.92 crores in 2020-21 to Rs.73.74 Crores in 2021-22.

Total Interest Expenditure decreased from to Rs.1482.27 crores in 2020-21 to Rs.1342.47 Crores in 2021-22.

Important ratios comparison and analysis in relation to previous year.

Particulars	2021-22	2020-21
Yield on Advances	10.72 %	11.17 %
Yield on Investments	7.85 %	7.13 %
Gross NPA	415.95 Cr	235.52 Cr
Business Per Employee	12.95 Cr	12.26 Cr
Profit Per Employee	24.85 Lakhs	31.18 Lakhs
CRAR	25.15 %	19.27 %

- Policy relating to general provisions / reserves.

20% of Net Profit after Tax is transferred to Statutory Reserves. Other provisions relating to expenses and services are provided on accrual basis.

VII. SYSTEMS AND CONTROLS

- Existence of systems and procedures for concurrent and internal audits, inspection, EDP audit of computer systems / software, etc, monitoring and follow-up of such reports;

Well laid down procedures developed by Head Office for Inspection & Audit, Snap Audit, Income Audit, Concurrent Audit are in existence.

- Existence of Management Information System, method of compilation and accuracy of information.

We were informed that various MIS reports are generated through software.

- Reliability of regulatory reporting under the Off-Site Surveillance system of the RBI.

Satisfactory.

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VIII. OTHER MATTERS

- Comments on accounting policies including comments on changes in accounting policies made during the period.

All significant applicable accounting policies have been followed.

- Policies and systems for monitoring activities such as underwriting, derivatives etc.

Not applicable.

- Adequacy of provisions made for statutory liabilities such as Income Tax, Interest Tax, Gratuity, Pension, Provident Fund, etc.

The Bank has made necessary provisions as per respective statutes.

- Adequacy of provisions made for off-balance sheet exposures and other claims against the bank.

Nil

- Any major observations on branch returns and process of their consolidation in final statements of accounts.

No major observations were observed.

- Balances with other banks – observations on outstanding items in reconciliation statements.

All the balances with other Banks are duly reconciled.

- Procedure for revaluation of NOSTRO accounts and outstanding forward exchange contracts.

Not applicable.

APGVB
LFAR FY 2021-22

- Observations on the working subsidiaries of the bank:
 - Reporting system to the holding bank
Not applicable.
 - Major losses of the subsidiary, if any.
Not applicable.
- Any other matter, which the auditor considers should be brought to the notice of the management.
Nil

For M/s. Komandoor & Co. LLP
Chartered Accountants
FRN. No.001420S/S200034



(K. MOHAN ACHARYA)

Partner

M.No.029082

UDIN: **22029082AHGFTO7832**



Place: Warangal

Date: 18.04.2022