

FORM A

Audited Balance Sheet as on 31.03.2024

(Amt in Rs. '000')

Capital & Liabilities	Schedule	31-03-2024	31-03-2023
Capital	1	2747857	2522088
Reserves & Surplus	2	5681618	3179361
Deposits	3	104785110	95373966
Borrowings	4	20725910	19534965
Other Liabilities & Provisions	5	7696296	7051768
Total		141636791	127662148
Assets			
Cash & Balances with Reserve Bank India	6	4959823	4524174
Balance with banks & money at call & short notice	7	24151643	20312141
Investments	8	47688957	50828058
Advances	9	57132759	47198352
Fixed Assets	10	104202	115746
Other Assets	11	7599407	4683677
Total		141636791	127662148
Contingent Liabilities	12	1018309	869168
Bills for collection		0	0

For Jharkhand Rajya Gramin Bank

(Signature)

(Madan Mohan Bariar)

CHAIRMAN

Date:



For M/s D N Dokania & Associates

Chartered Accountants

FRN No-050042C

(Pranab K Dokania)

Partner

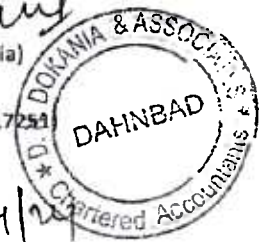
(Member No.: 417251)

UCN:050076

Place: RANCHI

Date:

29/4/24



(Signature)
DIRECTOR

(Signature)
DIRECTOR

(Signature)
DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

JRGBank JHARKHAND RAJYA GRAMIN BANK

Head Office
3rd Floor, Zila Parishad Market Complex, Kutcheri Road, Ranchi, Jharkhand-834001

FORM B

Profit & Loss Account as on 31.03.2024

(Amt in Rs. '000')

	Schedule	31-03-2024	31-03-2023
I. Income			
Interest earned	13	10662288	8954133
Other income	14	853701	1474573
Total		11515989	10428706
II. Expenditure			
Interest expended	15	5099048	4485666
Operating expenses	16	2528107	2375687
Provisions and contingencies		2730220	2624691
Total		10357375	9486044
Operating Profit		3888834	3567353
III. Profit and Loss			
Net Profit/loss(-) for the Year		1158614	942662
Profit/loss(-) brought forward			
Total		1158614	942662
4. Appropriations			
Transfer to Statutory Reserves		231723	188533
Transfer to Other Reserves (Including IFR)		926891	754129
Transfer to Capital Reserve		0	0
Balance carried over to balance sheet		0	0
Total		1158614	942662

For Jharkhand Rajya Gramin Bank

(Signature)

(Madan Mohan Bariar)

CHAIRMAN

Date:



For M/s D N Dokania & Associates

Chartered Accountants

FRN No-00 092C

(Namam Dokania)

Partner

(Member o N417

UCN:050076

Place: RANCHI

Date: 29/4/



(Signature)
DIRECTOR

(Signature)
DIRECTOR

(Signature)
DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

Schedule to the Balance Sheet

Schedule-1			
Capital	(Amt in Rs. '000')		
		31-03-2024	31-03-2023
I For Nationalised Banks Capital			
Publicly owned (By Central Government)		Nil	Nil
II. For Bank Incorporated outside India			
capital			
(i) The amount brought in by banks by way of start-up capital as prescribed by R.B.I. Should be shown under this head		Nil	Nil
(ii) Amount of deposit kept with the RBI under section 11(2) of the Banking Regulation Act-1949		Nil	Nil
Total			
III. For other Banks			
(A) Authorised Capital			
2000000000 shares of Rs.10/- each		20000000	20000000
(B) Issued capital			
252208850 shares of Rs.10/- each		2747857	2522088
(C) Subscribed capital			
252208850 shares of Rs.10/- each		2747857	2522088
(D) Called-up Capital			
252208850 shares of Rs.10/- each		2747857	2522088
Less: Calls unpaid		0	0
Add: Forfeited shares		0	0
(E) Share Capital Deposit (By Govt. of India)		0	0
(F) Share Capital Deposit (By Govt. of Jharkhand)		0	0
(G) Share Capital Deposit (By Sponsor Bank)		0	0
Total		2747857	2522088
Total		2747857	2522088

NOTE:

- 1) Amount of Perpetual Bond Rs.51525 (ooo) for March-24 and March-23 in Schedule-1 is reported to Schedule 4 under borrowing from Sponsor Bank.
- 2) Amount of Floating Provision of Standard Asset Rs.135693 (ooo) for March-24 and March-23 in Schedule-1 is reported to Schedule 5 under provision.

As per Guidelines of RBI Circular No. RBI/DOR/2021-22/83
DOR.ACC.REC.No.45/21.04.018/2021-22 Dated August 30, 2021



Schedule-2		(Amt in Rs. '000')	
Reserve & Surplus		31-03-2024	31-03-2023
1. Reserve & Surplus:			
I. Statutory Reserves		1169746	938023
Opening Balance		938023	749490
Addition during the year		231723	188533
Deductions during the year			
II. Capital Reserves		127073	127073
Opening Balance		127073	127073
Addition during the year			
Deductions during the year			
III. Share Premium			
Opening Balance			
Addition during the year			
Deductions during the year			
IV Revenue and other reserves		4384799	2114265
Opening Balance		2114265	1360136
Addition during the year		2270534	754129
Deductions during the year			
Total		5681618	3179361
V Balance in Profit and Loss Account		0	-
Total (I, II, III, IV and V)		5681618	3179361

There is a creation of additional Deferred tax Assets of Rs. 134.36 crores, on account of brought forward losses arising out of non creation of the same in erstwhile JGB.

The corresponding effect on account of such deferred tax assets has been taken into account which is in compliance with the AS-22 and the same has been correspondingly credited to Other reserves.

Schedule-3		(Amt in Rs. '000')	
Deposits		31-03-2024	31-03-2023
A. i. Demand Deposits		1739616	1521196
(i) From Banks		-	-
(ii) From Others		1739616	1521196
II. Savings Bank Deposits		69830323	63636401
III. Term Deposits		33215171	30216369
(i) From Banks		0	0
(ii) From Others		33215171	30216369
Total (I, II and III)		104785110	95373966
B. (I) Deposits of Branches in India		104785110	95373966
(II) Deposits of Branches out side India		-	-
Total		104785110	95373966



Schedule-4		(Amt in Rs. '000')	
Borrowings		31-03-2024	31-03-2023
I. Borrowings in India			
(a) Reserve Bank of India		-	-
(b) Other Banks		465428	578847
(c) Other Inst. & Agencies			
(i) NABARD		20050930	18749514
(ii) NBCFDC		10445	18556
(iii) NSTFDC		172160	165833
(iv) NHFDC		-	-
(v) NSKFDC		-	-
(vi) NSFDC		26947	22215
Total (I)		20725910	19534965
II. Borrowings out side India			
Total (I+II)		20725910	19534965
Secured Borrowings in I & II above-		20050930	18749514

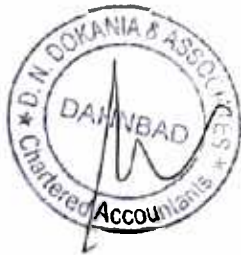
Schedule-5		(Amt in Rs. '000')	
Other Liabilities & Provisions		31-03-2024	31-03-2023
I. Bills Payable		197661	177409
II. Inter office adjustment(net)		1260	22080
III. Interest accrued		3189569	3071318
IV. Others (including provisions)		4307806	3780961
Total		7696296	7051768

Schedule-6		(Amt in Rs. '000')	
Cash and Bank Balances		31-03-2024	31-03-2023
I. Cash in Hand (including foreign currency notes)		182998	179809
II. Balance with Reserve Bank of India		4776825	4344365
(a) In Current account		4776825	4344365
(b) In Other accounts		-	-
Total (I and II)		4959823	4524174



Schedule-7		(Amt in Rs. '000')	
Balance with Banks & Money at Call & Short Notice		31-03-2024	31-03-2023
I. In India			
(i) Balance with Banks		24151643	20312141
(a) In current Account		379781	582507
(b) In other Deposit Accounts		23771862	19729634
(ii) Money at call and short notice			
(a) With Banks		-	-
(b) With other Institutions		-	-
Total (I and II)		24151643	20312141
II. Outside India			
(i) In current account		-	-
(ii) In other deposit account		-	-
(iii) Money at call & short notice		-	-
Total (I, II and III)		-	-
Grand Total (I and II)		24151643	20312141

Schedule-8		(Amt in Rs. '000')	
Investment		31-03-2024	31-03-2023
I. Investment in India in			
(i) Govt. Securities		46176528	49275374
(ii) Other approved Securities		-	-
(iii) Shares		269	-
(iv) Debentures and Bonds		1183397	1248921
(v) Subsidiaries and/or Joint Ventures		-	-
(vi) Others (Mutual Funds)		328763	303763
Total		47688957	50828058
II. Investment out side India			
(i) Government Securities (including local authorities)		-	-
(ii) Subsidiaries and/or Joint ventures abroad		-	-
(iii) Other Investments (to be specified)		-	-
Total		-	-
Grand Total (I and II)		47688957	50828058



Schedule 9		(Amt In Rs. '000')	
Advances		31-03-2024	31-03-2023
A.			
i) Bill purchased and discounted			
ii) Cash credit, Over draft & loans repayable on demand			
iii) Term Loans			
Total		57132759	47198352
B.			
i) Secured by tangible assets			
ii) Covered by Bank/Government Guarantees			
iii) Unsecured			
Total		57132759	47198352
C.I. Advances in India			
i) Priority Sectors			
ii) Public Sector			
iii) Bank			
iv) Others			
Total		57132759	47198352
C.II Advances out side India			
i. Due from Banks			
ii. Due from others			
(a) Bills purchased & Discounted			
(b) Syndicated Loans			
(c) Others			
Total			
Grand Total (C I & II)		57132759	47198352
NOTE:			
Amount of Advances for March-24 & March-23 in Schedule-9 are reported net of provision for all Segments as per guidelines of RBI Circular No. RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 Dated August 30, 2021			
Advances		31-03-2024	31-03-2023
Provision Kept under NPA		1648005	1786188
Gross Advances		58780764	48984540



Schedule-10		(Amt in Rs. '000')	
Fixed Assets		31-03-2024	31-03-2023
I. Permisses			
At cost as on 31st March of the preceding year		-	-
Additions during the year		-	-
Deduction during the year		-	-
Depreciation to date		-	-
II. Other Fixed Assets (Including furniture & Fixture)			
At cost as on 31st March of the preceding year		563421	561352
Addition during the year		3855	10042
Deduction during the year		952	7973
Depreciation to date		462122	447675
Total (I and II)		104202	115746

Schedule-11		(Amt in Rs. '000')	
Other Assets		31-03-2024	31-03-2023
I. Inter-office adjustments(net)			
		0	0
II. Interest accrued			
		2632707	1944985
III. Tax paid in advance/deducted at source			
		491892	489070
IV. Stationery and stamps			
		3010	2987
V. Non-banking assets acquired in satisfaction of claims			
		0	0
VI. Others			
		4471798	2246635
Total		7599407	4683677

Schedule-12		(Amt in Rs. '000')	
Contingent Liabilities		31-03-2024	31-03-2023
Contingent Liabilities			
I. Claims against the bank not acknowledged as debts			
		804836	659687
II. Liability for partly paid investments			
		-	-
III. Liability on account of outstanding forward exchange contracts			
		-	-
IV. Guarantees given on behalf of constituents			
(a) In India		196220	195485
(b) Out side India		-	-
V. Acceptances, endorsement & other obligations			
		-	-
VI. Other Items for which the Bank is Contingently liable			
		17253	13996
Total		1018309	869168



Schedules to Profit & Loss Account

Schedule-13		(Amt in Rs. '000')	
Interest Earned		31-03-2024	31-03-2023
I. Interest/Discount on Advances/Bills		5555290	4370349
II. Income on Investments		5106499	4558625
III. Interest on balance with Reserve Bank of India & other Inter-Bank funds		-	-
IV. Others		499	25159
Total		10662288	8954133

Schedule-14		(Amt in Rs. '000')	
Other Income		31-03-2024	31-03-2023
I. Commission, Exchange & Brokerage		308293	250213
II. Profit on sale of Investments		-51937	176504
Less: loss on sale of Investment		-	0
III. Profit on revaluation of Investments		-	0
Less: loss on revaluation of Investment		-	0
IV. Profit on sale of land, buildings and other assets		79	756
Less: loss on sale of land, buildings and other assets		-	0
V. Profit on exchange transactions		-	0
Less: Loss on exchange transactions		-	0
VI. Income earned by way of dividends, etc. from subsidiaries/companies and/ or joint ventures abroad/in India		-	0
VII. Miscellaneous income		597266	1047100
Total		853701	1474573



Schedule-15		(Amt in Rs. '000')	
Interest Expended		31-03-2024	31-03-2023
I. Interest on deposits		3713324	3362201
II. Interest on Reserve Bank of India/Inter Bank Borrowings		43510	24344
III. Others		1342214	1099121
Total		5099048	4485666

Schedule-16		(Amt in Rs. '000')	
Operating Expenses		31-03-2024	31-03-2023
I. Payment to and provision for employees		1715970	1719007
II. Rent,taxes and lighting		103837	102342
III. Printing & stationery		13584	12111
IV. Advertisement and publicity		167	23
V. Depreciation on Banks Property		15203	16630
VI. Professional fees, allowances & Expenses		8651	6184
VII. Auditors fees & expenses (including branch auditors)		13177	12196
VIII. Law charges		1592	882
IX. Postage,Telegram &Telephones etc.		3219	2757
X. Repairs and Maintenance		9034	3436
XI. Insurance		154495	129202
XII. Other Expenses		489178	370917
Total		2528107	2375687

		(Amt in Rs. '000')	
Provision and contingencies		31-03-2024	31-03-2023
I. Provision for Standard Advances		20000	35000
II. Provision for NPA Advances		50000	0
III. Provision for NPI		269	0
IV. Provision for M2M		0	1451700
V. Provision for Fraud & Robberies		11488	7991
VI. Provision for Technology upgradation		0	0
VII. Provision for Leave Encashment		0	0
VIII. Provision for Pension Liability		1353600	1007500
IX. Provision for Gratuity		50000	50000
X. Provision for Suspense Debit		0	0
XI. Provision for Deferred Tax		-391	0
XII. Provision for Wage Revision & Others		392000	71700
XIII. Provision for TAX		853254	800
Total		2730220	2624691



JRGBank JHARKHAND RAJYA GRAMIN BANK

Head Office: Ranchi

3rd Floor, Zila Parishad Market Complex, Kutchery Road, Ranchi, Jharkhand-834001

SCHEDULE – 17 - SIGNIFICANT ACCOUNTING POLICIES for FY 2023-24 (31-March-2024)

A. Background:

Jharkhand Rajya Gramin Bank (JRGB or the Bank) established under the Regional Rural Bank Act, 1976, is a banking and financial services statutory body engaged in providing a wide range of products and services to individuals, commercial enterprises, corporates, public bodies and institutional customers. The Bank is governed by the Banking Regulation Act, 1949 and the Regional Rural Bank Act, 1976.

Jharkhand Rajya Gramin Bank came into existence on 1st April 2019 (Sponsored by State Bank of India) by Amalgamation of Vananchal Gramin Bank (Sponsored by State Bank of India) & Jharkhand Gramin Bank (Sponsored by Bank of India) as per Govt. of India notification No. F.No. 7/8/2017-RRB(JHARKHAND)

Following are the Significant Accounting Policies of Jharkhand Rajya Gramin Bank i.e. the specific accounting principles and methods of applying these principles in the preparation and presentation of consolidated financial statements of JRGB.

B. Basis of Preparation:

The Bank's consolidated financial statements have been prepared in accordance with requirements under the Third Schedule of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank conform to Generally Accepted Accounting Principles in India (Indian GAAP), comprising of 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 there to and Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI), and the accounting practices prevalent in India.

The Bank's consolidated financial statements are prepared under the historical cost convention, with fundamental accounting assumptions of going concern, consistency and accrual, unless otherwise stated.

C. Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions that are considered in the reported amounts 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 the preparation of the financial statements are prudent and reasonable. Actual results could differ from to these estimates.



D. Significant Accounting Policies

1. Revenue Recognition:

- 1.1 Income and Expenditure are accounted on accrual basis, except other-wise stated.
- 1.2 Interest/Discount income is recognised in the Profit and Loss Account on realization basis for following:
 - a. Income from Non-Performing Assets (NPAs) including Investments, as per the prudential norms prescribed by the RBI or other regulatory authorities.
- 1.3 In accordance with the guidelines issued by the Reserve Bank of India, Profit on sale of investments in the "Held to Maturity" category and on sale of Fixed Assets is appropriated to Capital Reserve, net of applicable taxes and amount required to be transferred to Statutory Reserve.

The discount, if any, on acquisition of investments in Held to Maturity (HTM) category is accounted as follows:

- a. on Interest bearing securities, it is accounted for at the time of sale/ redemption.
 - b. on zero-coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis.
- 1.4 Dividend income is recognised when the right to receive the dividend is established.
 - 1.5 Commission on Letter of Credit (LC)/ Bank Guarantee (BG), Deferred Payment Guarantee, Government Business, ATM interchange fee & "Upfront fee on restructured account" are recognised on accrual basis proportionately over the period. All other commission and fee income are accounted on their realization
 - 1.6 One time Insurance Premium paid under Special Home Loan Scheme is amortised over the average loan period of 15 years.
 - 1.7 Brokerage, Commission etc. paid/incurred in connection with the issue of Bonds/Deposits are amortized over the tenure of the related Bonds/Deposits and the expenses incurred in connection with the issue are charged upfront
 - 1.8 In accordance with the guidelines issued by the Reserve Bank of India, when the Bank sells its financial assets to Securitisation Company (SC)/ Reconstruction Company (RC), the same is derecognised on sale.
 - i. If the sale is at a price below the Net Book Value (NBV) (i.e., book value less provisions held), the shortfall is debited to the Profit and Loss Account in the year of sale.
 - ii. If the sale is for a value higher than the NBV, the excess provision is written back in the year the amounts are received, as permitted by the RBI.



E. Investments:

Investments are accounted for in accordance with the extant RBI guidelines on investment classification and valuation, as given below:

2.1 Classification:

As per RBI guidelines, investments are classified into Held to Maturity (HTM), Available for Sale (AFS) and Held for Trading (HFT) categories. Under each category, the investments are further classified as (i) Government Securities, (ii) Other Approved Securities, (iii) Shares, (iv) Debentures and Bonds and (v) Others like Mutual Fund Units, etc.

For disclosure in Balance Sheet, the investments are classified as Investments in India and outside India.

2.2 Basis of Classification

i. Held to Maturity

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

ii. Held for Trading

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

iii. Available for Sale

- 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.

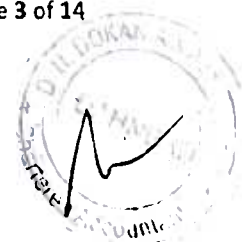
v. Investments in associates are classified as HTM except in respect of those investments which are acquired and held exclusively with a view to its subsequent disposal. These investments are classified as AFS.

2.3 Valuation:

A. Banking Business:

- The transactions in all securities are recorded on a Settlement Date. Cost of investment under AFS and HFT category is determined at the weighted average cost method by the group entities and cost of investments under HTM category is determined on FIFO basis (first in first out) by SBI and weighted average cost method by other group entities.

- Brokerage/commission received on subscriptions is reduced from the cost. Brokerage, commission, securities transaction tax, etc. paid in connection with acquisition of investments are expensed upfront and



excluded from cost.

- b. Broken period interest paid / received on debt instruments is treated as interest expense/income and is excluded from cost/sale consideration.

ii. **Valuation of investments classified as Held to Maturity:**

- a. Investments under Held to Maturity category are carried at acquisition cost. The premium paid on acquisition, if any, is amortised over the term to maturity on constant yield basis. Such amortisation of premium is accounted as income on investments.
- b. A provision is made for diminution, other than temporary, for each investment individually.
- c. Investments in Regional Rural Banks (RRBs) are valued at equity cost determined in accordance with AS 23 of the ICAI.

iii. **Valuation of investments classified as Available for Sale and Held for Trading:**

Investments held under Available for Sale and Held for Trading are individually revalued at market price or fair value determined as per the regulatory guidelines and the net depreciation, if any, of each group for each category (viz., (i) Government securities (ii) Other Approved Securities (iii) Shares (iv) Debentures & Bonds and (v) others) is provided for and net appreciation is ignored.

iv. **Valuation policy in event of inter category transfer of investments:**

- a. 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.
- b. Transfer of securities from HTM category to AFS category is carried out on acquisition price/book value. After transfer, these securities are immediately revalued and resultant depreciation, if any, in the Profit and Loss Account

v. **Valuation in case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts:**

- a. The investment in security receipts obtained by way of sale of NPA to SC/RC, is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR.
- b. SRs issued by an SC/ARC are valued in accordance with the guidelines applicable to non-SER instruments. Accordingly, in cases



where the SRs issued by the SC/ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ARC, is reckoned for valuation of such investments.

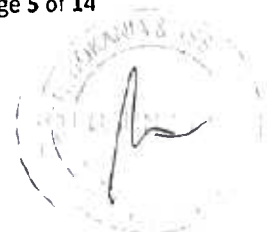
- c. In case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts (SR), investment in SR is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR. SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments.
- vi. Treasury Bills and Commercial Papers are valued at carrying cost.

2.4 Investments (NPI)

- i. In respect of domestic offices/ entities, based on the guidelines issued by RBI, investments are classified as performing and non-performing as follows:
 - a. Interest / 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 ₹ 1 per company on account of the non-availability of the latest Balance Sheet, those equity shares would be reckoned as NPI.
 - c. The Bank also classifies an Investment as a non-performing investment, in case any credit facility availed by the same borrower/entity has been classified as a non-performing asset and vice versa. The above is applied to Preference Shares where the fixed dividend is not paid.
 - d. The investments in debentures/bonds, which are deemed to be advance, are also subjected to NPI norms as applicable to investments.

2.5 Accounting for Repo/ Reverse Repo transactions

The Bank enters Repurchase and Reverse Repurchase Transactions with RBI under Liquidity Adjustment Facility (LAF) and also with market participants. Repurchase Transaction represents borrowing by selling the securities with an agreement to repurchase the securities. Reverse Repo Transactions on the other hand, represent lending funds by purchasing the securities.



- a. Transactions with RBI under Liquidity Adjustment Facility (LAF) are accounted for as Collateralized Lending and Borrowing transactions.
- b. In Market Repo and Reverse Repo transaction, securities sold (purchased) and repurchased(resell) are accounted as normal outright sale(purchase) transactions and such movement of securities is reflected using the Repo/ Reverse Repo Accounts and contra entries. The above entries are reversed on the date of maturity. Balance in Repo Account is classified under Schedule 4 (Borrowings) and balance in Reverse Repo Account is classified under Schedule 7 (Balance with Banks and Money at call & short notice).
- c. Borrowing cost of repo transactions and revenue on reverse repo transactions, with RBI or others, is accounted for as interest expense and interest income, respectively.

3. Loans / Advances and Provisions thereon:

- 3.1 Based on the guidelines/directives issued by the RBI, Loans and Advances are classified as performing and non-performing as follows:
 - i. The term loan is classified a non-performing asset, if interest and/or instalment of principal remains overdue for a period of more than 90 days;
 - ii. An Overdraft or Cash Credit is classified a non-performing asset, if the account remains "out of order", i.e. if the outstanding balance exceeds the sanctioned limit/drawing power continuously for a period of 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;
 - iii. The bills purchased/discounted are classified as non-performing assets, if the bill remains overdue for a period of more than 90 days;
 - iv. The agricultural advances are classified as non-performing assets, if (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.
- 3.2 NPAs are classified into Sub-Standard, Doubtful and Loss Assets, based on the following criteria stipulated by RBI:
 - i. Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months.
 - ii. Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.
 - iii. Loss: A loan asset where loss has been identified but the amount has not been fully written off.



3.3 Provisions are made for NPAs as per the extant guidelines prescribed by the regulatory authorities, subject to minimum provisions as prescribed below:

Substandard Assets: i. A general provision of 10% on the total outstanding;
ii. Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realisable value of security is not more than 10 percent ab-initio);
iii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available – 20%.

Doubtful Assets:

-Secured portion: i. Upto one year – 20%
ii. One to three years – 30%
iii. More than three years – 100%

-Unsecured portion : 100%

Loss Assets: : 100%

3.4 Advances are net of specific loan loss provisions, unrealised interest, ECGC claims received and bills rediscounted.

3.5 For restructured/ rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which require that the difference between the fair value of the loan/advances before and after restructuring is provided for, in addition to provision for the respective loans/advances. The Provision for Diminution in Fair Value (DFV) and interest sacrifice, if any, arising out of the above, is reduced from advances.

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

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

3.8 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 & Provisions – Others" and are not considered for arriving at the Net NPAs.

3.9 Appropriation of recoveries in NPAs are made in order of priority as under :

a. Charges, Costs, Commission etc.

b. Unrealized Interest / Interest



c. Principal

However, in Compromise and Resolution/ Settlement through National Company Law Tribunal (NCLT) cases, the recoveries are appropriated as per the terms of respective compromise/ resolution/ settlement. In case of suit filed accounts, recovery is appropriated as per directives of respective courts.

4. Floating Provisions & Countercyclical Provisioning Buffer:

The Bank has a policy for creation and utilisation of Countercyclical Provisioning Buffer in good times as well as for Floating Provisions separately for advances, investments and general purposes. The quantum of Countercyclical Provisioning Buffer and Floating Provisions to be created is assessed at the end of the financial year. These provisions are utilised only for contingencies under extra ordinary circumstances specified in the policy with prior permission of Reserve Bank of India.

5. Derivatives:

- 5.1 The Bank enters into derivative contracts, such as foreign currency options, interest rate swaps, currency swaps, cross currency interest rate swaps and forward rate agreements in order to hedge on-Balance Sheet/off-Balance Sheet assets and liabilities or for trading purposes. The swap contracts entered to hedge on-Balance Sheet assets and liabilities are structured in such a way that they bear an opposite and offsetting impact with the underlying on-Balance Sheet items. The impact of such derivative instruments is correlated with the movement of the underlying assets and accounted in accordance with the principles of hedge accounting.
- 5.2 Derivative contracts classified as hedge are recorded on accrual basis. Hedge contracts are not marked to market unless the underlying assets / liabilities are also marked to market.
- 5.3 Except as mentioned above, all other derivative contracts are marked to market as per the Generally Accepted Accounting Practices prevalent in the industry. In respect of derivative contracts that are marked to market, changes in the market value are recognised in the Profit and Loss Account in the period of change. Any receivable under derivative contracts, which remain overdue for more than 90 days, are reversed through Profit and Loss Account to "Suspense Account - Crystallised Receivables". In cases where the derivative contracts provide for more settlement in future and if the derivative contract is not terminated on the overdue receivables remaining unpaid for 90 days, the positive MTM pertaining to future receivables is also reversed from Profit and Loss Account to "Suspense Account – Positive MTM".



5.4 Option premium paid or received is recorded in Profit and Loss Account at the expiry of the option. The balance in the premium received on options sold and premium paid on options bought is considered to arrive at Mark to Market value for forex Over the Counter (OTC) options.

5.5 Exchange Traded Derivatives entered into for trading purposes are valued at prevailing market rates based on rates given by the Exchange and the resultant gains and losses are recognized in the Profit and Loss Account.

6. Fixed Assets, Depreciation and Amortisation:

6.1 Fixed Assets are carried at cost less accumulated depreciation/ amortisation except for freehold premises carried at revalued amount, being fair value at the date of revaluation less accumulated depreciation, as stated otherwise.

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(s) incurred on the assets put to use are capitalised only when it increases the future benefits from such assets or their functioning capability. The fixed assets in domestic offices/ entities are depreciated at WDV method based on useful life of the assets states as under:

Sr. No.	Description of Fixed Assets	Percentage Depreciation
1	Computers	33.33%
2	Computer Software forming an integral part of the Computer hardware	33.33%
3	Computer Software which does not form an integral part of Computer hardware and cost of Software Development	33.33%
4	Automated Teller Machine/ Cash Deposit Machine/Coin Dispenser / Coin Vending Machine	15.00%
5	<u>Other major fixed assets</u>	
	Vehicles	20.00%
	Safe Deposit Lockers	10.00%
	Furniture & Fixtures (Wooden and Steel)	10.00%
	AIR Conditioners	12.50%
	CARPET	33.33%

6.3 In respect of assets acquired during the year for domestic operations, depreciation is charged on proportionate basis for the number of days



assets have been put to use during the year.

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

6.5 In respect of leasehold premises, the lease premium, if any, is amortised over the period of lease (except for premises and land on perpetual lease) and Lease payments for assets taken on Operating lease are recognised as expense in the Profit & Loss account over the lease term on straight line basis.

6.6 The Bank revalue freehold immovable assets at every three years. The increase in Net Book Value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account. Additional Depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to General Reserve. The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.

7. Leases:

The asset classification and provisioning norms applicable to advances, as laid down in Para 3 above, are applied to financial leases also.

8. 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 the asset. If such assets are considered to be 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.

9. Employee Benefits:

9.1 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.

9.2 Long Term Employee Benefits

i. Defined Benefit Plans:

a **Provident Fund:** For all the eligible employees, the Bank provides for Provident Fund liability on monthly basis and are recognized as an expense and charged to the Profit & Loss Account on accrual basis. Provident Fund contributions are transferred to Jharkhand Rajya Gramin Bank (Employees') Provident Fund administered by Trustees.

a **Gratuity:** For all the eligible employees, the Bank provides for Gratuity liability based on actuarial valuation. The Bank makes periodic contributions to Jharkhand Rajya



Gramin Bank Gratuity Trust administered by Trustees based on an independent external actuarial valuation carried out annually.

- b. **Leave Encashment:** For all the employees who have completed five years of service, the Bank provides for Leave Encashment liability based on actuarial valuation and contributes to SBI Life Insurance Company Limited, HDFC, BAJAJ ALLIANZ, BIRLA SUN LIFE, and LIC on annual basis.
- c. **Pension:** JRGB provides for pension to all eligible employees. The benefit is in the form of monthly payments as per 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. JRGB makes contribution to the Pension Fund in terms of Jharkhand Rajya Gramin Bank (Employees') Pension Fund Rules. The pension liability is reckoned based on an independent actuarial valuation carried out annually and JRGB makes such additional 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. Actuarial gains/losses are immediately recognised in the Profit and Loss Account and are not deferred.

ii. Defined Contribution Plans

JRGB operates a New Pension Scheme (NPS) for all officers/ employees joining JRGB on or after 1st April, 2010, which is a defined contribution plan, such new joiners not being entitled to become members of the existing Jharkhand Rajya Gramin Bank Pension Scheme. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with a matching contribution from JRGB. Pending completion of registration procedures of the employees concerned, these contributions are retained as deposits in JRGB and earn interest at the same rate as that of the current account of Provident Fund balance. JRGB recognizes such annual contributions and interest as an expense in the year to which they relate. Upon receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS maintained by PFRDA through State Bank of India.

10. Segment Reporting

The Group recognises the business segment as the primary reporting segment and geographical segment as the secondary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 issued by



Institute of Chartered Accountants of India.

11. Taxes on Income:

Income Tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. Current taxes 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 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 re-assessed 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.

In Consolidated Financial Statement, income tax expenses are the aggregate of the amounts of tax expense appearing in the separate financial statements of the parent and its subsidiaries/joint ventures, as per their applicable laws.

12. Provisions, Contingent Liabilities and Contingent Assets

12.1 In conformity with AS - 29 "Provisions, Contingent Liabilities and Contingent Assets", issued by ICAI, the Bank recognises the 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.

12.2 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.
- ii. Any present obligation that arises from past events but is not recognised because
 - a. It is not probable that an outflow of resource embodying economic benefits



will be required to settle the obligation or

- b. Are liable estimate of the amount of obligation cannot be made. Such obligation 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.

- ii. Contingent Assets are not recognised in the financial statements

13. Special Reserves:

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

14. Cash and cash equivalents

Cash and cash equivalents include Cash and Balances with RBI, Balances with Banks and money at call and short notice.

15. CAPITAL TO RISK ASSET RATIO:

In terms of RBI guidelines, CRAR norms have been made applicable for the RRBs w.e.f. March 2008. RBI has also revised the norms for calculating CRAR for RRBs vide their circular no-RBI/2014-15/270 dated October 21, 2014.

16. Inter Bank Participation Certificate (IBPC)

As on 31.03.2024, Bank has not issued/ taken any IBPC from/to Sponsor Bank/ any other Bank.

17. Priority Sector Lending Certificate (PSLC)

In terms of RBI guidelines, in respect of "Dealing in Priority Sector Lending Certificates (PSLCs)" vide their circular no.:RBI/2015-16/366 FIDD.CO.Plan.BC.23/04.09.01/2015-16 dated April 07, 2016, and RBI/FIDD/2020-21/72 Master Directions FIDD.CO.Plan.BC.5/04.09.01/2020-21 September 04, 2020 Master Directions –



Priority Sector Lending (PSL) – Targets and Classification; the Bank has participated in PSLC Transactions during the Current Financial Year.

कृते एसर्स डी एन डोकानिया एण्ड ए०

सनदी लेखाकार

For M/s D N Dokania & Associates

Chartered Accountants

एफआरएन. 050042C

FRN: 0500 2C

(सीए नमन कु डोकानीया)

पार्टनर (सदस्यता सं०: 417251)

(CA Naman K Dokania)

Partner

(Membership No.: 417251)

UCN: 050076

UDIN No :

Place: Ranchi

Date: 29/4/24

DIRECTOR

DIRECTOR

DIRECTOR

दिनांक:

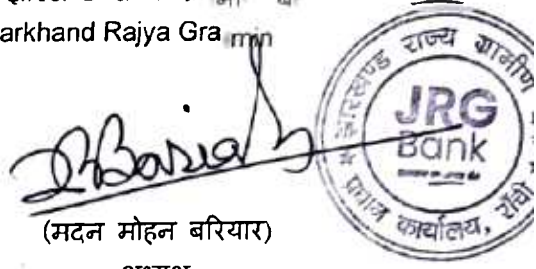
Date: 29/4/24

DIRECTOR

DIRECTOR

DIRECTOR

कृते झारखण्ड राज्य ग्रामीण बैंक
For Jharkhand Rajya Gramin
Bank



(मदन मोहन बरियार)

अध्यक्ष

(Madan Mohan Bariar)

Chairman

DIRECTOR

DIRECTOR

DIRECTOR



Head Office: Ranchi

3rd Floor, Zila Parishad Market Complex, Kutchery Road, Ranchi, Jharkhand-834001

SCHEDULE 18

Annexure III

Disclosure in financial statements – ‘Notes to Accounts’

1. Regulatory Capital: Additional Disclosure in terms of NABARD circular:

a) Composition of Regulatory Capital

(Amt. in ₹ crore)

Sr. No.	Particulars	31.03.2024	31.03.2023
i)	Common Equity Tier 1 capital (CET 1) / Paid up share capital and reserves (net of deductions, if any)	646.1300	507.7307
ii)	Additional Tier 1 capital/ Other Tier 1 capital	0	0
iii)	Tier 1 capital (i + ii)	646.1300	507.7307
Sr. No.	Particulars	31.03.2024	31.03.2023
iv)	Tier 2 capital	79.9232	79.9232
v)	Total capital (Tier 1+Tier 2)	726.0532	587.6539
vi)	Total Risk Weighted Assets (RWAs)	6631.0251	5196.2831
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs) / Paid-up share capital and reserves as percentage of RWAs	9.74%	9.77 %
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	9.74%	9.77 %
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.21%	1.54 %
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	10.95%	11.31 %
xi)	Leverage Ratio		
	Percentage of the shareholding of		
xii)	a) Government of India	50%	50%
	b) State Government (Jharkhand)	15%	15%
	c) State Bank of India (Sponsor Bank)	35%	35%
xiii)	Amount of paid-up equity capital raised during the year	22.58	1.36

Particulars	31.03.2024	31.03.2023
Amount of non-equity Tier 1 capital raised during the year of which:	NA	NA
a) Basel III compliant Perpetual Non-Cumulative Preference Shares	NA	NA
b) Basel III compliant Perpetual Debt Instruments	NA	NA

Particulars	31.03.2024	31.03.2023
Amount of Tier 2 capital raised during the year of which:	NA	NA
a) Perpetual Cumulative Preference Shares	NA	NA
b) Redeemable Non-Cumulative Preference Shares	NA	NA

Draw down from Reserves	0	0
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2. Asset Liability Management-

a) Maturity pattern of certain items of assets and liabilities

(Amt. in Asset Liability Management-Maturity pattern of certain items of assets and liability-ies

(Amt. in ₹ crore)

Particulars	1 to 14 days	15 to 28 days	29 days 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	724.40	11.66	0.56	3.10	102.88	7,883.99	740.51	1,011.41	10,478.51
Borrowings	41.39	-	403.47	268.39	1,261.74	69.63	22.82	5.15	2,072.59
Advances	694.91	-	2.47	2.07	4.52	3,982.02	143.12	1,049.97	5,878.08
Investments	198.25	20.00	302.56	268.92	1,788.74	171.37	335.70	4,060.54	7,146.08
Foreign Currency Assets	Not Applicable								
Foreign currency Liabilities	Not Applicable								

There is no negative mismatch in first two-time buckets of 1-14 days & 15-28 days. There are negative mismatches in time bucket of 29 Days-3 Months, Over 3 Months & up to 6 Months, 1 Year-3 Years & 3 Years -5 Years. However, the cumulative mismatch is positive for the first two time buckets. The 1yr -3yr time bucket is showing negative mismatches by substantial amount, the main reasons for negative mismatch are placement of outflow of 90% of SB outstanding in this time bucket as well as outflow in Term Deposits of the Bank. There is no liquidity risk as Bank has invested in TDRs of ₹2,377.19 Crore (Investment Value) with different Banks and SLR investment in AFS ₹2,419.35 Crore (Book Value) which can be used as per the requirement.

- b) Liquidity coverage ratio (LCR)
Not Applicable to RRBs
- c) Net Stable Funding ratio (NSFR)
Not Applicable to RRBs



3. Investments

a) Composition of Investment Portfolio

As at 31-03-2024 (Current Year Balance Sheet Date)

(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												
Gross	2,198.30	-	-	-	-	-	2,198.30	-	-	-	-	2,198.30
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	2,198.30	-	-	-	-	-	2,198.30	-	-	-	-	2,198.30
Available for Sale												
Gross	2,419.35	-	-	118.37	-	32.88	2,570.60	-	-	-	-	2,570.60
Less: Provision for depreciation and NPI	-	-	-	0.03	-	-	0.03	-	-	-	-	0.03
Net	2,419.35	-	-	118.34	-	32.88	2,570.57	-	-	-	-	2,570.57
Held for Trading												
Gross	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	4,617.65			118.37		32.88	4,768.90					4,768.90
Less: Provision for non-performing investments	-	-	-	0.03	-	-	0.03	-	-	-	-	0.03
Less: Provision for depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Net	4,617.65			118.34		32.88	4,768.87					4,768.87



As at 31.03.2023 (Previous Year End Balance Sheet Date)

(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												
Gross	1,867.47	0	0	0	0	0	1,867.47	0	0	0	0	1,867.47
Less: Provision for non-performing investments (NPI)	0	0	0	0	0	0	0	0	0	0	0	0
Net	1,867.47	0	0	0	0	0	1,867.47	0	0	0	0	1,867.47
Available for Sale								0	0	0	0	
Gross	3,060.07	0	0	124.89	0	30.38	3,215.34	0	0	0	0	3,215.34
Less: Provision for depreciation and NPI	0	0	0	5.00	0	0	5.00	0	0	0	0	5.00
Net	3,060.07	0	0	119.89	0	30.38	3,210.34	0	0	0	0	3,210.34
							0					0
Held for Trading								0	0	0	0	
Gross	0	0	0	0	0	0	0	0	0	0	0	0
Less: Provision for depreciation and NPI	0	0	0	0	0	0	0	0	0	0	0	0
Net	0	0	0	0	0	0	0	0	0	0	0	0
							0					0
Total Investments	4,927.54	0	0	124.89	0	30.38	5,082.81	0	0	0	0	5,082.81
Less: Provision for non-performing investments	0	0	0	5.00	0	0	5.00	0	0	0	0	5.00
Less: Provision for depreciation	0	0	0	0	0	0	0	0	0	0	0	0
Net	4,927.54	0	0	119.89	0	30.38	5,077.81	0	0	0	0	5,077.81



b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ₹ crore)

Particulars	Current Year 31.03.2024	Previous Year 31.03.2023
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	0	0
b) Add: Provisions made during the year	0	0
c) Less: Write off / write back of excess provisions during the year	0	0
d) Closing balance	0	0
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	61.20	52.24
b) Add: Amount transferred during the year	0	8.96
c) Less: Drawdown	0	0
d) Closing balance	61.20	61.20
iii) Closing balance in IFR as a percentage of closing balance of investments ¹³ in AFS and HFT/Current category	2.53	2.00

c) Sale and transfers to/from HTM category

Where the value of sales and transfers of securities to/from HTM category exceeds 5 per cent of the book value of investments held in HTM category at the beginning of the year, banks shall disclose the market value of the investments held in the HTM category. The excess of book value over market value for which provision is not made shall also be disclosed. The 5 per cent threshold referred to above shall exclude:

- i) The one-time transfer of securities to/from HTM category with the approval of Board of Directors undertaken by banks at the beginning of the accounting year.
- ii) Direct sales from HTM for bringing down SLR holdings in HTM category consequent to a downward revision in SLR requirements by RBI.
- iii) Sales to the Reserve Bank of India under liquidity management operations of RBI like Open Market Operations (OMO) and the Government Securities Acquisition Programme (GSAP).
- iv) Repurchase of Government Securities by Government of India from banks under buyback / switch operations.
- v) Repurchase of State Development Loans by respective state governments under buyback / switch operations.
- vi) Additional shifting of securities explicitly permitted by the Reserve Bank of India.



Disclosure in financial statements – 'Notes to Accounts'

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

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year 31.03.2024	Previous Year 31.03.2023
a)	Opening balance	5.00	5.00
b)	Additions during the year since 1st April	0.03	0
c)	Reductions during the above period	5.00	0
d)	Closing balance	0.03	5.00
e)	Total provisions held	0.03	5.00

- ii) Issuer composition of non-SLR investments
(31.03.2024)

(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	
		Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
a)	PSUs	82.37	83.87	82.37	83.87						
b)	FIs	25.00	25.00	25.00	25.00						
c)	Banks	0	0	0	0						
d)	Private Corporates	10.99	11.02	10.99	11.02	0	0	0	0	0.03	5.00
e)	Subsidiaries/ Joint Ventures	0.00	0.00	0.00	0.00						
f)	Others	32.88	30.38	32.88	30.38						
g)	Provision held towards depreciation	0.03	5.00	xxx	xxx						
	Total *	151.21	155.27	151.24	150.27					0.03	5.00

Note:

1. * For Commercial Banks, the Total under column 3 shall match with the sum of total of Investments included under the following categories in Schedule 8 to the balance sheet:



a) Investment in India in

- i) Shares
- ii) Debentures and Bonds
- iii) Subsidiaries and/or Joint Ventures
- iv) Others

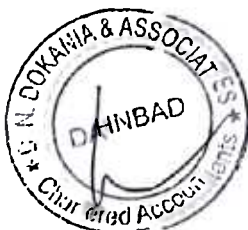
b) Investment outside India in (where applicable)

- i) Government securities (including local authorities)
- ii) Subsidiaries and/ or joint ventures abroad
- iii) Other investments

2. Amounts reported under columns 4, 5, 6 and 7 above may not be mutually exclusive.

e) Repo Transactions Repo transactions (in face value terms)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31.03.2024
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				



4. Asset quality

a) Classification of advances and provisions held (31.03.2024)

(Amt. in Crore)

	Standard	Non-Performing			Total	
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance (31.03.2023)	4663.10	50.49	176.70	8.16	235.35	4898.45
Add: Additions during the year	998.10				92.35	1090.45
Less: Reductions during the year*	0.00				110.82	110.82
Closing balance	5661.20	43.56	158.97	14.35	216.88	5878.08
*Reductions in Gross NPAs due to:						
Upgradation					80.55	80.55
Recoveries (excluding recoveries from upgraded accounts)					11.45	11.45
Write-offs					18.82	18.82
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	14.28	6.13	164.33	8.16	178.62	192.90
Add: Fresh provisions made during the year	2.00	6.65	0.00	8.50	15.15	17.15
Less: Excess provision reversed/ Write-off loans	0.00	0.00	26.66	2.31	28.97	28.97
Closing balance of provisions held	16.28	12.78	137.67	14.35	164.80	181.08
Net NPAs						
Opening Balance					75.68	
Add: Fresh additions during the year					0.00	
Less: Reductions during the year					24.24	
Closing Balance					51.44	
Floating Provisions						
Opening Balance						
Add: Additional provisions made during the year						
Less: Amount drawn down ¹⁵ during the year						
Closing balance of floating provisions						

¹⁵ Rationale for drawdown may be explained by way of a note below the table.



Ratios (in per cent)	Current Year (31.03.24)	Previous Year (31.03.23)
Gross NPA to Gross Advances	3.69%	4.80 %
Net NPA to Net Advances	0.90%	1.19 %
Provision coverage ratio	75.99%	75.89 %

b) Sector-wise Advances and Gross NPAs

(Amounts in ₹ Crore)

Sr. No.	Sector*	Current Year (31.03.2024)			Previous Year (31.03.2023)		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
i)	Priority Sector						
a)	Agriculture and allied activities	4104.64	107.89	2.63%	3490.77	113.46	3.25%
b)	Advances to industries sector eligible as priority sector lending	614.80	95.35	15.51%	526.09	106.50	20.24%
c)	Services	103.79	0.71	0.68%	102.82	2.47	2.40%
d)	Personal loans	224.49	5.23	2.33%	197.91	5.14	2.60%
	Subtotal (i)	5047.72	209.17	4.14%	4317.59	227.57	5.27%
ii)	Non-priority Sector						
a)	Agriculture and allied activities						
b)	Industry						
c)	Services						
d)	Personal loans	830.36	7.70	0.93%	580.86	7.78	1.34 %
	Sub-total (ii)	830.36	7.70	0.93%	580.86	7.78	1.34 %
	Total (I + ii)	5878.08	216.88	3.69%	4898.45	235.35	4.80 %

⁶ To be computed as per applicable regulatory instructions.



Sr. No.	Sector*	Current Year (31.03.24)			Previous Year (31.03.23)		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
	AGRICULTURE SECTOR						
a)	Agriculture and allied activities	4,104.64	107.89	2.63%	3,490.77	113.46	3.25 %

Sr. No.	Sector*	Current Year (31.03.24)			Previous Year (31.03.23)		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
	SME SECTOR						
b)	Advances to industries sector eligible as priority sector lending	614.80	95.35	15.51%	526.09	106.50	20.24 %

Sr. No.	Sector*	Current Year			Previous Year		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector

*Banks shall also disclose in the format above, sub-sectors where the outstanding advances exceeds 10 percent of the outstanding total advances to that sector. For instance, if a bank's outstanding advances to the mining industry exceed 10 percent of the outstanding total advances to 'Industry' sector it shall disclose details of its outstanding advances to mining separately in the format above under the 'Industry' sector.



c) Particulars of resolution plan and restructuring

i) Details of accounts subjected to restructuring (31.03.2024)

(Amounts 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	0	0	0	0	0	0	0	0	0	0
	Gross Amount (₹ crore)	0	0	0	0	0	0	0	0	0	0
	Provision held (₹ crore)	0	0	0	0	0	0	0	0	0	0
Sub-standard	Number of borrowers	0	0	0	0	0	0	0	0	0	0
		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)	0	0	0	0	0	0	0	0	0	0
	Provision held (₹ crore)	0	0	0	0	0	0	0	0	0	0
Doubtful	Number of borrowers	0	0	0	0	0	0	0	0	0	0
	Gross Amount (₹ crore)	0	0	0	0	0	0	0	0	0	0
	Provision held (₹ crore)	0	0	0	0	0	0	0	0	0	0
Total	Number of borrowers	0	0	0	0	0	0	0	0	0	0
	Gross Amount (₹ crore)	0	0	0	0	0	0	0	0	0	0
	Provision held (₹ crore)	0	0	0	0	0	0	0	0	0	0

RRBs shall disclose in their published Annual Balance Sheet amount and number of accounts in respect of which applications for restructuring are under process, but the restructuring packages have not yet been approved.

Classification	Advances O/s	Provisions Required
a) Standard	5,661.20	16.13
b) Sub – Standard	43.56	8.64
c) Doubtful	158.97	126.87
d) Loss	14.35	14.35
Total	5,878.08	165.99

Total provision Held for Standard Advances	16.28
Total provision Held for Non-Performing Advances	164.80



d) **Details of financial assets sold to Asset Reconstruction Companies(ARCs)**
ii) Details of Sales (Amount in ₹ crore)

Particulars	Current Year 31.03.2024	Previous Year 31.03.2023
a) Number of accounts		
b) Aggregate value (net of provisions) of accounts sold to ARCs		
c) Aggregate consideration	NIL	NIL
d) Additional consideration realised in respect of accounts transferred in earlier years		
e) Aggregate gain / loss over net book value		

In addition to the above, banks shall make suitable disclosures with regard to the quantum of excess provisions reversed to the profit and loss account on account of sale of NPAs to ARCs, where the sale is for a value higher than the net book value (NBV).

i) *Investments in Security Receipts (SRs)*

Banks shall make following disclosures pertaining to their investments in security receipts for both the current year and the previous year:

Particulars	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
a) Book value of SRs where NPAs sold by the bank are the underlying	NIL	NIL	NIL
Provision held against (a)	NIL	NIL	NIL
b) Book value of SRs where NPAs sold by other banks / financial institutions / non-banking financial companies are the underlying	NIL	NIL	NIL
Provision held against (b)	NIL	NIL	NIL
Total (a) + (b)	NIL	NIL	NIL



e) Details of non-performing financial assets purchased/sold from/toother banks/Financial Institutions/NBFCs (excluding ARCs)

i) Details of non-performing financial assets purchased (Amount in ₹ crore)

Particulars	Current Year 31.03.24	Previous Year 31.03.23
a) Number of accounts purchased during the year Aggregate outstanding	NIL	NIL
a) Of these number of accounts restructured during the year	NIL	NIL
b) Aggregate outstanding		

ii) Details of non-performing financial assets sold

(Amount in ₹ crore)

Particulars	Current Year 31.03.24	Previous Year 31.03.23
a) No. of accounts sold		
b) Aggregate outstanding	NIL	NIL
c) Aggregate consideration received		

f) Fraud accounts

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

Particulars	Current Year 31.03.24	Previous Year 31.03.23
Number of frauds reported	4	8
Amount involved in fraud (₹ crore)	1.07	1.13
Amount of provision made for such frauds (₹ crore)	1.07	1.13
Amount of Unamortised provision debited from 'other reserves' as at the end of the year. (₹ crore)	NIL	NIL



5. Exposures**a) Exposure to real estate sector**

(Amount in ₹ crore)

Category	Current Year 31.03.2024	Previous Year 31.03.2023
<p><i>i) Direct exposure</i></p> <p>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.</p> <p>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;</p> <p>c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures – i. Residential ii. Commercial Real Estate</p> <p><i>ii) Indirect Exposure</i> Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.</p>	<p>433.02</p> <p>34.54</p>	<p>247.72</p> <p>42.28</p>
Total Exposure to Real Estate Sector	467.56	290.00



b) Exposure to capital market

Particulars	Current Year 31.03.24	Previous Year 31.03.23
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;	0.03	NIL
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
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	0.03	NIL



c) Unsecured advances

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

(Amount in ₹ crore)

Particulars	Current Year 31.03.2024	Previous Year 31.03.2023
Total unsecured advances of the bank	236.32	172.86
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	1.75	NIL
Estimated value of such intangible securities	NIL	NIL

6. Concentration of Deposits, Advances, Exposures and NPAs

b) Concentration of Deposits

(Amount in ₹ crore)

Particulars	Current Year 31.03.24	Previous Year 31.03.23
Total Deposits of Twenty largest Depositors	175.79	137.14
Percentage of Deposits (Twenty largest depositors to Total Deposits of the Bank)	1.68%	1.44%

c) Concentration of Advances

(Amount in ₹ crore)

Particulars	Current Year 31.03.24	Previous Year 31.03.23
Total advances to the twenty largest borrowers	97.65	106.33
Percentage of advances to twenty largest borrowers to total advances of the bank	1.66%	2.17%

c) Concentration of exposures

(Amount in ₹ crore)

Particulars	Current Year 31.03.24	Previous Year 31.03.23
Total exposure to the twenty largest borrowers/customers	115.06	139.37
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the bank on borrowers/customers	1.96%	2.84%

d) Concentration of NPAs

(Amount in ₹ crore)

Particulars	Current Year 31.03.24	Previous Year 31.03.23
Total Exposure to the top twenty NPA accounts	9.70	11.77
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	4.47%	5.00%



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

(Amt. in Crore)

	As on 31.03.2024	As on 31.03.2023
Opening balance of amounts transferred to DEA Fund	1.40	1.31
Add-Amounts transferred to DEA Fund during the year	0.33	0.09
Less-Amounts reimbursed by DEA Fund towards claims	0.00	0.00
Closing balance of amounts transferred to DEA Fund	1.73	1.40

8. Disclosure of complaints

- a) Summary information on complaints received by the bank from customers
And from the Offices of Banking Ombudsman (OBOs)

Sr. No.		As on 31.03.2024	As on 31.03.2023
	Complaints received by the bank from its customers		
1	Number of complaints pending at beginning of the year	00	00
2	Number of complaints received during the year	578	281
3	Number of complaints disposed during the year	578	281
	3.1 Of which, number of complaints rejected by the bank	274	227
4	Number of complaints pending at the end of the year	00	00
	Maintainable complaints received by the bank from OBOs		
5	Number of maintainable complaints received by the bank from OBOs	84	57
	5.1 Of 5, number of complaints resolved in favour of the bank by BOs	79	57
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by BOs	05	04
	5.3 Of 5, number of complaints resolved after passing of Awards by BOs against the bank	00	00
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	00	00
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in BO Scheme 2006 and covered within the ambit of the Scheme.			



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	0	26	(+)100.00%	0	0
Ground - 2	0	00	00.00%	0	0
Ground - 3	0	133	(+)923.08%	0	0
Ground - 4	0	53	(+)562.50%	0	0
Ground - 5	0	3	(+)200.00%	0	0
Others	0	363	(+)47.56%	0	0
Total	0	578	(+)105.69%	0	0
Previous Year					
Ground - 1	0	13	(+)90.00%	0	0
Ground - 2	0	00	00.00%	0	0
Ground - 3	0	13	(+)130.00%	0	0
Ground - 4	0	08	(+)60.00%	0	0
Ground - 5	0	01	00.00	0	0
Others	0	246	(-)11.50%	0	0
Total	0	281	(-)37.00%	0	0

As per Master List for identifying grounds of complaints as provided in Appendix 1 to circular CEPD.CO.PRD.Cir.No.01/13.01.013/2020-21 dated January 27, 2021 on 'Strengthening the Grievance Redress Mechanism of Banks'.

1.ATM/Debit Cards	2. Credit Cards	3.Internet/Mobile/Electronic Banking	4. Account opening/ difficulty in operation of accounts
5. Mis-selling/Para-banking	6. Recovery Agents/ Direct Sales Agents	7. Pension and facilities for senior citizens/ differently abled	8. Loans and advances
9. Levy of charges without prior notice/ excessive charges/ foreclosure charges	10. Cheques/ drafts/ bills	11. Non-observance of Fair Practices Code	12. Exchange of coins, issuance/ acceptance of small denomination notes and coins
13. Bank Guarantees/ Letter of Credit and documentary credits	14. Staff behaviour	15. Facilities for customers visiting the branch/ adherence to prescribed working hours by the branch, etc.	16. Others



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

9.1 Penalties imposed by the Reserve Bank of India under the provisions of the

(i) Banking Regulation Act, 1949, (ii) Payment and Settlement Systems Act, 2007 and (iii) Government Securities Act, 2006 (for bouncing of SGL) shall be disclosed in the 'Notes to Accounts' to the balance sheet in the concerned bank's next Annual Report. In the case of foreign banks, the penalty shall be disclosed in the 'Notes to Accounts' to the next balance sheet for its Indian operations. Banks shall make appropriate disclosures on the nature of the breach, number of instances of default and the quantum of penalty imposed.

The defaulting participant in a reverse repo transaction shall make appropriate disclosure on the number of instances of default as well as the quantum of penalty paid to the Reserve Bank of India during the financial year.

The Bank has maintained CRR and SLR as per RBI Act 1934 and not defaulted during the financial year under report. No any penalty imposed by RBI.

10. Disclosures on remuneration

(Applicable to Banking Companies, including Foreign Banks operating in India)

Banks are required to make disclosure on remuneration of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers on an annual basis at the minimum, in their Annual Financial Statements. Banks shall make the disclosures in table or chart format and make disclosures for previous as well as the current reporting year. Further, private sector banks and foreign banks (to the extent applicable), shall disclose the following information:

Type of disclosure		Information
Qualitative	(a)	Information relating to the composition and mandate of the Nomination and Remuneration Committee.
	(b)	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.
	(c)	Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.
	(d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.
	(e)	A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.
	(f)	Description of the different forms of variable remuneration (i.e., cash and types of share-linked instruments) that the bank utilizes and the rationale for using these different forms.



Type of disclosure		Information	As on 31.03.24	As on 31.03.23	
Quantitative disclosures <i>(The quantitative disclosures should only cover Whole Time Directors/ Chief Executive Officer/Material Risk Takers)</i>	(g)	Number of meetings held by the Nomination and Remuneration Committee during the financial year and remuneration paid to its members.	NA	NA	
	(h)	(i) Number of employee shaving received a variable remuneration award during the financial year. (ii) Number and total amount of sign-on/joining bonus made during the financial year. Details of severance pay, in addition to accrued benefits, if any.	NA	NA	
		(i) Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms. (ii) Total amount of deferred remuneration paid out in the financial year.	NA	NA	
	(j)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	NA	NA	
	(k)	(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.	NA	NA	
		(ii) Total amount of reductions during the financial year due to ex post explicit adjustments. (iii) Total amount of reductions during the financial year due to ex post implicit adjustments.	NA	NA	
	(l)	Number of MRTs identified.	NA	NA	
	(m)	(i) Number of cases where malus has been exercised. (ii) Number of cases where clawback has been exercised. (iii) Number of cases where both malus and clawback have been exercised.	NA	NA	
		(n)	The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay.	NA	NA



11. Other Disclosures

a) Business ratios

Information	As on 31.03.24	As on 31.03.23
i) Interest Income as a percentage to Working Funds	7.98%	7.34%
ii) Non-Interest Income as a percentage to Working Funds	0.64%	1.21%
iii) Cost of Deposits	3.81%	3.77%
iv) Net Interest Margin	4.53%	3.98%
v) Operating Profit as a percentage to Working Funds	2.91%	2.92%
vi) Return on Assets	0.87%	0.77%
vii) Business (deposits plus advances) per employee (in ₹ crore)	10.76	9.16
viii) Profit per employee (in ₹ crore)	0.0762	0.0598

b) Disclosures regarding Priority Sector Lending Certificates (PSLCs)

During Financial Year 2023-24, Bank has dealt in PSLC by Sale. The details of PSLC details are given hereunder:

(Amt. in Crore)

SECTOR	Actual Outstanding Advances as on 31.03.2024	PSLC-SMF Sell During FY-2023-24	PSLC Purchase During FY-2023-24	Effective Outstanding Advances after PSLC deal as on 31.03.2024	Statutory Requirement of ANBC in Quarter (31 st Mar 2023) F.Y.23-24 ANBC (3423.45)	Balance with Percentage Status as on 31.03.2024 ANBC (3423.45)
Direct AGR KCC /AGR CC + AGR-Allied (NRLM)	4050.79	SF/MF - 2750.00		SF/MF – 1299.99	SF/MF 10.00%	SF/MF 38.0%
Out of Total Agriculture - FPO	0.80				342.34	1299.99
TOTAL SF/MF	4049.99				AGRICULTURE 18%	39.6 %
ATL	53.84				616.22	1354.64
TOTAL AGR	4104.64	2750.00	0.00	1354.64		
SME-MICRO	506.70				MICRO 7.50%	MICRO 14.8 %
Sub TOTAL MICRO	506.70			506.70	256.76	506.70
NON-MICRO SME	108.10					
Sub TOTAL SME	614.80	0.00	0.00	614.80		
OPS-H/Loan	213.82				Total PS 75%	Total PS 78.8 %
OPS-Ed Loan	9.26					
OPS-Others	105.20					
Sub TOTAL OPS-GEN	328.28					
TOTAL PS	5047.72	0.00	400.00	2697.62		
NPS-Pers/ Loan	445.52					
NPS-others	384.84					
Sub TOTAL NPS	830.36	0.00	0.00	830.36		
GR TOTAL	5878.08	0.00	0.00	5878.08		



c) Provisions and contingencies

Provision debited to Profit and Loss Account	As on 31.03.24	As on 31.03.23
i) Provisions for NPI	0.03	0.00
ii) Provision towards NPA	5.00	0.00
iii) Provision made towards Mark to Market	0.00	145.17
Other Provisions and Contingencies (with details)		
iv) Provision on Standard Assets	2.00	3.50
v) Provision for Fraud & Robberies	1.1488	0.7991
vi) Provision for Pension Liability	135.36	100.75
vii) Provision for Leave Encashment	0.00	0.00
viii) Provision for Gratuity	5.00	5.00
ix) Provision for Wage Revision, PLI and Others	39.00	7.17
x) Provision for Income Tax	85.33	0.08
xi) Provision Others (Staff welfare)	0.10	0.00
xii) Provision for Others (Bank's Visibility)	0.10	0.00

d) Bancassurance business

Information	As on 31.03.24	As on 31.03.23
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	9.97	12.07

e) Payment of DICGC Insurance Premium

Sr No	Information	As on 31.03.24	As on 31.03.23
1	Payment of DICGC Insurance Premium	12.97	11.83
2	Arrears in payment of DICGC premium	0.00	0.00

12. Miscellaneous-Amount of provisions made for Income-tax during the year

(Amt. in crore)

Particulars	As on 31.03.2024	As on 31.03.2023
Provision for Income Tax	85.33	0.08



13. Disclosure Requirements as per Accounting Standards where the RBI has issued guidelines in respect of disclosure items for 'Notes to Accounts'

13.1. Accounting Standard 5- Net Profit or Loss for the period arrived at after provisions on advances, adjustment to the value of Investments and other usual and necessary provisions.

13.2. Accounting Standard 9- Revenue Recognition

Revenue recognition has not been postponed during the year.

13.3. Accounting Standard 17- Segment Reporting

While complying with the Accounting Standard, banks are required to adopt the following:

Primary and Business Segment

- i) Treasury operations---Treasury for the purpose of segment reporting includes the entire Investment portfolio i.e. dealing in Government and other Securities and Money market operations.
- ii) Wholesale Banking---Wholesale Banking includes all Advances which are not included under Retail banking.
- iii) Retail Banking-Retail banking includes exposures, which are being complied during the year.

Geographical Segments

Bank's area of operation covers all 24 Districts of Jharkhand State.

13.4 Accounting Standard 18- Related party disclosure

- i) Related Parties where control / significant influence exists or with whom transaction have taken place during the year.

Sponsor Bank their subsidiaries and associates: State Bank of India

Key Managerial Personnel as on 31.03.2024

Shri Madan Mohan Bariar : Chairman

Shri Sushanta Kumar Pani : General Manager-I

Shri Raj Kumar Gupta : General Manager-II

Shri Jasbir Singh : General Manager-Vigilance

- ii) Interest Paid on Perpetual Bond of Sponsor Bank: ₹0.18 Crore

- iii) Interest Received on TDRs at Sponsor Bank: ₹14.56 Crore

- iv) The Salary and Allowances to Key Managerial Personnel deducted by Sponsored Bank.: ₹1.38 Crore

13.5. Accounting Standard 22- Accounting for Taxes on Income

There is a creation of additional Deferred Tax Assets of Rs. 134.36 crores, on account of brought forward losses arising out of non-creation of the same in erstwhile JGB.

The corresponding effect on account of such deferred tax assets has been taken into account which is in compliance with the AS-22 and the same has been correspondingly credited to reserves.



Particulars	Amount (In Rs.)
Brought Forwarded losses as on 31.03.2024 (as per IT Act)	3,476,334,932.00
Deferred Tax Assets as required as on 31.03.2024	1,355,770,623.48
Less: Deferred Tax Assets already in the books	12,128,020.00
Deferred Tax Assets Created during the year (as per note above)	1,343,642,603.48

The Deferred Tax assets & corresponding income, arising out of timing difference due to change in depreciation as per both the acts, has been created during the year amounting to Rs. 0.0390 Crores

13.6. Accounting Standard 25- Interim Financial Reporting

Quarterly yearly review has been done by SCA and total items were covered under the quarterly yearly review as per the relative guidelines.

14. Other Accounting Standards

Bank has complied with others Accounting Standards issued by the institute of Chartered Accountants of India (ICAI).

15. Additional Disclosures

a) Provisions and Contingencies

(Amt. in crore)

S. No.	Particulars	As on 31.03.2024	As on 31.03.2023
a	Opening balance in the floating provisions account	13.56	13.56
b	The quantum of floating provisions made in the accounting	Nil	Nil
c	Amount of draw down made during the accounting year	Nil	Nil
d	Closing balance in the floating provisions account	13.56	13.56

16. Movement in NPAs was as follows:

(Amt. in Crore)

Gross NPAs as on 1 st April of particular year (Opening balance)	235.35
Additions (Fresh NPAs) during the Financial year	92.35
Sub-total (A)	327.70
Less:	
(i) Upgradations	80.55
(ii) Recoveries (excluding recoveries made from upgraded accounts)	11.45
(iii) Write-offs	18.82
Sub-total (B)	110.82
Gross NPAs as on 31 st March 2024 (closing balance) (A-B)	216.88



17. In compiling the above balance sheet, certain assumptions as per RBI guidelines and instructions Vide Circular Ref No.RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 Dated August 30, 2021 have been followed.
- a) Bank has exposure to sensitive sector (Commercial Real Estate) to the tune of ₹34.54 crore.
 - b) Gratuity Provision
Bank has made ₹5.00 crore provision for Gratuity and ₹0.00 crore Leave encashment as on 31.03.2024.
 - c) Pension liability Bank has made Provision of ₹135.36 Crore under Pension liability to staff up to 31.03.2024 from P&L of the Bank, In compliance with the NABARD/RBI/GOI guidelines.
 - d) Balancing of SLR securities account and reconciliation of bank accounts has been completed up to 31.03.2024.
 - e) No provision is made for the Bonus for financial year 2023-24 as no staff was eligible for bonus.
 - f) No provision has been made in respect of claims in difference of salary for suspended employees.
 - g) Required Provision has already been made for eligible Assets over 90 days.
 - h) Bank has opted out of DICGC scheme on advances and no Risk Fund has been created however, we have paid premium for deposit insurance as per stipulated norms for 2nd half year of financial year 2023-24.
 - i) The Disputed Income Tax Liabilities of erstwhile Jharkhand Gramin Bank is related to AY-2007-08 to AY 2013-14 and AY 2018-19, the cases are reassessed after ITAT orders by AO in 2018 and Bank has filed appeal for relief before CIT(A) and hearing in the case is pending. Bank has filed appeal for relief before ITAT on 11.01.2024 against the order u/s 250 (Arising out of order u/s 143 (3) for A.Y. 2018-19).
 - j) A demand was raised against erstwhile Vananchal Gramin Bank for the A.Y-2017-18 & 2018-19 for total amount of Rs.29,96,33,000/-. Bank has filed appeal for relief before CIT(A) and hearing in the case is pending. DCIT/ACIT Deoghar has issued stay of demand vide DIN & letter no. ITBA/COM/F/17/2020-21/1024371370(1) dated 24.06.2020 and ITBA/AST/S/143(3)/2021-22/1034596593(1) dated 03-08-2021



k) Bank has total contingent liability against disputed I Tax demand year wise are summarized below:

erstwhile Jharkhand Gramin Bank		erstwhile Vananchal Gramin Bank	
AY	Disputed Income Tax Liability (Amount in Crore)	AY	Disputed Income Tax Liability (Amount in Crore)
2007-08	0.0723	2017-18	21.641
2008-09	0.0041	2018-19	8.321
2009-10	0.2670		
2010-11	0.1070		
2011-12	19.3797		
2012-13	8.8398		
2013-14	7.3355		
2018-19	14.5149		
TOTAL	50.5203	TOTAL	29.9633
Total Contingent Liability against disputed I Tax demand			80.4836

Note: out of total disputed demand as on 31.03.2024 ₹80.4836 Crore, Amount ₹48.4090 Crore is with the I Tax department against TDS & Deposit of Tax.

18. Recovery from Write off Accounts:

Total amounts of ₹2.41 crore have been recovered during the financial year from written off accounts.

19. Inter Branch Adjustment Account:

The Closing balance of Branch Clearing General Account is used for all inter Branches and branch to HO transaction where the closing figure is ₹0.13 Crore under Inter office Adjustment account.

20. The figures mentioned in Balance Sheet, Profit & Loss Account and Schedules 1 to 16A have been rounded off to the nearest thousand rupees.

21. The financial account maintained at CBS software for the current financial year.



22. Figures relating to the previous year have been regrouped /rearranged, wherever necessary.

23. Letter of Comfort – Nil

24. Names of Subsidiaries, Associates & Joint Ventures – No Any

कृते मेसर्स डी एन डोकानिया एंड ए०

सनदी लेखाकार

For M/s D N Dokania & Associates

Chartered Accountants

एफआरएन: 050042C

FRN: 050042 C

(सीए नमन कु डोकानिया)

पार्टनर (सदस्यता सं० : 41251)

(CA Nama K Dokania)

Partner

(Membership No.: 417251)

UCN: 050076

Place: Ranchi

Date: 29/4/24



(मदन मोहन बरियार)

अध्यक्ष

(Madan Mohan Bariar)

Chairman

Date:

29/4/24

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

Jharkhand Rajya Gramin Bank		
Head Office: Ranchi		
Cash Flow Statement As On March 31, 2024		(₹ in 000's)
Particulars	31.03.2024	31.03.2023
Cash Flows From Operating Activities:		
Net Profit after tax	11,58,614.00	12,55,035.00
Add:		
Depreciation debited to P&L	15,203.00	16,630.00
Provision for Income Tax	8,53,254.00	800.00
Loss/(Gain) on Sale/Discard of Assets (Net)	-79.00	-756.00
Investment Fluctuation Reserve Reversed		-5,22,373.00
Deferred Tax Asset Adjustment	-391.00	-
Interest Paid on Amounts received from SBI,RBI, NABARD	13,85,724.00	24,344.00
Income From Investments	-51,06,499.00	-45,58,625.00
Operating Profit From Before Working Capital Changes	-16,94,174.00	-37,84,945.00
Working Capital Changes:		
Increase/(Decrease) in Deposits	94,11,144.00	72,17,044.00
Increase/(Decrease) in Liabilities & Provisions	74,02,344.08	1,07,049.00
(Increase)/Decrease in Advances	-99,34,407.00	-89,45,805.00
(Increase)/Decrease in Other Assets	-29,15,730.00	35,200.00
Less: Income Tax Paid/Refund Received	10,488.92	-
Net Cash From Operating Activities	22,79,666.00	-53,71,457.00
Cash Flow From Investing Activities:		
(Purchase)/Sale of Fixed Assets	-2,903.00	-1,313.00
(Purchase)/Sale of Investments	-31,39,101.00	1,67,44,376.00
Income From Investment	51,06,499.00	45,58,625.00
Net Cash From Investing Activities	19,64,495.00	2,13,01,688.00
Cash Flow From Financing Activities:		
Funds From SBI, NABARD, NBCFDC, NSTFDC, NSFDC, CG & SG	14,16,714.00	-1,55,456.00
Interest Paid to SBI, NABARD, NBCFDC, NSTFDC, NSFDC	-13,85,724.00	-24,344.00
Net Cash From Financing Activities	30,990.00	-1,79,800.00
Net Increase/(Decrease) in Cash And Cash Equivalents	42,75,151.00	1,57,50,431.00
Add: Opening Cash and Cash Equivalents		
i) Cash On Hand	1,79,809.00	2,14,963.00
ii) Balance With Reserve Bank of India & Other Banks	49,26,872.00	42,76,644.00
i i) Deposit Accounts	1,97,29,634.00	45,94,277.00



	Total	2,91,11,466.00	2,48,36,315.00
Note:			
Closing Cash And Cash Equivalents			
i) Cash On Hand		1,82,998.00	1,79,809.00
ii) Balance With Reserve Bank of India & Other Banks		51,56,606.00	49,26,872.00
iii) Deposit Accounts		2,37,71,862.00	1,97,29,634.00
	Total	2,91,11,466.00	2,48,36,315.00

For Jharkhand Rajya Gramin Bank

(Signature)

(Madan Mohan Bariar)
Chairman

Date: April 29, 2024
Place: Ranchi



For M/s D N Dokania & Associates
Chartered Accountants
FRN: 050042C

(Signature)
(CA Aman K Dokania)
Partner
(Membership No: 417251)



(Signature)
DIRECTOR

(Signature)
DIRECTOR

(Signature)
DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

D. N. DOKANIA & ASSOCIATES

Chartered Accountants

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Email: ca@dndokania.com

Independent Auditor's Report

To,
The Members of Jharkhand Rajya Gramin Bank

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Jharkhand Rajya Gramin Bank ('the Bank'), which comprise the Balance Sheet as at 31 March 2024 and the Profit and Loss Account and the cash flow statement for the then 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:

- i) 56 branches audited by us and
- ii) 203 branches (excl one SARB) 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 to the Bank by the National Bank for Agricultural and Rural Development ('NABARD'). Also incorporated in the Balance Sheet and the Profit and Loss Account are the returns from 186 branches & 1 Service Branch which have not been subjected to audit. These unaudited branches account for 24.82 percent of advances, 31.61 per cent of deposits, 11.30 per cent of interest income and 23.06 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 financial statements give the information required by the 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 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, 2024;
- b. the Profit and Loss Account, read with the notes thereon shows a true & fair 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 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 apply to



our audit of the financial statements prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the ICAI, and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ("RBI") & 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.

Emphasis of Matter

3. Attention is invited to the following matters:

- a. Note No. 4 (f) of Schedule 18, regarding the Frauds reported during the Financial Year under audit.
- b. The bank is still in the process of reconciling the net credit of Rs. 12.60 Lakhs between the Head office and Branches & Rs. 8.95crores, against the BGL, which represent un-reconciled entries as on 31.03.2024.
- c. The review/renewal of accounts, and format of stock statement from borrowers requires improvisation and amendment to make it in line with the recent guidelines.
- d. Note No. 17 (g) of Schedule 18, regarding the disclosure of Provisioning of Other Assets, with ageing more than 90 days.
- e. The Bank CBS did not classify, automatic degradation of some accounts and change in IRAC Status, based on the time lapse from the date of NPA. The same was currently manually by the bank.
- f. The regeneration of EMI due to change in Interest rate is not evidenced.
- g. Note No. 11(c) of Schedule 18, regarding the provision & contingency debited to P/L Account, a provision for wage revision has been done amounting to Rs. 39 Crores during the current period.
- h. Banks must have an investment portfolio module in CBS or a separate software, rather than maintaining the same in Microsoft Excel.
- i. Provision for tax of Rs. 85.33 Crores has been created during the year under audit.

Our report is not qualified in respect of these matters.

Key Audit Matters

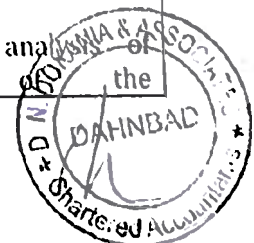
4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and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



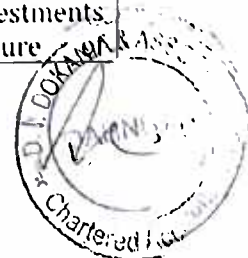
Sl. No	Key Audit Matters	How it has been addressed
1	<p><u>Classification of Advances, Income Recognition, Identification of and provisioning for non-performing Advances (Refer Schedule 9 read with Note 4 of Schedule 18 to the financial statements)</u></p> <p>Advances include Cash credits, Overdrafts, Loans repayable on demand and Term loans. These are further categorised as secured by Tangible assets (including advances against Book Debts), covered by Bank/Government Guarantees and Unsecured advances.</p> <p>Advances constitute 41.50 per cent of the Bank's total assets. They are, inter-alia, governed by income recognition, asset classification and provisioning (IRAC) norms and other circulars and directives issued by the RBI/NABARD from time to time which provides guidelines related to classification of Advances into performing and non-performing Advances (NPA). The Bank classifies these Advances based on IRAC norms as per its accounting policy No. 3.2</p> <p>Identification of performing and non-performing Advances involves establishment of proper mechanism. The Bank accounts for all the transactions related to Advances in its Information Technology System (IT System) viz. Core Banking Solution (CBS) which identifies whether the advances are performing or non-performing. Further, NPA classification is done through IT System (CBS) and provisioning of advances (Performing or non performing) as per the Income Recognition and Asset Classification Norms is being done outside the system using tools like Microsoft Excel.</p> <p>The income recognition asset classification and provisioning if not done properly as per the IRAC norms issue by Reserve Bank of India, may materially impact the financial statements of the bank. Hence, same was taken as Key Audit Matter.</p>	<p>Our audit approach towards advances with reference to the IRAC norms and other related circulars/directives issued by RBI/NABARD and internal policies and procedures of the Bank includes the testing of the following:-</p> <p>A. The accuracy of the data input in the system for income recognition, classification into performing and non-performing Advances and provisioning in accordance with the IRAC norms in respect of the branches allotted to us;</p> <p>B. Existence and effectiveness of monitoring mechanisms such as Internal Audit, Systems Audit, Credit Audit and Concurrent Audit as per the policies and procedures of the Bank;</p> <p>C. We have examined the efficacy of various internal controls over advances to determine the nature, timing and extent of the substantive procedures and compliance with the observations of the various audits conducted as per the monitoring mechanism of the Bank and NABARD Inspection.</p> <p>D. In carrying out substantive procedures at the branches allotted to us, we have examined all large advances while other advances</p>



		<p>examined on a sample basis.</p> <p>E. Reliance is also placed on Audit Reports of other Statutory Branch Auditors.</p> <p>F. We have also relied on the reports of External IT System Audit experts with respect to the business logics / parameters inbuilt in CBS for tracking, identification and stamping of NPAs and provisioning in respect thereof.</p> <p>G. We have performed extensive procedures for verification of the procedure of computation of Provisions outside the IT System, its correctness and the reconciliation of the same with the books of accounts.</p>
(ii)	<p><u>Assessment of Provisions and Contingent liabilities in respect of certain litigations including Direct and Indirect Taxes, various claims filed by other parties not acknowledged as debt (Schedule 12 read with Note 17 (i) of Schedule 18 to the financial statements):</u></p> <p>There is high level of judgement required in estimating the level of provisioning. The Bank's assessment is supported by the facts of matter, their own judgment, past experience, and advice from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and state of affairs presented in the Balance Sheet.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgments/ interpretation of law involved.</p>	<p>Our audit approach involved:-</p> <p>A. Understanding the current status of the litigations/tax assessments</p> <p>B. Examining recent orders and/or communication received from various tax authorities/ judicial forums and follow up action thereon;</p> <p>C. Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice.</p> <p>D. Review and analysis of the evaluation</p>



		<p>contentions of the Bank through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues</p>
<p>(iii)</p>	<p><u>Classification and Valuation of Investments, Identification of and provisioning for Non-Performing Investments (Schedule 8 read with Note 3 of Schedule 18 to the financial statements):</u></p> <p>Investments include investments made by the Bank in various Government Securities, Bonds, Debentures, and other approved securities</p> <p>Investments constitute 33.67 per cent of the Bank's total assets. These are governed by the circulars and directives of the RBI/NABARD. These directions of RBI, inter-alia, cover valuation of investments, classification of investments, identification of non-performing investments, the corresponding non-recognition of income and provision there against.</p> <p>The valuation of each category (type) of the aforesaid securities is to be done as per the method prescribed in circulars and directives issued by the RBI/NABARD which involves collection of data/information from various sources such as FIMMDA rates, rates quoted on BSE/NSE. Considering the complexities and extent of judgement involved in the valuation, volume of transactions, investments on hand and degree of regulatory focus, this has been determined as a Key Audit Matter. Accordingly, our audit was focused on valuation of investments, classification, identification of non-performing investments and provisioning related to investments.</p> <p>The bank has appointed SBI Funds Management Limited (SBI-FML), the portfolio management service provider for managing SLR & Non-SLR Funds on non-discretionary basis, on 11.01.2022, and all investments/dis-investments is done on their suggestions after approval of the Investment Committee.</p> <p>Further, the bank has been compiling the investment register in Excel tool and has been making all the calculations using the same tool.</p>	<p>Our audit approach towards Investments with reference to the RBI/NABARD Circulars/directives included the review and testing of the design, operating effectiveness of internal controls and substantive audit procedures in relation to valuation, classification, identification of non performing investments (NPIs)</p> <p>In particular:</p> <p>A. We evaluated and understood the Bank's internal control system to comply with relevant RBI/NABARD guidelines regarding valuation, classification, identification of NPIs</p> <p>B. We assessed and evaluated the process adopted for collection of information from various sources for determining fair value of these investments;</p> <p>C. For the selected sample of investments in hand, we tested accuracy and compliance with the RBI Master Circulars/NABARD and directions by re-performing valuation for each category of security. Samples were selected after ensuring that all the categories of investments (based on nature</p>



		<p>security) were covered in the sample;</p> <p>D. We carried out substantive audit procedures to recompute independently the provision to be maintained and depreciation to be provided in accordance with the circulars and directives of the RBI/NABARD.</p> <p>E. We have tested the Investments including related documents maintained in Excel with the financial statements to ensure the compliance with the presentation and disclosure requirements as per the aforesaid RBI/NABARD disclosures.</p> <p>F. We have also examined on sample basis that, purchase/sale of the SLR/Non-SLR securities, are being made on the recommendation of SBI-FML, after approving the same by Investment Committee of the Bank.</p>
(iv)	<p><u>Creation of Deferred Tax Assets & Corresponding reserve</u></p> <p>The bank has brought forward losses of erstwhile JGB, which they used to set off with their taxable income while computing the tax. However, AS-22, the deferred tax should have been created in E-JGB.</p>	<p>We have examined the same during the course of audit and have create a deferred tax assets of Rs. 134.36 crores and corresponding reserve to give effect to the non-creation of Deferred Tax Asset not done by erstwhile JGB by considering the brought forward losses existing as on 31.03.2024 (As per IT Act, 1961)</p>



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 Directors' Report etc in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the Other Information that we obtained prior to the date of this Auditors' Report, 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.

When we read the Directors' Report, including annexures in Annual Report, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged with Governance.

Responsibilities of Management and Those Charged with Governance for the 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 Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') and the National Bank for Agricultural 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Bank's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

7. 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing and opinion on the effectiveness of the Bank's Internal Control.
- 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatements in the 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.

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 periods and are therefore the Key Audit Matters. We describes these matters in our auditors report unless law or regulation precludes public disclosure about the matters 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 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.

- a. We did not audit the financial statements / information of 186 branches & 1 Service Branch and processing centres included in the financial statements of the Bank whose financial statements / financial information reflect total assets of Rs. 4407.19 Crores as at 31st March 2024 and total revenue of Rs. 128.98 Crores for the year ended on that date, as considered in the financial statements. These branches and processing centres cover 24.82% of advances, 31.61% of deposits and 21.55% of Non-performing assets as at 31st March 2024 and 11.20% of revenue for the year ended 31st March 2024. 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 the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.
- b. The data extracted from Bancs24 software has been compiled for preparation of financial statements for this year.
- c. The Fixed Assets register has not been maintained properly by the bank as required.

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 Form A & Form B respectively of the Third Schedule to the Banking Regulations Act, 1949;



Subject to the limitations of the audit indicated in paragraphs 6 to 8 above and as required by the Regional Rural Bank Act, 1976 and subject 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 the audit and have found them to be satisfactory;
- b. The transactions of the branch which have come to our notice have been within the powers of the Bank; and
- c. the returns received from the branch 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;
- b. the Balance Sheet, and the Profit and Loss Account 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 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, and the Statement of Profit and Loss Account comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

**For M/s D. N. Dokania & Associates
Chartered Accountants
Firm Registration No. 60042C**

Place: Ranchi
Date: 29.04.2024
UDIN: 24417251BKAPYD8430


Naman Dokania
Partner
Membership No: 417251

