

UTKAL GRAMEEN BANK
HEAD OFFICE : BOLANGIR.

BALANCE SHEET AS ON 31.03.2021

(Amt. in "000")

Particulars	SCH	As on: 31.03.2021	As on:31.03.2020
EQUITY & LIABILITIES			
Equity Capital	1	97,03,731	70,22,131
Perpetual Bond	1(A)	81,383	81,383
Share Capital Deposit	1(B)	0	22,79,360
Reserves & Surplus	2	0	0
Deposits	3	7,48,72,500	7,04,70,647
Borrowings	4	35,30,296	2,705
Other Liabilities & Provisions	5	36,84,777	33,71,424
TOTAL EQUITY & LIABILITIES		9,18,72,687	8,32,27,650
ASSETS			
Cash and Balances with Reserve Bank of India	6	30,91,187	24,33,284
Balances with Banks and Money at Call and Short Notice	7	62,72,909	91,44,247
Investments	8	4,19,54,003	3,62,95,684
Loans & Advances	9	2,41,85,410	2,39,31,935
Fixed Assets	10	61,017	76,318
Other Assets	11	1,63,08,161	1,13,46,182
TOTAL ASSETS		9,18,72,687	8,32,27,650
Contingent Liabilities	12	5,41,701	5,09,654
Bills for Collection		NIL	NIL
Principal Accounting Policies and Notes on Accounts	17 & 18		

The accompanying schedules are integral parts of the financial statements.

In terms of our report of even date.

KuB
Shri A.C.Beura
Chairman

Chairman
UTKAL GRAMEEN BANK
Head Office, Bolangir

For Agasti & Associates
Chartered Accountants
Firm Regn. No. 313043E

Trypti Rekha Mohapatra
(CA Trypti Rekha Mohapatra)
PARTNER
M.No-300053



Date : 17-05-2021

Place : Bolangir
Date: 14-05-2021

UTKAL GRAMEEN BANK
HEAD OFFICE : BOLANGIR.

PROFIT & LOSS STATEMENT AS ON 31.03.2021

(Amt. in "000")

Particulars	SCH	As on: 31.03.2021	As on:31.03.2020
I. INCOME			
Interest earned	13	47,46,110	51,16,834
Other income	14	7,09,910	6,19,604
TOTAL		54,56,020	57,36,438
II. EXPENDITURE			
Interest expended	15	31,98,963	33,79,159
Operating expenses	16(A)	16,05,867	17,87,324
Provisions & contingencies	16(B)	47,67,469	19,64,881
TOTAL		95,72,299	71,31,364
III. PROFIT & LOSS		-41,16,279	-13,94,926
Profit before tax		-41,16,279	-13,94,926
Less : Tax Provision		0	0
Provision for Income Tax For the Financial Year		NIL	NIL
Profit after Tax		-41,16,279	-13,94,926
Loss brought forward	(*)	-96,34,668	-82,39,742
TOTAL		-1,37,50,947	-96,34,668
Balance carried over to Balance Sheet		-1,37,50,947	-96,34,668
TOTAL		-1,37,50,947	-96,34,668

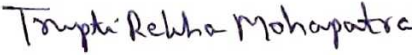
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In terms of our report of even date


Shri A.C.Beura
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UTKAL GRAMEEN BANK
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(CA Trypti Rekha Mohapatra)
PARTNER
M.No-300053
Date: 17-05-2021



Place : Bolangir
Date: 14-05-2021

SCHEDULE : 1 EQUITY CAPITAL

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Authorised Capital		
	(200,00,00,000 Shares of Rs. 10/- each)	2,00,00,000	2,00,00,000
II.	Issued & Subscribed Capital		
	(Shares of Rs. 10/- each)	97,03,731	70,22,131
	Govt of India (50%)	48,51,866	35,11,066
	State Bank Of India (35%)	33,96,336	24,57,776
	Govt of Odisha (15%)	14,55,529	10,53,289
	TOTAL	97,03,731	70,22,131
	TOTAL	97,03,731	70,22,131

SCHEDULE : 1 A PERPETUAL BOND

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	<u>PERPETUAL BOND</u>		
	State Bank of India	81,383	81,383
	Total	81,383	81,383

SCHEDULE : 1 B SHARE CAPITAL DEPOSIT

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
	<u>SHARE CAPITAL DEPOSIT</u>		
I.	State Bank of India	0	9,38,560
II.	Govt. Of Odisha	0	0
III.	Govt. Of India	0	13,40,800
	Total	0	22,79,360



SCHEDULE : 2 RESERVES & SURPLUS

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Statutory Reserves	0	0
II.	Capital Reserves	0	0
III.	Capital Reserves on Consolidation	0	0
IV.	Share Premium	0	0
	Other Reserves (Specify nature)	0	0
V.	Revenue & other Reserves	0	0
VI.	Balance in Profit & Loss Account	0	0
	TOTAL	0	0

SCHEDULE : 3 DEPOSITS

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
A. I.	Demand Deposits	0	0
	i) From Banks	13,21,403	12,26,956
	ii) From Others	4,33,17,072	4,04,58,836
II.	Savings Bank Deposits		
III.	Term Deposits	0	0
	i) From Banks	3,02,34,025	2,87,84,855
	ii) From Others		
	TOTAL (I + II + III)	7,48,72,500	7,04,70,647
B. I.	Deposits of Branches in India	7,48,72,500	7,04,70,647
II.	Deposits of Branches outside India	0	0
	TOTAL (I + II)	7,48,72,500	7,04,70,647



SCHEDULE : 4 BORROWINGS

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Borrowings in India		
	I) Reserve Bank of India		
	ii) Other Banks	0	0
	(Sponsor Bank i.e. State Bank of India)	0	0
	iii) Other Institutions and Agencies (NABARD)	35,30,296	2,705
	iv) NSTFDC	0	0
II.	Borrowings outside India	0	0
	TOTAL (I + II)	35,30,296	2,705
	Secured Borrowings		
	(Included in I & II above)	35,30,296	2,705

SCHEDULE : 5 OTHER LIABILITIES & PROVISIONS

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Bills Payable	37,261	32,614
II.	Inter-Office Adjustments	0	0
III.	Interest accrued	22,87,213	22,55,823
IV.	Others	13,60,303	10,82,987
	TOTAL	36,84,777	33,71,424



IV	DETAILS OF OTHER LIABILITIES (SCHEDULE 5-IV)	As on: 31.03.2021	As on: 31.03.2020
	Subsidy Reserve Fund	51,995	66,604
	Sundry deposits	0	24
	Sundry Deposit TDS -SYS -Credit	31,988	35,918
	Grameen pay Order (GPO)	0	0
	Crop Insurance Amount	3,748	3,912
	Tax Deducted at Source /TDS	275	1,274
	Sundry Creditors	0	0
	CA 276 HO with UGB Balangir	0	3,227
	Security Deposit Public	4,423	4,396
	Miscellaneous Provision	13,104	13,104
	Standard Asset Provision	57,739	1,44,630
	Prov. On Pension, Leave liability & Gratuity	11,21,525	5,75,700
	SD-Unidentified cash	2	0
	SYS Susp Originating Credit	0	0
	Other System Susp A/C	0	0
	Adjusting A/c	20,737	65,159
	Others	54,767	1,69,039
	GROUP TOTAL	13,60,303	10,82,987

SCHEDULE : 6 CASH & BALANCES WITH RESERVE BANK OF INDIA
(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Cash in hand (Including foreign currency notes- NIL)	3,89,852	4,60,249
II.	Balance with Reserve Bank of India		
	i) In Current Account	27,01,335	19,73,035
	ii) In Other Accounts	0	0
	TOTAL (I + II)	30,91,187	24,33,284



SCHEDULE : 7 BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	In India		
	i) Balances with Banks		
	a) In Current Accounts	3,85,898	22,31,061
	b) In other Deposit Accounts	58,87,011	69,13,186
	ii) Money at Call & Short Notice/ Short Term Deposit		
	a) With Banks [Deposit with State Bank of India]	0	0
	b) With other institutions	0	0
	TOTAL (i + ii)	62,72,909	91,44,247
II.	Outside India		
	i) In Current Accounts	0	0
	ii) In other Deposit Accounts	0	0
	iii) Money at Call & Short Notice	0	0
	TOTAL (i + ii + iii)	0	0
	GRAND TOTAL (I + II)	62,72,909	91,44,247



SCHEDULE : 8 INVESTMENTS

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Investments in India in		
	i) Government securities	4,19,17,524	3,62,39,205
	ii) Other approved Securities	1,479	1,479
	iii) Shares	0	0
	iv) Debentures and Bonds	0	0
	v) Investment in Associates	0	0
	vi) Others (to be specified)	35,000	55,000
	(SBI-Mutual Fund)		
	TOTAL	4,19,54,003	3,62,95,684
II.	Investments Outside India in		
	i) Government Securities	0	0
	(including local authorities)		
	ii) Investment in Associates	0	0
	iii) Other Investments (to be specified)	0	0
	TOTAL	0	0
	GRAND TOTAL (I + II)	4,19,54,003	3,62,95,684
III.	Investments in India		
	i) Gross value of Investments	4,19,54,003	3,62,95,684
	ii) Aggregate of Provisions for depreciation	0	0
	iii) Net Investment	4,19,54,003	3,62,95,684
IV.	Investments Outside India	0	0
	i) Gross value of Investments	0	0
	ii)Aggregate of Provisions for depreciation	0	0
	iii) Other investments (to be specified)	0	0



SCHEDULE : 9 ADVANCES

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
			0
A. i)	Bills Purchased & Discounted		
ii)	Cash Credits, Overdrafts & Loans repayable on demand	1,70,61,996	1,67,02,836
iii)	Term Loans	71,23,414	72,29,099
	TOTAL	2,41,85,410	2,39,31,935
		2,41,56,584	2,38,75,588
B. i)	Secured by Tangible Assets (includes advances against book debts)		
ii)	Receivable from Govt. of India under Agricultural Debt Waiver & Debt Relief Scheme 2008	0	0
iii)	Unsecured	28,826	56,347
	TOTAL	2,41,85,410	2,39,31,935
C. I.	Advances in India		
i)	Priority Sector	2,16,53,660	2,21,10,200
ii)	Public Sector	0	0
iii)	Banks	0	0
iv)	Others	25,31,750	18,21,735
	TOTAL	2,41,85,410	2,39,31,935
II.	Advances Outside India		
i)	Due from Banks	0	0
ii)	Due from Others	0	0
a)	Bills Purchased & Discounted	0	0
b)	Syndicated loans	0	0
c)	Others	0	0
	TOTAL		
	GRAND TOTAL (C. I + II)	2,41,85,410	2,39,31,935
	TOTAL ADVANCE	2,88,42,551	2,89,41,913
	NPA PROVISION	46,57,141	50,09,978
	NET ADVANCE	2,41,85,410	2,39,31,935



SCHEDULE : 10 FIXED ASSETS

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Premises	0	0
	At cost as on 31st March of the preceding year	8	8
	Additions during the year	0	0
	Deductions during the year	0	0
	Depreciation to date	0	0
IA.	Premises under construction	0	0
	TOTAL	8	8
II	Other Fixed Assets (including furniture and fixtures)		
	At cost as on 31st March of the preceding year	3,15,033	3,00,815
	Support from SBI and NABARD	0	0
	Additions during the year	12,961	14,218
	TOTAL	3,27,994	3,15,033
	Grand Total (I+II)	3,28,002	3,15,041
	Deductions during the year	0	0
	Accumulated Depreciation to date	2,66,985	2,38,723
	BALANCE(W.D.V)	61,017	76,318
	GRAND TOTAL	61,017	76,318



SCHEDULE : 11 OTHER ASSETS

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Inter Office Adjustments	150	4,815
II.	Interest Accrued	15,91,216	16,45,065
III.	Tax paid in advance	5,299	5,299
IV.	Stationery and Stamps	5,360	6,844
V.	Non-Banking assets acquired in satisfaction of claims	0	0
VI.	Others	1,47,06,136	96,84,159
	TOTAL	1,63,08,161	1,13,46,182
	DETAILS OF OTHER ASSETS (SCHEDULE 11-VI)	As on: 31.03.2021	As on: 31.03.2020
		168	253
	Suspense Advance		
	Accumulated Loss		
	a.accumulated loss	1,37,50,947	96,34,668
	b.Reserve and Surplus adjusted		
	c.Loss before Tax		
	d.Tax on profit (Add)		
	System suspense	50	35
	NEFT	2,55,080	-1,43,497
	AEPS	0	0
	Broken Period Intt	0	0
	R.O. Suspense	0	0
	IT prov / Advance Tax paid	76,364	76,364
	Income tax provision	0	0
	Income tax refund	0	0
	Receivable from NABARD	0	0
	CENVAT Input Credit (Service Tax)	0	0
	Others	6,23,527	1,16,336
	Total	1,47,06,136	96,84,159

SCHEDULE : 12 CONTINGENT LIABILITIES

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Guarantees given on behalf of constituents		
	a) In India	5,34,142	5,02,415
	b) Outside	0	0
II.	Unclaimed Deposit in DEAF A/c	7,559	7,239
	TOTAL	5,41,701	5,09,654



SCHEDULE : 13 INTEREST EARNED

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Interest/ Discount on Advances/ Bills	14,55,338	22,46,302
II.	Income on Investments	29,56,522	25,06,054
III.	Interest on balances with Reserve Bank of India / other inter-bank Bank funds	3,34,250	3,64,478
IV.	Others:IBPC	0	0
	TOTAL	47,46,110	51,16,834

SCHEDULE : 14 OTHER INCOME

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Commission, Exchange, Brokerage	76,808	67,020
II.	Profit on sale of investments (net) Less : Loss on sale of investments	0	0
III.	Profit on revaluation of investments Less : Loss on revaluation of investments (Amortisation)	0	0
IV.	Profit on sale of land, buildings and other assets Less : Loss on sale of land, buildings and other assets	0	0
V.	Profit on exchange transactions Less : Loss on exchange transacions	0	0
VI.	a) Lease finance income b) Lease management fee c) Overdue charges d) Interest on lease rent receivables	0 0 0 0	0 0 0 0
VII.	Miscellaneous Income	6,33,102	5,52,584
	TOTAL	7,09,910	6,19,604



SCHEDULE : 15 INTEREST EXPENDED

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Interest on Deposits	31,69,589	33,73,227
II.	Interest on Reserve Bank of India/ Inter-Bank Borrowings	29,374	5,932
	TOTAL	31,98,963	33,79,159

SCHEDULE : 16 (A) OPERATING EXPENSES

(Amt. in "000")

		As on: 31.03.2021	As on: 31.03.2020
I.	Payments to and provisions for employees	11,21,332	12,85,682
		56,783	56,406
II.	Rent, Taxes and Lighting	5,301	14,744
III.	Printing and Stationery	177	263
IV.	Advertisement and Publicity	28,261	30,252
V.	Depreciation on Bank's Property	0	12
VI.	Director's fees, allowances and expenses	3,200	3,200
VII.	Auditor's fees and expenses (including branch Auditors)	438	6,919
VIII.	Law Charges	6,544	8,886
IX.	Postage, Telegrams, Telephones etc.	1,10,575	1,10,864
X.	Repairs and Maintenance	1,00,949	58,007
XI.	Insurance	1,72,307	2,12,089
XII.	Other expenditure		
	TOTAL	16,05,867	17,87,324



(i) Provision on Standard & impaired assets			
	DETAILS OF OTHER EXPENDITURES (SCHEDULE 16-XIII)	As on: 31.03.2021	As on: 31.03.2020
	BOOKS & PERIODICALS	3,156	3,673
	ENTERTAINMENT EXPENSES	12	23
	TRAINING/MEETING/SEMINARS	30	278
	TRAVELLING ALLOWANCES	4,834	8,126
	HALTING ALLOWANCES	8,724	16,007
	VEHICLE HIRING/FUEL EXPENSES	12,744	15,220
	CLEARING HOUSE	0	56
	DATA ENTRY CHARGE	49	154
	SUNDRY EXPENSES	1,42,758	1,68,552
	GROUP TOTAL	1,72,307	2,12,089

SCHEDULE : 16 (B) PROVISIONS

(Amt. in "000")

	DETAILS OF PROVISION	As on: 31.03.2021	As on: 31.03.2020
	Standard Assets Provision	-86,891	88,109
	Bad Debt Provision	10,46,810	18,59,295
	Misc. Provision	0	-1,28,723
	Ont. On Perpetual Bond	0	0
	Prov. Towards Fraud	0	0
	Prov. Towards Leave Liability	30,000	40,000
	Prov. On Ammortization	0	0
	Prov on wage payment	4,67,900	0
	Prov. Towards Gratuity	79,650	1,06,200
	Prov. Towards Pension	32,30,000	0
	TOTAL	47,67,469	19,64,881



UTKAL GRAMEEN BANK
HEAD OFFICE: BOLANGIR

SCHEDULE – 17 - SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL:

Government of India vide its Notification No. F No. 1/1/2012 RRB dated 01.11.2012 published in Gazette of India being issued by the Ministry of Finance, Department of Financial Services, GOI on 01.11.2012 instructed to amalgamate two Regional Rural Banks viz. "Rushikulya Gramya Bank" and "Utkal Gramya Bank" into a new Regional Rural Bank named as "Utkal Grameen Bank".

2. Basis of Preparation:

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

3. Use of estimates:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Future results could differ from these estimates and the differences between the actual results and the estimates are recognised in the period in which the result are known / materialised.



4. Revenue Recognition:

- a) Income is accounted on accrual basis, except otherwise stated.
- b) Interest income is recognised in the Profit and Loss Account as it accrues except, income from Non Performing Assets (NPAs), comprising of advances and investments where revenue recognition is postponed till removal of uncertainty of ultimate collection, as per the prudential norms prescribed by the RBI/NABARD or other regulatory authorities.
- c) Income (other than interest) on interest bearing investments in "Held to Maturity (HTM)" category acquired at a discount to the face value, is recognised only at the time of sale / redemption.
- d) In case of suit filed accounts, legal and other expenses incurred are charged to Profit and Loss Account and at the time of recovery of such expenses is accounted as income.

5. Investments:

Investments in India have been made in both SLR and Non-SLR securities and classified under "Held to Maturity" (HTM) i.e. permanent category & "Available For Sale" (AFS) i.e. Current category as per RBI norms and guidelines as amended from time to time.

SLR securities under HTM category lie within the prescribed limit i.e. 18.00% of NDTL. Investments in SLR securities have been accounted for at acquisition cost unless it is more than the face value, in which case the premium have been amortised over the period remaining to maturity. It has reflected the amortised amount in schedule 13-Interest earned: item II – Income on investments as a deduction.

The investment portfolio has been valued as per the mark to market (MTM) norms prescribed by RBI and any depreciation in value under AFS category has been provided.

6. Loans or Advances and Provisions thereon:

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

- **In respect of agriculture advances:**

- i. For short duration crops, where the installment of principal or interest remains overdue for two crop seasons and



ii. For long duration crops, where the principal or interest remains overdue for one crop season.

• **In respect of Non Agriculture advances:**

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

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

Provisions are made for NPAs as per the extant guidelines/directives prescribed by the RBI:

a) All advances have been classified under four categories i.e., Standard Assets, Sub-standard Assets, Doubtful Assets and Loss Assets.

b) Provisions on Advances are made as under:

I. Standard Assets:

General Provision for Standard Assets at the following rates:

1) Direct Advances to Agriculture and SME sectors at 0.25%

2) Commercial Real Estate sector at 1%

3) Commercial Real Estate- Residential Housing Sector at 0.75%

All other advances not included in (1), (2) & (3) above at 0.40%

II. Sub-Standard Assets:

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

General Provision of 10% on the total outstanding

III. Doubtful Assets:

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

Secured Portion	Up to One year 20%
	One to three years 30%
	More than three years 100%
Unsecured Portion	100%



IV Loss Assets:

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

100% Provision on outstanding Advances.

- Advances are net of specific loan loss provisions, unrealised interest.
- In the case of loan accounts classified as NPAs, an account may be reclassified as a performing asset if it confirms to the guidelines prescribed by the regulators.
- Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.
- 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 and are not considered for arriving at the net NPAs.
- Interest realized on NPAs is taken in to income account provided the credits in the accounts towards interest are not out of fresh/additional credit facilities sanctioned to the borrower concerned.
- Appropriation of recoveries in NPAs i.e. towards principal or interest due as per the Bank's extant instructions is done in accordance with the following priority.
 - a. Charges
 - b. Unrealized Interest/Interest
 - c. Principal

7. Fixed Assets, Depreciation and Amortisation:

7.1 Fixed assets are stated at their historical cost.

7.2 Depreciation on assets is provided on straight line method at rates prescribed by the sponsor bank for maintaining uniformity in the accounting policy.

8. Employee Benefits:

a. Short Term Employee Benefits:

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



b. Long Term Employee Benefits

i. **Gratuity:** For all the eligible employees, the Bank provides for Gratuity liability based on actuarial valuation. The Bank makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation carried out annually.

ii. **Leave Encashment:** For all the employees who have completed five years of service, the Bank provides for Leave Encashment liability based on actuarial valuation.

iii. **Pension:** Bank has introduced Utkal Grameen Bank (Employees') Pension Regulation, 2018 in the financial year 2018-19 as per guidelines issued by NABARD vide letter no.NB.IDD/344/316(Pension)/2018-19 dt:23.10.2018 and GOI Gazette notification – Extraordinary Part-III, Section-4 , No-533 dt: 24.12.2018 and pension payment are made accordingly. Pension provision has been made basing on actuarial valuation dated 28.02.2020 & also as per RBI norms.

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

9. Contingent Liabilities & provisions:

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.

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 resources embodying economic benefits will be required to settle the obligation or

b. A reliable estimate of the amount of obligation cannot be made.



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

III. Contingent Assets are not recognised in the financial statements.

10. Special Reserves:

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



SCHEDULE -18

NOTES ON ACCOUNTS

1. SHARE CAPITAL

i) In terms of Gazette Notification dated 12th May, 2015, in regard to amendment of Regional Rural Bank Act, 1976, the authorized capital of the Bank enhanced to Rupees two thousand crore, divided into two hundred crore of fully paid-up shares of ten rupees each effective from the 4th February 2016. In order to meet the minimum level of CRAR and other financial parameters, a proposal was submitted for recapitalization for infusion of Rs.1070.00 crores. The same has been approved by appropriate authorities during Financial Year 2019-20 and partial payment of Rs.227,93,60,000.00 was done during that FY 2019-20 and parked as Share Capital Deposit in Schedule-1B. Rest amount of Rs.40,22,40,000.00 received from share holders during 2020-21. The total amount received from the Share holders as per detail below.

- a) Govt. Of India = Rs.134,08,00,000.00
b) State bank of India = Rs. 93,85,60,000.00
c) Govt. of Odisha = Rs. 40,22,40,000.00
Total =Rs.268,16,00,000.00

Share Capital consists of Shares subscribed to by the Government of India, Sponsor Bank and Government of Odisha in the ratio 50:35:15 as follows:
(Amount in Rupees)

	As at 31.03.2021	As at 31.03.2020
Authorised Capital		
(200,00,00,000 Shares of Rs10/- each)	2000,00,00,000.00	2000,00,00,000.00
Issued, Subscribed & Paid up Share Capital		
Govt of India (485186550 Shares of Rs 10/- each)	485,18,65,500.00	351,10,65,500.00
State Bank of India (339633610 share of Rs10/- each)	339,63,36,100.00	245,77,76,100.00
Govt of Odisha (145552900 share of Rs10/- each)	145,55,29,000.00	105,32,89,000.00
TOTAL	970,37,30,600.00	702,21,30,600.00

ii) PERPETUAL BOND:

Consequent upon implementation of CBS, the Bank has incurred a total expenditure of Rs.16,27,65,784/- out of which Sponsor Bank's share @ 50%

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amounts to Rs.8,13,82,892/-. The above amount has been contributed on 08.01.2016 by State Bank of India in form of Perpetual Bond. The same is therefore reflected in the books of accounts under the head "Perpetual Bond" under Liabilities.

iii) Due to a loss of Rs. 411.63 crores during the year and an accumulated loss of Rs. 1375.09 crores the networth of the Bank has turned negative (-Rs.404.72 crores). This is attributable to mainly high provision required for Pension, NPA, wage payment and provision for Leave Liability & Gratuity as per schedule -16(B) of the Profit Loss Statement.

2. INVESTMENTS:

Investments in Govt securities & Sovereign Gold Bond amounting to Rs.419190.03 lakhs made by the Bank represent SLR investments. Out of total SLR portfolio of Rs.419190.03 lakhs, securities of book value amounting to Rs.117955.54 lakhs have been categorized under "Held to Maturity"(HTM) and securities of book value amounting to Rs.301234.49 lakhs have been categorized under "Available For Sale"(AFS). Securities under HTM category are exempted from mark to market (MTM) norms. Securities under AFS categories in both SLR & Non-SLR are valued as per mark to market (MTM) norms. In case of both SLR & Non-SLR investment, there is a net appreciation, hence do not require any provision for depreciation.

3. ADVANCES:

During this FY, Bank has written-off an amount of Rs.139.88 crore, where 100% provision was available.

4. FIXED ASSETS:

a) Fixed assets of the Bank have been physically verified by officials of the Branches of the Bank and shortage/excess found has been suitably adjusted in the books of account during the year.

b) Depreciation on Fixed Assets is provided on Straight Line Method at rates prescribes by Sponsor Bank.

5. RECONCILIATION

a) OTHER ASSETS

Balance under the head Inter Office adjustments reflects Rs.0.015 crores being the pending items for which advices are in transit as on the closing date are under reconciliation and subject to consequential adjustments, if any.

Further, Other Assets in Schedule 11 includes Suspense advance amounting to Rs 0.017 Crores, System Suspense amounting to Rs 0.005 Crores, NEFT Account amounting to Rs 25.51 Crores, AEPS INWARD aquarier Transaction amounting to Rs 0.53 Crores, ATM Clearing account Suspense amounting to



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Rs 1.78 Crores, ACH debit & ACH Debit return amounting to Rs 0.14 Crores & Rs 0.08 Crores respectively, UIG Credit & LPF Credit amounting to Rs 10.80 Crores & Rs 31.28 crores respectively, NPCI Credit Return & ACH Credit return amounting to Rs 0.01 Crores & Rs 0.82 Crores are under the process of reconciliation and subject to consequential adjustments, if any. Further, Other Assets in balance sheet includes IT prov / Advance Tax paid amounting to Rs 7.64 Crores and Tax Refund Receivable amounting to Rs 7.04 Crores. The same are under the process of year-wise-reconciliation and subject to consequential adjustments, if any.

b) OTHER LIABILITIES

Other Liabilities in Schedule 5 includes adjusting account amounting to Rs 2.07 Crores, IMPS Inward account amounting to (-) Rs 1.84 Crores, POS/ATM pay account suspense amounting to Rs 0.13 crores, AEPS Outward Issue Trans amounting to Rs 4.09 crores, PFMS APB/AEP settlement amounting to Rs 0.28 Crores and RGB Income tax provision amounting to Rs 0.42 Crores. The same are under the process of reconciliation and subject to consequential adjustments, if any.

Further, Other Liabilities in Schedule 5 includes subsidy reserve fund amounting to Rs 5.19 Crores. The same are under the process of borrower-wise- reconciliation and subject to consequential adjustments, if any.

6. CONTINGENT LIABILITY

Contingent Liability of Rs.54,17,01,219.17 (Previous year Rs.50,96,53,535.30) like Bank Guarantee, DEAF etc has been shown under schedule-12. Apart from aforesaid, the Bank has pending cases of Income Tax.

7. OTHERS:

The accumulated loss of the Bank as on 31st March 2021 stands at Rs.137509.47 lakhs.

8. Previous year's figures have been re-grouped and/or rearranged where considered necessary to make it comparable.

9. Additional Disclosures

9.a. Capital

Sr.	Particulars	Current Year (2020-21)	Previous Year (2019-20)
i)	CRAR (%)	-16.01%	-1.34%
ii)	CRAR - Tier I Capital (%)	-16.01%	-1.34%
iii)	CRAR - Tier II Capital (%)	0.55%	0.91%
iv)	Percentage of share holding of the		
a	Government of India	50%	50%
b	State Government	15%	15%
c	Sponsor Bank (SBI)	35%	35%



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9.b. Investments

(Rs. in lakh)

Sr.	Particulars	Current Year (2020-21)	Previous Year (2019-20)
1	Value of Investments		
i)	Gross value of Investments	419540.03	362956.84
ii)	Provisions for Depreciation	Nil	Nil
iii)	Net value of Investments	419540.03	362956.84
2	Movement of provisions held towards depreciation on Investments	Nil	Nil
i)	Opening Balance	Nil	Nil
ii)	Add : Provisions made during the year	Nil	Nil
iii)	Less: Write off / write back of excess provisions during the year	Nil	Nil
iv)	Closing Balance	Nil	Nil

9.c. Repo Transactions

(Rs. in lakh)

Item	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As on 31 st March 2021
Securities sold under Repos	NIL	NIL	NIL	NIL
Securities purchased under reverse Repos	NIL	NIL	NIL	NIL

9.d. Non-SLR Investments portfolio

(i) Issuer composition of Non-SLR Investment

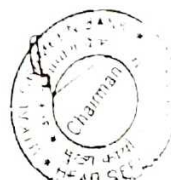
(Rs. in lakh)

No	Issuer	Amount	Extent of private placement	Extent of below investment grade securities	Extent of unrated securities	Extent of unlisted securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
i)	PSUs	NIL	NIL	NIL	NIL	NIL
ii)	FIs	NIL	NIL	NIL	NIL	NIL
iii)	Banks	NIL	NIL	NIL	NIL	NIL
iv)	Private Corporate	NIL	NIL	NIL	NIL	NIL
v)	Others	350.00	NIL	NIL	NIL	NIL
vi)	Provisions held towards depreciation	NIL	NIL	NIL	NIL	NIL
	TOTAL	350.00	NIL	NIL	NIL	NIL

ii) Non-performing Non-SLR Investments

(Rs. in lakh)

Particulars	Amount
Opening balance	NIL
Additions during the year since 1 st April	NIL
Reductions during the above period	NIL
Closing balance	NIL
Total provisions held	NIL



10. Asset Quality
10.1 Non-Performing Asset

(Rs. in lakh)

Sr.	Particulars	Current Year (2020-21)	Previous Year (2019-20)
	Net NPA to Net Advances (%)	16.06%	12.93%
i)	Net NPA to Net Advances (%)	16.06%	12.93%
ii)	Movement of NPA (Gross)	-	-
(a)	Opening balance	81036.63	87728.29
(b)	Additions during the year	40833.96	17170.68
(c)	Reductions during the year	36449.38	23862.34
(d)	Closing balance	85421.21	81036.63
iii)	Movement of Net NPAs	-	-
(a)	Opening balance	30936.85	46378.90
(b)	Additions during the year	18375.28	6555.77
(c)	Reductions during the year	10462.30	21997.82
(d)	Closing balance	38849.80	30936.85
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	50099.78	41349.39
(b)	Provisions made during the year	10463.01	18592.96
(c)	Write -off / write-back of excess provisions	13991.37	9842.56
(d)	Closing balance	46571.41	50099.78

10.2 Details of Loan Assets subject to Restructuring
(Rs. in lakh)

	Particulars	Current Year (2020-21)	Previous Year (2019-20)
i	Total amount of loan assets subject to restructuring, rescheduling, renegotiation	NIL	NIL
ii	The amount of standard assets subjected to restructuring, rescheduling, renegotiation	NIL	NIL
iii	The amount of Sub-Standard assets subjected to restructuring, rescheduling, renegotiation	NIL	NIL
iv	The amount of Doubtful assets subjected to restructuring, rescheduling, renegotiation	NIL	NIL
	Note [(i) = (ii) + (iii) + (iv)]	NIL	NIL

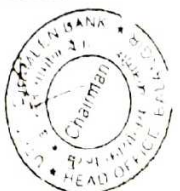
**10.3 Details of Financial Assets sold to Securitization (SC)
Reconstruction Company (RC) for Assets Reconstruction**

(Rs. in lakh)

	Particulars	Current Year (2020-21)	Previous Year (2019-20)
i	No. of Accounts	NIL	NIL
ii	Aggregate value (net of provisions) of accounts sold to SC/RC	NIL	NIL
iii	Aggregate consideration	NIL	NIL
iv	Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL



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v	Aggregate gain / loss over net book value	NIL	NIL
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10.4 Details of non-performing Financial Assets purchased/ sold

A. Details of non-performing financial assets purchased.

(Rs. in lakh)			
	Particulars	Current Year (2020-21)	Previous Year (2019-20)
1 (a)	No. of accounts / purchased during the year	NIL	NIL
(b)	Aggregate outstanding	NIL	NIL
2 (a)	Of these, number of account restructured during the year	NIL	NIL
(b)	Aggregate outstanding	NIL	NIL

B. Details of non-performing financial assets sold.

(Rs. in lakh)			
Sr.	Particulars	Current Year (2020-21)	Previous Year (2019-20)
1	No. of accounts sold	NIL	NIL
2	Aggregate outstanding	NIL	NIL
3	Aggregate consideration received.	NIL	NIL

10.5 Provisions on Standard Assets.

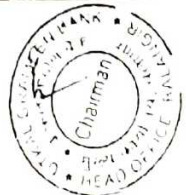
(Rs. in lakh)

Sr.	Particulars	Current Year (2020-21)	Previous Year (2019-20)
1	Provisions towards Standard Assets	577.39	580.06
2	Provisions on account of COVID-19 made @5.00%	NIL	866.24

N.B: Provisions towards Standard Assets need not be netted from gross advances but shown separately as "Provisions against Standard Assets" under "Liabilities and Provisions – Others" in Schedule No.5 of the Balance Sheet.

11. Business Ratio

	Particulars	Current Year (2020-21)	Previous Year (2019-20)
i	Interest Income as a percentage to Working Funds	5.70%	6.80%
ii	Non-Interest Income as a percentage to Working Funds	0.85%	0.82%
iii	Operating Profit as a percentage to Working Funds	0.78%	0.76%
iv	Return on Assets	-4.94%	-1.85%
v	Business (Deposits plus advances) per employee (Rs. in lakh)	774.57	668.99
vi	Profit per employee (Rs. in lakh)	-30.74	-9.39



12. Asset Liability Management – Maturity pattern of certain items of assets and liabilities

(Rs. in crores)

Particulars	1 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	316.94	73.20	351.10	480.01	883.41	5070.18	247.89	64.51	7487.24
Advances	13.21	22.41	238.49	445.24	371.28	947.05	145.61	235.25	2418.54
Investments & TDRs	177.09	64.11	237.32	61.13	172.78	100.69	234.97	3732.36	4780.45
Borrowings	0.00	0.00	0.00	75.00	278.03	0.00	0.00	0.00	353.03
Foreign currency assets	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign currency liabilities	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Note : The figure have been taken from the CBS system .

13. Exposures – Exposure to Real Estate Sector during the year.

(Rs. in lakhs)

Sr.	Category	Current Year (2020-21)	Previous Year (2019-20)
a	Direct Exposure	18487.39	19610.88
(i)	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 loan upto 20 lakh may be shown separately)	18487.39	19610.88
(ii)	Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family 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	0	0
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures.	NIL	NIL
	a. Residential	NIL	NIL
	b. Commercial Real Estate	NIL	NIL
b.	Indirect Exposure	NIL	NIL
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	NIL	NIL



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14. Details of Single Borrowers (SGL), Group Borrower Limit (GBL) exceeded by the Bank.

As per RBI instructions, the present maximum permissible exposure limit of the Bank is 15 % of own fund. No such account exceeds prudential exposure limit during the year under report.

15. Miscellaneous – Amount of provisions made for Income-Tax during the year

(Rs. in lakh) Particulars	Current Year (2020-21)	Previous Year (2019-20)
Provision for Income Tax	NIL	NIL

The Bank has incurred a loss of Rs.41162.79 lakhs during the current year. However, it has accumulated losses in past years amounting to Rs.96346.68 lakhs. In view of the above no provision has been made towards income tax in the current year.

16. Disclosure of Penalties imposed by RBI

No penalty has been imposed by RBI during the current year.

17. Disclosure requirements as per Accounting Standards where the RBI has issued guidelines in respect of disclosure items for " Notes to Accounts".

17.1 Accounting Standard –9 – Revenue Recognition

The revenue recognition norms stipulated in the said accounting standard have been properly followed. The accounting policies of the Bank given under Schedule-17 describe the revenue recognition policies followed by the Bank.

17.2 Accounting Standard –15 - Employee benefit

a) Gratuity: The Bank has taken policies under Group Gratuity Scheme framed with LIC of India & India First and premium paid is charged to revenue. An amount of Rs.25.95 crores has been paid during the current year. Due to Gratuity liability of Rs.20.00 lakhs per employee, the LIC's estimate on Gratuity Liability amounts to Rs.81.50 crores. Since the corpus of the Bank towards the liability stands at Rs.85.60 crores as on 31.03.2021, there is no requirement of provision.

b) Leave encashment: The liability of the Bank arising out of Leave encashment amounts to Rs.33.63 crores on actuarial valuation against which the corpus fund of the Bank as on 31.03.2021 stands at Rs.33.69 crores, there is no requirement of provision.



c) Pension: Bank has introduced Utkal Grameen Bank (Employees') Pension Regulation, 2018 as per guidelines issued by NABARD vide letter no NB.IDD/344/316(Pension)/2018-19 dt:23.10.2018 and GOI Gazette notification – Extraordinary Part-III, section-4 , No-533 dt: 24.12.2018. During the year 2020-21, Rs 8.62 crs is refunded by pensioners and Rs.62.03 crs has been paid to pensioners. As per latest actuarial valuation position, the total pension liability is Rs.798.34 crores. As per RBI norms, provision required is 60% of Rs.798.34 cr which comes to Rs.479.00 crore as on 31.03.2021. From this assessed liability, as per the amortization and as per advice by Sponsored Bank, provision for Rs323.00 crores has been made during the year 2020-21.

d) Wage Revision: During the year 2020-21, UGB has provided for Rs.46.79 crores, arising out of arrears to be paid on account of 11th Bi-partite wage settlement from 01.11.2017. The total amount provided for in respect of the said wage settlement stands at Rs.46.79 crores as on 31.03.2021.

17.3 Accounting Standard –17 - Segment Reporting

- There is only one Business segment i.e. retail banking operation.
- There is only one Geographical segment i.e. Domestic.

17.4 Accounting Standard –22 - Accounting for Taxes on Income

Since the Bank has incurred loss during the year and there is accumulated loss, the deferred tax Asset / Liability has not been recognized and accounted for. Also in view of COVID situation, it is difficult to assess the business growth and profitability.

17.5 Accounting Standard –25 - Interim Financial Reporting

The Bank has already introduced the system of interim financial reporting as per NABARD guidelines .

18. Additional Disclosures

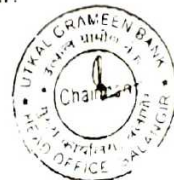
18.1 Provisions against Advances

(Rs. in lakh)		Current Year (2020-21)	Previous Year (2019-20)
Sr.	Particulars		
a.	Opening balance in the floating provisions account	51546.08	41914.61
b.	The quantum of floating provisions made in the accounting year	10463.01	19474.03
c.	Amount of draw down made during the accounting year*	14860.29	9842.56
c.	Closing balance in the floating provisions account	47148.80	51546.08

* i. Total written-off during the year Rs.13988.31 lakhs

18.2 Draw Down From Reserve

There was no Draw Down from any reserve account during the year.



18.3. Disclosure of Complaints

A. Customer Complaints

Sr.	Particulars	Details
a.	No. of complaints pending at the beginning of the year	4
b.	No. of complaints received during the year	24
c.	No. of complaints redressed during the year	28
d.	No. of complaints pending at the end of the year	0

B. Award passed by the Banking Ombudsman

Sr.	Particulars	Details
a.	No. of unimplemented Awards at the beginning of the year	NIL
b.	No. of Awards passed by the Banking Ombudsmen during the year	NIL
c.	No. of Awards implemented during the year	NIL
d.	No. of unimplemented Awards at the end of the year.	NIL

18.4 Concentration of Deposits, Advances, Exposures and NPAs

(Rs. In Crores)

Concentration of Deposits	
Total Deposits of twenty largest depositors	161.59
Percentage of Deposits of twenty largest depositors to Total Deposits of the bank	2.16%

Concentration of Advances *	
Total Advances to twenty largest borrowers	212.42
Percentage of Advances to twenty largest borrowers to Total Advances of the bank	7.36%
*Advances should be computed as prescribed in our Circular on Strengthening of Prudential Norms – Provisioning Asset classification and Exposure Limit RPCD RRB BC 97/03 05 34/2000-01 dated June 11, 2001 as per circular RPCD.RRB.BC 97/03 05 34/2000-01 dated June 11, 2001	

Concentration of Exposures **	
Total Exposures of twenty largest borrowers/customers	248.92
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the bank on borrowers/customers	8.63%
** Exposures should be computed based on credit and investment exposure as prescribed in our Circular on Strengthening of Prudential Norms – Provisioning Asset classification and Exposure Limit RPCD.RRB BC 97/03 05 34/2000-01 dated June 11, 2001	

Concentration of NPAs	
Total Exposure to top four NPA accounts	4.82



II. Sector -wise NPAs
(Rs. in crores)

Sl No.	Sector *	Current Year (2020-21)			Previous Year (2019-20)		
		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
A	Priority Sector						
1	Agriculture and allied activities	1902.42	647.55	34.03%	2001.21	595.65	29.76%
2	Advances to industries sector eligible as priority sector lending	428.91	128.25	29.90%	415.97	143.52	34.50%
3	Services	58.24	7.88	13.53%	49.66	5.40	10.87%
4	Personal loans	193.05	37.11	19.22%	207.04	36.23	17.49%
	Sub-total (A)	2582.62	820.79	31.78%	2673.88	780.80	29.20%
B	Non-Priority Sector						
1	Agriculture and allied activities	Nil	Nil	Nil	Nil	Nil	Nil
2	Industry	Nil	Nil	Nil	Nil	Nil	Nil
3	Services	Nil	Nil	Nil	Nil	Nil	Nil
4	Personal loans	301.64	33.42	11.08%	220.31	29.57	13.42%
	Sub-total (B)	301.64	33.42	11.08%	220.31	29.57	13.42%
	Total (A+B)	2884.26	854.21	29.06%	2894.19	810.37	28.00%

*Regional Rural Banks may 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 Khadi and Village industry (KVI) exceed 10 percent of the outstanding total advances to 'Industry' sector it should disclose details of its outstanding advances to KVI separately in the format above under the 'Industry' sector.



III. Movement of NPAs

Particulars	(Rs. in crore)	
	Current Year (2020-21)	Previous Year (2019-20)
Gross NPAs as on 1st April of particular year (Opening balance)	810 37	877 28
Additions (Fresh NPAs) during the year	408 33	171 71
Sub-total (A)	1218 79	1048 99
Less:		
(i) Upgradations	114 45	50 94
(ii) Recoveries (excluding recoveries made from upgraded accounts)	110 16	92 67
(iii) Write-offs	139 88	95 02
Sub total (B)	364 49	238 62
Gross NPAs as on 31st March of following year (closing balance)(A-B)	854 21	810 37

19. Classification of assets (Advances) as on 31st march 2021.

Classification	(Rs. in '000s)	
	Gross Advances	Net Advances
Standard Asset	203004 30	203004 30
Sub Standard Asset	20006 98	18006 28
Bad, Doubtful & Loss assets	65414 23	20843 62
Total	288425.51	241854.10
Add. Provision on Sub-Standard & Doubtful Assets etc		46571 41
Total gross Advances	288425.51	288425.51

20. Accumulated written off Advance Accounts are placed under "AUCA" (Advances Under Collection Account) and cumulative amount as on 31.03.2021 stands at Rs.314,55,33,920.62.

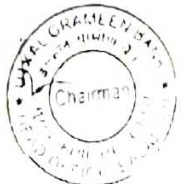
21. IBPC (Inter-Bank Participation Certificate) : The Bank takes advantage of the swapping of its advances portfolio in priority Sector with intending partner Banks including Sponsor Bank. However Bank has not participated in IBPC during the current Financial year and the outstanding as on 31.03.2021 is Nil.

22. PSLC (Priority Sector Lending Certificates): The Bank has registered itself in the e-kuber portal of RBI and is actively engaged in trading in the PSLC market. Following are the details of the trading in PSLC during the year.

Category of PSLC	Current FY 2020-21			(Rs. in crores)		
	sold	purchase	Income	sold	purchase	Income
PSLC (SM)	1320	50	26.97	1150	0	19.70
PSLC (G)	0	900	4.17	0	800	4.76
PSLC (Agri)	100	0	1.30	0	0	0
	1420	950	24.10	1150	800	14.94



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23. **Grant of Ex-gratia Payment:** The claim of Rs.45,37,998.57 made by the Bank towards the claim under the scheme of grant of ex-gratia payment of difference between compound interest and simple interest for 6 months in specified loan accounts(01.03.20 to 31.08.20) has been received from State Bank of India.

24. **Data Purification and Assot Classification:** During last year Bank has implemented new NPA functionality i.e 1.1 version of Agri & URI module for more accurate classification of Assets and recognition of income as per prudential norms prescribed by NABARD & RBI.

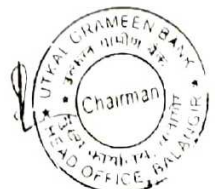
25. **Depositor Education and Awareness Fund (DEAF) Scheme:** Disclosure as required under Depositor Education and Awareness Fund Scheme – 2014 notified by the Reserve Bank of India under DBOD No. DEAF Cell.BC.114/30.01.002/ 2013-14 dated 27th May 2014 (As per details in Schedule-12)

(Rs. in lakhs)		Current FY 2021-22	Previous FY 2019-20
Sl. No	Particulars		
1	Opening Balance of Amount transferred to DEAF	72.39	69.86
2	Add: Amount transferred to DEAF during the Year	3.26	2.72
3	Less: Amounts reimbursed by DEAF towards Claim	0.05	0.19
4	Closing balance of amounts transferred to DEAF	75.59	72.39

26. The Bank has incurred a net loss of Rs. 411.63 Crores during the year ended March 31, 2021 and it has accumulated losses of Rs. 1375.09 Crores which has resulted in complete erosion of the net worth of the Bank. However, although Bank has got a negative Net Worth as at 31st March 2019, considering the continuous support of the Government of Odisha, Government of India and Sponsor Bank i.e. SBI, the Company is and will continue to be able to meet its financial obligations as they fall due. Accordingly, the Bank has prepared its accounts on a **"Going Concern"** basis.

Various indicators confirming the operational performance of the Bank and affirming the Going concern assumption are detailed below:

- Customer Base: increase from 46.69 lakhs as on Mar, 2019 to 48.67 lakhs as on Mar, 2020 indicates growing outreach of the Bank, reaching out and attracting new customers.
- Deposits : Growth rate of 8.48 % during current year over last year with growth in Savings Deposits of 11.52%, growth in retail Deposits of 7.92%, growth in Institutional deposits of 9.97% indicate customer confidence on the Bank despite the lowering of interest in deposits. While the share of CASA deposits has gone up to 59.15% from 57.54% last year, cost of deposits has come down from 5.35% to 5.01% over last year. This shows the continued confidence of public in the Bank.
- Given the financial stress of the bank, the Stake holders have reposed confidence on Bank by sanctioning of fresh Capital Infusion of Rs.268 crs of which Rs 228 crs have since been received by 31st March, 2020 raising the capital base and the rest are in process. This shows the intention of the Share holders for strengthening the Bank.
- Bank has never defaulted in maintenance of CRR/SLR as per statutory requirement. There is no liquidity problem which is a positive feature in prudential management of funds.



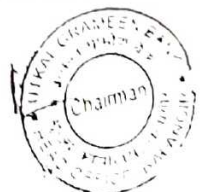
- e. To abide by the Prompt Corrective Action norms, Risk Weighted Assets(RWA) of the Bank contained at Rs.2489.67 crs against the benchmark RWA level of Rs.2509.05 crs:
- f. As part of the overall strategy to grow with minimising RWs, investments shifted to Govt securities indicates the Bank has a safer exposure.
- g. In compliance with the Covid-19 regulatory package of RBI, we have also deferred the demand for interest and instalment of loans during the lockdown period and made due provision in the balance sheet
- h. For better management of NPAs, Gross NPA has been brought down from 30.30% to 28.00% despite unusual variations in weather conditions throughout the operational area during the year, vitiated recovery climate. With tighter control on credit growth under PCA, though advances have remained almost at the same level as last year with further cleansing of the loan portfolio, however, Bank is targeting a growth of 10% in advances in the coming year to enhance interest income going forward.
- i. Per employee business has increased from 5.69 cr as on 31.03.19 to 6.69 cr as on 31.03.20 and NIM has improved from 0.86 as on 31.03.19 to 2.52 as on 31.03.20.

27. Consequent to the outbreak of the COVID-19 pandemic, the government announced a lockdown in March 2020. Subsequently, the national lock down was lifted by the government, but regional lock downs continue to be implemented in are as with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behaviour amid pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slow down during the year led to a decrease in loan originations and the efficiency in collection efforts. This may lead to arise in the number of customer defaults and consequently an increase in provisions there against. The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Bank's results will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact.

28. In accordance with the COVID-19 Regulatory Packages announced by the RBI on March 27, 2020, April 17, 2020 and May 23, 2020, the Bank, in accordance with its board approved policy, offered moratorium on the repayment to fall instalments and/or interest, as applicable, due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as standard, even if overdue, as on February 29, 2020. In respect of such accounts that were granted moratorium, the asset classification remained stand still during the moratorium period.

The disclosures as required by RBI circular dated April 17, 2020 are given below:

Particulars	Rs In crore
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the circular (as of February 29, 2020)	173.25
Term Loan :Rs 7.04 crore	173.25
Cash Credit / Overdraft :Rs 166.25 crore	17.32
Amount where asset classification benefit is extended	17.32
Provisions made in terms of para 5 of the circular	17.32
Provisions adjusted against slippages in terms of paragraph 6 of the circular	NIL
Residual provisions as of March 31, 2021 in terms of paragraph 6 of the circular	



As per our report of even date
Signatures for Schedules 1 to 18.


Shri A.C. Beura
Chairman

Chairman
UTKAL GRAMEEN BANK
Head Office, Bolangir

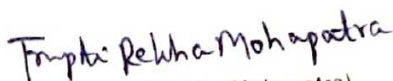
Shri N.C. Pattanaik,
DGM, RBI, BBSR
Director

Shri V. Balasubramanian, DGM,
NABARD, BBSR
Director

Shri Tarakanta Bhakta,
Under. Secy, Finance Dept.
Govt. Of Odisha, Bhubaneswar
Director

Place : Bolangir
Date: 14-05-2021

For Agasti & Associates
Chartered Accountants
Firm Regn. No. 313043E


(CA Trupti Rekha Mohapatra)
PARTNER
M.No-300053



Shri S. Tiwari, DGM, SBI, Corporate Center,
Mumbai
Director

Shri D.C. Bal, DGM (FI & MF)
SBI, LHO, BBSR
Director