

**ARUNACHAL PRADESH RURAL BANK  
NAHARLAGUN ARUNACHAL PRADESH  
BALANCE SHEET AS ON 31st MARCH 2024**

<b>CAPITAL AND LIABILITIES</b>	<b>Schedule</b>	<b>Current year 31-03-2024</b>	<b>Previous year 31-03-2023</b>
Capital	1	60,45,09,240.00	60,09,81,940.00
Reserve and Surplus	2	31,71,39,611.14	4,37,18,294.16
Deposits	3	14,03,81,98,300.02	12,55,29,50,014.98
Borrowings	4	1,24,30,80,478.39	76,82,63,461.47
Other Liabilities & Provisions	5	35,34,01,420.13	35,83,06,722.89
<b>TOTAL</b>		<b>16,55,63,29,049.68</b>	<b>14,32,42,20,433.50</b>
<b>ASSETS</b>	<b>Schedule</b>	<b>Current year 31-03-2024</b>	<b>Previous year 31-03-2023</b>
Cash & Balance with RBI	6	76,84,81,462.52	68,03,75,554.14
Balance with Bank, Money at Call and Short Notice	7	24,08,58,063.74	32,73,09,838.95
Investment	8	10,51,70,45,362.85	9,30,88,99,721.66
Advances	9	4,38,66,85,759.57	3,57,00,45,015.52
Fixed Assets	10	10,75,72,631.39	7,28,55,947.66
Other Assets	11	53,56,85,769.61	36,47,34,355.57
<b>TOTAL</b>		<b>16,55,63,29,049.68</b>	<b>14,32,42,20,433.50</b>
Contingent liabilities	12	13,30,59,850.78	16,63,11,795.78
Bills for collection			
Significant Accounting Policies and Notes to Accounts	17 & 18		

As per our report of even date attached.  
H.K.AGRAWALA & ASSOCIATES  
Chartered Accountants  
FRN- 319293E

*Rakesh Agarwala*

CA. Rakesh Agarwala  
Partner  
M. NO.- 061726  
UDIN- 24061726BKDAFG3397  
Date : 21-04-2024



For Arunachal Pradesh Rural Bank

*Shri Paogin Haokip*  
Shri Paogin Haokip  
Chairman



Director

Director

Director

Director

**FORM-'B'**  
**ARUNACHAL PRADESH RURAL BANK**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MAR 2024**

PARTICULARS	Schedule	Current year 31-03-2024	Previous year 31-03-2023
<b>I. INCOME:</b>			
Interest Earned	13	1,11,59,64,713.15	92,97,74,050.16
Other Income	14	7,22,24,749.62	5,74,07,871.37
<b>TOTAL INCOME</b>		<b>1,18,81,89,462.77</b>	<b>98,71,81,921.53</b>
<b>II. EXPENDITURE:</b>			
Interest Expenses	15	46,18,74,853.33	39,80,34,905.70
Operating Expenses	16	27,32,32,616.28	28,28,64,413.53
<b>TOTAL EXPENDITURE</b>		<b>73,51,07,469.61</b>	<b>68,08,99,319.23</b>
Operating Profit before provisions and Contingencies		45,30,81,993.16	30,62,82,602.30
Provisions & contingencies (other than tax)		8,13,60,676.18	3,42,40,287.16
Provision for NPA		5,66,55,096.41	1,31,25,406.64
Provision for Arrear		-	1,67,69,880.52
Provision for Standard Assets		30,05,579.77	40,45,000.00
Provision for leave Liability		61,00,000.00	-
Provisions for Audit Fee		5,00,000.00	3,00,000.00
Provisions for Gratuity		1,51,00,000.00	-
<b>Profit from Ordinary Activities before Tax Expenses</b>		<b>37,17,21,316.98</b>	<b>27,20,42,315.14</b>
a. Provision for Taxation-Current Year		9,83,00,000.00	6,80,10,579.00
b. Deferred Tax Asset			
c. Earlier Years Adjustments (Excess)			15,10,579.00
<b>III. PROFIT/LOSS</b>			
Net Profit/Loss(-) for the year		27,34,21,316.98	20,55,42,315.14
Profit/Loss(-) brought forward		2,02,18,294.16	(17,73,24,020.98)
<b>Total</b>		<b>29,36,39,611.14</b>	<b>2,82,18,294.16</b>
<b>IV. APPROPRIATIONS:</b>			
Transfer to Statutory Reserve		40,43,658.83	-
Transfer to Other Reserve IFR		1,51,00,000.00	80,00,000.00
Transfer to Govt. Proposed dividend		-	-
<b>Balance carried over to balance sheet</b>		<b>27,44,95,952.31</b>	<b>2,02,18,294.16</b>
Significant Accounting Policies and Notes	17 & 18		

As per our report of even date attached.

H.K.AGRAWALA & ASSOCIATES

Chartered Accountants

FRN- 319293E

CA. Rakesh Agarwala

Partner

M. NO.- 061726

UDIN- 24061726BKDAFG3397

Date : 21-04-2024



For Arunachal Pradesh Rural Bank



*Paogin Haokip*  
Shri Paogin Haokip  
Chairman

Director

Director

Director

Director

**ARUNACHAL PRADESH RURAL BANK**  
**HEAD OFFICE NAHARLAGUN**

Schedules forming Part of Balance Sheet as on 31st March 2024

<b>SCHEDULE-1</b> <b>CAPITAL</b>	<b>Current year</b> <b>31-03-2024</b>	<b>Previous year</b> <b>31-03-2023</b>
A. Authorized capital (200,00,00,000 shares of Rs 10/- each)	20,00,00,00,000.00	20,00,00,00,000.00
Issued, subscribed and paid up capital (P.Y- 6,00,98,194 shares of Rs. 10 each) (C.Y 6,04,50,924 shares of Rs.10 each)	60,45,09,240.00	60,09,81,940.00
I. From Govt. of India	30,22,54,620.00	30,04,79,940.00
II. From Govt. of A.P.	9,06,76,390.00	9,01,75,000.00
III. From sponsor bank (SBI)	21,15,78,230.00	21,03,27,000.00
<b>TOTAL OF A</b>	<b>60,45,09,240.00</b>	<b>60,09,81,940.00</b>
B. SHARE CAPITAL DEPOSIT ACCOUNT:		
I. From Govt. of India	-	-
II. From Govt. of A.P.	-	-
III. From sponsor bank (SBI)	-	-
<b>TOTAL OF B</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A + B)</b>	<b>60,45,09,240.00</b>	<b>60,09,81,940.00</b>

<b>SCHEDULE-2</b> <b>RESERVE &amp; SURPLUS</b>	<b>Current year</b> <b>31-03-2024</b>	<b>Previous year</b> <b>31-03-2023</b>
I. STATUTORY RESERVE:		
Opening balance	-	-
Addition during the year	40,43,658.83	-
Deduction during the year	-	-
II. CAPITAL PREMIUM:		
Opening balance	-	-
Addition during the year	-	-
Deduction during the year	-	-
III. SHARE PREMIUM:		
Opening balance	-	-
Addition during the year	-	-
Deduction during the year	-	-
IV. REVENUE AND OTHERS RESERVE:		
Opening balance (Investment Fluctuation Reserve)	2,35,00,000.00	1,55,00,000.00
Addition during the year	1,51,00,000.00	80,00,000.00
Deduction during the year	-	-
V. Balance in Profit & Loss Account	27,44,95,952.31	2,02,18,294.16
<b>TOTAL (I + II + III + IV)</b>	<b>31,71,39,611.14</b>	<b>4,37,18,294.16</b>



**ARUNACHAL PRADESH RURAL BANK**  
**HEAD OFFICE NAHARLAGUN**  
**Schedules forming Part of Balance Sheet as on 31st March 2024**

<b>SCHEDULE-3 DEPOSITS</b>	<b>Current year 31-03-2024</b>	<b>Previous year 31-03-2023</b>
A.I.DEMAND DEPOSIT		
i.From banks		
ii.From others	2,36,18,23,383.56	2,46,61,93,352.52
II.SAVINGS BANK DEPOSIT	7,67,79,47,184.99	6,46,50,83,888.31
III.TERM DEPOSIT:		
i.From banks	-	-
ii.From others	3,99,84,27,731.47	3,62,16,72,774.15
<b>TOTAL of (I+II+III)</b>	<b>14,03,81,98,300.02</b>	<b>12,55,29,50,014.98</b>
B. I. Deposits of branches in India	14,03,81,98,300.02	12,55,29,50,014.98
II. Deposits of branches outside India	-	-
<b>T O T A L</b>	<b>14,03,81,98,300.02</b>	<b>12,55,29,50,014.98</b>

<b>SCHEDULE-4 BORROWINGS</b>	<b>Current year 31-03-2024</b>	<b>Previous year 31-03-2023</b>
I. BORROWING IN INDIA:		
i. From Reserve Bank of India	-	-
ii. From other banks (SBI)(Perpetual	86,07,000.00	86,07,000.00
iii. OD from Sponsored Bank SBI	59,19,92,480.39	16,35,43,595.47
iv. From other Institutions (NABARD)	50,53,40,000.00	40,93,40,000.00
v. From other Institutions (NSTFDC)	13,71,40,998.00	18,67,72,866.00
<b>TOTAL OF ( i+ii+iii)</b>	<b>1,24,30,80,478.39</b>	<b>76,82,63,461.47</b>
II. BORROWING FROM OUTSIDE INDIA	-	-
<b>TOTAL OF (I+II)</b>	<b>1,24,30,80,478.39</b>	<b>76,82,63,461.47</b>
<b>SECURED BORROWING</b>	<b>59,19,92,480.39</b>	<b>16,35,43,595.47</b>
<b>UNSECURED BORROWING</b>	<b>65,10,87,998.00</b>	<b>60,47,19,866.00</b>

<b>SCHEDULE-5 OTHER LIABILITIES AND PROVISIONS</b>	<b>Current year 31-03-2024</b>	<b>Previous year 31-03-2023</b>
I.BILLS PAYABLE	-	-
II.INTER-OFFICE ADJUSTMENT (NET)	-	-
III.INTEREST ACCRUED:	<b>26,29,95,043.46</b>	<b>22,12,94,646.67</b>
i.On Deposit	26,02,65,020.00	21,85,53,156.89
ii.On Borrowings	27,30,023.46	27,41,489.78
IV.OTHERS (Including provisions)	<b>9,04,06,376.67</b>	<b>13,70,12,076.22</b>
a. Provision on Standard Assets	1,75,46,743.04	1,45,41,163.27
b. Provision on Frauds	-	-
c. Provision for Robberies	-	-
d. Audit fee Provision	2,88,390.00	5,50,402.82
e. Income Tax Provision	1,47,580.14	58,73,891.77
f. Provision for Arrear Salary	2,92,26,111.72	2,02,24,924.11
g. TDS Payable	67,79,166.00	55,62,357.06
h. Others	3,64,18,385.77	9,02,59,337.19
<b>TOTAL (I, II, III, IV)</b>	<b>35,34,01,420.13</b>	<b>35,83,06,722.89</b>



**ARUNACHAL PRADESH RURAL BANK**  
**HEAD OFFICE NAHARLAGUN**

Schedules forming Part of Balance Sheet as on 31st March 2024

<b>SCHEDULE-6</b> <b>CASH AND BALANCE WITH RBI</b>	<b>Current year</b> <b>31-03-2024</b>	<b>Previous year</b> <b>31-03-2023</b>
I.CASH IN HAND	7,83,26,779.00	7,95,20,870.62
II.BALANCE WITH RESERVE BANK OF INDIA	-	-
i. In Current Account	69,01,54,683.52	60,08,54,683.52
ii.In Other Account	-	-
<b>TOTAL (I, II)</b>	<b>76,84,81,462.52</b>	<b>68,03,75,554.14</b>

<b>SCHEDULE-7</b> <b>BALANCE WITH BANKS AND MONEY AT CALL</b>	<b>Current year</b> <b>31-03-2024</b>	<b>Previous year</b> <b>31-03-2023</b>
I.IN INDIA:		
i.Balance with Banks:		
a.In Current Account	5,46,01,169.41	8,90,93,476.28
b.In Settlement Account	18,62,56,894.33	23,82,16,362.67
ii. Money at Call & Short Notice:		
a. With Banks	-	-
b. With Other Institutions	-	-
<b>TOTAL (i, ii)</b>	<b>24,08,58,063.74</b>	<b>32,73,09,838.95</b>
II.OUTSIDE INDIA:		
i.Current account	-	-
ii.In other deposit account	-	-
iii.Money at call and short notice	-	-
<b>GRAND TOTAL ( I AND II )</b>	<b>24,08,58,063.74</b>	<b>32,73,09,838.95</b>

<b>SCHEDULE-8</b> <b>INVESTMENT</b>	<b>Current year</b> <b>31-03-2024</b>	<b>Previous year</b> <b>31-03-2023</b>
I.INVESTMENT IN INDIA:		
i.Government securities	4,08,59,42,278.85	3,66,67,33,398.66
ii.Other approved securities	-	-
iii.Shares	-	-
iv.Debenture and bonds	-	-
v.Subsidiaries and/joint venture	-	-
vi.Others (Specify)(a) Mutual fund (M.V=29232805.62)	2,35,00,000.00	8,10,00,000.00
(b) Others (STDR with Bank)	6,40,76,03,084.00	5,56,11,66,323.00
<b>TOTAL (i, ii, iii, iv, v, vi)</b>	<b>10,51,70,45,362.85</b>	<b>9,30,88,99,721.66</b>
II.INVESTMENT OUTSIDE INDIA:		
i.Govt. Securities including local authorities	-	-
ii.Subsidiaries/joint venture	-	-
iii.Other investment (specify)	-	-
<b>TOTAL (I, II)</b>	<b>10,51,70,45,362.85</b>	<b>9,30,88,99,721.66</b>



**ARUNACHAL PRADESH RURAL BANK**  
**HEAD OFFICE NAHARLAGUN**  
**Schedules forming Part of Balance Sheet as on 31st March 2024**

<b>SCHEDULE-9</b>	<b>Current year</b>	<b>Previous year</b>
<b>ADVANCES</b>	<b>31-03-2024</b>	<b>31-03-2023</b>
A .I. Bills Purchased & Discounted	-	-
II. Cash credit, overdraft & loan repayable on demand		
a. Cash credit/KCC/ACC/GCC/WCC	60,77,66,823.87	61,64,33,707.52
b. Overdraft	9,97,73,387.83	14,37,20,806.31
c. Demand loan	11,14,39,374.83	16,17,83,343.00
III. Term loans	3,56,77,06,173.04	2,64,81,07,158.69
<b>TOTAL ( I, II, III)</b>	<b>4,38,66,85,759.57</b>	<b>3,57,00,45,015.52</b>
B. I. Secured by tangible assets	2,58,16,77,622.69	2,25,27,40,679.19
II. Covered by bank / Govt. Guarantee	48,41,924.16	2,92,49,657.00
III. Unsecured	1,80,01,66,212.72	1,28,80,54,679.33
<b>TOTAL ( I + II + III)</b>	<b>4,38,66,85,759.57</b>	<b>3,57,00,45,015.52</b>
C. I. ADVANCES IN INDIA:		
a) Priority sectors	1,80,01,44,528.25	1,41,45,52,674.03
b) Public sectors	-	-
c) Banks	-	-
d) Other	2,58,65,41,231.32	2,15,54,92,341.49
<b>TOTAL ( a+ b + c + d )</b>	<b>4,38,66,85,759.57</b>	<b>3,57,00,45,015.52</b>
II. ADVANCES OUTSIDE INDIA:		
i) Due from banks	-	-
ii) Due from others	-	-
iii) Bills purchased & discounted	-	-
iv) Syndicate loans	-	-
v) Others	-	-
<b>TOTAL ( I + ii + iii + iv + v)</b>	-	-
<b>GRAND TOTAL ( C.I &amp; C.II.)</b>	<b>4,38,66,85,759.57</b>	<b>3,57,00,45,015.52</b>

<b>SCHEDULE-10</b>	<b>Current year</b>	<b>Previous year</b>
<b>FIXED ASSETS</b>	<b>31-03-2024</b>	<b>31-03-2023</b>
I. PREMISES:		
i. At cost as on 31 <sup>st</sup> March of the	-	-
ii. Addition during the year	-	-
iii. Deduction during the year	-	-
iv. Depreciation to date	-	-
II. OTHER ASSETS (including furniture &		
i. At cost as on 31 <sup>st</sup> March of the preceeding year	14,31,99,290.81	9,59,98,335.81
ii. Addition during the year	3,08,44,952.52	4,78,45,939.00
iii. Deduction during the year	-	-
iv. Depreciation to the date.	6,64,71,611.94	7,09,88,327.15
<b>NET VALUE</b>	<b>10,75,72,631.39</b>	<b>7,28,55,947.66</b>



**ARUNACHAL PRADESH RURAL BANK**  
**HEAD OFFICE NAHARLAGUN**

Schedules forming Part of Balance Sheet as on 31st March 2024

<b>SCHEDULE-11 OTHER ASSETS</b>	<b>Current year 31-03-2024</b>	<b>Previous year 31-03-2023</b>
I. INTER-OFFICE ADJUSTMENT (NET)	3,42,19,923.00	-
II. INTEREST ACCRUED	49,88,71,160.42	35,44,55,461.38
III. TAX DEDUCTED AT SOURCE/TAX PAID IN ADVANCE	-	-
IV. STATIONERY AND STAMPS	6,26,987.19	10,40,644.19
V. NON-BANKING ASSET ACQUIRED IN SATISFACTION OF CLAIM	-	-
<b>VI. OTHERS</b>	<b>19,67,699.00</b>	<b>92,38,250.00</b>
a. Settlement A/c	-	-
b. Remittances	-	-
c. Suspense	9,299.00	-
d. Merchant Acquired Banking POS	5,00,000.00	5,00,000.00
e. Others	14,58,400.00	87,38,250.00
<b>TOTAL (I, II, III, IV, V &amp; VI)</b>	<b>53,56,85,769.61</b>	<b>36,47,34,355.57</b>

<b>SCHEDULE-12 CONTINGENT LIABILITIES</b>	<b>Current year 31-03-2024</b>	<b>Previous year 31-03-2023</b>
I. Claims against the bank not	-	-
II. Liabilities on account of outstandings forward exchange contract	-	-
III. Liabilities for partly paid investment	-	-
IV. Guarantee given on behalf of	13,04,26,514.00	16,47,80,901.00
V. Acceptance, endorsement and other	-	-
VI. Others items for which the bank is liable (DEAF)	26,33,336.78	15,30,894.78
<b>TOTAL (I, II, III, IV, V)</b>	<b>13,30,59,850.78</b>	<b>16,63,11,795.78</b>

Schedules forming Part of Profit & Loss account for the Year End March 2024

<b>SCHEDULE-13 INTEREST EARNED</b>	<b>Current year 31-03-2024</b>	<b>Previous year 31-03-2023</b>
I. INTEREST/DISCOUNT ON ADVANCES/BILLS	42,73,56,607.64	31,51,97,811.67
II. INTEREST ON INVESTMENT	29,65,87,500.53	26,66,62,353.88
III. INTEREST ON BALANCE WITH RBI & OTHER BANKS	-	-
IV. OTHERS		
a. Interest earned on TDR with SBI & other bank	39,20,20,604.98	34,78,03,208.77
b. Interest earned on NABARD Term Money Borrowing		22,197.84
c. Others		88,478.00
<b>TOTAL (I + II + III + IV)</b>	<b>1,11,59,64,713.15</b>	<b>92,97,74,050.16</b>



**ARUNACHAL PRADESH RURAL BANK**  
**HEAD OFFICE NAHARLAGUN**

Schedules forming Part of Profit & Loss account for the Year End March 2024

<b>SCHEDULE-14</b> <b>OTHER INCOME</b>	<b>Current year</b> <b>31-03-2024</b>	<b>Previous year</b> <b>31-03-2023</b>
I.COMMISSION, EXCHANGE & BROKERAGE	4,80,92,334.08	4,40,12,005.33
II.PROFIT ON SALE OF INVESTMENT LESS: LOSS ON REVALUATION OF investment	1,39,56,756.83	-
III.PROFIT ON REVALUATION OF INVESTMENT LESS: Loss on over-valuation of investment	-	-
IV.PROFIT on sale of land, building & other asset LESS: Loss on sale of land, building & other asset	-	-
V.PROFIT on exchange transaction LESS: Loss on exchange transaction	-	-
VI.INCOME earned by way of dividend etc. From companies/joint venture set up abroad/in India	-	-
VII.MISCELLEANEOUS INCOME	1,01,75,658.71	1,33,95,866.04
<b>TOTAL (I TO VIII)</b>	<b>7,22,24,749.62</b>	<b>5,74,07,871.37</b>

<b>SCHEDULE-15</b> <b>INTEREST EXPENDED</b>	<b>Current year</b> <b>31-03-2024</b>	<b>Previous year</b> <b>31-03-2023</b>
I. Interest on deposit	41,57,52,736.73	35,03,25,030.00
II.Interest on RBI/Inter-back borrowing	-	-
III.Others	4,61,22,116.60	4,77,09,875.70
<b>TOTAL (I, II, III)</b>	<b>46,18,74,853.33</b>	<b>39,80,34,905.70</b>

<b>SCHEDULE-16</b> <b>OPERATING EXPENSES</b>	<b>Current year</b> <b>31-03-2024</b>	<b>Previous year</b> <b>31-03-2023</b>
I. Payment to and provision for employees	17,57,10,029.34	18,95,80,246.12
II.Rent, taxes and lighting	1,25,89,743.40	1,02,40,170.68
III.Printing and stationery	57,66,953.14	31,96,358.31
IV.Advertisement and publicity	3,82,602.80	79,689.60
V.Depreciation on Bank's property	26,55,227.00	1,24,92,635.33
VI.Directors' fees, allowances & expenses	-	-
VII.Auditors' fees, allowances & expenses (including	4,55,576.18	2,89,467.00
VIII.Law charges	72,050.00	5,16,671.00
IX.Repairing and maintenance	2,37,79,532.21	1,56,56,097.69
X.Insurance	1,83,50,238.72	1,56,88,977.57
XI.Postage, telegrams, telephone	19,13,785.52	15,32,727.47
XII.Other expenditure	3,15,56,877.97	3,35,91,372.76
<b>TOTAL (I to XIII)</b>	<b>27,32,32,616.28</b>	<b>28,28,64,413.53</b>





## ARUNACHAL PRADESH RURAL BANK

### SCHEDULE 17-SIGNIFICANT ACCOUNTING POLICIES FOR FY 2023-24:

#### **A. 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 Reserve Bank of India (RBI), Banking Regulation Act 1949, RRB Act, 1976 as amended by Regional Rural Bank (Amendment) Act, 2015 and accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable and practices generally prevalent in the banking industry in India

#### **B. Use of Estimates:**

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

#### **C. Significant Accounting Policies:**

##### **1. Revenue recognition:**

- 1.1 Income and expenditure are accounted on accrual basis, except otherwise stated.
- 1.2 Interest income is recognised in the Profit and Loss Account as it accrues except:
  - (i) income from Non-Performing Assets (NPAs), comprising of advances, leases and investments, which is recognised upon realisation, as per the prudential norms prescribed by the RBI/ respective country regulators in the case of foreign offices (hereafter collectively referred to as Regulatory Authorities),
  - (ii) overdue interest on investments and bills discounted,
  - (iii) Income on Rupee Derivatives designated as "Trading",Which are accounted on realisation.
- 1.3 Profit or Loss on sale of investments is recognised in the Profit and Loss Account. However, the profit on sale of investments in the 'Held to Maturity' category is appropriated (net of applicable taxes and amount required to be transferred to statutory reserve), to 'Capital Reserve Account'.
- 1.4 Income (other than interest) on investments in "Held to Maturity (HTM)" category acquired at a discount to the face value, is recognised as follows :
  - (i) On Interest bearing securities, it is recognised only at the time of sale/ redemption.



- (ii) On zero-coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis.
- 1.5 Dividend is accounted on an accrual basis where the right to receive the dividend is established.
- 1.6 All other commission and fee incomes are recognised on their realisation except for:
- (i) Guarantee commission on deferred payment guarantees, which is spread over the period of the guarantee;
  - (ii) Commission on Government Business and ATM interchange fees, which are recognised as they accrue; and
  - (iii) Upfront fees on restructured accounts, which is apportioned over the restructured period.
- 1.7 Brokerage, Commission etc. paid/ incurred in connection with 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 The sale of NPA is accounted as per guidelines prescribed by RBI :-
- i. When the bank sells its financial assets to Securitisation Company (SC)/Reconstruction Company (RC), the same is removed from the books.
  - ii. 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.
  - iii. 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.

## 2. Investments:

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

### 2.1 Classification

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

### 2.2 Basis of classification:

- i. Investments that the Bank intends to hold till maturity are classified as "Held to Maturity (HTM)".
- ii. Investments that are held principally for resale within 90 days from the date of purchase are classified as "Held for Trading (HFT)".
- iii. Investments, which are not classified in the above two categories, are classified as "Available for Sale (AFS)".
- iv. An investment is classified as HTM, HFT or AFS at the time of its purchase and subsequent shifting amongst categories is done in conformity with regulatory guidelines.
- v. Investments in subsidiaries, joint ventures and associates are classified as HTM.

### 2.3 Miscellaneous:

- i. In determining the acquisition cost of an investment:
  - a. Brokerage/commission received on subscriptions is reduced from the cost.



- b. Brokerage, Commission, Securities Transaction Tax (STT) etc., paid in connection with acquisition of investments are expensed upfront and excluded from cost.
  - c. Broken period interest paid / received on debt instruments is treated as interest expense/income and is excluded from cost/sale consideration.
  - d. Cost is determined on the weighted average cost method for investments under AFS and HFT category and on FIFO basis (first in first out) for investments under HTM category.
- ii. Transfer of securities from HFT/AFS category to HTM category is carried out at the lower of acquisition cost/book value/market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for. However, transfer of securities from HTM category to AFS category is carried out on acquisition price/book value. After transfer, these securities are immediately revalued and resultant depreciation, if any, is provided.
- iii. Treasury Bills and Commercial Papers are valued at carrying cost.
- iv. **Held to Maturity category:** a) Investments under Held to Maturity category are carried at acquisition cost unless it is more than the face value, in which case the premium is amortised over the period of remaining maturity on constant yield basis. Such amortisation of premium is adjusted against income under the head "interest on investments".
- v. **Available for Sale and Held for Trading categories:** Investments held under AFS and HFT categories are individually revalued at the market price or fair value determined as per Regulatory guidelines, and only the net depreciation of each group for each category (viz., (i) Government securities (ii) Other Approved Securities (iii) Shares (iv) Bonds and Debentures (v) Subsidiaries and Joint Ventures; and (vi) others) is provided for and net appreciation, is ignored. On provision for depreciation, the book value of the individual security remains unchanged after marking to market.
- vi. Investments are classified as performing and non-performing, based on the guidelines issued by the RBI in the case of domestic offices and respective regulators in the case of foreign offices. Investments of domestic offices become non-performing where:
- a. Interest/installment (including maturity proceeds) is due and remains unpaid for more than 90 days.
  - b. In the case of equity shares, in the event the investment in the shares of any company is valued at Rs. 1 per company on account of the non availability of the latest balance sheet, those equity shares would be reckoned as NPI.
  - c. If any credit facility availed by an entity is NPA in the books of the Bank, investment in any of the securities issued by the same entity would also be treated as NPI and vice versa.
  - d. The above would apply mutatis-mutandis to Preference Shares where the fixed dividend is not paid.
  - e. The investments in debentures/bonds, which are deemed to be in the nature of advance, are also subjected to NPI norms as applicable to investments.
  - f. In respect of foreign offices, provisions for NPIs are made as per the local regulations or as per the norms of RBI, whichever is more stringent.



- vii. Accounting for Repo/ Reverse Repo transactions (other than transactions under the Liquidity Adjustment Facility (LAF) with the RBI):
- a. The securities sold and purchased under Repo/ Reverse Repo are accounted as Collateralized lending and borrowing transactions. However, securities are transferred as in the case of 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. Costs and revenues are accounted as interest expenditure/income, as the case may be. 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).
  - b. Securities purchased/sold under LAF with RBI are debited/credited to Investment Account and reversed on maturity of the transaction. Interest expended/earned thereon is accounted for as expenditure/revenue.

### 3. Loans /Advances and Provisions thereon:

- 3.1 Loans and Advances are classified as performing and non-performing, based on the guidelines issued by the RBI. Loan Assets become Non-Performing Assets (NPAs) where:
- i. In respect of term loans, interest and/or instalment of principal remains overdue for a period of more than 90 days;
  - 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/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 due during the same period;
  - iii. In respect of bills purchased/discounted, the bill remains overdue for a period of more than 90 days;
  - iv. In respect of agricultural advances: (a) for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons; and (b) for long duration crops, where the principal or interest remains overdue for one crop season.
- 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 for NPAs as per the extant guidelines prescribed by the regulatory authorities, subject to minimum provisions are as prescribed below:
- Sub standard i. A general provision of 25% on the total outstanding;



Assets: ii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available - 25%.

**Doubtful Assets:**

- i. For Secured Portion: Upto one year – 50%
- ii. For Secured Portion: One to three years – 100%
- iii. For Secured Portion: More than three years – 100%
- iv. Unsecured portion – 100%

Loss Assets: 100%

However we make 100% Provision irrespective of the category of advances whether NPA secured or unsecured.

- 3.4 Advances are net of specific loan loss provisions, unrealised interest, ECGC claims received and bills rediscounted.
- 3.5 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.
- 3.6 Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.
- 3.7 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. The bank provide for a provision of 0.40% of total standard outstanding advance irrespective of type of advances. 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.

**4. Fixed Assets Depreciation and Amortisation:**

4.1 Fixed Assets are carried at cost less accumulated depreciation/ amortisation.

4.2 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.

4.3 The rates of depreciation and method of charging depreciation in respect of domestic operations are as under:

Sl. No.	Description of Fixed Assets	Method of charging depreciation	Depreciation/ amortisation rate
1	Computers	Straight Line Method	33.33% every year
2	Computer Software forming an	Straight Line Method	33.33% every year



	integral part of the Computer hardware		
3	Computer Software which does not form an integral part of Computer hardware and cost of Software Development	Straight Line Method	33.33% every year
4	Automated Teller Machine / Cash Deposit Machine / Coin Dispenser / Coin Vending Machine	Straight Line Method	20.00% every year
5	Servers	Straight Line Method	25.00% every year
6	Network Equipment	Straight Line Method	20.00% every year
7	Other fixed assets	Straight Line Method	On the basis of estimated useful life of the assets. Estimated useful life of major group of Fixed Assets are as under: Premises 60 Years Vehicles 5 Years Safe Deposit 20 Years Lockers Furniture & Fixtures 10 Years

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

4.5 Assets costing less than Rs. 1,000 each are charged off in the year of purchase.

4.6 In respect of leasehold premises, the lease premium, if any, is amortised over the period of lease and the lease rent is charged in the respective year(s).

#### 5. Leases:

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

#### 6. Impairment of Assets:

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



which the carrying amount of the asset exceeds the fair value of the asset.

## 7. Employee Benefits:

### 7.1 Short Term Employee Benefits:

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

### 7.2 Long Term Employee Benefits:

#### i. Defined Benefit Plan

- a. Employees of the Bank are covered by Employees Pension Fund Schemes and National Pension Schemes under Government of India. All eligible employees are entitled to receive benefits under the Employees Pension Fund scheme and NPS. The Bank contributes monthly at a determined rate (currently 10% of Basic Pay in case of pensioners and 10% of wages i.e Basic plus DA for NPS). These contributions are remitted to Employees Pension Trust account and respective PRAN accounts of NPS holders on monthly basis, for this purpose and are charged to Profit and Loss Account. The Bank recognizes such annual contributions as an expense in the year to which it relates. Shortfall, if any, is provided for on the basis of actuarial valuation.
- b. The Bank operates Gratuity and Pension schemes which are defined benefit plans.
  - i) The Bank provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to a maximum amount of Rs. 20 lakhs. Vesting occurs upon completion of five years of service, for this Bank has taken a policy with SBI Life Insurance Co. Ltd. and makes periodic contributions to the fund as per actuarial valuation carried out annually.
  - ii) The Bank provides for pension to all eligible employees as per APRB (Employees) Pension Regulation, 2018. 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.

#### ii. Other Long Term Employee benefits:

- a. All eligible employees of the Bank are eligible for gratuity and Leave encashment as per Sponsor Bank Guidelines. The costs of such long term employee benefits are internally funded by the Bank.

## 8. Taxes on income:

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The



current tax expense and deferred tax expense are determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 - Accounting for Taxes on Income respectively after taking into account taxes paid at the foreign offices, which are based on the tax laws of respective jurisdictions. Deferred Tax adjustments comprises of changes in the deferred tax assets or liabilities during the year. Deferred tax assets and liabilities are recognized by considering the impact of 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 recognized in the profit and loss account. Deferred tax assets are recognized and re-assessed at each reporting date, based upon management's judgment as to whether their realization is considered as reasonably/virtually certain.

#### 9. Provisions, Contingent Liabilities and Contingent Assets:

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

9.2 No provision is recognised for:

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

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

9.3 Provision for reward points in relation to the debit card holders of the Bank is being provided for on actuarial estimates.

9.4 Contingent Assets are not recognised in the financial statements.





## SCHEDULE 18: NOTES TO ACCOUNTS 2023-24

### APPENDED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED MARCH, 2024.

#### 1. Reconciliation/ Matching

- Reconciliation /matching/adjustment of inter branch transactions, branch suspense and sundry deposits are in progress on an ongoing basis. The impact, in the opinion of the management of the bank, of un-recognized entries on the financial statements would not be material.
- In certain branches, the balancing books and reconciliation of control accounts with subsidiary ledger/registers are in progress. The impact, in the opinion of the management of the bank, of un-recognized entries on the financial statements would not be material.
- Balance with the other banks as mentioned in the schedule-7 are taken as appearing in the books of accounts of the Bank and its branches. Reconciliation and adjustment entries thereof are passed as and when the statements are received from other banks.

#### 2. Fixed Assets and Depreciation

Accounting of fixed assets of the bank and depreciation thereon are done centrally at the Head Office of the Bank. Excess Depreciation provided on fixed assets till 31.03.2023 amounting to Rs 65,26,926.00 has been written back during the year and considered as addition of fixed asset during the year.

#### 3. Stationary

The stationary supplied to the branches has been charged to Profit & Loss account at Head Office without taking in to account the stock of stationary at branches. This effect the amount of stationary consumed which is debited to Profit & Loss Account. The stock appearing in the financial statements represents the un-issued stock at Head Office.

#### 4. Provisions and Contingencies

The provisions and contingencies amount shown in "Profit and Loss Account" includes provisions against advances (net) and provisions for fraud committed in the earlier year.

#### 5. Regulatory Capital

(a) Composition of Regulatory Capital

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Common Equity Tier 1 capital (CET 1)/ Paid up share capital and reserves(net of deductions, if any)	88.30	62.12
ii)	Additional Tier 1 capital/ Other Tier 1 capital	0.00	0.00
iii)	Tier 1 capital (i + ii)	88.30	62.12
iv)	Tier 2 capital	4.72	3.21
v)	Total capital (Tier 1+Tier 2)	93.03	65.33
vi)	Total Risk Weighted Assets (RWAs)	585.05	488.61
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs) / Paid-up share capital and reserves as percentage of RWAs	15.09%	12.71%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	15.09%	12.71%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	0.81%	0.66%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	15.90%	13.37%
xi)	Leverage Ratio	NA	NA
xii)	Percentage of the shareholding of a) Government of India	50%	50%



	b) State Government (Arunachal Pradesh) c) Sponsor Bank	15% 35%	15% 35%
xiii)	Amount of paid-up equity capital raised during the year	0.35	Nil
xiv)	Amount of non-equity Tier 1 capital raised during the year, of which: Give list as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.). Commercial banks (excluding RRBs) shall also specify if the instruments are Basel II or Basel III compliant.	Nil	Nil
xv)	Amount of Tier 2 capital raised during the year, of which Give list as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.). Commercial banks (excluding RRBs) shall also specify if the instruments are Basel II or Basel III compliant.	Nil	Nil

## 6. Asset liability management

### (a) Maturity pattern of certain items of assets and liabilities

(Amount in ₹ crore)

	Day 1	2 to 7 days	8 to 14 days	15 to 30 Days	31 days to 2 months	Over 2 Months and to 3 months	Over 3 months and up to 6 Months	Over 6 months and up to 1 year	Over 1 year and upto 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	0	0	162.49	185.59	257.60	135.22	196.44	172.07	144.17	83.75	66.49	1403.82
Advances	0	0	12.05	0	0	14.67	18.67	13.71	81.24	75.47	237.85	453.65
Investments	0	159.07	30	88.90	19.00	5.00	264.61	71.35	115.19	97.02	201.56	1051.70
Borrowings	0	0	0.00	0.00	0.00	0.00	0.00	75.21	8.52	12.99	27.59	124.31
Foreign Currency assets	0	0	0	0	0	0	0	0	0	0	0	0
Foreign Currency liabilities	0	0	0	0	0	0	0	0	0	0	0	0



## 7. Investments

(a) Composition of Investment Portfolio

(Amount in ₹ crore)

**As at 31.03.2024**

	Investments in India							Investments outside India				Total Investments	
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and	Others		Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others		Total Investments outside India
<b>Held to Maturity</b>						MF	FDs						
Gross	251.04	0	0	0	0	0.00	0.00	251.04	0	0	0	0	251.04
Less: Provision for non-performing investments (NPI)	0	0	0	0	0	0	0	0	0	0	0	0	0
Net	251.04	0	0	0	0	0.00	0.00	251.04	0	0	0	0	251.04
<b>Available for Sale</b>													
Gross	157.55	0	0	0	0	2.35	640.76	800.66	0	0	0	0	800.66
Less: Provision for depreciation and NPI	0	0	0	0	0	0	0	0	0	0	0	0	0
Net	157.55	0	0	0	0	2.35	640.76	800.66	0	0	0	0	800.66
<b>Held for Trading</b>													
Gross	0	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	0
Net	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Investments</b>	408.59	0	0	0	0	2.35	640.76	1051.70	0	0	0	0	1051.70
Less: Provision for non-performing investments	0	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	0
Net	408.59	0	0	0	0	2.35	640.76	1051.70	0	0	0	0	1051.70



**As at 31.03.2023**

(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
<b>Held to Maturity</b>						MFs	FDs	0	0	0	0	0	0
Gross	251.19	0	0	0.67	0	8.10	556.12	816.08	0	0	0	0	816.08
Less: Provision for non-performing investments (NPI)	0	0	0	0	0	0	0	0	0	0	0	0	0
Net	251.19	0	0	0.67	0	8.10	556.12	816.08	0	0	0	0	816.08
<b>Available for Sale</b>													
Gross	115.48	0	0	0	0	0	0	115.48	0	0	0	0	115.48
Less: Provision for depreciation and NPI	0	0	0	0	0	0	0	0	0	0	0	0	0
Net	115.48	0	0	0	0	0	0	115.48	0	0	0	0	115.48
<b>Held for Trading</b>													
Gross	0	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	0
Net	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Investments</b>	366.67	0	0	0.67	0	8.10	556.12	931.56	0	0	0	0	931.56
Less: Provision for non-performing investments	0	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	0
Net	366.67	0	0	0.67	0	8.10	556.12	931.56	0	0	0	0	931.56



(Rs. Crores)

## (b) SLR-Investments

Sr.No.	Particulars	31-03-2024	31-03-2023
1	Value of Investments	408.59	366.67
i	Gross Value of Investments	408.59	366.67
ii	Provisions for Depreciation	0.00	0.00
iii	Net Value of Investments	408.59	366.67
2	Movement of provisions held towards	0.00	0.00
	depreciation on investments		
i	Opening Balance	0.00	0.00
ii	Add: Provisions made during the year	0.00	0.00
iii	Less: Write off/ write back of excess provisions during the year	0.00	0.00
iv	Closing Balance	408.59	366.67

## (c) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
i) Movement of provisions held towards depreciation on investments		
a) Opening balance		
b) Add: Provisions made during the year	NIL	NIL
c) Less: Write off / write back of excess provisions during the year		
d) Closing balance		
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	2.35	1.55
b) Add: Amount transferred during the year	1.51	0.80
c) Less: Draw down	0.00	0.00
d) Closing balance	3.86	2.35
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	0.48%	2.03%

## (d) Non-SLR investment portfolio

## i. Non-performing non-SLR investments

(Rs. Crores)

Sl. No.	Particulars	31-03-2024	31-03-2023
a)	Opening balance	Nil	Nil
b)	Additions during the year since 1st April	Nil	Nil
c)	Reductions during the above period	Nil	Nil
d)	Closing balance	Nil	Nil
e)	Total provisions held	Nil	Nil

## ii. Issuer composition of non-SLR investments

(Rs. Crores)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
		(3)	(4)	(5)	(6)	(7)					
(1)	(2)	31-3-24	31-3-23	31-3-24	31-3-23	31-3-24	31-3-23	31-3-24	31-3-23	31-3-24	31-3-23
a)	PSUs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



b)	FIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c)	Banks	640.76	556.12	0.00	0.00	0.00	0.00	0.00	0.00	590.76	556.12
d)	Private Corporates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e)	Subsidiaries / Joint Ventures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)	Others(MF)	2.35	8.10	0.00	0.00	0.00	0.00	0.00	0.00	2.35	8.10
g)	Provision held towards depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>643.11</b>	<b>564.22</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>643.11</b>	<b>564.22</b>

**(e)Repo Transactions**

(Amount in ₹ crore)

	<b>Minimum outstanding during the year</b>	<b>Maximum outstanding during the year</b>	<b>Daily average outstanding during the year</b>	<b>Outstanding as on 31st Mar 2024</b>
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				



## 8. Asset Quality

### a) Classification of advances and provisions held FY 2023-24

(Rs. In crores)

	Standard		Non-Performing			Total Non-Performing Advances	Total
	Total Standard Advances	Sub-standard	Doubtful	Loss			
<b>Gross Standard Advances and NPAs</b>							
Opening Balance	356.33	3.60	4.42	2.30	10.32	366.65	
Add: Additions during the year					8.48	8.48	
Less: Reductions during the year					3.81	3.81	
Closing balance	438.67	6.88	5.68	2.42	14.98	453.65	
Reductions in Gross NPAs due to:							
i) Upgradation					1.51	1.51	
ii) Recoveries (excluding recoveries from upgraded accounts)					1.63	1.63	
iii) Technical/ Prudential/Write-offs					0.67	0.67	
iv) Write-offs other than those under (iii) above					0.00	0.00	
<b>Provisions (excluding Floating Provisions)</b>							
Opening balance of provisions held	1.45	3.60	4.42	2.30	10.32	11.77	
Add: Fresh provisions made during the year					5.67	1.31	
Less: Excess provision reversed/ Write-off loans					1.01	0.92	
Closing balance of provisions held	1.75	6.88	5.68	2.42	14.98	16.73	
<b>Net NPAs</b>							
Opening Balance					0		
Add: Fresh additions during the year					0		
Less: Reductions during the year					0		
Closing Balance					0		



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

Ratios (in per cent)	Current Year	Previous Year
Gross NPA to Gross Advances	3.31%	2.81%
Net NPA to Net Advances	0%	0%
Provision coverage ratio	100%	100%





a) Classification of advances and provisions held  
FY 2022-23

(Rs. In crores)

	Standard	Non-Performing			Total Non-Performing Advances	Total
	Total Standard Advances	Sub-standard	Doubtful	Loss		
<b>Gross Standard Advances and NPAs</b>						
Opening Balance	247.38	5.27	3.15	1.51	9.93	257.32
Add: Additions during the year					6.14	
Less: Reductions during the year					5.75	
Closing balance	356.33	3.60	4.42	2.30	10.32	366.65
Reductions in Gross NPAs due to:						
i) Upgradation					4.30	
ii) Recoveries (excluding recoveries from upgraded accounts)					0.64	
iii) Technical/ Prudential/Write-offs					0.81	
iv) Write-offs other than those under (iii) above						
<b>Provisions (excluding Floating Provisions)</b>						
Opening balance of provisions held	0.99	5.27	3.15	1.51	9.93	10.92
Add: Fresh provisions made during the year					1.31	
Less: Excess provision reversed/ Write-off loans					0.92	
Closing balance of provisions held	1.45	3.60	4.42	2.30	10.32	11.77
<b>Net NPAs</b>						
Opening Balance					0	
Add: Fresh additions during the year					0	
Less: Reductions during the year					0	
Closing Balance					0	



	Standard	Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances
<b>Floating Provisions</b>					
Opening Balance					NILL
Add: Additional provisions made during the year					NILL
Less: Amount drawn down <sup>18</sup> during the year					NILL
Closing balance of floating provisions					NILL
<b>Technical write-offs and the recoveries made thereon</b>					
Opening balance of Technical/ Prudential written-off accounts					NA
Add: Technical/ Prudential write-offs during the year					NA
Less: Recoveries made from previously technical/ prudential written-off accounts during the year					NA
Closing balance					NA

Ratios (in per cent)	Current Year	Previous Year
Gross NPA to Gross Advances	2.81%	3.86%
Net NPA to Net Advances	0%	0%
Provision coverage ratio	100%	100%



**b) Sector-wise Advances and Gross NPA**

(Amounts in ₹ Crore)

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
<b>i)</b>	<b>Priority Sector</b>						
a)	Agriculture and allied activities	<b>53.57</b>	<b>5.90</b>	<b>11.01%</b>	<b>36.02</b>	<b>2.40</b>	<b>6.66%</b>
	Crop Loan	19.91	4.53	22.75 %	22.58	0.91	4.05%
	Allied Activities	6.72	0.42	6.25 %	0.75	0.22	29.76%
	Other Agriculture Loans	26.94	0.95	3.53 %	12.69	1.26	9.95%
b)	Advances to industries sector eligible as priority sector lending	0.00	0.00	0.00 %	0.00	0.00	0.00 %
c)	Services	<b>73.31</b>	<b>3.66</b>	<b>4.99 %</b>	<b>104.66</b>	<b>5.08</b>	<b>4.85%</b>
	RTO	12.96	0.49	3.78 %	22.53	1.11	4.92%
	GECL	0.68	0.20	29.41 %	2.48	0.21	8.56%
	Cash credit	44.33	2.97	6.70 %	41.59	2.37	5.70%
	Others Services	15.34	0.00	0.00 %	38.06	1.39	3.65%
d)	Personal loans & Others PS Advances	<b>65.05</b>	<b>4.08</b>	<b>6.27%</b>	<b>7.65</b>	<b>0.07</b>	<b>0.98%</b>
	Housing Under PS	4.74	0.10	2.11 %	6.39	0.00	0.00%
	Open Term Loan	0.88	0.00	0.00 %	0.00	0.00	0.00%
	PMEGP	2.06	0.07	3.40 %	1.26	0.07	5.94%
	Other PS Advances	57.37	3.91	6.82 %	0.00	0.00	0.00%
	<b>Subtotal (i)</b>	<b>191.93</b>	<b>13.64</b>	<b>7.11 %</b>	<b>148.34</b>	<b>7.55</b>	<b>5.09%</b>
<b>ii)</b>	<b>Non-priority Sector</b>						
a)	Agriculture and allied activities	0.00	0.00	0.00	0.00	0.00	0.00 %
b)	Industry	0.00	0.00	0.00	0.00	0.00	0.00 %
c)	Services	0.00	0.00	0.00	0.00	0.00	0.00 %
d)	Personal loans & other NPS advances	<b>261.72</b>	<b>1.33</b>	<b>0.51%</b>	<b>218.48</b>	<b>2.76</b>	<b>1.26%</b>
	Personal Loans Public	181.34	1.26	0.69 %	129.63	1.19	0.92%
	Staff Loans	12.55	0.00	0.00 %	10.62	0.00	0.00%
	Other Non PS	67.83	0.07	0.12 %	78.23	1.57	2.00%
	<b>Sub-total (ii)</b>	<b>261.72</b>	<b>1.33</b>	<b>0.51%</b>	<b>218.48</b>	<b>2.76</b>	<b>1.26%</b>
	<b>Total (I + ii)</b>	<b>453.65</b>	<b>14.98</b>	<b>3.30 %</b>	<b>366.82</b>	<b>10.32</b>	<b>2.81%</b>



**c) Particulars of resolution plan and restructuring**

i. Details of accounts subjected to restructuring

		Agriculture and allied activities		Corporate (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
		31-3-24	31-3-23	31-3-24	31-3-23	31-3-24	31-3-23	31-3-24	31-3-23	31-3-24	31-3-23
Standard	Number of borrowers	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Gross Amount (₹ crore)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Provision held (₹ crore)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Standard	Number of borrowers	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Gross Amount (₹ crore)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Provision held (₹ crore)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Doubtful	Number of borrowers	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Gross Amount (₹ crore)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Provision held (₹ crore)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Number of borrowers	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Gross Amount (₹ crore)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Provision held (₹ crore)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**d) Disclosure of transfer of loan exposures:**

**Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA)**

(all amounts in ₹ crore)	To ARCs	To permitted transferees	To other transferees (please specify)
No: of accounts	NA	NA	NA
Aggregate principal outstanding of loans transferred	NA	NA	NA
Weighted average residual tenor of the loans transferred	NA	NA	NA
Net book value of loans transferred (at the time of transfer)	NA	NA	NA
Aggregate consideration	NA	NA	NA
Additional consideration realized in respect of accounts transferred in earlier years	NA	NA	NA



<b>Details of loans acquired during the year</b>		
(all amounts in ₹ crore)	From SCBs, RRBs, UCBs, StCBs, DCCBs, AIFIs, SFBs and NBFCs including Housing Finance Companies (HFCs)	From ARCs
Aggregate principal outstanding of loans acquired	NA	NA
Aggregate consideration paid	NA	NA
Weighted average residual tenor of loans acquired	NA	NA

**e) Fraud accounts: Nil**

**9. Exposures**

**a) Exposure to Real Estate Sector**

Sr	Category	31-03-2024	31-03-2023
a	Direct exposure		
(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 Rs.20 lakh may be shown separately)	Nil	Nil
(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 ;		
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
	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
	Total Exposure to Real Estate Sector	Nil	Nil

**b) Unsecured advances :No advances against which intangible securities**

(Amounts in ₹ crore)

Particulars	Current Year	Previous Year
Total unsecured advances of the bank	180.02	128.80
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	NA	NA
Estimated value of such intangible securities	NA	NA



## 10. Concentration of deposits, advances, exposures and NPAs

### a) Concentration of deposits

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total deposits of the twenty largest depositors	220.28	191.66
Percentage of deposits of twenty largest depositors to total deposits of the bank	15.69%	15.27%

### b) Concentration of advances

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total advances to the twenty largest borrowers	45.70	50.23
Percentage of advances to twenty largest borrowers to total advances of the bank	10.42%	13.47%

### c) Concentration of exposures

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total exposure to the twenty largest borrowers/customers	45.70	50.23
Percentage of exposures to the twenty largest borrowers/ customers to the total exposure of the bank on borrowers/customers	10.42%	13.47%

### d) Concentration of NPAs

(Amount in ₹ crore)

	Current Year	Previous Year
Total Exposure to the top twenty NPA accounts	5.08	4.53
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	33.89%	43.88%



### 11. Transfers to Depositor Education and Awareness Fund (DEAFund)

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Opening balance of amounts transferred to DEA Fund	0.15	0.14
ii)	Add: Amounts transferred to DEA Fund during the year	0.11	0.01
iii)	Less: Amounts reimbursed by DEA Fund towards claims	0.00	0.00
iv)	Closing balance of amounts transferred to DEA Fund	0.26	0.15

### 12. Disclosure of complaints

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

Sr. No	Particulars	Previous year	Current year
Complaints received by the bank from its customers			
1.	Number of complaints pending at beginning of the year	Nil	Nil
2.	Number of complaints received during the year	Nil	Nil
3.	Number of complaints disposed during the year	Nil	Nil
3.1	Of which, number of complaints rejected by the bank	Nil	Nil
4.	Number of complaints pending at the end of the year	Nil	Nil
Maintainable complaints received by the bank from Office of Ombudsman			
5.	Number of maintainable complaints received by the bank from Office of Ombudsman	Nil	Nil
5.1	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	Nil	Nil
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	Nil	Nil
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.			

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

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	Nil	Nil	Nil	Nil	Nil
Ground - 2	Nil	Nil	Nil	Nil	Nil
Ground - 3	Nil	Nil	Nil	Nil	Nil
Ground - 4	Nil	Nil	Nil	Nil	Nil
Ground - 5	Nil	Nil	Nil	Nil	Nil



Others	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	Nil	Nil	Nil	Nil	Nil
Previous Year					
Ground - 1	Nil	Nil	Nil	Nil	Nil
Ground - 2	Nil	Nil	Nil	Nil	Nil
Ground - 3	Nil	Nil	Nil	Nil	Nil
Ground - 4	Nil	Nil	Nil	Nil	Nil
Ground - 5	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	Nil	Nil	Nil	Nil	Nil

### 13. Disclosure of penalties imposed by the Reserve Bank of India

During the year Reserve Bank of India has imposed following penalties on the Bank under the provision of Section 46 (4) of the Banking Regulation Act, 1949, for contraventions of any of the provisions of the Act, 1949; order, rule or condition specified by Reserve Bank under the Act.

Sl No	Particulars	Amount (In Lakhs)	(In
	NILL	NILL	

### 14. Other Disclosures

#### a) Business ratios

Particular	Current Year	Previous Year
i) Interest Income as a percentage to Working Funds	8.16%	7.65 %
i) Non-interest income as a percentage to Working Funds	0.53%	0.47 %
ii) Cost of Deposits	3.35%	3.24 %
iii) Net Interest Margin	4.82%	4.37 %
iv) Operating Profit as a percentage to Working Funds	3.31%	2.52 %
v) Return on Assets	2.00%	1.69 %
i) Business (deposits plus advances) per employee (in ₹crore)	15.47	14.23
ii) Profit per employee (in ₹crore)	0.23	0.18

#### b) Banc assurance Business

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

Name of the party	Current year	Previous Year
SBI Life Insurance	18.79 lakhs	35.83 lakhs
SBI General Insurance	Nil	26.78 lakhs

#### c) Marketing and distribution- NIL

#### d) Disclosures regarding Priority Sector Lending Certificates (PSLCs)- Rs. 115.00 Cr (Rs. 100 Cr General and Rs. 15 Cr Agri)

#### e) Provisions and contingencies

(Amount in ₹ crore)

Provision debited to Profit and Loss Account	Current Year	Previous Year
i) Provisions for NPI	Nil	Nil
ii) Provision towards NPA	5.67	1.31
iii) Provision made towards Income tax	9.83	6.65
iv) Other Provisions and Contingencies (with details)	6.08	8.46





f) Payment of DICGC Insurance Premium

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Payment of DICGC Insurance Premium	1.61	1.41
ii)	Arrears in payment of DICGC premium	Nil	Nil

g) Details of Single Borrower (SGL), Group Borrower Limit (GBL) exceeded by the bank:  
Nothing to report

h) Draw Down from Reserve: Nothing to report as on date.

i) Details of non-performing financial assets purchased/ sold:

Banks which purchase non-performing financial assets from other banks shall be required to make the following disclosure in the Notes on Accounts to their Balance Sheets:

**A. Details of non-performing financial assets purchased:**

(Rs. lakh)

Sr	Particulars	31-03-2024	31-03-2023
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. lakhs)

Sr	Particulars	31-03-2024	31-03-2023
1	No. of accounts sold	Nil	Nil
2	Aggregate outstanding	Nil	Nil
3	Aggregate consideration received	Nil	Nil

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

a) **Accounting Standard 5 - Net Profit or Loss** for the period, prior period items and changes in accounting policies.

During the year the bank has recalculated the depreciation and found that, excess depreciation amounting to Rs. 65,26,962.00 has been provided till 31.03.2023. The Excess depreciation so provided has been included in Miscellaneous Income in Schedule-14.

b) **Accounting Standard 9 - Revenue Recognition**

This Standard requires that in addition to the disclosures required by Accounting Standard 1 on 'Disclosure of Accounting Policies (AS 1)', an enterprise should also disclose the circumstances in which revenue recognition have been postponed pending the resolution of significant uncertainties. Bank has no such disclosures.

c) **Accounting Standard 15 - Employee Benefits**

i. **Leave Encashment**

The fund requirement for the year 2023-24 for Leave Encashment Liability is ascertained by SBI Life Insurance Company Limited in accordance with AS -15 and as per the assessment the Bank has made a total provision of Rs. 61,00,000.00 for this FY, which has been paid to SBI Life Insurance Company Limited.



## ii. Gratuity

The fund requirement for the year 2023-24 for Gratuity Liability is ascertained by SBI Life Insurance Company Limited by in accordance with AS -15 and as per the assessment the Bank has made a total provision of Rs. 1,51,00,000.00 for this FY, which has been paid to SBI Life Insurance Company Limited.

## iii. Pension

In accordance with law, all employees of the Bank are entitled to receive benefits under the Pension fund and NPS, a defined contribution plan in which both the employee and the bank contribute monthly at a pre-determined rate. The Bank has made total provision of Rs. 1,31,00,000.00 for this FY, which has been paid to the Pension Trust.

## iv. Salary Revision

The Bank has provided a sum of Rs. 2,30,00,000.00 as wage revision provision during the year from P&L account and the available balance is Rs. 2,92,26,111.72 in the balance sheet under the head Provision for arrear salary.

### d) Accounting Standard 17 - Segment Reporting

Not applicable in RRBs.

### e) Accounting Standard 18 - Related party disclosure

List of related Parties:

State Bank of India (Sponsor bank)

SBI Mutual Fund

SBI Life Insurance Company Ltd

SBI General Insurance Company Ltd.

Reserve Bank of India

NABARD

## FY 2023-24

(Amt. in Lakhs)

Name of the related party	Deposit/Investment	Salary paid to deputed staff	Balance with Bank	Interest Income/Capital Gain	Commission Income	Other Expenses/Interest expenses	No. of employees on deputation
State Bank of India (Sponsor Bank)	22476.03	80.11	2292.37	2020.10	Nil	269.23	3
SBI Mutual Fund	235.00	Nil	Nil	139.57	Nil	Nil	Nil
SBI Life Insurance	Nil	Nil	Nil	Nil	18.78	Nil	Nil
SBI General Insurance	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Reserve bank of India	6901.55	Nil	Nil	Nil	Nil	Nil	Nil
NABARD	Nil	Nil	Nil	Nil	Nil	Nil	Nil



**FY 2022-23**

(Amt. in Lakhs)

Name of the related party	Deposit/Investment	Salary paid to deputed staff	Balance with Bank	Interest Income/Capital Gain	Commission on Income	Other Expenses/Interest expenses	No. of employees on deputation
State Bank of India (Sponsor Bank)	17476.03	74.42	3207.40	1749.98	Nil	289.63	3
SBI Mutual Fund	810.00	Nil	Nil	Nil	Nil	Nil	Nil
SBI Life Insurance	Nil	Nil	Nil	Nil	35.83	Nil	Nil
SBI General Insurance	Nil	Nil	Nil	Nil	26.78	Nil	Nil
Reserve bank of India	6008.55	Nil	Nil	Nil	Nil	Nil	Nil
NABARD	67.46	Nil	Nil	0.22	Nil	Nil	Nil

**f) Accounting Standard 22 – Accounting for Taxes on Income**

Nothing to report as on date.

**g) Accounting Standard 25 – Interim Financial reporting**

Nothing to report as on date.

**15.** Previous year figures have been re-classified wherever necessary.



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Arunachal Pradesh Rural Bank

**Report on Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Arunachal Pradesh Rural Bank ('the Bank'), which comprise the Balance Sheet as at 31<sup>st</sup> March 2024 and the Statement of Profit and Loss for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information in which are included the Returns for the year ended of Head Office and 23 branches audited by us and 11 unaudited branches certificated by the management. The branches audited by us have been selected by the bank in accordance with the guidelines issued by the NABARD.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949 and Regional Rural Bank Act, 1976 (as amended) in the manner so required for the Bank and are in conformity with accounting principles generally accepted in India and give a true and fair view of the state of affairs of the Bank as at 31<sup>st</sup> March 2024, and its profit for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, 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.





## **Responsibilities of Management and Those Charged with Governance for Financial Statements**

The Banks'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 of the Bank in accordance with the applicable provisions of Regional Rural Bank Act, 1976, Banking Regulation Act, 1949, applicable guidelines of Reserve Bank of India and NABARD, accounting principles generally accepted in India, including the accounting Standards specified by ICAI. 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 statement 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. Those Board of Directors are also responsible for overseeing the Bank's financial reporting process.

## **Auditor's Responsibilities for the audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.





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

#### Other Matters

We did not audit the financial statements / information of 11 branches included in the standalone financial statements of the Bank whose financial statements / financial information reflect total assets of Rs.1,72,38,97,163.52 as at 31st March 2024 and total revenue of Rs. 3,49,43,453.31 for the year ended on that date, as considered in the standalone financial statements. These branches and processing centres cover 7.50% of advances, 12.29% of deposits and 6.58% of non-performing assets as at 31st March 2024 and 2.94% of revenue for the year ended 31<sup>st</sup> March 2024. The financial statements / information of these branches have been certified by the management.

Our opinion is not modified in respect of this matter.





### Report on Other Legal and Regulatory Requirements

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

As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:

- a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
- c) the returns received from the offices; and branches of the Bank have been found adequate for the purposes of our audit
- d) the profit and loss account shows a true balance of profit for the year then ended.

### We further report that:

- i. 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.
- ii. the Balance Sheet and the Statement of Profit and Loss dealt with in this report are in agreement with the books of account.
- iii. in our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

Dated: 21-04-2024  
Place: Naharlagun



For : H. K. Agrawala and Associates  
Chartered Accountants  
FRN: 319293E

*Rakesh Agarwala*

CA. Rakesh Agarwala  
Partner

M.No. 061726

UDIN: 24061726BKDAFG3397