



ANNEXURE 'A'

SCHEDULE-17 SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION:

The financial statements have been prepared on historical cost basis and conform, in all material aspects, to Generally Accepted Accounting Principles (GAAP) in India, unless otherwise stated, encompassing applicable statutory provisions, regulatory norms prescribed by Reserve Bank of India (RBI), Circulars and Guidelines issued by RBI from time to time, Banking Regulation Act 1949, Regional Rural Banks Act 1976, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and prevailing practices in Banking industry in India.

The financial statements have been prepared on Going Concern Basis with accrual concept and in accordance with the accounting policies and practices consistently followed unless otherwise stated.

Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Difference between the actual results and estimates is recognized in the period in which the results are known / materialized. Any revision to the accounting estimates is recognized prospectively in the current and future periods unless otherwise stated.

2. REVENUE RECOGNITION

2.1 Income & expenditure (other than items referred to in paragraph 2.4) are generally accounted for on accrual basis.

2.2 Income from Non- Performing Assets (NPAs), comprising of advances and investments, is recognized upon realization, as per the prudential norms prescribed by the RBI

2.3 Recoveries in NPA accounts (irrespective of the mode / status / stage of recovery actions) are appropriated in the following order of priority (upto 19.11.2021): -

(a) Expenditure/out of pocket expenses incurred for recovery including under SARFAESI Action (earlier recorded in memorandum dues);

(b) Principal irregularities i.e. NPA outstanding in the account gets up-graded/adjusted, whichever is earlier;

(c) Thereafter, towards the interest irregularities/accrued interest.

2.4 Recoveries in NPA accounts (irrespective of the mode / status / stage of recovery actions) are appropriated in the following order of priority (on or after 20.11.2021): -

(a) Expenditure/out of pocket expenses incurred for recovery including under SARFAESI Action (earlier recorded in memorandum dues);

(b) Thereafter, towards the unrealized/accrued interest;

(c) Principal irregularities i.e. NPA outstanding in the account.

2.5 Commission (Excluding on Govt Business), exchange, locker rent, income from Third party products are accounted for on realization and insurance claims are accounted for on settlement. Interest on overdue inland bills is being accounted for on realization till its crystallization.

2.6 In case of suit filed accounts, related legal and other expenses incurred, are charged to Profit & Loss Account and on recovery the same are accounted for as such.

2.7 Income from interest on refund of income tax is accounted for in the year the order is passed by the concerned authority.

2.8 Lease payments including cost escalation for assets taken on operating lease are recognized in the Profit and Loss Account over the lease term in accordance with the AS 19 (Leases) issued by ICAI.

2.9 Interest on unpaid and unclaimed matured term deposits is accounted for at savings bank rate.





3. INVESTMENTS

3.1 The transactions in Securities are recorded on "Settlement Date".

3.2 Investments are classified into three categories as stipulated in form A of the third schedule to the Banking Regulation Act, 1949.

3.3 Investments have been categorized into "Held to Maturity", "Available for Sale" and "Held for Trading" in terms of RBI guidelines as under:

- (a) Securities, acquired by the Bank with an intention to hold till maturity, are classified under "Held to Maturity".
- (b) The securities acquired by the Bank with an intention to trade by taking advantages of short-term price/ interest rate movements are classified under "Held for Trading".
- (c) The securities, which do not fall within the above two categories, are classified under "Available for Sale".

3.4 Transfer of securities from one category to another 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 book value. After transfer, these securities are immediately revalued and resultant depreciation, if any, is provided. 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.

3.5 In determining acquisition cost of an investment:-

- (a) Brokerage, Commission, Securities Transaction Tax (STT) etc. paid in connection with acquisition of securities are treated as revenue expenses upfront and excluded from cost.
- (b) Interest accrued up to the date of acquisition/sale of securities i.e. broken- period interest is excluded from the acquisition cost/sale consideration and the same is accounted in interest accrued but not due account.
- (c) Cost is determined on the weighted average cost method for all categories of investments.

3.6 Investments are valued as per RBI/ FIMMDA/FBIL guidelines, on the following basis:

Held to Maturity

- i. Investments under "Held to Maturity "category is carried at acquisition cost.

Wherever the book value is higher than the face value/redemption value, the premium is amortized over the remaining period to maturity on straight line basis. Such amortization of premium is reflected in Interest Earned under the head "Income on investments" as a deduction.

- ii. Equity shares held in HTM category are valued at carrying cost.

Available for Sale and Held for Trading

(a)	Govt. Securities	
	I. Central Govt. Securities	At market prices/YTM as published by Fixed Income Money Market and Derivatives Association of India (FIMMDA) / Financial Benchmark India Pvt. Ltd (FBIL).
	II. State Govt. Securities	On appropriate yield to maturity basis as per FIMMDA/RBI/FBIL guidelines.
(b)	Securities guaranteed by Central / State Government, PSU Bonds (not in the nature of advances)	On appropriate yield to maturity basis as per FIMMDA/RBI/FBIL guidelines
(c)	Treasury Bills	At carrying cost
(d)	Equity shares	At market price, if quoted, otherwise at breakup value of the Shares as per latest Balance Sheet (not more than one year old), otherwise at Re.1 per company
(e)	Preference shares	At market price, if quoted or on appropriate yield to maturity





		basis not exceeding redemption value as per RBI/FIMMDA/FBIL guidelines.
(f)	Bonds and debentures (not in the nature of advances)	At market price, if quoted, or on appropriate yield to maturity basis as per RBI/FIMMDA/FBIL guidelines.
(g)	Units of mutual funds	As per stock exchange quotation, if quoted; at repurchase price/NAV, if unquoted.
(h)	Commercial Paper	At carrying cost
(i)	Certificate of Deposits	At carrying cost
(j)	Security receipts of ARCIL	At net asset value of the asset as declared by ARCIL
(k)	Venture Capital Funds	At net asset value (NAV) declared by the VCF
(l)	Other Investments	At carrying cost less diminution in value

The above valuation in category of Available for Sale and Held for Trading is done scrip wise on quarterly basis and depreciation/appreciation is aggregated for each classification. Net depreciation for each classification, if any, is provided for while net appreciation is ignored. On provision for depreciation, the book value of the individual security remains unchanged after marking to market.

3.7 Investments are subject to appropriate provisioning/ de-recognition of income, in line with the prudential norms of Reserve Bank of India for NPI classification. The depreciation/provision in respect of non-performing securities is not set off against the appreciation in respect of the other performing securities. 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.

3.8 Profit or loss on sale of investments in any category is taken to Profit and Loss account but, in case of profit on sale of investments in "Held to Maturity" category, an equivalent amount (net of taxes and amount required to be transferred to Statutory Reserve) is appropriated to "Capital Reserve Account".

3.9 Securities repurchased/resold under buy back arrangement are accounted for at original cost.

3.10 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). The same is also applicable to LAF with RBI.

4. LOANS / ADVANCES AND PROVISIONS THEREON

4.1 Advances are classified as Performing and Non-Performing Assets; provisions are made in accordance with prudential norms prescribed by RBI.

- (a) Advances are classified: Standard, Sub-Standard, Doubtful and Loss assets borrower wise.
- (b) Advances are stated net of specific loan loss provisions, provision for diminution in fair value of restructured advances.

4.2 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others" and are not considered for arriving at the Net NPAs.

4.3 Amounts recovered against debts written-off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognized in the profit and loss account.

5. PROPERTY, PLANT & EQUIPMENT

5.1 Property, Plant & Equipment are stated at historical cost less accumulated depreciation/amortization, wherever applicable, except those premises, which have been revalued. The appreciation on revaluation is credited to revaluation reserve and incremental depreciation attributable to the revalued amount is deducted there from.

5.2 Software is capitalized and clubbed under Intangible assets. However, Bank isn't having any such Asset.

5.3 Cost includes cost of purchase and all expenditure such as site preparation, installation costs and professional fees incurred on the asset till the time of capitalization. Subsequent expenditure/s incurred on the assets is capitalized only when it increases the future benefits from such assets or their functioning capability.





5.4 DEPRECIATION

A. Depreciation on assets (including land where value is not separable) is provided on straight-line method based on estimated life of the asset, except in respect of computers where it is calculated on the straight-line method, at the rates prescribed by RBI.

B. Depreciation on assets has been provided at the rates furnished below:-

Particulars	Rate of Depreciation
Freehold Properties	
Land	NIL
Depreciation to be provided on Construction Cost where the land cost is segregated and on total cost where the land cost is not ascertainable and cannot be segregated.	2.5% (40 years Straight Line Method or remaining life whichever is lower)
Land acquired on perpetual lease where no lease period is mentioned	NIL
Land acquired on lease where lease period is mentioned	Over lease period
Building	
Constructed on free hold land and on leased land, where lease period is above 40 years	2.50%
Constructed on leased land where lease period is below 40 years	Over lease period
Furniture and fixtures- Steel articles	5.00%
Furniture and fixtures-wooden articles	10.00%
Mattresses	20.00%
Mobile Phone Instruments	33.33%
Machinery, electrical and miscellaneous articles	15.00%
Motor cars and cycles	15.00%
Computers, ATMs and related items, laptop, i pad	33.33%
Computer Application Software – Intangible Assets	20.00%

C. The depreciation on additions to assets is provided from the date of its purchase and in case of assets sold/disposed off during the year, depreciation upto previous date is provided.

D. The depreciation on bank's own premises existing at the close of the year is charged for full year. The construction cost is depreciated only when the building is complete in all respects. Where the cost of land and building cannot be separately ascertained, depreciation is provided on the composite cost, at the rate applicable to buildings. However, Bank isn't having any such Asset.

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

F. The Revalued assets are depreciated over the balance useful life of the asset as assessed at the time of revaluation.

6. IMPAIRMENT OF ASSETS

A Substantial portion of the bank's assets comprises financial assets to which Accounting Standard 28 issued by Institute of Chartered Accountants of India on Impairment of assets is not applicable.

7. EMPLOYMENT BENEFITS

- **PROVIDENT FUND:** Provident fund is a defined contribution scheme as the Bank pays fixed contribution at pre-determined rates. The obligation of the Bank is limited to such fixed contribution. The contribution is charged to Profit & Loss A/c.
- **GRATUITY:** Gratuity liability is a defined benefit obligation and is provided for on the basis of an Actuarial Valuation. The scheme is funded by the bank and is managed by a separate trust.
- **PENSION:** Pension liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation. The scheme is funded by the bank and is managed by a separate trust. The Bank operates a New Pension Scheme (NPS) for all officers/ employees joining the Bank on or after 01.04.2010. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with a matching contribution from the Bank. Pending completion of the registration procedures of the employees concerned, these contributions are retained. The Bank recognizes such annual contributions as an expense in the year to which they relate. Upon the receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS Trust.





- **COMPENSATED ABSENCES:** Accumulating compensated absences such as Privilege Leave (PL) and Sick Leave (including unavailed casual leave) are provided for based on actuarial valuation.
- **OTHER EMPLOYEE BENEFITS:** Other Employee Benefits are charged off as and when occur.

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. 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. EARNINGS PER SHARE

The Bank reports basic and diluted earnings per share in accordance with AS 20 -'Earnings per Share' issued by the ICAI. Basic Earnings per Share are computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

10. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognizes 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. Contingent Assets are not recognized in the financial statements.

11. SEGMENT REPORTING

The Bank recognizes the Business segment as the Primary reporting segment, in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 issued by ICAI. The bank has recognized the Treasury Operations and Retail Banking & Others as its reporting segments.

12. The Bank, in accordance with RBI Circular FIDD.CO.Plan.BC.23/ 04.09.01/ 2015 -16 dated April 7, 2016, trades in Priority Sector portfolio by selling or buying PSLC. There is no transfer of risks or loan assets in these transactions. The fee paid for purchase of the PSLC is treated as an 'Expense' and the Fee received from sale of PSLCs is treated as 'Other Income'.





ANNEXURE 'B'

SCHEDULE-18- NOTES ON ACCOUNTS - DISCLOSURES

Disclosures required, in terms of NABARD circular no. 104 / DOS/- 18/2008 dated 30-06-2008 and Master Directions on Financial Statements- Presentation and Disclosures issued by Reserve Bank of India dated 30-08-2021 (latest updated as on 20-02-2023) vide Circular No. DOR.ACC.REC.No.45/21.04.018/2021-22, are as under:

1. REGULATORY CAPITAL

a) Composition of Regulatory Capital

Sr. No.	Particulars	FY 2023-24	FY 2022-23
1	Common Equity Tier 1 capital (CET 1)	1460.62	1328.59
2	Additional Tier 1 capital	0.00	0.00
3	Tier 1 capital (i + ii)	1460.62	1328.59
4	Tier 2 capital	131.98	115.65
5	Total capital (Tier 1+Tier 2)	1592.60	1444.24
6	Total Risk Weighted Assets (RWAs)	9669.03	9251.78
7	CET 1 Ratio (CET 1 as a percentage of RWAs)	15.11	14.36
8	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	15.11	14.36
9	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.36	1.25
10	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)*	16.47	15.61
11	Percentage of the shareholding of		
	a) Central Government of India	50	50
	b) State Government of Punjab	15	15
	c) Punjab National Bank (Sponsor Bank)	35	35
12	Amount of paid-up equity capital raised during the year	NIL	NIL
13	Amount of non-equity Tier 1 capital raised during the year	NIL	NIL
14	Amount of Tier 2 capital raised during the year	NIL	NIL

*As per Basel- I norms

b) Draw Down from Reserves

No draw down from reserves was made during the accounting year ending 31st March, 2024.

2. Asset Liability Management – Maturity pattern of certain items of Assets and Liabilities
As on 31.03.2024

(Amount Rs. in Crores)

Particulars	Deposits	Advances	Investments	Borrowings	FCY Assets	FCY Liabilities
1-14 days	419.94	397.75	205.00	128.68	NIL	NIL
15-28 days	244.01	36.31	215.00	0.00	NIL	NIL
29 days to 3 months	1165.65	231.16	445.11	281.03	NIL	NIL
3-6 months	2508.51	357.59	31.06	224.41	NIL	NIL
6 months-1 year	4116.03	828.61	1609.28	2199.04	NIL	NIL
1-3 years	5757.14	3143.75	886.00	362.13	NIL	NIL
3-5 years	42.97	4123.73	964.76	196.58	NIL	NIL
Over 5 years	20.49	1837.66	3462.47	3.81	NIL	NIL
Total	14274.74	10956.56	7818.68	3395.68	NIL	NIL





The above data has been compiled on the basis of guidelines of NABARD and certain assumptions made by the Management and have been relied upon by the Auditors.

3. INVESTMENTS

a) Composition of Investment Portfolio

As at 31.03.2024

(Amount Rs. in Crores)

PARTICULARS	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others
Held to Maturity						
Gross	2591.02	0.00	0.00	0.00	0.00	0.00
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00
Net	2591.02	0.00	0.00	0.00	0.00	0.00
Available for Sale						
Gross	2447.72	0.00	0.00	119.93	0.00	0.00
Less: Provision for depreciation and NPI	39.53	0.00	0.00	3.27	0.00	0.00
Net	2408.19	0.00	0.00	116.66	0.00	0.00
Held for Trading						
Gross	NIL	NIL	NIL	NIL	NIL	NIL
Less: Provision for depreciation and NPI	NIL	NIL	NIL	NIL	NIL	NIL
Net	NIL	NIL	NIL	NIL	NIL	NIL
Total Investments	4999.21	0.00	0.00	116.66	0.00	0.00
Less: Provision for non-performing investments	NIL	NIL	NIL	NIL	NIL	NIL
Less: Provision for depreciation and NPI	NIL	NIL	NIL	NIL	NIL	NIL
Net	4999.21	0.00	0.00	116.66	0.00	0.00

As at 31.03.2023

(Amount Rs. in Crores)

PARTICULARS	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others
Held to Maturity						
Gross	2586.49	0.00	0.00	0.00	0.00	0.00
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00
Net	2586.49	0.00	0.00	0.00	0.00	0.00
Available for Sale						
Gross	1744.55	0.00	0.00	110.04	0.00	0.00
Less: Provision for depreciation and NPI	60.44	0.00	0.00	2.63	0.00	0.00
Net	1684.11	0.00	0.00	107.41	0.00	0.00
Held for Trading						
Gross	NIL	NIL	NIL	NIL	NIL	NIL
Less: Provision for depreciation and NPI	NIL	NIL	NIL	NIL	NIL	NIL
Net	NIL	NIL	NIL	NIL	NIL	NIL



Total Investments	4270.60	0.00	0.00	107.41	0.00	0.00
Less: Provision for non-performing investments	NIL	NIL	NIL	NIL	NIL	NIL
Less: Provision for depreciation and NPI	NIL	NIL	NIL	NIL	NIL	NIL
Net	4270.60	0.00	0.00	107.41	0.00	0.00

b) **Movement of Provisions for Depreciation and Investment Fluctuation Reserve**
(Amount Rs. in Crores)

Particulars	As on 31.03.2024	As on 31.03.2023
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	63.07	3.09
b) Add: Provisions made during the year	12.07	81.54
c) Less: Write off / write back of excess provisions during the year	32.34	21.56
d) Closing balance	42.80	63.07
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	NIL	11.92
b) Add: Amount transferred during the year	11.11	NIL
c) Less: Drawdown	NIL	11.92
d) Closing balance	NIL	NIL
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	11.11	NIL

As on 31.03.2024, SLR-Portfolio of the bank required to be marked to market shows depreciation of Rs.39.53 Crores (Whereas depreciation of Rs.60.44 Crores as on 31.03.2023) and Non SLR Portfolio of the bank required to be marked to market shows depreciation of Rs.3.27 Crores (Appreciation Rs.2.63 Crores as on 31.03.2023). Accordingly, provision of Rs. 42.80 Cr (Rs. 39.53 Cr + Rs. 3.27 Cr) is made in the accounting books as on 31.03.2024 as per RBI norms.

Detail of Profit/Loss Booked on Sale/Redemption of Investments

SL NO	PARTICULARS	FY 2023-24 (Amt in crore)	FY 2022-23 (Amt in Crore)
1	PROFIT ON SALE ON INVESTMENTS(A)	9.66	13.75
2	LOSS ON REDEMPTION OF INVESTMENTS(B)	7.74	0.57
3	LOSS ON SALE OF INVESTMENTS (C)	2.99	0.01
4	NET PROFIT/LOSS (A-(B+C))	-1.07	13.17
Out of above securities sold under HTM category			
SL NO	PARTICULARS	FY 2023-24 (Amt in crore)	FY 2022-23 (Amt in Crore)
1	PROFIT ON SALE ON INVESTMENTS(A)	2.67	1.53
2	LOSS ON SALE OF INVESTMENTS(B)	2.79	-
3	NET LOSS ON SALE OF INVESTMENTS(A-B)	-0.12	1.53

The securities held under HTM category shows depreciation of Rs. 27.84 Crores as at 31.03.2024 (depreciation Rs. 66.98 Crores as on 31.03.2023).

During the Financial Year 2023-24, the bank has amortized premium of Rs.9.44 Crores (Rs.10.09 Crores in FY 2022-23) out of the premium paid on the securities held under the category "Held to Maturity" as per RBI norms.





c) Sale & Transfers To/From HTM Category

Transfer:

(Amount Rs. in Crores)

Sr. No	Category	Face Value	Book value
1	AFS to HTM	NIL	NIL
2	HTM to AFS	NIL	NIL

Sale:

(Amount Rs. in Crores)

Sr. No	No. of securities	Face Value	Book value	Trade Value	Profit/(Loss)
1	29	355.00	355.99	355.87	(0.12)

Scripts sold during the period under HTM category and profit realized from the same has been taken to Capital Reserve as per RBI norms.

d) Non-SLR Investment Portfolio

i) Non performing Non-SLR Investments:

(Amount Rs. in Crores)

Particulars	FY 2023-24	FY 2022-23
Opening Balance	NIL	NIL
Additions during the period	NIL	NIL
Reductions during the above period	NIL	NIL
Closing Balance	NIL	NIL
Total Provisions held	NIL	NIL

ii) Issuer composition of Non-SLR investments

As on 31.03.2024

(Amount Rs. in Crores)

Sr. No	Issuer	Amount	Extent of Private Placement	Extent of 'below investment grade' securities already invested	Extent of 'unrated securities' already invested	Extent of 'unlisted' securities
1	2	3	4	5	6	7
i)	PSUs	104.94	NIL	NIL	NIL	NIL
ii)	FIs	NIL	NIL	NIL	NIL	NIL
iii)	Banks	NIL	NIL	NIL	NIL	NIL
iv)	Private Corporate	14.99	NIL	NIL	NIL	NIL
v)	Others (Mutual Fund - SBI)	NIL	NIL	NIL	NIL	NIL
vi)	Less: Provision held towards Depreciation	NIL	NIL	NIL	NIL	NIL
	Total	119.93	NIL	NIL	NIL	NIL

As on 31.03.2023

(Amount Rs. in Crores)

Sr. No	Issuer	Amount	Extent of Private Placement	Extent of 'below investment grade' securities already invested	Extent of 'unrated securities' already invested	Extent of 'unlisted' securities
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1	2	3	4	5	6	7
i)	PSUs	110.03	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 (Mutual Fund - SBI)	NIL	NIL	NIL	NIL	NIL
vi)	Less: Provision held towards Depreciation	NIL	NIL	NIL	NIL	NIL
	Total	110.03	NIL	NIL	NIL	NIL

RBI/NABARD instructions/norms have been adhered to in conduct and holding of Non-SLR Portfolio of the bank during the period under Audit and also as on the date of Balance Sheet. All the investments are within permissible limits as on 31.03.2024.

e) Repo Transactions

AS ON 31.03.2024

PARTICULARS	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31
i) Securities sold under repo				
a) Government securities	59.99	449.98	37.59	124.99
b) Corporate debt securities	NIL	NIL	NIL	NIL
c) Any other securities	NIL	NIL	NIL	NIL
ii) Securities purchased under reverse repo				
a) Government securities	44.99	349.99	37.97	0.00
b) Corporate debt securities	NIL	NIL	NIL	NIL
c) Any other securities	NIL	NIL	NIL	NIL

AS ON 31.03.2023

PARTICULARS	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31
i) Securities sold under repo				
a) Government securities	24.99	274.98	30.12	0.00
b) Corporate debt securities	NIL	NIL	NIL	NIL
c) Any other securities	NIL	NIL	NIL	NIL
ii) Securities purchased under reverse repo				
a) Government securities	29.99	399.99	51.80	0.00
b) Corporate debt securities	NIL	NIL	NIL	NIL
c) Any other securities	NIL	NIL	NIL	NIL

*Daily Average Outstanding during the year is calculated on the basis of total repo borrowings divided by total number of days in year when bank borrowed funds under Repo.





4. **ASSET QUALITY**

a) **Classification of advances and provisions held**

AS ON 31.03.2024

Classification of advances and provisions held	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Advances						
Opening Balance	9134.42	189.89	375.86	7.57	573.32	9707.74
Add: Additions during the year					226.75	
Less: Reductions during the year*					240.03	
Closing balance	10396.52	178.95	376.55	4.54	560.04	10956.56
*Reductions in Gross NPAs due to:						
i) Upgradation					28.08	
ii) Recoveries (excluding recoveries from upgraded accounts)					144.35	
iii) Technical/ Prudential Write-offs*					67.60	
iv) Write-offs other than those under (iii) above					0.00	
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	0.00	0.00	0.00	0.00	0.00	0.00
Add: Fresh provisions made during the year					0.00	0.00
Less: Excess provision reversed/ Write-off loans					0.00	0.00
Closing balance of provisions held	0.00	0.00	0.00	0.00	0.00	0.00
Net NPAs**						
Opening Balance		0.00	0.00	0.00	0.00	
Add: Fresh additions during the year					0.00	
Less: Reductions during the year					0.00	
Closing Balance		0.00	0.00	0.00	0.00	
Floating Provisions						
Opening Balance						599.77
Add: Additional provisions made during the year						140.02
Less: Amount drawn down 18 during the year						151.09
Closing balance of floating provisions						588.70





Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						30.63
Add: Technical/ Prudential write-offs during the year						59.60
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						13.56
Closing balance						76.67

AS ON 31.03.2023

Classification of advances and provisions held	Standard	Non-Performing			Total	
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Advances						
Opening Balance	8135.92	105.92	471.40	9.25	586.57	8722.49
Add: Additions during the year					216.77	
Less: Reductions during the year*					230.02	
Closing balance	9134.42	189.89	375.86	7.57	573.32	9707.74
*Reductions in Gross NPAs due to:						
i) Upgradation					55.89	
ii) Recoveries (excluding recoveries from upgraded accounts)					152.57	
iii) Technical/ Prudential Write-offs*					21.56	
iv) Write-offs other than those under (iii) above					0.00	
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	0.00	0.00	0.00	0.00	0.00	0.00
Add: Fresh provisions made during the year					0.00	0.00
Less: Excess provision reversed/ Write-off loans					0.00	0.00
Closing balance of provisions held	0.00	0.00	0.00	0.00	0.00	0.00
Net NPAs**						
Opening Balance		10.26	11.07	0.00	21.33	
Add: Fresh additions					104.03	





during the year						
Less: Reductions during the year					125.36	
Closing Balance		0.00	0.00	0.00	0.00	
Floating Provisions						
Opening Balance						587.60
Add: Additional provisions made during the year						115.56
Less: Amount drawn down ¹⁸ during the year						103.39
Closing balance of floating provisions						599.77
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						11.22
Add: Technical/ Prudential write-offs during the year						21.56
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						2.15
Closing balance						30.63

*Technical or prudential write-off is the amount of non-performing loans which are outstanding in the books of the branches, but have been written-off (fully or partially) at Head Office level. Amount of Technical write-off should be certified by statutory auditors. (Defined in our circular reference DBOD.No.BP.BC.64/21.04.048/2009-10 dated December 1, 2009 on Provisioning Coverage for Advances)

**To the extent that floating provisions have not been reckoned for Tier 2 capital, they may be netted off from Gross NPAs to arrive at Net NPAs.

Ratios (%)	FY 2023-24	FY 2022-23
Gross NPA to Gross Advances	5.11	5.91
Net NPA to Net Advances	0.00	0.00
Provision coverage ratio	100.00	100.00

b) Sector-wise Advances and Gross NPAs

S. No.	Sector	AS ON 31.03.2024			AS ON 31.03.2023		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances
i)	Priority Sector						
a)	Agriculture and allied activities	8583.46	451.78	4.12	7894.69	439.56	4.53
b)	Advances to industries sector eligible as priority sector lending	980.60	84.08	0.77	835.53	101.58	1.05
c)	Services	0.00	0	0	0.00	0.00	0.00





d)	Personal loans	0.00	0	0	0.00	0.00	0.00
e)	Others	405.87	14.81	0.13	361.71	17.92	0.18
	Subtotal (i)	9969.93	550.67	5.02	9091.93	559.06	5.76
ii)	Non-priority Sector						
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	156.24	0.32	0.01	54.55	0.65	0.01
e)	Others	830.39	9.05	0.08	561.26	13.61	0.14
	Sub-total (ii)	986.63	9.37	0.09	615.81	14.26	0.15
	Total (I + ii)	10956.56	560.04	5.11	9707.74	573.32	5.91

*Advances to industries sector at Sr.No-2 is inclusive of SME and Services Sector.

Movement of NPAs

Particulars	FY 2023-24	FY 2022-23
Gross NPAs as on 31 st March (Opening balance)	573.32	586.57
Additions (Fresh NPAs) during the year	226.75	216.77
Sub-Total (A)	800.07	803.34
Less:		
i Upgradations	28.08	55.89
ii Recoveries (excluding recoveries made from upgraded accounts)	144.35	152.57
iii Write-offs	67.60	21.56
Sub-Total (B)	240.03	230.02
Gross NPAs As on 31st March (closing balance) (=A-B)	560.04	573.32

c) Details of accounts subjected to restructuring, rescheduling, renegotiation

As on 31.03.2024

Details of Loan Assets subject to Restructuring, rescheduling and renegotiation		Agriculture and allied activities	Corporates (excluding MSME)	Micro, Small and Medium Enterprises (MSME)	Retail (excluding agriculture and MSME)	Total
Standard	Number of borrowers	NIL	NIL	NIL	NIL	NIL
	Gross Amount (₹ crore)	NIL	NIL	NIL	NIL	NIL
	Provision held (₹ crore)	NIL	NIL	NIL	NIL	NIL
Sub-Standard	Number of borrowers	NIL	NIL	NIL	NIL	NIL
	Gross Amount (₹ crore)	NIL	NIL	NIL	NIL	NIL
	Provision held (₹ crore)	NIL	NIL	NIL	NIL	NIL
Doubtful	Number of borrowers	NIL	NIL	NIL	NIL	NIL
	Gross Amount (₹ crore)	NIL	NIL	NIL	NIL	NIL
	Provision held (₹ crore)	NIL	NIL	NIL	NIL	NIL
Total	Number of borrowers	NIL	NIL	NIL	NIL	NIL
	Gross Amount (₹ crore)	NIL	NIL	NIL	NIL	NIL
	Provision held (₹ crore)	NIL	NIL	NIL	NIL	NIL

As on 31.03.2023

Details of Loan Assets subject to Restructuring, rescheduling and renegotiation		Agriculture and allied activities	Corporates (excluding MSME)	Micro, Small and Medium Enterprises (MSME)	Retail (excluding agriculture and MSME)	Total
Standard	Number of borrowers	NIL	NIL	658	250	908
	Gross Amount (₹ crore)	NIL	NIL	5.39	15.01	20.40
	Provision held (₹ crore)	NIL	NIL	0.54	1.50	2.04
Sub-Standard	Number of borrowers	NIL	NIL	NIL	NIL	NIL
	Gross Amount (₹ crore)	NIL	NIL	NIL	NIL	NIL





	Provision held (₹ crore)	NIL	NIL	NIL	NIL	NIL
Doubtful	Number of borrowers	NIL	NIL	NIL	NIL	NIL
	Gross Amount (₹ crore)	NIL	NIL	NIL	NIL	NIL
	Provision held (₹ crore)	NIL	NIL	NIL	NIL	NIL
Total	Number of borrowers	NIL	NIL	658	250	908
	Gross Amount (₹ crore)	NIL	NIL	5.39	15.01	20.40
	Provision held (₹ crore)	NIL	NIL	0.54	1.50	2.04

In terms of RBI Circular No. DBR.BP.BC.18/21.04.048/2018-19 dated 01-01-2019 and DOR No. BP.BC.34/21.04.048/2019-20 dated 11-02-2020 and DOR. No. BP.BC.4/21.04.048/2020-21 dated 06-08-2020 on "Restructuring of Advances- Micro, Small and Medium Enterprises (MSME) Sector (One Time Restructuring)", the Bank has restructured the MSME borrower accounts as under:

No. of Accounts Restructured	Amount
NIL	NIL

d) Fraud

FRAUD ACCOUNTS	Amount in Rs Lakhs	
	FY 2023-24	FY 2022-23
Number of frauds reported	06	NIL
Amount involved in fraud	21.19	NIL
Amount of provision made for such frauds	NIL*	NIL
Amount of Unamortized provision debited from 'other reserves' as at the end of the year	NIL	NIL

*The whole amount of fraud stand recovered.

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

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year	Of (A), amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	0.1	NIL	NIL	0.1	NIL
Corporate persons*	NIL	NIL	NIL	NIL	NIL
Of which MSMEs	NIL	NIL	NIL	NIL	NIL
Others	18.40	NIL	NIL	18.40	NIL
Total	18.41	NIL	NIL	18.41	NIL

5. Non Performing Assets

a) Non Performing Assets

		(Amount Rs. in Crores)	
		2023-24	2022-23
i)	Net NPA's to Net Advances (%)	0.00	0.00
ii)	Movement of NPAs (Gross)		
a)	Opening Balance	573.32	586.57
b)	Additions during the period	226.75	216.77
c)	Reductions during the period	240.03	230.02
d)	Closing balance	560.04	573.32
iii)	Movement of Net NPAs		
a)	Opening Balance	0.00	21.33



b)	Additions during the period	0.00	104.03
c)	Reduction during the period (Includes CSRF)	0.00	125.36
d)	Closing balance	0.00	0.00
iv)	Movement of provision for Net NPAs (excluding provisions on standard assets) & CSRF		
a)	Opening Balance	573.32	563.32
b)	Add: Provision made during the period	121.29	112.74
c)	Less: Write-off/ write-back of excess provisions	134.57	102.74
d)	Closing Balance	560.04	573.32

GROSS NPAs		2023-24	2022-23
A)	Sub-standard assets	178.95	189.89
B)	Doubtful assets	376.55	375.86
C)	Loss assets	4.54	7.57
Gross NPA(A+B+C)		560.04	573.32

NET NPAs		2023-24	2022-23
A)	Gross NPAs	560.04	573.32
B)	DICGC claims received	0	0.00
C)	Total provision held against NPA accounts	560.04	573.32
D)	CSRF	0	0.00
Net NPAs (A-B-C-D)		0.00	0.00

TOTAL NPAs		2023-24	2022-23
A)	NPAs under Loans and Advances	560.04	573.32
B)	NPAs under Investments	0	0.00
C)	NPAs under other assets	0	0.00
D)	NPAs under Guarantees, if any (Off Balance Sheet exposure)	0	0.00
Total NPAs		560.04	573.32

NET ADVANCES		2023-24	2022-23
A)	Gross Advance	10956.56	9707.74
B)	Provision made against NPA	560.04	573.32
C)	DICGC claims in hand	0	0.00
D)	CSRF	0	0.00
Net Advances (A-B-C-D)		10396.52	9134.42

During the FY 2023-24, the Bank has recovered Rs.13.56 Crores (Rs 2.15 cr during FY 2022-23) in written off borrowal accounts.

b) Details of financial assets sold to Securitization (SC)/ Reconstruction Company (RC) for Assets Reconstruction

(Amount Rs. in Crores)

Sr. No.	Particulars	As on 31.03.2024	As on 31.03.2023
i.	No. of accounts	NIL	NIL
ii.	Aggregate value (net of provision) 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
v.	Aggregate gain/ loss over net book value	NIL	NIL





c) Details of Non-performing financial assets purchased/sold

i). Details of non-performing financial assets purchased

(Amount Rs. in Crores)

Sr. No.	Particulars	As on 31.03.2024	As on 31.03.2023
1(a)	No. of accounts purchased during the period	NIL	NIL
(b)	Aggregate outstanding	NIL	NIL
2(a)	Of these, number of accounts restructured during the period	NIL	NIL
(b)	Aggregate outstanding	NIL	NIL

ii). Details of non-performing financial assets sold

(Amount Rs. in Crores)

Sr. No.	Particulars	As on 31.03.2024	As on 31.03.2023
1	No. of accounts sold during the period	NIL	NIL
2	Aggregate outstanding	NIL	NIL
3	Aggregate consideration received	NIL	NIL

d) Provision on Standard Assets and NPA (cumulative)

(Amount Rs. in Crores)

Particulars	As on 31.03.2024			As on 31.03.2023		
	Minimum required	Provision held	Surplus Provision held	Minimum required	Provision held	Surplus Provision held
Provision towards Standard Assets	28.66	28.66	NIL	26.46	26.46	NIL
Provision for NPA	201.91	560.04	358.13	280.96	573.32	292.36

6. Exposures – Exposure to Real Estate Sector

A Exposure to Real Estate Sector (Amount Rs. in Crores)

Sr. No.	Particulars	As on 31.03.2024	As on 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.	713.51	599.01
ii)	Commercial Real Estate- Lending secured by mortgages on commercial real estate (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), including non-fund based limits;	23.83	19.42
iii)	Investments in Mortgage Backed Securities (MBD) and other securitized exposures	NIL	NIL
	a. Residential	NIL	NIL
	b. Commercial Real Estate	NIL	NIL
b)	Indirect Exposure		
	Fund-based and on-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFC)	NIL	NIL
	Total Exposure to Real Estate Sector	737.34	618.43





B Unsecured Advances

Particulars	As on 31.03.2024	As on 31.03.2023
Total unsecured advances of the bank	6.00	8.83
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	0.00	0.00
Estimated value of such intangible securities	0.00	0.00

C Details of Single Borrower (SGL), Group Borrower Limit (GBL) exceeded by the bank

The bank has not exceeded the prudential exposure limits in single borrower limits as well as in group borrower limits, during the year.

7. Concentration of Deposits, Advances, Exposures and NPAs

Concentration of Deposits, Advances, Exposures and NPAs	As on 31.03.2024	As on 31.03.2023
Concentration of Deposits		
Total Deposits of twenty largest depositors	1377.13	1343.53
Percentage of Deposits of twenty largest depositors to Total Deposits of the bank	9.65	10.03
Concentration of Advances*		
Total Advances to twenty largest borrowers	27.65	51.69
Percentage of Advances to twenty largest borrowers to Total Advances of the bank	0.25	0.53
*Advances computed as prescribed in RBI Circular on Strengthening of Prudential Norms- Provisioning Asset Classification and Exposure Limit as per CircularRPCD.RRB.BC.97/03.05.34/2000-01 dated June 11 2001		
Concentration of Exposures		
Total Exposures of twenty largest borrowers/customers	30.88	53.78
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the bank on borrowers/customers	0.28	0.55
Concentration of NPAs		
Total Exposure to the top twenty NPA accounts	7.14	6.87
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	1.27	1.21

8. Disclosure in respect of unclaimed liabilities transferred to DEAF

As per RBI guidelines, Bank has shown Rs.48.10 Crores as on 31.03.2024 (Previous Year as on 31.03.2023 Rs.16.13 Crores) as contingent liability under Schedule -12 and the requisite detail is as follows.

Particulars	2023-24	2022-23
Opening balance of amount transferred to DEAF	16.13	7.21
Add: Amounts transferred to DEAF during the year	32.43	9.07
Less: Amounts reimbursed by DEAF towards claims	0.46	0.15
Closing balance of amounts transferred to DEAF	48.10	16.13

9. Disclosure of Complaints

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

Sr. No	Particulars	31.03.2024	31.03.2023
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	119	177
3		Number of complaints disposed during the year	119	177
	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	48	56
	5.1	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	48	56
	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

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
31.03.2024					
Ground - 1	NIL	9	-25	NIL	NIL
Ground - 2	NIL	NIL	NIL	NIL	NIL
Ground - 3	NIL	6	-45	NIL	NIL
Ground - 4	NIL	23	-32.35	NIL	NIL
Ground - 5	NIL	NIL	NIL	NIL	NIL
Others	NIL	81	-26.36	NIL	NIL
Total	NIL	119	-32.77	NIL	NIL
31.03.2023					
Ground - 1	NIL	12	-8	NIL	NIL
Ground - 2	NIL	NIL	NIL	NIL	NIL
Ground - 3	NIL	11	-27	NIL	NIL
Ground - 4	NIL	34	-17	NIL	NIL
Ground - 5	NIL	NIL	NIL	NIL	NIL
Others	NIL	110	-20	NIL	NIL
Total	NIL	177	-14.49	NIL	NIL

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

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

10. Disclosure of Penalties imposed by RBI/Regulator

RBI has imposed Penalty on 2 branches of the Bank on 14.07.2023 of Rs.5,000/- each i.e total Rs.10,000/- on account of non displaying of instructions related to mutilated/soiled notes.





11. OTHER DISCLOSURES

11.1 Business Ratio (Annualized)

(Amount Rs. in Crores)

Sr. No.	Particulars	As on 31.03.2024	As on 31.03.2023
i.	Interest Income as % to average working funds*	7.60	7.23
ii.	Non-interest income % to average working funds*	1.05	1.04
iii.	Cost of Deposits	5.22	4.36
iv.	Net Interest Margin	2.76	3.10
v.	Operating Profit % to average working funds*	1.45	1.91
vi.	Return on Assets	0.77	0.91
vii.	Business (Deposit + Advances) per employee		
A	Including Sub Staff	12.50	12.13
B	Excluding Sub Staff	12.77	12.44
viii.	Profit (before taxes) per employee		
A	Including Sub Staff	0.0934	0.1071
B	Excluding Sub Staff	0.0954	0.1098

* Average working funds are average liabilities of the bank excluding contra items

11.2 Bancassurance Business

(Amount Rs. in Crores)

Particulars	FY 2023-24	FY 2022-2023
Insurance Business – Income	4.82	3.93

11.3 Disclosures regarding Priority Sector Lending Certificates (PSLC)

(Amount Rs. in Crores)

PSLC CATEGORY	FY 2023-24				FY 2022-23			
	SALE		PURCHASE		SALE		PURCHASE	
	FV	PREMIUM EARNED	FV	PREMIUM PAID	FV	PREMIUM EARNED	FV	PREMIUM PAID
Small & Marginal Farmers	5055	96.29	0	0.00	4525	93.33	0	0.00
MSME	0	0.00	0	0.00	100	0.58	0	0.00
General	0	0.00	4000	1.50	0	0.00	4500	8.08
Agriculture	1500	4.62	0	0.00	1500	14.76	400	0.04
Others	0	0.00	0	0.00	0	0.00	0	0.00
Total	6555	100.91	4000	1.50	6125	108.67	4900	8.12
NET INCOME EARNED (+)/ PAID (-)	Rs 99.41 Cr (excluding GST) * Net Income including GST cost is Rs. 99.32 Cr (Rs. 99.41 Cr – Rs.0.09 Cr of GST)				Rs 100.55 Cr (excluding GST) * Net Income including GST cost is Rs. 100.06 Cr (Rs. 100.55 Cr – Rs.0.49 Cr of GST)			

* As per Tax Research Unit Circular No. 46/20/2018-GST dated 06-06-2018, PSLCs are classified under heading 4907 and attract GST @ 12% through Reverse Charge Mechanism i.e. Buyer of PSLC has to pay 12% GST under Reverse Charge. However, ITC of 50% Reverse Charge is available to the banks (i.e. 50% of 12% = 6%). The Bank has paid 12% GST under reverse charge on purchase transaction. However, 6% Input Tax Credit is available to the Bank. The Bank has born the cost of remaining 6%.

11.4 Disclosures regarding Inter-Bank Participation Certificate (IBPC)

(Amount Rs. in Crores)

IBPC CATEGORY	FY 2023-24		FY 2022-23	
	SALE	PURCHASE	SALE	PURCHASE





	FV	PREMIUM EARNED	FV	PREMIUM PAID	FV	PREMIUM EARNED	FV	PREMIUM PAID
Small & Marginal Farmers	100	2.71	0	0.00	200	5.49	0	0.00
MSME	0	0.00	0	0.00	0	0.00	0	0.00
General	0	0.00	100	3.45	0	0.00	300	7.01
Agriculture	0	0.00	0	0.00	100	3.18	0	0.00
Others	0	0.00	0	0.00	0	0.00	0	0.00
Total	100	2.71	100	3.45	300	8.67	300	7.01
NET INCOME EARNED (+)/ PAID (-)	Net Income earned – Rs 0.74 Cr				Net Income earned – Rs 1.66 Cr			

11.5 a) Provisions and Contingencies

Provision debited to Profit and Loss Account	FY 2023-24	FY 2022-23
i) Provisions for NPI	NIL	NIL
ii) Provision towards NPA (including Standard Assets)	99.52	73.46
iii) Provision for Depreciation on Investment	NIL	48.06
iv) Provision for Fraud-Non Borrowal	0.10	NIL
Total	99.62	121.52

b) Provisions of Income Tax

Provision debited to Profit and Loss Account	FY 2023-24	FY 2022-23
i) Provision for Income Tax	47.64	51.45
ii) Provision of Deferred Tax Liability	(0.18)	(0.10)
Total	47.46	51.35

c) Provisions and Contingencies (for Depreciation on Investment)

(Amount Rs. in Crores)

Sr. No.	Particulars	As on 31.03.2024	As on 31.03.2023
i	Opening balance in the floating provisions account	63.07	3.09
ii	The quantum of floating provisions made in the accounting year	12.07	59.98
iii	Amount of draw down made during the accounting year	32.34	0.00
iv	Closing balance in the floating provisions account	42.80	63.07

11.6 Payment of DICGC Insurance Premium

(Amount Rs. in Crores)

Sr.No.	Particulars	FY 2023-24	FY 2022-23
i)	Payment of DICGC Insurance Premium	17.27	15.63
ii)	Arrears in payment of DICGC premium	NIL	NIL

11.7 Position of Overdraft Limit as on 31.03.2024

The asset shown as Investments and deposits with banks includes assets which have been placed under lien for sanction of overdraft limits and position is as under:

(Amount Rs. in Crores)

Pledge Type	Government Securities		Fixed Deposits with PNB	
	As on 31.03.2024	As on 31.03.2023	As on 31.03.2024	As on 31.03.2023
Face Value under Lien	793.00	292.00	405.50	305.50
OD Limit Sanctioned	500.00	184.01	385.00	290.00
OD Limit Availed	0.08	0.00	231.25	240.50





DISCLOSURE AS PER ACCOUNTING STANDARDS WHERE THE RBI HAS ISSUED GUIDELINES IN RESPECT OF DISCLOSURE ITEMS FOR 'NOTES TO ACCOUNTS'

12 ACCOUNTING STANDARD 15

12.1 Provision for Leave Encashment

The bank allows employees to accumulate upto 240 days of privilege leave, which are encashable at the time of retirement/ death of the employee. These have been treated as long term compensated absences, as per retirement benefits in terms of AS-15. The bank has taken a group leave encashment scheme policy from LIC, Bajaj Allianz, and SBI Life insurance co. Ltd. Account Statement as received from SBI is on Pre-Interest basis. The actuarial valuation has been done by actuary as per the projected unit credit method. The relevant disclosures as available are as under:

Particulars	(Amount Rs. in Crores)	
	31.03.2024	31.03.2023
Present Value of Past services	66.75	68.74
Fund Value	74.44	70.60
Balance Unfunded Liability	7.68	1.85
Current service cost	7.26	6.47
Amount Debited to the P/L Account	7.68	1.85
Amount debited to the P/L Account with respect to previous year's liability	NIL	NIL
Leave encashment liability not provided for as at the end of the financial year	NIL	NIL
Mortality rate--100% of IALM	2012-14	2012-14
Withdrawal rate	4.00%	4.00%
Discount rate	7.21%	6.93%
Salary Escalation	8.00%	9.00%

*For the FY 2023-24, the net Liability/(Asset) recognized in the balance sheet is in accordance with the actual value of planned assets as on 31.03.2024. This figure is in deviation with the amount taken by the actuary in its actuarial report.

12.2 Provision for Gratuity

The Bank has a defined benefit gratuity plan. The gratuity scheme of Bank is covered under a group gratuity cum Life Assurance cash accumulation policy offered by LIC of India and Bajaj Allianz. Every employee who has completed a minimum of 5 years' service is entitled to gratuity, based on 15 days last drawn salary for every completed year of service, disclosures as required according to the revised AS-15 is as under:

Particulars	(Amount Rs. in Crores)	
	31.03.2024	31.03.2023
Net employee benefit expense recognized in the P/ L account		
Current service cost	5.00	4.38
Add: Interest cost on present value of defined benefit obligation as at the beginning of the year	5.82	5.49
Less: Expected return on plan assets	-5.08	-5.84
Less: Net actuarial (gain)/ loss recognized in the year	0.35	6.26
Add: Amortization of increased gratuity liability on enhanced limits as per RBI Circular	NIL	NIL
Add: Past Service cost	NIL	NIL
Net Gratuity cost	5.38	10.29

Details of provision for gratuity recognized in the balance sheet		
	31.03.2024	31.03.2023
Present value of defined benefit obligation at the end of year	77.01	77.93
Less: Unrecognized past service cost		
Less: Fair value of plan assets at the end of year	82.53	75.01
Less: Amortization of increased gratuity liability on enhanced limits as per RBI Circular	NIL	NIL
Funded status- net Liability/(Asset)	5.52	2.92

Changes in the present value of the defined benefit obligation are as follows:		
	31.03.2024	31.03.2023
Opening defined benefit obligation	77.93	79.16
Add: interest cost	5.82	5.48
Add: Current Service Cost	5.00	4.38





Less: Benefits paid	10.78	11.66
Less: Net Actuarial (gain)/ loss on obligation	0.96	0.56
Closing defined benefit/ obligation	77.01	77.93

Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	75.01	83.53
Add: Actuarial gain/Loss	6.14	5.69
Add: Expected return on plan assets	5.08	5.84
Add: Contribution by employer	9.62	3.00
Less: Benefits paid	10.78	11.66
Closing fair value of plan assets	82.53	75.01

Actual return on plan assets		
Expected Return on Plan Assets#	5.08	5.84
Less: Actuarial gain/ (loss) on Plan Assets	0.61	5.69
Actual return on Plan Assets	0.44	0.15

#The expected return on Plan Asset is based on market expectation, at the beginning of the period for returns over the entire life of the related obligation. The gratuity scheme is invested in a gratuity –cum- life assurance cash accumulation policy offered by LIC of India/ Bajaj Allianz. The expected return on plan assets is taken on the basis of LIC/Bajaj fund statements. LIC Statement has been received as on 19.03.2024 but that of Bajaj Allianz has been received as on 19.03.2024.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
LIC Gratuity Fund	73.62%	73.54%
Bajaj Gratuity Fund	15.60%	27.80%

The principal assumptions used in determining gratuity are shown below:		
Discount rate	7.21%	6.93%
Expected rate of return on Plan assets	6.78%	7.00%
Salary escalation	8.00%	9.00%
Mortality rate--100% of IALM	2012-14	2012-2014
Remaining working life	25.13yrs	24.70 yrs

Method of valuation-- Projected Unit Credit Method

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The wage revision on account of 12th Bi-partite Settlement has also been taken into consideration in this actuarial valuation.

12.3 Pension Benefits

As per instructions from NABARD and GOI letter dated 23.10.2018, Punjab Gramin Bank Employees Pension Regulations 2018 has been implemented in our bank w.e.f 01.04.2018.

As per requirement, the actuarial evaluation of Pension Fund Liability got done from actuary and valuation provided on the basis of year end projected data is as under:

Demographic & Financial Assumptions:	2023-24	2022-23
Mortality Rate-- 100% of IALM	(2012-14)	(2012-14)
Withdrawal	1%	1%
Discount rate per annum for Employees Benefit	7.65% p.a	7.65% p.a
Salary Growth Rate	8.00% p.a.	8.00% p.a.

Membership Data:

Total no of Employees	750	769
Total Monthly Salary in (000's) (Basic +DA)	4,48,33,981	4,57,74,415
Average Monthly Salary (Absolute)	54,532	59,525
Average Age(Age Last Birthday) (In Years)	59.51	58.51
Average Past Service (In years)	28.26	28.54





Summary of Results:

	(Amount Rs. in Crores)	
Current Liability (Short Term)	12.24	(1.41)
Non-Current Liability (Long Term)	0.00	0.00
Present Value of Obligation as the end	12.24	(1.41)

As per the actuarial valuation of the pension liabilities, total liability of the bank as on 31.03.2019 was Rs.308.05 Crores and as per NABARD instructions, the pension liability is to be provided in 5 years with 20% provision per year commencing from Mar' 2019. Out of total liability of Rs.308.05 Crores, an amount of Rs.7.94 Crores has been received from Employees/EPFO on account of refund of Employer share. Thus bank had to make provision of Rs. 300.11 Crores within 5 years i.e. Rs.60.02 Crores per annum.

As per actuarial valuation report, we have made the provisions of pension liability i.e. Bank has made a total provision of Rs. 528.13Crores up to 31.03.2022, out of which Rs.50 Crores was provided in FY 2018-19, Rs.212.13 Crores in FY 2019-20, Rs.116.25Crores in 2020-21, Rs.106 Crore in 2021-22, Rs. 31.51 Crore in 2022-23 and Rs 12.24 Crore in 2023-24.

Pension Investment Balance Certificate as on 31.03.2024 is yet to be received from the respective Insurance companies.

12.4 National Pension Scheme (NPS)

As per Punjab Gramin Bank Employees Pension Regulations 2018, all the employees who joined the Bank on or after 01.04.2010 are to be covered under National pension Scheme (NPS) and accordingly, Bank started the process of enrolling all such employees who joined the Bank on or after 01.04.2010 under NPS

For the implementation of NPS, our bank has entered into MOU with our Sponsor Bank on 19.02.2020 for use their services as Point of Presence (POP).

The NPS scheme was applicable from 01.04.2018 but Bank started the process of monthly NPS deduction from the salary of all eligible employees from the month of February 2020 and equal amount is being contributed by the Bank on account of Employer contribution towards NPS.

Out of the total employees, i.e. 2018 employees as on 31.03.2024, 1747 employees were eligible under NPS. Out of 1747 eligible employees, PRAN of 1740 employees were got generated as on 31.03.2024 and for the remaining employees NPS applications were under process.

During the FY 2023-24, total Expenditure of the Bank on account of Bank Contribution towards NPS was Rs. 11.99Crores.

13. ACCOUNTING STANDARD 17-SEGMENT REPORTING

i) The bank has recognized the Treasury Operations and Retail Banking & Others as its reporting segments.

Sl. No.	Particulars	(Amount Rs. in Crores)	
		As on 31.03.2024	As on 31.03.2023
A	Segment Revenue		
	1. Treasury operations	564.18	488.52
	2. Retail banking & others	1013.63	899.15
	Total	1577.81	1387.67
B	Segment Results		
	1. Treasury operations	198.73	181.42
	2. Retail banking & others	89.48	144.16
	Total	288.21	325.58
C	Unallocated Income/(Expenses)	NIL	NIL
D	Non-operating Income	23.29	5.74
E	Operating profit	264.92	319.84
F	Provisions & contingencies	99.62	121.52
G	Provision for Taxes (including DTL)	47.46	51.35
H	Net profit (E-F-G+D)	141.13	152.71
I	Other information	NIL	NIL
	Segment Assets		





J	1. Treasury operations	7818.68	7354.83
	2. Retail banking & others	11589.66	10187.48
Segment Liabilities			
K	1. Treasury operations	7072.06	6756.92
	2. Retail banking & others	12336.28	10785.39

ii) Treasury operations include dealing in government and other securities including Bank FDRs.

iii) All other operations are covered under retail banking and others.

iv) The notional cost of average assets (investments) of the treasury is worked out by taking cost of funds equivalent to the cost of funds of the bank worked out for the total expenses incurred during the period in normal course of working.

14. ACCOUNTING STANDARD 18-RELATED PARTY DISCLOSURES

a) The Enterprise exercising significant influence –Punjab National Bank

b) Key Management Personnel

- Sh. Gajendar Kumar Negi- Chairman
- Sh. Parveen Goyal – Zonal Manager, PNB ZO Amritsar
- Sh. Harinderpal Singh Chawla- Deputy General Manager, Circle Head, Punjab National Bank, Circle Office, Kapurthala
- Sh. Manohar Lal - Deputy General Manager, NABARD, Plot No. 3, Sector 34-A, Chandigarh
- Sh. Sanjeev Singh– Assistant General Manager, Reserve Bank of India, Sector 17, Chandigarh
- Sh. Sanjeev Kumar Aggarwal – Deputy Director, Department of Finance, Directorate of Institutional Finance and Banking
- Sh. Amit Kumar Panchal- Deputy Commissioner, New District Administrative Complex (DAC), Kartarpur Road, Nurpur Dona, Kapurthala.

TRANSACTIONS WITH THE RELATED PARTIES-SPONSOR BANK (PNB)

(Amount Rs. in Crores)

Particulars		2023-24	2022-23
Deposits	Parked during the period	610.50	855.50
	Withdrawn during the period	405.50	766.50
	Outstanding as on last date	610.50	405.50
	Interest received on Deposits	23.02	11.36
IBPC	Bought during the period	0.00	300.00
	Sold during the period	0.00	300.00
	Outstanding as on last date	0.00	100.00
	Interest paid on IBPC	2.71	7.01
	Interest received on IBPC	3.45	8.67
OD against FDR	Outstanding as on last date	231.33	240.50
	Interest paid on Borrowings	9.53	9.32
Hosting Charges	Paid during the period	2.14	2.08
Key Management Personnel	Remuneration paid- Sh. S.K. Dubey and Sh. G.K. Negi	0.33	0.31

15. ACCOUNTING STANDARD-19 –LEASES

The Bank has taken various premises on operating lease. The lease payments recognized in the profit and loss account are Rs.9.88 Crores during FY 2023-24 (Rs 9.13 Cr during FY 2022-23). The future minimum lease payments under non-cancelable operating lease, not later than one year is Rs.11.85 Crores (Rs 11.10 Cr during FY 2022-23). later than one year but not later than 5 years is Rs.66.54 Crores (Rs 53.39 Cr during FY 2022-23).

16 ACCOUNTING STANDARD 20 - EARNING PER SHARES

	2023-24	2022-23
Net profit after tax available to equity share holders (before transfer to reserves) (Rs. in Crores)	141.13	152.71
Weighted average of numbers of shares	2,53,66,450	2,53,66,450





Basic earnings per share (Rs.)	55.64	60.20
Diluted earnings per share(Rs.)	55.64	60.20
Nominal value per share(Rs.)	10.00	10.00

17 ACCOUNTING STANDARD 22- ACCOUNTING FOR TAXES ON INCOME AND DEFERRED TAX ASSET/ LIABILITIES

Provision for Income-Tax and Deferred Tax Asset/Liability has been calculated on the assumption that the following statutory liabilities outstanding as on 31.03.2024 shall be paid on or before the due date of Income-Tax Return as per the Provisions of the Income-Tax Act, 1961.

(Amount Rs. in Crores)

Particulars	31.03.2024	31.03.2023
Pension	1.96	NIL
Leave Encashment	NIL	NIL
Gratuity	NIL	NIL
NPS	0.11	NIL
Bonus	NIL	NIL
Wage Revision	NIL	NIL

The Break-up of Deferred Tax Asset/ Liabilities is as follows:

(Amount Rs. in Crores)

Particulars	2023-24	2022-23
Deferred Tax liabilities	(0.28)	(0.46)
(i) Related to fixed assets	(0.28)	(0.46)
Deferred Tax Assets		
Expenditure debited to P/L and not allowed for tax purpose in subsequent year	NIL	NIL
Net Deferred Tax Assets/ (liability)	(0.28)	(0.46)

18. As certified by the Management, there was no case of delayed payment to vendors registered under MSMED Act, 2006. This is relied upon by the Auditors.

19. Inter branch adjustment account contains entries primarily relating to inter branch and the management is of the opinion that there would not be any material impact of the same on the accounts of the Bank.

20. Annexure 'A' forms an integral part of the Balance Sheet and has been duly authenticated.

21. At the time of retirement, leave encashment of upto 240 days is paid to the retiring employee. NABARD vide letter number IDD/RRB/268/316/(PENSION)2020-21 dated 12-11-2020 informed that the matter to pay leave encashment to employees who retired voluntarily or compulsory retired is taken up with MOF,GOI and will be advised accordingly to RRBs.

The total amount of leave encashment (amounting to Rs.2.46 crore) was already paid to few employees who retired voluntarily. Out of which Rs. 1.75 Crores was recovered and Rs. 0.71 Crores is yet to be recovered as on 31.03.2024. Further, Leave Encashment Arrears amount as per 11th Bipartite for above employees amounting to Rs 0.37 crore is outstanding in our books as the same is yet to be paid. The said amount will be paid to the employees/deposited to Leave Encashment fund after the instructions from Department of Ministry of Finance, Government of India. Provision of Rs.3.73 crore against Leave Encashment amount payable to employees Voluntary retired from the bank from 01.11.2020 to 31.03.2024 has been made.

22. In the opinion of the management, there is no material impairment on other assets, other than financial assets as at 31.03.2023, requiring recognition in terms of the standard.

23. **Depreciation on Assets:** - The depreciation on fixed assets has been provided as per accounting policy.

24. Outbreak of Covid -19 Pandemic has adversely impacted the economic activity across the globe including the Indian economy. To tide over the pandemic, the Government of India has announced a series of lockdown since March 2020 and subsequent phased unlocking as well. However, the bank is continuously monitoring the situation and taking all possible measures to ensure continuance of full-fledged banking operations. The management believes that there would not be any significant impact on Bank's performance in future and going concern assumptions.





24.1. In terms of RBI guidelines relating to "Resolution Framework – 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses." vide notification no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05.05.2021 and "Resolution Framework – 2.0: Resolution of COVID-19 related stress of Micro Small and Medium Enterprises." Vide notification no. DOR.STR.REC.12/21.04.048/2021-22 dated 05.05.2021, the bank had extended the captioned facility for restructuring existing loans without a downgrade in the asset classification. Pursuant to these instructions, the bank has provided Moratorium period upto 24 months to borrowers whose income has been impacted due to resurgence of COVID-19 pandemic with the intent to facilitate revival of individual borrowers & small businesses and Micro Small and Medium Enterprises. Under the Resolution Framework – 2.0, all accounts which were categorized as standard as on 31.03.2021 were eligible for coverage under the scheme. In accordance with RBI guidelines, the bank is required to make provision of not less than 10% of outstanding advances in respect of borrower's accounts where asset classification benefit has been granted.

Disclosure as required in respect of Covid 19 regulatory package is as below:

(Amount Rs. in Crores)

S.No.	Particulars	Amount
1	Amounts in SMA/overdue categories, where the moratorium/deferment was extended up to FY 2021-22	NIL
2	Amount where asset classification benefits is extended at overseas branch/branches up to FY 2021-22	NIL
3	Additional Provisions made up to FY 2021-22 in above accounts	2.91
4	Total Provision held in above accounts as on 31.03.2023	1.97
5	Total Provision held in above accounts as on 31.03.2024	NIL
6	Provision adjusted during the respective accounting period against slippages and residual provision written back	1.97
7	Residual Provision held as on 31.03.2024	NIL

CHIEF MANAGER

GENERAL MANAGER

CHAIRMAN

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

PLACE: KAPURTHALA
DATE: 08-05-2024

FOR JASMINDER SINGH AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN NO: 016192N

CA JASMINDER SINGH
PARTNER
M.NO. :096895

