

The Ajara Urban Co-Op Bank Ltd., Ajara (Multi State)

Notes to Financial Statements for the Year Ended 31st March 2023

I. Summary of Significant Accounting Policies:-

1. Basis of preparation:-

The financial statements of the Bank have been prepared in accordance with the generally accepted accounting principles in India. The Bank has prepared these financial statements to comply in all material respect with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable, applicable statutory provisions under the Banking Regulation Act, 1949 & Multi State Co-operative Societies Act & Rules, 2002, Circulars and Guidelines issued by the Urban Banking Department of Reserve Bank of India ('RBI') from time to time and current practices prevalent in the Co-operative Banking Sector in India.

The financial statements have been prepared following the going concern concept on an accrual basis under the historical cost convention. The accounting policies adopted in the current year are consistent with those of the previous year.

2. Use of Estimates: -

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in the future periods.

3. Advances:-

a. The classification of advances into Standard, Sub-standard, Doubtful and Loss assets as well as provisioning on Standard Advances and Non-Performing Advances has been arrived at in accordance with the Income Recognition, Assets Classification and Provisioning Norms prescribed by the Reserve Bank of India from time to time.

b. The unrealized interest in respect of advances classified as Non-Performing Advances is disclosed as "Overdue Interest Reserve" as per RBI directives.

c. In addition, a general provision is made on following categories of standard assets as per RBI guidelines, as under:-

Category	Provision
Direct advances to Agricultural And SME Sectors	0.25 %
Commercial and Real Estate (CRE) sector	1.00 %
Commercial and real estate loans – residential housing sector(CRE-RH)	0.75 %
All Other loans and advances not included above	0.40 %

d. There is no restructure of loan accounts during financial year 2022-23.

4. Revenue recognition (AS- 9):-

a. Income from advances – As per RBI directives, in respect of accounts classified as Standard, interest and other income is recognized on accrual basis as and when the same is earned; income from Non-Performing Assets is recognized on realization and in case of advances with the Recovery Department of the bank, generally the recoveries in the accounts are first appropriated towards charges debited then towards interest and then subsequently towards principal outstanding.



b. Income from Investments – Interest and other income from investments is recognized on a time proportion basis considering the face value of investment and the rate applicable. Discount on T-Bills and other discounted instruments is recognized on a straight line basis over the period to maturity. Profit/Loss on sale of securities is recognized as and when the same is realized.

c. Commission on sale of life insurance by the Bank is recognized as and when the amount is received or TDS is deducted thereon.

d. Dividend on shares is accounted for on 'as and when' received basis.

5. Property, Plant & Equipment :-

a. Fixed Asset, other than those that have been revalued, are carried at historical cost less amortization / depreciation accumulated thereon. Cost comprises of purchase price, including non-refundable taxes and any directly attributable cost of bringing the asset to its working condition for intended use. Any trade discount, rebates are deducted in arriving at the purchase price.

b. Revalued assets are carried at revalued amounts less amortization / depreciation accumulated thereon. Surplus arising out of revaluation is reflected under Revaluation Reserve in the Balance Sheet.

c. Impairment: The Carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use.

6. Depreciation on Fixed Assets:-

a. The depreciation on fixed assets is calculated on the basis of methods and rates as mentioned below:

Particulars	Method of Depreciation	Rate of Depreciation
Premises	Written Down Value	2.50%
Dead Stock made of Steel (Safe Deposit Vault)	Written Down Value	10%
Furniture, Fixtures & Dead Stock	Written Down Value	10%
Vehicles, Library	Written Down Value	20%
Computers and Peripherals (Including Computer Software)	Straight Line	33.33% (As per RBI directives.)
Plant & Machinery	Written Down Value	15%

b. Depreciation on revalued amount is debited to Revaluation Reserve and depreciation on cost is debited to Profit and Loss a/c.

c. The depreciation on assets acquired prior to October 1st is provided for the whole year otherwise the same are depreciated at 50% of the normal rates.

d. Computer and Peripherals used for providing technological services are depreciated on a straight line basis over the period of contract.

e. The depreciation on assets acquired during the year is calculated prorata basis.

f. Assets are capitalized considering the nature of asset and the materiality aspect.

7. Investments:-

a. Investments other than Term Deposits with Banks / Institutions / Mutual Fund / T-Bills / Certificate of Deposits and Shares of Co-op Institutions are classified into "Available for Sale"(AFS), and "Held to Maturity" (HTM) categories in accordance with the Reserve Bank of India (RBI) guidelines on Classification and Valuation of Investments for Primary (Urban) Co-operative Banks.



b. For the purpose of Disclosure in the Balance Sheet, Investments have been classified under four groups as required under RBI guidelines – Government Securities, Other Trustee Securities, Shares in Co-operative Institutions, Bonds and NCDs and Other investments.

c. Investments under HTM category are carried at Acquisition cost. The premium paid, if any, on the investments under this category is amortized over the residual life of the security as per guidelines of RBI and Policy adopted by Bank.

d. Transfers from/to HTM category are done at acquisition cost or book value or market value on the date of transfer, whichever is least or as per the guidelines of Reserve Bank of India issued there for and the difference is debited to Profit & Loss A/c and appreciation, if any, is ignored.

e. Investment under HFT and AFS category are valued scrip-wise at market value (FBILL). Net depreciation, if any, under each classification is provided for.

8. Employee Benefits (AS- 15):-

a. The retirement benefits in the form of provident fund are a defined contribution scheme. The contribution to the provident fund is charged to the Profit and Loss account for the year when the contributions are due.

b. Leave encashment is provided for at actual leave at the credit of employees in excess of 90 days. Partial provision is made for leave at credit of employees up to 90 days. However no provision is made as per actuarial valuation as required by AS 15.

c. The bank operates defined benefit plan for its employees, viz. gratuity liability. The cost of providing benefits under these plans is determined on the basis of valuation by LIC Trust at each year-end maintaining fund under trust deed with Life Insurance Corporation of India (LIC) for gratuity payments to employees. The shortfall, if any, between the fair value of plan assets as on 31st March is paid / provided for and recognized as expenses in the profit and loss account.

9. Earnings Per Share (AS-20) :-

a. Earning per share are calculated by dividing the net profit for the period after tax attributable to equity shareholders (before Appropriation) by the equity shares outstanding at the end of the year.

10. Taxes on Income (AS – 22):-

a. Tax expenses comprises of current and deferred tax. Current Income Tax is measured on the basis of estimated taxable income for the year in accordance with the provisions of Income Tax Act, 1961, and rules framed there under.

b. Deferred income tax reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for earlier year. Deferred tax is measured using tax rates and tax laws enacted or substantially enacted at reporting date. Deferred tax assets are recognized for only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

c. Deferred Tax Assets are reassessed at each reporting date, based upon management's judgment as to whether the realization is reasonably certain.

11. Provisions, Contingent Liabilities and Contingent Assets (AS - 29):-

A provision is recognized when the Bank has a present obligation as result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their required date to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.



12. Accounting of Goods and Service Tax :-

Goods and Service Tax (GST) has been implemented with effect from 1st July 2017. Accordingly GST collected is accounted in GST on Income Account and GST paid to vendor is accounted in GST on expenses account. Out of the GST expenses eligible input tax credit is availed as set off. In case, eligible input tax credit remains unutilized, a same is carry forward and set off subsequently. The input Tax credit on expenses which is not allowable to be set off as per GST law is expensed out.

In case of fixed assets, eligible input tax credit of GST paid to the vendor is utilized against the amount of GST collected from the customer and disallowed portion of Input Tax Credit is added back to the value of the asset i.e. the same is capitalized.

Income and expenses on which GST is applicable are recognized for net of GST.

II. Notes to financial statements for the year ended March 31st, 2023

A. Appropriation of Profit:-

The Bank has given effect for following appropriation of profits for the year ended March 31, 2023 in the financial statement, subject to approval of the shareholders at the AGM.

Statement of Appropriation 31.03.2023	
Net profit for the year ended March 31,2023	5,02,92,972.32
Previous year balance	0.00
Total Profit available appropriation	5,02,92,972.32
Appropriations	
General reserve (25%)	1,25,75,000.00
Reserve for Unforeseen Situations (10 %)	50,29,300.00
Contribution To N.C.U. Fund (1%)	5,03,000.00
Investment Fluctuation Reserve	75,00,000.00
Dividend to Shareholders subject to approval by RBI	1,72,00,000.00
Building Fund	74,85,672.32
Total	5,02,92,972.32

B. Balance with other Banks:-

Fixed Deposits with other Banks include deposits aggregating to Rs.8707.33 Lakh (Previous Year Rs.8396.75 Lakh) placed as margin to secure overdraft limits/issuance of guarantees in respect of correspondent business. Overdraft limits to meet liquidity risk are secured by fixed deposits of Rs.790.00 Lakh (Previous Year Rs.790.00 Lakh).

C. Provisioning of Advances:-

Provision for Bad and Doubtful Debts (for Non Performing Assets) is made as prescribed by RBI directives or Section 36 (1) (viiia) of the Income Tax Act, whichever is higher. Provisions made in earlier years, along with the additional amount created as BDDR continue to be reflected in the Reserves as in the past.

D. Prior Period Items (AS - 5):

No Prior period expenses / income, debited / credited to Profit & Loss A/c, considering the materiality aspect and the date on which the liability is crystallized.

E. Investments:-

The profit on sale of investments during the year 2021-22 was Rs.257.53 Lakh. Whereas during the year 2022-23 the profit is Rs.55.95 Lakh. From last year's appropriation of profits Rs.75.00 Lakh have been transferred on 29/09/2022 to Investment Fluctuation Reserve Fund. Also, provision is made out of Appropriation from current years profit.



Investment under AFS category as on 31/03/2023 is Rs.13581.40 Lakh and Bank should build up IFR of a minimum of 5% of these investments. The IFR as on 31/03/2023 is Rs. 775.00 Lakh.
The AFS Securities as on 31/03/2023 were Rs.13581.40 Lakh. The market value of the AFS Securities as on 31/03/2023 is Rs.12840.47 Lakh surplus in these securities is Rs.740.93 Lakh.

4. Accounting Standard 17 – Segment Reporting

The indicative formats for disclosure under 'AS 17 – Segment Reporting' are as below:-

Part A: Business segments:-

(Rs. In Crore)

Business Segments "	Treasury		Corporate / Wholesale Banking		Retail Banking		Other Banking Business		Total	
Particulars \$	31/03/23	31/03/22	31/03/23	31/03/22	31/03/23	31/03/22	31/03/23	31/03/22	31/03/23	31/03/22
Revenue	23.74	24.07	2.42	1.94	47.81	46.32	2.82	2.60	76.79	74.93
Result	4.20	4.64	0.36	0.37	7.05	8.91	0.41	0.50	12.02	14.42
Unallocated expenses										-
Operating profit									12.02	14.42
Income taxes									2.54	2.52
Extraordinary profit / loss										
Net profit									5.03	4.63
Other information: Provisions									4.45	7.27
Segment assets	354.88	341.51	29.74	34.50	497.59	407.37	75.70	83.60	957.91	866.98
Unallocated assets									13.12	10.04
Total assets									971.03	877.02
Segment liabilities	342.18	328.57	28.68	33.20	479.78	391.97	73.07	80.41	923.71	834.15
Unallocated liabilities									47.32	42.87
Total liabilities									971.03	877.02

b. The Bank operates as a single unit in India, hence separate information regarding geographical segment is not given.

c. Related Party Disclosure :-

The Bank is Co-operative Society under the Multi-state Co-operative Societies Act, 2002 and there are no related parties requiring a disclosure under the Accounting Standard – 18 issued by ICAI, other than Key Management personnel viz. Mr. Prashant Y. Gambhir, Chief Executive Officer of the Bank for F.Y.2022-23.



d. Earnings Per Share (AS - 20): -

(Rs. In Crore)

Particulars	2022-23	2021-22
Net profit after Tax attributable to Equity share holders (Before Profit appropriations)	5.03	4.63
No. of Shares	1740300	1732613
Earning per shares	Rs.28.90	Rs. 26.73

H. Deferred Tax Assets/Liabilities (AS - 22):-

- Tax expense comprises of current and deferred tax.
- Deferred tax for timing difference between books and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as of the balance sheet date. No deferred tax assets are recognized in the current year.
- Provision for income tax is arrived at as under :

(Rs. In Crore)

Sr. No.	Particulars	Balance as on 31/03/2022	For the year ended 31/03/2023	Balance as on 31/03/2023
A.	Deferred tax Liability			
	i) Depreciation on fixed assets	1.04	0.11	1.15
	Total (A)	1.04	0.11	1.15
B.	Deferred tax assets	Nil	Nil	Nil
C.	Deferred tax liability Net (A-B)	1.04	0.11	1.15

Sr. No.	Particulars	For the year ended 31/03/2022	For the year ended 31/03/2023
A)	Income Tax		
	Current tax	2.43	2.43
B)	Deferred tax	0.09	0.11
	Total (A + B)	2.52	2.54

I. Impairment of Assets (AS - 28):-

There is no impairment of any of assets in the opinion of the Bank and as such no provision under Accounting Standard-28 issued by ICAI is required.

J. Contingent Liabilities (AS - 29):-

- Bank Guarantees, L.C.s are sanctioned to customers with approved credit limits in place. The liability thereon is dependent on terms of contractual obligations, devolvement, raising demand by concerned parties and the amount being called up. These amounts are collateralized by margins, counter guarantees and secured charges. The quantum of Contingent Liabilities in these respects are as under:

(Rs. In Crore)

Particulars	31/03/2022	31/03/2023
Bank Guarantees	0.04	0.07
L.C.s	--	--
Total	0.04	0.07



2.Details of amount transferred to the Depositor Education Awareness Fund (DEAF) :

The following table sets forth, for the periods indicated the movement in amount transferred to the fund.

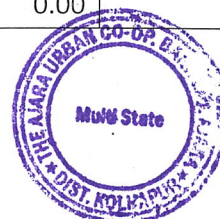
Particulars	(Rs. In Crore)	
	F.Y. 2021-22	F.Y. 2022-23
Opening balance of amounts transferred to DEAF	1.41	1.68
Add : Amounts transferred to DEAF during the year	0.29	1.97
Less : Amounts transferred to DEAF during the year	0.02	0.08
Closing balance of amounts transferred to DEAF during the year	1.68	3.57

k. Disclosure as per RBI master direction DOR.ACC.REC.No. 45/21.04.018/2021-22 dated 30/08/2021 (updated as on 15/11/2021)

1. Regulatory Capital :-

a) Composition of Regulatory Capital:-

Sr. No.	Particulars	(Rs. In crore)	
		31/03/2023	31/03/2022
i)	Common Equity Tier 1 capital (CET 1)* / Paid up share capital and reserves [@] (net of deductions, if any)	64.72	61.37
ii)	Additional Tier 1 capital*/ Other Tier 1 capital [@]	2.51	2.09
iii)	Tier 1 capital (i + ii)	67.23	63.46
iv)	Tier 2 capital	10.49	10.16
v)	Total capital (Tier 1+Tier 2)	77.73	73.61
vi)	Total Risk Weighted Assets (RWAs)	457.66	385.73
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)* / Paid-up share capital and reserves as percentage of RWAs [@]	14.14%	15.91%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	14.69%	16.45%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	2.29%	2.63%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	16.98%	19.08%
xi)	Leverage Ratio*	0.00	0.00
xii)	Percentage of the shareholding of		
	a) Government of India	0.00	0.00
	b) State Government (specify name)\$	0.00	0.00
	c) Sponsor Bank\$	0.00	0.00
xiii)	Amount of paid-up equity capital raised during the year	0.00	0.00
xiv)	Amount of non-equity Tier 1 capital raised during the year, of which: Give list ⁷ 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.	0.00	0.00



xv)	Amount of Tier 2 capital raised during the year, of which Give list ⁸ 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.	0.00	0.00
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2. Asset liability management:-

a) Maturity pattern of certain items of assets and liabilities As On 31-03-2023:-

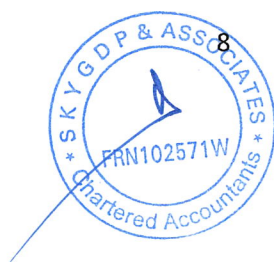
(Amount in Rs. crore)

	Day 1	2 to 7 days	8 to 14 days	15 to 30 Days	31 days to 2 months	Over 2 months and to 3 months	Over 3 months and up to 6 Months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits ⁹	19.84	4.52	14.34	15.23	5.52	90.88	118.86	199.21	320.96	8.19	1.03	798.58
Advances	14.98	5.58	1.24	19.18	9.80	15.99	35.84	123.85	59.65	104.71	136.53	527.33
Investments	10.79	15.12	14.83	32.63	44.64	9.65	2.01	54.01	42.75	32.14	96.31	354.88
Borrowings												
Foreign Currency assets												
Foreign Currency liabilities												

As On 31-03-2022

(Amount in Rs. crore)

	Day 1	2 to 7 days	8 to 14 days	15 to 30 Days	31 days to 2 months	Over 2 months and to 3 months	Over 3 months and up to 6 Months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits ⁹	2.56	5.85	25.24	16.08	31.55	73.78	115.92	182.67	255.92	8.43	2.07	720.06
Advances	16.38	4.59	1.82	1.82	5.31	13.30	28.81	121.91	33.86	96.93	117.14	441.87
Investments	10.08	14.88	11.76	19.73	27.74	19.96	31.56	16.32	26.27	22.12	141.11	341.52
Borrowings												
Foreign Currency assets												
Foreign Currency liabilities												



3. Investments:-

a) Composition of Investment Portfolio:-

i) As at 31-03-2023

(Amount in Rs crore)

	Investments in India							Investments outside India				Total Investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross	125.99			0.00		0.00	125.99					125.99
a) SDL	70.13			0.00		0.00						
b) GOI	21.29			0.00		0.00						
c) T Bill	34.57			0.00		0.00						
d) Others				0.00		0.00						
Less: Provision for non-performing investments (NPI)						0.00	0.00					0.00
Net	125.99			0.00		0	125.99					125.99
Available for Sale												
Gross	133.81			2.00			135.81					135.81
a) SDL	50.22			0.00								
b) GOI	83.59			0.00								
c) Bonds	0.00			2.00								
Less: Provision for depreciation and NPI												0.00
Net	133.81			2.00			135.81					135.81
Held for Trading												
Gross												
Less: Provision for depreciation and NPI												
Net												
Other Banks Deposits:-			0.01			87.07	87.08					
Tri Party Lending	6.00						6.00					

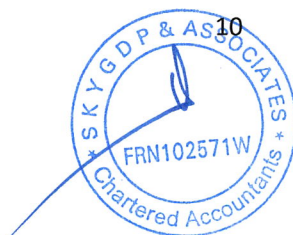


Total Investments	265.80		0.01	2.00		87.07	354.88					354.88
Less: Provision for non-performing investments						0.00	0.00					0.00
Less: Provision for depreciation and NPI												
Net	259.79		0.01	2.00		93.07	354.88					354.88

ii) As at 31-03-2022:-

(Amount in Rs crore)

	Investments in India							Investments outside India				Total Investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross	128.08			0.00		0.08	128.16					128.16
a) SDL	57.01			0.00		0.00						
b) GOI	31.43			0.00		0.00						
c) T Bill	39.64			0.00		0.00						
d) Others				0.00		0.08						
Less: Provision for non-performing investments (NPI)						0.08	0.08					0.08
Net	128.08			0.00		0	128.08					128.08
Available for Sale												
Gross	122.38			2.00			124.38					124.38
a) SDL	53.22			0.00								
b) GOI	69.16			0.00								
c) Bonds	0			2.00								
Less: Provision for depreciation and NPI												0.00
Net	122.38			2.00			124.38					124.38
Held for Trading												
Gross												
Less: Provision for depreciation and NPI												
Net												



Other Banks Deposits:-						83.97	83.97					
Tri Party Lending						5.00	5.00					
Total Investments	250.46			2.00		89.05	341.51					341.51
Less: Provision for non-performing investments						0.08	0.08					0.08
Less: Provision for depreciation and NPI												
Net	250.46			2.00		88.97	341.43					341.43

3.b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve:-

(Amount in Rs. crore)

Particulars	31/03/2023	31/03/2022
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	4.25	4.10
b) Add: Provisions made during the year	3.25	0.15
c) Less: Write off/ write back of excess provisions during the year	0.00	0.00
d) Closing balance	7.50	4.25
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	7.00	5.85
b) Add: Amount transferred during the year	0.75	1.15
c) Less: Drawdown	0.00	0.00
d) Closing balance	7.75	7.00
iii) Closing balance in IFR as a percentage of closing balance of investments ¹³ in AFS and HFT/Current category	5.71%	5.63%

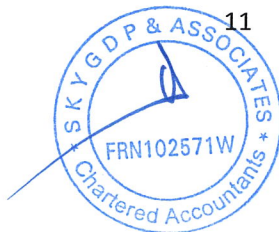
3.c) Sale and transfers to/from HTM category:- Nil

3.d) Non-SLR investment portfolio:-

i) Non-performing non-SLR Investment :-

(Amount in Rs. crore)

Sr. No.	Particulars	31/03/2023	31/03/2022
a	Opening balance	0.08	0.09
b	Additions during the year since 1 st April	0.00	0.00
c	Reductions during the above period	0.07	0.01
d	Closing balance	0.01	0.08
e	Total provisions held	0.00	0.08



(Amount in Rs. crore)

ii) Issuer composition of non-SLR investments :-

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
(1)	(2)	(3)		(4)		(5)		(6)		(7)	
		31/03/23	31/03/22	31/03/23	31/03/22	31/03/23	31/03/22	31/03/23	31/03/22	31/03/23	31/03/22
a)	PSUs	2.00	2.00								
b)	Fls		0								
c)	Banks		0								
d)	Private Corporates		0								
e)	Subsidiaries / Joint Ventures		0								
f)	Others		0								
g)	Provision held towards depreciation		0								
	Total *	2.00	2.00								

3.e) Repo transactions (in face value terms) :-

(Amount in ₹ crore)

	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	-	-	-	-
b) Corporate debt securities				
c) Any other securities				
ii) Securities purchased under reverse repo				
a) Government securities	-	-	-	-
b) Corporate debt securities				
c) Any other securities				

4. Asset quality:-**a) Classification of advances and provisions held As On 31-03-2023 :-**

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	410.94	1.88	28.13	0.92	30.93	441.87
Add: Additions during the year					3.98	
Less: Reductions during the year*					7.63	
Closing balance	500.04	3.08	23.54	0.67	27.29	527.33



*Reductions in Gross NPAs due to:						
Upgradation					0.59	-
Recoveries (excluding recoveries from upgraded accounts)					6.38	-
Technical/Prudential Write Offs					0.00	-
Write-offs					0.66	-
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	1.65	6.53	28.13	0.92	35.58	37.23
Add: Fresh provisions made during the year					0.60	-
Less: Excess provision reversed/ Write-off loans					0.66	-
Closing balance of provisions held	2.10	11.31	23.54	0.67	35.52	37.62
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						-
Add: Additional provisions made during the year						-
Less: Amount drawn down ¹⁵ during the year						-
Closing balance of floating provisions						-
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						5.56
Add: Technical/ Prudential write-offs during the year						0.66
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						0.05
Closing balance						6.17

iii) Classification of advances and provisions held As On 31-03-2022 :-

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	381.41	16.90	17.40	0.89	35.19	416.60
Add: Additions during the year					4.61	
Less: Reductions during the year*					8.87	
Closing balance	410.94	1.88	28.13	0.92	30.93	441.87
*Reductions in Gross NPAs due to:						
Upgradation					1.94	-
Recoveries (excluding recoveries from upgraded accounts)					5.41	-
Technical/Prudential Write Offs					0.45	-
Write-offs					1.07	-
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	1.60	23.23	5.83	0.90	29.96	31.56
Add: Fresh provisions made during the year					6.69	-
Less: Excess provision reversed/ Write-off loans					1.07	-
Closing balance of provisions held	1.60	6.53	28.13	0.92	35.58	37.18
Net NPAs						
Opening Balance		5.23	0.00	0.00	5.23	
Add: Fresh additions during the year					0.00	
Less: Reductions during the year					5.23	
Closing Balance		0.00	0.00	0.00	0.00	-
						-
Floating Provisions						
Opening Balance						-
Add: Additional provisions made during the year						-
Less: Amount drawn down ¹⁵ during the year						-
Closing balance of floating provisions						-
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						4.54
Add: Technical/ Prudential write-offs during the year						1.07
Less: Recoveries made from previously technical/ prudential written-off accounts during the year						0.05
Closing balance						5.56

Ratios ¹⁶ (in per cent)	31/03/23	31/03/22
Gross NPA to Gross Advances	5.18%	7.00%
Net NPA to Net Advances	0.00	0.00
Provision coverage ratio	130.16%	115.03%



4.b) Sector-wise Advances and Gross NPAs :-

(Amounts in Rs crore)

Sr. No.	Sector*	31/03/2023			31/03/2022		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
i)	Priority Sector						
a)	Agriculture and allied activities	48.39	0.25	0.05	53.01	4.64	1.05
b)	Advances to industries sector eligible as priority sector lending	112.31	8.19	1.55	32.60	3.90	0.88
c)	Services	117.16	12.73	2.41	98.87	12.33	2.79
d)	Personal loans	91.61	2.24	0.42	81.73	0.20	0.05
	Subtotal (i)	369.47	23.41	4.44	266.21	21.07	4.77
ii)	Non-priority Sector						
a)	Agriculture and allied activities						
b)	Industry						
c)	Services						
d)	Personal loans	157.86	3.88	0.74	175.67	9.87	2.23
	Sub-total (ii)	157.86	3.88	0.74	175.67	9.87	2.23
	Total (i + ii)	527.33	27.29	5.18	441.88	30.94	7.00

4.c) Overseas assets, NPAs and revenue:-

Bank does not having overseas assets, NPA and Revenue during previous year and current year.

d) Particulars of resolution plan and restructuring :-

ii) Details of accounts subjected to restructuring :-

(Amounts in Rs crore)

		Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
		31/03/23	31/03/22	31/03/23	31/03/22	31/03/23	31/03/22	31/03/23	31/03/22	31/03/23	31/03/22
Standard	Number of borrowers	0	0	0	0	0	0	0	0	0	0
	Gross Amount	0	0	0	0	0	0	0	0	0	0
	Provision held	0	0	0	0	0	0	0	0	0	0



Sub-standard	Number of borrowers	0	0	0	0	0	0	0	0	0	0
	Gross Amount	0	0	0	0	0	0	0	0	0	0
	Provision held	0	0	0	0	0	0	0	0	0	0
Doubtful	Number of borrowers	0	0	0	0	0	0	0	0	0	0
	Gross Amount	0	0	0	0	0	0	0	0	0	0
	Provision held	0	0	0	0	0	0	0	0	0	0
Total	Number of borrowers	0	0	0	0	0	0	0	0	0	0
	Gross Amount	0	0	0	0	0	0	0	0	0	0
	Provision held	0	0	0	0	0	0	0	0	0	0

4.e) Divergence in asset classification and provisioning:- Nil

4.f) Disclosure of transfer of loan exposures :-

Bank does not transfer loan exposure during previous year and current year.

4.f.(ii) In the case of stressed loans transferred or acquired, the following disclosures should be made:

Bank does not transfer stressed loan during previous year and current year.

4.g) Fraud accounts :-

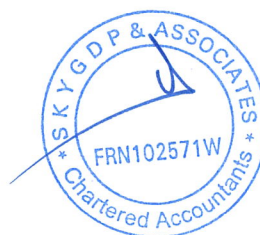
	Current year	Previous year
Number of frauds reported	0	1
Amount involved in fraud (₹ crore)	0	0.05
Amount of provision made for such frauds (₹ crore)	0	0.05
Amount of Unamortised provision debited from 'other reserves' as at the end of the year. (₹ crore)	0	0

5. Exposures :-

5. a) Exposure to real estate sector :-

(Amount in Rs crore)

Category	Current year	Previous Year
<i>i) Direct exposure</i>		
a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans eligible for inclusion in priority sector advances shall be shown separately. Exposure would also include non-fund based (NFB) limits.	78.42	56.12



b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	15.52	8.92
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures – i. Residential	0	0
ii. Commercial Real Estate	0.00	0.00
ii) Indirect Exposure :- Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	0	0
Total Exposure to Real Estate Sector	93.94	65.04

5.b) Exposure to Capital Market :- Nil (Previous Year Nil)

5.c) Risk category-wise country exposure: – NIL

5.d) Unsecured advances :-

(Amounts in ₹ crore)

Particulars	31/03/2023	31/03/2022
Total unsecured advances of the bank	10.16	1.92
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	-	-
Estimated value of such intangible securities	-	-

5.e) Factoring exposures - NIL

5.f) Intra-group exposures - NIL

5.g) Unhedged foreign currency exposure - NIL

6. Concentration of deposits, advances, exposures and NPAs :-

a) Concentration of deposits :-

(Amount in ₹ crore)

Particulars	31/03/2023	31/03/2022
Total deposits of the twenty largest depositors	64.48	56.24
Percentage of deposits of twenty largest depositors to total deposits of the bank	8.07	7.80

b) Concentration of advances :-

(Amount in ₹ crore)

Particulars	31/03/2023	31/03/2022
Total advances to the twenty largest borrowers	94.74	66.14
Percentage of advances to twenty largest borrowers to total advances of the bank	17.97%	14.97%



(Amount in ₹ crore)

c) Concentration of exposures :-

Particulars	31/03/2023	31/03/2022
Total exposure to the twenty largest borrowers/customers	131.64	69.54
Percentage of exposures to the twenty largest borrowers/ customers to the total exposure of the bank on borrowers/ customers	24.96%	15.74%

d) Concentration of NPAs :-

	31/03/2023	31/03/2022
Total Exposure to the top twenty NPA accounts	22.55	23.55
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	82.63%	76.12%

7. Derivatives :- Bank does not have transaction in derivatives in the current and previous financial years.

8. Disclosure relating to securitization - N.A

9. Off balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms) - N.A

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

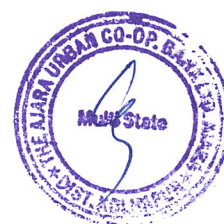
(Amount in ₹ crore)

Sr.No.	Particulars	31/03/2023	31/03/2022
i)	Opening balance of amounts transferred to DEA Fund	1.68	1.41
ii)	Add: Amounts transferred to DEA Fund during the year	1.97	0.29
iii)	Less: Amounts reimbursed by DEA Fund towards claims	0.08	0.02
iv)	Closing balance of amounts transferred to DEA Fund	3.57	1.68

11. Disclosure of complaints :-

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

Sr. No	Particulars	31/03/2023	31/03/2022
	Complaints received by the bank from its customers	-	-
1.	Number of complaints pending at beginning of the year	-	-
2.	Number of complaints received during the year	0	1
3.	Number of complaints disposed during the year	0	1
3.1	Of which, number of complaints rejected by the bank	-	-



4.		Number of complaints pending at the end of the year	-	-
		Maintainable complaints received by the bank from OBOs	-	-
5.		Number of maintainable complaints received by the bank from OBOs	4	-
	5.1	Of 5, number of complaints resolved in favour of the bank by BOs	4	-
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by BOs	-	-
	5.3	Of 5, number of complaints resolved after passing of Awards by BOs against the bank	-	-
6.		Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in BO Scheme 2006 and covered within the ambit of the Scheme.			-	-

11.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
F.Y. 2022-23					
Ground – 1 Internet / Mobile Banking / Electronic Banking					
Ground – 2 ATM/Debit Cards		1	0	0	0
Ground – 3 Loans & Advances		0	0	0	
Others		3	0	0	0
Total					
F.Y. 2021-22					
Ground – 1 Internet / Mobile Banking / Electronic Banking					
Ground – 2 ATM/Debit Cards					
Ground – 3 Loans & Advances		1	0	0	
Total					

12. Disclosure of penalties imposed by the Reserve Bank of India :-

No penalty imposed by Reserve Bank of India and other Banking regulatory bodies during the year ended 31.03.2023.

13. Disclosures on remuneration :-N A**14. Other Disclosures :-****a) Business ratios :-**

Particular	31/03/2023	31/03/2022
i) Interest Income as a percentage to Working Funds	8.21%	8.29%
ii) Non-interest income as a percentage to Working Funds	0.38%	0.64%
iii) Cost of Deposits	5.80%	5.90%
iv) Net Interest Margin	3.73%	3.77%
v) Operating Profit as a percentage to Working Funds	1.35%	1.72%
vi) Return on Assets	0.61%	0.60%
vii) Business (deposits plus advances) per employee(in ₹crore)	3.69	3.21
viii) Profit per employee (in ₹ crore)	0.01	0.01

14.b) Bancassurance business :- NIL**14.c) Marketing and distribution :- NIL****14.d) Disclosures regarding Priority Sector Lending Certificates (PSLCs) :- NIL****14.e) Provisions and contingencies :-**

(Amount in ₹ crore)

Provision debited to Profit and Loss Account		31/03/2023	31/03/2022
i)	Provisions for NPI	0.00	0.08
ii)	Provision towards NPA	0.55	6.65
iii)	Provision made towards Income tax	2.54	2.52
iv)	Other Provisions and Contingencies	3.90	0.62
	1) INVESTMENT Depreciation (provision)	3.25	0.15
	2) PROVISION FOR STD ASSETS	0.45	0.05
	3) INVESTMENT PREMIUM (AMORTIZATION)	0.20	0.17
	4) PROVISION FOR RESTRUCTURED LOAN (PL)	0.00	0.25
	5) INTEREST ON INTEREST LOANS & ADVANCES	0.00	0.00

14.f) Implementation of IFRS converged Indian Accounting Standards (Ind AS) :-NA**14.g) Payment of DICGC Insurance Premium:-**

(Amount in ₹ crore)

Sr. No.	Particulars	31/03/2023	31/03/2022
i)	Payment of DICGC Insurance Premium	1.13	1.04
ii)	Arrears in payment of DICGC premium	0.00	0.00



14.h) Disclosure of facilities granted to directors and their relatives:-

(Amount in ₹ crore)

	Directors, their relatives Loans	31/03/2023	31/03/2022
	Funded	1.25	1.66
	Non-Funded	0.00	0.03

14.i) Disclosure on amortization of expenditure on account of enhancement in family pension of employees of banks :- NIL

k. Previous Years Figures:-

The Bank has reclassified and rearranged previous year's figures to confirm to this year classification and wherever necessary.

For S K Y G D P & Associates
Chartered Accountant
FRN 102571W
CA.Dinesh B.Gandhi
Partner (M. No. 044008)
Place :

For The Ajara Urban Co-Operative Bank Ltd., Ajara

Signatories



10 JUN 2023

For S K Y G D P & Associates
Chartered Accountants
FRN: 102571W

CA. Dinesh B. Gandhi
Partner
M.No. 044008