

SCHEDULE. 14

Notes on Accounts as on 31.03.2020

(Disclosure in terms of R B I guidelines)

1 INVESTMENTS

- a** The investment portfolio of the Bank is grouped and shown in the Balance Sheet under the following categories
- i Central and State Govt. Securities
 - ii Other trustee Securities
 - iii. Investment in shares other than Co - operatives
 - iv Investment in shares of Co - op. Institutions
- b** Deposits are shown at Balances confirmed by respective agencies with or without interest.
- c** Share Capital in APCOB and in other institutions are shown at purchase price.
- d** Deposits with APCOB and other banks are shown at Book value.
- e** S L R investments
Permanent category Rs. 16743.48 lakhs
- f** Book value of SLR investments shown in the category of SLR Investments.

Rs.in.Lakhs		
SI No	Type of security	Book value
i	Central and State Govt. Securities	16743.48
ii	Other Trustee Securities	
iii		
iv	Total	16743.48

g i Non - SLR investments

(Disclosure as per para 14 of the letter No. RPCD. CO. RF. BC. 65 / 070203 / 2003 - 04 of RBI Mumbai)

Rs.in.Lakhs						
SI 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	Shares in APCOB	4159.69	0.00	0.00	0.00	4159.69
	Fixed deposits with A P C O B	7874.54	0.00	0.00	0.00	7874.54
2	Flexi Dep. With APCOB	10.62	0.00	0.00	0.00	10.62
3	Other Dep. With APCOB	1005.99	0.00	0.00	0.00	1005.99
4	ACSF with APCOB	47.69	0.00	0.00	0.00	47.69
5	TMB with NABARD	413.34	0.00	0.00	0.00	413.34
6	Investment in other Banks	109.06	0.00	0.00	0.00	109.06
7	Mutual Funds	3235.24	0.00	0.00	0.00	3235.24
8	Total	16856.17	0.00	0.00	0.00	16856.17

2 Advance to Directors Nil

3 Cost of deposits

Average cost of deposits	6.89
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4 Non - performing assets (NPAs)

		Rs.in.Lakhs
SI No	Particulars	Amount
a	Gross NPAs	4,266.03
b	Net NPAs	981.41
c	% of gross NPAs to Total advances	2.51
d	% of net NPAs to net advances	0.59

5 Movement of NPAs

		Rs.in.Lakhs
SI No	Particulars	Amount
a	Gross NPAs at the beginning of the year	3,479.45
b	Additions during the year	786.58
c	Deductions during the year	0.00
d	Gross NPAs at the end of the year	4,266.03

6 Profitability

		Rs.in.Lakhs	
SI No	Particulars	2019 - 20	2018 - 19
a	Interest income as % of average working funds	6.26	5.30
b	Non - int. income as % of average working funds	1.25	1.56
c	Operating profit of % of average working funds	0.60	0.36
d	Return on Assets (%)	7.17	6.61
e	Business per employee (Deposits + Advances)	1,079.00	948.22
f	Profit per Employee	5.29	2.83
Total No. of Employees		242	248

7 Provisions

		Rs.in.Lakhs	
SI No	Particulars	2019 - 20	2018 - 19
A	Provision for NPA	1,941.44	1941.44
B	i) Provision for Reversal of unrealised interest	2,783.45	2636.58
	ii) Provision for Standard Assets	453.25	408.25
	iii) Provision for Inter Branch reconciliation	0.00	0.00
	iv) Provision for Inter Bank reconciliation	45.54	45.54
	v) Provision for Gratuity Fund	13.22	13.22
C	Total	5,236.90	5,045.03

We are of the opinion that the NAME assigned to expenditure account and Balance Sheet items seems to us not conveying the required meaning and as such it was renamed to understand the real name viz

1) Provision for overdue interest as Provision for Reversal of unrealised interest

In view of the above modification, previous year figures are also brought forwarded under the renamed head of account.

8 Movement in provisions

a Movement in provisions towards NPAs

		Rs.in.Lakhs	
SI No	Particulars	2019 - 20	2018 - 19
i	Opening balance	1,941.44	1941.44
ii	provision made during the year	0.00	0.00
iii	Total	1941.44	1941.44
iv	Less: provision write back during the year	0.00	0.00
v	Closing balance	1941.44	1941.44

b Movement in provisions towards depreciation on Fixed & other assets

		Rs.in.Lakhs	
SI No	Particulars	2019 - 20	2018 - 19
i	Opening balance	1,066.21	958.31
ii	provision made during the year	123.86	108.51
iii	Total	1190.07	1066.82
iv	Less: provision write back during the year	0.00	0.61
v	Closing balance	1190.07	1066.21

c Movement in provisions towards depreciation on Investments

		Rs.in.Lakhs	
SI No	Particulars	2019 - 20	2018 - 19
i	Opening balance	0.00	0.00
ii	provision made during the year	0.00	0.00
iii	Total	0.00	0.00
iv	Less: provision write back during the year	0.00	0.00
v	Closing balance	0.00	0.00

d Movement in provisions towards standard assets

		Rs.in.Lakhs	
SI No	Particulars	2019 - 20	2018 - 19
i	Opening balance	408.25	320.00
ii	provision made during the year	45.00	88.25
iii	Total	453.25	408.25
iv	Less: provision write back during the year	0.00	0.00
v	Closing balance	453.25	408.25

e Movement in provisions towards Reversal of unrealised Interest

		Rs.in.Lakhs	
SI No	Particulars	2019 - 20	2018 - 19
i	Opening balance	2,636.58	2636.58
ii	provision made during the year	146.87	0.00
iii	Total	2783.45	2636.58
iv	Less: provision write back during the year	0.00	0.00
v	Closing balance	2783.45	2636.58

- 9** The surplus provision on NPAs, Standard Assets and Overdue Interest reserve and other Assets reserve amounting to Rs. 1,249.72 lakhs is the provision made by the Bank over the years and retained with a view to strengthen the financial stability of the Bank in terms of the RBI guidelines (Circular dated 30.12.2002).

Rs.in.Lakhs

SI No	Particulars	Amount available	Amount required	Surplus
i	Provision for Standard Assets	453.25	452.27	0.98
ii	provision for N P A	1,941.44	1,621.39	320.05
iii	provision for Reversal of unrealised Interest (O D Interest)	2,783.45	1,854.76	928.69
	Total	5,178.14	3,928.42	1,249.72

10 Payment to D I C G C

Insurance premium of Rs.79,16,794/- paid by the Bank to DICGC covering all the eligible deposits up to the period 31.03.2020.

11 Penalty imposed by R B I

No penalty has been imposed by RBI / Nabard for any violation.

12 Reconciliation of Inter Branch , Bank Accounts and clearing differences in accounts

a) There are certain unreconciled entries pertaining to earlier years under inter Branch reconciliation which is persists.

b) There are certain unreconciled bank accounts balance with other banks. The details of unreconciled bank accounts for which Bank Reconciliation Statement not received are given in Annexure 2.

c) There are pending reconciliation of General Ledger and Subsidiary Ledger in case of Savings Deposit Individual Account of Macherla, Santhagudipadu, Pedakurapadu, Dachehalli, Phirangipuram, Narasaraopet, Prathipadu, Sattenapalli, Chilakaluripet, Piduguralla, Amaravathi, Krosuru, Chebrolu, Gurazala, CO Counter Tenali, City Branch Guntur, ACB Guntur and ITB Tenali.

13 C R A R

As on 31-03-2020, CRAR is **11.76** %