

THE PUNJAB STATE COOPERATIVE BANK LIMITED, CHANDIGARH
Balance Sheet as on 31st March, 2022

Figures as on 31.3.2021		CAPITAL & LIABILITIES		Figures as on 31.3.2022	
	2000000000.00	I CAPITAL			
		i) Authorised Capital			
		20000000 shares of Rs 100/- each			
		ii) Subscribed Capital			
	1694133800.00	16941338 shares of Rs 100/- each		1694133800.00	
		Amount Called up			
		iii) On 16941338 shares of Rs 100/- each			
		Less Calls Unpaid - NIL			
		Of (iii) above held by :-			
	0.00	Individuals		0.00	
	1692133800.00	Cooperative Institutions		1692133800.00	
	2000000.00	State Government		2000000.00	
		2 RESERVE FUND & OTHER RESERVES			
	1853771984.29	i) Statutory Reserve		1972100844.48	
	1644581169.14	ii) Agri. Credit Stabilization Fund		1764198692.33	
	152374151.84	iii) Building Fund		152374151.84	
	700000.00	iv) Dividend Equalisation Fund		700000.00	
	930136206.47	v) Bad & Doubtful Reserves		1057922595.07	
	72128199.31	vi) Investment Depreciation Reserve		72128199.31	
		vii) Other Funds & Reserves			
	12064626.14	a) Employees Welfare Fund		41804876.37	
	2303722.57	b) Cooperative Education & Training Fund		2303722.57	
	30376888.40	c) Common Good Fund		38155527.26	
	32289297.38	d) Share Transfer Fund		65079722.96	
	19624464.80	e) Primary Cooperative Soc. Vikas Fund		24357294.00	
	21867036.34	f) PACS & CCBs Development Fund		24084153.17	
	0.00	g) Cooperative Development Fund		0.00	
	248981552.93	h) Special Building Fund		305775503.42	
	366758532.47	i) Provision for Bad & doubtful debt as per IT		405882758.92	
	1514605769.00	j) Revaluation Reserve		1514605769.00	
	192000.00	k) PROVISION FOR NPA (IRAC)		192000.00	
	8596889401.08			7441665810.70	
				9135799610.70	



Figures as on 31.3.2021		Particulars	Figures as on 31.3.2022	
8596889401.08	B.F.			9135799610.70
	3	PRINCIPAL/SUBSIDIARY STATE PARTNERSHIP CAPITAL FUND		
		For Share Capital of:		
0.00	i)	Central Cooperative Banks	0.00	
0.00	ii)	Primary Agri. Credit Societies	0.00	
0.00	iii)	Other Societies	0.00	0.00
	4	DEPOSITS & OTHER ACCOUNTS		
	i)	FIXED DEPOSITS		
	a	Individuals	15199595545.74	
10489604063.15	b	Central Cooperative Banks	15472205539.42	
18036481436.42	c	Other Societies	994494895.00	
881030743.00				
	ii)	SAVING BANK DEPOSITS		
	a	Individuals	2515632409.08	
2437553573.79	b	Central Cooperative Banks	0.00	
0.00	c	Other Societies	1416832111.31	
79265618.90				
	iii)	CURRENT DEPOSITS		
	a	Individuals	98373632.43	
158621363.50	b	Central Cooperative Banks	1426760757.83	
1640737765.10	c	Other Societies	19520586.64	
57087529.73				
	iv)	MONEY AT CALL & SHORT NOTICE		
138427.00			124842.00	37143540319.45
	5	BORROWINGS		
	i)	FROM THE RESERVE BANK OF INDIA/THE NATIONAL BANK/STATE/CENTRAL COOPERATIVE BANKS		
	a)	SHORT TERM LOANS		
		Cash Credits & Overdrafts	38401000000.00	
40670500000.00		Of which secured against:		
	A	Govt. & Other approved Securities	0.00	
	B	Other Tangible Securities	0.00	
83047909921.67			38401000000.00	46279339930.15



Figures as on 31.3.2021		Particulars		Figures as on 31.3.2022	
83047909921.67	B.F.			38401000000.00	46279339930.15
2154494618.00	b) <u>MEDIUM TERM LOANS</u> Of which secured against : A Govt. & Other approved Securities B Other Tangible Securities		0.00 0.00	2229825560.00	
0.00	c) <u>LONG TERM LOANS</u> Of which secured against : A Govt. & Other approved Securities B Other Tangible Securities		0.00 0.00	0.00	
	ii) <u>FROM THE STATE BANK OF INDIA</u>				
0.00	a) <u>SHORT TERM LOANS</u> Cash Credits & Overdrafts Of which secured against : A Govt. & Other approved Securities B Other Tangible Securities		0.00 0.00	0.00	
0.00	b) <u>MEDIUM TERM LOANS</u> Of which secured against : A Govt. & Other approved Securities B Other Tangible Securities		0.00 0.00	0.00	
0.00	c) <u>LONG TERM LOANS</u> Of which secured against : A Govt. & Other approved Securities B Other Tangible Securities		0.00 0.00	0.00	
	iii) <u>FROM THE STATE GOVERNMENT</u>				
0.00	a) <u>SHORT TERM LOANS</u> Of which secured against : A Govt. & Other approved Securities B Other Tangible Securities		0.00 0.00	0.00	
85202404539.67			0.00	40630825560.00	46279339930.15



Figures as on 31.3.2021	Particulars	Figures as on 31.3.2022	
85202404539.67	B.F.	40630825560.00	46279339930.15
0.00	b) <u>MEDIUM TERM LOANS</u> Of which secured against :	0.00	
	A Govt. & Other approved Securities	0.00	
	B Other Tangible Securities	0.00	
1975450.00	c) <u>LONG TERM LOANS</u> Of which secured against :	1263100.00	
	A Govt. & Other approved Securities	0.00	
	B Other Tangible Securities	0.00	
	iv) <u>LOAN FROM OTHER SOURCES</u>		
0.00	a) <u>SHORT TERM LOANS</u> (From Other Banks)	0.00	
0.00	b) <u>MEDIUM TERM LOANS</u>	0.00	
0.00	c) <u>LONG TERM LOANS</u>	0.00	40632088660.00
0.00	6 Bills for Collection being bills receivable as per contra	0.00	0.00
0.00	7 Branch Adjustments	0.00	0.00
1052696556.33	8 Overdue Interest Reserves	1034638326.44	1034638326.44
242206752.67	9 Interest payable	242622765.03	242622765.03
	10 <u>OTHER LIABILITIES</u>		
34748654.45	i) Bills Payable	61841840.95	
121783009.40	ii) Sundries	95176840.47	
409364040.06	iii) Leave Salary Contribution (CC & NCC)	531693490.30	
2156.55	iv) Gratuity Fund (NCC and CC)	87660.55	
6587981.96	v) Security Payable	4680646.50	
125964.36	vi) Reorganisation adjustable	125964.36	
87071895105.45		693606443.13	88188689681.62



Figures as on 31.3.2021	Particulars	Figures as on 31.3.2022	
87071895105.45	B.F.	693606443.13	88188689681.62
820000.00	vii) Audit fees payable	891600.00	
291972.00	viii) Rent Payable	297948.00	
0.00	ix) Exgratia payable	0.00	
546700000.00	x) Contingent provisioning against Standard Assets	546700000.00	
1405325.00	xi) Establishment payable Account	1232887.50	
86180735.00	xii) Provision for Income Tax	126017880.00	
15206801.16	xiii) Misc. Payable	17248993.04	1385995751.67
	11 PROFIT AND LOSS		
404600804.11	Profit as per last Balance Sheet	473282920.75	
177664197.80	Less : Appropriations	473282920.75	
226936606.31		0.00	
246346314.44	Add : Profit for the year brought from the Profit & Loss Account	295142910.65	295142910.65
88195782859.36	TOTAL		89869828343.94
	CONTINGENT LIABILITIES		
368500.00	i) Outstanding Liabilities for guarantees issued	439500.00	
6311000.00	ii) Balance of DEAF	6334669.77	
12217081.00	iii) Others (TDS Demand Outstanding)	11866631.00	18640800.77
18896581.00	TOTAL		18640800.77



Figures as on 31.3.2021		PROPERTY & ASSETS		Figures as on 31.3.2022	
1	CASH In hand & with Reserve Bank (The National Bank) State Bank of India, State Cooperative Banks, Central Cooperative Banks	1146470174.46	1512873505.11		
2	BALANCES WITH OTHER BANKS				
	1) Current Deposits	19878547.48	15816885.96		
	ii) Saving Bank Deposits	0.00	0.00		
	iii) Fixed Deposits	0.00	0.00		1528690391.07
3	MONEY AT CALL AND SHORT NOTICE	19322000000.00	20446800000.00		20446800000.00
4	INVESTMENTS				
	i) in Central & State Government Securities (At Book Value)				
	Face/Market Value	Rs 9142700000.00			
	Book Value	Rs 9095678962.00	9095678962.00		
	ii) Other Trustee Securities	0.00	0.00		
	iii) Shares in Cooperative Institutions other than in item (5) below	1240200.00	1240200.00		
	iv) Investment in Non-SLR	26000000.00	0.00		
5	INVESTMENT OUT OF THE PRINCIPAL/SUBSIDIARY STATE PARTNERSHIP FUND				9096919162.00
	In shares of :-				
	i) Central Cooperative Banks	0.00	0.00		
	ii) Primary Agricultural Credit Societies	0.00	0.00		
	iii) Other Societies	0.00	0.00		0.00
6	ADVANCES				
	SHORT TERM LOANS				
	Cash Credits, Overdrafts and bills discounted	48971524113.08	48779172626.20		
	Of Which Secured against				
	Govt. and other approved securities		0.00		
	Other tangible Securities		2345387115.68		
	Of the advances due from individuals		451600994.66		
	Of the advances amount Overdue		Rs		
	Considered Bad & Doubtful of recovery		Rs		
	(NPA as per Annexure 'A')		310477929.82		
		78465118755.02	48779172626.20		31072409553.07

Figures as on 31.3.2021		Figures as on 31.3.2022	
78465118755.02	B.F.	48779172626.20	31072409553.07
3077796282.55	ii) MEDIUM TERM LOANS Of Which Secured against a) Govt. and other approved securities b) Other tangible Securities	3954387540.35	
	Rs	0.00	
	Rs	1029154663.68	
	Rs	1722570576.81	
	Rs	97922991.81	
3132746956.48	iii) LONG TERM LOANS Of Which Secured against a) Govt. and other approved securities b) Other tangible Securities	2525357643.52	
	Rs	0.00	
	Rs	273631738.86	
	Rs	111704669.90	
	Rs	175468890.93	
1653427104.25	7 INTEREST RECEIVABLE Of which Overdue Rs 1034638326.44 Considered Bad & Doubtful of recovery Nil	1711702880.77	55258917810.07
0.00	8 BILLS RECEIVABLE Being Bills for Collection ,as per contra	0.00	0.00
0.00	9 BRANCH ADJUSTMENTS	0.00	0.00
1565477516.51	10 PREMISES LESS DEPRECIATION	1564517983.51	1564517983.51
7390271.82	11 FURNITURE & FIXTURE LESS DEPRECIATION	6104597.24	6104597.24
87901956886.63			89613652824.66



Figures as on 31.3.2021		Figures as on 31.3.2022	
Particulars		B.F.	
87901956886.63		89613652824.66	
12 OTHER ASSETS			
i) Advances			
1274119.00		1283033.75	
ii) Vehicle, Library & Machinery less Depreciation			
12418262.86		11548401.57	
iii) Misc. Recoverable			
7526706.55		8090116.37	
iv) Misc. Adjustable			
22828776.53		15202730.89	
v) Income Tax Refunds			
102078187.00		89153473.00	
vi) Advance Income Taxes Paid			
147699920.79		130897763.70	
0.00		0.00	
13 NON-BANKING ASSETS ACCRUED IN SATISFACTION OF CLAIMS			
		256175519.28	0.00
TOTAL		89869828343.94	
88195782859.36			


AGM


GM


AMD(B)


Managing Director


Administrator

As per our separate report of even date annexed

Place : Chandigarh
Dated : 17.6.2022

for Shammi Garg & Co

FRN 017212N


Sahil Singla
Partner

M.No 564466

22564466ALDGKP9187

THE PUNJAB STATE COOPERATIVE BANK LIMITED, CHANDIGARH

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.3.2022

Figures as on 31.3.2021	<u>EXPENDITURE</u>		Figures as on 31.3.2022
3642793919.32	1	Interest on deposits, borrowings etc.	3494474315.21
361050606.26	2	Salaries & Allowances and Provident Fund	514276212.62
288359.00	3	Director's and Local Committee member's fees & allowances	0.00
43049581.23	4	Rent, Taxes, Insurance lighting etc.	49249754.99
880553.00	5	Law Charges	661649.00
2730583.01	6	Postage, Telegram & telephone charges	3099048.10
763000.00	7	Auditor's fees	831000.00
6169791.95	8	Depreciation on and repairs to property	5222583.18
1876299.62	9	Stationary, printing & advertisement etc	1731406.31
44830241.01	10	Other expenditure	81654556.10
30890490.93	11	Provision for NPA as per income Tax Act	39124226.45
86180735.00	12	Provision for Income Tax	126017880.00
246346314.44	13	Profit after tax	295142910.65
4467850474.77	TOTAL		4611485542.61



Figures as on 31.3.2021	INCOME		Figures as on 31.3.2022
4450290938.90	1	Interest and Discount	4507213174.76
192861.95	2	Commission, Exchange and Brokerage	207491.94
0.00	3	Subsidies and donations	0.00
0.00	4	Income from non-banking assets & Profit from Sale of or dealing with such assets	0.00
17366673.92	5	Other Receipts	104064875.91
4467850474.77	TOTAL		4611485542.61


AGM


GM


AMD(B)


Managing Director


Administrator

Place : Chandigarh
Dated : 17-6-22

As per our separate report of even date annexed
for Shammi Garg & Co

FRN 017212N

Sahil Singla
Partner

M.No 564466

22564466ALDGKP9187

THE PUNJAB STATE COOPERATIVE BANK LIMITED, CHANDIGARH

Inter Branch Adjustment accounts - Provisioning for Net Debit Balance as on 31-03-22
(Entries outstanding for more than 6 months)

Sr No	Particulars	Date of Entry	Debit (Amount Rs)	Credit (Amount Rs)	Provison @ 100% of Net Debit Balance
1	NIL	NIL	NIL	Nil	NIL
	Total		0.00	0.00	0.00


AGM


GM


AMD(B)


Managing Director



The Punjab State Cooperative Bank Limited, Chandigarh

Investment Portfolio (as on 31.3.2022)

i) Issuer Composition of non-SLR Investments

(Rs in Crores)

Sr No	Issuer	Amount	Extent of Private Placement	Extent of 'below investment grade securities already invested	Extent on 'unrated securities' already invested	Extent of unlisted Securities
1	FD with CDF soc	0.00	0.00	0.00	0.00	0.00
2	Others	0.12	0.00	0.00	0.00	0.10
3	Provision held towards depreciation	0.00	0.00	0.00	0.00	0.00
	Total	0.12	0.00	0.00	0.00	0.10

ii) Non Performing Non-SLR Investments

Particulars	Amount
Opening Balance	0.00
Additions during the year Since 1st April	0.00
Reduction during the above period	0.00
Closing Balance	0.00
Total Provisions held	0.00


AGM


GM


AMD(B)


Managing Director



THE PUNJAB STATE COOPERATIVE BANK LIMITED, CHANDIGARH

ASSET CLASSIFICATION & PROVISIONING STATEMENT (for the year ended 31.3.2022)

Annexure 'A'
(Rs in Lacs)

Sr No		SAO		ST (Non-SAO)	Cash Credit & Ods	Bills Discounted /purchased	Term Loans (All Types)	Other Assets	Total
		Short term	Cash Credit						
1	2	3	4	5	6	7	8	9	10
I	AMOUNT OUTSTANDING	298210.00	0.00	125899.72	63682.01	0.00	64797.45	0.00	552589.18
II	ASSET CLASSIFICATION								
1	Standard Agricultural	298210.00	0.00	125755.00	0.20	0.00	19386.12	0.00	443351.32
	Standard Others	0.00	0.00	81.89	60797.34	0.00	42850.38	0.00	103729.61
2 a	Sub-Standard	0.00	0.00	0.00	10.86	0.00	196.87	0.00	207.73
b	Unsecured Overdues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Doubtful								
1)	Secured Overdue								
a	Over 3 years to 4 years	0.00	0.00	0.00	0.00	0.00	9.72	0.00	9.72
b	Over 4 years to 6 years	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c	Over 6 years	0.00	0.00	0.00	152.12	0.00	468.56	25.73	646.41
ii)	Unsecured Overdues	0.00	0.00	62.83	51.18	0.00	280.65	0.00	394.66
4	Loss Assets	0.00	0.00	0.00	2670.31	0.00	1605.15	1.92	4277.38
	Total	298210.00	0.00	125899.72	63682.01	0.00	64797.45	27.65	552616.83
III	PROVISIONING REQUIRED								
1	Sub- standard	0.00	0.00	0.00	1.09	0.00	19.69	0.00	20.77
	Unsecured @ 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	Doubtful Assets								
i)	20% of item II (3) (i) (a)	0.00	0.00	0.00	0.00	0.00	1.94	0.00	1.94
ii)	50% of item II (3) (i) (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii)	100% of item II (3) (i) (c)	0.00	0.00	0.00	152.12	0.00	468.56	25.73	646.41
iv)	100% of item II (3) (ii)	0.00	0.00	62.83	51.18	0.00	280.65	0.00	394.66
3	Loss Assets	0.00	0.00	0.00	2670.31	0.00	1605.15	1.92	4277.38
	100% of item II (4)	0.00	0.00	0.00	2670.31	0.00	1605.15	1.92	4277.38
	Total	0.00	0.00	62.83	2874.70	0.00	28375.99	27.65	5341.17



INCOME RECOGNITION		Amount
- Overdue interest (Current Year Nil)		10346.38
- Provision for interest already made in Balance Sheet		10346.38
Deficit/Excess		0.00

ASSET CLASSIFICATION (PROVISIONING)		Amount
- Provision required to be made In Balance Sheet		5341.17
- Bad & Doubtful Reserve (as per Balance Sheet)		14639.97
Surplus		9298.80

Note :

Standard Assets are amounting to Rs 547080.93 Lacs. Provision made @ 0.25%, 0.40% AND 5% which comes Rs 2272.02 lacs This amount has been charged to Other Liabilities "Contingent Provisioning" against Standard Assets as per RBI Guidelines. Detail of NPA is given below:-

- Required Provision for Standard Assets	2272.02
- Required Provision for NPA	5341.17
Total	7613.19

Total Loans & Advances - Standard Assets = 552589.18 - Standard Assets = 5508.25 N.P.A. (Loans) 5508.25 NPA (Other Assets) 27.65 Total NPA 5535.90


AGM


GM


AMD(B)


Managing Director


Administrator

As per our separate report of even date annexed

for Shammi Garg & Co

FRN 017212M

Sahil Singla

Partner

M.No 564466

22564466ALDGKP9187



Place : Chandigarh
Dated : 17.06.2022

PROFORMA - NPA


**CLASSIFICATION OF ASSETS AND PROVISIONING MADE AGAINST
NON-PERFORMING ASSETS AS ON 31ST MARCH 2022**

(Rs in lacs)

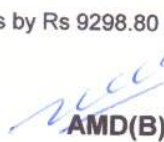
Sr No	Classification of Assets	No. of Accounts	Amount Outstanding	% of Col 4 to Total Loans Outstanding	Provision required to be made		Existing Provision at the beginning	Provisioning made during the year under report	Total Provisioning as at the end of the year	Remarks
					%	Amount				
1	2	3	4	5	6	7	8	9	10	11
	Total Loans and Advances		552589.18							
	Of which									
A	Standard Assets		358622.97	64.90	0.25	896.56	5467.00	0.00	5467.00	
			174929.87	31.66	0.40	699.72				
			13528.09	2.45	5.00	676.40				
B	Non-Performing Assets									
1	Sub-Standard		207.73	0.04	10	20.77	21.68	-0.91	20.77	
			0.00	0.00	100	0.00	0.00	0.00	0.00	
2	Doubtful									
	i) Overdues > 3 yrs upto 4 yrs									
	Secured		9.72	0.00	20	1.94	1.03	0.91	1.94	
	ii) Overdues > 4 yrs upto 6 yrs									
	Secured		0.00	0.00	30	0.00	0.00	0.00	0.00	
	iii) Overdues > 6 yrs									
	a Secured		646.41	0.12	100	646.41	833.17	-186.76	646.41	
	b Unsecured		394.66	0.07	100	394.66	434.94	-40.28	394.66	
	Total Doubtful Assets (I+ii+iii) (a+b)		1050.79	0.19		1043.01	1269.14	-226.13	1043.01	
3	Loss Assets		4277.38	0.77	100	4277.38	4277.38	0.00	4277.38	
	GROSS NPAs (B1+B2+B3)		5535.90	1.00		5341.17	5568.21	-227.04	5341.17	

Note :

- No fresh Provision for Standard Assets has been made during the year 2021-22. Total provision of Standard Assets is Rs 5467.00 lacs. as on 31.3.2022. which is excess by Rs 3194.98 lacs against the provision required to be made.
- Balance in Bad & Doubtful Reserve and Provision as on 31.3.2022 is Rs 14639.97 lacs, Provisioning required for NPA is Rs 5341.17 lacs, thus the Bad & Doubtful Reserve is excess by Rs 9298.80 lacs.


AGM


General Manager


AMD(B)


Managing Director



POSITION OF NET ADVANCES/NET NPAs

(Rs in lacs)

Sr. No	Particulars	31.3.2020	31.3.2021	31.3.2022
1	2	3	4	5
1	Gross Advances	565987.41	551820.67	552589.18
2	Gross NPAs	5827.24	5735.94	5508.25
3	Gross NPAs as a percentage to Gross Advances	1.03	1.04	1.00
4	Deductions :-			
	- Balance in Interest Suspense A/c OIR*	0.00	0.00	0.00
	- DICGC/ECGC Claims received & kept in Suspense A/c	0.00	0.00	0.00
	- Part payment on NPA A/c received & kept in Suspense A/c	0.00	0.00	0.00
	Total Deductions	0.00	0.00	0.00
5	Total NPA Provision held (BDDR Special BDDR after appropriation)	12182.27	12970.87	14639.97
6	Net Advances (1-2-4)	560160.17	546084.73	547080.93
7	Net NPAs (2-4-5)	0.00	0.00	0.00
8	Net NPAs as percentage of Net advances	0.00	0.00	0.00


AGM


General Manager


AMD(B)


Managing Director



THE PUNJAB STATE COOPERATIVE BANK LTD, CHANDIGARH

NOTES TO THE ACCOUNTS

1. Introduction and Management

The Punjab State Cooperative Bank Ltd. was registered on 31st August 1949 with its area of operations at Chandigarh and in the state of Punjab. The Bank has been granted a license no RPCD.PUN.50-S u/s 22 (1) read with Section 56(O) of Banking Regulation Act, 1949. At present, the Bank is running its business through 18 branches. All these branches have been audited for the year ended 31st March, 2022. The affairs of the Bank are governed by Board of Directors of the Bank.

2. Share Capital

During the year there is no change in the share capital issued. The total share capital subscribed as on 31st March 2022 is Rs. 169.41 crores out of which Rs. 0.20 crores is held by State Government and 169.21 crores is held by the Cooperative Institutions.

3. Investments

Investments held by the Bank were as under:-

(Rs in lacs)

Type of Investments	Outstanding as on 31.3.2022	%age	Outstanding as on 31.3.2021	%age	Growth (%)
<u>A.SLR Investments</u>					
Central Govt. Securities	24928.03	8.44%	24940.97	8.80%	-0.05%
Bonds & Debentures	0.00	0.00%	0.00	0.00%	0.00%
Treasury Bill	0.00	0.00%	0.00	0.00%	0.00%
State Govt. Securities	66028.76	22.35%	64839.09	22.89%	1.83%
Sub-total (A)	90956.79	30.79%	89780.06	31.69%	1.31%
<u>B. Non SLR Investments</u>					
Call Money	100.00	0.03%	6850.00	2.42%	-98.54%
Shares	12.40	0.00%	12.40	0.00%	0.00%
Others	204368.00	69.17%	186630.00	65.88%	9.50%
Sub-total (B)	204480.40	69.21%	193492.40	68.31%	5.68%
Total (A+B)	295437.19	100.00%	283272.46	100.00%	4.29%



4. Disclosure on Non SLR Investment Portfolio

(Rs in Cr)

Sr No	Issuer	Amount	Extent of Private Placement	Extent of below Investment Grade Securities Already Invested	Extent on unrated securities already invested	Extent of Unlisted Securities
1	FD with CDF Soc	0.00	0.00	0.00	0.00	0.00
2	Others	0.12	0.00	0.00	0.00	0.10
3	Provision held towards depreciation	0.00	0.00	0.00	0.00	0.00
	Total	0.12	0.00	0.00	0.00	0.10

Bank has investment of Rs 12.40 Lacs in Shares of Other Cooperative Institutions and Shares of IFCI and Central Warehousing, bank has received of Rs 1,28,804.00 as dividend, during the year.

5. Advances to directors, their relatives, companies/firms in which they are interested: -

The bank does not have Board of Directors in the F.Y. 2021-22. The bank has been administered by Registrar of Cooperative Societies, Punjab. Therefore there is no advance to directors, their relatives, companies/firms in which they are interested.

6. Cost of Deposit

The Cost of Deposit of the Bank was 4.87%.

(Rs in lacs)

7	NPAs	
	a. Gross NPAs	5508.25
	b. Net NPAs	0.00
	c. Percentage of gross NPAs to total advances	1.00%
	d. Percentage of net NPAs to net advances	0.00%
8	Movement of NPAs	
	Opening Balance as on 1 st April 2021	5735.94
	Addition during the year	97.95
	Reduction during the year	325.64
	Closing balance as on 31 st March 2022	5508.25
9	Profitability	
	a. Interest income as a percentage of working funds	5.46%
	b. Non Interest income as a percentage of working funds	0.13%
	c. Operating profits as a percentage of working funds	0.56%
	d. Return on Assets	0.36%
	e. Business (deposits + advances) per employee (in lacs)	3473.78
	f. Profit per employee (in lacs)	11.10
10	Provisions	
	a. Provisions on NPAs required to be made	5313.52



b. Provisions on NPAs actually made	14639.97
c. Provision required to be made in respect of overdue interest taken into income account, gratuity fund, provident fund, arrears in reconciliation of inter branch account etc.	0.00
d. Provisions actually made in respect of overdue interest taken into income account, gratuity funds, provident funds, arrears in reconciliation of inter branch account etc.	0.00
e. Provision required to be made on depreciation in investments	0.00
f. Provision actually made on depreciation in investment	721.28

11. Movement of Provisions

No provision for Standard Assets has been made during the year as the bank has already made excess provision than required. No provision for depreciation on Investments is required as all the investments are with State/Central Govt. or PSUs and entire portfolio is held till maturity. No additional provision is made for Bad & Doubtful Debts as existing provisions and statutory provisions, which were created by the Bank through Appropriation of Profit in earlier years are considered sufficient by the Bank. Provision for Bad & Doubtful Debts made during the year is as under: -

Rs 3,91,24,226.45 to the debit of P & L A/c being 8.50% of the Operating Profit.

12. Payment of insurance premium to DICGC

The Bank is regularly paying premium to DICGC. Advance Premium for the half year ending 30.9.2022 amounted to Rs. 51,50,798.69 was paid on 27.05.2022.

13. Amount transferred to DEAF

(Rs in Cr)

Particulars	Current Year	Previous Year
Opening Balance of amounts transferred to DEAF	0.63	0.58
Amount Transferred to DEAF during the year	0.00	0.05
Amount reimbursed by DEAF towards claims	0.00	0.00
Closing Balance of amount transferred to DEAF	0.63	0.63

14. Penalty imposed by RBI for any violation.

No penalty has been imposed for any violation by RBI during the FY 2021-22.

15. Gratuity & Leave Encashment

The Bank has made a Gratuity Trust, which has further given gratuity to LIC and Income Tax exemption has been taken by Trust. The Gratuity has been invested as per valuation done by LIC. Leave salary is provided every month, the reserve of Leave Encashment, so built, is invested by the Bank in its banking business. The shortfall, if any, will be made good by the Bank. However, the actuarial valuation for Leave Encashment has also been got done from LIC.



Provision for Leave Salary Contribution outstanding as at year end is For Rs.531693490.30 but No employee wise detail was made available.

16. Segment Reporting (AS 17)

The Bank has all its operation in Chandigarh and Punjab state, which constitute same segment. Therefore, segment reporting in terms of AS 17 is not required.

17. Related Party Disclosures (AS 18)

No disclosure is required in respect of transaction with related parties which are "State controlled Enterprises" as per paragraph-9 of Accounting Standard (AS) 18. Further in terms of paragraph-5 of AS-18, transactions in nature of banker customer relationship are not required in respect of Key Management Personnel.

18. Provision, Contingent Liabilities & Contingent Assets

In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the provision is recognized only when it has a present obligation as a result of past event, it is probable that as outflow or 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 as this may result in the recognition of income that may never be realized.

There are certain Legal cases pending against the bank which relates to Income Tax, TDS, Other legal cases etc. However as per the management view no such amount has been considered as contingent liabilities except Rs 1,18,66,631.00 Outstanding on account of TDS demand.

19. Information on extent of arrears in reconciliation of interbank and inter branch accounts

There is no Inter Branch entry pending, as on 31.3.2022.

20. Capital Adequacy Ratio

Bank has maintained CRAR at the level of 13.94% as on 31.3.2022.

21. The bank has asked the DCCBs to confirm the outstanding of advances as on 31.3.2022 which in the books of the bank stands at Rs. 4462.71 crores, and confirmation has been received from DCCBs.

22. The Bank has provided for Income-Tax on the basis on taxable profit. Since the depreciation is being provided as per Income Tax Rules, deferred tax liability is not provided as the same is not considered material.

23. The Bank is holding the entire portfolio of investments under 'Held Till Maturity' Category. Therefore the investments are valued at cost less amount of premium amortized during the year and the market value is not ascertained and compared with cost. Investments have been purchased directly on RBI auction.



24. Balances lying in current account with 2 State Cooperative Banks; 2 Scheduled Commercial banks (HDFC Recruitment, Axis Bank ATM) are subject to confirmation.
25. Other expenditure (Rs 816.55 lacs) reported in Profit & Loss Account includes an amount of Rs 7,369 on account of Income Tax expense pertaining to income tax in respect previous year. Rs 1,11,79,178 in the Income relates to Interest on Income Tax refund received.
26. Fixed assets include Rs 8.64 lacs being the cost of Land and Buildings, located at Jalandhar and Mohali for which separate cost of land and building is not available. In the absence, of the same, the depreciation is being charged on total value. No detail was available with the bank for the fixed assets (Sector 34) amounting Rs. 13.16 lacs.
27. Previous Year figures have been regrouped/ rearranged, where ever considered necessary.
28. Interest Receivable includes Rs. 103.46 Crores on account of Interest on NPA advances of earlier years. The same amount was considered as Bad & Doubtful. The similar amount was o/s on Liability side as "Overdue Interest reserves".
29. No Locker break Open policy been followed in the bank for the lockers whose locker rent has been overdue since long time.
30. Inspection Reports or Concurrent Audit Reports of the branches (except BO 34) for the period 01/10/2021 to 31/03/2022 and of the Head office for the period 01/04/2021 to 31/03/2022 were not made available at the time of audit.
31. The Input tax credit of GST outstanding in books of accounts is subject to reconciliation as input tax credit as per books of accounts amounts to Rs. 17,76,244.72 (CGST – 8,88,122.36 and UTGST – 8,88,122.36) whereas input tax credit as per GST portal amounts to Rs. 22,29,089.00. The net difference between the two amounts to Rs. 4,52,844.28
32. The bank does not have any policy for impairment of assets as per AS – 28 (Impairment of Assets). As per AS – 28, fixed assets are required to be reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is required to be measured by a comparison of carrying amount of an asset to the future Net Discounted Cash Flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the asset. During the physical verification of fixed assets and as per explanation provided to us, certain fixed assets are not in use due to which its recoverability may be on lower side than as stated in books of accounts.


AGM


GM


AMD(B)


Managing Director

Place: Chandigarh
Dated: 17.6.2022



THE PUNJAB STATE COOPERATIVE BANK CHANDIGARH

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION

- (i) The financial statements have been prepared on the historical cost basis and conform, in all material aspects, generally accepted accounting principles in India, which encompass applicable statutory provisions, RBI to the extent applicable, regulatory norms prescribed by NABARD, Accounting Standards issued by the Institute of Chartered Accountants of India.
- (ii) The preparation of Financial Statements requires the management to make estimates and assumptions considered in the reported accounts of assets and liabilities (including contingent liabilities) as of the financial statements and the reported income and expenses during the reporting period.

2. METHOD OF ACCOUNTING

The accounts have been prepared "On going concern" basis with accrual concept and in accordance with the accounting policies and practices consistently followed unless otherwise stated.

3. REVENUE RECOGNITION

- (i) Income and expenditure are accounted for on accrual basis except otherwise stated elsewhere.
- (ii) Interest subvention from NABARD is recognized in the Profit & Loss Account on cash basis i.e. as and when the subvention is received.
- (iii) Interest income is recognized in the Profit and Loss Account as it accrues except, income from non-performing assets (NPA's) which is recognized upon realization as per the prudential norms prescribed.
- (iv) Recovery in Non-performing advances is appropriated first towards overdue interest and thereafter towards overdue principal amount.
- (v) Commission on Banks Guarantee, Locker Rent, Rent on Bank premises, Penal Interest are accounted for on realization.
- (vi) Interest on income-tax refund is accounted on receipt of refund from Department.

4. ADVANCES

The classification of advances into Standards, Sub standards, Doubtful and Loss Assets as well as provisioning on Standard Advances and Non Performing Advances is arrived at in accordance with the Income Recognition, Assets Classification and Provisioning Norms prescribed by the RBI from time to time. Amount recovered against debts written off in earlier years are recognized as revenue.

5. INVESTMENTS

- (i) Investments are purchased from Primary Market and the entire portfolio of investments is held till maturity. No market value is determined at the year end and the investments are shown in the balance sheet at cost. The premium paid on the purchase of investment has been amortised over the period of investment.



- (ii) Investments are accounted for in accordance with regulatory guidelines. The Bank follows trade date method for accounting of its investments.
- (iii) **Valuation** - The book value/face value has been considered for arriving at the value of investments. The investments in securities are of Central/State institutions and thus market value has been considered not less than the book value.

6. FIXED ASSETS & DEPRECIATION

- (i) Fixed assets are carried at written down value. Depreciation is charged as per the rates specified as per Income Tax Act, 1961.
- (ii) Cost includes cost of purchase and all expenditure such as site preparation, installation costs and professional fees incurred on the assets, if any, before it is put to use. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefit from such assets or their functioning capability.

7. TAXES ON INCOME

Income tax is determined on the basis of taxable income for the year and accordingly provision is made. Deferred tax charge or credit as required under AS 22 is not determined or recognized.

8. OPERATING LEASES

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as Operating Leases. Operating Lease payments are recognized as an expense in the Profit and Loss Account during the year as lease agreement.

9. EMPLOYMENT BENEFITS

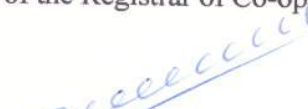
The Bank contributes 12% of salary (Basic Pay, Dearness Pay & Interim Relief & DA) to employees toward Provident Fund Contribution. The Provident Fund Contribution together with employee share is deposited with Provident Fund Trust of the Bank, which is charged to Profit & Loss Account of the Bank. Part of the amount is deposited by the Trust towards pension contribution to Regional Provident Fund Commissioner. Contribution of 11% of salary is also made towards Leave Salary. This amount is also charged to the Profit & Loss account. Contribution towards Gratuity is also made for payment of gratuity to employees based on length of service of employees.

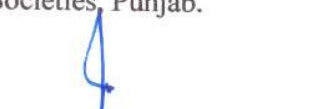
10. OTHERS

Allocation of profit is made as per directions of the Registrar of Co-operative Societies, Punjab.


AGM


GM


AMD(B)


Managing Director

Place: Chandigarh

Dated: 18.6.2022

17.06.2022



Name of the Bank: The Punjab State Cooperative Bank Ltd Chandigarh
Capital Funds, Risk Assets/ Exposures and Risk-Asset Ratio
Part - A : Capital Funds and Risk Assets Ratio (Provisional)

31.3.2022

Part A - Capital Funds and Risk Assets Ratio		
I	Capital Funds	
A	Tier I Capital elements	
1	Paid up capital	16941.34
	Less:	
1.1	Accumulated losses	0.00
1.2	Shortfall in provisions	0.00
2	Net paid-up Capital	16941.34
3	Innovative Perpetual Debt Instruments (IPDI)	0.00
4	Reserves and Surplus	46456.19
4.1	Statutory reserves	19721.01
4.2	Capital reserves (Note 2)	0.00
4.3	Other reserves* (Specify)	23783.75
4.4	Surplus in Profit and Loss Account (Note 3)	2951.43
5	Total Tier I Capital	63397.53
B	Tier II Capital elements	13731.44
1	Revaluation reserves (Note 4)	6815.73
2	General provisions and loss reserves (Note 5)	6915.71
3	Investment fluctuation reserves/ funds	0.00
4	Innovative Perpetual Debt Instruments (IPDI)	0.00
5	Long Term (Subordinated) Deposits (LTDs)	0.00
	Less:	
5.1	Investments in LTDs of DCCBs	0.00
6	HEAD ROOM DEDUCTION	
7	Net Tier II Capital	13731.44
C	Total Capital (Tier I + Tier II)	77128.97
II	Risk Assets	
1	Adjusted value of funded risk assets i.e. on Balance Sheet items	553257.03
2	Adjusted value of non-funded and off-Balance Sheet items	186.42
3	Total Risk Weighted Assets	553443.45
III	Percentage of Capital Funds to Risk Weighted Assets (I/II * 100)	13.94

Place : Chandigarh
Dated : 17.6.2022

for Shammi Garg & Co
FRN 017212N



Sahil Singla
Partner

M.No 564466

22564466ALDGKP9187

4.3 Other reserves

Sr. No	Particulars	Amount
1	Agricultural Credit Stab Fund	17641.99
2	Building Fund	1523.74
3	Building and Insfra Fund	3057.76
4	Dividend Equalization Fund	7.00
5	Share Transfer Fund	650.80
6	PRIMARY COOPERATIVE SOC. VIKAS FUND	243.57
7	PACS AND CCBs DEVELOPMENT FUND	240.84
7	COOPERATIVE DEVELOPMENT FUND	0.00
8	Employee Welfare Fund	418.05
		23783.75

BAD AND DOUBTFUL DEBTS RESV	10579.23
PROV -BAD AND DOUBTFUL DEBT(IT ACT)	4058.83
CONT. PROV. AGST STANDARD ASSETS	5467.00
Total	20105.06
Less NPA Provision	7613.19
	12491.87

Total Risk Weighted Assets	553257.03
1.25% of which is	6915.71



Part B - Risk Weight Assets and Exposures

		Book Value	Margins and Provisions	Book Value {net}	Risk Weight (%)	Risk Adjusted Value
	Asset Items					
I	Cash and Bank Balances	15,286.91	0.00	15,286.91		32.78
1	Cash, balances with RBI	15,123.03	0.00	15,123.03	0.00	0.00
2	Balances in current account with other Banks	163.88	0.00	163.88	20.00	32.78
II	Investments	2,95,437.19	0.00	2,95,437.19		48,291.93
1	Investments in Govt. Securities	90,956.79	0.00	90,956.79	2.50	2,273.92
2	Investments in other approved securities guaranteed by central/ state govt.	0.00	0.00	0.00	2.50	0.00
3	Investments in other securities where payment of interest and repayment of principal are guaranteed by central govt. (It will include Indira/ Kisan Vikas Patra and investment in bonds and debentures where payment of interest and principal is guaranteed by Central Government/ State Governments)	0.00	0.00	0.00	2.50	0.00
4	Investments in other securities where payment of interest and repayment of principal are guaranteed by state govt. ((If, the same has become NPA, it will attract 102.5% risk weight and therefore include under all other investments at x below.)	0.00	0.00	0.00	2.50	0.00
5	Investments in other approved securities where payment of interest and repayment of principal are not guaranteed by central/state govts.	0.00	0.00	0.00	22.50	0.00
6	Investments in govt. guaranteed securities of govt. undertakings which do not form part of the approved market borrowing programme.	0.00	0.00	0.00	22.50	0.00
7	Claims on commercial banks, DCCBs and StCBs such as FDs, CDs, money at call and short notices etc.	2,04,468.00	0.00	2,04,468.00	22.50	46,005.30
8	Investments in bonds issued by All India Public Financial Institutions	0.00	0.00	0.00	102.50	0.00
9	Investments in bonds issued by Public Financial Institutions for their Tier II Capital	0.00	0.00	0.00	102.50	0.00
10	All other investments	12.40	0.00	12.40	102.50	12.71
III	Loans and Advances including bills purchased and discounted	5,52,589.18	5,500.80	5,47,088.38		4,85,528.69
1	Loans guaranteed by GOI	52,500.00	0.00	52,500.00	0.00	0.00
2	Loans guaranteed by State Govt.	0.00	0.00	0.00	0.00	0.00
3	State Government guaranteed advance which has become a non performing asset	0.00	0.00	0.00	100.00	0.00
4	Loans granted to PSUs of GOI	0.00	0.00	0.00	100.00	0.00
5	Loans granted to PSUs of State Govt.	7,932.00	0.00	7,932.00	100.00	7,932.00
6	Housing Loans					
6.1	Loans to individuals (fully secured by mortgage of residential properties) up to Rs. 30 lakh [LTV ratio should be computed as a percentage of total outstanding in the account (viz. principal + accrued interest + other charges pertaining to the loan without any netting) in the numerator and the realizable value of the residential property mortgaged to the bank in the denominator]					
a	LTV ratio is equal to or less than 75 per cent	351.30	5.23	346.07	50.00	173.04
b	LTV ratio is more than 75 per cent	0.00	0.00	0.00	100.00	0.00
6.2	Housing-others	0.00	0.00	0.00	100.00	0.00
7	Consumer credit including Personal Loan	7,387.12	742.66	6,644.46	125.00	8,305.58
8	Loans up to Rs. 1 lakh against gold and silver ornaments (Where the loan amount exceeds Rs. 1 lakh, the entire loan amount has to be assigned the risk weight applicable for the purpose for which the loan has been sanctioned)	0.00	0.00	0.00	50.00	0.00
9	All other loans and advances including Education loan	4,73,559.97	4,752.91	4,68,807.06	100.00	4,68,807.06
10	Loans extended against primary / collateral security of shares/ debentures	0.00	0.00	0.00	125.00	0.00
11	Leased Assets	0.00	0.00	0.00	100.00	0.00
12	Advance guaranteed by DICGC/ ECGC (The risk weight of 50% should be limited to the amount guaranteed and not the entire outstanding balance in the accounts. In other words, the outstanding in excess of the amount guaranteed, will carry 100% risk weight.)	0.00	0.00	0.00	50.00	0.00
13	Advance against term deposits, life policies, NSC, IVPs, and KVPs where adequate margin is available.	9,303.71	0.00	9,303.71	0.00	0.00



14	Loans and advances granted by State/Central cooperative banks to their own staff , which are fully covered by superannuation benefits and mortgage of flat/house	1,555.08	0.00	1,555.08	20.00	311.02
IV	Other Assets	35,385.00	10,346.38	25,038.62		19,403.64
1	Premises, furniture and fixtures	15,821.71	0.00	15,821.71	100.00	15,821.71
2	Interest due on GOI securities	1,783.32	0.00	1,783.32	0.00	0.00
3	Accrued interest on CRR balances maintained with RBI and claims on RBI on account of Government transactions (net of claims of government / RBI on banks on account of such transactions)	0.00	0.00	0.00	0.00	0.00
4	Interest receivable on staff loans	334.84	0.00	334.84	20.00	66.97
5	Interest receivable from banks	4,479.74	0.00	4,479.74	20.00	895.95
6	All other Assets	12,965.39	10,346.38	2,619.01	100.00	2,619.01
V	Total	8,98,698.28	15,847.18	8,82,851.10	0.00	5,53,257.03
					@ 1.25%	6,915.71



THE PUNJAB STATE CO-OPERATIVE BANK LTD.

Part C-Off Balance Sheet Items							
Credit Contingent/ OBS items	Client/ Obligor/Guarantor	Gross Book Exposure	Margins and Provisions	Net Exposure	CCF for Contingent %	RW for Obligor %	Risk Adjusted Value of Exposure
1. Letter of Credit (Doc)	Govt.	0.00	0.00	0.00	20.00	0.00	0.00
2. Letter of Credit (Doc)	Banks	0.00	0.00	0.00	20.00	20.00	0.00
3. Letter of Credit (Doc)	Others	0.00	0.00	0.00	20.00	100.00	0.00
4. Total letter of Credit		0.00	0.00	0.00			0.00
5. Guarantees - Financial	Govt.	0.00	0.00	0.00	100.00	0.00	0.00
6. Guarantees - Financial	Banks	0.00	0.00	0.00	100.00	20.00	0.00
7. Guarantees - Financial	Others	4.40	0.00	41.22	100.00	100.00	18.35
8. Total Guarantees-Financial		4.40	0.00	41.22			18.35
9. Guarantees - Others	Govt.	0.00	0.00	0.00	50.00	0.00	0.00
10. Guarantees - Others	Banks	0.00	0.00	0.00	50.00	20.00	0.00
11. Guarantees - Others	Others	0.00	0.00	0.00	50.00	100.00	0.00
12. Total Guarantees-Others		0.00	0.00	0.00			0.00
13. Acceptance and Endorsements	Govt.	0.00	0.00	0.00	100.00	0.00	0.00
14. Acceptance and Endorsements	Banks	0.00	0.00	0.00	100.00	20.00	0.00
15. Acceptance and Endorsements	Others	0.00	0.00	0.00	100.00	100.00	0.00
16. Total Acceptance and Endorsements		0.00	0.00	0.00			0.00
17. Undrawn Committed credit lines	Govt.	0.00	0.00	0.00	20.00	0.00	0.00
18. Undrawn Committed credit lines	Banks	0.00	0.00	0.00	20.00	20.00	0.00
19. Undrawn Committed credit lines	Others	0.00	0.00	0.00	20.00	100.00	0.00
20. Total Undrawn Committed credit lines		0.00	0.00	0.00			0.00
21. Transactions/ Asset sale with Recourse	Govt.	0.00	0.00	0.00	100.00	0.00	0.00
22. Transactions/ Asset sale with Recourse	Banks	0.00	0.00	0.00	100.00	20.00	0.00
23. Transactions/ Asset sale with Recourse	Others	0.00	0.00	0.00	100.00	100.00	0.00
24. Total Transactions/ Asset sale with Recourse		0.00	0.00	0.00			0.00
25. Liability on account of partly paid shares		0.00	0.00	0.00	100.00	100.00	0.00
26. Others	Govt.	118.67	0.00	0.00	100.00	0.00	0.00
27. Others	Banks	0.00	0.00	0.00	100.00	20.00	0.00
28. Others	Others	63.35	0.00	10.04	100.00	100.00	25.86
29. Total Others		182.02	0.00	10.04			25.86
30. Total Contingent Credit Exposure		0.00	0.00	0.00			44.21
31. Claims against bank not acknowledged as debt		186.42	0.00	51.26	100.00	100.00	97.39



THE PUNJAB STATE COOPERATIVE BANK LIMITED, CHANDIGARH
AUDIT CLASSIFICATION FOR THE YEAR ENDED 31.3.2022

Sr. No	Particulars	Total Marks	Remarks	Marks obtained
1	<p>Capital Adequacy</p> <p>Net Worth as percentage to total Assets</p> <p>➤ 5%</p> <p>4% to 5%</p> <p>2% to 4%</p> <p>0.25% to 2%</p> <p>Less than 0.25%</p>	15 5 5 4 2.50 1.25 Nil	<p>Net Worth to Total Assets of the Bank is 8.35% (750.59/8883.51) as on 31.3.2022, hence full marks awarded.</p>	5
ii)	<p>Capital to Risk Weighted Assets</p> <p>➤ 9%</p> <p>7% to 9%</p> <p>4% to 7%</p> <p>Less than 4%</p>	10 10 8 5 Nil	<p>The Capital Adequacy of the Bank is 13.94% (771.29/5534.43) as on 31.3.2022, hence 10 marks awarded.</p>	10
2	<p>Asset Quality</p> <p>Level of NPA (Gross NPA as percentage to total loans & Advances Outstanding)</p> <p>Upto 5%</p> <p>➤ 5% to 8%</p> <p>➤ 8% to 12%</p> <p>➤ 12% to 15%</p> <p>➤ 15%</p>	15 10 8 5 2.50 Nil	<p>NPA of the PSCB is less than 5% i.e. 1% as on 31.3.2022, thus the bank is entitled for full marks.</p>	10
2	<p>Percentage of Provisioning made to provisioning required to be made</p> <p>100%</p> <p>90% to 100%</p> <p>85% to 90%</p> <p>80% to 85%</p> <p>Less than 80%</p>	5 5 4 2.50 1.25 Nil	<p>Bank has made 100% provisioning, required to be made for NPA as follows:-</p> <p>Provision required to be made</p> <p>Rs 5341.17</p> <p>Provision made</p> <p>Rs 14639.97</p> <p>Provision required for St. Assets</p> <p>Rs 2272.02</p> <p>Provision made for St. Assets</p> <p>Rs 5467.00</p> <p>Provision has been made in full, thus the bank is entitled for full marks.</p>	5
3	<p>Management (Marks to be awarded depending on the degree of efficiency under each)</p> <p>i) Leadership</p>	10		

ii)	Elected Board, Committees including Audit Committee, in position and work like professionals for development of the bank. Regular holding of meetings and reviews of issues like deposit mobilization, recovery performance, investments, audit report, NABARD Inspection Report and review of compliance, etc by the Board if the elected Board does not exist the auditor will have to assess the performance of the administrator. <u>Top Management</u> CEO/GM in place and well versed with the working of the bank. Efficient and effective to implement the policies of the bank, which are in conformity with the guidance of GOI/RBI/NABARD.	2	Regular quarterly agendas are placed before the Management to review the performance of the bank and no Compliance/report is pending	1
iii)	<u>2nd Line of Management</u>	2	AMD(B), GMs and other higher officials are well versed with the working of the bank. Effective and efficient implementation of policies are done; hence full mark is given.	2
a	Well groomed officers with succession planning.	2	Well groomed officers with succession planning, hence 2 mark are given.	2
b	One or two groomed without succession planning.	1.60		
c	Potential officers with some grooming.	1		
d	Potential officers without grooming.	0.50		
iv)	<u>Organization and Job Description</u> Full marks if the objective of the organization and job description well defined.	1	Objective of the organization and job description is not well defined.	0.50
v)	<u>Recruitment Policy</u> Well defined policy with no violation in implementation	1	Recruitment policy of the bank is well defined. Bank has recruited Sr. Managers, Managers, System analysts and Clerk cum data entry operators during last years. Thus full 1 mark is awarded.	1
vi)	<u>Training</u> Full marks if training policy/plan with definite scientific training requirement and long term strategies.	1	Training has been provided to the staff at ACSTI, Jalandhar, PICT, Chandigarh and other National Level Institutes.	1
vii)	<u>Rotation of Staff</u> Periodical rotation of job for all staff as per policy	1	Periodic rotation is done occasionally, hence 0.50 marks is given.	0.50
a.	Periodical rotation of job is done for a few staff members but without any policy.			
b.				
c.	Adhoc/No rotation			
4	<u>Earnings</u>	10		
1	<u>Operating Profit</u>			
	(Interest Income on Loan & Advances and investments +	5		

<p>Other Operating Income – interest expenses on Deposits and borrowings + staff cost + other operating cost like rent, postage & stationery etc.)</p> <ul style="list-style-type: none"> - If operating Profit is more than the provisions required to be made - If operating profit earned can cover only 75% of the provision required to be made - If operating profit earned can cover only 50% of the provision required to be made. - If Operating Profit earned can cover only 40% of the provisions required to be made - If operating Profit earned can cover only less than 40% of the provision required to be made. <p>2 Net Profit</p> <p>(Operating Profit + Other Income like sale of assets transfer from reserves etc. minus other cost, provisions, taxes etc.)</p> <ul style="list-style-type: none"> - if Net Profit is earned after making full provision required to be made and contributed to various reserves as per bye-laws and surplus available for dividend. - Net Profit adequate to make provisions, but not adequate to declare dividend. - Net Profit adequate to make provisions, but not adequate to contribute to reserve. - Net profit but not adequate to make provisions and contribute to reserves. - Net loss 	<p>5</p> <p>4</p> <p>2.50</p> <p>1.25</p> <p>0</p> <p>5</p> <p>5</p> <p>5</p> <p>4</p> <p>2.50</p> <p>1.25</p> <p>0.00</p>	<p>Operating Profit of the Bank is much more than the provisions required to be made. Hence full 5 marks to be given to the bank.</p> <p>Net Profit of the Bank as on 31.3.2022 is Rs 29.51 Crores.</p>	<p>5</p> <p>5</p>
<p>5 <u>Liquidity and Funds Management</u></p> <p>1 <u>Maintenance of CRR/SLR</u></p> <p>i) No CRR/SLR violation</p> <p>ii) If no CRR violation, but violated SLR requirement on not more 2 occasions.</p> <p>iii) If no CRR violation but violated SLR on more than 3 occasions.</p> <p>iv) CRR violation on more than 2 occasions but no SLR violation</p> <p>v) Both SLR/CRR Violated.</p>	<p>15</p> <p>5</p> <p>5</p> <p>4</p> <p>2.50</p> <p>1.25</p> <p>Nil</p>	<p>Bank has maintained average CRR as per RBI Act and maintained 18.00% SLR as per Banking Regulation Act, 1949. It has never defaulted in maintenance of SLR. Bank has not defaulted in maintenance of daily minimum CRR level during the year 2021-22, thus the bank is entitled for 5 marks.</p>	<p>5</p>

2	<p><u>Timely repayment of Borrowings</u></p> <p>i) No Default ii) Defaulted but late paid iii) Single Default iv) Defaulted more than Twice <u>Cash Management</u></p> <p>Auditors may use their discretion duly examining the review and revision of cash retention limit by the bank extent of excess retention, period of excess cash retention etc.</p>	2 2 0.80 0.50 Nil	<p>The repayment of the borrowing has been made in time and no violation has been made during the year.</p> <p>Cash management of the bank is satisfactory; thus the bank is entitled for 1 mark.</p>	2
4	<p><u>ALM/ALCO in position</u></p> <p>i) ALM introduced, ALCO formed, meetings held and data on structural liquidity & interest rate sensitivity generated. ii) ALM introduced, ALCO formed, but required data not generated regularly. iii) ALM introduced, ALCO formed, but no meetings were held and reports generated. iv) ALM not introduced.</p>	2 1.60 1 0	<p>ALM has been introduced, ALCO has been constituted and meetings of ALCO are being held regularly. Required data on structural liquidity & interest rate sensitivity are generated but not considered in ALCO for rate of interest revision. Thus bank is entitled for 1 marks.</p>	1
5	<p><u>Investment Management</u></p> <p>Auditors may use their discretion of the basis of the banks framing of the Investment Policy, quality of Investment, Extent of Non-SLR Investment, obtaining of permission from RCS & RBI for Non-SLR Investment, Quantum of Investment within prescribed sealing/limits, opening of CSGL account etc.</p>	2	<p>Bank has framed and adhered to its Investment policy. There is no violation of SLR and bank has deposited all government securities in CSGL account maintained with SBI and all other securities are in the custody of the bank. Bank has also opened SGL account with RBI now, Thus the bank is entitled for full marks.</p>	2
6	<p><u>Deposit Mobilization</u></p> <p>Marks are to be allotted taking into account extent of increase in deposits, over the previous year. Extent of increase</p>	2	<p>Deposit in 2021-22 over last year has increased by 9.96% so one mark is entitled.</p>	1
7	<p>i) > 15% ii) Between 10-15% iii) Between 5-10% iv) Between 2-5% Less than 2% Deposit Insurance</p>	2 1.60 1.00 0.50 Nil	<p>All assessable deposits are properly assessed. Bank</p>	1
4	<p>All assessable deposits properly assessed and all insurance</p>	1	<p>All assessable deposits are properly assessed. Bank</p>	1

	premium paid in time.		is regularly paying the insurance premium on all the assessable deposits to the DICGC well in time. Thus the bank is entitled for full marks.	
6	<u>Systems and Control</u>	20		
1	<u>Internal Inspection and Audit</u>			
i)	If internal inspection and internal audit system and concurrent audit is in place and implemented effectively.	2	Internal Audit & Inspection System is in place in the bank but no concurrent audit is there, Internal Audit report branches is pending for year, thus 1 marks are awarded.	1
ii)	If internal inspection and internal audit system is in place but no concurrent audit.	1.60		
iii)	If any one of the system is in place but delay noticed (delay less than one year) and 75% of branches are covered.	1.00		
iv)	If any one of the system is in place but delay more than one year was noticed and 75% of branches are covered.	0.50		
v)	If any one of the system is in place but delay more than one year was noticed and less than 75% of branches are covered.	0		
2	Audit Committee of Board(ACB)	2		
i)	ACB formed and functioning effectively.	2	Audit Committee of the bank has been formed during FY 2017-18 and was revised by BOD in Feb-20 but now after BOD expiry, Administrator has been appointed and no Audit Committee is working in bank during 2021-22.	0
ii)	ACB formed, but meetings are not held periodically and not effective.	1		
iii)	ACB not formed.	0	Therefore 0 mark is awarded.	
3	<u>Loans and Advances Polices</u>			
i)	Well defined policy, Followed all guidelines, pre-sanction approval, post-sanction follow-up done and sanction letter issued indicating terms and conditions.	3	The bank is following the guidelines of pre-sanction approvals but post sanction follow-up is not up-to the mark. Thus 2.40 marks are awarded.	2.40
ii)	Sanction is in order no post-sanction follow-up	2.40		
iii)	Sanction is in order no post-sanction follow-up and sanction letter also not noticed.	1.50		
	Sanction letter issued but no pre-sanction appraisal and post-sanction follow-up			
iv)	If none and merely allowed drawls	0.75		
4	<u>Credit Monitoring Arrangement(CMA)</u>			
i)	No violation of exposure norms.	1	There is no violation of exposure norms cited. Therefore bank is entitled for full marks.	1
ii)	Exposure norms violated.	0		
5				

5	<u>Accounting Procedure</u>		
i)	Accounts finalized and financial statements prepared without waiting for audit and within three months from date of balance sheet.	2	2
ii)	Accounts finalized and financial statements prepared without waiting for audit and within four months from date of balance sheet.	1.50	
iii)	Accounts finalized and financial statements prepared without waiting for audit and within six months from date of balance sheet.	1	
iv)	Accounts finalized with the help of auditors within six months from date of balance sheet.	0.50	
v)	Accounts finalized with the help of auditors and delay was more than six months from date of balance sheet.	0	
6	<u>House Keeping</u>		
i)	All books balanced with the general ledger including bank reconciliation and Debit/Credit summation done, etc, without any delay (or delay of less than one month)	2	2
ii)	All books balanced with the general ledger including bank reconciliation and Debit/Credit summation done, etc, delay of two month.	1	
iii)	Some of the books not balanced and bank reconciliation not done though accounts were closed.	0.5	
iv)	Books not balanced and waited for auditors to do the job.	0	
7	<u>Risk Assessment System</u>		
i)	Risk Management Committee(RMC) and Fraud Risk Group formed and functioning satisfactorily.	3	1.50
ii)	RMC formed but meetings not held regularly. But bank has taken adequate steps to identify various risks.	2.40	
iii)	RMC not formed But bank has taken adequate steps to identify various risks.	1.50	
iv)	No RMC and no risk management system in the bank.	0	
8	<u>Computerization & Core Banking Solution</u>		
i)	CBS system fully operational with bank providing RTGS/NEFT services.	5	5

6

ii) Fully implemented CBS, but yet to offer 'plus' services (RTGS/NEFT) Not introduced CBS and no action intimated in this regard.	2 0	well as HO have been CBS enabled. Bank is direct member for RTGS/NEFT and services are being provided to the customers. Hence the bank is entitled for 5 marks.																					
iii) 7 <u>Compliance</u> Compliance to KYC/AML instructions issued by RBI and NABARD.	15 3	Bank is complying with the KYC/AML instructions issued by RBI and NABARD with few gaps. Thus 2 marks are awarded.	2																				
2 <u>Compliance of Audit Report</u>	3	Bank has made the compliance of audit report within the stipulated period of three months from the date of issue. The same was also reviewed and approved by the BOD of the Bank. Thus full marks are awarded.	3																				
3 <u>Compliance of NABARD Inspection Report</u>	3	Compliance of the NABARD inspection report was sent well within stipulated time i.e. within 60 days, hence the bank is entitled for full marks.	3																				
4 <u>Submission of External Returns</u>	2	External returns, which are required at the level of NABARD/RBI are being sent well within stipulated time, hence the bank is entitled for full marks.	2																				
5 Submission of OSS returns to NABARD.	2	OSS returns are being submitted to NABARD in time. Thus 2 marks are awarded.	2																				
6 Progress in implementation of Monitorable Action Plan (MAP)/ Plan for improvement of CRAR.	3	Bank has partially achieved the targets allotted in DAP/MOU as per detail given below. (amt. in crores)	2																				
<table border="1"> <thead> <tr> <th>Particulars</th> <th>Targets</th> <th>Achievements</th> <th>% Achievement</th> </tr> </thead> <tbody> <tr> <td>Share Capital</td> <td>172.00</td> <td>169.41</td> <td>98.50%</td> </tr> <tr> <td>Own Funds</td> <td>922.00</td> <td>943.09</td> <td>102.29%</td> </tr> <tr> <td>Total Deposits</td> <td>3850.00</td> <td>3714.35</td> <td>96.48%</td> </tr> <tr> <td>Total Borrowings</td> <td>4600.16</td> <td>4063.21</td> <td>88.33%</td> </tr> </tbody> </table>		Particulars	Targets	Achievements	% Achievement	Share Capital	172.00	169.41	98.50%	Own Funds	922.00	943.09	102.29%	Total Deposits	3850.00	3714.35	96.48%	Total Borrowings	4600.16	4063.21	88.33%		
Particulars	Targets	Achievements	% Achievement																				
Share Capital	172.00	169.41	98.50%																				
Own Funds	922.00	943.09	102.29%																				
Total Deposits	3850.00	3714.35	96.48%																				
Total Borrowings	4600.16	4063.21	88.33%																				

		Loans and Advances	6200.00	5525.89	89.13%
		Investments	3020.00	2954.37	97.83%
		Net Profit	30.00	29.51	98.37%
		CRAR	14.00%	13.94%	99.57%
		Gross NPA	5600.00	5508.25	101.67%
		Targets have been achieved for around 90% and above, CRAR is maintained at more than stipulated level of 9%, Thus 2 marks are awarded.			
	100				89.90

The bank has obtained 89.90 marks out of 100, hence audit classification recommended in 'A' class.

Dated: 17.6.2022

for Shammi Garg & Co.

Chartered Accountants

(FRN: 01721212N)



Sahil Singh

(Partner)

M. NO. - 564466

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