

SCHEDULE – 18: Disclosure in Financial Statements – ‘Notes to Accounts’

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2022

- The Financial Statements have been prepared in conformity with Forms A & B of the Schedule III to the Banking Regulation Act, 1949 read with Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 to the extent applicable and practices generally prevalent in the banking industry in India. During the year, out of 629 branches of the bank, 470 branches have been subjected to statutory audit.
- Reconciliation of inter branch / office adjustment accounts has been completed up to 31.03.2022.

1. Regulatory Capital

a) **Composition of Regulatory Capital**

As per Basel-I:

Sr. No.	Particulars	2021-22	2020-21
i)	Common Equity Tier I capital ratio (%)	-	-
ii)	Tier I capital (%)	8.73	9.59
iii)	Tier II capital (%)	1.36	0.78
iv)	Total Capital Ratio (CRAR %)	10.09	10.37

b) *Draw down from Reserves – NIL.*



2. Asset liability management

a) Maturity pattern of certain items of assets and liabilities

(Amount in ₹ Crore)

	Day 1	2 to 7 days	8 to 14 days	15 to 30 Days	31 days to 2 months	Over 2 months and to 3 months	Over 3 months and up to 6 Months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	0.17	375.65	367.40	807.73	1041.29	1179.46	2723.13	4514.43	2786.07	1939.46	1912.19	17646.98
Advances	1292.69	43.05	36.77	142.9	250.68	554.24	2509.1	3791.16	451.43	1330.92	2214.89	12617.83
Investments	0	0	0	0	25.83	22.57	52.34	121.62	158.59	65.78	4860.18	5306.91
Borrowings	0	0.00	0.00	0.00	0.00	221.26	666.91	838.18	537.85	132.62	0.00	2396.82
Foreign Currency assets	0	0	0	0	0	0	0	0	0	0	0	0
Foreign Currency liabilities	0	0	0	0	0	0	0	0	0	0	0	0



3. Investments
a. Composition of Investment Portfolio: As at 31.03.2022

(Amount in ₹ crore)

	Investments in India							Investments outside India				Total Investments	
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India		
Held to Maturity													
Gross	3326.70	0.00	0.00	0.00	0.00	0.00	0.00	3326.70	-	-	-	-	3326.70
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	0.00
Net	3326.70	0.00	0.00	0.00	0.00	0.00	0.00	3326.70	-	-	-	-	3326.70
Available for Sale													
Gross	1450.11	0.00	0.61	570.13	0.00	0.00	0.00	2020.85	-	-	-	-	2020.85
Less: Provision for depreciation and NPI	26.10	0.00	0.01	14.53	0.00	0.00	0.00	40.64	-	-	-	-	40.64
Net	1424.01	0.00	0.60	555.60	0.00	0.00	0.00	1980.21	-	-	-	-	1980.21
Held for Trading													
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	0.00
Total Investments	4776.81	0.00	0.61	570.13	0.00	0.00	0.00	5347.55	-	-	-	-	5347.55
Less: Provision for non-performing investments	0	0.00	0.01	7.00	0.00	0.00	0.00	7.01	-	-	-	-	7.01
Less: Provision for depreciation	26.10	0.00	0.00	7.53	0.00	0.00	0.00	33.63	-	-	-	-	33.63
Net	4750.71	0.00	0.60	555.60	0.00	0.00	0.00	5306.91	-	-	-	-	5306.91



As at 31.03.2021:

(Amount in ₹ crore)

	Investments in India						Investments outside India					Total Investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross	2915.22	0.00	0.00	0.00	0.00	0.00	2915.22	-	-	-	-	2915.22
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	0.00
Net	2915.22	0.00	0.00	0.00	0.00	0.00	2915.22	-	-	-	-	2915.22
Available for Sale												
Gross	2881.52	0.00	0.61	511.57	0.00	0.00	3393.70	-	-	-	-	3393.70
Less: Provision for depreciation and NPI	60.85	0.00	0.01	7.00	0.00	0.00	67.86	-	-	-	-	67.86
Net	2820.67	0.00	0.60	504.57	0.00	0.00	3325.84	-	-	-	-	3325.84
Held for Trading												
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-	-	0.00
Total Investments	5796.74	0.00	0.61	511.57	0.00	0.00	6308.92	-	-	-	-	6308.92
Less: Provision for non-performing investments	0.00	0.00	0.01	7.00	0.00	0.00	7.01	-	-	-	-	7.01
Less: Provision for depreciation	60.85	0.00	0.00	0.00	0.00	0.00	60.85	-	-	-	-	60.85
Net	5735.89	0.00	0.60	504.57	0.00	0.00	6241.06	-	-	-	-	6241.06



b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ₹ Crore)

Particulars	2021-22	2020-21
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	67.87	4.33
b) Add: Provisions made during the year	31.93	63.54
c) Less: Write off / write back of excess provisions during the year	59.16	0.00
d) Closing balance	40.64	67.87
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	9.16	9.16
b) Add: Amount transferred during the year	25.52	0.00
c) Less: Drawdown	0.00	0.00
d) Closing balance	34.68	9.16
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	1.72%	0.27%

Note: The Bank has transferred only to the extent of profit available for appropriation and remaining amount will be transferred in subsequent year.

c) Sale and transfers to/from HTM category

The value of sales and transfers of securities to/from HTM category has not exceeded 5 per cent of the book value of investments held in HTM category at the beginning of the year. No sale of securities was made from HTM category during the year.

d) Non-SLR investment portfolio

i) Non-performing non-SLR investments

(Amount in ₹ Crore)

Sr. No.	Particulars	2021-22	2020-21
a)	Opening Balance	7.01	4.10
b)	Additions during the year	0.00	3.00
c)	Reductions during the year	0.00	0.09
d)	Closing balance	7.01	7.01
e)	Total provisions held	7.01	7.01



ii) Issuer composition of non-SLR investments

(Amount in ₹ crore)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
		(3)	(3)	(4)	(4)	(5)	(5)	(6)	(6)	(7)	(7)
(1)	(2)	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
a)	PSUs	151.50	72.24	12.00	17.00	0.00	0.00	2.00	2.00	2.00	2.00
b)	FIs	398.63	419.34	0.00	30.00	Nil	Nil	Nil	Nil	Nil	Nil
c)	Banks	3.35	3.35	3.00	3.00	3.00	3.00	Nil	Nil	Nil	Nil
d)	Private Corporate	17.26	17.25	2.25	2.25	2.01	2.01	Nil	Nil	0.25	0.25
e)	Subsidiaries/ Joint Ventures	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f)	Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g)	Provision held towards depreciation	14.54	7.01	7.00	7.00	5.01	5.01	2.00	2.00	2.00	2.00
	Total	556.20	505.17	10.25	45.25	Nil	Nil	Nil	Nil	0.25	0.25

iii) Investment in India

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Shares	0.60	0.60
Debentures and Bonds	555.60	504.57
Subsidiaries and Joint Ventures	0.00	0.00
Others (CD, CP, MF)	0.00	0.00
Total	556.20	505.17

iv) Investment outside India – Nil



e) Repo transactions including Liquidity Adjustment Report (LAF) (in Face Value Terms) for the year 2021-22:

(Amount in ₹ crore)

	Minimum outstanding during the year 2021-22	Maximum outstanding during the year 2021-22	Daily average outstanding during the year 2021-22	Outstanding as on March 31, 2022
i. Securities sold under repo <ul style="list-style-type: none"> ➤ Government securities ➤ Corporate debt securities ➤ Any other securities 	NIL			
ii) Securities purchased under reverse repo <ul style="list-style-type: none"> a) Government securities b) Corporate debt securities c) Any other securities 				

f) Repo transactions including Liquidity Adjustment Report (LAF) (in Face Value Terms) for the year 2020-21 :

(Amount in ₹ crore)

	Minimum outstanding during the year 2020-21	Maximum outstanding during the year 2020-21	Daily average outstanding during the year 2020-21	Outstanding as on March 31, 2021
i. Securities sold under repo <ul style="list-style-type: none"> ➤ Government securities ➤ Corporate debt securities ➤ Any other securities 	NIL			
iii) Securities purchased under reverse repo <ul style="list-style-type: none"> a) Government securities b) Corporate debt securities c) Any other securities 				



4) Asset quality

a) i) Classification of advances and provisions held current year (2021-22) (Amount in ₹ crore)

	Standard		Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	10088.51	743.41	824.96	61.43	1629.80	11718.31
Add: Additions during the year					1058.57	
Less: Reductions during the year					1460.66	
Closing balance	11873.17	309.19	911.01	7.51	1227.71	13100.88
Reductions in Gross NPAs due to:						
i) Upgradation					264.28	
ii) Recoveries (excluding recoveries from upgraded accounts)					1009.80	
iii) Technical/ Prudential Write-offs					0	
iv) Write-offs other than those under (iii) above					186.58	
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	61.80	114.53	375.46	61.25	551.24	613.04
Add: Fresh provisions made during the year					202.75	
Less: Excess provision reversed/ Write-off loans					270.95	
Closing balance of provisions held	121.85	47.04	428.49	7.51	483.04	604.89
Net NPAs						
Opening Balance						
Add: Fresh additions during the year		628.88	449.50	0.18	1078.56	
Less: Reductions during the year					1058.57	
Closing Balance		262.15	482.52	0	744.67	



	Standard		Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances		
Floating Provisions							
Opening Balance							
Add: Additional provisions made during the year							
Less: Amount drawn down during the year							
Closing balance of floating provisions							
Technical write-offs and the recoveries made thereon							
Opening balance of Technical/ Prudential written-off accounts						200.00	
Add: Technical/ Prudential write-offs during the year						91.27	
Less: Recoveries made from previously technical/ prudential written-off accounts during the year *						91.27	
Closing balance						200.00	

Ratios (in per cent)	2021-22	2020-21
Gross NPA to Gross Advances	9.37	13.91
Net NPA to Net Advances	5.90	9.66
Provision coverage ratio	47.98	33.82

(*) During the Year, the method of accounting towards the recoveries from technically written off accounts has been changed from crediting the same to Provision for NPA A/c to Other Income. During the year, an amount of Rs. 91.27 Cr has been recovered from technically written off accounts and the same is included in the Other Income under Schedule 14. Since the previous year figure has not been regrouped, the same is not comparable.



a) ii) Classification of advances and provisions held previous year (2020-21)

(Amount in ₹ crore)

	Standard		Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	9477.35	687.67	899.77	25.53	1612.97	11090.32
Add: Additions during the year					1077.93	
Less: Reductions during the year					1061.10	
Closing balance	10088.51	743.41	824.96	61.43	1629.80	11718.31
Reductions in Gross NPAs due to:						
i) Upgradation					199.28	
ii) Recoveries (excluding recoveries from upgraded accounts)					597.16	
iii) Technical/ Prudential Write-offs					200.00	
iv) Write-offs other than those under (iii) above					64.66	
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	71.87	104.34	627.16	25.53	757.03	828.90
Add: Fresh provisions made during the year					64.92	
Less: Excess provision reversed/ Write-off loans					270.71	
Closing balance of provisions held	61.80	114.53	375.46	61.25	551.24	613.04
Net NPAs						
Opening Balance		583.33	272.61	0	855.94	
Add: Fresh additions during the year					1077.93	
Less: Reductions during the year					855.31	
Closing Balance		628.88	449.50	0.18	1078.56	



	Non-Performing				Total
	Standard	Sub-standard	Doubtful	Loss	
Floating Provisions					
Opening Balance					
Add: Additional provisions made during the year					
Less: Amount drawn down during the year					
Closing balance of floating provisions					
Technical write-offs and the recoveries made thereon					
Opening balance of Technical/ Prudential written-off accounts					0.00
Add: Technical/ Prudential write-offs during the year					200.00
Less: Recoveries made from previously technical/ prudential written-off accounts during the year					0.00
Closing balance					200.00

Ratios (in per cent)	2020-21	2019-20
Gross NPA to Gross Advances	13.91	14.54
Net NPA to Net Advances	9.66	8.28
Provision coverage ratio	33.82	46.93



(Amount in ₹ crore)

b) Sector-wise Advances and Gross NPAs

Sr. No.	Sector*	Current Year 2021-22			Previous Year 2020-21		
		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	8690.26	893.40	10.28	7605.19	1156.53	15.20
b)	Advances to industries sector eligible as priority sector lending	125.96	17.96	14.26	117.22	25.07	21.39
c)	Services	1730.45	210.47	12.16	1841.94	326.89	17.75
d)	Personal loans	1030.72	81.24	7.88	807.83	76.06	9.42
	Subtotal (i)	11577.39	1203.07	10.39	10372.18	1584.55	15.28
ii)	Non-priority Sector						
a)	Agriculture and allied activities	0	0	0	0	0	0
b)	Industry	0	0	0	0	0	0
c)	Services	0	0	0	0	0	0
d)	Personal loans	1523.49	24.64	1.62	1346.13	45.25	3.36
	Sub-total(ii)	1523.49	24.64	1.62	1346.13	45.25	3.36
	Total(i+ ii)	13100.88	1227.71	9.37	11718.31	1629.80	13.91

*Banks shall also disclose in the form at above, sub-sectors where the outstanding advances exceeds 10 percent of the outstanding total advances to that sector. For instance, if a bank's outstanding advances to the mining industry exceed 10 percent of the outstanding total advances to 'Industry' sector it shall disclose details of its Outstanding advances to mining separately in the format above under the 'Industry' sector.

c) Overseas assets, NPAs and revenue – There is no foreign operation, hence not applicable.



d) Particulars of resolution plan and restructuring:

i) Particulars of resolution plan – NIL

ii) Details of Accounts subjected to restructuring –

(₹ in Crore)

	Agriculture and allied activities		Corporate (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	8758	15931	0	0	41773	5716	7615	664	58146	22311
Standard										
Gross Amount	298.64	542.33	0.00	0.00	505.44	65.88	271.58	21.33	1075.66	629.54
Provision held	15.00	27.12	0.00	0.00	47.47	3.29	27.06	2.13	89.53	32.54
Sub-standard										
Number of borrowers	2711	4813	0	0	1334	1012	193	109	4238	5934
Gross Amount	87.06	132.23	0.00	0.00	14.22	11.63	3.72	4.57	105.00	148.43
Provision held	13.07	20.14	0.00	0.00	2.13	1.82	0.68	0.77	15.88	22.73
Doubtful										
Number of borrowers	5024	2965	0	0	2847	2377	679	818	8550	6160
Gross Amount	135.99	68.94	0.00	0.00	31.16	26.60	13.57	14.73	180.72	110.27
Provision held	52.53	36.05	0.00	0.00	17.70	12.22	10.26	8.44	80.49	56.71
Total										
Number of borrowers	16493	23709	0	0	45954	9105	8487	1591	70934	34405
Gross Amount	521.69	743.50	0.00	0.00	550.82	104.11	288.87	40.63	1361.38	888.24
Provision held	80.60	83.31	0.00	0.00	67.30	17.33	38.00	11.34	185.90	111.98



5	Down gradation of restructured accounts during the FY	No. of borrowers	0	0	0	1334	203	2	1539	0	2902	725	0	3627	0	4236	928	2	5166
		Amount outstanding	0	0	0	14.22	1.85	0.05	16.12	0	90.77	32.24	0	123.01	0	104.99	34.09	0.0	139.13
		Provision thereon	0	0	0	2.14	0.53	0.05	2.72	0	13.74	12.7	0	26.44	0	15.88	13.23	0.0	29.16
6	Write-offs of restructured accounts during the FY	No. of borrowers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Amount outstanding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Provision thereon	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Restructured as on March 31	No. of borrowers	0	0	0	41773	2847	31	45985	16373	2904	5703	73	25053	58146	4238	8550	10	71038
	of the FY(closing figure)	Amount outstanding	0	0	0	505.44	31.16	0.22	551.04	570.22	90.78	149.56	0.39	810.95	1075.66	105	180.72	0.6	1361.99
		Provision thereon	0	0	0	47.47	17.7	0.22	67.53	42.06	13.74	62.79	0.39	118.98	89.53	15.88	80.49	0.6	186.51



Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight



e) Disclosure on Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances (RBI/DBR.BP.BC.No.18/21.04.048/ 2018-19 dated 1st January 2019

(Amount in ₹ crore)

Year	No. of Accounts Restructured – MSME	Amount
2021-22	45985	551.04
2020-21	9802	109.80

f) Disclosure under Resolution Framework for COVID-19 related Stress:

i) Format for disclosures to be made half yearly starting September 30, 2021 Resolution Frame work 1.0:

(Amount in ₹ crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan–Position as at the end of the previous half-year (A)	Of(A), Aggregate debt that slipped into NPA during the half-year	Of(A) Amount written off during the half-year	Of(A) Amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the End of this half-year
Personal Loans	13.16	0.81	0.08	0.74	11.53
Corporate persons*	-	-	-	-	-
Of which MSMEs	32.34	4.40	0.55	0.90	26.49
Others					
Total	45.50	5.21	0.63	1.64	38.02

ii) Format for disclosures to be made half yearly starting September 30, 2021 Resolution Frame work 2.0::

(Amount in ₹ crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan–Position as at the end of the previous half-year (A)	Of(A), Aggregate debt that slipped into NPA during the half-year	Of(A) Amount written off during the half-year	Of(A) Amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the End of this half-year
Personal Loans	227.71	2.45	0.50	7.68	241.43
Corporate persons*	-	-	-	-	-
Of which MSMEs	470.35	6.66	0.89	20.99	448.76
Others	16.35	0.19	0.03	0.60	15.35
Total	714.41	9.30	1.42	29.27	705.54



*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016. "corporate person" means a company as defined in clause (20) of section 2 of the Companies Act, 2013, a limited liability partnership, as defined in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008, or any other person incorporated with limited liability under any law for the time being in force but shall not include any financial service provider;

Personal Loan³ 'Personal loans', for the purpose of this circular shall have the same meaning as defined in the Circular DBR.No.BP.BC.99/08.13.100/2017-18 dated January 4, 2018 on "XBRL Returns – Harmonization of Banking Statistics".

g) Note on COVID -19:

COVID-19 pandemic has and had an extraordinary impact on macroeconomic conditions in India and around the world during the past two years. The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and Individual activities, had led to volatility in global and Indian financial markets and a decrease in global and local economic activities. The revival of economic activity has since improved supported by relaxation of restrictions due to administration of the COVID vaccines to a large population in the country. The extent to which any new wave of COVID-19 pandemic will impact the Bank results will depend on ongoing as well as future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

h) Details of single borrower limit (SBL)/group borrower limit (GBL) exceeded by the Bank.

Single Borrower limit / Group Borrower limit has not been exceeded during the year.

i) Disclosure of transfer of Loan exposures: NIL

a) There were no loans that are not in default or stressed, transferred and acquired to or from other entities.

b) Particulars of stressed loans transferred acquired - NIL

J) Fraud accounts

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Number of frauds reported during the year (Advances & Non- Advances)*	4	6
Amount involved in fraud*	2.50	2.91
Amount of Book Balance (excluding interest) for Advances related fraud a/cs	2.50	2.91
Amount of provision made for such frauds	2.50	2.91
Amount of Unamortised provision debited from 'other reserves' as at the end of the year	-	-

*As per FMS reported to NABARD



5 a) Exposure to real estate sector

(Amount in ₹ 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.	822.06	797.88
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;	5.86	7.79
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures—	Nil	Nil
i. Residential	Nil	Nil
ii. Commercial Real Estate	Nil	Nil
<i>ii) Indirect Exposure</i>	Nil	Nil
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	Nil	Nil
Total Exposure to Real Estate Sector	Nil	Nil



b) Exposure to capital market

(Amount in ₹ crore)

Particulars	2021-22	2020-21
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	0.61	0.61
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	NIL	NIL
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	NIL	NIL
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	NIL	NIL
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	NIL	NIL
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL	NIL
vii) Bridge loans to companies against expected equity flows / issues;	NIL	NIL
viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	NIL	NIL
ix) Financing to stockbrokers for margin trading;	NIL	NIL
x) All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total exposure to capital market	0.61	0.61



c) Risk category-wise country exposure

(Amount in ₹ crore)

Risk Category	Exposure (net) as at 31/03/2022	Provision held as at 31/03/2022	Exposure (net) as at 31/03/2021	Provision held as at 31/03/2021
Insignificant	NIL			
Low				
Moderately Low				
Moderate				
Moderately High				
High				
Very High				
Total				

d) Unsecured advances

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Total unsecured advances of the bank	248.30	57.55
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	NIL	NIL
Estimated value of such intangible securities	--	--

e) Factoring exposures – Nil

f) Intra-group exposures as on 31.03.2022

- i) Total amount of intra-group exposures - - **NIL**
- ii) Total amount of top 20 intra-group exposures - **NA**
- iii) Percentage of intra-group exposures to total exposure of the bank on borrowers/customers - - **NA**
- iv) Details of breach of limits on intra-group exposures and regulatory action thereon, if any - - **NA**

g) Unhedged foreign currency exposure

NIL



6. Concentration of deposits, advances, exposures and NPAs

a) Concentration of deposits

(Amount in ₹ crore)

Particular	2021-22	2020-21
Total deposits of the twenty largest depositors	1297.11	1113.02
Percentage of deposits of twenty largest depositors to total deposits of the bank	7.35	6.35

b) Concentration of advances

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Total advances to the twenty largest borrowers	53.49	42.57
Percentage of advances to twenty largest borrowers to total advances of the bank	0.41	0.44

c) Concentration of exposures

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Total exposure to the twenty largest borrowers/customers	76.61	70.14
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the bank on borrowers/customers	0.58	0.60

d) Concentration of NPAs

(Amount in ₹ crore)

	2021-22	2020-21
Total Exposure to the top twenty NPA accounts	15.36	12.78
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	1.25	0.78

7) Derivatives:

a) Forward rate agreement/Interest rate swap

(Amount in ₹ crore)

Particulars	2021-22	2020-21
i) The notional principal of swap agreements		
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements		
iii) Collateral required by the bank upon entering into swaps	NIL	NIL
iv) Concentration of credit risk arising from the swaps		
v) The fair value of the swap book		



b) Exchange traded interest rate derivatives

(Amount in ₹ crore)

Sr. No	Particulars	2021-22	2020-21
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument wise)	NIL	NIL
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 st March(instrument wise)		
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)		
iv)	Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)		

c) Disclosures on risk exposure in derivatives

i) Qualitative disclosures

Not applicable

ii) Quantitative disclosures

(Amount in ₹ crore)

Sr. No	Particular	2021-22		2020-21	
		Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
a)	Derivatives (Notional Principal Amount)	NIL	NIL	NIL	NIL
	i) For hedging				
	ii) For trading				
b)	Marked to Market Positions ^[1]				
	i) Asset (+)				
	ii) Liability (-)				
c)	Credit Exposure ^[2]				
d)	Likely impact of one percentage change in interest rate (100PV01)				
	i) on hedging derivatives				
	ii) on trading derivatives				
e)	Maximum and Minimum of 100PV01 observed during the year				
	i) on hedging				
	ii) on trading				

d) Credit default swaps - NIL



8) Disclosures relating to securitization- NIL

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

Name of the SPV sponsored	
Domestic	Overseas
NIL	NIL

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

(Amount in ₹ crore)

Sr. No.	Particulars	2021-22	2020-21
i)	Opening balance of amounts transferred to DEA Fund	16.58	12.59
ii)	Add: Amounts transferred to DEA Fund during the year	5.88	4.18
iii)	Less: Amounts reimbursed by DEA Fund towards claims	0.07	0.19
iv)	Closing balance of amounts transferred to DEA Fund	22.39	16.58

11) Disclosure of complaints

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

Sr. No	Particulars	2021-22	2020-21
	Complaints received by the bank from its customers		
1.	Number of complaints pending beginning of the year	73	37
2.	Number of complaints received during the year	11584	7220
3.	Number of complaints disposed during the year	11646	7184
3.1	Of which, number of complaints rejected by the bank	0	0
4.	Number of complaints pending at the end of the year	11	73
5.	Number of maintainable complaints received by the bank from Office of Ombudsman	47	43
5.1.	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	47	43
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	0	0
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	0	0
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.			



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

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the 2020-21	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
2021-22					
ATM/ Debit Cards	65	9913	56.33%	5	3
Internet/ Mobile/Electronic Banking	08	575	15.00%	6	0
Loans and Advances	0	129	53.57%	0	0
Service Charges	0	14	27.27%	0	0
Account opening/ Difficulty in operation of accounts	0	37	60.87%	0	0
Others	0	916	250.96%	0	0
Total	73	11584	60.44%		
2020-21					
ATM/ Debit Cards	36	6341	-11.59%	65	0
Internet/ Mobile/Electronic Banking	05	500	10%	8	0
Loans and Advances	0	84	50.00%	0	0
Service Charges	0	11	120.00%	0	0
Account opening/ Difficulty in operation of accounts	0	23	27.78%	0	0
Others	0	261	307.81%	0	0
Total	37	7220	55.66		

12) Disclosure of penalties imposed by the Reserve Bank of India

NIL



13) Other Disclosures

a) Business ratios

Particular	2021-22	2020-21
i) Interest Income as a percentage to Working Funds	7.24	6.67
ii) Non-interest income as a percentage to Working Funds	2.50	1.39
iii) Cost of Deposits	4.36	4.93
iv) Net Interest Margin	3.19	2.43
v) Operating Profit as a percentage to Working Funds	1.62	0.63
vi) Return on Assets	0.16	0.03
vii) Business (deposits plus advances) per employee (Rs. in lakh)	933.52	828.66
viii) Profit per employee (in Rs lakh)	0.98	0.19

b) Bancassurance business

The details of fees / brokerage earned in respect of insurance broking, agency and bancassurance business undertaken by us shall disclosed as under given below

(Amount in ₹ crore)

Particulars	2021-22	2020-21
Commission from UIIC	0.17	0.73
Commission from NIAC	0.00	0.00
Commission from LIC	1.48	0.48

c) Marketing and distribution

Banks shall disclose the details of fees / remuneration received in respect of the marketing and distribution function (excluding bancassurance business) undertaken by them.

(Amount in ₹ crore)

Sl. No.	Particulars	2021-22	2020-21
1	Government Schemes related NPS, etc	1.88	1.59
2	Distribution of Mutual Fund	-	-
3	Credit Card related	-	-
4	Point of Sales	0.01	0.01
5	Depository Services	-	-
6	Others	-	-
Total		1.89	1.60



d) Disclosures regarding Priority Sector Lending Certificates (PSLCs)

(Amount in ₹ crore)

Sl. No.	Particulars	2021-22		2020-21	
		Purchase	Sale	Purchase	Sale
i)	PSLC- Agriculture	0.00	3755.00	0.00	3389.00
ii)	PSLC- Small & Marginal Farmer	0.00	2265.00	0.00	1995.00
iii)	PSLC- Micro Enterprises	0.00	585.00	79.00	720.00
iv)	PSLC- General	5550.00	0.00	4480.00	0.00
	Grand Total	5550.00	6605.00	4559.00	6104.00

e) Provisions and contingencies

(Amount in ₹ crore)

Provision debited to Profit and Loss Account	2021-22	2020-21
i) Provisions for NPI	31.93	63.53
ii) Provision towards NPA	202.75	64.92
iii) Provision made towards Income tax	0.00	0.00
iv) Other Provisions and Contingencies (with details)		
a) Diminution on Investment	0.00	0.00
b) Provision towards Standard Asset	60.04	-10.07
c) Floating Provision for Advances	0.00	0.00
d) Deferred Tax	0.00	0.00
e) Provision for MSME Advances	0.00	0.00
f) Provision for Restructured Advances	0.00	0.00
g) Contingency Provision for Covid and other uncertainties	0.00	0.00
h) Provision for fair value for Restructured Advances	0.00	0.00
i) Provision towards Frauds/ others	3.57	0.00
Grand Total	298.29	118.39

f) Implementation of IFRS converged Indian Accounting Standards (Ind AS)

Not Applicable



g) Payment of DICGC Insurance Premium

(Amount in ₹ crore)

Sr. No.	Particulars	2021-22	2020-21
i)	Payment of DICGC Insurance Premium*	22.12	21.16
ii)	Arrears in payment of DICGC premium	0.00	0.00

*Including GST

14) Disclosure Requirements as per Accounting Standards where RBI has issued guidelines in respect of disclosure items for Notes on Accounts:

14.1 Changes in Accounting Policies (AS-5):

There were no material pertaining to prior period Income /Expenditure requiring disclosure as per AS 5.

14.2 Revenue Recognition (AS-9):

The heads of income recognized on cash basis are neither material enough nor do they require disclosure under AS 9 on Revenue Recognition.

14.3 Employee Benefits (AS-15):

(Amount in ₹ crore)

	2021-22			2020-21		
	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
(i) Principal Actuarial Assumption used						
Discount Rate	6.74%	7.00%	7.00%	7.01%	7.00%	7.15%
Rate of return on Plan Assets	6.62% & 6.80%	6.75% & 7.45%	6.80% & 7.45%	6.68% & 7.30%	6.84% & 7.25%	6.50% & 7.25%
Salary Escalation	6.00%	7.00%	7.00%	7.00%	7.00%	7.00%
(ii) Change in Benefit Obligation:						
Liability at the beginning of the year	942.89	145.47	78.07	871.84	145.69	77.66
Interest Cost	60.76	10.18	5.46	0.00	10.56	5.43
Current Service Cost	65.13	7.51	2.17	1.42	7.15	2.29
Benefit Paid	82.95	34.75	17.86	50.03	31.81	12.20
Actuarial (gain) / loss on obligation	18.11	-1.54	20.09	119.66	13.88	4.89
Liability at the end of the year	1003.93	126.86	87.94	942.89	145.47	78.07



(iii) Fair Value of Plan Assets						
Fair value of Plan Assets at the beginning of the year	742.23	155.56	83.34	235.37	175.93	89.55
Expected return on plan Assets	53.00	10.32	5.51	32.89	11.44	5.94
Contributions	290.01	22.37	5.00	524.00	0.00	0.05
Benefits paid	82.95	34.75	17.86	50.03	31.81	12.20
Actuarial Gain / (loss) Plan Assets	7.43	0.00	0.00	0.00	0.00	0.00
Fair value of Plan Assets at the End of the year	1009.72	153.49	75.98	742.23	155.56	83.34
(iv) Actual Return on Plan Assets						
Expected Return On Plan Assets	53.00	10.32	5.51	32.89	11.44	5.94
Actuarial gain/ (loss) Plan Assets	0.00	0.00	0.00	0.00	0.00	0.00
Actual return on Plan Assets	53.00	10.32	5.51	32.89	11.44	5.94
(v) Amount Recognized in the Balance Sheet						
Liability at the end of the year	832.25	126.86	87.94	565.73	145.47	78.07
Fair value of Plan Assets at the End of the year	1009.72	153.49	75.98	742.23	155.56	83.34
Amount recognized in the Balance Sheet	177.47	26.63	-11.96	176.50	10.09	5.27
(vi) Expenses Recognized in the Income Statement						
Current Service Cost	263.18	7.51	2.17	0.00	7.15	2.29
Interest Cost	60.76	10.18	5.46	0.00	10.56	5.43
Expected Return On Plan Assets	53.00	10.32	5.51	0.00	11.44	5.94
Actuarial gain or Loss	18.11	-1.54	20.09	0.00	13.88	4.89
Past Service Cost	0.00	0.00	0.00	0.00	0.00	0.00
Expenses Recognized in P & L	289.04	5.83	22.22	234.13	20.15	6.67



Details of Provisions made for Other Long term Employee Benefits:

(Amount in ₹ crore)

S.no	Other Long Term Benefits	2021-22	2020-21
1	Leave Encashment	11.52	0.00
2	Sick Leave	NA	NA

Note: Vide circular No. ECNo.322/DoS-34/2019 dated 12th December,2019 NABARD had allowed the bank to amortize the liability arising out of the implementation of the Pension Scheme to its employees over a period of 5 years beginning from 2018-19 and ending as at March 31, 2023. As per actuarial valuation, the pension liability of Bank was Rs.858.38 crore. The bank had carried out a process of amortization in respect of liability arising at first time of implementing the pension scheme and has amortized an amount of Rs.686.71 crore up to current year. The balance amount of Rs171.67 has to be amortized during the next financial year.

14.4 Accounting Segment Reporting (AS-17)*:

PART A: Operational Segments:

(Amount in ₹ crore)

Business Segments	Treasury		Banking Operations				Total	
			Corporate / Wholesale Banking		Retail Banking			
Particulars	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Revenue	504.68	339.14	-	-	1485.86	1218.99	1990.54	1558.13
Expenses	213.70	346.60	-	-	1688.96	1228.14	1902.66	1574.74
Result	290.98	-7.46	-	-	-203.10	-9.15	87.88	-16.61
Unallocated expenses							56.60	8.30
Unallocated Income							0.62	31.41
Income taxes							-	-
Extraordinary profit / loss	-	-	-	-	-	-	-	-
Net profit							31.90	6.50

Other information:								
Segment assets	6165.40	6411.21	-	-	15012.85	12220.79	21178.25	18632.01
Unallocated assets							554.40	1537.07
Total assets							21732.65	20169.08
Segment liabilities	4819.84	5861.94	-	-	15460.19	12598.32	20280.03	18460.26
Unallocated liabilities							1452.62	1708.82
Total liabilities							21732.65	20169.08



Note:

1. The revenue/expenses wherever directly related to segments have been accordingly allocated to segments and wherever not directly related have been allocated on the basis of segment assets/liabilities.
2. The Bank operates only in Domestic Segment.

14.5 Disclosures on remuneration

Related Party Disclosures (AS 18):

(i) Names of Related Parties & their Relationship:

Associate (Sponsor Bank): Canara Bank

(ii) Key Management Personnel & their remuneration:

Key Management Personnel	Designation	Period	(Rs. In Lakh) Remuneration	
			2021-22	2020-21
Mr. P. Gopi Krishna	Chairman	From 01-04-2021 to 31-03-22	27.07	27.64
Total			27.07	27.64

In terms of RBI circular on notes to accounts, key management personnel are whole time directors of Board for related party disclosure.

(iii) Related Party transactions

No disclosure is required in respect of related parties which are "State controlled enterprises" as per Para 9 of Accounting Standards 18 (AS18). Further in terms of paragraph 5 of AS18, transactions in the nature of Banker – Customer relationship have not been disclosed including those with Key management personnel and relatives of Key management personnel.

14.6 Earnings per Share (AS-20)

Items	Amount	Amount
	31.03.2022	31.03.2021
Net Profit after Tax available for equity share holders (Rs. in Lakh)	3190.40	650.28
Average number of shares	2,39,73,160	2,39,73,160
Basic and Diluted EPS (in Rs.)	13.31	2.71
Nominal value per share (in Rs.)	10.00	10.00

14.7 Consolidated Financial Statements (AS-21)

The Bank has no subsidiaries/Joint ventures/ Associates. Hence reporting under CFS is not applicable.

14.8. Accounting for Taxes on Income (AS-22)*



The net effect of computation of the Deferred Tax Asset (DTA) & Deferred Tax Liability (DTL) has resulted in net DTA. On account of prudence, the Bank has not recognized the DTA.

No provision for current taxes is being made on account of the fact that the current year taxable income is set off against the brought forward losses of earlier years.

14.9. Accounting for Investment in associates in CFS (AS-23)

The Bank has no associates. Hence reporting under AS 23 is not applicable.

14.10. Discontinuing Operation (AS-24):

The bank has not discontinued any operations. Hence reporting under AS 24 is not applicable.

14.11. Intangible assets (AS-26)

Depreciation on software is calculated on straight line method at 33.33% in compliance with RBI guidelines.

14.12. Impairment of Assets (AS-28)

In the opinion of the management, there is no impairment to the assets to which AS 28 "Impairment of Assets" applies.

14.13. Contingent Liabilities and Provisions (AS-29)

The details of provisions and contingencies, contingent liabilities, the movement of provisions on NPA's and depreciation on investment which are considered material are disclosed elsewhere under the appropriate headings as per RBI guidelines

a) Provisions:

(Amount in ₹ crore)

Particulars	Provisions as at the beginning of the year	Additions During the year	Amount used during the year	Unused Amounts Reversed During the year	Provisions As at the Close of the year
A. Provision for Interest sacrifice on restructured accounts (DFV)			NIL		
B. Provision for Contingencies			NIL		



b) Contingent Liabilities:

(Amount in ₹ crore)

PARTICULARS	As on 31.03.2022	As on 31.03.2021
1. Claims not acknowledged as debt		
a) Counter suits filed by the borrowers against the Bank has initiated legal action.	-	-
b) Cases filed in Consumer/Civil Courts for deficiency in services	0.22	2.95
c) Any other claims against the bank not Acknowledged as debts*	173.85	336.85
2. Forward exchange contracts	-	-
3. Guarantees issued on behalf of constituents	22.79	27.60
4. Acceptance, endorsements & other obligations	-	-
5. Other items for which the Bank is contingently liable	-	-
TOTAL	196.86	383.98

*This amount includes disputed Income tax liability of ₹173.22 Crore. (Previous year Rs.336.02 crore)

Contingent liability in respect of Income tax disputes pending with various authorities for different assessment Years:

Disallowances under sec 36 (i)(viiia) have been made by the Income tax Department for various assessment years being claim allowable towards deduction @ 10% of rural advances of the Bank as at the end of each year as a deduction. The disallowances are disputed by the Bank, the details are given below:

(Amount in crore)

Assessment Year	Appeal Pending with	Amount Demanded	Provision held/recognized	Contingent Liability not provided for	Net tax payable	Remarks
2007-08		3.7	Nil	NOT APPLICABLE	Nil	The bank has settled the matter under Vivad Se Vishwas Scheme. Form 5 from the Income Tax department is awaited
2009-10		36.05	Nil	NOT APPLICABLE	Nil	
2010-11		79.43	Nil	NOT APPLICABLE	Nil	
2011-12		38.89	Nil	NOT APPLICABLE	Nil	
2012-13		44.55	Nil	NOT APPLICABLE	Nil	
2014-15		85.01	Nil	NOT APPLICABLE	Nil	
2015-16		71.4	Nil	NOT APPLICABLE	Nil	

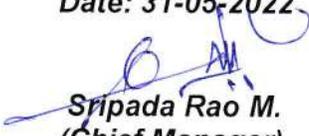


2013-14	Karnataka High Court Dharwad Bench	52.94	Nil	52.94		The appeal is pending at Karnataka High Court
2016-17	ITAT, Bangalore	44.62	23.1	21.52	35.26	The appeal is pending at ITAT Bangalore
2017-18	Karnataka High Court, Dharwad Bench	80.52	22	58.52	38.24	The appeal is pending at Karnataka High Court
2018-19	CIT(A)	65.94	25.7	40.24	5.36	Appeal is pending at CIT (A) and NFAC ,Delhi seeking condonation of delay
	TOTAL	603.05	70.8	173.22	131.81	

15 In respect of certain branches/offices where additional information was required, the data available at Controlling/Head office was considered.

16 Previous year's figures have been regrouped/ reworked /reclassified wherever necessary to conform to this year's classification.

Place: Dharwad
Date: 31-05-2022


Sripada Rao M.
(Chief Manager)


P. Srinivas Rao
(General Manager)


P. Gopi Krishna
(Chairman)


Malay Biswas


Deepa S. Pillai


A. Muralikrishna


Bhaskara Chakravarthy M

BOARD OF DIRECTORS

VIDE OUR REPORT OF EVEN DATE ATTACHED

For Abarna & Ananthan
Chartered Accountants
FRN No. 000003S




CA (Mrs.) LALITHA RAMESWARAN
Partner
M. No. 207867