

NOTES TO ACCOUNTS AND COMPLIANCE OF ACCOUNTING STANDARDS

Notes forming part of the Balance Sheet as at 31st March 2022 and
Profit and Loss Account for the year ended 31st March, 2022

SIGNIFICANT ACCOUNTING POLICIES:

1. Accounting Convention:

The financial statements of the Bank have been prepared and presented in accordance with the generally accepted accounting principles in India. The Bank has prepared these financial statements as stipulated under the Reserve Bank of India (Financial Statements-Presentation and Disclosures) Directions 2021 to comply in all material respects with the accounting standards issued by the Institute of Chartered Accountants of India (ICAI), to the extent applicable, and applicable statutory provisions under the Banking Regulation Act, 1949 & Multi State Cooperative Societies Act, 2002 Multi State Co-operative Societies Rules, 2002, circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time and current practices prevalent in the co-operative banking sector in India. The financial statements have been prepared following the going concern concept on an accrual basis under the historical cost convention, which is carried at revalued amount. The accounting policies adopted in the current year are consistent with those of previous year, except of change in accounting policy as explained in notes forming part of Accounts.

2. Use Of Estimates:

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

3. Investments :

- 3.1 Investments other than in those held in Term Deposits with Banks / Institutions / Mutual Fund and shares of Co-op Institutions are classified into "Held For Trading" (HFT), "Available for Sale" (AFS), and "Held To Maturity" (HTM) categories in accordance with Reserve Bank of India (RBI) guidelines on Classification and Valuation of investments for Primary (Urban) Co-operative Banks.
- 3.2 Investments under Held to Maturity category are carried at Book Value. The premium paid, if any, on the investments under this category is amortized over the residual life of the security.
- 3.3 Investments under Available for Sale category are valued scrip-wise at lower of Cost or Market Value. Net depreciation, if any under each classification has been provided for, net appreciation, if any, has been ignored.
- 3.4 The Bank is holding investments under Held for trading category which are being traded within 90 days from date of its classification under this head. Investments under this category are valued scrip wise at lower of cost or market value.



- 3.5 Market Value, where market quotes are not available, is determined on the basis of the "Yield to Maturity" (YTM) method as indicated by Primary Dealers Association of India (PDAI) jointly with the Fixed Income and Money Market Derivatives Association of India. Appreciation / Depreciation are aggregated for each class of securities and net depreciation in aggregate for each category as per RBI guidelines is charged to Profit and Loss Account. Net appreciation, if any, is ignored.
- 3.6 Bank values security receipts (SR) at Face value as reported by ARC Company. At the balance sheet date, NAV of the SRs is compared with Face Value and any impairment is provided for in the profit and loss account while gain is ignored.
Investments in Security Receipts (SRs) issued by Asset Reconstruction Companies (ARCs) are valued at cost till the expiry of 6 months from the date of acquisition thereof. Thereafter these are valued on the basis of NAV declared by the ARCs from time to time and any depreciation thereon is recognized in the Profit and Loss account. Appreciation if any in the rating of the SRs over the original face value is ignored. Provisioning for SRs is subjected to the guidelines issued by Reserve Bank of India vide circular no. RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/ 2021-22 dated 24.09.2021 regarding transfer of loan exposures.
- 3.7 Broken period interest on investments is treated as a revenue item. Brokerage, commission, stamp duty etc. pertaining to investments paid at the time of acquisition is charged to revenue.

4. Advances and Provisioning:

- 4.1 The classification of advances into Standard, Sub-standard, Doubtful and Loss assets as well as provisioning on Standard Advances and Non-Performing Advances has been arrived at in accordance with the Income Recognition, Assets Classification and Provisioning Norms prescribed by the Reserve Bank of India from time to time till date.
- 4.2 The unrealized interest in respect of advances classified as Non-Performing Assets is disclosed as "Overdue Interest Reserve" as per Reserve Bank of India directives.
- 4.3. In addition to provisions on Non-Performing Advances, general provisions are made on following categories of standard assets as per RBI guidelines, as under:

Category	Provision%
Direct advances to Agricultural & SME Sectors	0.25
Commercial and real estate loans	1.00
Commercial & real estate loans-residential housing	0.75
Other Standard Advances	0.40

- 4.4 For restructured accounts, provision is made in accordance with RBI guidelines which require diminution in the fair value of assets to be provided for at the time of restructuring and at each Balance sheet date thereafter. In respect of accounts restructured pursuant to the impact of COVID-19, provisions have been made as stipulated under the extant RBI guidelines on the subject.



5. Fixed Assets and Depreciation:

- 5.1 Premises, SDV Lockers, Electrical Fittings are depreciated on Written down Value method.
- 5.2 Computers & peripherals are depreciated on Straight Line method as directed by RBI.
- 5.3 Renovation and reconstruction is depreciated on Straight Line method
- 5.4 Vehicles, Furniture Fixtures, Other office machinery & equipment are depreciated on Straight Line method.
- 5.5 Depreciation on assets acquired prior to 1st October is provided for the whole year, otherwise the same are depreciated at 50% of the normal rates.
- 5.6 Buildings are revalued during the year 2011-12 from two government approved valuer. The revaluation is disclosed as revaluation reserve.
- 5.7 The rates of Depreciation are charged at following rates

The methods and rates of depreciation are as below.

Sr. No.	Assets	Rates Dep. %
1	Land & Building	10
2	Vehicles	20
3	SDV Lockers	10
4	Furniture & Fixture	10
5	Electrical Fitting	25
6	Computer H/w & S/W	33.33
7	Other Office Mach. & Equip.	20
8	Renovation & Reconstruction	20

6. Revenue Recognition:

- 6.1 Income is accounted on accrual basis. However, income on Non-Performing Assets is recognized on realization, as per Reserve Bank of India directives.
- 6.2 Bank has accounted Commission on Letters of Credit / Bank Guarantees, locker rent on receipt basis. Erstwhile, the bank was recognizing the income on LC/BG and locker rent on accrual basis.
- 6.3 Dividend received from shares of co- operative institutions is accounted on receipt basis

7. Employee Benefits: (AS- 15)

- 7.1 Payment of Provident Fund is made to the Commissioner for Provident Fund at rates prescribed in the Employees Provident Fund and Misc. Provisions Act, 1952 and is accounted for on accrual basis.
- 7.2 Bank has provided for leave encashment on accrual basis as per actuarial valuation given by third party Actuary as on 31.3.2022
- 7.3 Bank has taken group gratuity policy from LIC of India and is maintaining fund under trust deed with LIC of India for gratuity payments to employees. The premium / contribution paid to LIC to meet gratuity liability is debited to Profit & Loss A/c.



- 7.4 Ex-Gratia for the current year is appropriated from net profit as per the provisions of Multi - state co-op societies Act 2002.

8. Taxes on Income: (AS-22)

- 8.1 Provision for Current Tax is made on the basis of estimated taxable income for the year in accordance with the provisions of Income Tax Act, 1961, and rules framed there under.

8.2 Deferred Tax:

Deferred tax is calculated at the rate of 25.62% and is recognized on timing differences that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset is recognized only to the extent that there is reasonable certainty that the assets would be realized in future. The opening balance of DTA is rectified by adjusting the General reserve as prior period adjustment.

9. Provisions, contingent liabilities and contingent assets: (AS - 29)

A provision is recognized when the Bank has a present obligation as a result of past event where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is:

- a) A possible obligation arising from a past event, the existence of which will be confirmed by occurrence or nonoccurrence of one or more uncertain future events not within the control of the Bank; or
- b) A present obligation arising from a past event which is not recognized as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually.

10. Segment Reporting:

In accordance with the guidelines issued by RBI, Segment Reporting is made as under:

- i. Treasury includes all investment portfolio, profit/loss on sale of investments. The expenses of this segment consist of interest expenses on funds borrowed from external sources as well as internal sources and depreciation/amortization of premium on Held to Maturity category investments.
- ii. Income and expenses in relation to the segments are categorized based on the items that are individually identifiable to the segments.

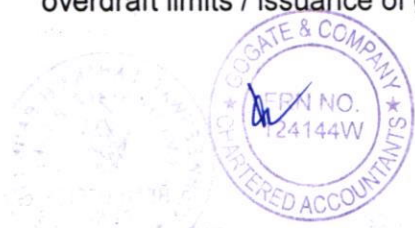


- iii. Deposits, interest paid/payable on deposits, Borrowings and interest paid/payable on borrowings are allocated in the ratio of average investments to average advances in the segments Treasury, Corporate/Wholesale Banking, Retail Banking and other banking operations, respectively.
 - iv. Unallocated expenses include general corporate income and expense items which are not allocated and specifically identified to any business segment.
 - v. Assets and liabilities that cannot be allocated to specifically identifiable segments are grouped under unallocated assets and liabilities.
- 11. Lease Payments (AS-19)**
Operating lease payments are recognized as an expense in the Profit & Loss account.
- 12. Deposit for Services:**
The Deposit for Services like Telephone, Telex, Electricity, etc. paid to the concerned authorities are charged to Profit & Loss A/c
- 13. Earnings per share (AS - 20):**
- a. Earnings per share are calculated by dividing the net profit for the period after tax attributable to equity shareholders (before appropriation) by the weighted average number of equity shares outstanding during the period.
 - b. The weighted average number of equity shares outstanding during the period are calculated by aggregating the equity shares outstanding at the beginning of the period adjusted by the number of shares surrendered / forfeited or issued during the period multiplied by the time-weighting factor, which is the number of days for which the shares are outstanding as a proportion of total number of days during the year
- 14. Accounting of Goods and Services Tax: Goods and Services Tax (GST) has been implemented with effect from 1 July 2017. Accordingly, GST Collected is accounted in GST on Income Account and GST paid to Vendor is accounted in GST on Expenses Account. Out of the GST on Expenses Account, eligible Input Tax Credit is availed as set off. In case, eligible Input Tax credit remains unutilized, the same is carried forward and set off subsequently. The Input Tax credit on expenses which is not allowable to be set off as per GST Law is expensed out. In case of fixed assets, eligible Input Tax Credit of GST paid to the vendor is utilized against the amount of GST collected from the customers and disallowed portion of Input Tax Credit is added back to the value of the asset i.e. the same is capitalized. Income and Expenses on which GST is applicable are recognized for net of GST**
- 15. Deposits for services like telephone, electricity etc. paid to concerned authorities are charged off as expenditure in the year in which the relevant service connection is installed.**

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

1. Investments:

- a. During the year, Bank has sold securities held under AFS category. The Net profit of Rs. 4,68,22,668.50 is credited to Profit and Loss account after netting off the loss of Rs. 66,56,250.00 to profit of Rs. 401,66,418.50. Fixed Deposits with other Banks include deposits aggregating to Rs. 3101.00 lakh lodged as margin money to secure overdraft limits / issuance of guarantees in respect of correspondent businesses.



2. Fixed Assets & Depreciation: AS 6 & AS 10

- a. The Bank has accounted and made disclosure of gross and net block of fixed assets and depreciation in accordance with AS-6 and AS-10 issued by ICAI.
- b. Depreciation of **Rs.17.70** lakh on account of revaluation of ownership premises has been provided during the year and an equivalent amount is debited to Revaluation Reserve.

3. Prior Period Items: AS- 5

- a. Bank has paid Ex-Gratia of Rs 1,33,54,971.00 for the year 2020-21, in current year. (paid in F.Y. 2021-2022).
- b. Interest income on NPA accounts of Rs. 278.81 Lakhs of earlier years recognized as income in current year i.e. 2021-22 as per RBI guidelines.
- c. The bank has paid advance tax of Rs. 375.00 lakhs during the year. Bank has made a provision of income tax to the tune of Rs.500.00 lakhs.

4. Merger of Other Co-op Bank - AS-14

- a. The Bank has acquired The Nipani Urban Souharda Sahakari Bank Niyamit, Nipani and merged the same in accordance with orders and directions issued by the Reserve Bank of India dated 27.12.2010 & RCS, Karnataka Order dated 15.9.2010.
- b. Bank has disclosed collection A/c (Amount payable to shareholder of erstwhile The Nipani Urban Souharda Sahakari Bank Niyamit, Nipani) of Rs. 21,17,450/- under current liabilities as per Merger Order dt 15.09.2010 & MOU dated 29/06/2010 till last year. During the year bank has refunded share capital of Rs. 100,350.00 and Rs. 2,017,100.00 transferred to General Reserve A/c.

5. Employee Benefits – AS - 15 (Revised):

- a. Bank has contributed Rs.81,78,148 /- (P.Y. Rs. 82,39,399/-) towards Provident Fund.
- b. Bank has opted Group Gratuity scheme & Group Leave Encashment scheme to comply with AS 15. Bank pays premium of these schemes.
- c. In the current year, Rs. 25,00,000/- towards Group Leave Encashment, Rs.1,50,00,000/- towards Group Gratuity Scheme are debited to profit and loss account related to the current year.
- d. On the basis of actuarial valuation conveyed by Mr. Venkatkrishna Narayana (Fellow –Institute of Actuaries of India) as of 31.3.2022, no provision is required towards group leave encashment scheme and group gratuity scheme.
- e. Actuarial Assessment of Gratuity fund and leave encashment as on 31/3/2022 is as under.

(Rs.in Lakh)			
Sr No.	Particulars	Gratuity	Leave Encashment
i)	Discount Rate	7.20%	7.20%
ii)	Expected Return on Plan Assets	7.25%	7.25%
iii)	Changes in present value of obligations (PVO)		
	PVO at the beginning	894.02	521.74
	Interest Cost	57.55	27.05
	Current Service Cost	61.58	48.74
	Benefits paid	(95.36)	(248.02)
	Actuarial (gain)/loss on obligations	(29.49)	70.47
	PVO at the End	888.29	419.97



iv)	Changes in fair value of Plan Assets (FVPA)		
	FVPA at the beginning	938.19	528.47
	Expected Return on Plan Assets	65.47	34.76
	Contributions	25.00	150.00
	Benefits Paid	(95.37)	(248.02)
	Actuarial gain/(loss) on plan assets	(5.79)	(12.41)
	FVPA at the end	927.49	452.79
v)	Amount recognised in Balance Sheet		
	Present Value of obligations	888.29	419.97
	Fair Value of Plan Assets	927.49	452.79
	Surplus/(Deficit)	39.20	32.83
vi)	Expenses recognised in profit and loss account		
	Current Service Cost	61.58	48.74
	Interest Cost	57.55	27.05
	Expected Return on Plan Assets	(65.47)	(34.76)
	Net Actuarial gain/(loss)	(23.71)	82.87

6. Segment Reporting- AS 17

Primary Segment Reporting (By Business Segments) as at 31/03/2022

(Amount Rs. in Crores)

Business Segments	Treasury		Corporate/ Wholesale Banking		Retail Banking		Other Banking Business		TOTAL	
Particulars	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
Revenue	51.43	55.14	47.99	44.04	54.02	55.44	9.17	11.03	162.61	165.64
Result	1.38	4.73	17.38	18.06	25.74	13.77	8.52	10.56	53.01	47.12
Unallocated Expenses	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	33.14	32.12
Operating Profit	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	19.87	14.99
Income Taxes	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5.00	4.00
Extraordinary Profit/ Loss	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0.14	0.14
Net Profit	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14.73	10.86
Other Information										
Segment Assets	767.47	782.14	436.98	611.92	500.58	298.18	1.17	0.00	1,706.20	1,692.25
Unallocated Assets	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	180.80	124.98
Total Assets	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,886.99	1,817.23
Segment Liabilities	25.33	26.71	524.51	465.86	1,159.44	1,161.20	33.43	30.41	1,742.71	1,684.18
Unallocated Liabilities	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	144.28	133.05
Total Liabilities	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,886.99	1,817.23



The Bank operates as a single unit in India, hence separate information regarding geographical segment is not given. Previous year's figures bifurcated into various segments as per change in current years disclosure.

7. Deferred Tax – AS 22

During the year bank has created the deferred Tax asset for BDDR provision. The bank has rectified the opening balance of DTA by debiting the amount of Rs.1,17,35,000/ as prior period adjustment on account of above adjustments.

The details are as follows:

	Particulars	Amount in Rs.
	Balance on 01.04.2021	55,235,000.00
Add	Asset recognized during the year	311,77,000.00
	Balance of DTA as on 31.03.2022	86,412,000.00

Note: Deferred Tax Assets has been recognized to the extent management is reasonably certain of its realization.

8. Computer Software (AS 26- Intangible fixed assets):

The fixed asset block for "Computers & peripherals" includes Computer Software. The details of which are as follows:

(Rs. In Lakh)

Particulars	31.03.2022
Gross Block Opening Balance	493.13
Add: Additions during the year	138.21
Less: Write off / Sale	0.00
Total Gross Block Closing Balance	631.34
Amortization Opening Balance	482.79
Add: Additions during the year	56.08
Less: Write off	0.00
Total Amortization	538.87
Net Closing Balance	92.47

Computer software is amortized @ 33.33% on straight line method as per the directives of RBI.

9. Impairment of Assets: AS 28

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

10. Provisions, Contingent Liabilities and Contingent Assets: AS 29

a. Contingent Liabilities on account of Bank Guarantees, Letters of Credit, DEAF are as follows:

Particulars	31.03.2022	31.03.2021
Bank Guarantees	10,70,84,540.00	8,85,95,789.00
Depositors Awareness Education Fund (DEAF)	3,04,76,901.01	2,07,71,461.36
Total	13,75,61,441.01	10,93,67,250.36

b. All guarantees are sanctioned to customers with approved credit limits in place. Liability thereon is dependent on terms of contractual obligations, devolvment, raising of demand by concerned parties and the amount being called up. These amounts are collateralized by margins, counter-guarantees and secured charges.



- c. Suits filed by the Ex-employees of The Vishweshwar Sahakari Bank Ltd & erstwhile The Nipani Urban Souharda Sahakari Bank Niyamit, Nipani against the Bank for claims of Rs. 5.18 lakhs are pending in various courts/authorities. The Bank has not accepted the claim and therefore has not made any provision against these claims.

11. Revaluation of Premises

Bank has not done any revaluation of its fixed assets during the year 2021-22

12. Income from other than Banking Business is as under

(Rs in lakh)		
Income from other than Banking Business	31.03.2022	31.03.2021
Commission of Insurance	17.95	14.38
Commission on Pan Card Services	0.04	0.03
Commission on Tax Payment Services	0.84	0.70

13. Internal Audit

Monthly Concurrent audit of 6 big branches, Quarterly concurrent audit of 22 branches, and concurrent of HO & Investment at Head Office is made by Chartered Accountants appointed by the bank. All such audits are completed up to 31-03-22 & bank has received all the reports.

14. Penalties for disclosure

It is informed by the bank that; RBI has not imposed any penalty on the bank for any reason in the year 2021-22

15. Supplier/Service providers covered under Micro, Small, and Medium Enterprises Development Act 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. Therefore, information relating to cases of delays in payments to Micro and Small Enterprise or of interest payments due to delays in such payments, could not be given.

16. Previous year's figures are regrouped or rearranged wherever necessary to conform to the presentation of the current year.

17. The amount remitted to RBI under Deposit Education and Awareness Fund (DEAF) are disclosed as under as per RBI circular DEAF Cell.BC.114/30.01.002/2013-14 dt 27.5.2014.

Rs. in Lakhs		
Particulars	31.03.2022	31.03.2021
Opening balance of amount transferred to DEAF	207.71	184.11
Add :- Amounts transferred to DEAF during the year	101.29	24.22
Less :- Amount reimbursed by DEAF towards claims	4.24	0.62
Closing balance of amounts transferred to DEAF	304.76	207.71

18. ARC disclosure

Details of financial assets sold during the year to SC/RC for Asset Reconstruction:
(Rs. Lakh)

PARTICULARS	31.03.2022	31.03.2021
No. of accounts	NIL	NIL
Aggregate Value (Net Provisions) of accounts sold to SC/RC	NIL	NIL
Aggregate Consideration	NIL	NIL
Additional Consideration realised in respect of accounts transferred in earlier years.	NIL	NIL
Aggregate gain over net book value	NIL	NIL



Since the assets were sold to ARC in December 2018, the ARC Company has reported a total Recovery of Rs. 5,784.72 lakh till 31st March 2022. Further, the ARC Company added interest income of Rs. 9.87 Lakh during FY 2021-22 consolidated interest income of Rs. 40.06 Lakh till 31st March 2022 and reduced expenses to the tune of Rs. 1219.69 lakh till 31st March 2022 and has remitted Rs. 3791.31 lakh to the as bank's share till 31st March 2022.

Hence, as of 31st March 2022, the Face value of SRs stood at Rs. 3518.69 lakh (i.e. Original value Rs. 7310.00 lakh - Total SR Redemptions from ARC Company Rs. 3791.31 lakh).

Out of the expenses of Rs. 1219.69 lakh, banks share of Management fee expenses accrued till 31st March 2022 amounts to Rs. 578.81 lakh and it's share in interest income for FY 2021-22 is Rs. 8.39 lakh. All expenses incidental to recovery, other than management fees, will be recognized as expense or income at the time of dissolution of ARC Trust.

19. Previous year figures:

The bank has reclassified previous year figures to conform to this year's classification.



DISCLOSURE AS PER RBI GUIDELINES

(As per RBI Circular RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 updated on 15-11-2021)

1. Regulatory Capital**a) Composition of Regulatory Capital**

(Rs in Crore)

Sr. No.	Particulars	2021-22	2020-21
i)	Paid up share capital and reserves (net of deductions, if any)	34.00	36.14
ii)	Other Tier 1 capital	84.75	78.62
iii)	Tier 1 capital (i + ii)	118.75	114.76
iv)	Tier 2 capital	25.17	22.70
v)	Total capital (Tier 1+Tier 2)	143.93	137.46
vi)	Total Risk Weighted Assets (RWAs)	802.64	796.22
vii)	Paid-up share capital and reserves as percentage of RWAs	14.80	14.41
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	14.80	14.41
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	3.14	2.85
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	17.93	17.26
xi)	Amount of paid-up equity capital raised during the year	0.98	(0.90)
xii)	Amount of non-equity Tier 1 capital raised during the year, of which: a) Perpetual Cumulative Preference Shares b) Redeemable Non-Cumulative Preference Shares	NIL	NIL
xiii)	Amount of Tier 2 capital raised during the year, of which a) Perpetual Cumulative Preference Shares b) Redeemable Non-Cumulative Preference Shares	NIL	NIL

Asset liability management**a) Maturity pattern of certain items of assets and liabilities**

(Rs in Crore)

	Day 1	2-7 D	8-14 D	15-30 D	31 D-2 m	>2 m to < 3 m	> 3 m to < 6 m	> 6 m to < 1 Y	>1 Y to < 3 Y	>3 Y to < 5 Y	> 5 Y	Total
Deposits	446.03	22.96	19.34	51.96	85.87	87.35	210.33	368.02	327.06	9.82	1.85	1,630.59
Advances	37.81	1.35	0.80	19.21	20.00	22.42	86.02	192.95	105.46	117.01	318.28	921.32
Investments	1.00	15.59	-	8.11	29.97	19.26	10.25	13.67	63.97	50.22	545.86	757.90
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-	-



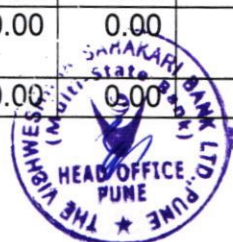
2. Investments

a) Composition of Investment Portfolio as at 31.03.2022 (Rs in Crore)

	Investments in India						
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India
Held to Maturity							
Gross	338.66	0.00	0.00	0.00	0.00	0.00	338.66
Less: Provision for non- performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	338.66	0.00	0.00	0.00	0.00	0.00	338.66
Available for Sale							
Gross	246.74	35.19	0.02	3.67	0.00	0.00	285.62
Less: Provision for depreciation and NPI	(11.11)	0.00	0.00	(0.84)	0.00	0.00	(11.94)
Net	235.64	0.00	0.02	2.84	0.00	0.00	238.49
Held for Trading							
Gross	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
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	585.40	35.19	0.02	3.67	0.00	0.00	624.28
Less: Provision for non- performing investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	(11.11)	0.00	0.00	(0.84)	0.00	0.00	(11.94)
Net	574.30	35.19	0.02	2.84	0.00	0.00	612.34

Composition of Investment Portfolio as at 31.03.2021

	Investments in India						
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India
Held to Maturity							
Gross	329.95	0.00	0.00	0.00	0.00	0.00	329.95
Less: Provision for non- performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	329.95	0.00	0.00	0.00	0.00	0.00	329.95
Available for Sale							
Gross	198.84	47.59	0.02	9.58	0.00	0.00	256.03
Less: Provision for depreciation and NPI	(3.18)	0.00	0.00	(2.80)	0.00	0.00	(5.97)
Net	202.02	0.00	0.00	12.37	0.00	0.00	214.39



Held for Trading							
Gross	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
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	528.79	47.59	0.02	9.58	0.00	0.00	585.97
Less: Provision for non- performing investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	(3.18)	0.00	0.00	(2.80)	0.00	0.00	(5.97)
Net	525.61	47.59	0.02	6.78	0.00	0.00	580.00

b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Rs in Crore)

Particulars	Current Year	Previous Year
	31/03/2022	31/03/2021
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	6.18	4.58
b) Add: Provisions made during the year	6.00	1.60
c) Less: Write off / write back of excess provisions during the year	0.00	0.00
d) Closing balance	12.18	6.18
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	13.15	15.15
b) Add: Amount transferred during the year	0.00	0.00
c) Less: Drawdown	0.00	2.00
d) Closing balance	13.15	13.15
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	4.60%	5.14%

c) Sale and transfers to/from HTM category

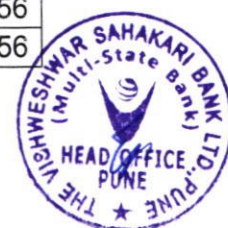
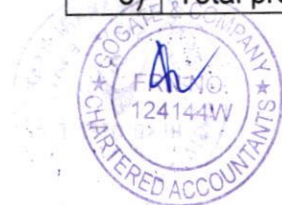
The one-time transfer of securities to/from HTM category with the approval of Board of Directors undertaken by Bank at the beginning of the accounting year and hence disclosure is not required.

d) Non-SLR investment portfolio

i) Non-performing non-SLR investments

(Rs in Crore)

Sr. No.	Particulars	2021-22	2020-21
a)	Opening balance	18.56	18.56
b)	Additions during the year since 1 st April	0.00	0.00
c)	Reductions during the above period	17.56	0.00
d)	Closing balance	1.00	18.56
e)	Total provisions held	1.00	9.56



ii) Issuer composition of non-SLR investments

(Rs in Crore)

Sr. No	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
1	2	3		4		5		6		7	
		CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
		31/3/22	31/3/21	31/3/22	31/3/21	31/3/22	31/3/21	31/3/22	31/3/21	31/3/22	31/3/21
a)	PSUs	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b)	FIs	3.67	8.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c)	Banks	6.29	6.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d)	Private Corporates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e)	Subsidiaries / Joint Ventures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)	Others	154.53	227.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g)	Provision held towards depreciation	1.00	9.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	164.50	243.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

*Balances in Term deposits with banks are not considered in above table

e) Repo transactions (in face value terms)/ TREPS

Not applicable as no transactions in REPO/TREPS during 2021-22.

3. Asset quality

a) Classification of advances and provisions held

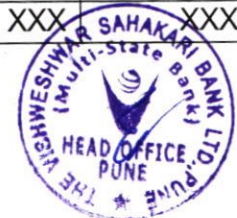
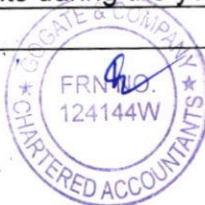
(Rs in Crore)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	820.64	42.56	37.21	0.62	80.39	901.03
Add: Additions during the year	XXX	XXX	XXX	XXX	XXX	XXX
Less: Reductions during the year*	XXX	XXX	XXX	XXX	XXX	XXX
Closing balance	868.56	5.76	44.68	2.32	52.76	921.32
*Reductions in Gross NPAs due to:						
i) Up gradation	XXX	XXX	XXX	XXX	21.56	21.56
ii) Recoveries (excluding recoveries from upgraded accounts)	XXX	XXX	XXX	XXX	15.47	15.47



iii) Technical/ Prudential Write-offs	XXX	XXX	XXX	XXX	0.00	0.00
iv) Write-offs other than those under (iii) above	XXX	XXX	XXX	XXX	0.00	0.00
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	5.75	4.26	13.13	0.39	17.78	23.53
Add: Fresh provisions made during the year	5.25	(3.68)	3.48	1.92	1.72	6.97
Less: Excess provision reversed/ Write-off loans	0.00	0.00	0.00	0.00	21.50	21.50
Closing balance of provisions held	11.00	0.58	16.61	2.32	41.00	52.00
Net NPAs						
Opening Balance	XXX	XXX	XXX	XXX	46.69	46.69
Add: Fresh additions during the year	XXX	XXX	XXX	XXX	XXX	XXX
Less: Reductions during the year	XXX	XXX	XXX	XXX	XXX	XXX
Closing Balance	XXX	XXX	XXX	XXX	11.76	11.76

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard*	Doubtful*	Loss*	Total Non-Performing Advances	
Floating Provisions						
Opening Balance	XXX	XXX	XXX	XXX	0.00	0.00
Add: Additional provisions made during the year	XXX	XXX	XXX	XXX	0.00	0.00
Less: Amount drawn down during the year (Give reasons)	XXX	XXX	XXX	XXX	0.00	0.00
Closing balance of floating provisions	XXX	XXX	XXX	XXX	0.00	0.00
*The floating provision held by bank could not be apportioned over various categories in NPA						
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts	XXX	XXX	XXX	XXX	XXX	0.00
Add: Technical/ Prudential write-offs during the year	XXX	XXX	XXX	XXX	XXX	0.00
Less: Recoveries made from previously technical/ prudential written-off accounts during the year	XXX	XXX	XXX	XXX	XXX	0.00
Closing balance	XXX	XXX	XXX	XXX	XXX	0.00



Ratios (%)	Current Year	Previous Year
	31/03/2022	31/03/2021
Gross NPA to Gross Advances	5.73%	8.92%
Net NPA to Net Advances	1.34%	5.38%
Provision coverage ratio	77.71%	41.92%

b) Sector-wise Advances and Gross NPAs

(Rs in Crore)

Particulars	Ac No	Sanction Amount	Outstanding Amount	NPA Amount
Priority Sector				
Agriculture	29	58.04	51.25	12.08
MSMEs	682	526.00	436.41	24.63
Export Credit	0	0.00	0.00	0.00
Education	49	1.33	1.03	0.00
Housing	394	46.95	33.12	0.86
Social Infrastructure	3	4.33	3.95	0.00
Renewable Energy	6	3.69	3.27	0.00
Others	25	0.38	0.36	0.00
Total Priority	1,188	640.71	529.40	37.56
Non-Priority Sector				
Agriculture	7	0.77	0.43	0.00
MSMEs	7	9.62	2.90	0.00
Education Loan	23	0.79	0.69	0.00
Housing Loan	293	72.98	56.63	0.60
Personal Loan	1,507	50.91	32.53	4.05
Other Non-Priority Sector Loan	3,448	406.12	298.73	10.55
Total	5,285	541.18	391.92	15.19
Total Advances	6,473	1,181.90	921.32	52.76



c) Particulars of resolution plan and restructuring

i) Details of accounts subjected to restructuring

(Rs in Crore)

		Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
		CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Standard	Number of borrowers	-	-	4	4	17	2	11	8	32	14
	Gross Amount	-	-	18.98	10.65	37.31	5.94	13.09	7.69	69.39	24.28
	Provision held	-	-	2.29	1.13	3.85	0.57	1.38	0.78	7.52	2.47
Sub-standard	Number of borrowers	-	-	1	0	0	0	1	0	2	0
	Gross Amount	-	-	0.10	0.00	0.00	0.00	0.01	0.00	0.11	0.00
	Provision held	-	-	0.01	0.00	0.00	0.00	0.00	0.00	0.01	0.00
Doubtful	Number of borrowers	-	-	0	1	0	0	4	3	4	4
	Gross Amount	-	-	0.00	3.72	0.00	0.00	2.70	1.25	2.70	4.97
	Provision held	-	-	0.00	1.12	0.00	0.00	1.84	0.26	1.84	1.38
Total	Number of borrowers	-	-	5	5	17	2	16	11	38	18
	Gross Amount	-	-	19.09	14.37	37.31	5.94	15.80	8.94	72.20	29.24
	Provision held	-	-	2.30	2.24	3.85	0.57	3.22	1.04	9.37	3.85

d) Disclosure of transfer of loan exposures

During this financial year and previous year, Bank has not sold financial assets to Asset Reconstruction Companies hence disclosure is not required.

e) Details of non performing financial assets purchased/sold from/to other Banks/financial institution/NBFCs

During this financial year and previous year, Bank has not purchased/sold non performing financial assets to Banks/financial institution/NBFCs hence disclosure is not required.

f) Fraud accounts

Particulars	2021-22	2020-21
Number of frauds reported	2	4
Amount involved in fraud (₹ crore)	5.82	0.45
Amount of provision made for such frauds (₹ crore)	2.00	0.07
Amount of Unamortised provision debited from 'other reserves' as at the end of the year (₹ crore)	-	-



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

i) For the half year ended 31st March 2022

(Rs 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-30-09-2021 (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- 31-03-2022
Personal Loans	0.61	0.00	0.00	0.00	0.61
Corporate persons*	30.50	0.00	0.00	0.00	30.50
Of which MSMEs	24.89	0.00	0.00	0.00	24.94
Others	11.37	0.00	0.00	0.14	11.24
Total	42.48	0.00	0.00	0.14	42.34

4. Exposures

a) Exposure to real estate sector

(Rs in Crore)

Category	Current year 31/03/2022	Previous year 31/03/2021
i) Direct exposure		
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.	59.99	63.60
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;	43.18	38.12
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –	11.60	17.77
i. Residential	0.00	0.00
ii. Commercial Real Estate	0.00	0.00
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	0.00	0.00
Total Exposure to Real Estate Sector	114.78	119.49

b) Exposure to capital market

Bank does not have exposure to capital market in current year and previous year. Hence disclosure is not required.

c) Risk category-wise country exposure

Bank does not have exposure to country risk in current year and previous year. Hence disclosure is not required.



d) **Unsecured advances**

(Rs in Crore)

Particulars	Current year	Previous year
	31/03/2022	31/03/2021
Total unsecured advances of the bank	29.17	30.51
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	0.00	0.00
Estimated value of such intangible securities	0.00	0.00

e) **Factoring exposures**

Bank does not have factoring exposure and hence disclosure is not required.

f) **Unhedged foreign currency exposure**

Bank does not have unhedged foreign currency exposure and hence disclosure is not required

5. **Concentration of deposits, advances, exposures and NPAs**

Deposits

(Rs in Crore)

Particulars	2021-22	2020-21
Total deposits of the twenty largest depositors	186.06	165.82
Percentage of deposits of twenty largest depositors to total deposits of the bank	11.41%	10.44%

Advances

(Rs in Crore)

Particulars	2021-22	2020-21
Total advances to the twenty largest borrowers	238.81	242.10
Percentage of advances to twenty largest borrowers to total advances of the bank	25.91%	26.87%

Exposure

(Rs in Crore)

Particulars	2021-22	2020-21
Total exposure to the twenty largest borrowers/customers	238.92	244.21
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the bank on borrowers/customers	25.93%	27.10%

NPA

(Rs in Crore)

Particulars	2021-22	2020-21
Total Exposure to the top twenty NPA accounts	43.27	66.81
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	82.01%	83.11%

6. **Derivatives**

Bank have not entered into any transactions in derivatives in current and previous year and hence disclosure is not required.

7. **Disclosures relating to securitisation**

Not applicable to Urban Co-Op. Banks.



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

Not applicable to Urban Co-Op. Banks.

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

(Rs in Crore)

Sr. No.	Particulars	2021-22	2020-21
i)	Opening balance of amounts transferred to DEA Fund	2.08	1.84
ii)	Add: Amounts transferred to DEA Fund during the year	1.01	0.24
iii)	Less: Amounts reimbursed by DEA Fund towards claims	0.04	0.01
iv)	Closing balance of amounts transferred to DEA Fund	3.05	2.08

10. 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 at beginning of the year	0	0
2	Number of complaints received during the year	1	7
3	Number of complaints disposed during the year	1	7
3.1	Of which, number of complaints rejected by the bank	0	0
4	Number of complaints pending at the end of the year	0	0
Maintainable complaints received by the bank from Office of Ombudsman			
5	Number of maintainable complaints received by the bank from Office of Ombudsman	0	0
5.1	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	0	0
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.

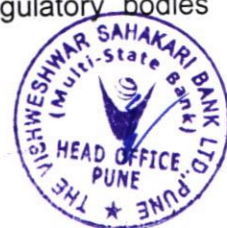


b) Top five grounds of complaints received by the bank from customers

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 previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Ground - 1 Due to GST, Recession and Demonetisation business has been closed therefore EMI of loan taken not paid regularly. Bank has initiated action under SARFESAI. Complainant give proposal for OTS. RBI, CEPC should direct bank to accept the same, sale of the property should be made by borrower.	NIL	1	100%	NIL	NIL
Ground - 2	NIL	0	0.00%	NIL	NIL
Ground - 3	NIL	0	0.00%	NIL	NIL
Ground - 4	NIL	0	0.00%	NIL	NIL
Ground - 5	NIL	0	0.00%	NIL	NIL
Others	NIL	1	0.00%	NIL	NIL
Total		1	14.29%	NIL	NIL
Previous Year					
Ground - 1 A/c was debited without knowing to a/c holder through Gpay. Bank did not help & suggested to close the a/c.	NIL	1	0	NIL	NIL
Ground - 2 LIC premium not debited to saving a/c faced financial loss.	NIL	1	0	NIL	NIL
Ground - 3 Premium of GIC Housing finance was not debited for 2 months	NIL	1	0	NIL	NIL
Ground - 4 A/c holder had ordered food delivery from V Fast co. after filling prescribed form of company a/c was debited by Rs. 11000 instead of Rs. 32	NIL	1	0	NIL	NIL
Ground - 5 A/c holder want to link his a/c with UPI, a/c with Survivorship clause, bank has denied to link the same.	NIL	1	0	NIL	NIL
Ground - 6 Spouse of the complainant tendered withdrawal slip at the same time branch personnel asked him to take permission from Branch Manager, this way a/c holder was insulted	NIL	1	0	NIL	NIL
Total	NIL	7		NIL	NIL

11. Disclosure of penalties imposed by the Reserve Bank of India

No penalty imposed by Reserve Bank of India and other Banking regulatory bodies during current/previous year.



12. Disclosures on remuneration

Not applicable to urban co-operative banks.

13. Other Disclosures**a) Business Ratios**

Particulars	2021-22	2020-21
i. Interest Income as a percentage to Working Funds	7.86%	7.99%
ii. Non-interest income as a percentage to Working Funds	0.72%	0.84%
iii. Cost of Deposits	5.10%	6.02%
iv. Net Interest Margin	3.67%	2.42%
v. Operating Profit as a percentage to Working Funds	1.64%	1.87%
vi. Return on Assets	0.82%	0.62%
vii. Business (deposits plus advances) per employee (in ₹ crore)	6.73	6.95
viii. Profit per employee (in ₹ crore)	0.04	0.03

b) Bancassurance business

Particulars	2021-22 Rs in Cr	2020-21 Rs in Cr
Commission of Insurance	0.1795	0.1438
Commission on Pan Card Services	0.0004	0.0003
Commission on Tax Payment Services	0.0084	0.0070
Commission on Mutual Fund Service	0.0001	-

c) Marketing and Distribution

Particulars	2021-22	2020-21
Commission from MF, ASBA; Demat	NIL	NIL

d) Disclosure regarding Priority sector lending certificates

Particulars	2021-22	2020-21
Priority Sector Lending Certificates (PSLCs)	NIL	NIL

e) Provisions and contingencies

(Rs in Crore)

Particulars	2021-22	2020-21
i) Provision For BDDR	6.30	6.02
ii) Provision For Standard Assets	5.25	2.35
iii) Provision for BDDR NPA Investment	0.00	3.00
iv) Special Reserve (Income Tax Act)	0.14	0.14
v) Investment Depreciation Reserve (IDR)	6.00	1.60
vi) Provision for ARC bond Depreciation Reserve	1.03	4.77
vii) Income Tax Provisions	5.00	4.00



- f) **Implementation of IFRS converged Indian Accounting Standards (Ind AS)**
Not applicable to Urban Co-Op. Banks

g) **Payment of DICGC Insurance Premium**

(Rs in Crore)

Sr. No.	Particulars	2021-22	2020-21
i)	Payment of DICGC Insurance Premium	1.90	1.85
ii)	Arrears in payment of DICGC premium	0.00	0.00

h) **Disclosure of facilities granted to directors and their relatives**

(Rs in Crore)

Sr No	Particulars	2021-22	2020-21
a	Fund-based		
i	Outstanding at the beginning of the year	0.92	0.50
ii	Additions during the year	0.29	0.79
iii	Recovery during the year	0.61	0.38
iv	Outstanding at the end of the year (Including Interest)	0.59	0.92
b	Non-fund based (Guarantees, L/Cs etc.)		
i	Outstanding at the beginning of the year	0.00	0.00
ii	Additions during the year	0.09	0.00
iii	Recovery during the year	0.00	0.00
iv	Outstanding at the end of the year (Including Interest)	0.09	0.00

For M/s Gogate & Company
Chartered Accountants
FRN-124144W


CA U V Gogate
Partner

M.No. 109574
UDIN No. 22109574AKRHZW9410
Date:- 10th June, 2022
Place: - Pune



For The Vishweshwar Sahakari Bank Ltd.
Multi-State Bank


Shriram V Apte
Chief Executive Officer