

THE AKOLA URBAN CO-OPERATIVE BANK LTD., AKOLA
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED
31ST MARCH 2023

I. OVERVIEW

The Akola Urban Co-operative Bank Ltd. ("The Bank") was established on 19th April, 1963. The bank is a Multi-State Scheduled Co-operative Bank having 33 branches and 1 extension counter as on 31st March, 2023. The Bank is providing wide range of Banking & Financial Services including Corporate Banking, Retail Banking products and Treasury Operations.

1. BASIS OF PREPARATION

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless otherwise stated, and comply with generally accepted accounting principles, statutory requirements prescribed under the Banking Regulation Act, 1949 as amended, and The Multi-State Co-operative Societies Act, 2002 and rules made thereunder, circulars and guidelines issued by The Reserve Bank of India (RBI) from time to time, the Accounting Standards (AS) issued by The Institute of Chartered Accountants of India (ICAI) and current practices prevailing within the Banking Industry in India.

2. USE OF ESTIMATES

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revisions to the accounting estimates are recognized prospectively.

II. SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention:

The financial statements are drawn up in accordance with the historical cost and going concern concept and in accordance with generally accepted accounting principles and practices prevailing in the Banking Industry in India, except otherwise stated.

2. Cash Flow Statements (AS 3)

For the purpose of preparation of Cash Flow Statement, Cash and Cash Equivalents include highly liquid short term investments for short period in form of Cash, balances held in current accounts with other Banks (including Term Deposits maturing within 3 months) and Money at Call & Short Notice, in accordance with AS 3 issued by the ICAI.



3. Revenue Recognition (AS 9):

Items of Income and expenditures are generally accounted for on accrual basis, except for the following items.

- i. Interest income on nonperforming assets which is recognized on receipt basis as per income recognition and asset classification norms of RBI
- ii. Commission from Government against franking business & commission of guarantees are recognized in the year of receipt only for entire period, including the period which is yet to be expired
- iii. Dividend, D-mat charges and Locker Rent is recognized as income on receipt basis.
- iv. Income from distribution of insurance products is recognized on the basis of income received.

4. Property, Plant and Equipment (AS 10):

- i. Computers, Furniture & Fixtures, Plant & Machinery, Leasehold improvement and Motor Cars are stated at cost less depreciation.

Premises (including Freehold Land): These are stated at the revalued amounts less depreciation.

Leasehold land is stated at revalued amounts less amortization over the lease period

- ii. Premises have been revalued as per Revaluation Policy approved by Board of Directors. The surplus arising out of such revaluation is carried to Premises and is accounted under Revaluation Reserve. Depreciation on the revalued asset is charged to the Profit and Loss Account and an amount equivalent to the amount of depreciation on the revaluation is appropriated from the Revaluation Reserve to the Profit & Loss account.
- iii. Cost includes incidental expenses incurred on acquisition of assets
- iv. Depreciation is charged on straight Line Method except computer hardware and software on which depreciation is charged as per RBI guidelines



- v. Fixed Assets are depreciated at the rates considered appropriate by the Management as under:

Sr. No.	Assets	Rate of Depreciation	
a)	Building	2.50%	SLM
b)	Furniture & Fixture	10.00%	SLM
c)	Computer Hardware & Software	33.33%	SLM
d)	Mobile & Battery	33.33%	SLM
e)	Plant & Machinery		
	1) General	10.00%	SLM
	2) Specified Plant Machinery	20.00%	SLM
f)	Vehicle	25.00%	SLM

5. Investments:

i. Categorization of investments

In accordance with guidelines issued by RBI, the Bank classifies its investment portfolio into the following three categories:

- Held to Maturity (HTM)** - Securities acquired by the Bank with the intention to hold till maturity.
- Held for Trading (HFT)** - Securities acquired by the Bank with the intention to trade.
- Available for Sale (AFS)** - Securities which do not fall within the above two categories are classified as 'Available for Sale'

ii. Classification of Investments

For the purpose of disclosure in the Balance Sheet, Investments are classified as required under the Banking Regulation Act, 1949 and RBI guidelines as follows:

Government Securities, Shares in co-operative institutions, Security Receipts and other Investments.

iii. Transfer of investments between categories

Transfer between categories of investments is accounted as per the RBI guidelines

iv. Valuation of Investments

- 'Held to Maturity'** - These investments are carried at their acquisition cost less amortization. Any premium on acquisition is amortized over the period remaining up to maturity
- 'Held for Trading'** - The individual scrip in the HFT category is marked to market at monthly intervals. The net resultant depreciation in each classification is recognized in the Profit and Loss Account. Net appreciation, if any, is ignored



- c. **'Available for Sale'** – The individual scrip in the AFS category is marked to market at the year-end or at more frequent intervals. The net resultant depreciation in each classification is recognized in the Profit and Loss Account. Net appreciation, if any, is ignored.
- d. Market value of Government Securities (excluding Treasury Bills) is determined based on the price list published by RBI or the prices periodically declared by FBIL for valuation at year-end. In case of unquoted Government Securities, market price or fair value is determined as per the rates published by FBIL.
- e. Market value of other approved securities is determined based on the yield curve and spreads provided by FBIL.
- f. Broken period interest on debt instruments is treated as a revenue item. Brokerage, commission, etc. pertaining to investments paid at the time of acquisition are charged to revenue.
- g. Investments are identified and classified as per applicable RBI guidelines. Depreciation on securities is not set off against the appreciation in other securities as per RBI guidelines. Interest on non-performing investments is not recognized in the Profit and Loss Account until received.

v. Disposal of Investments:

Investments classified under the HTM category: Realized gains are recognized in the Profit and Loss Account and subsequently appropriated to Investment Fluctuation Reserve. Losses are recognized in the Profit and Loss Account.

Investments classified under the AFS and HFT categories: Realized gains/losses are recognized in the Profit and Loss Account.

6. Advances:

- i. Advances are classified into Standard, Sub-standard, Doubtful and Loss Assets in accordance with the guidelines issued by RBI from time to time.
- ii. Provision on Advances categorized under Sub-standard, Doubtful and Loss Assets is made in accordance with the guidelines issued by RBI. In addition, a general provision has been made on all standard assets as per RBI Master Circular No. RBI/2022-23/17 DOR.No.STR.REC.5/21.04.048/2022-23 dated 1st April 2022 and in accordance with amendments and clarifications issued from time to time.

In addition to this, a general provision on standard assets is made @0.40% of the outstanding amount on a portfolio basis except in case of direct advances to Agricultural and SME sector @ 0.25%, advances to Commercial Real Estate @ 1% and Commercial Real Estate- Residential House Sector @ 0.75%.



In respect of restructured advances, including advances restructured under the COVID Regulatory package, adequate provisioning has been made in accordance with the RBI guidelines issued from time to time

- iii. The unrealized interest from the date of classification as Non-Performing Assets is disclosed separately under "Overdue Interest Reserve -II"
- iv. Recovery in Non-Performing advances is first adjusted against the principal then towards charges and then towards interest.

7. Employee Benefits (AS 15):

- i. Provident Fund contribution is paid to Employees Provident Fund Organization (EPFO) and is accounted for on accrual basis
- ii. The liability towards employee defined benefits such as Gratuity and Leave Encashment is assessed on actuarial valuation in accordance with Projected Unit Credit Method as per AS 15 (Revised) issued by the ICAI and the same is fully provided for.

8. Segment Reporting (AS 17):

The Bank recognizes the Business Segment as the primary reporting segment and Geographical Segment as the secondary reporting segment, in accordance with RBI guidelines and in compliance with AS 17

Business Segment is classified into

- (a) Treasury
- (b) Corporate and Wholesale Banking,
- (c) Retail Banking and
- (d) Other Banking Operations.

Geographic Segments: The Bank operates only in India and hence the reporting consists only of domestic segment.

9. Related Party Disclosures (AS 18)

There are no related parties which require a disclosure under AS 18 other than the Key Management Personnel



10. Operating Leases (AS 19):

Lease rental obligations in respect of assets taken on operating lease are charged to Profit and Loss Account on straight-line basis over the lease term. Initial direct costs are charged to Profit and Loss account.

11. Earnings per Share (AS 20):

Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of shares (excluding preference shares) outstanding during the year.

12. Income-Tax (AS 22):

The Bank provides for tax based on its assessment of the tax payable as per prevailing provisions of Income Tax Act, 1961.

The Bank has not created deferred tax assets or deferred tax liability for year ended on 31st March 2023 as required by RBI guideline read with Accounting Standard -22 issued by ICAI.

13. Intangible Assets (AS 26):

Software expenses are disclosed in accordance with AS 26 issued for Intangible Assets by the ICAI.

14. Impairment of Assets (AS 28):

The Bank assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. Impairment loss if any is recognized in the statement of Profit & loss to the extent, the carrying amount of asset exceeds its estimated recoverable amount.

15. 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:

- i) 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
- ii) 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



III. NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2023:

1. Payments to Micro, Small, Medium Enterprises (MSME)

Payments to Micro, Small, Medium Enterprises (MSME) registered suppliers, as per information available with the Bank, have been made within the timeline specified in Micro, Small, Medium Enterprises Development Act, 2006.

2. EVENTS OCCURRING AFTER BALANCE SHEET DATE (AS 4)

There are no major events occurring after the balance sheet date which needs to be incorporated into the financial statements.

3. Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies (AS 5)

Prior Period Items:

Following are the material prior period expenditure items

Particulars	Amount
Interest Capitalized in Non-Banking Assets	1,16,15,142.00
Interest on Savings Account	43,29,169.00

The bank has obtained Actuarial Valuation in respect of gratuity and leave encashment for the first time and hence prior period income, if any, is not determinable.

Change in Accounting Policy:

There is no change in the Significant Accounting Policies adopted during the year ended 31st March 2023 as compared to those followed in the previous financial year 2021-22.

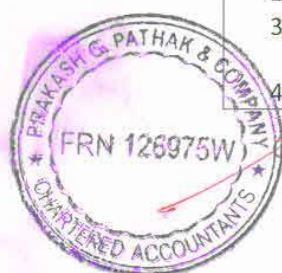
4. PROPERTY, PLANT & EQUIPMENT (FIXED ASSET) (AS 10)

The Bank has revalued immovable properties on 31st March 2023 based on the valuation reports of the external independent valuers and closing balance of Revaluation Reserve as on 31st March 2023, (net of amount transferred to Profit & Loss Account) is ` 9145.25 lakhs.

5. EMPLOYEE BENEFITS (AS 15)

The details as required by AS 15 issued by the ICAI pertaining to Gratuity is as under:

Sr. No	Particulars	Gratuity (Funded) 31.03.2023
1	Discount rate	7.34%
2	Expected Return on plan assets	7.25%
3	Salary Escalation Rate	5.00%
4	Reconciliation of opening and closing balance of the present value of the defined benefit obligation:	



Sr. No	Particulars	Gratuity (Funded) 31.03.2023
	Opening Present value of obligation	-
	Interest cost	-
	Current service cost	87.41
	Liability transfer in	-
	Benefits paid	-267.34
	Past Service Cost	2,134.41
	Actuarial (gains) / loss on obligations	267.34
	Present value of obligation as at Year End	2,221.82
5	Reconciliation of opening & closing balance of fair value of plan assets:	
	Opening Fair value of plan assets	3,128.16
	Expected return on plan assets	222.10
	Contributions	151.79
	Transfer from other entities	-
	Benefits paid	-267.34
	Actuarial gain / (loss) on plan assets	3.47
	Fair value of plan assets as at Year End	3,238.17
6	Amount recognized in Balance Sheet	
	Present value of obligations as at Year End	2,221.82
	Fair value of Plan Assets as at Year End	3,238.17
	(Assets) / Liability as at Year End	-1,016.35
7	Expenses recognized in Profit and Loss Account	
	Current service cost	87.41
	Interest cost	-
	Return on Plan Assets	-222.10
	Past Service Cost	2,134.41
	Net actuarial (gain) / loss	263.87
	Expenses recognized in Profit and Loss Account	2,263.60

Data as required by AS 15 issued by the ICAI pertaining to Leave Encashment is as under:

Sr. No	Particulars	Leave Encashment (Funded) 31.03.2023
1	Discount rate	7.30%
2	Salary Escalation Rate	5.00%
3	Present value of obligations as at Year End	463.56
	Fair value of Plan Assets as at Year End	861.06
	(Assets) / Liability as at Year End	-397.50

Actuarial Valuation is done for first time & hence previous year's figures are not reported



6. SEGMENT REPORTING (AS 17)

Primary Segment Reporting (By Business Segments) is as under:

Rs in Crores

Particulars	Treasury	Corporate	Retail	Other Banking Operations	Total
Segment Revenue	47.46	22.29	56.21	57.55	183.52
	44.35	21.44	75.35	3.47	144.61
Segment Cost	29.24	30.60	62.59	46.33	168.76
	29.00	27.69	70.40	7.53	134.62
Segment Result	18.22	(8.31)	(6.38)	11.22	14.75
	15.35	(6.25)	4.95	(4.05)	9.99
Less: Extraordinary Items					
Net Segment Result	18.22	(8.31)	(6.38)	11.22	14.75
	15.35	(6.25)	4.95	(4.05)	9.99
Less: Unallocated Provisions & Contingencies					
Profit Before Tax					14.75
					9.99
Income Tax					8.40
Deferred Tax Asset					-
Income Tax					0.08
Deferred Tax Asset					-
Net Profit					6.35
					9.91
Other Information					
Segment Assets	560.17	246.86	690.32	454.88	1,952.23
	542.63	165.19	661.91	482.67	1,852.39
Unallocated Assets				16.39	16.39
				19.09	19.09
Total Assets					1,968.63
					1,871.48
Segment Liabilities	657.07	274.80	793.82	242.94	1,968.63
	644.92	204.33	842.45	179.78	1,871.48
Unallocated Liabilities					
Total Liabilities					1,968.63
					1,871.48



7. RELATED PARTY DISCLOSURE (AS 18)

Since Shri R. M. Sontakke, the Chief Executive Officer (CEO) of the Bank is a single party under the category Key Management Personnel, no further details need to be disclosed in terms of RBI circular dated 29th March 2003.

8. LEASES (AS 19)

Lease rental obligations in respect of assets taken on operating lease are charged to Profit and Loss Account on straight-line basis over the lease term. Initial direct costs are charged to Profit and Loss Account.

The Bank has operating leases and the disclosures under AS 19 on "Leases" issued by the ICAI are as follows:

Particulars	31.03.2023	31.03.2022
Future lease rental payable as at the end of the year		
- Not later than one year	75.39	46.95
- Later than one year and not later than five years	228.51	266.51
- Later than five years	331.26	368.65
Total of minimum lease payments recognized in the profit and loss account for the year	46.95	46.68
Total of future minimum sub-lease payment expected to be received under non- cancellable sub-lease	Nil	Nil
Sub-lease payments recognized in the profit and loss account for the year	Nil	Nil

9. EARNINGS PER SHARE (EPS) (AS 20):

Particulars	31.03.2023	31.03.2022
Net Profit after Tax attributable to Equity Shareholders (before appropriations) Rs. in lakhs	635.27	991.42
Weighted Average No. of Equity Shares outstanding during the period (Actual)	258,79,444	249,90,864
Basic Earnings Per Share (Rs.)	2.45	3.97
Diluted Earnings Per Share (Rs.)	2.45	3.97

10. IMPAIRMENT OF ASSETS (AS 28)

The Bank has ascertained that there is no material impairment of any of its assets and as such no provision under Accounting Standard 28 on Impairment of Assets issued by the ICAI is required.

11. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS 29):

- Contingent Liabilities on account of Claims against Bank not acknowledged as debts, Bank Guarantees, Letters of Credit, Forward Contracts and Bills under Import LCs are as follows:



Rs in Lakhs

Particulars	31.03.2023	31.03.2022
Bank Guarantee	9,090.88	8,012.06
Letter of Credit	NIL	NIL
TOTAL	9,090.88	8,012.06

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

Rs in Lakhs

Particulars	31.03.2023	31.03.2022
Opening Balance of amounts transferred to DEAF	1,144.04	994.05
Add: Amounts transferred to DEAF during the year	241.01	173.63
Less: Amounts reimbursed by DEAF towards claims*	30.05	23.64
Closing Balance of amounts transferred to DEAF	1,355.00	1,144.04

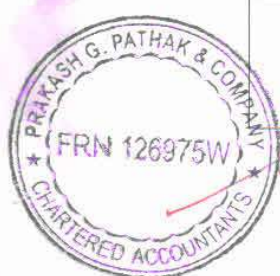
IV. DISCLOSURE IN TERMS OF RBI GUIDELINES:

1. Regulatory Capital

a) Composition of Regulatory Capital

Rs in Lakhs

Sr. No.	Particulars	Current Year	Previous Year
i)	Common Equity Tier 1 capital (CET 1)* / Paid up share capital and reserves [@] (net of deductions, if any)	13,591.76	9,727.03
ii)	Other Tier 1 capital	NIL	NIL
iii)	Tier 1 capital (i + ii)	13,591.76	9,727.03
iv)	Tier 2 capital	1,434.62	2,500.59
v)	Total capital (Tier 1+Tier 2)	15,026.38	12,227.62
vi)	Total Risk Weighted Assets (RWAs)	97,571.96	82,559.30
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)* / Paid-up share capital and reserves as percentage of RWAs [@]	13.93%	11.78%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	13.93%	11.78%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.47%	3.03%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	15.40%	14.81%
xi)	Percentage of the shareholding of a) Government of India b) State Government (specify name) ^{\$} c) Sponsor Bank ^{\$}	Not Applicable	Not Applicable



Sr. No.	Particulars	Current Year	Previous Year
xii)	Amount of paid-up equity capital raised during the year (Net)	96.97	253.30
xiii)	Amount of non-equity Tier 1 capital raised during the year, of which: perpetual non-cumulative preference shares, perpetual debt instruments,	NIL NIL	NIL NIL
xiv)	Amount of Tier 2 capital raised during the year, of which perpetual non-cumulative preference shares, perpetual debt instruments	NIL NIL	NIL NIL

- b) There has not been any drawdown from Reserves during the year ended 31st March, 2023 (P.Y. NIL)



2. Asset liability management

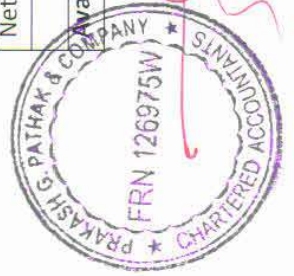
a) Maturity pattern of certain items of assets and liabilities as on 31.03.2023

	Day1	2 to 7 days	8 to 14 days	15 to 28 Days	29 days to 3 months	Over 3 months to 6 Months	Over 6 months and up to 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	46.58	31.52	35.15	26.30	121.19	187.00	357.54	735.51	17.37	4.74	1562.89
Advances	0.58	6.34	5.09	11.90	46.00	64.20	147.19	435.50	80.19	54.51	851.50
Investments	8.39	30.57	33.31	15.73	70.71	115.28	197.84	205.82	77.40	1.10	756.15
Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

3. Investments

a) Composition of Investment Portfolio as at 31.03.2023

	Investments in India							Total investments in India
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others		
Held to Maturity								
Gross	309.54	0.00	0.00	0.00	0.00	0.00		309.54
Less: Provision for non-	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Net	309.54	0.00	0.00	0.00	0.00	0.00		309.54
Available for Sale								



	Investments in India						
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India
Gross	239.15	0.00	0.00	0.00	0.00	73.69	312.84
Less: Provision for Net	11.27 227.88	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	38.61 35.09	49.88 262.97
Held for Trading							
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for Net	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
Total Investments	548.69	0.00	0.00	0.00	0.00	73.69	622.38
Less: Provision for non-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for Net	11.27 537.42	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	38.61 35.09	49.88 572.51



Composition of Investment Portfolio as at 31.03.2022

Rs in crores

	Investments in India						Total investments in India
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	
Held to Maturity							
Gross	309.54	0.00	0.00	0.00	0.00	0.00	309.54
Less: Provision for non-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	309.54	0.00	0.00	0.00	0.00	0.00	309.54
Available for Sale							
Gross	239.15	0.00	0.00	0.00	0.00	73.69	312.84
Less: Provision for	11.27	0.00	0.00	0.00	0.00	38.61	49.88
Net	227.88	0.00	0.00	0.00	0.00	35.09	262.97
Held for Trading							
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for	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	548.69	0.00	0.00	0.00	0.00	73.69	622.38
Less: Provision for non-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for	11.27	0.00	0.00	0.00	0.00	38.61	49.88
Net	537.42	0.00	0.00	0.00	0.00	35.09	572.51



b) Movement of provisions for Depreciation and Investment Fluctuation Reserve

(Amount in Rs. Crore)

Particulars	2022-23	2021-22
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	8.81	2.11
b) Add: Provisions made during the year	40.61	6.70
c) Less: Write off / write back of excess provisions during the year	0.00	0.00
d) Closing balance	49.42	8.81
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	1.30	1.30
b) Add: Amount transferred during the year	0.85	0.00
c) Less: Drawdown	0.00	0.00
d) Closing balance	2.15	1.30
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	0.69%	0.45%

c) There are no transfers from HTM category, other than as permitted by RBI Guidelines.

d) Non-SLR investment portfolio

i. Non-performing non-SLR investments

Sr. No.	Particulars	2022-23	2021-22
a)	Opening balance	0.01	0.00
b)	Additions during the year since 1 st April	0.00	0.01
c)	Reductions during the above period	0.00	0.00
d)	Closing balance	0.01	0.01

ii. Issuer composition of non-SLR investments

(Amount in Rs. Crore)

Sr No	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities
a)	PSUs	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
b)	FIs	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
c)	Banks	0.00	0.00	0.00	0.00	0.00



Sr No	Issuer	Amount	Extent of Private Placem ent	Extent of 'Below Investm ent Grade' Securiti es	Extent of 'Unrate d' Securiti es	Extent of 'Unliste d' Securiti es
		(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
d)	Private Corporate	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	73.69 (86.68)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	73.69 (86.68)
g)	Provision held towards depreciation	38.64 (9.71)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	38.64 (9.71)

Note: Figures in brackets represent previous year's figures

e) Repo transactions (in face value terms)

	Minimum outstanding during the year	Maximum Outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31, 2023
i)Securities sold under repo				
a) Govt. securities	NIL	NIL	NIL	NIL
b) Corporate debt securities	NIL	NIL	NIL	NIL
c) Any other securities				
ii)Securities sold under reverse repo				
a) Govt. securities	NIL	NIL	NIL	NIL
b) Corporate debt securities	NIL	NIL	NIL	NIL
c) Any other securities				



4.

a) Classification of advances and provision held as on 31.03.2023 (Rs in Crores)

	Standard Total Standard Advances	Non-Performing			Total
		Sub- standard	Doubtful	Loss	
Gross Standard Advances & NPAs					
Opening Balance	729.39	50.24	10.47	1.52	791.59
Add: Additions during the year					102.30
Less: Reductions during the year*					119.39
Closing balance	858.68	31.70	12.08	1.36	903.82
* Reductions in Gross NPAs due to:					
Up gradation					94.15
Recoveries (excluding recoveries from upgraded accounts)					24.92
Technical/ Prudential Write-offs					00.28
Write-offs					00.00
Provisions (excluding Floating Provisions)					
Opening balance of provisions held	4.59	5.02	6.30	1.52	12.84
Add: Fresh provisions made during the year					0.00
Less: Excess provision reversed/ Write-off loans					2.22
Closing balance of provisions held	4.59	3.17	6.10	1.36	10.62
Net NPAs					24.69
Opening Balance					13.96



	Standard Total Standard Advances	Non-Performing			Total
		Sub- standard	Doubtful	Loss	
Add: Fresh additions during the year				6.53	
Less: Reductions during the year				0.00	
Closing Balance				20.45	
Floating Provisions					
Opening Balance					48.27
Add: Additional provisions made during the year					12.70
Less: Amount drawn during the year					
Closing balance of floating provisions					36.28
Technical write-offs and the recoveries made thereon					
Opening balance of Technical/ Prudential written-off accounts					36.43
Add: Technical/ Prudential write-offs during the year					10.93
Less: Recoveries made from previously technical/ prudential written-off account during the year					(2.29)
Closing balance					45.07



Classification of advances and provisions held As on 31.03.2022 (Rs in Crores)

	Standard	Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	
Gross Standard Advances & NPAs					
Opening Balance	819.01	40.19	76.76	1.96	937.93
Add: Additions during the year					
Less: Reductions during the year*					
Closing balance	729.39	50.20	10.47	1.52	791.59
*Reductions in Gross NPAs due to:					
Up gradation					
Recoveries (excluding recoveries from upgraded accounts)					
Technical/ Prudential Write-offs					
Write-offs					
Provisions (excluding Floating Provisions)					
Opening balance of provisions held	4.59	4.02	33.11	1.96	72.45
Add: Fresh provisions made during the year					
Less: Excess provision reversed/ Write-off loans					
Closing balance of provisions held	4.59	5.02	6.30	1.52	48.27
Net NPAs					
Opening Balance					
Add: Fresh add during the year					



	Standard Total Standard Advances	Non-Performing			Total
		Sub- standard	Doubtful	Loss	
Less: Reductions during the year					
Closing Balance					32.54
Floating Provisions					13.92
Opening Balance					
Add: Additional provisions made during the year					48.27
Less: Amount drawn during the year					12.70
Closing balance of floating provisions					
Technical write-offs and the recoveries made thereon					36.28
Opening balance of Technical/ Prudential written-off accounts					
Add: Technical/ Prudential write-offs during the year					47.41
Less : Recoveries made from previously technical/ prudential written-off account during the year					0.00
Closing balance					(10.98)
					36.43

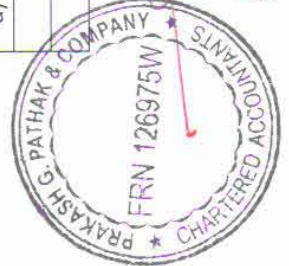
Ratios (in percent)	2022-23	2021-22
Gross NPA to Gross Advances	4.99%	7.86%
Net NPA to Net Advances	2.33%	1.87%
Provision coverage ratio	54.70%	55.04%



b) Sector-wise Advances and Gross NPAs

Rs in Crores

Sr. No.	Sector*	Current Year			Previous Year		
		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		693.43	39.42	5.68 005	567.89	25.71	4.52
a) Agriculture and allied activities		86.09	7.47	8.68	93.79	0.89	0.95
b) Advances to industries sector eligible as priority sector lending		88.53	20.26	22.88	83.63	8.01	9.57
c) Services		486.81	9.77	2.00	368.12	15.35	4.16
d) Personal loans		32.03	1.92	5.99	22.35	1.46	6.53
Subtotal (i)		693.43	39.42	5.68 005	567.89	25.71	4.52
ii) Non-priority Sector							
a) Agriculture and allied activities		1.51	0.02	0	0.85	0	0
b) Industry		0.02	0	0	0	0	0
c) Services		7.87	0	0	0.02	0	0
d) Personal loans		200.97	5.70	2.83	222.83	10.18	4.57
Sub-total (ii)		210.37	5.72	2.83	223.70	10.18	4.55
		903.81	45.14	8.51	791.59	35.89	4.53



c) Particulars of resolution plan and restructuring (Rs in crores)

		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
Standard	Number of borrowers	226	310	0	0	2308	2245	8457	10096	10991	12651
	Gross Amount (₹ crore)	86.07	93.79	0	0	575.52	451.05	242.48	246.75	904.93	791.59
	Provision held (₹ crore)										
Sub standard	Number of borrowers	4	12	-	-	31	48	86	884	121	944
	Gross Amount (₹ crore)	6.77	11.85	-	-	22.77	31.72	2.16	6.63	31.70	50.20
	Provision held (₹ crore)	0.68	1.19	-	-	2.28	3.17	0.22	0.66	3.17	5.02
Doubtful	Number of borrowers	15	19	-	-	79	40	588	904	682	963
	Gross Amount (₹ crore)	0.70	0.72	-	-	7.27	3.74	5.47	7.53	13.44	11.99
	Provision held (₹ crore)	0.70	0.72	-	-	3.22	2.16	3.52	4.94	7.46	7.82
Total	Number of borrowers	19	31	-	-	110	88	674	1788	803	1907
	Gross Amount (₹ crore)	7.47	12.57	-	-	30.02	35.46	7.63	14.16	45.14	62.19
	Provision held (₹ crore)	1.38	1.91	-	-	5.50	5.33	3.74	5.60	10.62	12.83



d) Disclosure of transfer of loan exposures

- i. Details of stressed loans transferred during the year ended 31st March, 2023:

Rs. In Crores

	To ARCs	To permitted transferees	To other transferees (please specify)
No: of accounts	NIL	NIL	NIL
Aggregate principal outstanding of loans transferred	NIL	NIL	NIL
Weighted average residual tenor of the loans transferred	NIL	NIL	NIL
Net book value of loans transferred (at the time of transfer)	NIL	NIL	NIL
Aggregate consideration	NIL	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years	10.17	NIL	NIL

- ii. Details of loans acquired during the year ended 31st March, 2023

	From SCBs, RRBs, Co-operative Banks, AIFs, SFBs and NBFCs including Housing Finance Companies (HFCs)	From ARCs
Aggregate principal outstanding of loans acquired	NIL	NIL
Aggregate consideration paid	NIL	NIL
Weighted average residual tenor of loans acquired	NIL	NIL

- iii. Details of stressed loans transferred during the year ended 31st March, 2022:

Rs. In Crores

	To ARCs	To permitted transferees	To other transferees (please specify)
No: of accounts	138	NIL	NIL
Aggregate principal outstanding of loans	111.21	NIL	NIL



	To ARCs	To permitted transferees	To other transferees (please specify)
transferred			
Weighted average residual tenor of the loans transferred	-	NIL	NIL
Net book value of loans transferred (at the time of transfer)	80.21	NIL	NIL
Aggregate consideration	96.50	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL	NIL

iv. Details of loans acquired during the year ended 31st March, 2022

	From SCBs, RRBs, Co-operative Banks, AIFs, SFBs and NBFCs including Housing Finance Companies (HFCs)	From ARCs
Aggregate principal outstanding of loans acquired	NIL	NIL
Aggregate consideration paid	NIL	NIL
Weighted average residual tenor of loans acquired	NIL	NIL

e) Fraud accounts

Details on the number and amount of frauds as well as the provisioning thereon:

Rs in Lakhs

Particulars	2022-23	2021-22
Number of frauds reported	NIL	2
Amount involved in fraud	NIL	5.13
Amount of provision made for such frauds	NIL	5.13
Amount of Unamortized provision debited from 'other reserves as at the end of the year.	NIL	NIL

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

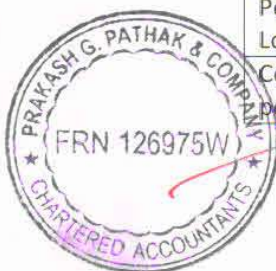
Half yearly Disclosure for the period of March 31, 2023 (Rs in crores)



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 31.03.2023
Personal Loans	77.00				
Corporate persons *	34.95				
Of which MSMEs	133.54				
Others	1.75				
Total	247.24				

Half yearly Disclosure for the period of September 30, 2022 (Rs in crores)

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 31.03.2023
Personal Loans	47.57	0.10			
Corporate persons *	25.96				



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 31.03.2023
Of which MSMEs	56.59	-			
Others	1.82	-			
Total	131.94	0.10			

5. Exposures

a) Exposure to real estate sector (Rs in crores)

Category	2022-23	2021-22
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.	26.38	19.65
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;	30.94	35.80
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –		
i. Residential	-	-
ii. Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures	-	-



Category	2022-23	2021-22
on National Housing Bank and Housing Finance Companies.		
Total Exposure to Real Estate Sector	57.32	55.45



b) Exposure to capital Market (Rs in crores)

Particulars	2022-23	2021-22
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;	NIL	NIL
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

Particulars	2022-23	2021-22
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 corporate 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 equality 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	NIL	NIL

c) Risk category-wise country exposure (Rs in Crores)



Risk Category*	Exposure (net) as at March 31, 2023	Provision held as at March 31, 2023	Exposure (net) as at March 31, 2022	Provision held as at March, 31 2022
Insignificant	Nil	Nil	Nil	Nil
Low	Nil	Nil	Nil	Nil
Moderately Low	Nil	Nil	Nil	Nil
Moderate	Nil	Nil	Nil	Nil
Moderately High	Nil	Nil	Nil	Nil
High	Nil	Nil	Nil	Nil
Very High	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

d) Unsecured advances (Rs in crores)

Particulars	2022-23	2021-22
Total unsecured advances of the bank	4.32	1.02
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	NIL	NIL

e) Factoring exposures:

No factoring exposure of the Bank as on 31.03.2023

f) Unhedged foreign currency exposure:

No Unhedged foreign currency exposure of the Bank as on 31.03.2023

6. Concentration of deposits, advances, exposures and NPAs

a) Concentration of deposits (Rs in Crores)

Particulars	2022-23	2021-22
Total deposits of the twenty largest depositors	21.72	15.36
Percentage of deposits of twenty largest depositors to total deposits of the bank	1.34%	0.96%

b) Concentration of advances (Rs in Crores)

Particulars	2022-23	2021-22
Total advances to the twenty largest borrowers	174.33	155.23
Percentage of advances to twenty largest borrowers to total advances of the bank	19.26%	19.61%



c) Concentration of exposures (Rs in Crores)

Particulars	2022-23	2021-22
Total exposure to the twenty largest borrowers/customers	174.33	155.23
Percentage of exposures to the twenty largest borrowers/ customers to the total exposure of the bank on borrowers/customers	19.26%	19.61%

d) Concentration of NPA (Rs in Crores)

Particulars	2022-23	2021-22
Total Exposure to the top twenty NPA accounts	35.74	38.61
Percentage of exposures to the twenty largest NPA exposures to total Gross NPAs.	79.17%	62.08%

7. Derivatives

Bank has not entered into any transactions in foreign exchange agreement or interest rate swaps in the current and previous years

8. Disclosure of complaints

a. Summary information on complaints received by Bank from customers and from offices of Ombudsman are as follows:

Sr. No	Particulars	FY 22-23	FY 21-22
	Complaints received by the bank from its customers		
1.	Number of complaints pending at beginning of the year	-	-
2.	Number of complaints received during the year	2	-
3.	Number of complaints disposed during the year	2	-
3.1	Of which, number of complaints rejected by the bank	-	-
4.	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the bank from Office of Ombudsman		
5.	Number of maintainable complaints received by the bank from Office of Ombudsman	9	6
5.1.	Of 5, number of complaints resolved infavour of the bank by Office of Ombudsman	9	6
5.2	Of 5, number of complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	-	-
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note : Maintainable complaints refer to complaints on the grounds specifically mentioned in 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	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
FY 22-23					
Ground-1	NIL	1	50 %	NIL	NIL
Ground-2	-	-	-	-	-
Ground-3	-	-	-	-	-
Ground-4	-	-	-	-	-
Ground-5	-	-	-	-	-
Others	-	8	-	-	-
Total	Nil	9	Nil	Nil	Nil
FY 21-22					
Ground-1	NIL	NIL	NIL	NIL	NIL
Ground-2	-	-	-	-	-
Ground-3	-	-	-	-	-
Ground-4	-	1	-	-	-
Ground-5	-	-	-	-	-
Others	-	5	-	-	-
Total	Nil	6	Nil	Nil	Nil

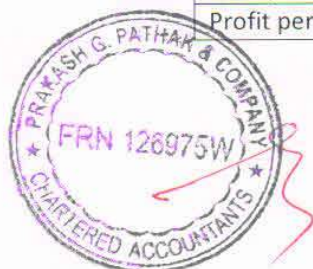
9. Disclosure of penalties imposed by the Reserve Bank of India

The Reserve Bank of India (RBI) has imposed, by an order dated August 17, 2022, a monetary penalty of ₹ 15 lakh (Rupees Fifteen lakh only) for non-compliance with RBI directions on 'Income Recognition, Asset Classification, Provisioning and Other Related Matters- UCBs' (IRAC norms) in respect of 4 accounts identified as NPA by RBI during statutory audit for FY 2019-2020. The action by RBI is based on deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the bank with its customers.

10. Other Disclosures

a. Business ratios

Particulars	2022-23	2021-22
Interest Income as a percentage to Working Funds	6.49%	7.02%
Non-interest income as a percentage to Working Funds	3.43%	0.99%
Cost of Deposits	4.11%	4.15%
Net Interest Margin	3.40%	3.73%
Operating Profit as a percentage to Working Funds	3.41%	1.48%
Return on Assets	0.34%	0.53%
Business (deposits plus advances) per employee (in ₹ crore)	4.64	4.23
Profit per employee (in ₹ crore)	0.01	0.02



b. Marketing and distribution

Bank has not received any fees/ remuneration in respect of the marketing and distribution function during current and previous year.

c. Information Regarding Trading of Priority Sector Lending Certificate (PSLC)

Category of PSLC	Amount of PSLC Sold	No. of Units Sold	Premium Amount per Unit	Premium Amount Received
NIL	NIL	NIL	NIL	NIL

d. Provisions and contingencies (Rs in Crores)

Particular	2022-23	2021-22
Provision for NPI	40.60	6.70
Provision towards NPA	7.80	10.00
Provision made towards Income tax	8.40	0.08
Other Provisions	0.00	0.05
Total	56.80	16.83

e. Payment of DICGC Insurance Premium (Rs in Crores)

Particular	2022-23	2021-22
Payment of DICGC Insurance Premium	1.90	1.86
Arrears in payment of DICGC Premium	0.00	0.00

f. Disclosure of facilities granted to directors and their relatives

Statement Showing Particulars of Loans & Advances to the Directors & their Relatives: (Rs in Crores)

Particulars	Amount O/s at the beginning of the year i.e., 01/04/2022	Amount of Sanctioned during the current period	Amount of O/s at the end of the year 31/03/2022	% of the Total Loans & Advances
Directors	0.00	0.00	0.00	0.00
Relative of Directors	0.00	0.00	0.00	0.00
Companies/Firms in which Directors are interested	0.00	0.00	0.00	0.00
Directors Relative Surety	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00




11. Figures given in brackets pertain to earlier year, unless otherwise specified.
12. Previous year's figures have been re-grouped/re-arranged wherever necessary to conform to the presentation of the accounts of the current year



For Prakash G Pathak & Company
Chartered Accountants
FRN 126975W

CA Prakash G Pathak
Partner
Membership No. 33996

THE AKOLA URBAN CO-OPERATIVE BANK LTD., AKOLA


S.S. Shah
Dy. C.E.O.


R. M. Sontakke
CEO


S.S. Kotak
Director


H. D. Lakhani
Secretary


S. S. Joshi
Vice Chairman


R. T. Rundkar
Chairman

Place & date: Akola, 22nd June 2023