UDIN 23535237BGYVPW7587

ਕੋਆਪ੍ਰੇਟਿਵ ਬੈਂਕ Cooperative Bank

FULLY COMPUTERIZED BANK

ਮੁੱਖ ਦਫਤਰ HEAD OFFICE

The Fazilka Central Cooperative Bank Ltd.

HEAD OFFICE : OPPOSITE GRAIN MARKET, FAZILKA ROAD, ABOHAR (PUNJAB)
Email :fazilkaccb@rediffmail.com , FAX 01634 225245. Contact 01634 222245,226245,226916

Auditor's Report

For the Year Ending
31st March ,2023

AUDITOR:

MALWA & ASSOCIATES
CHARTERED ACCOUNTANTS,
Opp.Water Tank,Millerganj
Gill Road, Ludhiana.141003
Mobile :099885-00910
Mail ID. malwaassociates10@gmail.com

MALWA & ASSOCIATES
CHARTERED ACCOUNTANTS
LUDHIANA OFFICE : OPP WATER TANK, MILLERGANJ, GILL ROAD, LUDHIANA 141003
CHANDIGARH OFFICE : SCO 59, 2ND FLOOR, SECTOR 32 C&D, CHANDIGARH-160031
SIRHIND OFFICE : RAILWAY ROAD, HAMAYUNPUR, SIRHIND-140406 M: 98141 00109
E-mail : malwaassociates10@gmail.com M: 99885-00910

Independent Auditor's Report

The District Manager
The Fazilka Central Cooperative Bank Ltd.
Head OfficeAbohar

1. Report on the Financial Statements

We have audited the accompanying financial statements of The Fazilka Central Cooperative Bank Ltd.,Abohar which comprise the balance sheet as at March 31, 2023 and Profit and Loss Account for the year ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibilities for the Financial Statements:-

The Bank's management is responsible with respect to the preparation of these financial statement that give a true and fair view of the financial position and financial performance of the bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, and provisions of Section 29 of the Banking Regulation Act, 1949 ("the Act") and circulars and guidelines issued by the Reserve Bank of India (RBI) from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operation effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statement management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has realistic alternative but to do so.

3. Auditor's Responsibilities for the Audit of the Financial Statements:-

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than or one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Report that the audit at head office level is not be able to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained at head office, whether a material uncertainly exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charges with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charges with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

4. Basis for Qualified Opinion

We report that;

i) Interest reversal of Rs. 2124/- on NPA Accounts detected during course of audit has not been account for in Profit & Loss Account. The adjustment for same is done in financial year 2023-24.

ii) There is incidence of imbalances with PACS. However, the management has certified the amount of Rs. 352.97 lacs. The increase in comparison with the last year reflects the poor health of the cooperative societies linked with the bank which ultimately affects the working of the bank in near future. Further, the provision of the same is not made in the Profit & Loss Account.

CHARTERED ACCOUNTANTS
LUDHIANA

iii) There is also Sundries payable Account balance of Rs. 1,91,83,440.12/-, Branch adjustments Credit Rs. 9,33,223.14/- remains outstanding as on 31.03.2023 and due to non-adjustment of entries of under these respective heads, these may have bearing on true and fair view of the financial statements. There is Legal fees receivable of Rs. 48,807.00 /- and outgoing receivable account of Rs 5097/- for which no explanation and supporting was received .

iv) Bank is having 29 Branches at various places in the Fazilka District of Punjab As on 31.03.2023. Some of the Branches are owned by the Bank and some are on lease with the Bank. Bank is having possession of some of the Branches , Land of which is neither owned by the Bank, nor is leased.

v) As per the calculation in B.R. Act, 1949 , Bank has maintained CRAR at the level of 10.53% as on 31.3.2023.

vi) The financial statements ended 31st March, 2023 require changes as per Memorandum of Changes submitted to the Bank. The effect of under-mentioned is not given to the Financial Statements.

Memorandum of Changes (Summary)				
Particulars	Total	No. Of Accounts	Increase	Decrease
In respect of Income	2124.00	2	0.00	2124.00
In respect of assets	2124.00	2	0.00	2124.00
In respect of provision on NPA	89886.00	18	89886.00	–
In respect of Expenditure	89886.00	18	89886.00	–

5. Qualified Opinion

In our opinion and best of our information and according to the explanations given to us, except for the matters described in the paragraphs 4 above, the said financial statements read together with significant accounting policies and notes thereon give the information give a true and fair view in conformity with the accounting principles generally accepted in India;

i) In the case of balance sheet, of the state of affairs of The Fazilka Central Cooperative Bank Ltd., Abohar at March 31, 2023;

ii) In the case of Profit & Loss Account, of the profit for the year ended on that date;

For Malwa & Associates
Chartered Accountants

Place: Abohar

(CA BALPREET SINGH MALWA)
Partner
M.NO 535237
FRN.028396N

Date: 29-05-2023

UDIN 23535237BGYVPW7587

Form A of Balance Sheet

Balance Sheet of The Fazilka Cenral Cooperative Bank Ltd., H.O.Abohar as on 31st March 2023

Sr No		Schedule	As on 31.3.2023	As on 31.3.2022
	Capital and Liabilities			
A	Capital	1	74,86,03,900.00	45,70,50,700.00
B	Reserves and Surplus	2	75,87,91,026.81	65,14,97,799.66
C	Deposits	3	5,27,01,04,072.59	5,27,13,64,653.29
D	Borrowings	4	1,91,90,21,009.00	2,04,25,24,221.00
E	Other Liabilities and Provisions	5	15,93,78,277.55	14,80,30,232.33
	Total		**8,85,58,98,285.95**	**8,58,04,67,606.28**
	Assets			
A	Cash and Balances with Reserve Bank of India	6	5,75,93,396.07	6,27,32,729.81
B	Balance with banks and money at Call and Short Notice	7	1,49,22,12,530.92	1,08,03,67,877.49
C	Investments	8	1,06,70,75,176.00	1,06,77,49,540.00
D	Advances	9	5,25,04,52,578.63	5,41,30,34,728.76
E	Fixed Assets	10	22,12,23,266.36	22,24,53,958.26
F	Other Assets	11	76,73,41,337.97	73,41,28,771.96
	Total		**8,85,58,98,285.95**	**8,58,04,67,606.28**
	Contingent Liabilities	12	57,62,778.18	56,28,062.05
	Bills for Collection		23,16,771.65	25,52,862.55

ASSISTANT MANAGER

SENIOR MANAGER

DISTRICT MANAGER

MANAGING DIRECTOR

CHAIRMAN

As per our separate report of even date annexed

Place : Abohar
Dated : 29-05-2023

for Malwa & Associates
FRN 028396N

CA Balpreet Singh
Partner
M.No 535237

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Form B

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2023

Sr No	Particulars	Schedule	During the period from 1.4.2022 to 31.3.2023	During the period from 1.4.2021 to 31.3.2022
I	INCOME			
	Interest earned	13	48,06,58,227.64	47,66,69,662.48
	Other Income	14	61,36,989.74	66,41,366.25
	TOTAL INCOME		48,67,95,217.38	48,33,11,028.73
II	EXPENDITURE			
	Interest expended	15	32,49,32,412.31	32,41,67,153.86
	Operating expenses	16	12,65,47,789.25	14,56,60,502.02
	Provisions and contingencies		0.00	0.00
	Prov. made for standard assets		0.00	0.00
	Prov. made for N.P.A.		10,00,00,000.00	1,05,00,000.00
	Prov. made for agst investment under PFC		1,00,00,000.00	0.00
	Prov. for Interest charged on NPA's during the previous year		0.00	0.00
	TOTAL EXPENDITURE		56,14,80,201.56	48,03,27,655.88
III	PROFIT/Loss			
	Profit for the year before tax		-7,46,84,984.18	29,83,372.85
	Less Provisions for Income Tax		0.00	0.00
	Less Prov. for I/Tax, Prev. yrs		0.00	0.00
	Net Profit for the year after tax		-7,46,84,984.18	29,83,372.85
	Profit brought forward		0.00	0.00
	Profit available for Appropriation		-7,46,84,984.18	29,83,372.85
IV	Appropriations			
	Transfer to Statutory Reserves		0.00	0.00
	Transfer to other reserves		0.00	0.00
	Balance c/o to Balance Sheet		0.00	0.00
	TOTAL		-7,46,84,984.18	29,83,372.85

ASSISTANT MANAGER   SENIOR MANAGER   DISTRICT MANAGER

MANAGING DIRECTOR   CHAIRMAN

As per our separate report of even date annexed

Place : Abohar
Dated : 29-05-2023

for Malwa & Associates
FRN 028396N

CA Balpreet Singh
Partner
M.No 535237

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar
Schedule 1 – Capital

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
I	For Nationalized Banks		
	Capital (Fully owned by State Government)	0.00	0.00
II.	For Banks incorporated Outside India (Capital)	0.00	0.00
i)	The amount brought in by banks by way of start-up capital as prescribed by RBI should be shown under this head	0.00	0.00
ii)	Amount of Deposit kept with RBI under Section 11 (2) of the Banking Regulation Act, 1949	0.00	0.00
III	For Other Banks Authorised Capital (10000000 Shares of Rs 100 each)	1,00,00,00,000.00	1,00,00,00,000.00
	Issued Capital (7486039 Shares of Rs 100 each)	74,86,03,900.00	46,70,50,700.00
	Subscribed Capital (7486039 Shares of Rs 100 each)	74,86,03,900.00	46,70,50,700.00
	Called up Capital (7486039 Shares of Rs 100 each)	74,86,03,900.00	46,70,50,700.00
	Less Calls unpaid	0.00	0.00
	Add : Forfeited Shares	0.00	0.00
	Total	74,86,03,900.00	46,70,50,700.00
	Grand Total	74,86,03,900.00	46,70,50,700.00

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 2 - Reserves and Surplus

Sr No		As on 31.3.2023	As on 31.3.2022
I.	**Statutory Reserves**		
	Opening Balance	6,10,69,286.62	6,09,46,486.62
	Additions during the year	2,76,600.00	1,22,800.00
	Deductions during the year	0.00	0.00
	TOTAL	**6,13,45,886.62**	**6,10,69,286.62**
II.	**Capital Reserves**		
	Opening Balance	0.00	0.00
	Additions during the year	0.00	0.00
	Deductions during the year	0.00	0.00
	TOTAL	**0.00**	**0.00**
III	**Share Premium**		
	Opening Balance	0.00	0.00
	Additions during the year	0.00	0.00
	Deductions during the year	0.00	0.00
	TOTAL	**0.00**	**0.00**
IV	**Revenue and Other Reserves**		
	AGRL CREDIT STABILISATION FUND	4,73,33,154.92	4,73,33,154.92
	BUILDING FUND	1,33,03,795.22	1,33,03,795.22
	DIVIDEND EQUILISATION FUND	10,23,935.85	10,23,935.85
	SPECIAL BAD DEBTS RESERVE	42,36,014.93	42,36,014.93
	BAD AND DOUBTFUL DEBTS RESV	7,29,10,254.82	7,29,10,254.82
	PROVISION FOR NPA (IRAC)	24,00,00,000.00	14,00,00,000.00
	INVESTMENT DEPRECIATION RESERVE	1,04,43,725.00	4,43,725.00
	EMPLOYEES WELFARE FUND	12,00,153.00	12,00,153.00
	COOPERATIVE EDU AND TRAINING FUND	1,26,812.02	1,26,812.02
	COMMON GOOD FUND	78,57,952.18	78,57,952.18
	GRATUITY FUND	2,84,904.00	2,84,904.00
	PRIMARY COOPERATIVE SOC. VIKAS FUND	14,82,785.72	14,82,785.72
	RISK FUND	60,285.14	60,285.14
	PROV -BAD AND DOUBTFUL DEBT(IT ACT)	4,57,80,645.95	4,57,80,645.95
	CAPITAL RESERVE	1,55,96,521.44	1,55,96,521.44
	REVALUATION RESERVES	21,08,04,200.00	21,08,04,200.00
	INNOVATIVE PREPETUAL DEBIT INS	2,50,00,000.00	2,50,00,000.00
	TOTAL	69,74,45,140.19	58,74,45,140.19

V	Opening balance Profit and Loss account	0.00	0.00
	Profit made during the year	0.00	29,83,372.85
	Amount transferred to statutory & other reserve	0.00	0.00
	Balance in Profit and Loss account	0.00	29,83,372.85
	Total	**0.00**	**29,83,372.85**
VI	Investment Fluctuations Reserves	0.00	0.00
	Opening balance at the beginning of the year	0.00	0.00
	Additions during the year	0.00	0.00
	Deductions during the year	0.00	0.00
	GRAND Total	**75,87,91,026.81**	**65,14,97,799.66**

MALWA & ASSOCIATES CHARTERED ACCOUNTANTS

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 3 – Deposits

Sr No		As on 31.3.2023	As on 31.3.2022
A			
I	Demand Deposits		
i)	From Individuals	11,94,30,938.77	15,55,21,108.51
ii)	From Societies	4,04,04,004.21	3,73,89,462.15
ii)	From DCCBs	0.00	0.00
II.	Savings Bank Deposits		
i)	From Individuals	1,85,55,89,754.78	1,84,90,71,013.76
ii)	From Societies	20,36,51,789.99	9,83,90,611.69
III	Term Deposits		
i)	From Individuals	2,93,60,89,497.44	3,02,78,23,857.78
ii)	From Societies	11,49,38,087.40	10,31,68,599.40
ii)	From DCCBs	0.00	0.00
	Total (I, II and III)	5,27,01,04,072.59	5,27,13,64,653.29
B			
i)	Deposits of Branches in India	5,27,01,04,072.59	5,27,13,64,653.29
ii)	Deposits of Branches outside India	0.00	0.00
	Total	5,27,01,04,072.59	5,27,13,64,653.29

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 4 – Borrowings

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
I	Borrowings in India		
a)	Reserve Bank of India	0.00	0.00
b)	From NABARD	52,68,800.00	1,45,04,03,200.00
c)	From PSCB (Punjab)	1,85,00,00,651.00	49,50,00,021.00
e)	From Other (LTD SUBORDINATE)	88,34,000.00	9,71,21,000.00
II.	From Other Banks	54917558.00	0.00
	Total	1,91,90,21,009.00	2,04,25,24,221.00

MALWA & ASSOCIATES

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 5 - Other Liabilities and Provisions

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
1	Interest payable	3,52,92,250.10	3,60,39,082.71
2	Bills Payable (DD/PO)	33,51,909.84	17,09,916.66
3	Sundries payable	1,91,83,440.12	1,26,40,715.95
4	Provision for income tax	0.00	0.00
5	Provision for NPA	0.00	0.00
6	Contingent provision	1,74,25,746.00	1,74,25,746.00
7	Provision of Theft A/C Fraud and Embazzelment	6,18,176.18	6,18,176.18
8	Provision against Leave Salary	0.00	0.00
9	Security Payable	0.00	0.00
10	Misc Payable	0.00	0.00
11	Establishment Payable	0.00	0.00
12	Overdue interest reserve	8,25,73,532.17	7,86,63,771.18
13	Inter office adjustment (Net)	9,33,223.14	9,32,823.65
	Total	**15,93,78,277.55**	**14,80,30,232.33**

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 6 - Cash and Balances with Reserve Bank of India

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
1	Cash in hand	5,75,93,396.07	6,27,32,729.81
2	Balance with Reserve Bank of India		
	i) In Current Acounts	0.00	0.00
	ii) In other Accounts	0.00	0.00
	Total	**5,75,93,396.07**	**6,27,32,729.81**

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 7 - Balances with Banks and Money at Call and Short Notice

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
1	India		
I)	Balances with Banks		
a)	In Current Accounts	28,05,72,942.89	30,87,94,454.46
b)	In other Deposit Accounts	1,21,16,39,588.03	77,15,73,423.03
	TOTAL	1,49,22,12,530.92	1,08,03,67,877.49
II)	Money at call & short notice		
a)	With Banks	0.00	0.00
b)	With other Institutions	0.00	0.00
	TOTAL	0.00	0.00
2	Outside India		
i)	In Current Accounts	0.00	0.00
ii)	In other Deposit Accounts	0.00	0.00
iii)	Money at call & short notice	0.00	0.00
	TOTAL	0.00	0.00
	GRAND TOTAL	1,49,22,12,530.92	1,08,03,67,877.49

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 8 – Investments

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
1	Investments in India in :		
i)	Government Securities	98,84,33,076.00	98,91,07,440.00
ii)	Other approved securities (SDF)	0.00	0.00
iii)	Shares	7,86,42,100.00	7,86,42,100.00
iv)	Debentures and Bonds/FIs (PSU)	0.00	0.00
v)	Subsidiaries and/or joint ventures	0.00	0.00
	TOTAL	1,06,70,75,176.00	1,06,77,49,540.00
2	Investments outside India in :		
i)	Govt. securities (including local authorities)	0.00	0.00
ii)	Subsidiaries and/or joint ventures abroad	0.00	0.00
iii)	Other investments	0.00	0.00
	TOTAL	0.00	0.00
	GRAND TOTAL	1,06,70,75,176.00	1,06,77,49,540.00

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 9 – Advances

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
A			
i)	Short Term Loans ,Cash credits, Overdraft , Bills purchased and discounted.	4,67,38,22,175.97	4,82,23,70,617.49
ii)	Medium Term loans	52,28,83,405.21	52,59,39,122.65
iii)	Long Term loans	5,37,46,997.45	6,47,24,988.62
	TOTAL	5,25,04,52,578.63	5,41,30,34,728.76
B			
i)	Secured by Tangible assets	77,99,06,995.16	86,32,57,725.57
ii)	Covered by Bank/Govt. Guarantees	0.00	0.00
iii)	Unsecured	4,47,05,45,583.47	4,54,97,77,003.19
	TOTAL	5,25,04,52,578.63	5,41,30,34,728.76
C	Advances outside India		
i)	i) Due from banks	0.00	0.00
ii)	ii) Due from others	0.00	0.00
a)	Bills purchased and discounted	0.00	0.00
b)	Syndicated loans	0.00	0.00
	TOTAL	0.00	0.00
	Grand Total	5,25,04,52,578.63	5,41,30,34,728.76

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 10 - Fixed Assets

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
1	Premises		
i)	At WDV as at the end of the year	21,14,51,906.62	21,15,23,729.24
ii)	Additions during the year	0.00	0.00
iii)	Deductions during the year	0.00	0.00
iv)	Depreciation to date	64,640.26	71,822.62
	Total (i+ii-iii-iv)	21,13,87,266.36	21,14,51,906.62
2	Other fixed assets		
i)	At WDV as at the end of the year	1,10,02,051.64	1,25,12,119.16
ii)	Additions during the year	2,94,128.29	1,22,587.50
iii)	Deductions during the year	14,144.29	0.00
iv)	Depreciation to date	14,46,035.64	16,32,655.02
	Total (i+ii-iii-iv)	98,36,000.00	1,10,02,051.64
	TOTAL	22,12,23,266.36	22,24,53,958.26

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 11 - Other Assets

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
1	Inter office adjustment (Net)	0.00	0.00
2	Interest Accrued on Advances & Investment	30,08,52,891.42	33,70,64,977.46
3	Tax Paid in advance/Tax deducted at source	40,22,561.93	40,04,209.00
4	Stationary and Stamps in hand	3,77,234.22	4,46,468.24
5	Non banking assets acquired in satisfaction of claims	0.00	0.00
6	B C Contingent	0.00	0.00
7	Other Assets	3,68,49,196.88	3,90,75,275.07
8	Previous year's losses	35,05,54,469.34	35,35,37,842.19
9	Losses for the year	7,46,84,984.18	0.00
	TOTAL	76,73,41,337.97	73,41,28,771.96

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 12 - Contingent Liabilities

Sr No	Particulars	As on 31.3.2023	As on 31.3.2022
1	Claims against the bank not acknowledged as debts	0.00	0.00
2	Liability for partly paid investments	0.00	0.00
3	Liability on account of outstanding forward exchange contracts	0.00	0.00
4	Guarantees given on behalf of constituents	0.00	0.00
a)	a) In India	0.00	0.00
b)	b) Outside India	0.00	0.00
5	Acceptances, Endorsements and other obligations	0.00	0.00
6	Others items for which the bank is contingently liable	0.00	0.00
a)	DEAF	57,62,778.18	56,28,062.05
b)	TDS Demand Outstanding	0.00	0.00
	TOTAL	57,62,778.18	56,28,062.05

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 13 - Interest Earned

Sr No	Particulars	During the period from 1.4.2022 to 31.3.2023	During the period from 1.4.2021 to 31.3.2022
1	Interest from loans & advances	34,17,66,645.64	35,70,28,954.24
2	Interest & dividend own investments	13,88,91,582.00	11,96,40,708.24
3	Interest Subvention From NABARD	0.00	0.00
4	Income on balances with RBI and other inter bank funds	0.00	0.00
5	Others	0.00	0.00
	TOTAL	48,06,58,227.64	47,66,69,662.48

56,14,81,401.56 48,33,11,028.73

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 14 - Other Income

Sr No	Particulars	During the period from 1.4.2022 to 31.3.2023	During the period from 1.4.2021 to 31.3.2022
1	Commission, Exchange & Brokerage	49,40,985.53	53,01,662.18
2	Profit on Sale / Redemptions of investments	0.00	0.00
	Less : Loss of sale / redemption on investment	0.00	0.00
3	Profit on revaluation of investments	0.00	0.00
	Less : Loss on revaluation of investments	0.00	0.00
4	Profit on sale of land, buildings and other assets	0.00	0.00
	Less : Loss on sale of land buildings and other assets	0.00	0.00
5	Profit on exchange transactions	0.00	0.00
	Less : Loss on exchange transactions	0.00	0.00
6	Income earned by way of dividends etc. form subsidiaries/companies and /or joint ventures abroad/ in India	0.00	0.00
7	Misc. Income	11,96,004.21	13,39,704.07
	TOTAL	61,36,989.74	66,41,366.25

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The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 15 - Interest Expended

Sr No	Particulars	During the period from 1.4.2022 to 31.3.2023	During the period from 1.4.2021 to 31.3.2022
1	Interest on Deposits	22,59,83,676.61	23,38,32,629.24
2	Interest on RBI / Inter bank borrowings	9,89,48,735.70	9,03,34,524.62
3	Others	0.00	0.00
	TOTAL	32,49,32,412.31	32,41,67,153.86

The Fazilka Central Cooperative Bank Ltd., H.O. Abohar

Schedule 16 - Operating Expenses

Sr No	Particulars	During the period from 1.4.2022 to 31.3.2023	During the period from 1.4.2021 to 31.3.2022
1	Payments to and Provision for Employees	8,91,78,136.14	11,07,19,722.36
2	Rent, Taxes and Lighting & Insurance	1,53,58,027.42	1,34,67,570.73
3	Printing and Stationery & Advertisement	8,44,223.25	5,62,007.40
4	Depreciation & Repairs and Maintenance on Bank's Property	17,84,762.68	19,31,005.81
5	Directors Fees, Allowances and Expenses	0.00	0.00
6	Auditors Fees and Expenses(including branch charge)	3,35,057.00	1,86,390.00
7	Law Charges	1,92,102.00	82,129.00
8	Postage, Telegrams and Telephones etc.	1,69,792.93	1,80,789.12
9	Provision for Gratuity	0.00	0.00
12	Other Expenditure	1,86,85,687.83	1,85,30,887.60
	TOTAL	12,65,47,789.25	14,56,60,502.02

THE FAZILKA CENTRAL COOPERATIVE BANK LIMITED HEAD OFFICE ABOHAR

CAPITAL FUNDS, RISK ASSETS/EXPOSURES AND RISK ASSETS RATIO
PART -A : CAPITAL FUNDS AND RISK ASSETS

		31-03-2023
Sr.No.	Item	Book Value
1	**Capital Funds:**	
	A. Tier I Capital elements	
	(a) Paid up Share Capital	7486.04
	(b) Statutory Reserves	613.46
	(c) Capital Reserves	
	(d) Other disclosed free reserves	726.14
	IPDI	250.00
	(e) Undisbursed profit	-746.86
	Less intangible assets and losses	-3777.84
	Total Tier I Capital	**4550.94**
	B. Tier II Capital elements	
	(a) Undisclosed Reserves	0.00
	(b) Revaluation Reserves	948.62
	(c) General Provisions and loss	63.65
	(d) standard assets provision	174.26
	Investment Fluctuation Reserves	0.00
	(d) Subordinated debts	0.00
	Total Tier II Capital	**1186.53**
	C. Grand Total (A+B)	**5737.47**
2	**Risk Assets:**	
	A. Adjusted value of funded risk assets on balance sheet items (PART-B)	**54498.50**
	B. Adjusted value of non-funded and off balance sheet items(PART-C)	0.00
	C. Total Risk Weighted Assets(A+B)	**54498.50**
3	**Percentage of capital funds to risk weighted assets[1(C) : 2(C)]**	**10.53**

A. MANAGER

SR. MANAGER

DISTRICT MANAGER

Managing Director

CHAIRMAN

FOR MALWA & ASSOCIATES
CHARTERED ACCOUNTANTS

DATE :- 29-05-2023

STATUTORY AUDITOR
CA BALPREET SINGH MALWA
Partner
M.NO.535237
FNR NO.028396N

THE FAZILKA CENTRAL COOP. BANK LTD HO ABOHAR

Prudential Norms - Risk Weights for Computation of CRAR (StCBs/CCBs)

I. Domestic Operations

A Funded Risk Assets

Items of Assets			Book value of assets as on 31-03-2023	Provision made	Net Book value of assets as on MARCH 2023	Risk Weight	Adjusted value of Riskweighted assets
I	Balances						
	1	Cash (including foreign currency notes) & balances with RBI	575.93	0.00	575.93	0.00	0.00
	2	Balances in current account with other banks	2805.73	0.00	2805.73	20.00	561.15
II	Investments				0.00		0.00
	1	Investments in Government Securities	9884.34	0.00	9884.34	2.50	247.11
	2	Investment in other approved securities guaranted by Central Government/State Governments	0.00	0.00	0.00	2.50	0.00
	3	Investments in other Securities where payment of interest and repayment of principal are guaranted by Central Govt (include investment in Indira/Kisan Vikas Patras (IVP/KVP) and investments in bonds and debentures where payment of interst and repayment of principal is guaranted by Central Government/State Governments)	0.00	0.00	0.00	2.50	0.00
	4	Investments in other securities where payment of interest and repayment of principal are guaranteed by State Governments. Note: Investment in Securities where payment of interest or repayment of principal is guaranteed by State Government and which has become a non-performing investment, will attract 102.5 percentage risk weight.	0.00		0.00	102.50	0.00
	5	Investments in other approved securities where payment of interest and repayment of principal are not guaranted by Central/State Governments			0.00	22.50	0.00
	6	Investments in government guaranteed securities of government undertakings which do not form part of the approved market borrowing program			0.00	22.50	0.00
	7	Claims on commercial banks, District Central Cooperative Banks and State Cooperative Banks, such as fixed deposits, certificates of deposits, money at call and short notice etc.	12116.39	0.00	12116.39	22.50	2726.19
	8	Investments in bonds issued by All India Public Financial institutions			0.00	102.50	0.00
		Items of Assets			0.00	Risk Weight	
	9	Investments in bonds issued by Public Financial Institutions (PFIs) for their Tier-II Capital			0.00	102.50	0.00
	10	All other investments Note: Intangible assets and losses deducted from Tier I capital should be assigned zero weight	786.42	4.44	781.98	102.50	801.53
	11	Off-balance sheet (net) position in 'When issued' securities, scrip-wise			0.00	2.50	0.00
III	s and adva				0.00		0.00
	1	Loans and advances guaranteed by Government of India	0.00	0.00	0.00	0.00	0.00
	2	Loans guaranteed by State Governments			0.00	0.00	0.00
	3	State Government guaranteed advance which has become a non performing asset			0.00	100.00	0.00
	4	Loans granted to Public Sector Undertakings (PSUs) of Government of India			0.00	100.00	0.00
	5	Loans granted to PSUs of State Governments	0.00	0.00	0.00	100.00	0.00
	6	Housing Loans			0.00		
		(i) Loans to individuals (fully secured by mortgage of residential properties)			0.00		
		upto Rs 30 lakh			0.00		
		(a) LTV ratio is equal to or less than 75%	389.18	0.00	389.18	50.00	194.59
		(b) LTV ratio is more than 75%	0.00	0.00	0.00	100.00	0.00
		(ii) Housing - others	0.00	0.00	0.00	100.00	0.00
		* LTV ratio should be computed as a percentage of total outstanding in the account (viz. "principal+accrued interest+other charges pertaining to the loan" without any netting) in the numerator and the realizable value of the residential property mortgaged to the bank in the denominator			0.00		
	7	Consumer credit including Personal loan	1285.91	0.00	1285.91	125.00	1607.39

	8	Loans upto Rs 1 lakh against gold and silver ornaments. Note: Where the loan amount exceeds Rs 1 lakh, the entire loan amount has to be assigned the risk weight applicable for the purpose for which the loan has been sanctioned			0.00	50.00	0.00
	9	All other loans and advances including Education loan	48788.70	3629.87	45158.83	100.00	45158.83
	10	Loans extended against primary/collateral security of shares/debentures			0.00	125.00	0.00
	11	Leased assets			0.00	100.00	0.00
	12	Advances covered by DICGC/ECGC Note: The risk weight of 50% should be limited to the amount guaranteed and not the entire outstanding balance in the accounts. In other words, the outstanding in excess of the amount guaranteed, will carry 100% risk weight.			0.00	50.00	0.00
	13	Advances against term deposits, Life policies, NSCs, IVPs and KVPs where adequate margin is available	916.46	0.00	916.46	0.00	0.00
	14	Loans and advances granted by State/Central Cooperative banks to their own staff, which are fully covered by superannuation benefits and mortgage of flat/house	807.77	0.00	807.77	20.00	161.55
		Notes: while calculating the aggregate of funded and non-funded exposure of a borrower for the purpose of assignment of risk weight, banks may 'net-off' against the total outstanding exposure of the borrower					
		(a) advances collateralized by cash margins or deposits			0.00		
		(b) credit balances in current or other accounts of the borrower which are not earmarked for specific purposes and free from any lien:			0.00		
		(c) In respect of any assets where provision for depreciation or for bad debts have been made			0.00		
		(d) claims received from DICGC/ECGC and kept in a separate a/c pending adjustment in case these are not adjusted against in dues outstanding in the respective a/cs			0.00		
		(e) Subsidies received under schemes and kept in a separate account			0.00		
IV	Other Assets				0.00		
	1	Premises, furniture and fixtures			0.00		
	2	Interest due on Government securities	2210.41	0.00	2210.41	100.00	2210.41
	3	Accrued interest on CRR balances maintained with RBI and claims on RBI on account of Government transactions (net of claims of government/RBI on banks on account of such transactions)	572.90	0.00	572.90	0.00	0.00
	4	Interest receivable on staff loans	1109.91	0.00	1109.91	0.00	0.00
	5	Interest receivable from bank	63.36	0.00	63.36	20.00	12.67
	6	All other assets	312.93		312.93	20.00	62.59
V	Market Risk on Open Position		1580.23	925.73	754.50	100.00	754.50
	1	Market risk on foreign exchange open position (Applicable to Authorised Dealers only)			0.00		0.00
	2	Market risk on open gold position			0.00	100.00	0.00
B.	Off-Balance Sheet Items				0.00	100.00	0.00
			84306.67	4560.04	79745.53		54498.50
			0.00				

The credit risk exposure attached to off-Balance Sheet items has to be first calculated by multiplying the face amount of each of the off-Balance Sheet items by 'credit conversion factors' as indicated in the table below. This will then have to be again multiplied by the weights attributable to the relevant counter-party as specified above.

Sl.No.	Instruments			Credit Conversion Factor(%)	
1	Direct credit substitutes e.g. general guarantees of indebtedness (including stand L/Cs serving as financial guarantees for loans and securities) and acceptances (including endorsements with character of acceptance)			100	0
2	Certain transaction-related contigent items (e.g. performance bonds, bid bonds, warranties and standby L/Cs related to particulars transactions)			50	0
3	Short-term Self-liquidating trade-related contingencies (such as documentary credites collateralized by the underlying shipments)			20	0

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4	Sale and repurchase agreement and asset sales with recourse, where the credit risk remains with the bank.				100	0
5	Forward asset purchases, forward deposit and partly paid shares and securities, which represent commitments with certain draw down.				100	0
6	Note issuance facilities and revolving underwriting facilities				50	0
7	Other commitments (e.g. formal standby facilities and credit lines) with an original maturity of over one year.				50	0
8	Similar commitments with an original maturity up to one year, or which can be unconditionally cancelled at any time				0	0
9	(i) Guarantees issued by banks against the counter guarantees of other banks				20	0
	(ii) Rediscounting of documentary bills accepted by banks (Bills discounted by banks which have been accepted by another bank will be treated as a funded claim on a bank) Note: In these cases, banks should be fully satisfied that the risk exposure is, in fact, on the other bank. Bills purchased/discounted/negotiated under LC (where the payment to the beneficiary is not made 'under reserve') will be treated as an exposure on the LC issuing bank and not on the borrower.				20	0
	All clean negotiations as indicated above, will be assigned the risk weight normally applicable to inter bank exposures, for capital adequacy purposes. In the case of negotiations 'under reserve' the exposure should be treated as on the borrower and risk weight assigned accordingly.					0
10.	Aggregate outstanding foreign exchange contracts of original maturity-					
	(a) less than 14 calendars days				0	0
	(b) more than 14 days but less than one year				2	0
	(c) for each additional year or part thereof				3	0
	Notes					0
	While calculating the aggregate of funded and non-funded exposure of a borrower for the purpose of assignment of risk weight, bank may 'net-off' against the total outstanding exposure of the borrower credit balances in current or other accounts which are not earmarked for specific purposes and free from any lien.					
	After applying the conversion factor as indicated above, the adjusted off-balance sheet value shall again be multiplied by the weight attributable to the relevant counter party as specified.					

Note: At present, State and District Central Cooperative Banks may not be undertaking most of the off-balance sheet transactions. However, keeping in view their potential for expansion, risk weights are indicated against various off-balance sheet items, which, perhaps banks may undertake in future.

II Additional risk weights in respect of overseas operations of Indian banks (applicable to Authorised Dealers only)

1 Foreign Exchange and Interest Rate related Contracts

(i) Foreign exchange contracts include the following

a. Cross currency interest rate swaps

b. Forward foreign exchange contracts

c. Currency futures

d. Currency options purchased

e. Other contracts of similar nature

(ii) As in the case of other off Balance Sheet items, a two stage calculation prescribed below shall be applied

(a) Step 1 - The notional principal amount of each instrument is multiplied by the conversion factor given below.

Original Maturity			Conversion Factor
Less than one year			2%
one year and less than two years			5% (i.e 2%+3%)
For each additional year			3%

(b) Step 2 - The adjusted value thus obtained shall be multiplied by the risk weight allotted to the relevant counter-party as given in A above.

2 **Interest Rate Contracts**

(iii) Interest rate contracts include the following:

a. Single currency interest rate swaps

b. Basic swaps

c. Forward rate agreements

d. Interest rate futures

e. Interest rate options purchased

f. Other contracts of a similar nature

(iv) As in the case of other off-Balance Sheet Items, a two stage calculation prescribed below shall be applied:

(a) Step 1 - The national principal amount of each Instrument in multiplied by the percentage given below:

Original Maturity			Conversion Factor
Less than one year			0.5%
one year and less than two years			1.0%
For each additional year			1.0%

(B) Step 2 - The adjusted value thus obtained shall be multiplied by the risk weight allotted to the relevant counter-party as given in 'A' above.

Note: At present, most of the State and District Central Cooperative Banks are not carrying out forex transactions. However, those who have been given A.D's license may undertake transactions mentioned above. In the even of any uncertainty in assigning risk weights against a specific transaction, RBI clarification may be sought for.

MANAGER

SR.MANAGER

DISTRICT MANAGER

Managing Director

CHAIRMAN

FOR MALWA & ASSOCIATES
CHARTERED ACCOUNTANTS

DATE 29-05-2023

STATUTORY AUDITOR
CA BALPREET SINGH MALWA
Partner
M.NO.535237
FNR NO.028396N

THE FAZILKA CENTRAL COOPERATIVE BANK LIMITED, HO ABOHAR

Annexure 'A'

ASSET CLASSIFICATION & PROVISIONING STATEMENT (for the year ended 31.3.2023)

(Rs in Lacs)

Sr No		SAO		ST	Cash Credit	Bills Discounted	Term Loans	Other Assets	Total
		Short term	Cash Credit	(Non-SAO)	& ODs	/purchased	(All Types)		
1	2	3	4	5	6	7	8	9	10
I	*AMOUNT OUTSTANDING*	39541.98	0.00	25.64	7114.58	0.00	5822.33	0.00	52504.53
II	*ASSET CLASSIFICATION*								
1	Standard	39541.98	0.00	25.64	4934.12	0.00	2492.45	0.00	46994.19
2 a	Sub-Standard	0.00	0.00	0.00	726.57	0.00	253.19	0.00	979.76
b	Unsecured Overdues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Doubtful								
I)	Secured Overdue								
a	Over 3 years to 4 years	0.00	0.00	0.00	209.85	0.00	73.51	0.00	283.36
b	Over 4 years to 6 years	0.00	0.00	0.00	343.30	0.00	850.48	0.00	1193.78
c	Over 6 years	0.00	0.00	0.00	708.09	0.00	561.18	0.00	1269.27
ii)	Unsecured Overdues	0.00	0.00	0.00	192.66	0.00	1556.46	0.00	1749.12
4	Loss Assets	0.00	0.00	0.00	0.00	0.00	35.05	0.00	35.05
	Total	39541.98	0.00	25.64	7114.58	0.00	5822.33	0.00	52504.53
III	PROVISIONING REQUIRED								
	Standard	98.85	0.00	0.10	19.74	0.00	9.97	0.00	128.66
1	Sub- standard	0.00	0.00	0.00	72.66	0.00	25.32	0.00	97.98
	Unsecured @ 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	Doubtful Assets								
I)	20% of item II (3) (I) (a)	0.00	0.00	0.00	41.97	0.00	14.70	0.00	56.68
ii)	30% of item II (3) (I) (b)	0.00	0.00	0.00	102.99	0.00	255.14	0.00	358.13
iii	100% of item II (3) (I) (c)	0.00	0.00	0.00	708.09	0.00	561.18	0.00	1269.27
iv)	100% of item II (3) (ii)	0.00	0.00	0.00	192.66	0.00	1556.46	0.00	1749.12
3	Loss Assets								
	100% of item II (4)	0.00	0.00	0.00	0.00	0.00	35.05	0.00	35.05
	Total	0.00	0.00	0.00	1118.36	0.00	2447.86	0.00	3566.22

0.00

INCOME RECOGNITION	Amount
- Overdue interest	825.74
- Provision for interest already made in Balance Sheet	825.74
Deficit / Excess	0.00

ASSET CLASSIFICATION (PROVISIONING)	Amount
- Provision required to be made In Balance Sheet	3566.22
- Provision for OTHER ASSETS	6.18
- Bad & Doubtful Reserve (as per Balance Sheet)	3636.05
Surplus	63.65

Note :

Standard Assets are amounting to Rs 46994.14 Lakhs. Provision has been on this @ 0.25% and 0.40%, which comes to Rs 128.66 lakhs. This amount has been charged to Other Liabilities "Contingent Provisioning" against Standard Assets as per RBI Guidelines.

Detail of NPA is given below:-

	REQ	MADE	
- Required Provision for Standard Assets	128.66	174.26	
- Required Provision for NPA	3566.22	3629.87	
Required Provision for OTHER ASSETS	106.18	110.62	
Total	3801.06	3914.75	113.69

1.02

Total Loans & Advances - Standard Assets =	N.P.A. (Loans)	NPA (Other Assets)	Total NPA
52504.53 -46994.19	5510.34	6.18	5516.52

ASSISTANT MANAGER

SR.MANAGER

DISTT.MANAGER

MANAGING DIRECTOR

CHAIRMAN

Place : Abohar
Dated :29-05-2023

FOR MALWA & ASSOCIATES
CHARTERED ACCOUNTANTS

STATUTORY AUDITOR
CA BALPREET SINGH MALWA
Partner
M.NO. 535237
FNR NO. 028396N

THE FAZILKA CENTRAL COOP BANK LTD. H.O. ABOHAR

CLASSIFICATION OF ASSETS AS ON 31.03.2023

						AMOUNT
1	PROFIT OF THE BANK BEFORE N P A PROVISIONS					0.00
2	PROVISION FOR PAYMENT OF GRATUITY TO STAFF					0.00
3	**PROVISION / CLASSIFICATION OF ASSETS**	AMOUNT O/S	%AGE	PROV. REQD.	NPA AMT.	
	A) STANDERED ASSETS	**46994.24**		**128.66**		
	i) Agricuture	39541.98	0.25	98.85		
	ii)Others Loan	7452.26	**0.40**	29.81		
	1. SUB STANDERED ASSEST OVERDUE LESS THAN THREE YEARS	**979.76**	**10**	**97.98**		
	2. DOUBTFUL ASSTS IN RESPECT OF OVERDUES FROM 3 TO 4 YEARS	**283.36**		**56.67**		
	SECURED	283.36	20	56.67		
	UN SECURED	0.00	100	0.00		
	3. DOUBTFUL ASSETS IN RESPECT OF OVERDUES FROM 4 TO 6 YEARS	**1193.78**		**358.14**		
	SECURED	1193.78	30	358.14		
	UN SECURED	0.00	100	0.00		
	4. DOUBTFUL ASSETS IN RESPECT OF OVERDUES EXCEEDING 6 YEARS	**3018.39**		**3018.39**		
	SECURED	1269.27	**100**	1269.27		
	UN SECURED	1749.12	100	1749.12		
5	LOSS ASSETS	**35.05**	100	**35.05**		
6	Provision against Fraud and Embazzlement			106.18		
	(OTHER THAN STANDERED ASSETS)					5510.34
	TOTAL	**52504.58**				
7	PROVISION REQUIRED AGST.NPA			**3801.06**	**3672.40**	10.49%
	Provisions for other loss assets					
	Fazilka Coop Sugar Mills Ltd, Bodiwala Pitha	0.00				
	Sankarta Bhawan Chandigarh	0.00				
	Income recoganition as on 31.03.2010					
	Total interest earned during the year					
	Of which overdue interest taken up to profit & loss a/c					
	Provision made against overdue interest					
	Interest due from NPA's			825.74		
	Total provisions required to be made for all assets			825.74		
	Provision already exists (BDR)/Spl.BDR			**3801.06**		
	Provision for NPA			3629.87		
	Provision for Standard Assets required			3566.22		
	Provision already made			**128.66**		
	Minus Existing Reserve total loans					
	1. Bad Doubtful Debt Reserve					
	2. Special Bad Debt Reserve		3629.87	3586.91	**63.65**	117.49
	3. Special Bad & Doubtful Debt			0.60		181.14
	4.Provision agst.Investment Depr. Fund			47.36		
	5.Provision agst.Fraud and Embazzlement			104.44		
	6.Provision for Standard Assets			6.19		
	Total			174.26		
	Profit of the bank after NPA provisions			**3914.75**	**113.69**	

Existing Reserves are more than the provisions required therefore no provision made by the bank.

ASSISTANT MANAGER **G.MANAGER** **DISTT.MANAGER**

MANAGING DIRECTOR **CHAIRMAN**

Place : Abohar
Dated :29-05-2023

FOR MALWA & ASSOCIATES
CHARTERED ACCOUNTANTS

STATUTORY AUDITOR
CA BALPREET SINGH MALWA
Partner
M.NO. 535237
FNR NO. 028396N

THE FAZILKA CENTRAL COOP BANK LTD. H.O. ABOHAR

PROFORMA FOR THE CALCULATION OF NET ADVANCES/NET NPA

Sr.No	Particulars	31.03.2021	31.03.2022	31.03.2023
1	Gross Advances	53289.80	54130.35	52504.62
2	Gross NPAs	6619.48	6130.49	5510.34
3	Gross NPAs as Percentage to gross advances(%)	12.42	11.33	10.49
4	Deduction:-			
	- Balance in interest suspences A/c OIR			
	- DICGC/ECGC claims received & kept suspence A/c			
	- Part payment on NPA A/c received & kept suspences A/c			
	Total Deductions			
5	Total NPA Provision held (BDDR) special BDDR after appropriation	2524.87	2629.87	3629.87
6	Net Advances (1-4-5)	50764.93	51500.48	48874.75
7	Net NPAs (2-4-5)	4094.61	3500.62	1880.47
8	Net NPA as percentage of net advances (%)	8.07	6.80	3.85

2.54

ASSISTANT MANAGER

SR.MANAGER

DISTT MANAGER

MANAGING DIRECTOR

CHAIRMAN

Place : Abohar

Dated : 29-05-2023

FOR MALWA & ASSOCIATES

CHARTERED ACCOUNTANTS

STATUTORY AUDITOR

CA BALPREET SINGH MALWA

Partner

M.NO. 535237

FNR NO. 028396N

THE FAZILKA CENTRAL COOPERATIVE BANK LTD, FAZILKA

CLASSIFICATION OF ASSETS AND PROVISIONING MADE AGAINST NON-PROFORMING ASSETS AS ON 31ST MARCH 2023

(Rs in lacs)

Sr No	Classification of Assets	No. of Accounts	Amount Outstanding	% of Col 4 to Total Loans Outstanding	Provision required to be made		Existing Provision at the beginning	Provisioning made during the year under report	Total Provisioning as at the end of the year	Remarks
					%	Amount				
1	2	3	4	5	6	7	8	9	10	11
I	Total Loans and Advances Of which	0	52504.53							
A	Standard Assets	0	46,994.19	89.51	0.25 0.40	128.66	174.26	0.00	174.26	45.60
B	Non-Performing Assets									
1	Sub-Standard	0	979.76	1.87	10	97.98	249.36	-151.38	97.98	
2	Doubtful									
i)	Overdues > 3 yrs upto 4 yrs Secured	0	283.36	0.54	20	56.67	180.12	-123.45	56.67	
ii)	Overdues > 4 yrs upto 6 yrs Secured	0	1193.78	2.27	30	358.14	235.25	122.89	358.14	
iii)	Overdues > 6 yrs									
a	Secured	0	1269.27	2.42	100	1269.27	981.66	287.61	1269.27	
b	Unsecured	0	1749.12	3.33	100	1749.12	935.45	813.67	1749.12	
	Total Doubtful Assets (i+ii+iii) (a+b)		4495.53	8.56		3433.20	2332.48	1100.72	3433.20	
3	Loss Assets	1	35.05	0.07	100	35.05	35.04	0.01	35.04	
	GROSS NPAs (B1+B2+B3)	1	5510.34	10.49		3566.22	2616.88	949.35	3566.22	

-949.34 1000.00

50.65

Note :

- No Provision for Standard Assets has been during the year 2022-23. The total provision of Standard Assets is Rs 174.26 lakhs as on 31.3.2023, which is excess of Rs 45.60 lacs to the provision required to be made.
- Balance in Bad & Doubtful Reserve and Provison as on 31.3.2023 is Rs 3629.87 lakhs, Provisioning required for NPA is Rs 3566.22 lakhs Thus the Bad & Doubtful Reserve is excess by Rs 63.65 lakhs.

ASSISTANT MANAGER **SR.MANAGER** **DISTT.MANAGER**

MANAGING DIRECTOR **CHAIRMAN**

Place : Abohar
Dated : 29-05-2023

FOR MALWA & ASSOCIATES
CHARTERED ACCOUNTANTS

STATUTORY AUDITOR
CA BALPREET SINGH MALWA
Partner
M.NO. 535237
FNR NO. 028396N

The Fazilka Central Cooperative Bank Ltd

Net Worth of the Bank

		(Rs in lacs)
Sr.	Description	31-03-2023
1	Paid up capital	7486.04
2	Add: Free Reserves	1694.03
i	Statutory Reserves	613.46
ii	Agricultural Credit Stabilisation Fund	473.33
iii	Building Fund	133.04
iv	Dividend Equalisation Fund	10.24
v	Investment Fluctuation Reserve	104.44
vi	Other Funds, if any, not in the nature of outside liabilities	359.53
3	Undistributed profit/Loss Current Year	-746.85
4	Less: Accumulated losses	3505.54
5	Less: Deferred Tax Assets	
	Sub Total	**4927.68**
I	**Adjustments**	
b	**Add excess provision for**	
1	Standard assets	45.60
2	NPAs (Only Provision for rural Advances & Provision as per IT 36(i)viii	457.81
3	Overdue Interest	0.00
4	Investments	0.00
5	Other assets/ Off-balance sheet items	0.00
		503.41
c	**Less shortfall in provisions/un-provided for liabilities**	
1	Standard assets	0.00
2	NPAs	394.16
3	Overdue Interest	0.00
4	Investments	0.00
5	Other assets	0.00
6	Unprovided Off-balance sheet items	0.00
7	Unprovided liabilities	272.29
I		666.45
d	**Net Worth of the Bank**	4764.64

A. MANAGER

SR. MANAGER

DISTRICT MANAGER

MANAGING DIRECTOR

CHAIRMAN

FOR MALWA & ASSOCIATES
CHARTERED ACCOUNTANTS

DATE :- 29-05-2023

STATUTORY AUDITOR
CA BALPREET SINGH MALWA
Partner
M.NO.535237
FNR NO.028396N

THE FAZILKA CENTRAL COOPERATIVE BANK LTD, H.O.ABOHAR

Disclosure in financial statements – 'Notes to Accounts'

Introduction and Management

The Fazilka Central Cooperative Bank Ltd.H.O.Abohar was registered on 12 March 1915 with its area of operations at Fazilka District in the state of Punjab. The Bank has been granted a license no RPCD.(CHD).(FZK).PB-07 u/s 22 (1) read with Section 56(O) of Banking Regulation Act, 1949. At present, the Bank is running its business through 29 branches. All these branches have been audited for the year ended 31st March, 2023. The affairs of the Bank are governed by working committee of the Bank.

Share Capital

During the year Paid up share capital has increased from Rs.46.71 crore toRs.74.86 crore. 2815532 new share of Rs .100/- each have been issued to cooperative societies and State Govt . The total share capital subscribed as on 31st March 2023 is Rs. 74.86 crores out of which Rs. 64.00 crore is held by State Government and Rs.10.86 crores is held by the Cooperative Institutions.

Composition of Regulatory Capital

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)	45.51	26.55
ii)	Additional Tier 1 capital/ Other Tier 1 capital	0.00	0.00
iii)	Tier 1 capital (i + ii)	45.51	26.55
iv)	Tier 2 capital	11.87	9.67
v)	Total capital (Tier 1+Tier 2)	57.38	36.22
vi)	Total Risk Weighted Assets (RWAs)	544.99	567.82
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs) / Paid-up share capital and reserves as percentage of RWAs	8.35%	4.68%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	8.35%	4.68%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	2.18%	1.70%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	10.53%	6.38%
xi)	Leverage Ratio	NA	NA
xii)	Percentage of the shareholding of a) Government of India b) State Government (specify name) c) Sponsor Bank	NA	NA

xiii)	Amount of paid-up equity capital raised during the year		
xiv)	Amount of non-equity Tier 1 capital raised during the year, *of which:* Give list as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.). Commercial banks (excluding RRBs) shall also specify if the instruments are Basel II or Basel III compliant.	NA	NA
xv)	Amount of Tier 2 capital raised during the year, *of which* Give list as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.). Commercial banks (excluding RRBs) shall also specify if the instruments are Basel II or Basel III compliant.	0.00	0.00

1. *Composition of Investment Portfolio*

(Rs in Crores)

	Investments in 2022-23						Investments in 2021-22					
	Government Securities	Other Approved Securities	Shares	Bonds of PSUs	Others	Total investments	Government securities	Other Approved Securities	Shares	Bonds of PSUs	Others	Total investments
Permanent												
Gross	98.84	0.00	7.86	0.00	0.00	106.70	98.91	0.00	7.86	0.00	0.00	106.78
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	98.84	0.00	7.86	0.00	0.00	106.70	98.91	0.00	7.86	0.00	0.00	106.78
Current												0.00
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	98.84	0.00	7.86	0.00	0.00	106.70	98.91	0.00	7.86	0.00	0.00	106.78
Less: Provision for non-performing investments	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00
Net	98.84	0.00	7.85	0.00	0.00	106.69	98.91	0.00	7.8[illegible]	0.00	0.00	106.77

LUDHIANA

3 A)) Disclosure composition of non-SLR investments

(Rs in Cr)

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	
		Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
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	7.85	7.85	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	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000
g)	Provision held towards depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	7.86	7.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Bank has investment of Rs 1.1 Lacs in Shares of Other Cooperative Institutions and Shares of IFCI and Central Warehousing, bank has not received any dividend, during the year.

3 B)Movement of Provisions for Depreciation and Investment FluctuationReserve

(Rs in Cr)

Particulars		Current Year	Previous Year
i)	Movement of provisions held towards depreciation on investments		
a)	Opening balance	0.04	0.04
b)	Add: Provisions made during the year	1.00	0.00
c)	Less: Write off / write back of excess provisions during the year	0.00	0.00
d)	Closing balance	1.04	0.04
ii)	Movement of Investment Fluctuation Reserve		
a)	Opening balance	0.00	0.00
b)	Add: Amount transferred during the year	0.00	0.00
c)	Less: Drawdown	0.00	0.00
d)	Closing balance	0.00	0.00
iii)	Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	0.00	0.00

4.Asset quality

(a)Classification of advances and provisions held

(Amount in ₹ Crore)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	480.00	24.94	36.02	0.35	61.31	541.30
Add: Additions during the year					3.28	0.00
Less: Reductions during the year*					9.49	16.25
Closing balance	469.94	9.80	44.96	0.35	55.10	525.05
*Reductions in Gross NPAs due to:						
i) Upgradation					0.00	0.00
ii) Recoveries (excluding recoveries from upgraded accounts)					0.00	0.00
iii) Technical/ Prudential Write-offs					0.00	0.00
iv) Write-offs other than those under (iii) above					0.00	0.00
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	1.73	2.49	23.32	0.35	26.17	27.91
Add: Fresh provisions made during the year					10.00	10.00
Less: Excess provision reversed/ Write-off loans					0.00	0.00
Closing balance of provisions held	1.29	0.98	34.33	0.35	36.17	37.90
Net NPAs						
Opening Balance					35.01	
Add: Fresh additions during the year					0.00	
Less: Reductions during the year					16.20	
Closing Balance					18.80	
Floating Provisions						
Opening Balance						0.00
Add: Additional provisions made during the year						0.00
Less: Amount drawn down19 during the year						0.00
Closing balance of floating provisions						0.00
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts						0.00
Add: Technical/ Prudential write-offs during the year						0.00
Less: Recoveries made from previously technical/ prudential written-off						0.00

accounts during the year		0.00
Closing balance		0.00

Ratios (in per cent)	Current Year	Previous Year
Gross NPA to Gross Advances	10.49%	11.33%
Net NPA to Net Advances	3.85%	6.80%
Provision coverage ratio	65.87%	42.90%

(c) Overseas assets, NPAs and revenue

(Amount in ₹ Cr)

Particulars	Current Year	Previous Year
Total Assets	0.00	0.00
Total NPAs	0.00	0.00
Total Revenue	0.00	0.00

5. Prominent Figures/Ratios

(Rs in Crore)

Sr.No.	Particular	Current Year	Previous Year
	Cost of Deposit of the Bank	4.50	4.68
1.	**NPAs**		
	a. Gross NPAs	55.10	61.31
	b. Net NPAs	18.80	35.01
	c. Percentage of gross NPAs to total advances	10.49%	11.33%
	d. Percentage of net NPAs to net advances	3.85%	6.80%
	Movement of NPAs		
2.	Opening Balance as on 1st April 2022	61.31	66.19
	Addition during the year	3.28	3.58
	Reduction during the year	9.49	8.46
	Closing balance as on 31st March 2023	55.10	61.31
	Profitability		
3.	a. Interest income as a percentage of working funds	6.83%	7.02%
	b. Non Interest income as a percentage of working funds	0.07%	0.08%
	c. Cost of Deposit	4.50%	4.68%
	d. Net Interest Margin	1.89%	1.90%

	e. Operating profits as a percentage of working funds	0.43%	0.17%
	f. Return on Assets	0.00%	0.00%
	g. Business (deposits + advances) per employee (in crore)	10.52	10.68
	h. Profit per employee (in crore)	0.00	0.00
4.	**Provisions**		
	a. Provisions on NPAs required to be made	35.66	26.17
	b. Provisions on NPAs actually made	36.30	26.30
	c. Provision required to be made in respect of overdue interest taken into income account, gratuity fund, provident fund, arrears in reconciliation of inter branch account etc.	0.00	0.00
	d. Provisions actually made in respect of overdue interest taken into income account, gratuity funds, provident funds, arrears in reconciliation of inter branch account etc.	0.00	0.00
	e. Provision required to be made on depreciation in investments	0.01	0.01
	f. Provision actually made on depreciation in investment	0.04	0.04

6. ***Provisions and contingencies***

(Rs in Crore)

Provision debited to Profit and Loss Account	Current Year	Previous Year
i) Provisions for NPI	0.00	0.00
ii) Provision towards NPA	10.00	1.05
iii) Provision made towards Income tax	0.00	0.00
iv) Other Provisions and Contingencies (with details)	0.00	0.00

13) (a) Business ratios

Sr. No.	Particular	Current Year 31.03.2023	Previous Year 31.03.2022
i)	Interest Income as a percentage to Working Funds#	6.83%	7.02%
ii)	Non-interest income as a percentage to Working Funds#	0.07%	0.08%
iii)	Cost of Deposits	4.50%	4.68%
iv)	Net Interest Margin*	1.89%	1.90%
v)	Operating Profit as a percentage to Working Funds#	0.43%	0.17%
vi)	Return on Assets$	0.00%	0.00%

vii)	Business (deposits plus advances) per employee44 (in ₹ Crore)	10.52	10.68
viii)	Profit per employee (in ₹ Crore)	0.00	0.00

7 ***Sale and transfers to/from HTM category/ Permanent category***

Bank is keeping all the Investment in HTM Category and Investments of Rs 2.00 Cr has been matured and got redeemed during FY 2022-23.

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

The bank does not have a Board of Directors in the F.Y. 2022-23. The Bank has been Working committee. Therefore, there is no advance to directors, their relatives, companies/firms in which they are interested.

9. **Movement of Provisions**

No provision for Standard Assets has been made during the year as the bank has already made excess provision than required. No provision for depreciation on Investments is required as all the investments are with State/Central Govt. or PSUs and entire portfolio is held till maturity. Bank has made 10.00 crore Provision for NPA and 1.00 Crore for other assets in FY 2022-23.

10. **Payment of insurance premium to DICGC**

The Bank is regularly paying premium to DICGC. Premium for the half year ending 31.03.2023.

(Rs in Cr)

Sr.No.	Particulars	Current Year	Previous Year
i)	Payment of DICGC Insurance Premium	72.86	70.83
ii)	Arrears in payment of DICGC premium	0.00	0.00

11. Amount transferred to DEAF

(Rs in Cr)

Particulars	Current Year	Previous Year
Opening Balance of amounts transferred to DEAF	0.56	0.52
Amount Transferred to DEAF during the year	0.01	0.05
Amount reimbursed by DEAF towards claims	0.00	0.00

Closing Balance of amount transferred to DEAF	0.58	0.57

12. **Penalty imposed by RBI for any violation.**

No penalty has been imposed for any violation by RBI during the FY 2022-23.

(13) (a) Bancassurance business

The Bank has not undertaken any bancassurance business during F.Y. 2021-22 and F.Y. 2022-23.

(13) (b) Marketing and distribution

The Bank has not undertaken any Business related to Marketing and Distribution in F.Y. 2021-22 and F.Y. 2022-23.

14. **Gratuity & Leave Encashment**

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

Provision for Leave Salary Contribution outstanding as at year end is For Rs. 2.01.

15. **Related Party Disclosures (AS 18)**

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

16. **Provision, Contingent Liabilities & Contingent Assets**

In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the provision is recognized only when it has a present obligation as a result of past event, it is probable that as outflow or resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

Contingent Assets are not recognized in the financial statements as this may result in the recognition of income that may never be realized.

Bank has created contingent liabilities for Rs. 0.58 crore against unclaimed deposit of education and awareness fund (DEAF) up to 31.03.2023.

17. **Capital Adequacy Ratio**

Bank has maintained CRAR at the level of 10.53% as on 31.3.2023.

Assistant Manager **Sr.Manager** **District Manager**

Managing Director **Chairman**

For Malwa & Associates
Chartered Accountants

(CA BALPREET SINGH MALWA)
Partner
M.NO 535237
FRN.028396N

Place: Abohar

Date: 29-05-2023

THE FAZILKA CENTRAL COOPERATIVE BANK LTD, H.O.ABOHAR

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPRATION

(i) The financial statements have been prepared on the historical cost basis and conform, in all material aspects, generally accepted accounting principles in India, which encompass applicable statutory provisions, RBI to the extent applicable, regulatory norms prescribed by NABARD, Accounting Standards issued by the Institute of Chartered Accountants of India.

(ii) The preparation of Financial Statements requires the management to make estimates and assumptions considered in the reported accounts of assets and liabilities (including contingent liabilities) as of the financial statements and the reported income and expenses during the reporting period.

2. METHOD OF ACCOUNTING

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

3. REVENUE RECOGNITION

(i) Income and expenditure are accounted for on accrual basis except otherwise stated elsewhere.

(ii) Interest subvention from NABARD is recognized in the Profit & Loss Account on cash basis i.e. as and when the subvention is received.

(iii) Interest income is recognized in the Profit and Loss Account as it accrues except, income from non-performing assets (NPA's) which is recognized upon realization as per the prudential norms prescribed.

(iv) Recovery in Non-performing advances is appropriated first towards overdue interest and thereafter towards overdue principal amount.

(v) Commission on Banks Guarantee, Locker Rent, Rent on Bank premises, Penal Interest are accounted for on realization.

(vi) Interest on income-tax refund is accounted on receipt of refund from Department.

4. ADVANCES

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

5. INVESTMENTS

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

(ii) Investments are accounted for in accordance with regulatory guidelines. The Bank follows trade date method for accounting of its investments.

(iii) **Valuation** - The book value/face value has been considered for arriving at the value of investments. The investments in securities are of Central/State institutions and thus market value has been considered not less than the book value.

6. FIXED ASSETS & DEPRECIATION

(i) Fixed assets are carried at written down value. Depreciation is charged as per the rates specified as per Income Tax Act, 1961.

(ii) Cost includes cost of purchase and all expenditure such as site preparation, installation costs and professional fees incurred on the assets, if any, before it is put to use. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefit from such assets or their functioning capability.

7. TAXES ON INCOME

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

8. OPERATING LEASES

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

9. EMPLOYMENT BENEFITS

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

10. OTHERS

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

Assistant Manager

Sr.Manager

District Manager

Managing Director

Chairman

For Malwa & Associates
Chartered Accountants

(CA BALPREET SINGH MALWA)
Partner
M.NO 535237
FRN.028396N

Place: Abohar

Date: 29-05-2023