

THE THODUPUZHA URBAN CO-OPERATIVE BANK LTD No.394, THODUPUZHA, IDUKKI DISTRICT - 685584

BALANCE SHEET AS ON 31st March 2023

ADDITIONAL DISCLOSURES IN FINANCIAL STATEMENTS

1. Regulatory Capital

a) Composition of Regulatory Capital

		(Rs. In Lakhs)	
Sr. No.	Particulars	31-03-2023	31-03-2022
i)	Common Equity Tier 1 capital (CET1)/Paid up sharecapital and reserves (net of deductions, if any)	1,161.58	-1,399.14
ii)	Additional Tier 1 capital/Other Tier 1 capital	Nil	Nil
iii)	Retained Earnings	1,161.58	-1,399.14
iv)	Tier 1 capital (i + ii)	49.60	Nil
v)	Tier 2 capital (Tier 1+Tier 2)	1,211.98	-1,399.14
vi)	Total Risk Weighted Assets (RWAs)	12,125.38	17,221.98
vii)	Paid-upshare capital and reserves as percentage of RWAs	9.58%	-8.12%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	9.58%	-8.12%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	0.41%	Nil
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	9.99%	-8.12%
xi)	Percentage of the shareholding of a) Government of India	Nil	Nil
xii)	Amount of paid-up equity capital raised during the year	0.72	0.11
	Amount of non-equity Tier 1 capital raised during the year, of which:		
	a) Perpetual non-cumulative preference shares	Nil	Nil
	b) Perpetual debt instruments,	Nil	Nil
	Amount of Tier 2 capital raised during the year, of which		
xiv)	a) Perpetual non-cumulative preference shares	Nil	Nil
	b) Perpetual debt instruments,	Nil	Nil

b) Draw down from Reserves

During the year the bank has not made any draw down from Reserves.

2. Asset Liability Management

a) Maturity pattern of certain items of assets and liabilities

For F.Y. 2022-2023												(Rs. in Lakhs)	
	Day 1	2 to 7 days	8 to 14 days	15 to 30 days	31 days to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total	
Deposits	87.28	111.09	198.38	93.69	23.97	15.98	147.66	3566.97	9285.35	131.69	85.43	13747.49	
Advances (Standard)	-	31.00	-	279.05	159.20	190.00	310.74	473.12	946.14	6.38	4594.32	6989.95	
Investments (Govt. Security)	-	-	100.00	397.74	1287.84	-	2341.81	2901.22	1315.60	1703.80	760.65	10808.66	
Borrowings													

For F.Y. 2021-2022		(Rs. In Lakhs)											
	Day 1	2 to 7 days	8 to 14 days	15 to 30 Days	31 day to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 Months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total	
Deposits	270.15	350.14	620.28	551.79	285.49	205.85	768.90	17771.03	4568.57	2637.99	198.85	28229.04	
Advances (Standard)	-	6.44	-	470.78	220.64	216.75	527.61	1862.32	599.24	14.91	7500.91	11379.60	
Investments (Govt. Security)	-	-	-	100.00	-	-	300.00	530.00	1110.00	3578.60	1166.39	6784.99	
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	

3. Investments a) Composition of Investment Portfolio

I. Investment held outside India: NIL

II. Investment held in India

		(Rs. In Lakhs)									
		As at 31.03.2023					As at 31.03.2022				
		Government Securities	Other Approved Securities	Share	Subordinated and/or joint ventures	Other	Government Securities	Other Approved Securities	Share	Subordinated and/or joint ventures	Other
Held to Maturity											
Gross		5255.65	0.10	-	-	-	5255.75	6784.99	0.10	-	-
Less: Provision for (NPI)		-	-	-	-	-	-	-	-	-	-
Net		5255.65	0.10	-	-	-	5255.75	6784.99	0.10	-	-
Available for Sale											
Gross		5553.01	-	-	-	-	5553.01	-	-	-	-
Less: Provision for depreciation and NPI		-	-	-	-	-	-	-	-	-	-
Net		5553.01	-	-	-	-	5553.01	-	-	-	-
Held for Trading											
Gross		-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI		-	-	-	-	-	-	-	-	-	-
Net		-	-	-	-	-	-	-	-	-	-
Total Investments		10808.66	0.10	-	-	-	10808.76	6784.99	0.10	-	-
Less: Provision for (NPI)		-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI		-	-	-	-	-	-	-	-	-	-
Net		10808.66	0.10	-	-	-	10808.66	6784.99	0.10	-	-

* Investments are shown at their Book value in Balance Sheet. Provision for NPI/depreciation, if any, are stated separately.
b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve : - NIL
c) Sale and transfers to/from HTM category :
There is no transfer to/from HTM category during the year. Bank had sold securities under HTM category with cost of Rs. of Rs. 1509.25 Lakhs during the year before the maturity due to liquidity problems and profit on sale of such transactions amounting to Rs. 27.37 Lakhs has been duly transferred to capital reserve.
d) Non-SLR investment portfolio
e) Non-performing non-SLR investments

		Amount (Rs. in lakhs)	
Particulars		31.03.2023	31.03.2022
Opening balance		0.10	0.10
Additions during the year since 1 April		Nil	Nil
Reductions During the above period		Nil	Nil
Closing Balance		0.10	0.10
Total Provision Held		Nil	Nil

ii) Issuer Composition of Non-performing non-SLR investments

		(Rs. In Lakhs)			
No.	Issuer	Amount	Extent of 'below investment grade securities'	Extent of 'Unlisted Securities'	Extent of 'Unlisted Securities'
(1)	(2)	(3)	(4)	(5)	(6)
1.	PSU	Nil	Nil	Nil	Nil
2.	FIS	Nil	Nil	Nil	Nil
3.	Public Sector Banks	Nil	Nil	Nil	Nil
4.	Mutual Funds	Nil	Nil	Nil	Nil
5.	Others 1. Shares with Idukki District Co-operative bank.	0.10	Nil	Nil	0.10
6.	Provision Held Towards Depreciation	Nil	Nil	Nil	Nil

c) Repo Transactions: NIL
d) Asset Quality

		(Rs. In Lakhs)				
For F.Y. 2022-23		Standard	Non-Performing			Total
		Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances
Gross Standard Advances and NPAs						
Opening Balance		11,379.60	371.06	7,141.40	-	7,512.46
Add: Additions during the year		-	2.92	-	35.04	37.96
Less: Reductions during the year*		4,389.65	--	2,526.34	-	2,526.34
Closing balance		6,989.95	373.98	4,615.06	35.04	5,024.08
*Reductions in Gross NPAs due to:						
i) Up gradation		-	-	-	-	-
ii) Recoveries (excluding recoveries from upgraded accounts)		-	-	-	-	-
iii) Technical/ Prudential Write-offs		-	-	-	-	-
iv) Write-offs other than those under(iii) above		-	-	-	-	-
Provisions (excluding Floating Provisions)						
Opening balance of provisions held		46.62	37.11	5,167.61	-	5,204.72

INDEPENDENT AUDITOR'S REPORT

To,
The Members of The Thodupuzha Urban Co-operative Bank Ltd. No. 394, Thodupuzha.

Opinion

We have audited the standalone financial statements of The Thodupuzha Urban Co-operative Bank Ltd. No. 394, which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements together with the notes thereon give the information required by the Banking Regulation Act, 1949, in the manner so required for the Co-operative Societies doing banking business and give a true and fair view in conformity with the accounting principles generally accepted in India.

i. of the state of affairs of the Bank as at 31st March, 2023

ii. of the PROFIT for the year ended as on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the code of ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis on Matter

We draw attention to the following matters in the Notes on accounts to the financial statements:

a) Note No. A.11) (iii) of the financial statements, which indicates that the Bank has not carried out actuarial valuation for the provision for leave encashment amounting to Rs. 84,95,918/- provided.

b) Note No. B.7) of the financial statements, on preparation of financial statements given to us, the aforesaid standalone financial statements together with the notes thereon.

c) Note No. B.8) of the financial statements, regarding the Reserve Bank of India (RBI) Supervisory Action Framework (SAF) and All Inclusive Directions (AID) guidance, which restricted the activities of the Bank.

Our opinion is not modified in respect of the above matter.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Bank's Management is responsible for the preparation of these consolidated financial statements in accordance with Banking Regulation Act, 1949 (as applicable to Co-operative Societies). This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding 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 operating effectively for ensuring the accuracy and completeness of the accounting records, relevant for the preparation and presentation of the consolidated financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

The Bank's Board of Directors is responsible with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, 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, and circulars and guidelines issued by 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 operating 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 Standalone Financial Statements, 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 no realistic alternative but to do so.

These Boards of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements Our objectives are to obtain reasonable assurance about whether the Standalone 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. Misstatements can arise from fraud or error and are considered material, if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone 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 standalone 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 risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the bank has in place an adequate internal financial control system over the financial reporting and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation structure and content of the Standalone Financial Statements including the disclosures and whether the Standalone Financial Statements present the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- planning the scope of our audit work and in evaluating the results of our work; and

- to evaluate the effect of any identified misstatements in the financial statements. We communicate with those charged with governance regarding, among other

Add: Fresh provisions made during the year	-	0.29	-	35.04	35.33	35.62
Less: Excess provision reversed/ Write-off loans	18.66*	-	1,084.34	-	1,084.34	1,103.00
Closing balance of provisions held	27.96	37.40	4,083.27	35.04	4,155.70	4,183.66
Net NPA						
Opening Balance	-	333.95	1,973.79	-	2,307.74	-
Add: Fresh additions during the year	-	-	-	-	-	-
Less: Reductions during the year	-	-	-	-	-	-
Closing Balance	-	336.58	531.80	-	868.38	-

*Restructured assets provision of Rs. 81.10 Lakhs is not included.

		(Rs. In Lakhs)				
For F.Y. 2021-22		Standard	Non-Performing			Total
		Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances
Gross Standard Advances and NPAs						
Opening Balance		13,586.63	339.00	7,966.89	-	8305.89
Add: Additions during the year		-	32.06	-	-	32.06
Less: Reductions during the year*		2,207.03	--	825.49	-	825.49
Closing balance		11,379.60	371.06	7,141.40	-	7,512.46
*Reductions in Gross NPAs due to:						
i) Up gradation		-	-	-	-	-
ii) Recoveries (excluding recoveries from upgraded accounts)		-	-	-	-	-
iii) Technical/ Prudential Write-offs		-	-	-	-	-
iv) Write-offs other than those under(iii) above		-	-	-	-	-
Provisions (excluding Floating Provisions)						
Opening balance of provisions held		80.99	72.26	2,840.33	-	2,912.59
Add: Fresh provisions made during the year		-	-	2,327.28	-	2,327.28
Less: Excess provision reversed/ Write-off loans		34.37	35.15	-	-	35.15
Closing balance of provisions held		46.62	37.11	5,167.61	-	5,204.72
Net NPA						
Opening Balance		-	266.74	5,126.56	-	5,393.30
Add: Fresh additions during the year		-	-	-	-	-
Less: Reductions during the year		-	-	-	-	-
Closing Balance		-	333.95	1,973.79	-	2,307.74

*Restructured assets provision of Rs. 421.80 Lakhs is not included.

		31-03-2023	31-03-2022
Gross NPA to Gross Advances		41.82%	39.37%
Net NPA to Net Advances		11.05%	16.86%
Provision coverage ratio		82.72%	69.28%

* Bank has not created Floating Provision during current and previous year.

b) Sector-wise Advances and Gross NPAs

Sector-wise Advances and Gross NPAs					(Rs. in Lakhs)		
Sl. No.	Sector*	31-03-2023			31-03-2022		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
i)	Priority Sector						
a)	Agriculture and allied activities	130.25	25.58	19.64%	143.54	28.95	20.17%
b)	Advances to industries sector eligible as priority sector	381.75	62.35	16.33%	535.81	80.68	15.06%
c)	Services	5361.37	1931.21	36.02%	8,191.92	1,451.54	17.72%
d)	Other loans	64.30	9.78	15.20%	137.94	15.41	11.17%
	Subtotal (i)	5937.67	2028.92	34.17%	9,009.21	1,576.58	17.50%
ii)	Non-priority Sector						
a)	Agriculture and allied activities	-	-	-	-	-	-
b)	Industry	4051.31	1826.04	45.07%	4,832.15	3,865.17	79.99%
c)	Services						
d)	Personal loans	2025.05	1169.12	57.73%	5,050.70	2,070.71	41.00%
	Sub-total (ii)	6076.36	2995.16	49.29%	9,882.85	5,935.88	60.06%
	Total (i + ii)	12014.03	5024.08	41.82%	18,892.06	7,512.46	39.77%