



# V. K. Niranjan & Co.

Chartered accountants

## INDEPENDENT AUDITORS REPORT

To,

**The Members,**

**Sri Guru Raghavendra Sahakara Bank Niyamitha**

Bengaluru.

1. We have audited the accompanying financial statements of **Sri Guru Raghavendra Sahakara Bank Niyamitha**, Bengaluru (henceforth referred as Bank or Management) as at 31 March 2023 which comprise the Balance Sheet as at 31 March 2023 and the Profit and Loss Account for the year then ended, The returns of one branch audited by us are incorporated in these financial statements.

### Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Bank in accordance with the Banking Regulation Act 1949 (as applicable to co-operative societies), the guidelines issued by the Reserve Bank of India and the guidelines issued under section 63(1) of the Karnataka Co-operative Societies Act, 1959 (as applicable) and generally accepted accounting principles in India so far as applicable to the Bank. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Bank's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Bank, as well as evaluating the overall presentation of the financial statements.

5. We conducted our audit in accordance with Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are



independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion. Relevant information pertaining to financial impact are reported in this Independent Audit Report and all other administrative related issues are provided in the main LFAR report with annexures which forms part of this report.

- a) As part of an audit in accordance with Standard on Auditing (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 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 the effectiveness of the entity's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.



**Part A- Brief Summary of RBI Audit –conducted for the position as on 31-03-2019 and 31-03-21 and 31-03-22**

**1) Serious irregularities observed by RBI-** The Reserve Bank of India (RBI) had conducted inspection of the Bank during the year 2019-2020 for the position as on 31-03-2019 and also during the year 2022-23 for the position as on 31-03-2021 and also during year 2023-24 for the position as on 31-03-2022. Major observations of the audit report are as under and these have great impact on the financial statements of the Bank.

- a) The bank had not formulated a robust and transparent Credit Policy and the procedures to be followed with regard to the sanctioning of the loans and adequate appraisal of documentation.
- b) Credit appraisal in the bank was not considered satisfactory as the entire loan portfolio was being treated as fraud and classified as 'loss asset' by the bank. The bank has sanctioned loans without ensuring adequate security. The Bank has disbursed several loans without adhering to the standard banking practices.
- c) The bank had not adhered to the instructions relating to IRAC norms as the identification of the NPAs was not system driven.
- d) The bank did not have a system of analyzing the financial documents submitted by the borrowers, as part of the post sanction requirements.
- e) The internal control systems were very poor which is assessed based on the following which are illustrative but not exhaustive.
- f) The bank had not taken business proof in most of the cases.  
The bank has not assessed the repayment capacity of the borrower as it did not obtain proper documents in support of the repayment capacity of the borrower.
- g) The bank has not obtained Income Tax Returns while sanctioning fresh loans.
- h) The bank had not taken latest balance sheet/ Profit and loss accounts on a regular basis from the borrower or at the time of sanction/renewing the loans.
- i) The bank has not obtained insurance policy of the secured property.
- j) Bank had not obtained latest ECs and Tax Paid receipts.
- k) The bank did not have proper site inspection reports at the time of sanctioning of loans and due diligence certificates by officials of the bank.
- l) The bank had not ensured the end use of funds. Records of post sanction visits not available.
- m) Bank has not maintained register of securities for the loans disbursed.
- n) The bank did not have a system to register the security interest of the immovable/movable asset which were mortgaged to the bank on the CERSAI portal.



- o) Sanction of loans against deposits without security of deposits. Evergreening of loans through fake loans and deposits.
- p) Control over Reconciliation of Bank Accounts, inter office accounts, cash deposits in the banks and cash withdrawals were very poor.

**2) Action taken by RBI based on the its inspection report for the position as on 31-03-2019. —**

- a) **Significant changes in the Board of the Bank May-2020** - The Bank was managed by Board of Directors from 01.04.2019 to 16.05.2020. On 17.05.2020 the Board of Directors was superseded and Administrator was appointed due to large scale irregularities and fraud detected during RBI inspection. There was no proper functioning of committees, monitoring and record of the meetings violating the law and byelaws of the Bank. The CEO was divested of the charge based on the advice of RBI including some key personnel due to their involvement.
  
- b) **All Inclusive Directions by RBI** based on its report dt 06-01-2020 and are effective from 10-01-2020. As per this, bank is not allowed to do regular banking transactions except recovery of loans, renewal of deposits, allowing with draws up to Rs.1,00,000/ per deposit holder and pay the administrative expenses as per the limits and conditions set out in the order.
  
- c) RBI has issued directives under Section 35A read with Section 56 of the Banking Regulation Act 1949, the validity of which was extended from time to time. Last been vide Directive DOR.MON/D-22/12.23.283.2023-24 dated May 04,2023, the validity of which was up to May 10, 2023, shall continue to apply to the bank for a further period of three months from May 11, 2023 to August 10, 2023, subject to review. The extention upto 10<sup>th</sup> Nov., 23, thereafter upto 10<sup>th</sup> Feb.,-24 and the latest extension upto 10<sup>th</sup> May-2024.

**3) Re-audit by Director of Co-operative Audit under Section 63**

- a) The State Government has ordered the Director of Co-operative Audit to conduct the re-audit of the Bank under the Section 63(13) for the period 2014-15 to 2018-19. The Auditor has provided with the Audit reports communicated vide letter 02/2019-20/3683 date 09 March 2022 for the year 2014-15 to 2018-19 conducted by the Director of Co-operative Audit (DCA). Based on the report, The Director of Co-operative Audit Department, Govt. of Karnataka vide reference no.2/2019-20/1447 dated 18th August,2022 has issued the order based on the revised Re-audit report dated 29-07-2022, to incorporate the revised re-audited numbers in the subsequent financial statements. The re-audit had revised the amount of loss from Rs.3057.52 crore to Rs.1294.38 crores and provision from Rs.2574.14 crores to Rs.811.00 crores. The Bank has given effect to the above order in their books of account during financial year 2020-21 and the same is continued.



- b) Based on the above-mentioned revised re-audit report, the Bank has made additional provision of loss amounting to Rs.483.38 crores during the year 2020-21, which is credited to the separate head "Prior period loss -Re-audit" under Reserve Fund in the books of the Bank. **Based upon the information and explanation provided to us, we are unable to form an opinion on such amount recorded under reserve fund** (Please refer to our comments under Liabilities- Capital and Reserves- Notes on accounts)
- c) Based on the Re-audit report, the bank has also made 100% provisions for frauds in Cash, Deposits, Pay order, bank accounts, interbranch and investments and also 100% of loans and advances on account of fake credit/debit entries. For the Financial Year 2022-23, 100% provision as stated above is continued. These issues have been detailed under relative schedules/comments to the Balance Sheet.



## **Part B- Our observations for the period under Audit-2022-23**

The Bank has not sanctioned / disbursed fresh advances during the year 2022-23 except recovery of advances and renewal of deposits and settlement of DICGC claims- On random checking of advances sanctioned and disbursed to prior to imposition of All Inclusive Directions imposed by RBI with effect from 10-01-2020, we give hereunder our observations as under.

### **a) Loans and advances-**

- i) The Bank has not formulated and introduced a robust and transparent Credit appraisal policy of the bank with respect to the procedures/instructions to be followed with regards to loan application, preparation of proposals for grant/renewal of advances, enhancement of limits etc. including adequate appraisal documentation.
- ii) The Bank has not formulated and introduced a robust and transparent policy providing guidelines for the delegation of authority to sanction or limit fixed for sanctioning of loans and advances.
- iii) The Bank has not formulated and introduced a robust and transparent policy providing guidelines for periodic review of advances including periodic balance confirmation and acknowledgment of debts.
- iv) The Bank has not formulated and introduced a robust and transparent policy providing guidelines relating to its policy for renewal / reconstruction/ precaution and follow-up.
- v) We have verified some of the documents of existing loan accounts sanctioned prior to 10-01-2020 and observed that there is no proper assessment of loans, sanction copy available without signature of sanctioning authority, security details not mentioned in the sanction and documents were not properly filled up, legal opinion not obtained, security not created, financial statements not obtained and evergreening of loans through fake entries.
- vi) Based on the Xerox/photocopies of documents related to few cases of sanction of loans and advances, in our opinion the Bank has not complied with the following:
  - vii) Documents deficiency observed for the credit facilities released by the bank without proper execution of loan application, KYC documents, sanction letter, loan agreement, original title deeds of the property, mortgage deed, legal opinion and valuation report etc.
  - viii) Instances of where stock/book debt statements and other periodic operational data and financial statements, etc. from the borrowers not obtained.
  - ix) There are cases of overdrawn amounts beyond the sanctioned limits.



- x) Our observations/deviations in respect of our verification of those documents are covered in our LFAR.
  - xi) For the year ended 31 March 2021, the Bank has treated the entire loan portfolio as fraud and classified the same as loss assets vide management letter No: SGRSBN/RBI INSP/OR-255/2019-2020 dated 4 November 2019 addressed to RBI, Bangalore. Further, while the Management has, pending the final outcome of the investigation being conducted by Office of CID Bangalore, continued 100% provision Rs.1392 crore on its loans & advances for the year under audit 2022-23. The Bank has not recognized the interest income on such loans and advances except to the extent of realized interest amounting to Rs.6.10 crore
  - xii) During the year, there were net downward movements in loans and advances amounting to the extent of Rs10.51 crore.
  - xiii) As per the Directions under Section 35A of the Banking Regulations Act, 1949 (As applicable to the Co-operative Societies) the Bank is allowed to set off the loan against deposits based on the terms and conditions of the loan agreements with the borrower.
  - xiv) The excess provision of Rs.11 crore has been reversed to the extent of down ward movement in loans and advances during the year 2022-23
- b) **Deposits-** Bank is not allowed to accept fresh deposits from 10-01-2020 as per Section 35A of BR Act.

During the year 2022-23, there is upward movement of deposits to the extent of Rs48 Crore as compared to the previous year 2021-22. This is due to credit of interest on the deposits..

- c) **Cash--**As we were Re- appointed as Statutory Auditors of the Bank vide appointment letter No SGR/MS/H-162/2014/2023-24 dated 21<sup>st</sup> December, 2023, we could not physically verify the cash balance as on 31 March 2023 and other inventories as on that date and hence do not express our opinion on the correctness and completeness of the same. However, we have verified cash balance on 30-12-2023 after the date of our appointment as Statutory Auditors of the Bank. Physical Cash balance Rs.6,60,743.50/ is tallied with the system on the date of verification.

**d) Investments-**

Based on our verification and the information provided by the Management, the Bank has not formulated a robust and transparent investment policy. Investments in Central and State Government Securities and fixed deposits with the Banks-Rs.450.90 crores as on 31-03-2023 were confirmed with



balance certificates as produced for verification by the bank. There is increase in the investments by Rs.39.60 Crore. The cash flow is from Principal recoveries in loans and advances Rs.10.52 crore, reduction in Bank Balances (other than DICGC -Bank Balance) Rs.18.74 Crore, increase in interest recoveries-Rs.2.60 Crore, increase in interest income on investments Rs.2.47 Crore etc., Bank has invested in fixed deposit Rs.7.8 crore with City Union Bank, a private sector bank which is not in conformity of RBI guidelines. There is no approval from RBI for such investment. Bank is advised to strictly comply with RBI guidelines without any deviation.

- e) **Fixed Asset Register**- Bank is not maintaining fixed register for the movable and immovable properties owned by the bank.
- f) **Loans and advances** -Bank has not obtained latest valuation reports, and latest ECs not obtained.
- g) **Security Register** – Bank has not maintained security register containing details of securities under lien/mortgage.
- h) **Bank has made payment of DICGC claims for 22234 claims for Rs.712.32 crore as on 31-03-2023. Payment made till January-2024 -22270 claims of Rs,713.65 crore. About 258 applicants with claim amount of Rs.5.69 crore were were frozen/rejected by DICGC. Still some applications about 155 claims Rs.3.93 crore are pending for various reasons. The DICGC is making DICGC claims after it got vetted through Gopal Rao & Co, Chartered Accountants duly appointed by it.**

#### **Balancing of accounts-**

- i) **TDS Suspense**- Unreconciled amount of Rs.69,44,624/- (Credit) was held in TDS Suspense Account as on 31-03-2023. This amount was Transferred from TDS Account as unreconciled portion pertaining to the period prior to 31-03-2019. Bank is advised to get it reconciled.
- j) **IMPS**-There was also an unreconciled credit balance in IMPS account- Rs.24,39,141/- as on 31-03-2023 and is carried from last year (2020-21). There are no changes in this account compared with the balance as on 31-03-2022. Bank is advised to get it reconciled.
- k) **Suspense others**- The un-reconciled amount outstanding as on 31-03-2023 Rs.33,904.17/ which is reduced from Rs.2,56,891. The net reduction in this account for the financial year 2022-23-Rs.2,22,986.83. Bank shall ensure reconciliation of the balance outstanding amount.
- l) **Savings (debit balances)** – Outstanding as per GL as on 31-03-2023- Rs.34.72 lakhs but as per Schedule- Rs.40.86 lakhs. Difference (-) Rs.6.14 lakhs.
- m) **Current account (Debit balances)** – As per GL as on 31-03-2023 Rs.176.60 lahs but as per Schedule Rs.239.71 lakhs Difference (+) lakhs.





- n) **Savings Bank Account-(Credit balances)**- As per GL as on 31-03-2023- Rs.10107 lakhs but as per Schedule Rs.11100 lakhs. Difference Rs. (-) 61 lakhs.
- o) **In-operative SB accounts**- As per GL as on 31-03-2023- Rs.10107 lakhs but as per Schedule Rs.60029 lakhs. Difference Rs.81 lakhs.
- p) **Matured Kalpatharu short term deposit**- As per GL as on 31-03-2023- Rs.11161 lakhs but as per Schedule Rs.60029 lakhs. Difference Rs.62 lakhs.
- q) **Matured Kalpatharu deposit**- As per GL as on 31-03-2023- Rs.25418 lakhs but as per Schedule Rs.25480 lakhs. Difference Rs.81 lakhs
- r) **Current account (Credit balance)**- As per GL as on 31-03-2023 Rs.2020.56 lakhs but as per Schedule Rs.2192.4 lakhs. Difference- Rs.171.90 lakhs.
- s) **Kalpatharu Deposit**- As per GL as on 31-03-2023 Rs.30760 lakhs but as per Schedule Rs.30780 lakhs. Difference. (-) Rs.20 lakhs.

Note- For the SB accounts, Current accounts and Kalpatharu deposit accounts- The differences arose due to transfer of deposit figures (as per Re-audit) to fraud in deposits at GL level without effecting changes at account level.

- q) **Akshya Deposit**- As per GL the outstanding as on 31-03-2023 is Rs.1.85 crore As per sub-ledger balance is Rs.1.87 crore with difference of Rs.0.02 crore.

**Bank is advised to take up with software vendor for rectification of differences**

#### **Premises, Furniture's and Fixtures**

- t) With respect to Furniture and Fixtures and others, the bank has not produced the Fixed Assets register for our verification. Hence, we are unable to verify and comment on the correctness of fixed asset balances disclosed in the financial statements.
- u) During the year 2022-23, there are no fixed assets sold but marginal amount Rs.4830/ received towards locker unit sold in the preceding year 2021-22. In the absence of the written down value of Fixed assets sold, the profit/loss was not arrived by the bank with respect to the sale of assets. The balance amount received Rs.4830/ during the year 2022-23 is credited to Other Income for the year ended 31 March 2023.

#### **Immovable properties-**

- v) No. 15 Subba Rama Chetty Road, Nettkallappa Circle, Basavanagudi, Bangalore 560004. Bank is not holding original title deeds and it is informed that the same said to be with Civil court for evidencing. Bank made application dt 18-



07-2023 before the court of Additional City and Sessions Judge at Bangalore  
CCH -6 in suit OS 7859/2013

- w) Bank's immovable Property no Property No 50, Subbaramachetty road, Nettakallappa circle, Basavanagudi, Bangalore-560044-- As per letter No SBRBSBA/KJA/124/2020 dated 21st July 2020, the original documents of Property: are under the custody of CID office for their verification duly acknowledged by them. Hence, the original documents are not made available for our verification.

**The katha is yet to be transferred from Vendor's name to the Bank.**

**The water bills and electricity bills are also being issued in Vendor's name.**

- x) **Other Assets**

**Revenue Stamps and Non-Judicial stamp papers-** The bank has provided closing details of non-judicial stamps / hypothecation agreements Rs.18,265/ as on 31-03-2023 and we verified physical stock and the same is tallied with book of accounts.

- y) **Share Capital**

There are no movement of members during the year 2022-23, except for reclassification and rectification entries recorded. No change in share capital.

- z) **Contingent liabilities -**

The Bank has identified legal cases which are ongoing in various Courts in Bangalore as at 31 March 2023 and not acknowledged as debt. (As per Annexure -7)



### **PART-C Qualified Opinion**

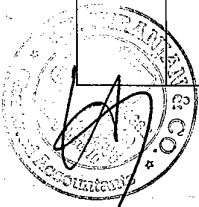
In our opinion and to the best of our knowledge and according to the information and explanations given to us, except for the effect of the matter described in the **Qualified Opinion** section of our report, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Bank as at 31.03.2023 and loss for the year ended on that date.

#### **Details of Qualified Auditor's Qualified opinion on the Financial Statements**

<b>Sl. No.</b>	<b>Subject</b>	<b>Details of Qualification</b>
1	"Prior Period Loss- Re-Audit-Rs.483.38 Crore "provision made in the books of accounts for the year 2020-21 and the same is continued for 2022-23	<p>The Director of Cooperative Audit Department, Govt. of Karnataka vide reference no. 2/2019-20/1447 dated 18 August 2022 has issued the order based on the revised Re-Audit report dated 29-07-2022, to incorporate the revised re-audited numbers in the subsequent financials' statements.</p> <p>Based on the above-mentioned revised re-audit report, the Bank has made additional provision of Loss amounting to Rs. 483.38 crores, which is credited to the separate head "Prior period loss-Reaudit" under Reserve Fund in the books of the Bank for the year 2020-21 and the same is continued for the year under audit.</p> <p><b>Based upon the information and explanation provided to us, we are unable to form an opinion on such amount recorded under reserve fund</b> (Please refer to our comments under Liabilities- Capital and Reserves- Notes on accounts)</p>
2	Non- Maintenance of. Security Register and deposit of title deeds register	<p>Security register and also Equitable Mortgage register are not available for verification. In the absence completeness of the documents and registers, we are unable to comment on the availability of security documents -i.e. immovable property title deeds. It is observed that Bank does not hold list of securities taken by CID. However, CID authorities addressed a letter to the Bank on 21-10-2022 giving details of securities for 115 properties returned back to the bank. In the absence of list of properties taken by them, we are unable comment on the number of properties still retained by them.</p>



Sl. No.	Subject	Details of Qualification
3	Non- Maintenance of Fixed Asset Register	<p>Bank has not maintained Fixed Asset Register for the assets purchased prior to 31-03-2020, with the details-nature of asset, date of purchase, cost of the asset and location of the asset.</p> <p>In the absence of the said register ,we are unable to verify the existing fixed movable assets in the absence of fixed asset register. We could not find lockers in the fixed assets classification in the General Ledger but bank do receive rents</p>
4	Time barred debts	<p>There was no procedure laid down by the Bank, for periodic review/ renewal of advances including obtention of periodic balance confirmation and acknowledgment of debts or documents revival from the borrowers. Overdraft had been allowed on expired limits.</p> <p>It was observed that Bank did not have system of identification of loans where limitation is expiring. This identification is very much necessary to obtain debt acknowledgement keeping in view of law of limitation. If the loan is time barred, Bank cannot file suit for recovery.</p> <ol style="list-style-type: none"> <li>1. Mortgage loan: with respect to 214 loan accounts sectioned up to the year 2011, with outstanding Rs.14.96 crores and in these cases overdue instalments ranges from 22 to 180 months. Out of these 148 accounts, in 12 accounts amounting to Rs.0.39 crores, the limitation date expired.</li> <li>2. Overdraft loan: with respect to 438 OD accounts with outstanding Rs.284.20 crores sanctioned till 2019. Bank could not produce debt acknowledgements for these accounts.</li> <li>3. Demand loan: There are 173 demand loan accounts sanctioned from 2012 to 2019 with outstanding Rs.2.83 crores where Bank could not produce debt acknowledgements for these accounts.</li> <li>4. Vehicle Loan: There are 1 loan account with outstanding Rs.0.25 crores where the maturity date of the loans expired in various years till 2022.</li> <li>5. Secured business loan: there are 2 accounts with outstanding Rs.0.06 crores where overdue monthly instalment more than 24 months.</li> </ol> <p>Bank has informed that as and when they filed suit with Registrar of Cooperative</p>



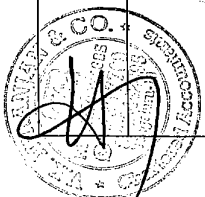
Sl. No.	Subject	Details of Qualification
		Societies Karnataka under Sec. 70 of KCS act 1959, they are seeking for waiver of limitation in view of the frauds occurred in the Bank and documents seized by police
5	Submission of SLR and CRR returns and other returns in correctly.	<p>Our observation on submission of various returns:</p> <ol style="list-style-type: none"> <li>1. Form-1 statement of compliance with CRR &amp; SLR - Bank has not taken amount payable to DICGS Rs.713 crores under other liabilities, since the matter is sub-judice.</li> <li>2. OSS5-Segmentwise Advances analysis- Total of priority sector advances and non-priority advances does not tally with the loan portfolio as per Balance Sheet- As per return - Priority sector advances is Rs.9713044,98 ( in thousands) plus Non-priority sector advances furnished in the return as zero. Hence Total advances as furnished in the return is Rs.9713044.98 as against Balance Sheet figure of Rs.13923846.90 (in thousands). Less furnished in the return Rs.4210801.92 (in thousands).</li> </ol> <p>Our observations on other returns are furnished in the LFAR part II page 28 and 29.</p> <p>Bank is advised to take utmost care while filling up the control returns</p>
6	Non-filing of TDS and GST Returns- for the years 2019-20 and 2020-21 and 2021-22	<ol style="list-style-type: none"> <li>1. <b>Filing of TDS Annual return-</b> Bank is yet to file TDS Annual return for the year 2019-20, 2020-21 and 2021-22. Bank informed that they could not file them online as there was abnormal delay in finalization of accounts. Now system does not permit to file it online. Bank has approached Principal Commissioner of Income Tax for condonation of delay vide letter dt-03-06-2023 and reply is awaited.</li> <li>2. <b>Filing of GST Returns-</b> Though the bank is filing monthly -GSTR1 and GSTR-3B but the Annual returns 9 and 9C are yet to be filed online for the accounting years -2019-20,2020-21 and 2021-22, though accounts were audited. Bank informed that they could not file them online as there was abnormal delay in finalization of accounts. Now system does not permit to file it online. Bank may</li> </ol>



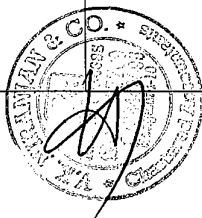
Sl. No.	Subject	Details of Qualification
		<p>approach concerned Tax Authorities for condonation of delay and file.</p>
7	<p>Non- obtention of latest valuation reports and insurance coverage.</p>	<p>1) As observed that Bank does not have system of obtention of valuation reports for the properties mortgaged with us.</p> <p>2) Bank has also not obtained/renewed insurance policies of the securities mortgaged. In the absence of Insurance register, we are unable to comment on the insurance policies expired/ not obtained.</p> <p>In view of restrictions by RBI regarding the expenditure, Bank may seek approval and then incur.</p>
8	<p><b>The bank had no exposure norm policy in place and improper documentation - our observations on sample check of existing loan accounts-</b></p>	<p>On sample verification of applications, loan appraisal, and documentation for the outstanding loans/ advances as on 31-03-2023 for the loans sanctioned upto 09-01-2020 (after that RBI imposed All Inclusive Directions under Section 35A). We observed that major portion of the applications were left blank, instances no documentation had been obtained for several loans, no risk analysis, no risk policy, no review renewals. No assessment of repayment capacities of borrowers, the Bank also holding several property documents without creating mortgage. Facilities have been allowed on expired limits.</p> <p>Mortgages had been created on properties without obtaining legal opinion, without certification of clear titles. No prior inspection of properties before mortgage creation. For several loans, where there are mortgages valuation reports had not been obtained.</p> <p>No end use of fund had been ensured, duplicate keys for vehicle loans, stamp receipts from the vendors of equipment or for vehicle had not been obtained.</p> <p>There was no system of monitoring loans &amp; advances, unit visits or obtention of monthly stock statements for business loans or calculation of drawing powers.</p> <p>RBI has severely commented in its reports for the year ending March-2019 and as well 2021.</p>



Sl. No.	Subject	Details of Qualification
		<p><b>Note- No loans sanctioned during audit period 2021-22 on account of imposition of All Inclusive directions by RBI under section 35A.</b></p> <p><b>Bank is advised to engage services of legal professionals to verify the enforceability of security documents besides obtention of ECs. Latest valuation reports may be obtained for correct classification of advances and provisions as per RBI circular instructions.</b></p>
9	Stream lined Balance Sheet as on 31-03-2023	<p>1) Bank has prepared stream lined Balance Sheet and Profit and loss account for the year under audit -2022-23, duly grouping the line items for better understanding and to present figures as per the prescribed format. This is prepared based on the system generated financial statements. For example- Deposits with other banks were shown under investments in the system generated balance sheet instead of Cash and bank balances. Provisions for NPAs and frauds were shown under provisions in the system generated balance sheet whereas the same is deducted from NPAs and frauds respectively in the stream lined balance sheet manually prepared by the bank. Since bank has made 100% provision for Loans and advances and frauds/ misappropriations, the stream lined balance sheet shows net amount of loans and advances as zero and Misappropriations shows short provision of 40 paise.</p> <p>2) Bank has used the word fraud before respective loans and advances in the system generated balance Sheet since 2020-21 because of fake/fictitious entries in loans and advances for evergreening of NPAs. But in the stream lined balance sheet and Profit and loss account, bank has removed such word fraud before the line items of loans and advances and interest received. However, a specific mention is made in the schedule to the balance sheet and P&amp; L account about the frauds mentioned in various line items. Subject to the above observations, figures in the stream lined balance sheet is same</p>



Sl. No.	Subject	Details of Qualification
		as that of system generated balance Sheet and Profit and Loss Account.
10	Fake entries/evergreen entries till 2019-20	As per the reports of RBI, major irregularities were committed by the ex-employees. /Ex-directors-, there said to be numerous fake entries since many years, the balance outstanding against each loan account may not show true picture unless the fake entries are reversed. Hence, we cannot comment on the accuracy of the outstanding figures of the loans on account of fake entries since many years. Now Bank is working out the notional outstanding amount with genuine transactions (being done in the Test Bed). Bank may give priority and arrive the balances.
11	Payment of interest on deposits	<p>Interest is paid at the original contract rate even after maturity of deposits.</p> <p>Interest is paid on closed deposits.</p> <p><b>Details of instances are listed in the annexure-18.</b></p> <p>Bank is advised to verify the interest paid on deposits they may take up with software vendor for rectification of differences.</p>
12	Fraud in investment Rs.249.69 crore	<p>For the Financial Year 2020-21, as per Audited Balance sheet as on 31-03-2021, the difference of investment figures between the books of Banks (Banks as per Bank's confirmations) and Sri Guru Raghavendra Sahakara Bank Niyamitha was transferred to Fraud in Investments to the extent of Rs.244.69 Crore</p> <p>1) Bank to furnish break up details for the above like - date of fraudulent transaction, amount of transaction, who authorized the transaction and who is the beneficiary at first level.</p>





Sl. No.	Subject	Details of Qualification
		Since, we could not get the details as above, we cannot comment on the recovery action report.
13	Non-compliance to RBI Guidelines	Pl refer to Annexure -19 to the list of non-compliance to the RBI Circular guidelines
14	Rating	Bank has been categorised as "D" during the year 2022-23 as per rating sheet enclosed. Percentage of marks scored is 15 out of 600 and weighted average percentage of marks is 5 . Unless bank recovers and reduce NPA percentage, rating will not be improved.

**Part D- Steps taken by the bank for recovery of advances and action taken for reporting of frauds to CID and ED**

1. Disciplinary action-The personnel including Management who had caused the fraud were identified and removed/dismissed from the services of the Bank. Employees. The Bank has issued charge sheet based on the proceedings of the Administrator and the Disciplinary Authority vide reference SGRSBN/OR/1326/2020-21 dated 15<sup>th</sup> March 2021 on the CEO (under suspension) of the Bank. Subsequently as per proceedings of the Administrator and Disciplinary Authority (appointed under Sec 30 of Karnataka Co-operative Societies Act,1959) vide Bank's letter no-SGRSBN/OR/1072/2021-22 dated 16-08-2021, CEO- Sri Santhosh Kumar (under suspension) is dismissed from the services of the Bank. Employees (18) were dismissed from the services after completion of disciplinary proceedings for various irregularities committed by them. The bank lodged a complaint with Superintendent of Police vide letter SGRSBN/OR/718/2020-21 dated 18<sup>th</sup> January 2021 and SGRSBN/OR/1466/2020-21 dated 30<sup>th</sup> March 2021 to the Office of CID Bangalore as against these employees. However, the final outcome of the investigation is awaited.
2. Accessibility to system has been regulated. For normal operational activity at the branch level maker and checker concept has been introduced. Charges to expenses head is only after the approval by the administrator/RBI.
3. At the Head office, transactions are being put through the system under maker checker concept after approval of Administrator.
4. Bank has reduced interest rates for the deposits renewed.
5. **Lodging of complaints with CID, Police against employees and related persons**



**A) Cash fraud-** The Bank has identified the fraud withdrawal of cash in bank to the extent of Rs. 58.38 crores, and Bank has lodged a complaint with Superintendent of Police, Office of CID Bangalore vide various letters –

- i) Letter no. SGRSBN /OR/718/2020-21 dated 18/01/2021 for fraud of Rs. 48.80crores
- ii) Letter no.SGR/PK/518/2022-23 dated 15-06-2022 for fraud of against Rs 1.79 crore
- iii) Letter no.SGRSBN/OR/1339/2021-22 dated 06-09-2021 against Rs. 7.79 crore

Superintend of Police, CID vide its letter 4/CRM/H&B/CID/2020 dated 24-05-2022 informed the arrest of officers –Santhosh Kumar A, Kulkarni S, Prashanth H.R etc., and it is said that matter is under investigation and case is yet to be filed in the Court by the Police department. We observed that there seems to be no further developments in these cases.

Bank has made 100% provision fraud in cash –Rs.58.38 crore.

**Dismissal of Staff-** Bank has issued Public Notice duly informing the customers of the bank and General Public vide Notice -SGR/SR/427/2022-23 Dt-04-06-2022 about dismissal of staff from the services of the Bank consequent to their arrest in FIR No-37/2020 of Basavanagudi Police Station under Section 212,406,409, 420 120(B). Date of dismissal with effect from the date of arrest-ranging from 27-01-2021 to 22-04-2021. Mr.Santhish kumar A (CEO) (2) Mr.Prashanth HR-Asst. Manager (3) Mr.Shirang Kulkarni (Senior Asst.) (4) Mr.Gururaja P- Junior Asst. (5) Mr.Pavan D- Senior Asst. (6) Mr.Rakesh D -Senior Asst. (7) Mr.Ravi Kumar Aithal P.S.- Junior Asst. (8) Mr.Gopinath L Hegde -Junior Asst (9) Mr.Rajeeva AG – Junior Asst. (10) Mr.Sripad -Junior Asst.

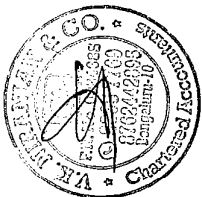
Bank has further dismissed 9 staff members (Manager, Sr.Assistant, Junior Asst. Sub-staff, Driver ) from the services of the Bank after completion of Disciplinary proceedings for various irregularities committed by them.

## **B) Fraud in Bank Investments**

For the Financial Year 2020-21, as per Audited Balance sheet as on 31-03-2021, the difference of investment figures between the books of Banks (Banks as per Bank's confirmations) and Sri Guru Raghavendra Sahakara Bank Niyamitha was transferred to Fraud in Investments to the extent of Rs.244.69 Crore.

Broad Details of the same are as under-

- 1) Fraud in Term Deposits with SBI-----Rs.93.71 Crore
- 2) Fraud in Term Deposits with Federal Bank---- Rs.50.00 Crore
- 3) Fraud in Term Deposits with Canara Bank----- Rs.85.87 Crore
- 4) Fraud in Term Deposits with City Union Bank- Rs.30.00 Crore



5) Fraud in Term Deposits with Apex Bank----- Rs.12.01 Crore  
-----  
Total Fraud in Term Deposits----- Rs.244.69 Crore.  
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**Audit observations-**

- 2) Bank has not furnished break up details for the above like – date of fraudulent transaction, amount of transaction, who authorized the transaction and who is the beneficiary at first level.
- 3) Since, we could not get the details as above, we cannot comment on the recovery action report.

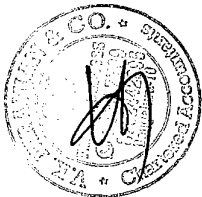
**C) Other Frauds--** Bank has made various complaints to CID for further investigation through various letters during the period from April-22 to March-23-

- i) **Against borrowers and Associates- 839 accounts for -Rs.2510 Crore**  
For non-recovery of major loan accounts- with upto date interest.
- ii) **Against Ex-Directors, Executives and Staff- for Rs.1880 Crore**  
For multiple loans on the same security,purchase Of property using bank funds, misappropriation Of bank funds through RTGS, NEFT, without Providing funds for the remittance, granting lonas Against fake deposits.

**Details of various complaints are listed in the annexure -enclosed.**

Major loan portfolio constituting 97% of total advances consists of – for the position as on 31-03-2023

Sl. No.	Loan heads	No. of Accounts	Amount (Rs. In crore)
1	Mortgage loans-	1276	659.90
2	Overdraft	438	284.19
3	Advance against deposits- (Mostly Fake loans)	1269	414.67
	<b>Total</b>	<b>2983</b>	<b>1,358.76</b>



Bank has started working on issuing notices duly arriving the balances by not taking fake/ever green entries and adding interest (of course in shadow ledger/sheet)

### **Recall Notices issued-**

After imposition of All Inclusive Directions by RBI with effect from 10-01-2020, no fresh advances and fresh deposits except recovery of advances and renewal of deposits. Bank has started working on issuing notices duly arriving the balances by not taking fake/ever green entries and adding interest (of course in shadow ledger/sheet) Recall Notices issued- during the period-

Details of recall notices issued from 01<sup>st</sup> April 2022 to till Feb-2024

1. Mortgage loan – 410
2. Secured housing loan – 125
3. Overdraft – 19
4. Advance against deposit – 01
5. Secured business loan – 02
6. Vehicle loan – 20
7. Debit balance in SB A/cs – 03
8. Demand loan – 23

Total – 603.

While issuing notices, bank informed that they removed all the fake transactions if any and arrived the balance with up to date interest in the test bed and thereafter issue notices to the borrowers. Out of 2059 loan accounts (other than deposit loans), recall notices for 603 only issued. For the Balance accounts, they are yet to issue. SARFAESI notices issued so far for 91 borrowers. Suit filed by the bank against the borrowers are -32 cases. Bank may give top priority for this activity so to ensure issue of recall notices to all the borrowers. Bank has yet to issue such notices for more than 2662 loan accounts.

We observed that no regular follow up is made for recovery with respect to the borrowers to whom such notices were issued. Bank may employ law officers with the approval of RBI and this ensure to take up legal course of action- filing suit, defending the cases and taking possession of the assets mortgaged besides sale of the same as per prevailing rules/guidelines.

### **Arriving correct balances by notionally removing fake/evergreen entries -**



While issuing notices as stated above, Bank is arriving correct balances notionally along with interest by eliminating fake/evergreen entries. It is said

that they have started looking such fake entries from the date of opening of the account. Because of fake/evergreen entries in the loan accounts, the outstanding balance as per books is different from that of Notice. For example-

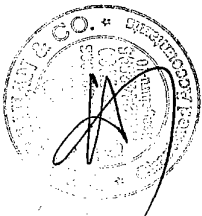
- i) **M.P Shivashankar** availed loan on 13-12-2012 and outstanding balance as per books – Rs.44 lakhs (Principle outstanding Rs.32 lakhs plus notional interest as per system Rs.12 lakhs) but after notional elimination of fake/evergreen entries-the amount outstanding is Rs.183.58 lakhs. Notice is issued to him vide SGR/SK/2503/LN-40/2022-23 dt 20-01-2023.
- ii) **Ramesh V** has availed loan of Rs.10 lakhs on 27-02-2009. The outstanding balance as per books Rs.4.70 lakhs (Principal Rs.2.98 lakhs plus interest-Rs.1.72 lakhs) up to preceding month of the notice but after notional elimination of fake/evergreen entries-the amount outstanding is Rs.122 lakhs. Recall notice was issued on 08-02-2023.

Bank has to completely check remaining loan accounts of Mortgage loans and overdraft accounts and other loan accounts. Bank has to chalk out plan to verify the said balance accounts and issue notices besides other loans- such as Secured loans housing, vehicle loans, Demand loans, secured business loans.

Bank may in consultation with RBI devise plan of action to complete the exercise of issuing notices for genuine loan account duly arriving actual balance to be recovered.

- d) **Suit filed accounts-** Bank has started filing suits (32 suits filed) after issue of Recall notice and SARFAESI notice – 91 accounts. Bank is advised to complete this exercise with necessary infrastructure of human resource. **(Details as per Annexure-7 enclosed)**
- e) **Options for revival-** Bank has various options for revival and the same were informed to Registrar of Co-operative Societies vide letter Dt 01-09-2023 (Annexure 13-a,b,c) enclosed. We cannot comment on this as this is option listed and progress not known.
- f) **Appointment of Forensic Auditor-** Bank has appointed Forensic Auditor-Ken & Co, Chartered Accountants, Bangalore vide letter -SGRSBN-Audit/418/2019-20 dt 20-02-2020 for the audit for 10 years.

Forensic Auditor has submitted reports for the years- i) Report for the period 2009-10 was submitted on 22-06-2021 ii) Report for the period 2010-11 was submitted on 17-01-2022 (iii) Report for the period 2011-12 was submitted on 13-03-2023. They have furnished list of suspected accounts and it does not contain full investigation.



**6) Enquiry under Section 64 and order under Section 68 of KCS Act,1959.**

As per ref no.RCS/UBC-7/29/ Enquiry/2019-20 dated 27 February 2020, enquiry under Section 64 of Karnataka Co-operative Societies Act, 1959 has been ordered and report received on 16-08-2022 and order issued under section 68 of KCS Act, by Registrar of co-operative Societies, Bengaluru. The compliance has been submitted to Registrar of co-operative Societies, Bengaluru, and last such compliance submitted vide letter No.SGR/SR/H-105/77/2023-24 dated.12-04-2023. Refer last year 2021-22 audit report and ANNEXURE - 17 & 18 for the details.

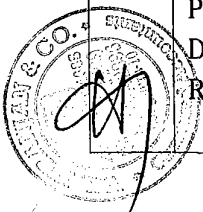
Joint Director, Co-operative Audit has advised the statutory auditors to take consideration of the Enquiry report vide letter no-JDBLR Dist/Gururaghavendra Bank/Audit/2019-20 /102 Dt 09-05-2023 to the auditors (VK Niranjana & Co, Chartered Accountants), to incorporate Auditors' comments on the enquiry report and replies of the society.

Brief details of the enquiry, Bank replies with our comments are as under.

S,no	Direction by Joint Registrar under Section 68	Reply by Bank	Comments by Auditor
1	To take civil/ criminal proceedings against President, Vice-President, Board of Directors, CEO and Ex-employees for the creation of fake deposits to the tune of Rs.149.33 crores. Besides to take necessary action against related persons under section 69 and 70 of KCS Act, 1959 and to take procession of their movable and immovable properties.	Bank has informed to the Joint Registrar that they have contacted the advocate for filing case against Ex-President, Ex-Vice-President, Ex-Board of Directors, Ex-CEO and Ex-staff under Section 69 and 70 of KCS Act for mis-use of money, cheating, violation of by-laws and RBI guidelines. Bank has informed to RCS that they filed criminal cases. For filing court cases, matter was referred Advocate under case 64 report and he	1) Bank has filed various complaints to Superintendent of Police, CID against, Ex-staff/ Ex-Directors, Ex-CEO for Rs.1937.77 crores vide various letters during the period from 18-01-2021 to 14-02-2023. For example -Against Mr.Santhosh Kumar A- Ex-CEO- vide complaint no-SGR/PK/27/2022-23 Dt-08-04-2022 for purchase of property in the name of Sudheer Babu- T and Mr.Chetan Kumar using bank funds and involved in fraudulent transactions in his name and family members' name by opening fake deposits by siphoning of bank funds through fraudulent accounts opened in the various names through Cash and NEFT/RTGS for Rs.946.65 Crore. It is said that matter is under investigation by CID officials with



		suggested to file the cases under section 70 of KCS Act. Bank has also requested the advocate to give quotation for legal expenses to take the permission from RBI.	respect to fake deposit creation of Rs149.33 crores. Bank Vide letter number -SGR/SR/H-105/2845/2022-23 dated 21-02-23, has informed to RCS that Criminal complaint has been lodged. Since then, there is no development in this regard. Bank is advised to expedite the matter on top priority without further delay.  2) With regard to filing of civil /criminal suits against the erroring staff and the then management, it is yet to be done.
2	To take civil/ criminal action against President, Vice-President, Board of Directors, CEO and other employees for the loans of Rs.1544.44 Crores relating to 2876 without files/documents.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
3	To take civil/ criminal action against President, Vice-President, Board of Directors, CEO and other employees for release of the loans without sanction of the same.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
4	To take action against President, Vice-President, Board of Directors for violating RBI Guidelines while	Forensic audit report pertaining to 2011-12 submitted to CID on 27-03-23 and for the year 2012 -13 to till date	Same as mentioned vide point number-1

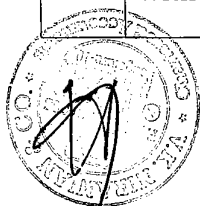


	sanctioning the loans to Directors.	the said report not received.	
5	To take civil/criminal action against President, Directors, CEO and staff for creation of loan accounts in violation of Banking Regulation Act.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
6	To take civil/criminal action against President, Vice-President, Directors, CEO and staff involved in loan sanctions duly violating the By-laws and recovery of the same.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
7	To take civil and criminal action against the 24 major beneficiaries for recovery of loans Rs.892.85 crores under section 70 and 103 of KCS Act. To get forensic audit of these 24 main beneficiaries.	Bank has replied to the Registrar of Co-operative societies that advocate informed about defective documents of 24 major beneficiaries and no possibility of taking action under section 70 KCS Act.	Bank has filed complaints against major 24 borrowers with linked accounts more than 900 accounts for Rs.2762 crore including up to date interest with CID on various dates during the period from 13-04-2022 to 13-04-2023 - list is also published in the bank's website for public and customers  Bank has appointed Forensic Auditor- Ken & Co, Chartered Accountants, Bangalore vide letter -SGRSBN-Audit/418/2019-20 dt 20-02-2020 for the audit for 10 years. But they submitted reports for 3 years -2009-10, 2010-11, 2011-12 They have furnished list of suspected accounts and it does not contain full investigation. After that they have further not taken up for the remaining 7 years. Advocate has not given clearance for filing of cases under section 70 and 103 of KCS Act on

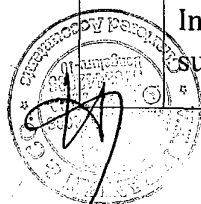




			account of deficiencies in documents.
8	To take criminal action against President, Vice-President, Directors, CEO and staff after completion of audit.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
9	To take Civil and criminal action against President, Vice-President, Directors, CEO and staff under section 69 & 70 for sanction of loan against deposits without any underlying deposit. Further, to take action against their personal properties.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
10	To take civil and criminal action against Staff and Directors for changing deposit ownership account codes.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
11	To take civil and criminal action against Staff and Directors for sanction of excess loans against deposits.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
12	To take civil and criminal action against President, Vice-President, CEO and Staff for sanction of loans without documents.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1



13	To take civil and criminal action against President, Vice-President, Directors, CEO and Staff for violation of IRAC norms.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
14	To take action against Vasudev Maiya for misuse of money by creation of fake deposits and its renewal.	Complied with.	No action against Manuru Vasudev Maiya as he is said to have expired 06-07-2020.
15	To register criminal case with ICAI, New Delhi against the concurrent auditor for submission of defective audit report.	Complied with.	1)Bank has complained to ICAI, New-Delhi under copy to ED and CID against Statutory Auditor- VV Gurumurthy, VVG Associates for 2018-19 vide letter SGR/SJ/344/2022-23 Dated 21-05-2022.  2)Bank has complained to ICAI, New-Delhi under copy to ED and CID against Statutory Auditor- VV Gurumurthy, VVG Associates for 2018-19 vide letter SGR/SJ/344/2022-23 Dated 21-05-2022.
16	To register criminal case against Auditors of respective years with ICAI, New-Delhi for disqualification of their membership for improper verification of bank loans, deposits, documents, asset classification, NPA and Income recognition, suppression of facts.	Complied with.	Same as mentioned vide point number-15.



17	To take civil / criminal action against staff for fraudulent transactions in NEFT/RTGS, Clearing.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
18	Mis-appropriation of cash, cheating and other frauds. No direction in this regard.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
19	To take civil and criminal action under section 69 and 70 of KCS Act against President, Vice-President, CEO, Directors and Staff for misappropriation of bank funds besides recovering the amount by seizing their movable and immovable properties.	Same reply as mentioned against point number-1	Same as mentioned vide point number-1
20	To take civil/ criminal proceedings against President, Vice-President, Board of Directors, CEO and other employees under section 69 and 70 of KCS Act for violation of rules -14AK(2), 14AK(3) and 14AK(96) while sanctioning and disbursement of loans without ensuring repaying capacity of the borrowers and mis-use of funds.	Complied with	Same as mentioned vide point number-1



**6. Going Concern-**

With respect to operational outlook of the Bank, considering the substantial loss incurred as at year end and brought forward of huge loss from previous years, major amount of fraudulent activities having been detected during 2019-2020 and the Bank is being under all-inclusive directions of Reserve Bank of India, thereby restrictions imposed on the operations, closure of non-functional branches and offices of the Bank. Also due to substantial loss incurred during the year and previous years, the entire net worth of the Bank has become negative by (-) Rs.2606 crore (Capital and free reserves including building fund etc, minus losses). These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Bank's ability to continue as a going concern

#### **7. Appointment of Administrator -**

The Government of Karnataka through Registrar of Co-operative Societies, vide letter no. RCS/UBC- 7/29/enquiry/2019-20, dated 10<sup>th</sup> November 2020, appointed Sri. Ashokan R, in place of Sri A.C. Diwakara on direction of Hon'ble High Court of Karnataka and holding charges during the period of audit 01-04-2021 to 31-03-2022.

Vide Govt. order no- CO 54 RCS 2023, Bangalore, Dt-27-10-23, Bhaskar Hande was appointed and he took charge on 09-11-2023. (Details are in Annexure-1)

#### **8. Financial Statements signature:**

As per Bye law 99 'Balance Sheet and Other Financial Statements' - the balance sheet, Profit & Loss account and other financial statements shall be signed by the President, at least two Directors and the Chief Executive.

The Bank was managed by Board of Directors from 01 April 2019 to 16 May 2020. On 17 May 2020, the Board of Directors was superseded, and Administrator was appointed due to large scale irregularities and fraud detected during RBI inspection. There was no proper functioning of committees, monitoring and record of the meetings violating the law and bye laws of the Bank. The CEO was divested of the charge based on the advice of RBI including some key personnel due to their involvement.

Hence, the financial statements for the year ended 31 March 2023 are signed only by the Administrator of the Bank appointed under Section 30 and vested with powers of the Board under Section 30(3) of KCS Act,1959.

#### **9. Suggestions—**

1. The Core Banking Solution (CBS) the Bank adopted, has many problems, it has errors in transaction posting, report generation, interest calculation, classification of deposits, etc. For example, interest was paid on matured deposits. As test checked.

**Suggestion-**The CBS system needs urgent upgradation

2. The Bank is holding large number of original title deeds of properties, as security to its loans. For only some properties mortgages have been created. The Bank has not maintained any mortgage or security register.



**Solution-** that the Bank to create mortgage and maintain mortgage register for all properties held. The register may contain remarks column to note deficiencies in documentation.

3. Many mortgaged properties titles are defective or legal opinions have not been obtained.

**Suggestion-** that the Bank to obtain legal opinion for all its mortgaged properties besides rectification of defects if any.

4. For many of the mortgaged properties valuation reports have not been obtained. Wherever they have obtained, the reports are very old

**Suggestion-** It is suggested to obtain fresh valuation report for all their mortgaged properties.

5. Recovery /recall notices have been issued to the borrowers. In many cases, no further action has been initiated after issue of notices, in spite of lapse of considerable time.

**Suggestion-** to take further legal course hastening the recovery of loans and advances. While issuing recall notices bank is maintaining in excel format. For this to add one more column for ledger balance plus interest up to the cut of date.

6. Securities such as vehicles, machineries, equipment, stock in trade, properties such as land, building, shops, flats held by the Bank under hypothecation agreement/mortgage deed require comprehensive insurance cover.

**Suggestion-**It is suggested that the Bank obtain, comprehensive cover for all its securities

7. The Bank has no practice of pre or post sanction inspection of its securities.

**Suggestion-**that the Bank shall put in place a policy for inspection of securities.

8. Many of the loan documents are blank or partially blank.

**Suggestion-** Bank may get them rectified in all possible cases.

9. The Bank has no practice of maintaining loan document register. The CID is holding many original property documents with itself.

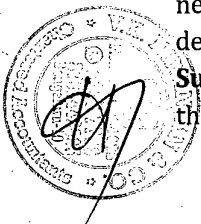
**Suggestion-** Bank to maintain loan wise document register and also to maintain a list of original property documents held with CID of police.

10. All loan documents are getting time barred. The Bank is also not in the practice of obtaining debt acknowledgements from its borrowers.

**Suggestion-** Bank shall initiate action to review its loan documents and also to start obtaining debt acknowledgements periodically.

11. Some of the deposit accounts have debit balances. These negative balance deposit accounts should be shown on the assets side of the Balance Sheet as an asset instead of netting of it. Details furnished in the notes to accounts under respective head of the deposits.

**Suggestion-** Bank may take up with software vendor to show such negative balances on the asset side of the Balance Sheet besides recovery of the same.



12. The bank was incurring loss on its investments for a period of 1 to 2 days as the investment agency- SBI DFHI was accounting the amount received for investment on the next day of credit to their account. For example- For example- Rs.3 crore remitted by the bank 17-05-2022 was accounted by the STATE Treasury on 19-05-2022. Settlement is T+1 but in this case, T+2 happened.

**Suggestion-** Bank to take-up this issue with SBI=DFHI for settlement T+1

13. The Bank has placed its liquid funds with non-PSU bank, -City Union Bank deviation to RBI directives.

**Suggestion-** the Bank to invest its funds in PSU bank/ Govt. securities only.

14. The building from where Bank's Basavanagudi branch is operating has vast unused space. The building also requires urgent repairs and painting, including electric cables.

**Suggestion-**Bank may rent out the unused space, which will generate substantial rental income and also to well maintain the building.

15. The fixed assets of the Bank including owned buildings are to be covered with insurance. Besides the property no-50, katha not transferred to the bank (purchased from Kotak Mahindra Bank)

**Compliance-** Bank to insure all the and Immovable properties.

16. The Bank has substantial no. of safe deposit lockers that are not listed under fixed assets. It has also overdue rent receivables. In other words, without asset in the fixed asset, rent is being received for lockers let out.

**Suggestion-**Bank to include the same in its fixed assets, besides recovery rent

17. The Bank NOT maintaining fixed asset register. And no fixed asset of the Bank is identifiable with exclusive Number.

**Suggestion-**We suggest the Bank to maintain a detailed fixed asset register and also to paint identifiable Numbers on all its moveable assets.

18. The Bank has, in its balance sheet, advance income tax paid Rs.8.00crore\$ continuing since 2020-21.

**Suggestion-**We suggest the Bank to file income tax returns for the financial years 2019-20, 2020-21, 2021-22 and 2022-23. Bank shall claim refund of the said amount on filing the tax returns.

19. Bank has ITC credit – Electronic – Rs.61.70 lakhs and Cash- Rs.5.71 lakhs. Bank has claimed refund of ITC -cash- Rs.5.71 lakhs and is expected soon.

**Suggestion-** Bank to follow-up with GST Authorities for refund of ITC-Electronic ledger Rs.61.70 lakhs and also ITC-Cash- Rs.5.71 lakhs.

20. To file income tax return online for the financial year 2019-20 (AY-2020-21). Due to delay in finalization of accounts, Bank could not file IT Return online. Bank has submitted IT return manually. Bank has written letter no-SGR/SR/H-



117/654/2023-24 dt-03-06-2023 for condonation of delay in filing the return for the AY-2020-21. Bank may continue to pursue with the authorities for condonation of delay and to file IT return on line and claim refund of Income Tax Rs.8 Crore.

21. Deposit and loans and other assets/liabilities do appear partly in branch books and partly in HO books (Standalone). This will not give full picture of deposits. For example- Total Deposits appearing in branch books as on 31-03-2023 Rs.1851.15 Crore but as per consolidated Balance Sheet-total deposit show Rs.1868.21. The difference appears in HO standalone balance sheet.

**Suggestion-** Branch to transfer to the branch and see the deposits and advances appearing in branch books should be the same as that of consolidated one. HO to transfer assets and liabilities appearing in HO.-standalone to the Branch.

22. The Basavanagudi branch is operating without a designated branch manager. On many occasions both sets safe deposit keys are held by same cadre employees. The branch is also not in the practice of changing the duplicate keys, periodically. On some days overnight cash holding has exceeded cash retention limits. On a few occasions cash remittance has exceeded transit insurance cover. The head office personnel are not verifying, on surprise basis branch cash periodically.

**Suggestion-** the Bank initiate steps to rectify the above issues.

23. There are many heads of accounts which do not tally with the sub-ledger figures. Ex- Kalpatharu deposits

We suggest that the Bank to initiate steps to clear such stagnant balances.

24. After imposition of moratorium a few staff members have been dismissed from service and a few have resigned. This has caused of shortage of manpower and skill. Present staff do not have skill to deal with the various legal matters- legal scrutiny of documents, issue of SARFAESI notices in all the cases where we have securities and taking physical/symbolic possession of the same besides filing suit/sale of securities.

**Suggestion-**It is suggested the Bank to acquire appropriate additional skilled manpower

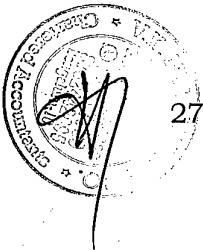
25. Errors in reports submitted to RBI are on the control returns. (details are listed in page-28 of part II)

**Suggestion-** The concerned may little care while preparing the control returns.

26. In 4 GL accounts -C/A, Credit balance in OD, Credit balance in advance against deposit and SB - (details given in notes to accounts under respective heads and also in **Annexure 17**) there were differences between the figures reflected in GL of CBS and Balance Sheet For Example-Credit balance as reflected in GL is Rs, 3498352.21 but the figures reflected Balance Sheet is Rs. 1768817.66. The difference is Rs.17,29,534.55. This was due to overdraft account vide no. 1032000000085 of Venkatesh N closed on 05-12-2022 with the balance of similar amount as stated above.

**Suggestion-** Bank is advised to take up matter with software vendor for rectification of the issue of non-reflection of entries in GL

27. It is observed that there are small credit balances in the deposit accounts even after closure. In case of **SGR Vidhya Laksha-**



**Suggestion-** Bank is advised to analyse these accounts and pass necessary entries.

28. Debit Balances In Term Deposits – It is observed that there are debit balances Rs.32,21,048.00 in 49 term deposit accounts details are below:

Sl no	Scheme Type	No of Accounts	Amount in Debit Balance as on 31.03.2023
1	Akshaya Deposit	2	217,260.00
2	Sri Vidya Lakshya Deposit	3	2,634.00
3	Matured Akshaya Deposit	3	25,911.00
4	Kalpatharu Deposit	11	705,860.00
5	Matured Kalpatharu Deposit	2	101,401.00
6	Kalpatharu Short Tern Deposit	5	1,989,739.00
7	Matured Kalpatharu Short Tern Deposit	2	32,257.00
8	Matured Sri Anantha Nidhi Deposit	6	25,070.00
9	Matured Sri Anantha Lakshya Deposit	1	4,639.00
10	Kamadhenu Deposit	12	110,829.00
11	Matured Kamadhenu Deposit	2	5,448.00
	<b>Total</b>	<b>49</b>	<b>3,221,048.00</b>

Note: Bank has rectified mentioned above all during the year 2022-23 except TDS deducted from deposits is pending recovery to that extent of Rs.1,33,193.

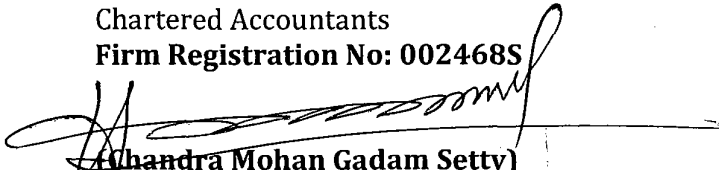
**Suggestion-** Bank is advised to rectify the above by recovering said debit balances further advised to look into such debit balances in deposit on monthly basis to rectify then and there.

To implement some of the suggestions, Bank needs infrastructure of human resources for recovery and filing of suits and follow-up etc., software modifications for re-calculation of loan dues excluding evergreen entries (at present it is being done manually which takes time)

**For V. K. Niranjan & Co,**

Chartered Accountants

Firm Registration No: 002468S

  
(Chandra Mohan Gadam Setty)

Partner

Membership No: 022875

UDIN: 24022875BKEQZN4034

Place: Bengaluru

Date: 30-03-2024



**Annexure - XV**

(Paragraph - 8.33)

**Sri Guru Raghavendra Co-operative Bank Niyamita**

Balance Sheet of as on 31st March 2023

Capital and Liabilities	Schedule	As on 31-03-2023	As on 31.03.2022
		Rs.	Rs.
Capital	1	74,95,49,600	74,95,49,600
Reserve and Surplus	2	5,83,83,15,965	5,84,94,88,242
Principal/Subsidiary State DEPOSITS	3	0	0
Partnership Fund Deposits	4	18,68,14,22,615	18,20,44,69,488
Borrowings	5	0	0
Other Liabilities & Provisions	6	25,08,62,20,657	25,27,75,09,665
<b>TOTAL</b>		<b>50,35,55,08,837</b>	<b>50,08,10,16,995</b>
<b>ASSETS</b>			
Cash & Balances with Reserve Bank of India, State Bank of India, State Co-op. Bank & Central Co-op. Bank	7	1,54,90,686	1,81,36,793
Balances with Banks and Money At Call & Short Notice	8	87,31,333	18,85,54,119
Investments	9	4,50,89,54,877	4,11,29,67,804
Investments out of the Principal/ Subsidiary State Partnership Fund	10	0	0
Advances	11	13,92,38,46,896	14,02,89,58,719
Fixed Assets	12	24,65,77,606	25,01,54,191
Other Assets	13	3,88,17,99,832	3,86,41,81,891
Loss	14	27,77,01,07,608	27,61,80,63,478
Contingent Liabilities and Bills for Collection	15	0	0
<b>TOTAL</b>		<b>50,35,55,08,837</b>	<b>50,08,10,16,995</b>

Notes to Accounts forms part of this Financial Statements

As per our report of even date  
**For V.K Niranjan & CO**  
 Chartered Accountants  
 Firm Registration Number : 002468S

**(Chandra Mohan Gadam Setty)**

**Partner**

**Membership No: 022875**

**UDIN: 24022875BKQZ4034**

Place: Bengaluru

Date: 30-03-2024

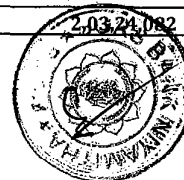
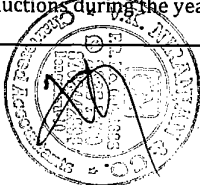
**For Sri Guru Raghavendra Sahakara Bank Niyamitha**

**Bhaskar Hande**  
 Administrator

**BHASKAR HANDE**  
 General Manager (Retd.)  
 Janara Bank (Erstwhile Syndicate Bar  
 Administrator  
 Sri Guru Raghavendra Sahakara Bank  
 Basavanagudi, Bangalore - 560 00



			Schedule 1 Capital	
			As on 31.03.2023	As on 31.03.2022
I	<b>Authorised Capital</b>			
	(a) <u>10800000</u> Shares of Rs. <u>100.00</u> each	*	1,08,00,00,000	1,08,00,00,000
II	<b>Subscribed Capital</b>			
	(a) 7495496, shares of Rs.100.00 each	*	74,95,49,600	74,95,49,600
	<b>Amount called up</b>			
	(a) On <u>7495496</u> shares at Rs. <u>100.00</u> per share	*	74,95,49,600	74,95,49,600
	Less : Calls Unpaid			
	(b) On _____ shares at Rs. _____ per share			-
	Less : Calls Unpaid			-
IV	<b>Of (3i) above, held by :-</b>			
	(a) Individuals		74,95,49,600	74,95,49,600
	(b) Co-operative institutions		-	-
	(c) State Government		-	-
	<b>Total</b>		<b>74,95,49,600</b>	<b>74,95,49,600</b>
			Schedule 2 Reserves and Surplus	
			As on 31.03.2023	As on 31.03.2022
I	<b>Statutory Reserve</b>			
	(a) Opening Balance	*	54,13,49,705	54,39,91,172
	(b) Additions during the year	*	-	-
	(c) Deductions during the year		-	-
	<b>TOTAL</b>		<b>54,13,49,705</b>	<b>54,39,91,172</b>
II	<b>Agricultural (Credit Stabilization) Fund</b>			
	(a) Opening Balance	*	-	-
	(b) Additions during the year		-	-
	(c) Deductions during the year		-	-
	<b>TOTAL</b>		<b>-</b>	<b>-</b>
III	<b>Building Fund</b>			
	(a) Opening Balance	*	32,87,84,570	32,87,84,570
	(b) Additions during the year		-	-
	(c) Deductions during the year		-	-
	<b>TOTAL</b>	*	<b>32,87,84,570</b>	<b>32,87,84,570</b>
IV	<b>Dividend Equalization Fund</b>			
	(a) Opening Balance	*	2,03,24,082	2,03,24,082
	(b) Additions during the year		-	-
	(c) Deductions during the year		-	-
	<b>TOTAL</b>	*	<b>2,03,24,082</b>	<b>2,03,24,082</b>



V Other Funds and Reserves (to be specified)

a) FEDERATION FUND

Opening Balance \*  
 ADDED during the year \*  
**TOTAL** \*

b) MEMBERS DEATH RELIEF

Opening Balance \*  
 Deduction during the year \*  
**TOTAL** \*

c) SPL. RESERVE FUND (HOUSING)

Opening Balance \*  
 Add/Deduction during the year \*  
**TOTAL** \*

d) INV. FLUCTUATION FUNDS

Opening Balance \*  
 Add/Deduction during the year \*  
**TOTAL** \*

e) STAFF SUP. ANUATION RESERVE

Opening Balance \*  
 Deduction during the year \*  
 Addition during the year.  
**TOTAL** \*

f) BAD AND DOUBTFUL DEBT

Opening Balance \*  
 Deduction during the year \*  
**TOTAL** \*

g) PROV. FOR SUB STD AND DOUBT FULL

Opening Balance \*  
 Add/Deduction during the year \*  
**TOTAL** \*

h) STAFF GRATUITY FUND

Opening Balance \*  
 Addition during the year.

Deduction during the year

**TOTAL**

i) STAFF WELFAIR FUND

Opening Balance \*  
 Addition during the year \*  
**TOTAL** \*

j) JUBILEE FUND

Opening Balance \*  
 Add/Deduction during the year \*  
**TOTAL** \*

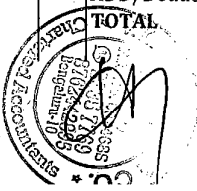
k) MEMBERS WELFARE FUND

Opening Balance \*  
 ADD/Deduction during the year \*  
**TOTAL** \*

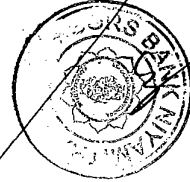
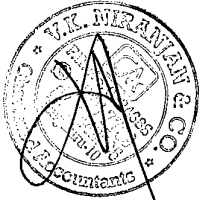
l) CHARITY FUND

Opening Balance \*  
 ADD/Deduction during the year \*  
**TOTAL** \*

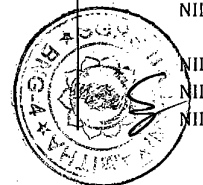
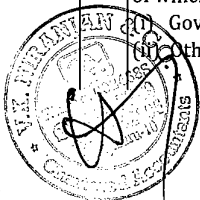
	5,000	5,000
	-	-
<b>TOTAL</b>	<b>5,000</b>	<b>5,000</b>
	1,22,18,274	1,22,18,274
	-	-
<b>TOTAL</b>	<b>1,22,18,274</b>	<b>1,22,18,274</b>
	3,47,89,598	3,47,89,598
	-	-
<b>TOTAL</b>	<b>3,47,89,598</b>	<b>3,47,89,598</b>
	3,04,35,360	3,04,35,360
	-	-
<b>TOTAL</b>	<b>3,04,35,360</b>	<b>3,04,35,360</b>
	71,04,282	72,14,977
	71,04,282	1,10,695
	-	-
<b>TOTAL</b>	<b>0</b>	<b>71,04,282</b>
	-	-
	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
	-	-
	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
	14,26,528	72,37,907
	14,26,528	58,11,379
<b>TOTAL</b>	<b>-</b>	<b>14,26,528</b>
	1,95,31,213	1,95,31,213
	-	-
<b>TOTAL</b>	<b>1,95,31,213</b>	<b>1,95,31,213</b>
	46,01,584	46,01,584
	-	-
<b>TOTAL</b>	<b>46,01,584</b>	<b>46,01,584</b>
	71,55,936	71,55,936
	-	-
<b>TOTAL</b>	<b>71,55,936</b>	<b>71,55,936</b>
	53,01,584	53,01,584
	-	-
<b>TOTAL</b>	<b>53,01,584</b>	<b>53,01,584</b>



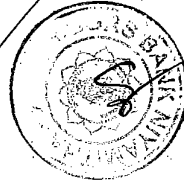
<b>m) RESERVES AND SURPLUS</b>			
(a) PRIOR PERIOD LOSS-REAUDIT	*	4,83,38,19,060	4,83,38,19,060
(b) Additions during the year	*	-	-
(c) Deductions during the year	*	-	-
<b>TOTAL</b>	*	<b>4,83,38,19,060</b>	<b>4,83,38,19,060</b>
<b>GRAND TOTAL(I to III)+(IV a to m)</b>		<b>5,83,83,15,965</b>	<b>5,84,94,88,242</b>



		<b>Schedule 3</b>	
		<b>Principal/Subsidiary State partnership Fund</b>	
		<b>As on 31.03.2023</b>	<b>As on 31.03.2022</b>
	(a) Opening Balance	-	-
	(b) Additions during the year	-	-
	(c) Deductions during the year	-	-
	<b>TOTAL</b>	-	-
	For share capital of		
	(a) Central Co-op. Banks	-	-
	(b) Primary Agricultural Credit Societies	-	-
	(c) Other Societies	-	-
	(d) Deductions during the year	-	-
	<b>Total</b>	-	-
		<b>SCHEDULE 4 Deposits</b>	
		<b>As on 31.03.2023</b>	<b>As on 31.03.2022</b>
I	Demand Deposits ( Current and Matured Deposits)		
	(i) From Individuals #	3,43,30,96,427	2,11,55,25,111
	(ii) From Central Co-Op Banks		
	(iii) From other Societies	2,29,06,42,115	1,49,22,90,625
II	Savings Bank Deposits		
	(i) From Individuals #	6,27,48,66,229	5,05,12,46,326
	(ii) From Central Co-Op Banks		
	(iii) From other Societies	68,03,75,869	59,34,55,101
III	Term Deposits *		
	(i) From Individuals #	4,88,30,36,208	7,10,37,55,964
	(ii) From Central Co-Op Banks		
	(iii) From other Societies	1,11,94,05,767	1,84,81,96,361
	<b>Total (I,II,III)</b>	<b>18,68,14,22,61\$</b>	<b>18,20,44,69,488</b>
	*Including deposits of Societies , staff security deposits, recurring deposits, cash certificates, etc.		
	#Individual include deposits from institutions other than co-operative banks and societies.		
		<b>Schedule 5 Borrowings</b>	
		<b>As on 31.03.2023</b>	<b>As on 31.03.2022</b>
I	From the Reserve Bank of India and the State & Central Co-operative Banks : Co-operative Banks :	NIL	NIL
	(a) Short-term loans, cash credits and overdrafts of which secured against: (i) Government and other	NIL	NIL
	(ii) Government and other Approved Securities	NIL	NIL
	(iii) Other tangible securities	NIL	NIL
	(b) Medium term loans	NIL	NIL



	of which secured against :		
	(i) Government and other Approved Securities	NIL	NIL
	(ii) Other tangible securities	NIL	NIL
	(c) Long-term loans	NIL	NIL
	of which secured against		
	(i) Government and other Approved Securities	NIL	NIL
	(ii) Other tangible securities	NIL	NIL

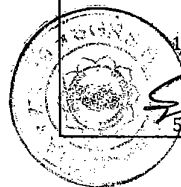


II	From the State Bank of India		
	(a) Short-term loans, cash credits and overdrafts: of which secured against : (i) Government and other Approved Securities	NIL	NIL
	(ii) Other tangible securities	NIL	NIL
	(b) Medium Term Loans of which secured against	NIL	NIL
	(i) Government and other Approved Securities	NIL	NIL
	(ii) Other tangible securities	NIL	NIL
	(c) Long Term Loans of which secured against	NIL	NIL
	(i) Government & other Approved Securities	NIL	NIL
	(ii) Other tangible securities	NIL	NIL
III	From the State Government		
	(a) Short term loans of which secured against	NIL	NIL
	(i) Government & other Approved Securities	NIL	NIL
	(ii) Other tangible securities	NIL	NIL
	(b) Medium term loans of which secured against	NIL	NIL
	(i) Government & other Approved Securities	NIL	NIL
	(ii) Other tangible securities	NIL	NIL
	(c) Long Term loans of which secured against	NIL	NIL
	(i) Government and other Approved Securities	NIL	NIL
	(ii) Other tangible securities	NIL	NIL
IV	IV. Loans from other sources (source and security to be specified)		
	<b>Total (I, II, III and IV)</b>	NIL	NIL

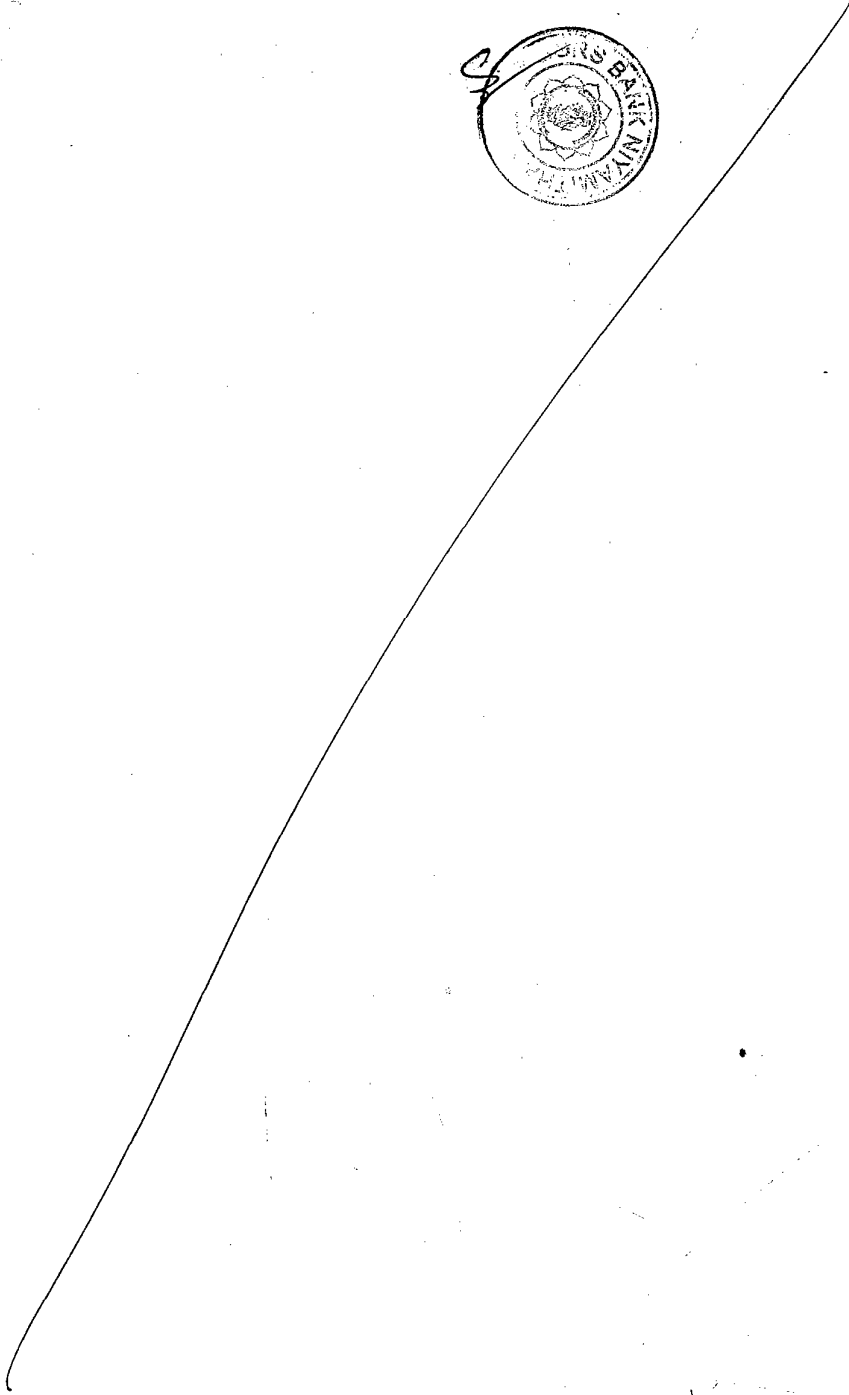
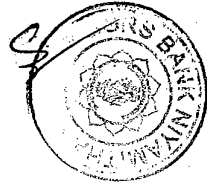
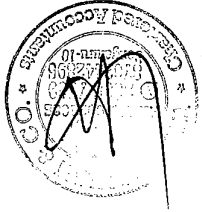
Notes : 1. Short term loans are for periods upto 15 months, medium term loans from 15 months to 5 years and long term loans over 5 years

2. Other tangible security includes borrowings against gold and gold ornaments, repledge of goods, mortgage of land, etc.

		<b>Schedule 6</b>	
		<b>Other Liabilities and Provisions</b>	
		As on 31.03.2023	As on 31.03.2022
<b>A</b>	<b>Other Liabilities</b>		
I	Bills payable (net)	-	-
II	Inter-office adjustments (net)	-	-
III	Interest accrued	55,40,070	95,34,970
iv	Unclaimed Dividends	34,79,328	8,37,861
v	Other Liabilities	7,19,23,32,109	7,24,20,26,236
	<b>Total of A</b>	<b>7,20,13,51,507</b>	<b>7,25,23,99,067</b>
<b>B</b>	<b>Provisions -</b>		
	Provision for fraud in bank account	42,71,56,657	45,98,47,141
	Provision for fraud in investments	2,44,68,86,915	2,44,68,86,915
	Provision for Loan and advances	13,92,38,46,896	14,02,89,58,719
	Provision for fraud in Pay Order	10,34,52,681	10,34,52,681
	Provision for fraud in Pay Order Account -Re-Audit	25,09,32,397	25,09,32,397
	Provision -Recoveries to be made from Staff/MGMT- Re-Audit	55,89,169	55,89,169
	Provision for fraud in Deposits	13,12,61,670	13,12,61,670
	Provision for fraud in Inter Branch Accounts	1,18,45,129	1,18,45,129
	Provision for fraud in IMPS*	-	24,39,141
	Provision for fraudulent cash withdrawals	58,38,97,636	58,38,97,636

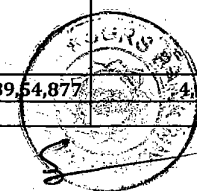
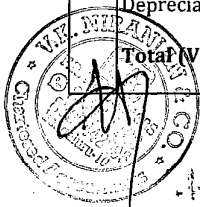


<b>Total of B</b> <b>Total of A and B</b> <b>*Provision for fraud in IMPS:</b> The amount Rs.24,39,141 was under IMPS representing unreconciled amount under liabilities side was inadvertently was classified under PRO for fraud in IMPS for the FY-2021-22 now shown under other liabilities	<b>17,88,48,69,150</b>	<b>18,02,51,10,598</b>
	<b>25,08,62,20,657</b>	<b>25,27,75,09,665</b>

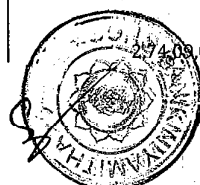
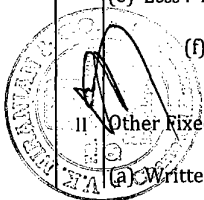




		<b>Schedule 7</b>	
<b>Cash and Balances with Reserve Bank of India, State Bank of India, State Co-op. Bank and Central Co-op. Bank and Central Co-op. Bank</b>			
		As on 31.03.2023	As on 31.03.2022
I	Cash in Hand Cash in ATM	9,98,334	14,78,973
II	Balances with Reserve Bank of India (a) In Current Account (b) In other Accounts	1,12,00,000	1,12,00,000
III	Balances with State Bank of India (a) In Current Account (b) In other Accounts	32,69,544	38,57,109
IV	Balances with State and Central Co-operative banks (a) In Current Account (b) In other Accounts	22,809	16,00,711
<b>Total (I, II, III and IV)</b>		<b>1,54,90,686</b>	<b>1,81,36,793</b>
		<b>Schedule 8</b>	
<b>Balances with Banks &amp; Money at Call &amp; Short Notice</b>			As on 31.03.2022
I	Balance with other Banks a) Current deposits  (b) Savings bank deposits ( AU Small Bank)  (c) Fixed deposits Co-Operative Banks	87,31,333	15,47,28,822
II	Money at Call and Short Notice (a) With banks (b) With other institutions	-	3,38,25,297
<b>Total (I and II)</b>		<b>87,31,333</b>	<b>18,85,54,119</b>
		<b>Schedule 9</b>	
<b>Investments</b>		As on 31.03.2023	As on 31.03.2022
I	In Central & State Government Securities	3,89,25,96,322	3,34,50,37,360
II	<b>Fixed Deposits with Co op Banks</b> With Other Banks	16,21,77,848 45,41,80,707	16,21,77,848 60,57,52,596
III	In shares of co-operative institutions (other than out of the Principal/ Subsidiary State Partnership Fund)	-	-
IV	In debentures and bonds	-	-
V	Others (To be specified) Bank Deposits	-	-
VI	<b>Total (I, II, III, IV and V)</b>	<b>4,50,89,54,877</b>	<b>4,11,29,67,804</b>
VII	Less : Provision for Depreciation in Investments	-	-
<b>Total (VI minus VII)</b>		<b>4,50,89,54,877</b>	<b>4,11,29,67,804</b>



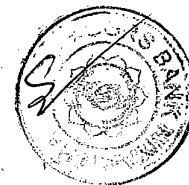
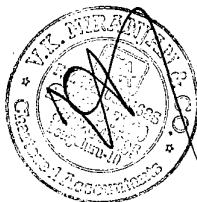
		<b>Schedule 10</b> <b>Investment out of the Principal/Subsidiary State Partnership Fund</b>	
		As on 31.03.2023	As on 31.03.2022
	In shares of Central Co-operative banks	-	-
	In shares of Primary agricultural credit Societies	-	-
	In shares of other societies	-	-
	<b>Total I, II and III</b>	-	-
		<b>Schedule 11</b> <b>Advances*</b>	
		As on 31.03.2022	
I	(a) Bills purchased & discounted	-	-
	(b) Cash credits, overdrafts & loans repayable on demand	7,05,99,02,223	7,06,68,24,329
	(c) Term Loans	6,86,39,44,673	6,96,21,34,390
	<b>Total</b>	<b>13,92,38,46,896</b>	<b>14,02,89,58,719</b>
II	(a) Secured by tangible assets	-	-
	(b) Secured by bank/ government guarantees / Priority sectors	-	-
	(c) Unsecured	-	-
	<b>Note - Category wise breakup not available</b>	<b>13,92,38,46,896</b>	<b>14,02,89,58,719</b>
III	Provision for Bad and Doubtful Debts *Note: Entire loans and advances are classified as fraud in the CBS system generated Balance Sheet-on account of fake/fictitious entries for evergreening of NPAs based on the RBI Report, Re-audit Reports and Enquiry report dt 29-07-2022 and directions under section 68 of KCS Act,1959. Hence,100% provision made since 2019-20 and shown under Provisions on Liability Side.	<b>13,92,38,46,896</b>	<b>14,02,89,58,719</b>
IV	<b>Total (I - III)</b>	-	-
		<b>Schedule 12</b> <b>Fixed Assets</b>	
		As on 31.03.2023	As on 31.03.2022
	<b>Premises</b>		
	a) Written down value of premises/Immovable properties	22,27,45,163	22,30,67,647
	(b) Additions	-	-
	(c) Deductions during the year	-	-
	(d) Total (a and b minus c)	22,27,45,163	22,30,67,647
	(e) Less : Depreciation to date	2,90,236	3,22,484
	<b>(f) Total (d minus e)</b>	<b>22,24,54,927</b>	<b>22,27,45,163</b>
II	Other Fixed Assets (including furniture and fixtures)		
	(a) Written down value of other Fixed assets	2,94,08,028	3,10,17,611



(b) Additions during the year	*	-	-
(c) Deductions during the year		-	-
(d) Total Cost (a + b minus c)	*	2,74,09,028	3,10,17,611
(e) Less : Depreciation to date	*	32,86,349	36,08,583
(f) Total (d minus e)		<b>2,41,22,679</b>	<b>2,74,09,028</b>
<b>GRAND TOTAL</b>		<b>24,65,77,606</b>	<b>25,01,54,191</b>



			<b>Schedule 13 Other Assets</b>	
			As on 31.03.2023	As on 31.03.2022
<b>A</b>	<b>OTHER ASSETS</b>			
	Inter-office adjustment (net)	*		
	Interest receivables	*	8,32,14,080	6,84,54,436
	Stationery and stamps		18,730	18,400
	Non-banking assets acquired in satisfaction of claims			
	Others		19,19,29,845	8,18,99,198
	<b>Total of A</b>		<b>27,51,62,655</b>	<b>15,03,72,034</b>
<b>B</b>	<b>MISAPPROPRIATIONS</b>			
	Cash Fraud		58,38,97,636	58,38,97,636
	Fraud in PO+Investments+Bank Account +IBT		2,88,58,88,701	2,99,30,61,382
	FRAUD- TO RECOVER FROM STAFF/MGMT-REAUDIT		55,89,169	55,89,169
	Fraud in Deposits		13,12,61,670	13,12,61,670
	<b>Total of B</b>		<b>3,60,66,37,176</b>	<b>3,71,38,09,857</b>
	<b>Grand Total of A &amp; B</b>		<b>3,88,17,99,832</b>	<b>3,86,41,81,891</b>
			<b>Schedule 14 Loss</b>	
	Add-Accumulated loss		27,77,01,07,608	27,61,80,63,478
	<b>Note:Acumulated loss upto -2021-22 Rs. 27,61,80,63,478</b>			
	<b>Loss during the year 2021-22 Rs. 15,20,44,130</b>			
	<b>Total Rs.27,77,01,07,608</b>		<b>27,77,01,07,608</b>	<b>27,61,80,63,478</b>
			<b>Schedule 15 Contingent liabilities and bills for collection</b>	
			As on 31.03.2023	As on 31.03.2022
	Claims against the bank not acknowledged as debts		NIL	NIL
	Liability for partly paid investments		NIL	NIL
	Liability on account of outstanding forward exchange contracts		NIL	NIL
	Guarantees given on behalf of constituents		NIL	NIL
	Acceptances, endorsements and other obligations (including bills for collection)		NIL	NIL
	Other items for which the bank is contingently liable-Refer Notes to Accounts for details		NIL	NIL



**Sri Guru Raghavendra Co-operative Bank Niyamita**  
Profit and Loss Account as on 31st March 2023

		As on 31.03.2023	As on 31.03.2022
<b>I Income</b>			
Interest earned	16	38,36,14,876	33,29,48,301
Other income	17	11,61,52,826	7,27,98,078
<b>Total</b>		<b>49,97,67,702</b>	<b>40,57,46,379</b>
<b>II Expenditure</b>			
Interest expended	18	62,30,20,468	1,27,15,09,648
Operating expenses	19	2,87,91,364	6,02,39,340
Provisions & contingencies	20	-	-
<b>Total</b>		<b>65,18,11,832</b>	<b>1,33,17,48,988</b>
<b>III Profit/(Loss)</b>			
Net Profit/Loss (-) for the year		-15,20,44,130	-92,60,02,609
Profit/Loss (-) brought forward		-	-
<b>Total</b>		<b>-15,20,44,130</b>	<b>-92,60,02,609</b>
<b>IV Appropriations</b>			
Transfer to statutory reserves Transfer to other reserves (to be specified)		-	-
Proposed Dividend		-	-
<b>Balance carried to Balance Sheet</b>		<b>-15,28,09,858</b>	<b>-92,60,02,609</b>

Notes to Accounts forms part of this Financial Statements

As per our report of even date  
For V.K Niranjan & Co.,  
Chartered Accountants  
Firm Registration Number : 002468S

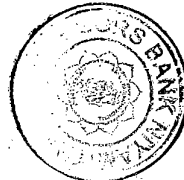
(Chandra Mohan Gadam Setty)  
Partner  
Membership No: 022875  
UDIN: 24022875BKEQZN4034  
Place: Bengaluru  
Date: 30-03-2024

For and on behalf of the  
Sri Guru Raghavendra Sahakara Bank Niyamita

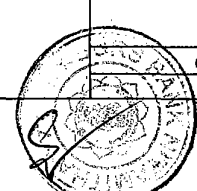
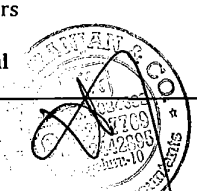
Bhaskar Hande  
Administrator



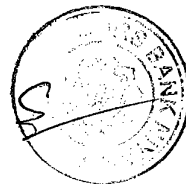
**BHASKAR HANDE**  
General Manager (Retd.)  
Canara Bank (Erstwhile Syndicate Bank)  
Administrator  
Sri Guru Raghavendra Sahakara Bank (Niyamita)  
Basavanaqudi, Bangalore - 560 004



			<b>Schedule 16 Interest Earned</b>	
			As on 31.03.2023	As on 31.03.2022
I	Interest/discount on advances/bills	*	6,10,30,650	3,50,28,508
II	Income on investments	*	32,25,84,226	29,79,19,793
III	Interest on balances with Reserve Bank of India, State Bank of India, State Co-op. Bank and Central Co-op. Bank	*	-	-
<b>Total</b>			<b>38,36,14,876</b>	<b>33,29,48,301</b>
			<b>Schedule 17 Other Income</b>	
			As on 31.03.2023	As on 31.03.2022
I	Commission, exchange and brokerage*		67,199	1,95,467
II	Profits on sale of investments		-	-
	Less : Loss on sale of investments		-	-
III	Profit on revaluation of investments		-	-
	Less : Loss on revaluation of investments		-	-
IV	Profit on sale of land, buildings and other assets#		4,830	6,97,450
	Less : Loss on sale of land, buildings and other assets		-	-
V	Profit on exchange transactions		-	-
	Less : Loss on exchange transactions		-	-
VI	Subsidies and Donations		-	-
VII	Income from non-banking assets and profit (Loss) on sale of or dealing in such assets		-	-
VIII	Reduction in Provisions for fraud		10,88,31,823	7,19,05,161
VIII	Other income*		72,48,975	-
<b>Total</b>			<b>11,61,52,826</b>	<b>7,27,98,078</b>
<p>Note#:-Since details of fixed assets not maintained, profit on such sale cannot be ascertained, the amount so realised against is treated as income</p> <p>Note*:other income ref</p> <p>a)output tax adjusted against input tax credit Rs.12,15,349</p> <p>b)ITC accrued Rs.60,33,626</p> <p><b>Total Rs.72,48,975</b></p> <p><b>Input Tax Credit accrued amount Rs.60,33,626 represent the amount as per ITC ledger of GST Dept.</b></p>				
			<b>Schedule 18 Interest Expended</b>	
			As on 31.03.2023	As on 31.03.2022
	Interest on Deposits		62,30,20,468	1,27,15,09,648
	Interest on Borrowings		-	-
	Others		-	-
<b>Total</b>			<b>62,30,20,468</b>	<b>1,27,15,09,648.00</b>



		<b>Schedule 19</b>	
		<b>Operating Expenses</b>	
		As on 31.03.2023	As on 31.03.2022
I	Payments to and provisions for employees	1,44,90,476	1,49,35,832
II	Rent, taxes and lighting	9,31,138	8,83,504
III	Printing and stationery	3,18,122	2,97,263
IV	Advertisement and publicity	1,88,500	1,24,132
V	Depreciation on bank's property	35,76,585	39,31,067
VI	Directors' fees, allowances and expenses	-	-
VII	Auditors' fees and expenses (including branch auditors)	12,00,000	2,00,000
VIII	Law Charges	5,22,000	20,000
IX	Postages, Telegrams, Telephones, etc.	1,63,720	5,63,492
X	<b>Repairs and maintenance#</b>	-	-5,69,477
XI	Insurance	42,09,280	2,93,00,062
XII	Other Expenditure	31,91,544	1,05,53,465
	<b>TOTAL</b>	<b>2,87,91,365</b>	<b>6,02,39,340</b>
XIII	Provisions & contingencies	-	-
	<b>TOTAL</b>	<b>2,87,91,364</b>	<b>6,02,39,340</b>



SRI GURU RAGHAVENDRA SAHAKARA BANK NIYAMITHA, Branch-HEAD OFFICE

No.15, S C ROAD,  
NETTAKALLAPPA CIRCLE,  
BASAVANAGUDI,  
BENGALURU

Pin Code:560004 Phone :08026620379

CONSOLIDATED

HO Balance Sheet as on : -31-03-2023.

## SYSTEM GENERATED BALANCESHEET

As on: 31-03-2022	Liability	As On: 31-03-2023	Amount	As On: 31-03-2022	Asset	As On: 31-03-2023	Amount
	<b>Share Capital</b>				<b>Cash</b>		
636561600.00	PAID UP SHARE CAPITAL	636561600		1478973	CASH ON HAND	998334	
112988000.00	ASSOCIATE SHARE CAPITAL	112988000		1478973			998334
<b>749549600.00</b>			<b>749549600</b>		<b>Bank</b>		
	<b>Reserve Fund</b>			11200000	CA WITH RBI	11200000	
5000.00	FEDERATION FUND	5000		3857109.4	STATE BANK OF INDIA	3269543.52	
12218273.60	MEMBERS' DEATH RELIEF FUND	12218273.6		17147.97	IDBI FOR ATM	12720.32	
34789598.00	SPECIAL RESERVE FUND (HOUSING)	34789598		226563.65	IDBI FOR IMPS		
30435360.00	INVESTMENT FLUCTUATION RESERVE	30435360		184352	C/A WITH BOB CURRENCY CHEST		
7104282.00	STAFF SUPERANNUATION RESERVE			33825297	SB WITH AU SMALL FINANCE BANK		
4833819060.00	PRIOR PERIOD LOSS-REAUDIT	4833819060		6657358.13	CA 19 IDBI BANK	6525.67	
543991171.63	RESERVE FUNDS	541349704.6		18367697.31	CA 709 IDBI BANK	1937930.48	
20324082.10	DIVIDEND EQUALISATION FUND	20324082.1		346860.92	CA INDIAN BANK	94518.92	
328784569.75	BUILDING FUND	328784569.8		128917872.4	C/A WITH BANK OF BARODA-DICGC	6679637.16	
1426528.00	STAFF GRATUITY FUND			1600710.68	C/A WITH APEX BANK LTD HANUMANTHANAGAR	11838.68	
19531212.96	STAFF WELFARE FUND	19531212.96		10970	C/A WITH B.D.C.C.BANK	10970	
4601584.21	JUBILEE FUND	4601584.21		205211939.4			23223684.75
7155935.75	MEMBERS WELFARE FUND	7155935.75			<b>Call Money</b>		
5301584.21	CHARITY FUND	5301584.21			<b>Investment</b>		
<b>5849488242.21</b>			<b>5838315965</b>	139000000	TERM DEPOSIT WITH SBI	25000000	
	<b>DEPOSITS</b>			2655662	TERM DEPOSIT WITH INDIAN BANK		
198363530.76	CURRENT ACCOUNTS	201055730		59700000	TERM DEPOSIT WITH IDBI BANK	144000000	
1910828.21	CREDIT BALANCE IN OVERDRAFT	1768817.66		167196934	TERM DEPOSIT WITH CANARA BANK	107180707	
4974327.58	CREDIT BALANCE IN ADVANCE AGAINST DEPOSIT	4265960.58		79600000	TERM DEPOSIT WITH BANK OF BARODA	100000000	
2908289.11	DORMANT CURRENT ACCOUNTS	2908289.11			TERM DEPOSIT WITH CITY UNION BANK	78000000	
16718266.15	INOPERATIVE CURRENT ACCOUNTS	20852172.64		157600000	TERM DEPOSIT UNION BANK OF INDIA		
52800.00	CREDIT BALANCE IN RETAIL BUSINESS	52800		162177848	DEPOSIT WITH APEX BANK	162177848	
5580440535.99	SAVINGS BANK ACCOUNT	5944518872		1045349750	CENTRAL GOVT SECURITIES	1045349750	
64260890.94	INOPERATIVE SB ACCOUNTS	1010723226			STATE TREASURY BILL	269118950	
17296012.00	S G R SPECIAL CASH CERTIFICATE	2378189		2299687610	STATE GOVT SECURITIES	2578127622	
4620673628.42	KALPATHARU DEPOSITS	3076016976		4112967804			4508954877
836182396.67	KALPATHARU SHORT TERM DEPOSIT	810341165.7			<b>Loan &amp; Advances</b>		
940754812.00	MATURED KALPATHARU SHORT TERM DEPOSIT	1116064383		273339717	FRAUD-SECURED LOAN ON HOUSING	247903529	
3010094.00	SRI ANANTH NIDHI DEPOSIT	405435					

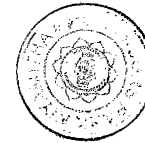


2357761.00	MATURED SRI ANANTH NIDHI DEPOSIT	2214616		2844710963	FRAUD-OVERDRAFT	2841955869	
79785090.00	SRI ANANTH LAKSHA DEPOSIT	15150685		4190531061	FRAUD-ADVANCE AGAINST DEPOSIT	4146740080	
96753314.00	MATURED SRI ANANTH LAKSHA DEPOSIT	86562928		487317	FRAUD-SECURED LOAN ON EQUIPMENT	487317	
32531545.00	MATURED SGR CASH CERTIFICATE	30274483		18178886	FRAUD-SECURED LOAN ON VEHICLE	16463340	
1412910608.00	MATURED KALPATHRU DEPOSIT	2541829888		19990874	FRAUD-DEMAND LOAN	19834046	
53087.00	DEAD KALPATHRU DEPOSIT	53087		5501685	FRAUD-LOAN ON KALPATHARU DEPOSIT	2699364	
13020000.00	GURUSHREE DEPOSIT	8020000		3815629	FRAUD-LOAN ON KAMADHENU DEPOSIT	3515629	
94007551.00	MATURED GURUSHREE DEPOSIT	73281966		360933	FRAUD-EXECUTION PETITION LOAN - EP	360933	
208459745.00	ANUGRAHA CASH CERTIFICATE	223540673		429856	FRAUD-LOAN ON SGR CASH CERTIFICATE	56478	
1132000000.00	SGR VIMSHATHI DEPOSIT	234000000		50055	FRAUD-SEC LOAN PLANT AND MACHINERY	50055	
	MATURED VIMSHATHI DEPOSIT	438476275		19029258	FRAUD-SECURED BUSINESS LOAN	19029258	
1599540795.35	KAMADHENU DEPOSIT	1176216693		6626118835	FRAUD-MORTGAGE LOAN SECURED	6599040432	
761908485.00	MATURED KAMADHENU DEPOSIT	1158725231		76918	FRAUD-SGR VIDYA LAKSHA LOAN		
403096253.00	ASHIRVAD SPECIAL DEPOSIT	436947046		80000	FRAUD-LOAN ON KST		
39514827.00	AKSHAYA DEPOSIT	18537905		4018530.38	FRAUD-DEBIT BALANCE IN SB	3472366.26	
1320397.00	SGR VIDYA LAKSHYA	834121		17659686.8	FRAUD-DEBIT BALANCE IN CA	17659686	
23769507.00	MATURED SGR VIDYA LAKSHYA	20084544		4578514	FRAUD-RETAIL BUSINESS LOAN	4578514	
1/894111.00	MATURED AKSHAYA DEP	25320458		14028958719			13923846896
<b>18204469488.18</b>			<b>18681422615</b>		<b>Bill Purchased</b>		
	<b>Borrowing</b>						
					<b>Interest Receivables</b>		
	<b>Other Liabilities</b>			4517419	INT.RECEIVABLE ON FD WITH OTHER BANK	11625927	
12776351.60	FRAUD C/A 700600354 INDIAN BANK-CLG	12581351.60		17999495.89	INTEREST RECEIVABLE ON CENTRAL GOVT SECURITY	18265079	
430876657.48	PROVN FOR FRAUD IN BANK ACCOUNTS	427156657.48		45937521	INT RECEIVABLE ON STATE GOVERNMENT BOND	50907060	
2446886915.00	PROVISION FOR FRAUD IN INVESTMENTS	2446886915.00			INTEREST RECEIVABLE ON TREASURY BI	2416014	
16194131.71	FRAUD C/A 709-19 WITH IDBI BANK LTD	12669131.71		68454435.89			83214080
14028958718.73	PROVISION FOR FRAUD IN LOANS AND ADVANCE	13923846896.21			<b>Premises and F &amp; F and Others</b>		
2439141.00	IMPS	2439141.00		222745162.9	LAND & BUILDING	222454927.3	
583897636.00	PROVN FOR FRAUD IN CASH ACCOUNT	583897636.00		387880.55	OFFICE EQUIPMENTS	329698.47	
771300.00	STAFF PROVIDENT FUND	665171.00		734938	GENERATOR AND WATER MOTOR	624697.3	
106546.00	PROVISION FOR EXPENSES	375799.00		110168	MOTOR VEHICALE	93642.8	
837861.00	DIVIDEND PAYABLE	3479328.00		41811	XEROX MACHINE	35539.35	
2200000.00	PROV. FOR STATUTORY AUDIT FEES	2400000.00		18284720.61	FURNITURE & FIXTURES	16456248.55	
200600.00	PROV FOR SOFTWARE EXP	128325.00		1932433.01	COMPUTERS HARDWARE	1573892.06	
4820237.00	PROV OF EARNED LEAVES	5302093.00		58086	COMPUTER SOFTWARE	29043	
1.50	IGST OUTPUT TAX PAYABLE			5858991.28	ELECTRICAL FITTINGS	4979917.59	
614843.50	CGST OUTPUT TAX PAYABLE	328.50		250154191.4			246577606.4
614843.50	SGST OUTPUT TAX PAYABLE	328.50			<b>Branch Adjustment</b>		
271767.80	LIC PAYABALE	68171.00		-1532672	INTER BRANCH	-1532672	
256891.00	SUSPENSE OTHERS	33904.17		1306880275	KANAKAPURA ROAD BRANCH	1306880275	

128917901.88	DICGC AMT IN BOB	6648386.40		-193164	HEAD OFFICE	-193164
7060434311.14	DICGC CLAIM PAID	7123176733.77		-1619032284	BASAVANGUDI BRANCH	-1619032284
103452681.00	PROVISION FOR FRAUD IN PAYORDERS	103452681.00		89810000	POORNA PRAGNA NAGAR BRANCH	89810000
11845128.73	PROVN FOR FRAUD IN INTER BRANCH	11845128.73		-3500	IBT FOR ATM	-3500
131261669.68	PROVN FOR FRAUD IN DEPOSITS	131261669.68		26798935	KENGERTI BRANCH	26798935
5589168.91	PROVN-RECOV FROM STAFF/MGMT-REAUDIT	5589168.91		17959650	RAJARAJESWARI NAGARA BRANCH	17959650
250932397.00	PAY ORDER ACCNT-REAUDIT	250932397.00		60330500	VIDYARANYAPURA BRANCH	60330500
746777.00	RECOVERY-EVERGREEN AMT	1790311.00		37124020	B T M LAYOUT BRANCH	37124020
	RECOVERY-OTHER FRAUD AMT	335500.00		81858240	RAJAJINAGAR BRANCH	81858240
	RECOVERY-FRAUD IN BANK ACCOUNTS	6523855.00				
112800.00	NOMINAL MEMBERSHIP	112800.00			<b>Other Assests</b>	
17386.00	PROFESSIONAL TAX	15786.00		135	POSTAL STAMPS IN STOCK	465
34970880.00	TAX DEDUCTION AT SOURCE	10120368.00		1544666	RENTAL ADVANCE	1544666
6969151.00	TDS SUSPENSE A/C	6944624.00		18265	NON JUDICIAL STAMPS IN STOCK	18265
25267974694.36			25080680587	211977	INSURANCE ACCOUNT	71955
	<b>INTEREST PAYABLE</b>			11250	CGST INPUT	
9534970.00	INT PAYABLE KL STD A/C	5540070.00		11250	SGST INPUT	
9534970.00			5540070	6500	ATM SETTLEMENT AC	6500
	<b>LOSS</b>			2446886915	FRAUD IN INVESTMENT	2446886915
				583897636	FRAUD IN CASH ACCOUNT	583897636
	<b>INT RECV OVEDUE L&amp;A (RESERVE)</b>			430876657.5	FRAUD IN BANK ACCOUNTS	427156657.5
				11845128.73	FRAUD IN INTER BRANCH	11845128.73
				5589168.91	FRAUD-RECOV FROM STAFF/MGMT	5589168.91
				38818	TDS ON INVST FOR FY 2021-22	38818
					ITC RECEIVABLE-CREDIT	6169795
					ITC RECEIVABLE-CASH	570694
				103452681.4	PAY ORDER ACCOUNT	103452681.4
				131261669.7	FRAUD IN DEPOSITS	131261669.7
				80000000	INCOME TAX ADVANCE	80000000
				74736	ELECTRICITY DEPOSIT	74736
				3795727454		3798585751
					<b>LOSS</b>	
				26692060869	LOSS ACCOUNT	27618063478
				26692060869		27618063478
				926002609.42	Loss	152044130
				926002609.42		152044130
50081016995			50355508837	50081016995		50355508837

For V.K. NIRANJAN & CO.  
CHARTERED ACCOUNTANTS  
F.R. No. 2468S

GA Chandramohan G  
Partner, M. No. 022875



BHASKAR HANDE  
General Manager (Retd.)  
Canara Bank (erstwhile Syndicate Bank)  
Administrator  
Sri Guru Raghavendra Sahakara Bank (N)  
Basavanagudi, Bangalore - 560 004.

**SRI GURU RAGHAVENDRA SAHAKARA BANK NIYAMITHA, Branch-HEAD OFFICE**

No.15, S C ROAD,  
NETTAKALLAPPA CIRCLE,  
BASAVANAGUDI,  
BENGALURU

Pin Code:560004 Phone :08026620379

**CONSOLIDATED**

**HO Profit and Loss as on : -31-03-2023.**

As on: 31-03-2022	Expense	As On: 31-03-2023	Amount	As On: 31-03-2022	Income	As On: 31-03-2023	Amount
	<b>Interest Paid</b>				<b>Interest Received</b>		
517759407.44	INTEREST PD ON KALPATHARU DEP	235843431.00		7576351.05	INTEREST RECVD ON ALL LOANS	4783880	
232271235.47	INTEREST PAID ON KAMADHENU DEP	68699003.00		247304.00	PENAL INTEREST ON ALL LOANS	814563	
9910517.03	INTEREST PAID ON AKSHAYA DEP	2841213.00			INT RECVD ON SRI ANANTH NIDHI	6	
159564034.00	INTEREST PAID ON S/B ACCOUNTS	154349527.00			INT RECVD ON SRI ANANTH LAKSHA	5507	
8699800.00	INTEREST PAID ON SGR CASH CERT	716031.00		8092680.00	FRAUD-INT RECD ON HOUSING LOAN	10228304	
3510201.26	INTEREST PAID ON SGR VIDYA LAKSHYA	-127574.00		-21076.00	FRAUD-INT RECD ON OVERDRAFT	1729534.55	
11431.00	INTEREST PAID ON KALPAVRUKSHA DEPOSIT			5120115.12	FRAUD-INT RECD ON ADV AGAINST DEP	14591235	
78906711.00	INTEREST PAID ON KL STD	35818849.51		14303.00	FRAUD-INT ON SEC LOAN ON EQUIPMENT		
1600908.00	INTEREST SRI ANANTH NIDHI	73616.00		859661.00	FRAUD-INT RECD ON SEC LOAN VEHICLE	717893	
29703846.00	INTEREST PAID ON SRI ANANTH LAKSHA DEPOSIT	5380403.00		480608.00	FRAUD-INT RECD ON DEMAND LOAN	94396	
11904580.00	INTEREST PAID ON GURUSHREEE DEPOSIT	1509619.00		160872.00	FRAUD-INT ON KALPATHARU DEP LOAN	924290	
43373789.00	INTEREST PAID ON ANUGRAHA	21507855.00			FRAUD-INT ON KAMADHENU DEPOSIT LOAN	223098	
61116314.00	INTEREST PAID ON ASHIRVAD SPECIAL D	43126731.00			FRAUD-INT RECD ON SGR CASH CERTIFIC	90398	
113176874.00	INTEREST PAID ON VIMSHATHI DEPOSIT	53281763.00		8351.00	FRAUD-INT RECD ON SEC BUSINESS LOAN		
<b>1271509648.20</b>			<b>623020467.5</b>	12425733.00	FRAUD-INT ON IMMOVABLE PROPERTYLOAN	26419351	
	<b>Other Expenses</b>			63606.00	FRAUD-INT RECD ON VIDYALAKSHA	36141	
7249.00	OFFICE CLEANING EXPENSES	8400.00			FRAUD-INT RECD ON KST DEP LOAN	51405	
46516.97	MISC EXPENSES	257640.00			FRAUD-INT RECD ON TOD IN CA-SB	320648	
58550.00	AUDIT EXPENSES			<b>35028508.17</b>			<b>61030649.55</b>
1981.20	BANK CHARGES PAID	9713.85			<b>Other Incomes</b>		
65000.00	GENERAL BODY EXPENSES	77500.00		6.00	CHEQUE BOOK CHARGES RECEIVED		
13130.00	STAFF CONVEYANCE ALLOWANCE	6238.00		190810.00	LOCKER RENT	43196	
40289.00	VEHICLE MAINTENANCE EXP	19115.00		4651.00	MISCELLANEOUS INCOME	24013	
13775.00	GENERATOR MAINTENANCE EXP	13000.00		84324.00	SALE OF FURNITURE		
358238.28	SGST PAID	152145.15		200378.00	SALE OF LOCKER AND STRONG ROOM DOOR	4830	
358238.28	CGST PAID	152145.15		412748.00	SALE OF ELECTRICAL ITEMS		
5065766.21	IGST PAID	380275.98			OUTPUT TAX ADJUSTED AGAINST ITC	1215348.5	
<b>6028737.94</b>			<b>1076173.13</b>		ITC ACCRUED	6033626	

	<b>Salaries and allowance</b>			<b>892917.00</b>		<b>7321003.5</b>
18325163.00	SALARIES AND ALLOWANCES	12676117.00			<b>Interest Received on Investments</b>	
1886550.00	PROVIDENT FUND-BANK CONTRIBUTI	1314359.00		11122790.67	INT. RECVD ON INVESTMENTS	5224230.87
-5811379.00	GRATUITY ALLOTMENT TO STAFF				INTEREST RECEIVED BY IDBI BANK LTD	3389052.3
646193.00	EST OTHER ALLOWANCES	500000.00		5754425.57	INTEREST RECEIVED ON APEX BANK LTD	10032349
-110695.00	SUPERANNUATION FUND PAID TO STAFF			202054218.57	INTEREST RECEIVED ON STATE GOVT SECURITI	210524676.6
<b>14935832.00</b>			<b>14490476</b>	72108340.14	INTREST RECEVED ON CENTRAL GOVT SECURITI	74057503.11
	<b>Director sitting fees and allowance</b>			4496678.76	INT RECD ON CANARABANK FD	5642109.26
					INT RECD ON BOB	4800912.57
	<b>Rent, tax, insurance and Electricity</b>				INTEREST RECD STATE TREASURY BILL	6217136
425147.64	BUILDING TAX	425119.00		2383339.00	INT RECVD ON SB WITH AU SMALL BANK	1896177
438429.00	ELECTRICITY CHARGES	416301.00		<b>297919792.71</b>		<b>322584226.7</b>
128322.00	WATER CHARGES	89718.00			<b>PROVISION REVERSED</b>	
-108395.00	RENT PAID				PROV RVSD O/A OF BANK ACCOUNTS	3720000
29300062.38	DEPOSIT INSURANCE PREMIUM	4209280.00			PROV RVSD O/A OF LOAN-ADVANCES	10511822.5
<b>30183566.02</b>			<b>5140418</b>			<b>108831822.5</b>
	<b>Law Charges</b>					
20000.00	LEGAL & TECHNICAL FEE	522000.00				
<b>20000.00</b>			<b>522000</b>			
	<b>Telephone, postage, Telegrams, Advertisement</b>					
72659.00	POSTAGE & COURIER EXPENSES	107283.00				
490833.06	TELEPHONE EXPENSES	56437.00				
124132.00	ADVERTISEMENTS AND PUBLICITY E	188500.00				
<b>687624.06</b>			<b>352220</b>			
	<b>Audit Cost</b>					
200000.00	STATUTORY AUDIT COST PAID	1200000.00				
<b>200000.00</b>			<b>1200000</b>			
	<b>Stationery and Printing</b>					
190621.00	PRINTING, XEROX, FAX & OTHERS	205269.00				
106641.92	STATIONERY PURCHASED	112852.70				
<b>297262.92</b>			<b>318121.7</b>			
	<b>Depriciations and Repairs</b>					
-569477.00	REPAIRS AND MAINTENANCE					
1033675.00	DEP ON ELECTRICAL FITTINGS	879073.69				
2031636.00	DEPRECIATION ON FUR & FIXTURES	1828472.06				
68449.00	DEPRECIATION ON OFFICE EQUIPMENTS	58182.08				
32484.00	DEPRECIATION ON BUILDING	290235.60				
280222.00	DEPRECIATION ON COMP HARDWARE	358540.95				
38087.00	DEPRECIATION TO COMP SOFTWARE	29043.00				
139441.00	DEPRECIATION ON VEHICLE	16525.20				

129695.00	DEPRECIATION ON GENERATOR	110240.70				
7378.00	DEP ON XEROX MACHINE	6271.65				
<b>3361590.00</b>			<b>3576584.93</b>			
	<b>General charges</b>					
-4290.00	LOAN RECOVERY EXPENSES	-200.00				
202739.72	OFFICE MAINTANCE EXPENSES	61421.00				
20921.00	POOJA EXPENSES	16560.00				
99267.00	CUSTOMER ENTERTAINMENT EXPENSE	51660.00				
4206089.04	EXP ON SOFTWARE	1985930.00				
<b>4524726.76</b>			<b>2115371</b>			
	<b>Provisions</b>					
-71905160.60	PROVISION FOR FRAUD (EXP)					
<b>-71905160.60</b>						
	<b>DEP ON INVESTMENT</b>					
				926002609.42	Loss	152044130
				<b>926002609.42</b>		<b>152044130</b>
<b>1259843827</b>			<b>651811832.3</b>	<b>1259843827</b>		<b>651811832.3</b>



For V.K. NIRANJAN & CO.  
CHARTERED ACCOUNTANTS  
F.R. No. 2468S

*Chandramohan G*  
CA Chandramohan G  
Partner, M. No. 022875



*Bhaskar Hande*

**BHASKAR HANDE**  
General Manager (Retd.)  
Bank of Mysore (erstwhile Syndicate Bank)  
Administrator  
Guru Raghavendra Sahakara Bank  
Channarayana, Bangalore - 560 001

SRI GURU RAGHAVENDRA SAHAKARA BANK NIYAMITHA, Branch-HEAD OFFICE

No.15, S C ROAD,

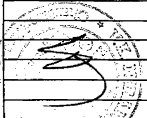
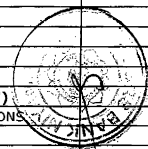
Pin Code:560004 Phone :08026620379

## STREAM LINED BALANCESHEET

CONSOLIDATED

Streamlined Balance Sheet as on : -31-03-2023.

As on: 31-03-2022	LIABILITY	As on: 31-03-2023	Amount	As on: 31-03-2022	ASSET	As on: 31-03-2023	Amount
	<b>Share Capital</b>				<b>CASH AND BANK BALANCE</b>		
63,65,61,600.00	PAID UP SHARE CAPITAL	63,65,61,600.00		14,78,973.00	CASH ON HAND	9,98,334.00	
11,29,88,000.00	ASSOCIATE SHARE CAPITAL	11,29,88,000.00		20,52,11,939.44	OTHER BANK BALANCE(*A-1)	2,32,23,684.75	
<b>74,95,49,600.00</b>			<b>74,95,49,600.00</b>	76,79,30,444.00	TERM DEPOSITS WITH OTHER BANKS (*A-2)	61,63,58,555.00	
	<b>Reserve Fund</b>			<b>97,46,21,356.44</b>			<b>64,05,80,573.75</b>
2,80,62,022.96	STAFF RESERVER FUND (*L-1)	1,95,31,212.96			<b>Investment</b>		
5,82,14,26,219.25	OTHER RESERVER FUND(*L-2)	5,81,87,84,752.25		3,34,50,37,360.00	INVESTMENTS IN GOVERNMENT SECURITIES (*A-3)	3,89,25,96,321.51	
<b>5,84,94,88,242.21</b>			<b>5,83,83,15,965.21</b>	<b>3,34,50,37,360.00</b>			<b>3,89,25,96,321.51</b>
	<b>Deposits</b>				<b>Loan &amp; Advances</b>		
5,64,47,01,426.93	SAVINGS BANK ACCOUNT(*L-3)	6,95,52,42,097.47		7,07,14,02,843.63	SHORT TERM LOAN (*A-4)	7,02,06,77,986.11	
22,49,28,041.81	CURRENT ACCOUNTS(*L-4)	23,09,03,769.94		2,04,78,191.00	MEDIUM TERM LOAN (*A-5)	2,03,21,363.00	
12,33,48,40,019.44	FIXED DEPOSIT (*L-5)	11,49,52,76,747.95		6,93,70,77,684.10	LONG TERM LOAN (*A-6)	6,88,28,47,547.10	
<b>18,20,44,69,488.18</b>			<b>18,68,14,22,615.36</b>	<b>14,02,89,58,718.73</b>		<b>13,92,38,46,896.21</b>	
	<b>Other Liabilities</b>			<b>14,02,89,58,718.73</b>	<b>LESS PROVISION FOR LOANS &amp; ADVANCES (*L-9)</b>	13,92,38,46,896.21	
3,62,17,954.50	GOVT DUES(*L-6)	1,01,36,811.00		<b>0.00</b>	<b>NET ADVANCES</b>	<b>0.00</b>	<b>0.00</b>
7,20,81,06,953.02	OTHER PAYABALE(*L-7)	7,14,66,69,188.34			<b>Interest Receivables</b>		
<b>7,24,43,24,907.52</b>			<b>7,15,68,05,999.34</b>	45,17,419.00	INT.RECEIVABLE ON FD WITH OTHER BANK	1,16,25,927.00	
	<b>Unreconciled Accounts - Credit Balance(L-8)</b>			1,79,99,495.89	INTEREST RECEIVABLE ON CENTRAL GOVT SECURITY	1,82,65,079.00	
3,14,09,624.31	UNRECONILED ACCOUNTS	2,76,89,624.31		4,59,37,521.00	INT RECEIVABLE ON STATE GOVERNMENT BOND	5,09,07,060.00	
<b>3,14,09,624.31</b>			<b>2,76,89,624.31</b>		INTEREST RECEIVABLE ON TREASURY BILL	24,16,014.00	
	<b>Provisions</b>			<b>6,84,54,435.89</b>			<b>8,32,14,080.00</b>
25,09,32,397.00	PAY ORDER ACCNT-REAUDIT	25,09,32,397.00			<b>Premises and F &amp; F and Others</b>		
73,27,383.00	PROVISION FOR OTHER EXPENSES(*L10)	82,06,217.00		22,27,45,162.92	LAND & BUILDING	22,24,54,927.32	
<b>25,82,59,780.00</b>			<b>25,91,38,614.00</b>	3,87,880.55	OFFICE EQUIPMENTS	3,29,698.47	
	<b>Recovery in evergreen/Fraud (*L-11)</b>			7,34,938.00	GENERATOR AND WATER MOTOR	6,24,697.30	
7,46,777.00	RECOVERY-EVERGREEN / FRAUD AMT	86,49,666.00		1,10,168.00	MOTOR VEHICALE	93,642.80	
<b>7,46,777.00</b>			<b>86,49,666.00</b>	41,811.00	XEROX MACHINE	35,539.35	
				1,82,84,720.61	FURNITURE & FIXTURES	1,64,56,248.55	
				19,32,433.01	COMPUTERS HARDWARE	15,73,892.06	
				58,086.00	COMPUTER SOFTWARE	29,043.00	
				58,58,991.28	ELECTRICAL FITTINGS	49,79,917.59	
				<b>25,01,54,191.37</b>			<b>24,65,77,606.44</b>
					<b>Branch Adjustment (*A-7)</b>		
					INTER BRANCH TRANSACTIONS		
					<b>Other Assests (*A-8)</b>		
				8,19,17,597.00	OTHER ASSESTS	8,84,95,894.00	
				<b>8,19,17,597.00</b>			<b>8,84,95,894.00</b>



Execution On:

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As on: 31-03-2022	LIABILITY	As on: 31-03-2023	Amount	As on: 31-03-2022	ASSET	As on: 31-03-2023	Amount
					Misappropriations / Fraud in various assets (*A-9)		
				3,71,38,09,857.20	MISAPPROPRIATIONS IN VARIOUS HEADS	3,71,00,89,857.20	
				3,71,38,09,856.80	LESS PROVISION FOR MISAPPROPRIATIONS(*L-9)	<b>3,71,00,89,856.80</b>	
				<b>0.40</b>	NET OF MISAPPROPRIATIONS (AFTER PROVISIONS)	0.40	<b>0.40</b>
					Loss		
				26,69,20,60,868.70	LOSS UPTO PRIOR PERIOD	27,61,80,63,478.12	
				92,60,02,609.42	LOSS FOR CURRENT FY	15,20,44,130.00	
				<b>27,61,80,63,478.12</b>			<b>27,77,01,07,608.12</b>
<b>32,33,82,48,419.22</b>			<b>32,72,15,72,084.22</b>	<b>32,33,82,48,419.22</b>			<b>32,72,15,72,084.22</b>

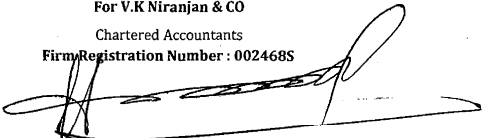
As per our report of even date

Subject to the qualified opinion -in independent audit report-point -9

For V.K Niranjana & CO

Chartered Accountants

Firm Registration Number : 002468S



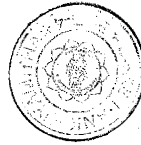
(Chandra Mohan Gadani Setty)  
Partner

Membership No: 022875

UDIN: 24022875BKQZ4034

Place: Bengaluru

Date: 30-03-2024



For Sri Guru Raghavendra Sahakara Bank Niyamitha



Bhaskar Hande

Administrator

**BHASKAR HANDE**  
General Manager (Retd.)

Janara Bank (erstwhile Syndicate Bank)

Administrator

Sri Guru Raghavendra Sahakara Bank (N)

Rasavanaqudi, Bangalore - 560 004.

qualified opinion @

Execution On:

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Page No : 2 Of 2

# SRI GURU RAGHAVENDRA SAHAKARA BANK NIYAMITHA

No.15, Subbaramachetty Road, Nettakalappa Circle, Basavanagudi, Bangalore-560004

**Notes & Schedules for clubbing of items under Liability in Balance Sheet for FY 2022-23**

## STAFF RESERVER FUNDS(\*L-1)

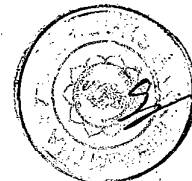
As on: 31-03-2022	Particulars	As on: 31-03-2023
71,04,282.00	STAFF SUPERANNUATION RESERVE	-
14,26,528.00	STAFF GRATUITY FUND	-
1,95,31,212.96	STAFF WELFARE FUND	1,95,31,212.96
<b>2,80,62,022.96</b>	<b>TOTAL</b>	<b>1,95,31,212.96</b>

## (\*L-2)OTHER RESERVER FUND

As on: 31-03-2022	Particulars	As on: 31-03-2023
5,000.00	FEDERATION FUND	5,000.00
1,22,18,273.60	MEMBERS DEATH RELIEF FUND	1,22,18,273.60
3,47,89,598.00	SPECIAL RESERVE FUND (HOUSING)	3,47,89,598.00
3,04,35,360.00	INVESTMENT FLUCTUATION RESERVE	3,04,35,360.00
54,39,91,171.63	RESERVE FUNDS	54,13,49,704.63
2,03,24,082.10	DIVIDEND EQUALISATION FUND	2,03,24,082.10
32,87,84,569.75	BUILDING FUND	32,87,84,569.75
46,01,584.21	JUBILEE FUND	46,01,584.21
71,55,935.75	MEMBERS WELFARE FUND	71,55,935.75
53,01,584.21	CHARITY FUND	53,01,584.21
4,83,38,19,060.00	PRIOR PERIOD LOSS-REAUDIT	4,83,38,19,060.00
<b>5,82,14,26,219.25</b>	<b>TOTAL</b>	<b>5,81,87,84,752.25</b>

Deposits		
SAVINGS BANK ACCOUNT(*L-3)		
As on: 31-03-2022	Particulars	As on: 31-03-2023
5,58,04,40,535.99	SAVINGS BANK ACCOUNT	5,94,45,18,871.55
6,42,60,890.94	INOPERATIVE SB ACCOUNTS	1,01,07,23,225.92
<b>5,64,47,01,426.93</b>	<b>TOTAL</b>	<b>6,95,52,42,097.47</b>

CURRENT ACCOUNTS(*L-4)		
As on: 31-03-2022	Particulars	As on: 31-03-2023
19,83,63,530.76	CURRENT ACCOUNTS	20,10,55,729.95
19,10,828.21	CREDIT BALANCE IN OVERDRAFT	17,68,817.66
49,74,327.58	CREDIT BALANCE IN ADVANCE AGAINST DEPOSIT	42,65,960.58
29,08,289.11	DORMANT CURRENT ACCOUNTS	29,08,289.11
1,67,18,266.15	INOPERATIVE CURRENT ACCOUNTS	2,08,52,172.64
52,800.00	CREDIT BALANCE IN RETAIL BUSINESS	52,800.00
<b>22,49,28,041.81</b>	<b>TOTAL</b>	<b>23,09,03,769.94</b>

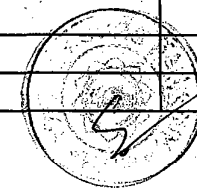
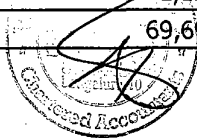




<b>FIXED DEPOSIT (*L-5)</b>		
<b>As on: 31-03-2022</b>	<b>Particulars</b>	<b>As on: 31-03-2023</b>
1,72,96,012.00	S G R SPECIAL CASH CERTIFICATE	23,78,189.00
4,62,06,73,628.42	KALPATHARU DEPOSITS	3,07,60,16,976.00
83,61,82,396.67	KALPATHARU SHORT TERM DEPOSIT	81,03,41,165.67
10,10,094.00	SRI ANANTH NIDHI DEPOSIT	4,05,435.00
7,97,85,090.00	SRI ANANTH LAKSHA DEPOSIT	1,51,50,685.00
1,30,20,000.00	GURUSHREE DEPOSIT	80,20,000.00
20,84,59,745.00	ANUGRAHA CASH CERTIFICATE	22,35,40,673.00
1,13,20,00,000.00	SGR VIMSHATHI DEPOSIT	23,40,00,000.00
1,59,95,40,795.35	KAMADHENU DEPOSIT	1,17,62,16,693.00
40,30,96,253.00	ASHIRVAD SPECIAL DEPOSIT	43,69,47,046.00
3,95,14,827.00	AKSHAYA DEPOSIT	1,85,37,905.00
13,20,397.00	SGR VIDYA LAKSHYA	8,34,121.00
94,07,54,812.00	MATURED KLAPTHARU SHORT TERM DEPOSIT	1,11,60,64,382.61
23,57,761.00	MATURED SRI ANANTH NIDHI DEPOSIT	22,14,616.00
9,67,53,314.00	MATURED SRI ANANTH LAKSHA DEPOSIT	8,65,62,928.00
3,25,31,545.00	MATURED SGR CASH CERTIFICATE	3,02,74,483.00
1,41,29,10,608.00	MATURED KALPATHRU DEPOSIT	2,54,18,29,888.32
53,087.00	DEAD KALPATHRU DEPOSIT	53,087.00
9,40,07,551.00	MATURED GURUSHREE DEPOSIT	7,32,81,966.00
-	MATURED VIMSHATHI DEPOSIT	43,84,76,275.00
76,19,08,485.00	MATURED KAMADHENU DEPOSIT	1,15,87,25,231.35
2,37,69,507.00	MATURED SGR VIDYA LAKSHYA	2,00,84,544.00
1,78,94,111.00	MATURED AKSHAYA DEP	2,53,20,458.00
<b>12,33,48,40,019.44</b>	<b>TOTAL</b>	<b>11,49,52,76,747.95</b>

<b>Other Liabilities</b>		
<b>(*L-6)GOVT DUES</b>		
<b>As on: 31-03-2022</b>	<b>Particulars</b>	<b>As on: 31-03-2023</b>
1.50	IGST OUTPUT TAX PAYABLE	-
6,14,843.50	CGST OUTPUT TAX PAYABLE	328.50
6,14,843.50	SGST OUTPUT TAX PAYABLE	328.50
17,386.00	PROFESSIONAL TAX	15,786.00
3,49,70,880.00	TAX DEDUCTION AT SOURCE	1,01,20,368.00
<b>3,62,17,954.50</b>	<b>TOTAL</b>	<b>1,01,36,811.00</b>

<b>(*L-7)OTHER PAYABALE</b>		
<b>As on: 31-03-2022</b>	<b>Particulars</b>	<b>As on: 31-03-2023</b>
7,71,300.00	STAFF PROVIDENT FUND	6,65,171.00
8,37,861.00	DIVIDEND PAYABLE	34,79,328.00
2,71,767.00	LIC PAYABALE	68,171.00
2,56,891.00	SUSPENSE OTHERS	33,904.17
12,89,17,901.88	DICGC AMT IN BOB	66,48,386.40
7,06,04,34,311.14	DICGC CLAIM PAID	7,12,31,76,733.77
1,12,800.00	NOMINAL MEMBERSHIP	1,12,800.00
69,69,151.00	TDS SUSPENSE A/C	69,44,624.00

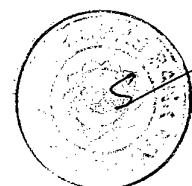


95,34,970.00	INT PAYABLE KL STD A/C	55,40,070.00
<b>7,20,81,06,953.02</b>	<b>TOTAL</b>	<b>7,14,66,69,188.34</b>

<b>(*L-8)Unreconciled Accounts - Credit Balance</b>		
1,27,76,351.60	FRAUD C/A 700600354 INDIAN BANK-CLG	1,25,81,351.60
1,61,94,131.71	FRAUD C/A 709-19 WITH IDBI BANK LTD	1,26,69,131.71
24,39,141.00	IMPS	24,39,141.00
<b>3,14,09,624.31</b>	<b>TOTAL</b>	<b>2,76,89,624.31</b>

<b>(* L-9) Provision for Misappropriations under Liability</b>		
<b>As on: 31-03-2022</b>	<b>Particulars</b>	<b>As on: 31-03-2023</b>
	<b>Provision for Loans &amp; Advances</b>	
14,02,89,58,718.73	PROVISION FOR FRAUD IN LOANS AND ADVANCE	13,92,38,46,896.21
<b>14,02,89,58,718.73</b>	<b>Sub Total</b>	<b>13,92,38,46,896.21</b>
	<b>Provision for Misappropriations</b>	
43,08,76,657.48	PROVN FOR FRAUD IN BANK ACCOUNTS	42,71,56,657.48
2,44,68,86,915.00	PROVISION FOR FRAUD IN INVESTMENTS	2,44,68,86,915.00
58,38,97,636.00	PROVN FOR FRAUD IN CASH ACCOUNT	58,38,97,636.00
10,34,52,681.00	PROVISION FOR FRAUD IN PAYORDERS	10,34,52,681.00
1,18,45,128.73	PROVN FOR FRAUD IN INTER BRANCH	1,18,45,128.73
55,89,168.91	PROVN-RECOV FROM STAFF/MGMT-REAUDIT	55,89,168.91
13,12,61,669.68	PROVN FOR FRAUD IN DEPOSITS	13,12,61,669.68
<b>3,71,38,09,856.80</b>	<b>Sub Total</b>	<b>3,71,00,89,856.80</b>
<b>17,74,27,68,575.53</b>	<b>TOTAL</b>	<b>17,63,39,36,753.01</b>
	<b>(*L-10) Provision for Other Expenses</b>	
1,06,546.00	PROVISION FOR EXPENSES	3,75,799.00
22,00,000.00	PROV. FOR STATUTORY AUDIT FEES	24,00,000.00
2,00,600.00	PROV FOR SOFTWARE EXP	1,28,325.00
48,20,237.00	PROV OF EARNED LEAVES	53,02,093.00
<b>73,27,383.00</b>	<b>TOTAL</b>	<b>82,06,217.00</b>

<b>(* L-11) Recovery in evergreen / fraud under Liability</b>		
<b>As on: 31-03-2022</b>	<b>Particulars</b>	<b>As on: 31-03-2023</b>
7,46,777.00	RECOVERY-EVERGREEN AMT	17,90,311.00
	- RECOVERY-OTHER FRAUD AMT	3,35,500.00
	- RECOVERY-FRAUD IN BANK ACCOUNTS	65,23,855.00
<b>7,46,777.00</b>	<b>TOTAL</b>	<b>86,49,666.00</b>

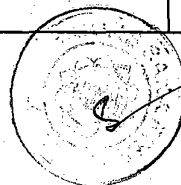


## SRI GURU RAGHAVENDRA SAHAKARA BANK NIYAMITHA

No.15, Subbaramachetty Road, Nettakalappa Circle, Basavanagudi, Bangalore-560004

Notes & Schedules for clubbing of items under Assets in Balance Sheet for FY 2022-23

(*A-1) BALANCE WITH OTHER BANK		
As on: 31-03-2022	Particulars	As on: 31-03-2023
1,12,00,000.00	CA WITH RBI	1,12,00,000.00
38,57,109.40	STATE BANK OF INDIA	32,69,543.52
17,147.97	IDBI FOR ATM	12,720.32
2,26,563.65	IDBI FOR IMPS	-
1,84,352.00	C/A WITH BOB CURRENCY CHEST	-
3,38,25,297.00	SB WITH AU SMALL FINANCE BANK	-
66,57,358.13	CA 19 IDBI BANK	6,525.67
1,83,67,697.31	CA 709 IDBI BANK	19,37,930.48
3,46,860.92	CA INDIAN BANK	94,518.92
12,89,17,872.38	C/A WITH BANK OF BARODA-DICGC	66,79,637.16
16,00,710.68	C/A WITH APEX BANK LTD HANUMANTHANAGAR	11,838.68
10,970.00	C/A WITH B.D.C.C.BANK	10,970.00
<b>20,52,11,939.44</b>	<b>TOTAL</b>	<b>2,32,23,684.75</b>
(* A-2) TERM DEPOSIT WITH OTHER BANK		
As on: 31-03-2022	Particulars	As on: 31-03-2023
13,90,00,000.00	TERM DEPOSIT WITH SBI	2,50,00,000.00
26,55,662.00	TERM DEPOSIT WITH INDIAN BANK	-
5,97,00,000.00	TERM DEPOSIT WITH IDBI BANK	14,40,00,000.00
16,71,96,934.00	TERM DEPOSIT WITH CANARA BANK	10,71,80,707.00
7,96,00,000.00	TERM DEPOSIT WITH BANK OF BARODA	10,00,00,000.00
-	TERM DEPOSIT WITH CITY UNION BANK	7,80,00,000.00
15,76,00,000.00	TERM DEPOSIT UNION BANK OF INDIA	-
16,21,77,848.00	DEPOSIT WITH APEX BANK	16,21,77,848.00
<b>76,79,30,444.00</b>	<b>TOTAL</b>	<b>61,63,58,555.00</b>
(* A-3) GOVT SECURITIES		
As on: 31-03-2022	Particulars	As on: 31-03-2023
1,04,53,49,750.00	CENTRAL GOVT SECURITIES	1,04,53,49,750.00
-	STATE TREASURY BILL	26,91,18,950.00
2,29,96,87,610.00	STATE GOVT SECURITIES	2,57,81,27,621.51
<b>3,34,50,37,360.00</b>	<b>TOTAL</b>	<b>3,89,25,96,321.51</b>
Loans and Advances under Assets		
(* A-4) SHORT TERM LOAN		
As on: 31-03-2022	Particulars	As on: 31-03-2023
40,18,530.38	DEBIT BALANCE IN SB	34,72,366.26
1,76,59,686.80	DEBIT BALANCE IN CA	1,76,59,686.00
2,84,47,10,963.26	OVERDRAFT	2,84,19,55,869.17



As on: 31-03-2022	Particulars	As on: 31-03-2023
4,19,05,31,061.19	ADVANCE AGAINST DEPOSIT	4,14,67,40,079.68
55,01,685.00	LOAN ON KALPATHARU DEPOSIT	26,99,364.00
76,918.00	SGR VIDYA LAKSHA LOAN	0.00
80,000.00	LOAN ON KST	0.00
45,78,514.00	RETAIL BUSINESS LOAN	45,78,514.00
38,15,629.00	LOAN ON KAMADHENU DEPOSIT	35,15,629.00
4,29,856.00	LOAN ON SGR CASH CERTIFICATE	56,478.00
<b>7,07,14,02,843.63</b>	<b>TOTAL</b>	<b>7,02,06,77,986.11</b>
<b>(*A-5)MEDIUM TERM LOAN</b>		
As on: 31-03-2022	Particulars	As on: 31-03-2023

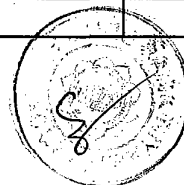
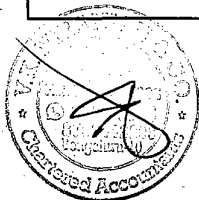
4,87,317.00	SECURED LOAN ON EQUIPMENT	4,87,317.00
1,99,90,874.00	DEMAND LOAN	1,98,34,046.00
<b>2,04,78,191.00</b>	<b>TOTAL</b>	<b>2,03,21,363.00</b>

<b>(*A-6)LONG TERM LOAN</b>		
As on: 31-03-2022	Particulars	As on: 31-03-2023
27,33,39,717.00	SECURED LOAN ON HOUSING	24,79,03,529.00
1,81,78,886.00	SECURED LOAN ON VEHICLE	1,64,63,340.00
3,60,933.00	EXECUTION PETITION LOAN - EP	3,60,933.00
50,055.00	SEC LOAN PLANT AND MACHINERY	50,055.00
1,90,29,258.00	SECURED BUSINESS LOAN	1,90,29,258.00
6,62,61,18,835.10	MORTGAGE LOAN SECURED	6,59,90,40,432.10
<b>6,93,70,77,684.10</b>	<b>TOTAL</b>	<b>6,88,28,47,547.10</b>

Note:All the accounts under Loans & Advances are treated as frauds & appropriate Provision has been made.

<b>(* A-7) Branch Adjustment under Assets</b>		
As on: 31-03-2022	Particulars	As on: 31-03-2023
(15,32,672.00)	INTER BRANCH	(15,32,672.00)
1,30,68,80,275.36	KANAKAPURA ROAD BRANCH	1,30,68,80,275.36
(1,93,164.00)	HEAD OFFICE	(1,93,164.00)
(1,61,90,32,284.36)	BASAVANGUDI BRANCH	(1,61,90,32,284.36)
8,98,10,000.00	POORNA PRAGNA NAGAR BRANCH	8,98,10,000.00
(3,500.00)	IBT FOR ATM	(3,500.00)
2,67,98,935.00	KENGERI BRANCH	2,67,98,935.00
1,79,59,650.00	RAJARAJESWARI NAGARA BRANCH	1,79,59,650.00
6,03,30,500.00	VIDYARANYAPURA BRANCH	6,03,30,500.00
3,71,24,020.00	B T M LAYOUT BRANCH	3,71,24,020.00
8,18,58,240.00	RAJAJINAGAR BRANCH	8,18,58,240.00
	<b>- TOTAL</b>	<b>-</b>

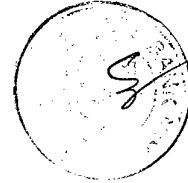
<b>(*A-8)Other Assests</b>		
As on: 31-03-2022	Particulars	As on: 31-03-2023
15,44,666.00	RENTAL ADVANCE	15,44,666.00



As on: 31-03-2022	Particulars	As on: 31-03-2023
	- ITC RECEIVABLE-CREDIT	61,69,795.00
	- ITC RECEIVABLE-CASH	5,70,694.00
8,00,00,000.00	INCOME TAX ADVANCE	8,00,00,000.00
135.00	POSTAL STAMPS IN STOCK	465.00
18,265.00	NON JUDICIAL STAMPS IN STOCK	18,265.00
2,11,977.00	INSURANCE ACCOUNT	71,955.00
11,250.00	CGST INPUT	-
11,250.00	SGST INPUT	-
6,500.00	ATM SETTLEMENT AC	6,500.00
38,818.00	TDS ON INVST FOR FY 2021-22	38,818.00
74,736.00	ELECTRICITY DEPOSIT	74,736.00
<b>8,19,17,597.00</b>	<b>TOTAL</b>	<b>8,84,95,894.00</b>
<b>(A-9) Misappropriations / Fraud in various assets</b>		
As on: 31-03-2022	Particulars	As on: 31-03-2023
2,44,68,86,915.00	FRAUD IN INVESTMENT	2,44,68,86,915.00
58,38,97,636.00	FRAUD IN CASH ACCOUNT	58,38,97,636.00
43,08,76,657.48	FRAUD IN BANK ACCOUNTS	42,71,56,657.48
1,18,45,128.73	FRAUD IN INTER BRANCH	1,18,45,128.73
55,89,168.91	FRAUD-RECOV FROM STAFF/MGMT	55,89,168.91
10,34,52,681.40	PAY ORDER ACCOUNT	10,34,52,681.40
13,12,61,669.68	FRAUD IN DEPOSITS	13,12,61,669.68
<b>3,71,38,09,857.20</b>	<b>TOTAL</b>	<b>3,71,00,89,857.20</b>



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**SRI GURU RAGHAVENDRA SAHAKARA BANK NIYAMITHA, Branch-HEAD OFFICE**

No.15, S C ROAD,  
Pin Code:560004 Phone :08026620379

**CONSOLIDATED**

**Streamlined Profit and Loss as on : -31-03-2023**

As on: 31-03-2022	Expense	As On: 31-03-2023	Amount	As On: 31-03-2022	Income	As On: 31-03-2023	Amount
	<b>Interest Paid</b>				<b>Interest Received(*)</b>		
51,77,59,407.44	INTEREST PD ON KALPATHARU DEP	23,58,43,431.00		75,76,351.05	INTEREST RECVD ON ALL LOANS	47,83,880.00	
23,22,71,235.47	INTEREST PAID ON KAMADHENU DEP	6,86,99,003.00		2,47,304.00	PENAL INTEREST ON ALL LOANS	8,14,563.00	
99,10,517.03	INTEREST PAID ON AKSHAYA DEP	28,41,213.00			- INT RECVD ON SRI ANANTH NIDH	6.00	
15,95,64,034.00	INTEREST PAID ON S/B ACCOUNTS	15,43,49,527.00			- INT RECVD ON SRI ANANTH LAKSHA	5,507.00	
86,99,800.00	INTEREST PAID ON SGR CASH CERT	7,16,031.00		80,92,680.00	INT RECD ON HOUSING LOAN	1,02,28,304.00	
35,10,201.26	INTEREST PAID ON SGR VIDYA LAKSHYA	-1,27,574.00		-21,076.00	INT RECD ON OVERDRAFT	17,29,534.55	
11,431.00	INTEREST PAID ON KALPAVRUKSHA DEPOSIT	-		51,20,115.12	INT RECD ON ADV AGAINST DEP	1,45,91,235.00	
7,89,06,711.00	INTEREST PAID ON KL STD	3,58,18,849.51		14,303.00	INT ON SEC LOAN ON EQUIPMENT	-	
16,00,908.00	INTEREST SRI ANANTH NIDHI	73,616.00		8,59,661.00	INT RECD ON SEC LOAN VEHICLE	7,17,893.00	
2,97,03,846.00	INTEREST PAID ON SRI ANANTH LAKSHA DEPOSIT	53,80,403.00		4,80,608.00	INT RECD ON DEMAND LOAN	94,396.00	
1,19,04,580.00	INTEREST PAID ON GURUSHREE DEPOSIT	15,09,619.00		1,60,872.00	INT ON KALPATHARU DEP LOAN	9,24,290.00	
4,33,73,789.00	INTEREST PAID ON ANUGRAHA	2,15,07,855.00			- INT ON KAMADHENU DEPOSIT LOAN	2,23,098.00	
6,11,16,314.00	INTEREST PAID ON ASHRVAD SPECIAL D	4,31,26,731.00			- INT RECD ON SGR CASH CERTIFIC	90,398.00	
11,31,76,874.00	INTEREST PAID ON VIMSHATHI DEPOSIT	5,32,81,763.00		8,351.00	INT RECD ON SEC BUSINESS LOAN	-	
<b>1,27,15,09,648.20</b>			<b>62,30,20,467.51</b>	1,24,25,733.00	INT ON IMMOVABLE PROPERTYLOAN	2,64,19,351.00	
	<b>Other Expenses</b>			63,606.00	INT RECD ON VIDYALAKSHA	36,141.00	
7,249.00	OFFICE CLEANING EXPENSES	8,400.00			- INT RECD ON KST DEP LOAN	51,405.00	
46,516.97	MISC EXPENSES	2,57,640.00			- INT RECD ON TOD IN CA-SB	3,20,648.00	
58,550.00	AUDIT EXPENSES	-		<b>3,50,28,508.17</b>		<b>6,10,30,649.55</b>	
1,981.20	BANK CHARGES PAID	9,713.85			<b>Other Incomes</b>		
65,000.00	GENERAL BODY EXPENSES	77,500.00		6.00	CHEQUE BOOK CHARGES RECEIVED	-	
13,130.00	STAFF CONVEYANCE ALLOWANCE	6,238.00		1,90,810.00	LOCKER RENT	43,186.00	
40,289.00	VEHICLE MAINTENANCE EXP	19,115.00		4,651.00	MISCELLANEOUS INCOME	24,013.00	
13,779.00	GENERATOR MAINTENANCE EXP	13,000.00		84,324.00	SALE OF FURNITURE	-	
3,58,238.28	SGST PAID	1,52,145.15		2,00,378.00	SALE OF LOCKER AND STRONG ROOM DOOR	4,830.00	
3,58,238.28	CGST PAID	1,52,145.15		4,12,748.00	SALE OF ELECTRICAL ITEMS	-	
50,65,766.31	IGST PAID	3,80,275.98			- OUTPUT TAX ADJUSTED AGAINST ITC	12,15,348.50	
<b>60,28,737.94</b>			<b>10,76,173.13</b>		- ITC ACCRUED	60,33,626.00	
	<b>Salaries and allowance</b>			<b>8,92,917.00</b>		<b>73,21,003.50</b>	
1,83,25,163.00	SALARIES AND ALLOWANCES	1,26,76,117.00			<b>Interest Received on Investments</b>		
18,86,558.00	PROVIDENT FUND-BANK CONTRIBUTI	13,14,359.00		1,11,22,790.67	INT. RECVD ON INVESTMENTS	52,24,230.87	

Execution On:

-58,11,379.00	GRATUITY ALLOTMENT TO STAFF				- INTEREST RECEIVED BY IDBI BANK LTD	33,89,052.30	
6,46,193.00	EST OTHER ALLOWANCES	5,00,000.00		57,54,425.57	INTEREST RECEIVED ON APEX BANK LTD	1,00,32,349.00	
-1,10,695.00	SUPERANNUATION FUND PAID TO STAFF			20,20,54,218.57	INTEREST RECEIVED ON STATE GOVT SECURITI	21,05,24,676.59	
<b>1,49,35,832.00</b>			<b>1,44,90,476.00</b>	7,21,08,340.14	INTREST RECEIVED ON CENTRAL GOVT SECURITI	7,48,57,583.11	
	<b>Director sitting fees and allowance</b>			44,96,678.76	INT RECD ON CANARABANK FD	56,42,109.26	
	<b>Rent, tax, insurance and Electricity</b>				- INT RECD ON BOB	48,00,912.57	
					- INTEREST RECD STATE TREASURY BILL	62,17,136.00	
4,25,147.64	BUILDING TAX	4,25,119.00		23,83,339.00	INT RECVD ON SB WITH AU SMALL BANK	18,96,177.00	
4,38,429.00	ELECTRICITY CHARGES	4,16,301.00		<b>29,79,19,792.71</b>			<b>32,25,84,226.70</b>
1,28,322.00	WATER CHARGES	89,718.00			<b>PROVISION REVERSED</b>		
-1,08,395.00	RENT PAID			0	PROV RVSD O/A OF BANK ACCOUNTS	37,20,000.00	
2,93,00,062.38	DEPOSIT INSURANCE PREMIUM	42,09,280.00		0	PROV RVSD O/A OF LOAN-ADVANCES	10,51,11,822.52	
<b>3,01,83,566.02</b>			<b>51,40,418.00</b>	<b>0</b>			<b>10,88,31,822.52</b>
	<b>Law Charges</b>						
20,000.00	LEGAL & TECHNICAL FEE	5,22,000.00					
<b>20,000.00</b>			<b>5,22,000.00</b>				
	<b>Telephone, postage, Telegrams, Advertisement</b>						
72,659.00	POSTAGE & COURIER EXPENSES	1,07,283.00					
4,90,833.06	TELEPHONE EXPENSES	56,437.00					
1,24,132.00	ADVERTISEMENTS AND PUBLICITY E	1,88,500.00					
<b>6,87,624.06</b>			<b>3,52,220.00</b>				
	<b>Audit Cost</b>						
2,00,000.00	STATUTORY AUDIT COST PAID	12,00,000.00					
<b>2,00,000.00</b>			<b>12,00,000.00</b>				
	<b>Stationery and Printing</b>						
1,90,621.00	PRINTING, XEROX, FAX & OTHERS	2,05,269.00					
1,06,641.92	STATIONERY PURCHASED	1,12,852.70					
<b>2,97,262.92</b>			<b>3,18,121.70</b>				
	<b>Depriciations and Repairs</b>						
-5,69,477.00	REPAIRS AND MAINTENANCE						
10,33,675.00	DEP ON ELECTRICAL FITTINGS	8,79,073.69					
20,31,636.00	DEPRECIATION ON FUR & FIXTURES	18,28,472.06					
68,449.00	DEPRECIATION ON OFFICE EQUIPMENTS	58,182.08					
3,22,484.00	DEPRECIATION ON BUILDING	2,90,235.60					
2,60,222.00	DEPRECIATION ON COMP HARDWARE	3,58,540.95					
58,087.00	DEPRECIATION TO COMP SOFTWARE	29,043.00					
19,441.00	DEPRECIATION ON VEHICLE	16,525.20					
1,29,695.00	DEPRECIATION ON GENERATOR	1,10,240.70					
7,378.00	DEP ON XEROX MACHINE	6,271.65					

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33,61,590.00			35,76,584.93				
	<b>General charges</b>						
-4,290.00	LOAN RECOVERY EXPENSES	-200.00					
2,02,739.72	OFFICE MAINTANCE EXPENSES	61,421.00					
20,921.00	POOJA EXPENSES	16,560.00					
99,267.00	CUSTOMER ENTERTAINMENT EXPENSE	51,660.00					
42,06,089.04	EXP ON SOFTWARE	19,85,930.00					
45,24,726.76			21,15,371.00				
	<b>Provisions</b>						
-7,19,05,160.60	PROVISION FOR FRAUD (EXP)						
-7,19,05,160.60							
	<b>DEP ON INVESTMENT</b>						
				92,60,02,609.42	Loss	15,20,44,130.00	15,20,44,130.00
1,25,98,43,827.30			65,18,11,832.27	1,25,98,43,827.30			65,18,11,832.27

SCHEDULE

Income : Interest Received(\*)

All the accounts under Loans & Advances are treated as frauds & appropriate Provision has been made in the Streamlined Balance sheet as on 31-03-2023. Accordingly, the word "Fraud" is removed in all the heads of Interest income earned on these Loans & Advances in the Streamlined P&L account. The amounts under various heads of P&L account both under system generated & Streamlined match each Other.

As per our report of even date

Subject to the qualified opinion -in independent audit report-point -9

For V.K Niranjan & CO  
Chartered Accountants

Firm Registration Number : 0024685

(Chandra Mohan Gadam Setty)

Partner

Membership No: 022875

UDIN: 24022875BKQZNA034

Place: Bengaluru

Date: 30-03-2024



For Sri Guru Raghavendra Sahakara Bank Niyamitha

Bhaskar Hande  
Administrator  
General Manager (Retd.)  
Janara Bank (Erstwhile Syndicate Bank)  
Administrator  
Sri Guru Raghavendra Sahakara Bank (N)  
Basavanagudi, Bangalore - 560 004.

qualified opinion @

Execution On:

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