



INDEPENDENT AUDITORS REPORT

To,
The Members,
The District Co-Operative Central Bank, Visakhapatnam,

Opinion

We have audited the accompanying financial statements of The District Co-Operative Central Bank, Visakhapatnam ("The Bank") which comprises the Balance Sheet as at March 31st, 2025, and Profit and Loss Account for the year then ended and a summary of significant accounting policies and other explanatory information incorporated in these financial statements are the returns of Head Office and 31 Branches audited by us, the returns of which are certified by the branch managers and a summary of significant accounting policies and other explanatory information contained in the notes/schedules to accounts.

In our opinion and to the best of our information and according to the explanation given to us, except for the effects or possible of the matters described in the LFAR of Head Office & Branches, the said financial statements together with notes thereon give the information required by Act in the manner so required to give a true and fair view in conformity with the accounting principles generally accepted in India

- In the case of the Balance Sheet, of the state of affairs of the bank as at March 31st, 2025, and
- In the case of the Profit and Loss Account, the Profit for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Standalone Financial Statements, prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the ICAI, and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India (RBI) from time to time and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion



Key Audit Matter Paragraph

S.No.	Key Audit Matters	How the Matter was address during the Audit
1	Classification of Advances, Income Recognition, Identification of and Provisioning for Non-Performing Advances Advances constitute a major portion of the Bank's total assets. These include short-term, medium-term, and long-term loans granted to various sectors such as agriculture, allied activities, SHGs, PACS, and other eligible borrowers. These advances are subject to classification and provisioning norms as prescribed by the NABARD for District Central Co-operative Banks (DCCBs). Proper identification of performing and non-performing assets (NPAs), recognition of income, and provisioning based on IRAC norms is critical to the true and fair presentation of the financial statements. The classification and provisioning are done based on data captured in the Core Banking Solution (CBS) and is supported by manual controls and periodic reviews. In view of the materiality of the advance's portfolio, the regulatory requirements, and the judgement involved in valuation of securities and provisioning, this area has been considered as a Key Audit Matter.	Our audit procedures included: a) Evaluation of internal control systems and processes relating to credit monitoring and NPA identification. b) Testing of overdue accounts and verification of asset classification and provisioning as per NABARD norms. c) Examination of large borrower accounts and stress accounts on a sample basis. d) Verification of income reversal in NPA accounts. e) Reliance placed on Concurrent Audit as applicable to the Bank. f) Assessment of the adequacy of provisions and compliance with regulatory guidelines.
2	Assessment of Provisions and Contingent Liabilities The Bank is exposed to certain legal and regulatory claims including tax matters and other disputes, where the outcome is uncertain. Management is required to make judgements in determining whether a provision should be recognized or a contingent liability disclosed, based on the	Our audit approach involved: a) Review of the Bank's procedures for identifying and evaluating pending legal and tax matters. b) Discussions with management and review of legal opinions and external consultants' views where applicable.



probability of outflow of economic benefits and the reliability of estimation. In view of the materiality of such provisions and the subjectivity involved in legal interpretation and estimation, this area has been considered a Key Audit Matter.	c) Verification of supporting documentation and correspondence with regulatory and legal authorities. d) Assessment of management's judgements relating to the likelihood of outcomes and quantification of potential financial impact. e) Evaluation of disclosures related to provisions and contingent liabilities in the financial statements.
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Management's Responsibility for the Financial Statements

Management is responsible for the preparation of those financial statements that give a true and fair view of the financial position and financial performance in accordance with Form A & B respectively of the third Schedule to Banking Regulation Act 1949 (as applicable to Co-operative Societies/ Co-operative Banks), complying with the Reserve Bank of India/ NABARD Guidelines from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the bank or to cease operations or has no realistic alternative but to do so.

Auditor's responsibility for financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures



responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 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 bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We as a statutory auditor verify all relevant documents by the random method in every branch. It is the duty of the in-house officers of the bank to verify the genuineness and legal authentication before disbursement of loans. We are not able to verify its status and also end-use of such loans. We advised the Bank authorities to look into every single document, its enforceability, and how end-use is done.
- We more specifically mention that we are looking apparently the documents and whether the procedure as per the bank adhered and that too on random verification only. Any misrepresentations etc that would occur in loan lending and recovery are not our audit ambit.

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

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



Other Matter Paragraph

The financial statements of the bank for the year ended March 31,2024, included in these financial statements, have been audited by the predecessor auditor who has expressed an unmodified opinion on those financial statements on 6th May 2024.

We Report that

1. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for our audit.
2. The transactions of the Bank, which have come to our notice, have within the competence of the bank.
3. The returns received from the offices and branches of the bank have been found adequate for our audit.
4. In our opinion proper books of accounts as required by law have been kept by the Bank so far as appears from our examination of those books.
5. The Balance Sheet and Profit and Loss Accounts dealt with by this report are in agreement with the books of accounts

for MVR & Associates
Chartered Accountants
Firm Registration No.: 009387S



CA Nulu Suresh
Partner
Membership No.: 213831

Vijayawada
May 14, 2025

UDIN: 25213831BMLZRN5509



SCHEDULE-18**Annexure-III****Disclosure in financial statements – ‘Notes to Accounts’****1. Regulatory Capital:****a) Composition of Regulatory Capital**

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Common Equity Tier 1 capital (CET 1)* / Paid up share capital and reserves@ (net of deductions, if any)	106.99	100.98
ii)	Additional Tier 1 capital*/ Other Tier 1 capital@	-	-
iii)	Tier 1 capital (i + ii)	106.99	100.98
iv)	Tier 2 capital	21.50	19.67
v)	Total capital (Tier 1+Tier 2)	128.49	120.65
vi)	Total Risk Weighted Assets (RWAs)	1321.90	1202.55
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)* / Paid-up share capital and reserves as percentage of RWAs@	8.09	8.39
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	8.09	8.39
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.63	1.64
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	9.72	10.03
xi)	Leverage Ratio*	-	-
xii)	Percentage of the shareholding of a) Government of India b) State Government	12.66	13.31
xiii)	Amount of paid-up equity capital raised during the year*	4.06	6.97
xiv)	Amount of non-equity Tier 1 capital raised during the year, of which: Give list ⁷ as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments, etc.).	-	-
xv)	Amount of Tier 2 capital raised during the year, of which a) Perpetual Cumulative Preference Shares b) Redeemable Non-Cumulative Preference Shares c) Provision for Standard Assets	0.40	0.50

*The amount was raised through share capital collected from borrowers with linkage of Loans and Advances as per Bylaws of the Bank.

b) Draw down from Reserves:

The Bank released an amount of Rs.2.10 Crore from Reserve for Overdue Interest and the same were created as Reserve for NPA.



2. Asset Liability Management

a) Maturity pattern of certain items of assets and liabilities: (Amount in ₹ crore)

	Day1	2 to 7 Days	8 to 14 Days	15 to 31 Days	31 Days to 2 months	Over 2 months and to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 year	Over 3 year and up to 5 year	Over 5 year	Total
Deposits	234.61	8.42	6.04	25.69	58.56	58.62	164.20	280.99	99.42	13.82	37.20	987.57
Advances	200.78	5.21	3.51	18.51	49.21	100.34	180.82	767.83	40.18	23.49	22.55	1412.43
Investments	0.00	0.00	0.00	0.00	17.01	8.08	6.94	0.00	0.00	19.00	177.98	229.01
Borrowings	1.15	26.50	14.00	178.50	81.00	23.00	166.61	148.21	16.52	-	11.57	667.06
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-	-

3. Investments

a) Composition of Investment Portfolio

(ii) Applicable for RCBs

(Amount in ₹ crore)

	Investments in Current Year						Investments in Previous Year					
	Govt. Securities	Other Approved Securities	Shares	Bonds of PSUs	Others	Total investments	Govt. Securities	Other Approved Securities	Shares	Bonds of PSUs	Others	Total investments
Permanent												
Gross	194.85	-	-	-	-	194.85	183.25	-	-	-	-	183.25
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	194.85	-	-	-	-	194.85	183.25	-	-	-	-	183.25
Current												
Gross	-	-	34.16	-	-	34.16	-	-	34.16	-	-	34.16
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	-	-	34.16	-	-	34.16	-	-	34.16	-	-	34.16
Total Investments	194.85	-	34.16			229.01	183.25	-	34.16			217.41
Less: Provision for non-performing investments		-	-	-	-	-		-	-	-	-	-
Less: Provision for depreciation and NPI		-	-	-	-	-		-	-	-	-	-
Net	194.85	-	34.16	-	-	229.01	183.25	-	34.16	-	-	217.41



b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve:

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
i) Movement of provisions held towards depreciation on investments	-	-
a) Opening balance	-	-
b) Add: Provisions made during the year	-	-
c) Less: Write off / write back of excess provisions during the year	-	-
d) Closing balance	-	-
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	1.05	1.05
b) Add: Amount transferred during the year	0.16	-
c) Less: Drawdown	1.21	1.05
d) Closing balance		
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	3.54%	3.07%

c) Sale and transfers to/from HTM category/ Permanent category:

The bank had not made any sale/transfer to/from Permanent category of its investments.

d) Non-SLR investment portfolio:**i) Non-performing non-SLR investments**

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
a)	Opening balance	-	-
b)	Additions during the year since 1 st April	-	-
c)	Reductions during the above period	-	-
d)	Closing balance	-	-
e)	Total provisions held	-	-

ii) Issuer composition of non-SLR investments

(Amount in ₹ crore)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
1	2	3		4		5		6		7	
		Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
a)	PSUs	-	-	-	-	-	-	-	-	-	-
b)	FIs	-	-	-	-	-	-	-	-	-	-
c)	Banks*	34.16	34.16	-	-	-	-	34.16	34.16	34.16	34.16
d)	Private Corporates	-	-	-	-	-	-	-	-	-	-



e)	Subsidiaries/ Joint Ventures	-	-	-	-	-	-	-	-	-	-
f)	Others	-	-	-	-	-	-	-	-	-	-
g)	Provision held towards depreciation	-	-	-	-	-	-	-	-	-	-
	Total *	34.16	34.16	-	-	-	-	34.16	34.16	34.16	34.16

*These are the Shares Invested with APCOB in linkage with Borrowings from APCOB.

4. Asset quality

a) Classification of Advances and Provisions held on 31.03.2025:

(Amount in ₹ crore)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub- Standard	Doubtful	Loss	Total Non- Performing Advances	
Gross Standard Advances and NPAs	1247.06	28.72	4.68	8.89	42.29	1289.35
Opening Balance	109.77	4.22	9.26	-	13.48	123.25
Add: Additions during the year	-	-	-	0.17	0.17	0.17
Less: Reductions during the year*	1356.83	32.94	13.94	8.72	55.60	1412.43
Closing balance						
*Reductions in Gross NPAs due to:						
i) Upgradation						
ii) Recoveries (excluding recoveries from upgraded accounts)				0.17	0.17	0.17
iii) Technical/ Prudential ¹⁷ Write-offs						
iv) Write-offs other than those under (iii) above						
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	4.45	2.90	1.48	10.89	15.27	19.72
Add: Fresh provisions made during the year	0.40	1.12	5.92		7.04	7.44
Less: Excess provision reversed/ Write-off loans				2.02	2.02	2.02
Closing balance of provisions held	4.85	4.02	7.40	8.87	20.29	25.14
Net NPAs ¹⁸						
Opening Balance	1242.61	25.82	3.20	-2.00	27.02	1269.63
Add: Fresh additions during the year	109.37	3.10	3.34		6.44	115.81
Less: Reductions during the year				-1.85	-1.85	-1.85
Closing Balance	1351.98	28.92	6.54	-0.15	35.31	1387.29



	Standard	Non-Performing				Total
	Total Standard Advances	Sub-Standard	Doubtful	Loss	Total Non-Performing Advances	
Floating Provisions						
Opening Balance	-	-	-	-	-	-
Add: Additional provisions made during the year	-	-	-	-	-	-
Less: Amount drawn down ¹⁹ during the year	-	-	-	-	-	-
Closing balance of floating provisions	-	-	-	-	-	-
Technical write-offs and the recoveries made thereon	-	-	-	-	-	-
Opening balance of Technical/ Prudential written-off accounts	-	-	-	-	-	-
Add: Technical/ Prudential write-offs during the year	-	-	-	-	-	-
Less: Recoveries made from previously technical/ prudential written-off accounts during the year	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

b) Classification of advances and provisions held as on 31.03.2024:

(Amount in ₹ crore)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-Standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	1046.98	27.81	3.17	12.31	43.29	1090.27
Add: Additions during the year	200.08	0.91	1.51	-	2.42	202.50
Less: Reductions during the year*	-	-	-	3.42	3.42	3.42
Closing balance	1247.06	28.72	4.68	8.89	42.29	1289.35
*Reductions in Gross NPAs due to:						
i) Upgradation	-	-	-	-	-	-
ii) Recoveries (excluding recoveries from upgraded accounts)	-	-	-	1.01	1.01	1.01
iii) Technical/ Prudential ¹⁷ Write-offs	-	-	-	2.35	2.35	2.35
iv) Write-offs other than those under (iii) above	-	-	-	0.06	0.06	0.06
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	3.95	2.90	1.48	13.80	18.18	22.13
Add: Fresh provisions made during the year	0.50	-	-	-	-	0.50
Less: Excess provision reversed/ Write-off loans	-	-	-	2.91	2.91	2.91
Closing balance of provisions held	4.45	2.90	1.48	10.89	15.27	19.72
Net NPAs ¹⁸						
Opening Balance	1043.03	24.91	1.69	-1.49	25.11	1068.14
Add: Fresh additions during the year	199.58	0.91	1.51	-	2.42	202.00
Less: Reductions during the year	-	-	-	0.51	0.51	0.51
Closing Balance	1242.61	25.82	3.20	-2.00	27.02	1269.63



	Standard	Non-Performing				Total
	Total Standard Advances	Sub-Standard	Doubtful	Loss	Total Non-Performing Advances	
Floating Provisions						
Opening Balance	-	-	-	-	-	-
Add: Additional provisions made during the year	-	-	-	-	-	-
Less: Amount drawn down ¹⁹ during the year	-	-	-	-	-	-
Closing balance of floating provisions	-	-	-	-	-	-
Technical write-offs and the recoveries made thereon	-	-	-	-	-	-
Opening balance of Technical/ Prudential written-off accounts	-	-	-	-	-	-
Add: Technical/ Prudential write-offs during the year	-	-	-	-	-	-
Less: Recoveries made from previously technical/ prudential written-off accounts during the year	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

b) Sector-wise Advances and Gross NPAs:

(Amount in ₹ crore)

Sr. No.	Sector*	Current Year			Previous Year		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
i)	Priority Sector						
a)	Agriculture and allied activities	1411.47	55.11	3.90%	1288.01	41.64	3.23%
b)	Advances to industries sector eligible as priority sector lending	-	-	-	-	-	-
c)	Services	-	-	-	-	-	-
d)	Personal loans	0.96	0.50	52.08%	1.34	0.65	48.56%
	Subtotal (i)	1412.43	55.61	3.94%	1289.35	42.29	3.28%
ii)	Non-priority Sector	-	-	-	-	-	-
a)	Agriculture and allied activities	-	-	-	-	-	-
b)	Industry	-	-	-	-	-	-
c)	Services	-	-	-	-	-	-
d)	Personal loans	-	-	-	-	-	-
	Sub-total (ii)	-	-	-	-	-	-

*RCBs are not required to segregate between priority and non-priority sector



Ratios	Current Year	Previous Year
Gross NPA to Gross Advances	3.94%	3.28%
Net NPA to Net Advances	2.19%	1.92%
Provision Coverage Ratio	46.93%	36.12%

d) Particulars of resolution plan and restructuring

ii) Details of accounts subjected to restructuring:

(Amount in ₹ crore)

	Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding Agriculture and MSME)		Total	
	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
Number of borrowers	-	-	-	-	-	-	-	-	-	-
Gross Amount (₹ crore)	-	-	-	-	-	-	-	-	-	-
Provision held (₹ crore)	-	-	-	-	-	-	-	-	-	-
Number of borrowers	-	-	-	-	-	-	-	-	-	-
Gross Amount (₹ crore)	-	-	-	-	-	-	-	-	-	-
Provision held (₹ crore)	-	-	-	-	-	-	-	-	-	-
Number of borrowers	-	-	-	-	-	-	-	-	-	-
Gross Amount (₹ crore)	-	-	-	-	-	-	-	-	-	-
Provision held (₹ crore)	-	-	-	-	-	-	-	-	-	-
Number of borrowers	-	-	-	-	-	-	-	-	-	-
Gross Amount (₹ crore)	-	-	-	-	-	-	-	-	-	-
Provision held (₹ crore)	-	-	-	-	-	-	-	-	-	-



f) **Disclosure of transfer of loan exposures:**

- (i) The bank had not transferred/acquired loans not in default during the Financial Year 2024-25.
- (ii) In the case of stressed loans transferred or acquired, the following disclosures should be made:

Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA)			
(all amounts in crore)	To ARC's	To permitted transferees	To other transferees (Please specify)
No. of Accounts	-	-	-
Aggregate principal outstanding of loans transferred	-	-	-
Weighted average residual tenor of the loans transferred	-	-	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration	-	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

Details of loans acquired during the year		
(all amounts in crore)	From SCBs, RRBs, Co-operative Banks, AIFs, SFBs and NBFCs including Housing Finance Companies (HFCs)	From ARC's
Aggregate principal outstanding of loans acquired	-	-
Aggregate consideration paid	-	-
Weighted average residual tenor of loans acquired	-	-

g) **Fraud Accounts:**

(Amount in ₹ crore)

	Current Year	Previous Year
Number of frauds reported	02	02
Amount involved in fraud (₹ crore)	1.34	1.34
Amount of provision made for such frauds (₹ crore)	1.39	1.39
Amount of Unamortised provision debited from 'other reserves' as at the end of the year (₹ crore)	0.00	0.00



h) Disclosure under Resolution Framework for COVID-19-related Stress
Format for disclosures to be made half yearly starting September 30, 2021.

5. Exposures

a) Exposure to real estate sector:

(Amounts in ₹ crore)

Category	Current Year	Previous Year
i) Direct exposure a) Residential Mortgages Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans eligible for inclusion in priority sector advances shall be shown separately. Exposure would also include non-fund based (NFB) limits.	Nil	
b) Commercial Real Estate Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits; c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures i. Residential ii. Commercial Real Estate		
Total Exposure to Real Estate Sector		

d) Unsecured advances:

(Amount in ₹ crore)

Particulars	Current year	Previous Year
Total unsecured advances of the bank	102.89	180.63
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	0.00	0.00
Estimated value of such intangible securities	0.00	0.00



h) Exposure of RCBs

(ii) Central Co-operative Banks:

(Amount in ₹ crore)

Sl. No	Exposure to	Current year			Previous Year		
		Gross Exposure (₹ crore)	Advances (₹ crore)	Out of which gross non-performing advances (₹ crore)	Gross Exposure (₹ crore)	Advances (₹ crore)	Out of which gross non-performing advances (₹ crore)
1	Primary Agricultural Credit Societies (PACs) – on lending	2003.52	768.51	14.11	2082.57	731.00	9.34
2	PACs- other exposure	3.99	2.98	-	3.81	3.20	-
3	Other credit societies	78.90	33.67	12.40	84.37	25.91	12.40
4	Other non-credit co-operative societies	0.50	0.50	-	2.25	1.97	-
5	Companies	-	-	-	-	-	-
6	Public Sector Undertakings	-	-	-	-	-	-

6. Concentration of Deposits, Advances, Exposures and NPAs

a) Concentration of Deposits:

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total deposits of the twenty largest depositors	161.96	153.66
Percentage of deposits of twenty largest depositors to total deposits of the bank	16.40%	16.55%

b) Concentration of Advances:

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total advances to the twenty largest borrowers	90.61	79.35
Percentage of advances to twenty largest borrowers to total advances of the bank	6.41%	6.15%



c) Concentration of exposures: (Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total exposure to the twenty largest borrowers/customers	151.02	135.08
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the bank on borrowers/customers	5.46%	4.90%

d) Concentration of NPAs: (Amount in ₹ crore)

Particulars	Current Year	Previous Year
Total Exposure to the top twenty NPA accounts	15.52	15.72
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	27.91%	37.17%

7. Derivatives:

The bank had not entered into any transactions in derivatives in the current and previous years.

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

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Opening balance of amounts transferred to DEA Fund	6.80	6.12
ii)	Add: Amounts transferred to DEA Fund during the year	0.55	0.71
iii)	Less: Amounts reimbursed by DEA Fund towards claims	0.01	0.03
iv)	Closing balance of amounts transferred to DEA Fund	7.34	6.80

As per the RBI its letter No.DBOD.No.DEAF cell.BC.101/30.01.002/2013-14 Dated:21.03.2014 an amount of Rs.7,34,34,879.83 in respect of around 14453 accounts as on 31st March 2025 vide prescribed Form-I duly certified by the Concurrent Auditors has been transferred to RBI DEAF Account.



11. Disclosure of Complaints

a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman:

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

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

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30
1	2	3	4	5	6
Current Year					
Ground - 1	-	-	-	-	-
Ground - 2	-	-	-	-	-
Ground - 3	-	-	-	-	-
Ground - 4	-	-	-	-	-
Ground - 5	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-
Previous Year					
Ground - 1	-	-	-	-	-
Ground - 2	-	-	-	-	-
Ground - 3	-	-	-	-	-
Ground - 4	-	-	-	-	-
Ground - 5	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

12. Disclosure of penalties imposed by the Reserve Bank of India:

During the current financial year and in the previous financial year, RBI has not imposed any penalty/fine on the Bank.



14. Other Disclosures:**a) Business Ratios**

Particular	Current Year	Previous Year
i) Interest Income as a percentage to Working Funds	8.06	7.88
ii) Non-interest income as a percentage to Working Funds	0.20	0.22
iii) Cost of Deposits	6.44	5.99
iv) Net Interest Margin	2.62	2.79
v) Operating Profit as a percentage to Working Funds	0.55	0.59
vi) Return on Assets	0.11	0.10
vii) Business (Deposits plus Advances) per employee (in ₹ crore)	14.12	12.67
viii) Profit per Employee (in ₹ crore)	0.01	0.01

* Working funds to be reckoned as average of total assets (excluding accumulated losses, if any) as reported to Reserve Bank of India in Form IX for Co-operative Banks, during the 12 months of the financial year.

* Net Interest Income/ Average Earning Assets. Net Interest Income= Interest Income – Interest Expense

b) Bancassurance business:

The details of fees / brokerage earned in respect of insurance broking, agency and bancassurance business undertaken by the Bank is nil for the current year.

e) Provisions and contingencies:

(Amount in ₹ crore)

Provision debited to Profit and Loss Account	Current Year	Previous Year
i) Provisions for NPI	0.00	0.00
ii) Provision towards NPA	3.32	0.00
iii) Provision made towards Income tax*	0.00	0.00
iv) Other Provisions and Contingencies (with details)	2.37	6.50

* Provision made from appropriation of profit.

g) Payment of DICGC Insurance Premium:

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Payment of DICGC Insurance Premium	1.13	1.07
ii)	Arrears in payment of DICGC premium	Nil	Nil

h) Disclosure of facilities granted to Directors and their relatives:

The bank had not granted any facilities to directors and their relatives during the financial year.



Other Disclosures:

1. Borrowings from other sources represent the borrowing made from APCOB, NCDC Deposits/SOD with Commercial Banks as follows;

Borrowings from APCOB	: 666.99 Crores
Borrowings from NCDC	: 0.07 Crores

Total	: 667.06 Crores

2. The bank had not made any provisions during the financial year towards Employee's salary arrears. The service unions of the employees not served the charter of demands to the management.
3. Provision for Non-Performing Assets of Rs.25.14 Cores under Loans and Advances only.
4. Earmarked Investments towards Leave Encashment and Gratuity are not there for the Bank and payments are directly made to LIC through Provision available in the Balance Sheet during the year.
5. Provision for Gratuity Payable was made for an amount of Rs.0.90 Crore during the Current Financial Year.
6. Provision for Leave Encashment of the employees was made for an amount of Rs.1.11 Crore during the current financial year.
7. Provision for Standard Assets was made for an amount of Rs.0.40 Crore during the Current Financial Year.
8. Provision for NPA was made for an amount of Rs.5.02 Crore during the Current Financial Year.
9. Out of Total Advances of Rs.1412.43 Crores, Total NPA is Rs.55.61 Crore.
10. Gross NPA of the Bank is Increased from 3.28% to 3.94% and Net NPA also Increased from 1.92% to 2.19% of Total Loans and Advances.
11. The Bank has made the provisions on the NPAs as per the guidelines of the RBI i.e., on Standard Assets as 0.25% for Agriculture and SME advances and on other Standard Assets as 0.40% on Substandard Assets a provision of 10% has been made, and on Doubtful Assets as follows: Overdue and remain in doubtful up to 1 year 20% under Secured portion and 100% under Un-Secured portion, overdue and remain in doubtful for more than 1 year and up to 3 years provision of 30% under Secured portion and 100% under Un-Secured portion and overdue and remain in doubtful for more than 3 years 100% provision has been made on secured portion of advance and the unsecured portion of the advance & for the Loss Assets 100% Provision has been made. Total provisioning tallied with the requirements.



Until the Financial Year ended 2023-24, the bank has made the provision on the Outstanding balances (which included the Interest also). During the Statutory Audit, the auditors have objected and stated that once the account is marked as NPA, the unrealised interest should not be included in the Outstanding balance i.e., So, during the current year the bank has made 100% provision for the Interest Portion of the Outstanding Balances and for the principal portion the bank had followed above said provisioning norms.

NPA Auto stamping made live in the bank on 22.11.2023 and the Bank arrived NPA reports as on 31.03.2025 based on system generated reports and also manually verified.

i. Asset Classification:

(Rs.in lakh)

Sl. No.	Classifications	Rs. Lacs as on 31.03.2025	% as on 31.03.2025	Rs. Lacs as on 31.03.2024	% as on 31.03.2024
1.	Standard	1,35,682.78	96.06	1,24,706.11	96.72
2.	Sub-Standard	3,294.50	2.33	2,871.76	2.23
3.	Doubtful	1,394.24	0.99	468.36	0.36
4.	Loss Assets	871.78	0.62	889.19	0.69
Total :		1,41,243.30	100.00	1,28,935.42	100.00

ii. Provision on NPA:

(Rs.in lakh)

Sl. No.	Classification	Rs. Lacs as on 31.03.2025	% as on 31.03.2025	Rs. Lacs as on 31.03.2024	% as on 31.03.2024
1.	Standard	475.40	24.79	436.08	24.79
2.	Sub-Standard	401.65	16.33	287.18	16.33
3.	Doubtful	723.17	8.34	146.77	8.34
4.	Loss Assets	871.80	50.54	889.19	50.54
Total :		2472.02	100.00	1,759.22	100.00

12. Gratuity expenditure includes Rs.50.00 Lakh paid to LIC of India (Fund Administered through the Co-Operative Central Bank Employees Group Gratuity Trust).

13. Insurance expenditure includes Deposit Insurance Premium of Rs.112.98 lakhs paid to Deposit Insurance and Credit Guarantee Corporation.

14. There is an amount of Rs.128.41 lakhs in Other Assets of the Bank being the difference of amount arrived by the Bank at the time of bifurcation of DCCB VZM and Visakhapatnam. As per the confirmation letter dated: 22.06.2016 of the CEO DCCB VZM an amount of Rs.9.10 lakh is in the other Liabilities under bifurcation account of our Bank in the Balance sheet of DCCB VZM. Since, the amount is pending for more than 2 decades and there is no scope for recovery as per the letter of the CEO DCCB VZM. As such the bank created reserve for an amount of Rs.128.41 lakhs.



15. Dispute with regard to Investment (Fixed Deposit) with Sikkim Bank, Hyderabad now Union Bank of India, the Lower Court decided in favour of the Bank and the same being disputed by the other party at Hon'ble High Court of Andhra Pradesh. Under the direction of the Hon'ble Supreme Court of India, the Respondent Bank deposited 50% on accrued Balance with High court of AP in the name of the Bank. However, full provision of Rs.100.00 Lakhs has been made.
16. Though CBS has been introduced in the bank, it needs to be updated so as to generate all the required additional information. Hence, financial statements have been consolidated separately, based on the information generated from CBS system.
17. The bank introduced new Special Deposit Scheme "NAVA NIDHI" from 01.02.2025 to 31.03.2025 to tap more deposits during the current financial year.
18. Year-end Cash and Bank balances of all the branches have been adopted as have been certified by the respective Branch heads.
19. SLR : Requirement under SLR is met by the Bank.
20. CRR : Cash Reserve Ratio is maintained by the Bank.

21. Income Tax:

An Income-tax demand of Rs.56,81,619/- for the assessment year 2006-2007 by Asst. commissioner of Income-tax, Circle-4 (1), Visakhapatnam vide Assessment Order dated 31.12.2009 by disputing deduction claim u/s 80P (4) of the income-tax Act, 1961. Bank has preferred an appeal before, the Commissioner of Income-tax (Appeals), Visakhapatnam by disagreeing the grounds of assessment accordingly and paid the same under protest. However, the bank made provision to the extent of Rs.91,20,013/-.

22. Provision for Deferred Tax:

Provision for Deferred Tax consists of 2 parts

1. An amount of Rs.73,31,243/- was made on Special Reserve Created against the Interest earned on LT Advances as per Sec.36(1)(8) of IT act of Rs.2,91,29,223.40 as per the RBI guidelines.
2. An amount of Rs.5,60,070/- was made for the difference between the WDV as per Income Tax Act, 1961 amounting to Rs.4.13 Crore and WDV as per Books of Accounts amounting to Rs.4.35 Crore. Tax Rate considered is 25.168%.

Place : Visakhapatnam

Date : 14.05.2025

UDIN:

UDIN : 25213831BMLZRN5509

For M.V.R. & ASSOCIATES
Chartered Accountants


(NULU SURESH)
Partner - M. No. 213831

The Dist. Coop. Central Bank Ltd.
Visakhapatnam


Chief Executive Officer



Annexure - 1**FORM: A****THE DISTRICT COOPERATIVE CENTRAL BANK LTD., VISAKHAPATNAM****FORM OF BALANCE SHEET***(Amount in Rs.)*

PARTICULARS	Schedule No.	As on: 31.03.2025	As on: 31.03.2024
CAPITAL & LIABILITIES :			
Capital	1	84,17,88,256.50	80,12,16,289.55
Reserves and Surplus	2	83,91,71,676.89	73,57,30,945.75
Deposits	3	9,87,57,34,925.11	9,28,38,63,891.89
Borrowings	4	6,67,05,67,955.00	5,71,71,70,955.00
Other liabilities and provisions	5	30,61,47,195.88	31,96,66,168.03
Total :		18,53,34,10,009.38	16,85,76,48,250.22
ASSETS :			
Cash and baalnces with Reserve Bank of India	6	21,33,51,412.00	20,70,63,397.00
Balance with banks and money at call and short notice	7	1,24,90,44,077.87	97,83,38,294.54
Investments	8	2,29,01,45,360.75	2,17,41,20,917.00
Advances	9	14,12,43,30,189.20	12,89,35,41,601.82
Fixed Assets	10	38,67,97,760.31	35,75,46,137.61
Other Assets	11	26,97,41,209.25	24,70,37,902.25
Total :		18,53,34,10,009.38	16,85,76,48,250.22
Contingent Liabilites	12	7,34,34,879.83	6,80,53,048.83
Bills for collection		-	-

The Schedules referred to the above form an integral part of the Balance Sheet as per our report of even date attached to the Balance Sheet.

Balances are recast as per new Schedules by RBI.

For The District Cooperative Central Bank Ltd.,
Visakhapatnam

For M/s MVR & Associates
Chartered Accountants
ICAI Regn.No.009387S

(D.V.S.Varma)
Chief Executive Officer

(CA. NULU SURESH)
Membership No.213831
Partner

Date: 14.05.2025

 The District Cooperative Central Bank Ltd., Visakhapatnam.

UDIN:25213831BMLZRN5509



Annexure-1**FORM: B****THE DISTRICT COOPERATIVE CENTRAL BANK LTD., VISAKHAPATNAM****FORM OF PROFIT & LOSS ACCOUNT***(Amount in Rs.)*

PARTICULARS	Schedule No.	As on: 31.03.2025	As on: 31.03.2024
<u>INCOME :</u>			
Interest Earned	13	1,39,63,17,824.77	1,29,02,07,544.19
Other Income	14	3,54,59,531.09	3,54,85,229.45
Total :		1,43,17,77,355.86	1,32,56,92,773.64
<u>EXPENDITURE :</u>			
Interest Expended	15	1,07,03,56,270.47	95,02,50,184.88
Operating Expenses	16	26,52,83,619.17	27,91,03,998.10
Provisions & Contingencies		5,68,50,000.00	6,50,13,359.00
Total :		1,39,24,89,889.64	1,29,43,67,541.98
Net Profit / Loss for the Year		3,92,87,466.22	3,13,25,231.66
Income Tax		1,91,24,525.50	1,53,23,125.22
Provision for Differed Tax		5,60,070.00	-
Total :		1,96,02,870.72	1,60,02,106.44
<u>APPROPRIATIONS :</u>			
Transfer to Statutory Reserves		-	80,01,053.22
Transfer to Common Good Fund		-	8,00,105.32
Transfer to Building Fund		-	16,00,210.64
Transfer to Divedend Equilisation fund		-	24,00,315.97
Transfer to Risk Fund Account		-	16,00,210.64
Transfer to Investments Fulct.Reserve		-	16,00,210.64
Total :		-	1,60,02,106.44

The Schedules referred to the above form an integral part of Profit & Loss Account as per our report of even date attached to the Balance Sheet.

Balances are recast as per new Schedules by RBI.

For The District Cooperative Central Bank Ltd.,
Visakhapatnam

(D.V.S. Varma)
Chief Executive Officer

Date: 14.05.2025

For M/s MVR & Associates
Chartered Accountants
ICAI Regn.No.009387S

(CA. NULU SURESH)
Membership No.213831

Partner



The District Cooperative Central Bank Ltd., Visakhapatnam.

UDIN : 25213831BMLZRN5509

