

**Audited Balance Sheet and
Profit & Loss A/c
as on 31.03.2025**



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**Karnataka Gramin Bank,
Head Office, #32 Sangankal Road,
Gandhinagar, Ballari**

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
Karnataka Gramin Bank.

Report on audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Financial Statements of **KARNATAKA GRAMIN BANK** (the 'Bank'), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information ("hereinafter referred to as "the Financial Statements") in which are included are the returns of 48 branches audited by us, 768 branches audited by branch auditors appointed by the Bank. The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the National Bank for Agriculture and Rural Development ('NABARD'). Also included in the Financial Statements, the returns from 307 branches which have not been subjected to audit. These unaudited branches account for 24.91 % of advances, 29.68 % of deposits, 23.49 % of interest income and 28.96 % of interest expenses.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the branch auditors, the aforesaid Financial Statements give the information required by the Banking Regulation Act, 1949 and Regional Rural Bank Act, 1976, complying with Reserve Bank of India ('RBI') and Guidelines issued by the NABARD from time to time and are in conformity with accounting principles generally accepted in India and give a true and fair view of the state of affairs of the Bank as at March 31, 2025, and its Loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following:

1. We draw attention to Note 15(d) of Schedule No. 18 of the accompanying financial statements regarding the amalgamation of Karnataka Vikas Gramin Bank with Karnataka Gramin Bank as per the Government of India Gazette Notification No. CG-DL-E-07042025-262329 dated April 7, 2025. The amalgamation is proposed to be effective from May 01, 2025, subject to necessary approvals. The financial statements of the Bank as at March 31, 2025 have been prepared on a going concern basis and do not include any adjustments that might result from the amalgamation.
2. Note No. 12(ii) of Schedule No.18 to the Financial Statements, wherein the Other Assets include old tax paid in advance of Rs.7,973 Lakhs (net of advance tax payments and tax provisions) which is subject to reconciliation or adjustments for tax payments and demands



pertaining to the erstwhile entities merged with the Bank, as per assessments/reassessments/appeals completed/ pending before appropriate authorities.

3. As disclosed in Note No. 13(IV)(d) of Schedule 18 to the Financial Statements, the Bank is amortising the additional pension liability arising from the implementation of the pension scheme in Regional Rural Banks (RRBs) effective November 1, 1993. The total liability of Rs. 16,312 lakhs is being amortised over a period of five years starting from FY 2024-25, in accordance with RBI Guideline Reference No. DOR.ACC.REC.No.67/21.04.018/2024-25. Accordingly, an amount of Rs. 3,262.40 lakhs will be charged to the profit and loss account each year.

Our opinion is not modified in respect of these matters.

Management's Responsibility for the Financial Statements

The Bank's Management is responsible with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the applicable provisions of Regional Rural Bank Act, 1976, Banking Regulations Act, 1949, applicable guidelines of Reserve Bank of India (RBI) / NABARD, circulars and guidelines issued by the RBI and NABARD from time to time accounting principles generally accepted in India, including the Accounting Standards issued by Institute of Chartered Accountants of India (ICAI). This responsibility also Includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

The Management is also responsible for overseeing the Bank's financial reporting process of the Bank.

Auditor's Responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 scepticism 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.
- Report that the audit at branch level is not been able to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained at branch, 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those 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 Matters

- a. We did not audit the Financial Statements/Information of 307 branches included in the Financial Statements of the Bank whose Financial Statements / Financial Information reflect total advance of Rs. 7,85,150 Lakhs as at March 31, 2025 and total interest income of Rs. 41,030 Lakhs for the year ended on that date, as considered in the financial statements.
- b. The Bank has been consistently generating negative operational cash flows. However, the net worth of the bank continues to remain positive.

Our opinion is not modified in respect of this matter.



Report on Other Legal and Regulatory Requirements

The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Regional Rural banks Act 1976.

Subject to the limitations of the audit indicated as above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, and subject also to the limitations of disclosure required therein, we report that:

- a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- b. The transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
- c. The returns received from the offices; and branches of the Bank have been found adequate for the purposes of our audit.

We further report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- c. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;

In our opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement comply with the applicable accounting standards, to the extent they are not Inconsistent with the accounting policies prescribed by RBI.

Place: Bengaluru

Date: 09/06/2025

For RAO & EMMAR
Chartered Accountants
Firm Registration Number: 003084S



Praveen B. T.

Partner



Membership Number: 215713

UDIN: 25215713BMJHKD5488



KARNATAKA GRAMIN BANK

HEAD OFFICE : BALLARI
BALANCE SHEET AS AT 31.03.2025
BANK AS A WHOLE

(Rupees in Thousands)

Particulars	Schedule No.	31.03.2025	31.03.2024
LIABILITIES			
Capital	1	1176382	1176382
Reserves	2	10427726	18340854
Deposits	3	351289355	344621098
Borrowings	4	46873686	57573030
Other Liabilities and Provisions	5	9670142	8594478
TOTAL		419437291	430305842
ASSETS			
Cash & Balances with RBI	6	18428331	15871624
Balance with Banks and Money at Call and Short Notice	7	17855508	27168955
Investments	8	102178742	114554481
Advances (Net)	9	270526106	262315968
Fixed Assets	10	1312216	1234574
Other Assets	11	9136388	9160240
TOTAL		419437291	430305842
Contingent Liabilities	12	4997487	3356110
Bills for Collection		361396	495838

Place: BALLARI

Date : 09-06-2025

PAVAN P
MANAGER

ADIVEPPA G CHATNI
SENIOR MANAGER

ANIL KUMAR V
CHIEF MANAGER

SANDEEP RANJAN VERMA
GENERAL MANAGER

DIRECTORS

B.P. JATAV
CHIEF GENERAL MANAGER
CANARA BANK
HO, BENGALURU

ANURADHA R
CHIEF GENERAL MANAGER
CANARA BANK
HO ANNEX, BENGALURU

BUBUL BORDOLOI
ASST. GENERAL MANAGER
RBI,
BENGALURU

PRAKASH CHANDRA DASH
GENERAL MANAGER
NABARD, RO,
BENGALURU

DR GOPAL KRISHNA B, IAS
DEPUTY SECRETARY-3 , GOK
BENGALURU

MAHAMMAD HARIS SUMAIR, IAS
CHIEF EXECUTIVE OFFICER, ZP, GOK
BALLARI

SHREEKANT M BHANDIWAD
CHAIRMAN



As per report of even date
For M/S RAO & EMMAR
CHARTERED ACCOUNTANTS
(FR No.0030845)

CA B J PRAVEEN
PARTNER (M No.215713)



KARNATAKA GRAMIN BANK

HEAD OFFICE : BALLARI

PROFIT & LOSS ACCOUNT FOR THE PERIOD
ENDED 31.03.2025 BANK AS A WHOLE

(Rupees in Thousands)

Particulars	Schedule No.	31.03.2025	31.03.2024
INCOME:			
Interest Earned	13	26041608	29968150
Other Income	14	7687714	4860270
TOTAL		33729322	34828420
EXPENDITURE:			
Interest Expended	15	21034173	20509031
Operating Expenses	16	14147218	10133455
TOTAL		35181391	30642486
Provisions & Contingencies	16A	7129665	5998790
TOTAL Expenditure		42311056	36641276
Net Profit/(Loss) before Tax		(8581734)	(1812856)
Add/Less: Deferred Tax		668606	70119
Add/Less: Reversal of Income Tax Prov. Pre FY		0	0
Add/Less: Tax arrears paid		0	0
Less: Provision for Income Tax for the year		0	0
Net Profit/(Loss)After Tax		(7913128)	(1742737)
Amount withdrawn from IFR		0	0
Profit/(Loss) After Tax available for appropriation		(7913128)	(1742737)
APPROPRIATIONS:			
Statutory Reserve		0	0
Capital Reserve		32218	0
Reserve for Long Term Finance		0	0
Investment Fluctuation Reserve		0	0
General Reserve		0	0
Balance of Profit/ (Loss) Carried Over to Balance Sheet		(7945346)	(1742737)
Total		(7913128)	(1742737)

Place: BALLARI

Date : 09-06-2025

PAVAN P
MANAGER

ADIVEPPA G CHATNI
SENIOR MANAGER

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BALLARI

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CHAIRMAN



As per report of even date
For M/S RAO & EMMAR
CHARTERED ACCOUNTANTS
(FR No.0030845)

CA B J PRAVEEN
PARTNER (M No.215713)

KARNATAKA GRAMIN BANK H.O. BALLARI
SCHEDULES FORMING PART OF FINANCIAL STATEMENT AS AT 31.03.2025

SCHEDULE-1
CAPITAL

(Rupees in Thousands)

	31.03.2025	31.03.2024
Authorised Capital (2000000000 shares of Rs 10 each)	200000000	200000000
Issued Capital (117638200 Shares of Rs 10 each)	1176382	1176382
TOTAL	1176382	1176382

SCHEDULE-2
RESERVES

(Rupees in Thousands)

	31.03.2025	31.03.2024
1. STATUTORY RESERVE		
i) Opening Balance	7209276	7209276
ii) Additions during the year	0	0
TOTAL (i+ii)	7209276	7209276
2. CAPITAL RESERVE		
i) Opening Balance	435154	435154
ii) Additions during the year	32218	0
iii) Deductions during the year	0	0
TOTAL (i+ii-iii)	467372	435154
3. RESERVE FOR LONG TERM FINANCE		
i) Opening Balance	1842969	1842969
ii) Additions during the year	0	0
iii) Deductions during the year	0	0
TOTAL (i+ii-iii)	1842969	1842969
4. REVENUE AND OTHER RESERVES		
a) Investment Fluctuation Reserve		
i) Opening Balance	1779826	1779826
ii) Additions during the year	0	0
iii) Deductions during the year	0	0
TOTAL (i+ii-iii)	1779826	1779826
b) General Reserve		
i) Opening Balance	7479021	7479021
ii) Additions during the year	0	0
iii) Deductions during the year	0	0
TOTAL (i+ii-iii)	7479021	7479021
5. BALANCE IN PROFIT & LOSS ACCOUNT		
i) Opening Balance	(405392)	1337345
ii) Additions during the year - Profit/Loss	(7945346)	(1742737)
iii) Deductions during the year	0	0
TOTAL (i+ii-iii)	(8350738)	(405392)
GRAND TOTAL {1+2+3+4(a+b+c)+5}	10427726	18340854



SCHEDULE-3 DEPOSITS

(Rupees in Thousands)

	31.03.2025	31.03.2024
A. I. Demand Deposits	5997546	7172363
i. From Banks	248800	304825
ii. From Others	5748746	6867538
II. Savings Bank Deposits	149630433	145300151
III. Term Deposits	195661376	192148584
i. From Banks	2086306	4987366
ii. From Others	193575070	187161218
TOTAL (I+II+III)	351289355	344621098
B. I. Deposits of Branches in India.	351289355	344621098
II. Deposits of Branches outside India	0	0
TOTAL	351289355	344621098

SCHEDULE-4 BORROWINGS

(Rupees in Thousands)

	31.03.2025	31.03.2024
I Borrowings in India		
i. Reserve Bank of India	0	0
ii. Others Banks		
a. Canara Bank	0	0
b. NABARD	45915508	56161552
c. Others [NSCF & DC ,Mudra, TREPS.MSF]	958178	1411478
TOTAL	46873686	57573030

SCHEDULE-5 OTHER LIABILITIES AND PROVISIONS

(Rupees in Thousands)

	31.03.2025	31.03.2024
I. Bills Payable	343666	346233
II. Inter Branch Adjustments (Net)	53	1973
III. Interest Accrued.	2012910	1786175
IV. Others (Including provisions)	7313513	6460097
TOTAL	9670142	8594478



SCHEDULE-6
CASH AND BALANCE WITH RBI

(Rupees in Thousands)

	31.03.2025	31.03.2024
I. Cash in Hand/ATM	2010625	1999488
II. Balance with Reserve Bank of India		
i. In Current Accounts	16417706	13872136
ii. In Other Accounts	0	0
TOTAL	18428331	15871624

SCHEDULE-7
BALANCE WITH BANKS / MONEY AT CALL AND SHORT NOTICE

(Rupees in Thousands)

	31.03.2025	31.03.2024
I. In INDIA		
1. Balance with Banks		
a) In Current Accounts	1050508	713955
b) In other Deposits Accounts	16805000	26455000
2. MONEY AT CALL & SHORT NOTICE		
a) With Banks	0	0
b) With other Institutions	0	0
TOTAL	17855508	27168955

SCHEDULE-8
INVESTMENTS

(Rupees in Thousands)

	31.03.2025	31.03.2024
I INVESTMENTS IN INDIA		
i. Government Securities	101642851	115948246
ii. Other approved securities		
iii. Shares	4998	4998
iv. Debentures and Bonds	967721	967721
v. Subsidiaries and/or Joint Ventures	0	0
vi. Others - Mutual Funds	54998	19999
Total:	102670568	116940964
II. INVESTMENTS OUTSIDE INDIA	0	0
Grand Total (I+II)	102670568	116940964
Less: Aggregate depreciation for Investment	491826	2386483
TOTAL (NET)	102178742	114554481



SCHEDULE-9 ADVANCES

(Rupees in Thousands)

	31.03.2025	31.03.2024
A. i. Bills Purchased and Discounted	516	2028
ii. Cash Credits, Overdrafts and Loans repayable on Demand	114964008	128707815
iii. Term Loans	181561582	146356125
TOTAL	296526106	275065968
Less: Inter Bank Participation Certificate (IBPC)	26000000	12750000
Add: Inter Bank Participation Certificate (IBPC)	0	0
NET ADVANCES	270526106	262315968
B. i. Secured by Tangible Assets Covered by Banks / Govt. Guarantee	258036687	221650311
ii. Unsecured	38489419	53415657
TOTAL	296526106	275065968
Less: Inter Bank Participation Certificate (IBPC)	26000000	12750000
Add: Inter Bank Participation Certificate (IBPC)	0	0
NET ADVANCES	270526106	262315968
C. ADVANCES IN INDIA		
1. Priority Sector	266236961	250196230
Less: Inter Bank Participation Certificate (IBPC)	26000000	12750000
NET ADVANCES	240236961	237446230
2. Public Sector	0	0
3. Banks	0	0
4. Others	30289145	24869738
Add: Inter Bank Participation Certificate (IBPC)	0	0
NET ADVANCES	270526106	262315968
TOTAL ADVANCES (NET)	270526106	262315968



**SCHEDULE-10
FIXED ASSETS**

(Rupees in Thousands)

	31.03.2025	31.03.2024
I. LAND		
At cost as on 31st Mar of the preceding year	18150	18150
Additions during the period	0	0
Deductions to date	0	0
TOTAL (NET)	18150	18150
II. LEASED ASSETS		
At cost as on 31st Mar of the preceding year	25926	25926
Additions during the period	0	0
Deductions during the period	0	0
TOTAL	25926	25926
Depreciation to date	11668	8074
TOTAL (NET)	14258	17852
III. PREMISES		
At cost as on 31st Mar of the preceding year	82021	82021
Additions during the period	2599	0
Deductions during the period	0	0
TOTAL	84620	82021
Depreciation to date	52195	50459
TOTAL (NET)	32425	31562
IV. OTHER FIXED ASSETS (Including Furniture & Fixtures)		
At cost as on 31st Mar of the preceding year	3695916	3237588
Additions during the period	441164	513392
Deductions during the period	69366	55064
TOTAL	4067714	3695916
Depreciation to date	2820331	2528906
TOTAL (NET)	1247383	1167010
TOTAL (I+II+III+IV)	1312216	1234574



**SCHEDULE-11
OTHER ASSETS**

(Rupees in Thousands)

	31.03.2025	31.03.2024
1. Inter-office adjustments (Net)	0	0
2. Interest Accrued	2575768	3196648
3. Tax Paid in Advance	1238867	1303016
4. Stationery and Stamps	28540	30123
5. Non-Banking Assets Acquired in Satisfaction of Claims	0	0
6. Others	5293213	4630453
TOTAL	9136388	9160240

**SCHEDULE-12
CONTINGENT LIABILITIES**

(Rupees in Thousands)

	31.03.2025	31.03.2024
I. Claims against the Bank not acknowledged as debts	14954	5994
II. Liability for partly paid Investments.	0	0
III. Liability on account of Outstanding Forward Exchange Contracts.	0	0
IV. Guarantees Given on behalf of Constituents	0	0
a. In India.	498326	508249
b. Outside India.	0	0
V. Acceptances, Endorsements and Other obligations	0	0
VI. Other Items for which the Bank is Contingently liable - DEA Fund Transferred to RBI	3037773	2477064
VII. Disputed Income Tax liability	364803	364803
VIII. Disputed GST Tax liability	1081631	0
TOTAL	4997487	3356110

**SCHEDULE-13
INTEREST EARNED**

(Rupees in Thousands)

	31.03.2025	31.03.2024
I. Interest / Discount on Advances / Bills	17467169	20453431
II. Income on Investments	7118249	7899850
III. Interest on Bankers Balances		
a) RBI & Other Inter-Bank Funds	0	0
b) On Fixed Deposits	1456190	1614869
IV. Others	0	0
TOTAL	26041608	29968150



SCHEDULE-14 OTHER INCOME

(Rupees in Thousands)

	31.03.2025	31.03.2024
I. Commission, Exchange and Brokerage	19693	20208
II. Profit on Sale of Investment	70114	16731
Less: Loss on sale of investment	0	0
III. Profit on revaluation of investment	0	0
Less: Loss on revaluation of investment	0	0
IV. Profit on sale of Land, Buildings & Other Assets	2482	4509
Less: Loss on sale of Land, Buildings & Other Assets	0	0
V. Income earned by way of dividends	0	46
VI. Miscellaneous Income	7595425	4818776
1. Evaluation Fee Collected	701883	417683
2. Service Charges	4141	32729
3. Write off Recovery	1265230	63097
4. Other Receipts *	5624171	4305267
TOTAL	7687714	4860270
* Includes profit on PSLC	2223648	2092050
Interest on Income Tax Refund	5103	0

SCHEDULE-15 INTEREST EXPENDED

(Rupees in Thousands)

	31.03.2025	31.03.2024
I. Interest expended on Deposits	16341710	16809829
II. Interest on Reserve Bank of India / Inter-Bank borrowings	4692463	3699202
III. Others	0	0
TOTAL	21034173	20509031

SCHEDULE-16 OPERATING EXPENSES

(Rupees in Thousands)

	31.03.2025	31.03.2024
I. Payment to & Provisions for Employees	8657530	5574972
II. Rent, Taxes & Lighting	520628	468259
III. Printing & Stationery	47088	52940
IV. Advertisement & Publicity	10461	9804
V. Depreciation on Bank's Property	363094	302773
VI. Directors' Fees, Allowances & Expenses	0	0
VII. Auditors' fees and expenses	11093	8652
VIII. Law Charges	248010	121027
IX. Postage, telephone, telegram etc.,	18384	18269
X. Repairs & Maintenance	22549	18950
XI. Insurance	442705	405106
XII. Other Expenditure	3805676	3152703
TOTAL	14147218	10133455
* Includes FI Expenditure	1475072	946185



SCHEDULE-16A
PROVISIONS AND CONTINGENCIES

(Rupees in Thousands)

	31.03.2025	31.03.2024
Provisions for Standard Assets	(1225803)	(498947)
Provision for Bad and doubtful debts (Including additional prov)	7320698	6273428
Provisions for Depreciation on Investments	(1079119)	(930578)
Other provisions	2113889	1154887
TOTAL	7129665	5998790

DETAILS OF OTHER PROVISIONS

1. Provision for Pension	2193709	796300
2. Provision for Frauds	(27904)	15562
3. Provision for Dacoity	(36347)	525
4. Provision for Income Tax (Dispute Tax)	0	342500
5. Provision for Other Assets	(15569)	0
TOTAL	2113889	1154887



Schedule 17

SIGNIFICANT ACCOUNTING POLICIES ADOPTED IN PREPARING FINANCIAL STATEMENTS FOR THE YEAR ENDING 31st MARCH 2025

1. **Accounting Convention:** The accounts are prepared under historical cost convention and confirm to the statutory provisions and prevailing practices in India, except as otherwise stated.
2. **Investments:** The Investment portfolio of the bank is classified under three categories-
 - a) Held to Maturity
 - b) Available for Sale
 - c) Held for Trading.

The classification under the above three categories are made at the beginning of each financial year. Also, such classification is decided at the time of acquisition of such securities during the year. Transfer of investments, if any from one category to another is done at the lowest of acquisition cost/ book value/ market value on the date of transfer and diminution in the value of investments, if any, on such transfer is fully provided for.

Held to Maturity: Investments held to maturity are carried at acquisition cost. Excess of acquisition cost, if any over face value is amortized over remaining period of maturity.

Available for Sale: Individual Securities Valued on Mark to Market basis. The book value of the individual securities does not undergo any change after the same are valued at mark to mark basis. Depreciation, if any, in the value of securities is provided and net appreciation, if any, is ignored. Investments classified under this category are valued at rates based on market quotations, price/ yields declared by FIBIL.

Held for Trading: Individual securities are valued periodically as per RBI guidelines. Depreciation, if any, in the value of securities is provided and net appreciation, if any, is ignored. Investments classified under this category are valued at rates based on market quotations, price/ yields declared by FIBIL.

3. Advances

- a) Advances are classified as performing and non-performing assets and provisions are made as per the prudential norms prescribed by RBI. Non-Performing assets are shown at net of provisions. Standard assets are shown at gross value and provision towards them is disclosed in 'Other Liabilities and Provisions'.



- b) Partial recovery in Non-Performing Assets is generally appropriated first towards charges, interest and thereafter towards principal.

4. Fixed Assets

Fixed Assets acquired during the year includes cost of asset and expenses incurred. Assets brought forward from earlier years are stated at their written down value.

5. Depreciation:

Fixed assets are depreciated under written down value method at the rates determined by the management on the basis of estimated useful life of the respective assets. In the initial year of acquisition and in the year of disposal depreciation is calculated on Pro-rata basis.

6. Revenue Recognition:

- I. Income recognition are generally accounted on accrual basis.
- II. Expenses accounting are accounted on accrual basis.
- III. In the case of non- performing assets and investments, income is recognized to the extent of Realization, in accordance with the prudential norms prescribed by RBI.
- IV. Exchange brokerage, dividends processing charges, Insurance claim and other service charges are accounted for on receipt basis.
- V. In case of suit filed accounts, related legal and other expenses incurred are charged to profit and loss account and on recovery the same are accounted as income.

7. Employee benefits:

- I. **Defined Contribution Plans:** Defined Contribution Plans such as Provident fund are recognized as an expense and charged to Profit & Loss account.



II. Defined Benefit Plans:

1. **Gratuity:** The employee Gratuity Fund Scheme is funded by the Bank by taking policy with Life Insurance Corporation of India. The funding is done based on the actuarial valuation given by the LIC.
2. **Leave Encashment:** The employee leave encashment funded by the Bank by taking policy with Life Insurance Corporation of India and CHOICE. (Canara HSBC Life Insurance Company). The finding is done based on the actuarial valuation given by the LIC.
3. **Pension:** Bank is having its own employee Pension Trust, which is duly recognized and exempted under Income Tax act 1961. Any pension fund scheme is funded to such trust. The funding is done based on the actuarial valuation given by the B.Chatterjee International Consultant (BCIC).

8.Cash Flow Statement:

Cash flow from operating activities are computed using indirect method.

9. Net profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies:

The Net Profit in the Profit and Loss account is after:

- (a) Provision for Depreciation on Investments.
- (b) Provision for Taxation.
- (c) Provision for Non Performing Advances.
- (d) Provision for Standard Assets.
- (e) Provision for non performing investments.
- (f) Other usual and necessary items.

10. Accounting for Taxes on Income

- a) Income tax expense is the aggregate amount of current tax and deferred tax charge.
- b) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
- c) Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured



using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Bank has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

d) In cases of demand, the provision for tax is made after due consideration of judicial pronouncements and legal opinion. Disputed tax not provided for are disclosed under contingent liabilities.

11.Provisions, Contingent Liabilities and Contingent Assets:

a) In conformity with AS 29, "Provisions, Contingent Liabilities & Contingent Assets" issued by the Institute of Chartered Accountants of India, the bank recognizes provision only when:

- It has a present obligation as a result of past event.
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and
- When a reliable estimate of the amount of the obligation can be made.

b) No provision is recognized

- For any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the bank.
- Where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- When a reliable estimate of the amount of obligation cannot be made

Such obligations are recorded as Contingent liabilities. These are assessed at regular intervals and only that part of the obligation for which the outflow of resources embodying economic benefits is probable is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Assets are neither recognized nor disclosed in the Financial statements.



12.Earnings Per Share:

The Bank reports basic and diluted Earning Per Share in accordance with AS 20. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding for the year.

13. Previous year's figures are regrouped/grouped wherever necessary to conform to current year presentation.

Place: Ballari

Date: 09-06-2025

Pavan P
Manager

Adivappa G Chatni
Senior Manager

Anil Kumar V
Chief Manager

Sandeep Ranjan Varma
General Manager

Directors

B P Jatav
Chief General Manager

Canara Bank, HO, Bengaluru

Anuradha R

Chief General Manager

Canara Bank, HO Annex, Bengaluru

Bubul Bordoloi

Asst.General Manager

RBI, Bengaluru

Prakash Chandra Dash
General Manager

NABARD, RO, Bengaluru

Dr Gopal Krishna B, IAS
Deputy Secretary-3 , GOK
Bengaluru

Mahammad Haris Sumair, IAS
Chief Executive Officer, ZP, GOK
Ballari

Shreekant M Bhandiwad
Chairman



As Per Report of even date
For M/S RAO & EMMAR
Chartered Accountants
(FR No.003084S)

CA B J Praveen
Partner (M No. 215713)

Schedule 18**NOTES ON ACCOUNTS ATTACHED TO AND FORMING PART OF
ACCOUNTS AS ON 31.03.2025****1. Capital –****a) Capital & percentage of Share Holdings**

(₹ in lakhs)

Sr.No.	Particulars	Shareholdings %	2024-25	2023-24
a	Government of India	50	5881.41	5881.41
b	State Government	15	1764.92	1764.92
c	Sponsor Bank	35	4117.49	4117.49

b) CRAR:

(%)

Sr. No.	Particulars	2024-25	2023-24
a	CRAR (%)	6.13	9.88
b	CRAR- Tier I Capital (%)	4.63	7.99
c	CRAR- Tier II Capital (%)	1.50	1.89

2. Asset Liability Management-Maturity pattern of certain items of assets and liabilities:

(₹ in lakhs)

Particulars	Deposits	Advances	Investment s	Borrowing s	Foreign currenc y assets	Foreign currency liabilitie s
1 to 14 days	220324.14	296248.02	599.96	0.00	0.00	0.00
15 to 28 days	39217.58	40511.41	1000.03	0.00	0.00	0.00
29 days to 3 months	188738.82	279994.98	16663.51	27505.67	0.00	0.00
Over 3 months & upto 6 months	414388.01	426218.08	9295.79	110195.67	0.00	0.00
Over 6 months & upto 1 year	831607.85	939084.07	41019.45	117046	0.00	0.00
Over 1 year & upto 3 years	1744052.96	266608.20	126310.48	127361.85	0.00	0.00
Over 3 years & upto 5 years	42537.52	463943.38	101794.45	86627.67	0.00	0.00
Over 5 years	32026.67	387857.61	730022.01	0.00	0.00	0.00
Total*	3512893.55	3100465.75	1026705.68	468736.86	0.00	0.00

*ALM figures arrived at gross value.



3. Investments:

a) Composition of Investment Portfolio

(₹ in Lakhs)

	Investments (Current year) 2024-25						
	Govt Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total Investments
Held to Maturity							
Gross	649767.62	0.00	0.00	0.00	0.00	0.00	649767.62
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	649767.62	0.00	0.00	0.00	0.00	0.00	649767.62
Available for Sale							
Gross	366660.89	0.00	49.98	9677.21	0.00	549.98	376938.06
Less: Provision for Depreciation and NPI	4904.47	0.00	0.00	0.00	0.00	13.79	4918.26
Net	361756.42	0.00	49.98	9677.21	0.00	536.19	372019.80
Held for Trade							
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for Depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	1016428.51	0.00	49.98	9677.21	0.00	549.98	1026705.68
Less: Provision for nonperforming investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	4904.47	0.00	0.00	0.00	0.00	13.79	4918.26
Net	1011524.04	0.00	49.98	9677.21	0.00	536.19	1021787.42



(₹ in Lakhs)

	Investments (Previous year) 2023-24						
	Govt Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total Investments
Held to Maturity							
Gross	624809.39	0.00	0.00	0.00	0.00	0.00	624809.39
Less: Provision for non-performing investments (NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	624809.39	0.00	0.00	0.00	0.00	0.00	624809.39
Available for Sale							
Gross	534673.07	0.00	49.98	9677.21	0.00	199.99	544600.25
Less: Provision for Depreciation and NPI	23837.43	0.00	0.00	27.40	0.00	0.00	23864.83
Net	510835.64	0.00	49.98	9649.81	0.00	199.99	520735.42
Held for Trade							
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for Depreciation and NPI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments	1159482.46	0.00	49.98	9677.21	0.00	199.99	1169409.64
Less: Provision for nonperforming investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for depreciation and NPI	23837.43	0.00	0.00	27.40	0.00	0.00	23864.83
Net	1135645.03	0.00	49.98	9649.81	0.00	199.99	1145544.81



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

(₹ in lakhs)

Sr. No	Particulars	2024-25	2023-24
I	Movement of provisions held towards depreciation on investments		
a	Opening Balance	23864.83	35403.57
B	Add: Provisions made during the year	0.00	0.00
D	Less: Provisions utilized/Reversed during the year	18946.57	11538.74
E	Closing Balance	4918.26	23864.83
II	Movement of Investment Fluctuation Reserves		
a	Opening Balance	17798.26	17798.26
b	Add: Amount transferred during the year	0.00	0.00
c	Less: Drawdown	0.00	0.00
d	Closing Balance	17798.26	17798.26

- The investments held under "Held to Maturity" category - SLR as on 31.03.2025 was 19.16% of Demand and Time Liability of the Bank (Previous year 18.84%), which is within the permissible limit as per RBI guidelines.
- During the year, due to decrease in yields, the provision requirement has reduced substantially and Bank has reversed excess provision for depreciation on Investment of ₹ 10791.19 lakhs. The excess provision is not appropriated to IFR as the Bank is under loss and that the Bank has not utilised / drawdown the IFR to P&L during previous years. Also, the Bank has ensured maintenance of 2% of HFT & AFS portfolio in IFR.

c) Non-SLR Investment portfolio

i) Non-performing non-SLR investments

(₹ in lakhs)

Particulars	2024-25	2023-24
Opening balance	NIL	NIL
Additions during the year since 1st April	NIL	NIL
Reductions during the above period	NIL	NIL
Closing balance	NIL	NIL
Total provisions held	NIL	NIL



(ii) Issuer composition of Non-SLR Investments – (Current Year) 2024-25

(₹ in lakh)

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
I	PSUs	9677.21	Nil	Nil	Nil	Nil
II	FIs	-	Nil	Nil	Nil	Nil
III	Banks	-	Nil	Nil	Nil	Nil
IV	Private Corporate	-	Nil	Nil	Nil	Nil
V	Others	599.96	Nil	Nil	Nil	Nil
VI	Provisions held Towards depreciation	13.79	Nil	Nil	Nil	Nil
	Total *	10263.38	Nil	Nil	Nil	Nil

(ii) Issuer composition of Non-SLR Investments – (Previous Year) 2023-24

(₹ in lakhs)

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
I	PSUs	9677.21	Nil	Nil	Nil	Nil
II	FIs	-	Nil	Nil	Nil	Nil
III	Banks	-	Nil	Nil	Nil	Nil
IV	Private Corporate	-	Nil	Nil	Nil	Nil
V	Others	249.97	Nil	Nil	Nil	Nil
VI	Provisions held Towards depreciation	27.40	Nil	Nil	Nil	Nil
	Total *	9927.18	Nil	Nil	Nil	Nil

Note: Surplus funds invested in FDs with Bank of ₹ 168050.00 lakhs (Previous year ₹ 264550.00 lakhs) constituting Non-SLR Investment is shown under Schedule 7 to the Balance Sheet under Balance with Banks. Hence, the said investment is not considered in the above table.

*Note:

- Total under column 3 should tally with the total of investments included under the following categories in Schedule 8 to the Balance Sheet:
 - Shares; b) Debentures and Bonds; and c) Others,



2. Amounts reported under columns 4, 5, 6 and 7 above may not be mutually exclusive.

d) Repo Transactions (Current Year) 2024-25

(₹ in lakhs)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As on 31 March 2025
Securities Sold under Repos	100.00	113000.00	38645.00	0.00
Securities purchased under reverse repos	100.00	64800.00	10571.00	0.00

e) Repo Transactions (Previous year) 2023-24

(₹ in lakhs)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As on 31 March 2024
Securities Sold under Repos	100.00	80440.00	20691.00	0.00
Securities purchased under reverse repos	100.00	48000.00	14133.00	0.00



4. Asset Quality :

a) Sector-wise NPAs

(₹ in lakhs)

Sl No	Sector *	Current year 2024-25			Previous year 2023-24		
		Outstandi ng Total Advances	Gross NPAs	%age of Gross NPAs to Total Advan ces in that sector	Outstandin g Total Advances	Gross NPAs	%age of Gross NPAs to Total Advan ces in that sector
A	Priority Sector						
1	Agriculture and allied activities	2489311.99	444478.83	17.86	2336361.54	349668.14	14.97
2	Advances to industries sector eligible as priority sector lending	26704.95	5697.50	21.33	27971.72	5835.82	20.86
3	Services	207802.29	23688.92	11.40	198349.10	37029.38	18.67
4	Others	90591.01	5328.38	5.88	104207.50	11085.90	10.64
5	Personal Loans	-	-	-	-	-	-
	Sub-total (A)	2814410.24	479193.63	17.03	2666889.86	403619.24	15.13
B	Non-Priority Sector		-				
1	Agriculture and allied activities	-	-	-	-	-	-
2	Industry	-	-	-	-	-	-
3	Services	115055.82	622.62	0.54	97511.55	4499.88	4.61
4	Personal loans	170999.73	4438.10	2.60	159130.10	3529.05	2.22
	Sub-total (B)	286055.55	5060.72	1.77	256641.65	8028.93	3.13
	Total (A+B)	3100465.79	484254.35	15.62	2923531.51	411648.17	14.08
	Less: IPBC	260000.00	-	-	127500.00	-	-
	Total Advances	2840465.79	-	17.05	2796031.51	411648.17	14.72



b) Classification of Advances

(₹ in lakhs)

Sl.No	Particulars	2024-25	2023-24
1	Standard Assets	2616211.44	2511883.34
II	Non-Performing Assets		
A	Sub Standard	221691.77	148960.31
B	Doubtful	261532.43	255825.71
C	Loss	1030.15	6862.15
	Total Non-Performing Assets	484254.35	411648.17
III	Total Advances	3100465.79	2923531.51

5.1 Non-Performing Asset

(₹ in lakhs)

Sr No.	Particulars	2024-25	2023-24
I	Net NPAs to Net Advances (%)	12.90%	9.10%
II	Movement of NPAs (Gross)		
(a)	Opening balance	411648.17	345125.52
(b)	Additions during the year	223319.73	151821.44
(c)	Reductions during the year	101271.46	83209.26
(d)	Technical write-off	49442.09	2089.53
(e)	Closing balance	484254.35	411648.17
III	Movement of Net NPAs		
(a)	Opening balance	238776.34	188491.86
(b)	Additions during the year	200661.78	127878.30
(c)	Reductions during the year	90388.51	77593.82
(d)	Closing balance	349049.61	238776.34
IV	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	172871.83	156633.67
(b)	Provisions made during the year	73206.98	62734.28
(c)	Write-off/ write-back of excess provisions/Utilization	110874.08	46496.12
(d)	Closing balance	135204.73	172871.83

Note:-

- Gross NPAs = Total of sub-standard assets + doubtful assets + loss assets under loans and advances)
- Net NPAs = Gross NPAs minus (Balance in interest suspense account + DICGC claims received and kept in suspense provisions held against NPA accounts).
- Total NPAs = NPAs under loans and advances + NPAs under investments + NPAs under other assets + NPAs under Guarantees, if any (Off Balance Sheet exposure).
- Movement of NPAs



5.2 Movement of NPA

(₹ in lakhs)

Particulars	2024-25	2023-24
Gross NPAs as on 1 st April of particular year (Opening balance)	411648.17	345125.52
Additions (Fresh NPAs) during the year	223319.73	151821.44
Sub-total (A)	634967.90	496946.96
Less:		
(i) Up gradations	99898.46	84613.67
(ii) Recoveries (excluding recoveries made from upgraded accounts)	1372.99	679.26
(iii) Write-offs	0.01	5.86
(iv) Technical write-offs	49442.09	-
Sub-total (B)	150713.55	85298.79
Gross NPAs as on 31 st March of following year (closing balance)(A-B)	484254.35	411648.17

Ratios (in percent)	2024-25	2023-24
Gross NPA to Gross Advances	17.05%	14.72%
Net NPA to Net Advances	12.90%	9.10%
Provision coverage ratio	27.92%	42.00%



5.3 (a) Details of Loan Assets subject to Restructuring only in case Agriculture Loans:

(₹ in lakh)

Sr No	Particulars	2024-25	2023-24
I	Total amount of loan assets subject to restructuring rescheduling renegotiation	404143.83	534786.25
II	The amount of Standard assets subjected to restructuring rescheduling renegotiation	109763.03	353942.36
III	The amount of Sub-Standard assets subjected to restructuring rescheduling renegotiation	158154.51	72817.12
IV	The amount of Doubtful assets subjected to restructuring rescheduling renegotiation	136226.29	108027.59
	Note [(I) = (II) + (III) + (IV)]	404143.83	534786.25

5.3 (b) Disclosure under Resolution Framework for COVID-19 related Stress

(₹ in lakh)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous half-year (A)	Of (A) aggregate debt that slipped into NPA during the half year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	3960.48	66.83	0.00	704.07	3344.96
Corporate persons*	0.00	0.00	0.00		0.00
Of which MSMEs	1573.56	105.04	0.00	257.79	2670.74
Others	14115.39	295.33	0.00	1597.80	10956.30
Total	19649.43	467.20	0.00	2559.66	16972.00

In terms of guidelines issued by RBI the Bank has made provision @ 10% for all loans covered under RFW 1 and 2.

RBI has also informed that where recovery is above 30% no provision is required and the recovery is between 20% to 30 % 50% provision can be



reduced and for accounts where recovery is below 20% 10% provision is required.

Further due to movement of standard assets to NPA under RFW advances closure of RFW accounts and other advances the requirement of provision under Standard Assets has been reduced.

Note: Provisions towards Standard Assets is not netted from gross advances but shown separately as "Provisions against Standard Assets' under "Liabilities and Provisions - Others' in Schedule No.5. Of the Balance Sheet.

Resolution Frame Work-2.0

To alleviate the potential stress to borrowers affected by Covid 19 during 2019 Bank had implemented Resolution Framework for COVID-19 related stress in terms of directions of Reserve Bank of India based on RBI circulars DOR.No.BP.BC/3/21 .04.048/2020-21 dated August 6 2020 on "Resolution Framework for COVID-19-related Stress" ("Resolution Framework - 1.0") and DOR.No.BP.BC/4/ 21.04.048/ 2020-21 dated August 6 2020. Now again in view of the uncertainties created by the resurgence of the Covid-19 pandemic in the recent weeks and the impact by the consequent containment measures to check the spread of the pandemic on the borrowers to repay the loan by individual borrowers & small businesses and MSME borrowers Reserve Bank of India has announced and advised to extend for restructuring existing loans without a downgrade in the asset classification vide circular nos. RBI/2021-22/31 DOR.STR.REC.11/ 21.04.048/2021-22 dated 05.05.2021 (Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses) and RBI/2021-22/32 DOR.STR.REC.12/ 21.04.048/ 2021-22 dated 05.05.2021 (Resolution Framework - 2.0: Resolution of Covid-19 related stress of MSMEs) respectively.

In view of the above bank has extended RFW-2.0 relief to the eligible borrowers as under

5.3 (C) Total No. of Accounts extended in which Resolution Frame Work-2 and present outstanding balance in the account are furnished below:

(₹ in lakhs)					
No of Accounts Restructured under RFW2.0		As on 31.03.2025		As on 31.03.2024	
A/cs	Amount	A/cs	Amount	A/cs	Amount
33135	45156	10491	14902	15303	16731



5.3 (d) Details of resolution plan implemented under Resolution Framework-2.0 for Covid 19

(₹ in lakhs)

Type of Borrower	A/cs implemented under RFW 2.0		As on 31.03.2025		As on 31.03.2024	
	Number of Accounts	Amount	Number of Accounts	Amount	Number of Accounts	Amount
	(A)		(B)		(C)	
AGRI loans	12978	8452	6452	6352	9221	6347
HLCC loan	66	1794	14	193	18	356
Of which MSME loans	14528	12786	2762	3019	4249	3392
OTHR loans	5563	22124	1263	5338	1815	6636
Total	33135	45156	10491	14902	15303	16731



5.3 (e) Particulars of resolution plan and restructuring: Details of accounts subjected to restructuring

Particulars		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
Standard	Number of borrowers	0	12941	0	0	0	0	0	0	0	12941
	Gross Amount (₹ crore)	0	19502.88	0	0	0	0	0	0	0	19502.88
	Provision held (₹ crore)	0	975.14	0	0	0	0	0	0	0	975.14
Sub-standard	Number of borrowers	0	215	0	0	0	0	0	0	0	215
	Gross Amount (₹ crore)	0	315.78	0	0	0	0	0	0	0	315.78
	Provision held (₹ crore)	0	47.40	0	0	0	0	0	0	0	47.40
Doubtful	Number of borrowers	0	3	0	0	0	0	0	0	0	3
	Gross Amount (₹ crore)	0	0.10	0	0	0	0	0	0	0	0.10
	Provision held (₹ crore)	0	0.10	0	0	0	0	0	0	0	0.10
Total	Number of borrowers	0	13159	0	0	0	0	0	0	0	13159
	Gross Amount (₹ crore)	0	19818.76	0	0	0	0	0	0	0	19818.76
	Provision held (₹ crore)	0	1022.64	0	0	0	0	0	0	0	1022.64



5.4 Details of financial assets sold to Securitization (SC)/ Reconstruction Company (RC) for Assets Reconstruction

Sr No	Particulars	2024-25	2023-24
I	No. of accounts	Nil	Nil
II	Aggregate value (net of provisions) of accounts sold to SC/RC	Nil	Nil
III	Aggregate consideration	Nil	Nil
IV	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
V	Aggregate gain/ loss over net book value	Nil	Nil

5.5. Details of non-performing financial assets purchased/ sold

A. Details of non-performing financial assets purchased:

(₹ in lakh)

Sr No	Particulars	2024-25	2023-24
1 (a)	No. of accounts purchased during the year	Nil	Nil
(b)	Aggregate outstanding	Nil	Nil
2 (a)	Of these number of accounts restructured during the year	Nil	Nil
(b)	Aggregate outstanding	Nil	Nil

B. Details of non-performing financial assets sold

(₹ in lakh)

Sr No	Particulars	2024-25	2023-24
1	No. of accounts sold	Nil	Nil
2	Aggregate outstanding	Nil	Nil
3	Aggregate consideration received	Nil	Nil

5.6 Provisions on Standard Asset

The Bank has reversed the excess provision of **₹12258.03** Lakh held in Standard Assets during the FY **2024-25**. The details are as under:

(₹ in lakh)

Sr No	Particulars	2024-25	2023-24
1	Opening Balance	23914.81	28904.28
2	Provision required as at 31.03.2025	11656.78	23914.81
3	Provisions made towards Standard Assets	(12258.03)	(4989.47)



5.7 Fraud Accounts

(₹ in lakhs)

Sr No	Particulars	2024-25	2023-24
1	No.of Fraud reported	09	05
2	Amount involved in Fraud	367.59	298.59
3	Amount of provision made for such frauds # (incl. prov. made in NPA)	326.27	271.94
4	Amount of Unamortized provision debited from other reserves as at the of the year	NIL	NIL
	# Amount recovered during the year	1224.83	104.71

6. a) Exposures - Exposure to Real Estate Sector

(₹.in lakh)

SI No	Category	2024-25	2023-24
A	Direct exposure	Nil	Nil
(I)	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 loan upto ₹ 20 lakh may be shown separately)	Nil	Nil
(ii)	Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings retail space multi-purpose commercial premises multi-family 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 ;	12416.27	Nil
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures	Nil	Nil
	a. Residential	Nil	Nil
	b. Commercial Real Estate	Nil	Nil
B	Indirect Exposure	9985.07	11989.97
	Fund-based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		



b) Unsecured advances:

(₹ in lakhs)

Sr No	Particulars	2024-25	2023-24
1	Total unsecured advances of the Bank	399148.16	561722.95
2	Out of the above amount of advances for which intangible securities such as charge over the rights licence authority etc. Have been taken.	NIL	NIL
3	Estimated value of such intangible securities.	NIL	NIL

7. Concentration of Deposits Advances Exposures and NPAs

a) Concentration of Deposits

(₹ in lakhs)

Sr No	Particulars	2024-25	2023-24
1	Total Deposits of twenty largest depositors	83542.74	145080.17
2	Percentage of Deposits of twenty largest depositors to Total Deposits of the bank	2.38%	4.21%

b) Concentration of Advances

(₹ in lakhs)

Sr No	Particulars	2024-25	2023-24
1	Total Advances to twenty largest borrowers	47613.05	60488.65
2	Percentage of Advance of twenty largest Borrowers to Total Advance of the bank	1.76	2.31

*Advances computed as prescribed in Circular on Strengthening of Prudential Norms –Provisioning Asset classification and Exposure Limit RPCD.RRB.BC.97/ 03.05.34/2000-01 dated June 11 2001as per circular RPCD.RRB.BC.97/ 03.05.34/2000-01 dated June 11 2001



c) Concentration of Exposure

(₹ in lakhs)

Sr No	Particulars	2024-25	2023-24
1	Total Exposures of twenty largest borrowers/ customers	48363.05	66390.42
2	Percentage of Exposure to the twenty largest borrowers/ customers to the total exposure of the bank on borrowers/ customers.	1.47	2.08
**Exposures computed based on credit and investment exposure as prescribed in Circular on Strengthening of Prudential Norms – Provisioning Asset classification and Exposure Limit RPCD.RRB.BC.97/03.05.34/2000-01 dated June 11 2001			

d) Concentration of NPA

(₹ in lakhs)

Sr No	Particulars	2024-25	2023-24
1	Total Exposure to the top twenty NPA accounts	5301.46	9043.39
2	Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	1.09%	2.20%

8. Disclosure of complaints

A. Customer Complaints

Sl No.	Particulars	2024-25	2023-24
A	No. of complaints pending at the beginning of the year	NIL	Nil
B	No. of complaints received during the year	884	316
C	No. of complaints redressed during the year	884	316
D	No. of complaints pending at the end of the year	NIL	NIL



B. Award passed by the Banking Ombudsman

SI No	Particulars	2024-25	2023-24
A	No. of unimplemented Awards at the beginning of the year	NIL	NIL
B	No. of Awards passed by the Banking Ombudsmen during the year.	01	NIL
C	No. of Awards implemented during the year	01	NIL
D	No. of unimplemented Awards at the end of the year.	NIL	NIL

9. Disclosure of Penalties imposed by RBI during the year -

Penalties imposed by the Reserve Bank of India under the provisions of the (i) Banking Regulation Act 1949 (ii) Payment and Settlement Systems Act 2007 and (iii) Government Securities Act 2006 (for bouncing of SGL)

Sr	Date of Penalty	Particulars	₹ in lakhs
1	28.03.2025	As per the show cause notice received from RBI, Bank was not compliant to IRAC norms and that there was divergence in NPA classification.	1.00

10. Other Disclosures:

a) Business Ratio

SI.No	Particulars	2024-25	2023-24
I	Interest Income as a percentage to Working Funds	6.02	6.87
II	Non-interest income as a percentage to Working Funds	1.78	1.11
III	Operating Profit as a percentage to Working Funds	(0.34)	0.96
IV	Returns on Assets	(1.83)	(0.40)
V	Business (Deposits plus advances) per employee (in lakhs)	1330.37	1261.82
VI	Profit per employee (in lakhs)	(15.79)	(3.52)

b) Bancassurance business - Marketing and distribution:

(₹ in lakh)

SI No	FY 2024-25		FY 2023-24	
	Business	Comm. Earned	Businesses	Comm. Earned
1	7766	2295	7596	1992



c) Priority Sector Lending Certificate (PSLC)

(₹ in lakh)

SI No	Type of PSLCs	2024-25		2023-24	
		Sold	Purchased	Sold	Purchased
1	PSLC- Agriculture	200000.00	0.00	0.00	0.00
2	PSLC- SF/MF	1040000.00	0.00	1100000.00	0.00
3	PSLC- General	0.00	130000.00	0.00	150000.00
4	PSLC- Micro	0.00	0.00	0.00	0.00
5	Total	1240000.00	130000.00	1100000.00	150000.00
6	Income Earned	22236.48	15.34	20920.50	16.80

d) Payment of DICGC Insurance Premium:

[₹ in lakhs]

Sr No	Particulars	2024-25	2023-24
I	Payment of DICGC Insurance Premium	3911.76	3358.67
II	Arrears I Payment of DICGC Insurance Premium	NIL	NIL

11. Details of Single Borrower (SGL) Group Borrower Limit (GBL) exceeded by the bank- NIL

12. Miscellaneous - Amount of provisions made for Income-tax during the year

(₹ in lakh)

Particulars	2024-25	2023-24
Provision for Income Tax*	NIL	NIL

(i) The Bank has opted for lower rate of tax under section 115 BAD of Income Tax Act 1961 from the AY 2021-22 accordingly provision for income tax is made for the current year. However due to slippage of advances to NPA higher provisions made for NPA pensions etc. the tax liability is NIL for the FY 2024-25.

(ii) The Bank has initiated the steps for reconciling the SA-Outstanding Tax Liability related erstwhile Banks Income Tax cases. The balance outstanding under SA outstanding Balance in the Books of accounts is ₹117.67 crores as at 31.03.2025. Further Bank has created the provision for erstwhile Banks Tax outstanding liability and provision



outstanding is ₹37.94 Crores. This balance is subject to further reconciliation since it involves all the entities of erstwhile banks and also pending cases at IT Department.

13. Disclosure Requirements as per Accounting Standards where the RBI has issued guidelines in respect of disclosure items for 'Notes to Accounts'

I. Accounting Standard 5 - Net Profit or Loss for the period prior period items and changes in accounting policies - Nil

II. AS-10 Plant Property and Equipment (AS-6 and AS-10)

Break up of total Depreciation for the year ending March 2025 for each class of assets:

(₹ in lakh)

Class of Assets	2024-25	2023-24
Premises	55.30	26.52
Other Fixed Assets	1735.79	2044.83
Computer/Software	1817.73	956.37
Total	3606.82	3027.72

III. Accounting Standard 9 - Revenue Recognition

- Interest income on Loans and advances as well as Investments is recognized on accrual basis.
- In case of non-performing asset revenue is recognized on cash basis.
- Other income is recognized on cash basis.

IV. Accounting Standard 15 - Employee Benefits

- PF contribution of the Bank is deposited in Pension Trust account and the employee contribution is deposited in PF Trust accounts as per relevant statute.
- Gratuity liability is discharged by taking policy with Life Insurance Corporation of India. The bank has maintained required balance in the fund as per actuarial valuation.
- Bank has created its own Pension and Provident Fund Trust. The said trusts are recognized & exempted under Income Tax act 1961. During the FY 2024-25 the Trust has ascertained the additional pension liability to the extent of ₹ 14985.00 lakhs and the Bank has fully provided to the Pension Trust Account.



- d. Amortisation of additional pension liability on account of implementation of Pension Scheme in RRBs with effect from November 1 1993.

SI No	Particulars	Amount (in lakhs)
1	Total Pension Liability required	16312.00
2	Amortised pension liability for the year (1/5)	3262.40
3	Unamortised Pension Liability	13049.60
4	Impact on P&L if unamortised amount considered during the year.	(92180.88)

V. Accounting Standard 18 - Related party disclosure

a. Key Management Persons:

(Amount in ₹)

Sl. No	Name	Designation	Particulars	Amount
1	G SHIVASHANKAR (495897)	General Manager	Remuneration	2896384.02
2	K BANU MURTHY (499543)	General Manager	Remuneration	2834721.08
3	V M RUCKMANI DEVI (58489)	General Manager	Remuneration	2832609.55
4	GANDHI M (62929)	General Manager	Remuneration	2797796.36
5	MANOJ KUMAR JHA (69026)	General Manager	Remuneration	2772728.75
6	UJJAL SINHA (71423)	General Manager	Remuneration	2935679.92
7	RAJESH MISHRA (71454)	General Manager	Remuneration	2354151.17
8	ANTONY FELIX RAJ I (75520)	General Manager	Remuneration	3028212.28
9	G RDILLIBABU (75546)	Chairman	Remuneration	3896210.19
10	G V S NAGENDRA BABU (88864)	Chief Manager	Remuneration	2457379.35
11	SANDEEP RANJAN VERMA (75210)	General Manager	Remuneration	2207875.22
12	V SATYANARAYANA MURTHY (455741)	General Manager	Remuneration	29306.64
13	SOMASEKHARA (49449)	General Manager	Remuneration	17844.79
(Amount in ₹)				
	Canara Bank (Associates)	Interest paid on Loans (OD)		0.00
		Interest received on Deposits		150000.00
		Loan (OD) limit		0.00
		Deposit		2500000.00



VI. Earnings Per Share:

Sl.No	Particulars	2024-25	2023-24
A	EPS – Basic/Diluted	(67.27)	(14.81)
B	Amount used as numerator Profit after Tax (in Lakhs)	(79131.28)	(17427.37)
C	Nominal Value of Shares	10	10
D	Weighted Average Number of Equity Shares used as the denominator.	117638190	117638190

VII. Accounting Standard 22 - Accounting for Taxes on Income

The Bank has recognised deferred tax assets of ₹ 6686.06 Lakhs. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realised.

14. Fixed Assets and Depreciation: The Bank is following Depreciation under WDV method as permitted by the Board in the meeting held on 10.05.2019.

- a) Building and other fixed assets are accounted at their original purchase cost.
- b) Lands which are gifted in favor of Bank are accounted at a nominal value as Rs.1 each whereas lands allotted by the Government bodies of Karnataka are accounted at actual value.
- c) Lands which are leased for long period shall be amortized.



- d) Depreciation on assets is charged as per Block of Assets by following Written Down Value (WDV) Method as per the Income Tax Act, 1961.

SI No	Nature of the Asset	Method of Depreciation	Depreciation rate
1	Bank owned Building (Freehold / Leasehold)	WDV	5%
2	Furniture & Fixtures and other Equipment	WDV	10%
3	Electrical Equipment	WDV	10%, 20%
4	Electronic Equipment	WDV	30%
5	Vehicles including Motor Car, Motor cycle, etc.,	WDV	30%
6	Computers, Hardware & Software	WDV	33.33%
7	Others	WDV	15%, 25%

- e) Depreciation on additions to fixed assets is charged on pro rata basis (on the basis of no of days) from the date of such addition.

15. Additional Disclosures

- a. Provisions and Contingencies:

(₹ in lakh)

Sr. No	Particulars	2024-25	2023-24
A	Opening balance in the floating provisions account	NIL	NIL
B	The quantum of floating provisions made in the accounting	NIL	NIL
C	Amount of draw down made during the accounting year	NIL	NIL
D	Closing balance in the floating provisions account	NIL	NIL



b. Provisions made during the year:

(₹ in lakh)

Sr. No	Particulars	2024-25	2023-24
A	Provision for Standard Assets	(12258.03)	(4989.47)
B	Provision for Depreciation on Investment	(10791.19)	(9305.78)
C	Income Tax Provision	0.00	0.00
D	Provision for Bad and Doubtful Debts	73206.98	62734.28
E	Provision for Dacoity	(363.47)	5.25
F	Frauds/Embezzlements	(279.04)	155.62
G	Provision for Pension, amortised pension arrears and NPS.	21937.09	7963.00
H	Provision for Others	(155.69)	3425.00

c. Deposit Education and Awareness Fund (DEA Fund)

Disclosure in Notes of Accounts with regard to Deposit Education and Awareness Fund (DEA Fund Scheme) 2014 of RBI vide RBI letter No.DBOD.No.DEAF Cell. BC.114/30.01.002/2013-14 Dated 27.05.2014.

(₹ in Lakhs)

Particulars	2024-25	2023-24
Opening balance of amounts transferred to DEAF	24770.64	19550.35
Add: Amounts transferred to DEAF during the year	6500.04	9047.03
Less: Amounts reimbursed by DEAF towards claims	892.95	3826.74
Closing balance of amounts transferred to DEAF	30377.73	24770.64

d. Amalgamation: As per Govt of India Gazette notification CG-DL-E-07042025-262329 No 1604 dated 05.04.2025, Karnataka Gramin Bank and Karnataka Vikas Grameena Bank shall be amalgamated to form "Karnataka Grameena Bank" with HeadOffice at Ballari and Sponsored by Canara Bank with effect from 01.05.2025.

e. DFS, GoI vide their letter No 08/1/2023-RRB dated 18.09.2024 has conveyed its approval for implementation and grant of computer increment to all employees of RRBs who were in service / probation as on 01.11.1993 as

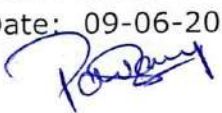


per the supplementary Memorandum settlement dated 29.10.1993 between Indian Banks association and Employees Association of Nationalised Commercial Banks w.e.f 01.11.1993 along with payment of arrears thereof. Accordingly the arrears payment has been released to the eligible staff during the year.

f. The Bank has maintained a PL Encashment Fund with insurance companies. During the current year, the Bank has recognised an asset of Rs. 15,934.28 lakhs in its books, representing the total fund requirement, and a corresponding liability of Rs. 14,094.34 lakhs, representing the fund maintained with insurance companies. As the fund available exceeds the liability, the excess amount has been adjusted against the salary cost.

Place: BALLARI

Date: 09-06-2025


Pavan P
Manager


Adivappa G Chatni
Senior Manager


Anil Kumar V
Chief Manager


Sandeep Ranjan Varma
General Manager

Directors


B P Jataw
Chief General Manager
Canara Bank, HO, Bengaluru


Anuradha R
Chief General Manager
Canara Bank, HO Annex, Bengaluru


Bubul Bordoloi
Asst. General Manager
RBI, Bengaluru


Prakash Chandra Dash
General Manager
NABARD, RO, Bengaluru

Dr Gopal Krishna B, IAS
Deputy Secretary-3, GOK
Bengaluru

Mahammad Haris Sumair, IAS
Chief Executive Officer, ZP, GOK
Ballari


Shreekant M Bhandiwad
Chairman



As Per Report of even date
For M/S RAO & EMMAR
Chartered Accountants
(FR No.003084S)


CA B J Praveen
Partner (M No. 215713)

**KARNATAKA GRAMIN BANK : HEAD OFFICE : BALLARI****PRUDENTIAL NORMS****STATEMENT OF CAPITAL FUNDS , RISK ASSETS/ EXPOSURES
AND RISK ASSET RATIO AS AT 31st March 2025****BANK AS A WHOLE**

PART A :- CAPITAL FUNDS AND RISK ASSET RATIO			(₹ In Lac)
PARAMETER	ADD	DEDUCT	AMOUNT
I. Capital Funds			
A. Tier - I Capital	1. Paid-up Capital		11763.82
		i. Intangible assets & losses	(83507.38)
		ii. Any other items (Specify)	(7080.08)
	2. Share Capital Deposits		0.00
	3. Statutory Reserves		72092.76
	4. Capital Reserves (Surplus on sale of assets)		4673.72
	5. Other disclosed reserves (Specify)		93219.90
	6. Surplus/Deficit in P & L a/c		0.00
Total Tier I Capital			91162.74
B. Tier - II Capital	1. Undisclosed reserves		
	2. Revaluation Reserves (at discount)		0.00
	3. Capital Reserves (excess provision on investments)		0.00
	4. General provision #	limited to 1.25% of total RWA (i.e 1.25% of II.c)	
	a) Provision towards Standard assets (limited to 1.25% of RWA)	11656.78	
	b) Excess provision for Bad & doubtful debt	0.00	
	5. Loss reserves	0.00	
	6. Any other item (Specify) IFR	17798.26	91162.74
Total Tier II Capital			29455.04
Total Capital (Tier I + II)			120617.78
II. Risk Assets			
	a) Adjusted value of funded risk assets ie; on Balance Sheet items: Part B		1964908.64
	b) Adjusted value of non-funded and off-balance Sheet items: Part C		2832.53
	c) Total risk-weighted assets - RWA (a + b)		1967741.17
III. Percentage of Capital funds to risk weighted assets [I: II (III)]			6.13

PLACE: BALLARI

DATE: 09-06-2025

PAVAN P
MANAGER

ADIVEPPA G CHATNI
SENIOR MANAGER

ANIL KUMAR V
CHIEF MANAGER

SANDEEP RANJAN VERMA
GENERAL MANAGER

SHREEKANT M BHANDIWAD
CHAIRMAN



As per report of even date
For M/S RAO & EMMAR
CHARTERED ACCOUNTANTS
(FR No.003084S)

CA B J PRAVEEN
PARTNER (M No.215713)

KARNATAKA GRAMIN BANK : HEAD OFFICE : BALLARI						
PRUDENTIAL NORMS						
PART B :- WEIGHTED ASSETS BANK AS A WHOLE						
i.e., On Balance Sheet items as at 31st March 2025						
A. Funded Risk Assets						(₹ in Lac)
SL NO.	PARTICULARS	BOOK VALUE	LESS: MARGINS & PROVISIONS	BOOK VALUE {NET}	RISK WEIGHT (%)	ADJUSTED VALUE
	(b) Where only partial credit risk is assumed by taking over Institution	0.00	0.00	0.00		0.00
	(i) The amount to be taken over	0.00	0.00	0.00	20	0.00
	(ii) The amount not to be taken over	0.00	0.00	0.00	100	0.00
	(ii) Conditional take over (in the books of lending and taking over Institution)	0.00	0.00	0.00	100	0.00
	Notes: While calculating the aggregate of funded and non-funded exposure of a borrower for the purpose of assignment of risk weight, Banks may "net-off" against the total outstanding exposure of the borrower. (a). Advances collateralized by cash margins or deposits. (b). Credit balances in current or other accounts of the borrower which are not earmarked for specific purposes and free from any lien. (c). In respect of any assets where provisions for depreciation or for bad debts have been made. (d). Claims received from DICGC/ ECGC and kept in a separate account pending adjustment in case these are not adjusted against the dues outstanding in the respective accounts. (e). Subsidies received against various schemes and kept in a separate account.	0.00	0.00	0.00	0	0.00
IV	Other Assets	104486.04	18042.04	86444.00		35795.65
1	Premises, furniture and fixtures	13122.16	0.00	13122.16	100	13122.16
2	Interest due on Government Securities/Int subvention Receivable from NABARD	33012.42	0.00	33012.42	0	0.00
3	Accrued interest on CRR balances maintained with RBI @ net-off claims of Govt/ RBI on Banks on account of such transactions	0.00	0.00	0.00	0	0.00
4	Income tax deducted at source (net of provision)	0.00	0.00	0.00	0	0.00
5	Advance tax paid (Net of provision)	21430.30	3794.37	17635.93	0	0.00
6	All other assets	36921.16	14247.68	22673.49	100	22673.49
V	Market risk on Open Positions	0.00	0.00	0.00		0.00
1	Market risk on Foreign Exchange open position (Applicable to Authorized Dealers only)	0.00	0.00	0.00	100	0.00
2	Market risk on open gold position.	0.00	0.00	0.00	100	0.00
	TOTAL OF B	4334495.91	630293.44	3704202.47		1964908.64



KARNATAKA GRAMIN BANK : HEAD OFFICE : BALLARI						
PRUDENTIAL NORMS						
PART B :- WEIGHTED ASSETS BANK AS A WHOLE						
i.e., On Balance Sheet items as at 31st March 2025						
A. Funded Risk Assets						(₹ in Lac)
SL NO.	PARTICULARS	BOOK VALUE	LESS: MARGINS & PROVISIONS	BOOK VALUE [NET]	RISK WEIGHT (%)	ADJUSTED VALUE
I	Balances					
1	Cash & balances with RBI	184283.31	0.00	184283.31	0	0.00
2	Balances in Current Account with other Banks	178555.08	0.00	178555.08	20	35711.02
3	Claims on Banks	0.00	0.00	0.00	20	0.00
II	Investments	1026705.69	4918.26	1021787.43		38373.92
1	Investments in Government Securities	1016428.51	4904.47	1011524.04	2.5	25288.10
2	Investments in other approved Securities guaranteed by Central / State Govt.	0.00	0.00	0.00	2.5	0.00
3	Investments in other Securities where payment of interest and repayment of principal are guaranteed by Central Govt. (This will include investments in Indira/Kissan Vikas Patra (IVP/KVP) and investments in Bonds where payment of interest and principal is guaranteed by Central Govt	0.00	0.00	0.00	2.5	0.00
4	Investments in other Securities where payments of interest and repayment of	0.00	0.00	0.00	2.5	0.00
		0.00	0.00	0.00	102.5	0.00
5	Investments in other approved securities where payment of interest and repayment of principal are not guaranteed by Central / State Govt.	0.00	0.00	0.00	22.5	0.00
6	Investments in Government guaranteed securities of Government undertakings which do not form part of the approved market borrowing programme.	0.00	0.00	0.00	22.5	0.00
7	Claims on Commercial Banks	0.00	0.00	0.00	22.5	0.00
8	Investments in Securities which are guaranteed by Banks as to payment of interest and repayment of principal	0.00	0.00	0.00	22.5	0.00
9	Investment in Bonds issued by Public Financial Institutions (PFIs) for their Tier-II capital	0.00	0.00	0.00	102.5	0.00
10	All other Investments including investments in securities issued by Public Financial Institutions. Note: Intangible assets for which losses have been deducted from Tier I Capital should be assigned Zero Weight.	0.00	0.00	0.00	102.5	0.00
11	Direct Investment in Equity Shares, Convertible Bonds, Debentures and Units of Equity oriented Mutual Funds including those exempted from Capital Market Exposure.	10277.17	13.79	10263.38	127.5	13085.82



KARNATAKA GRAMIN BANK : HEAD OFFICE : BALLARI						
PRUDENTIAL NORMS						
PART B :- WEIGHTED ASSETS BANK AS A WHOLE						
i.e., On Balance Sheet items as at 31st March 2025						
A. Funded Risk Assets						(₹ in Lac)
SL NO.	PARTICULARS	BOOK VALUE	LESS: MARGINS & PROVISIONS	BOOK VALUE {NET}	RISK WEIGHT (%)	ADJUSTED VALUE
III	Loans and advances including bills purchased and discounted and other credit facilities.	2840465.79	607333.14	2233132.65		1855028.06
1	Loans guaranteed by Government of India.	0.00	0.00	0.00	0	0.00
2	Loans guaranteed by State Governments.	27804.40	0.00	27804.40	0	0.00
3	A State Government guaranteed advance which has become a non performing Asset.	0.00	0.00	0.00	100	0.00
4	Loans granted to Public Sector undertakings (PSUs) of Govt. of India.	0.00	0.00	0.00	100	0.00
5	Loans granted to Public Sector undertakings (PSUs) of State Government	0.00	0.00	0.00	100	0.00
6	Others including PFIs	1458557.25	457294.30	1001262.95	100	1001262.95
7	(i). For the purpose of Credit Exposure, Bills Purchased/ Discounted/ Negotiated under LC (Where payment to the beneficiary is not under reserve) is treated as an exposure on the LC issuing Bank and assigned risk weight as is normally applicable to Inter- Bank exposures.	0.00		0.00	20	0.00
	(ii). Bills negotiated under LCs under reserve, Bills purchased/ Discounted/ Negotiated without LCs, will be reckoned as exposure on the borrower constituent. Accordingly, the exposure will attract a risk weight appropriate to the borrower:					
	(i) Government	0.00	0.00	0.00	0	0.00
	(ii) Banks	0.00	0.00	0.00	20	0.00
	(iii) Others	0.00	0.00	0.00	100	0.00
8	Micro and Small Enterprises (MSE) Advances Guaranteed by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) upto the Guaranteed portion. Note: Banks may assign Zero Risk Weight for the Guaranteed portion. The Balance outstanding in excess of the Guaranteed portion would attract a risk- weight as appropriate to the counter-party.	85296.45	0.00	85296.45	0	0.00
	Housing Loan to Individuals					



KARNATAKA GRAMIN BANK : HEAD OFFICE : BALLARI

PRUDENTIAL NORMS

PART B :- WEIGHTED ASSETS BANK AS A WHOLE

i.e., On Balance Sheet items as at 31st March 2025

A. Funded Risk Assets

(₹ in Lac)

SL NO.	PARTICULARS	BOOK VALUE	LESS: MARGINS & PROVISIONS	BOOK VALUE {NET}	RISK WEIGHT (%)	ADJUSTED VALUE
	Category of Loan					
9 (a)	(a) Up to Rs.20 Lakh - LTV Ratio 90%	60446.41		60446.41	50	30223.21
	(b) Above Rs.20Lakh and upto Rs.75 Lakh- LTV Ratio 80%	94873.91	14933.18	79940.73	50	39970.36
	(c) Above, Rs.75 Lakh- LTV Ratio 75%	14907.03	133.89	14773.14	75	11079.85
	Housing loans Guaranteed by Credit Risk Guarantee Fund Trust for Low Income housing (CRGFTIH) upto the Guaranteed portion. Note: The Bank may assign Zero risk weight for the guaranteed portion. The balance outstanding in excess of the guaranteed portion would attract a risk weight as appropriate to the counter-party.	0.00		0.00	0	0.00
10	Consumer credit including personal loan	14338.60	17.30	14321.30	125	17901.63
11	Loans upto Rs 1 Lakh against Gold ornaments. Note: In case the loan amount is more than Rs 1 Lakh, entire loan amount has to be risk weighted for the purpose for which the loan has been sanctioned.	251370.92	37441.51	213929.41	50	106964.70
	Loans more than Rs 1 Lakh against Gold ornaments	710951.72	90882.98	620068.74	100	620068.74
12	Education loans	16192.90	627.47	15565.43	100	15565.43
13	Loans extended against primary/ collateral security of shares / debentures	0.00	0.00	0.00	125	0.00
14	Advances covered by DICGC. Note: The risk Weight of 50% should be limited to the amount guaranteed and not the entire outstanding balance in the accounts. In other words, the outstandings in excess of the amount guaranteed, will carry 100% risk weight.	0.00	0.00	0.00	50	0.00
15	Advances for term deposits, Life Policies, NSCs, IVPs and KVPs where adequate margin is available.	39767.78	0.00	39767.78	0	0.00
16	Loans and Advances granted by RRBs to their staff	65958.42	6002.51	59955.91	20	11991.18
17	Takeover Finance	0.00	0.00	0.00		0.00
	(i) Unconditional takeover (in the books of lending Institution)					
	(a) Where full credit risk is assumed by the taking over Institution	0.00	0.00	0.00	20	0.00



KARNATAKA GRAMIN BANK : HEAD OFFICE : BALLARI						
PRUDENTIAL NORMS						
PART B :- WEIGHTED ASSETS BANK AS A WHOLE						
i.e., On Balance Sheet items as at 31st March 2025						
A. Funded Risk Assets						(₹ in Lac)
SL NO.	PARTICULARS	BOOK VALUE	LESS: MARGINS & PROVISIONS	BOOK VALUE {NET}	RISK WEIGHT (%)	ADJUSTED VALUE
	(b) Where only partial credit risk is assumed by taking over Institution	0.00	0.00	0.00		0.00
	(i) The amount to be taken over	0.00	0.00	0.00	20	0.00
	(ii) The amount not to be taken over	0.00	0.00	0.00	100	0.00
	(ii) Conditional take over (in the books of lending and taking over Institution)	0.00	0.00	0.00	100	0.00
	Notes: While calculating the aggregate of funded and non-funded exposure of a borrower for the purpose of assignment of risk weight, Banks may "net-off" against the total outstanding exposure of the borrower. (a). Advances collateralized by cash margins or deposits. (b). Credit balances in current or other accounts of the borrower which are not earmarked for specific purposes and free from any lien. (c). In respect of any assets where provisions for depreciation or for bad debts have been made. (d). Claims received from DICGC/ ECGC and kept in a separate account pending adjustment in case these are not adjusted against the dues outstanding in the respective accounts. (e). Subsidies received against various schemes and kept in a separate account.	0.00	0.00	0.00	0	0.00
IV	Other Assets	104486.04	18042.04	86444.00		35795.65
1	Premises, furniture and fixtures	13122.16	0.00	13122.16	100	13122.16
2	Interest due on Government Securities/Int subvention Receivable from NABARD	33012.42	0.00	33012.42	0	0.00
3	Accrued interest on CRR balances maintained with RBI @ net-off claims of Govt/ RBI on Banks on account of such transaxtions	0.00	0.00	0.00	0	0.00
4	Income tax deducted at source (net of provision)	0.00	0.00	0.00	0	0.00
5	Advance tax paid (Net of provision)	21430.30	3794.37	17635.93	0	0.00
6	All other assets	36921.16	14247.68	22673.49	100	22673.49
V	Market risk on Open Positions	0.00	0.00	0.00		0.00
1	Market risk on Foreign Exchange open position (Applicable to Authorized Dealers only)	0.00	0.00	0.00	100	0.00
2	Market risk on open gold position.	0.00	0.00	0.00	100	0.00
	TOTAL OF B	4334495.91	630293.44	3704202.47		1964908.64



KARNATAKA GRAMIN BANK : HEAD OFFICE : BALLARI

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PART C- WEIGHTED NON-FUNDED EXPOSURES/ OFF- BALANCE
SHEET ITEMS AS AT 31st March 2025 BANK AS A WHOLE

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

B. Non-Funded Risk Assets							(₹ in Lac)
SL NO.	NATURE OF ITEM	Gross Book Exposure	Margins and provisions	Net Exposure	CCF for Contingent %	RW for Obligant %	Adjusted Value of Exposure
1	Direct credit substitutes eg; general guarantees of indebtedness (including standby LCs serving as financial guarantee for loans and securities) & acceptances (including endorsements with the character of acceptance)	0.00	0.00	0.00	100	100	0.00
2	Certain transaction - related contingent items (eg; performance bonds, bid bonds, warranties & standby LCs related to particular transactions)	4983.26	2150.73	2832.53	100	100	2832.53
3	Short-term self liquidating trade - related contingencies (such as documentary credits collateralised by the underlying shipments)	0.00	0.00	0.00	20	20	0.00
4	Sale and repurchase agreement and asset sales with recourse, where the credit risk remains with the Bank.	0.00	0.00	0.00	100	100	0.00
5	Forward asset purchase, forward deposit and party paid shares and securities which represent commitments with certain draw down.	0.00	0.00	0.00	100	100	0.00
6	Note insurance facilities and revolving underwriting facilities.	0.00	0.00	0.00	50	50	0.00
7	Other commitments (eg; formal standby facilities and credit lines) with an original maturity over one year	0.00	0.00	0.00	50	50	0.00
8	Similar commitments with an original maturity up to one year, or which can be unconditionally cancelled at any time.	0.00	0.00	0.00	0	0	0.00
9	i. Guarantees issued by Banks against the counter guarantees of other Banks.	0.00	0.00	0.00	20	20	0.00



KARNATAKA GRAMIN BANK : HEAD OFFICE : BALLARI							
PRUDENTIAL NORMS							
PART C- WEIGHTED NON-FUNDED EXPOSURES/ OFF- BALANCE SHEET ITEMS AS AT 31st March 2025 BANK AS A WHOLE							
	ii. Rediscounting of documentary bills accepted by banks. (Bills disocunted by Banks which have been accepted by another bank will be treated as a funded claim on a bank)	0.00	0.00	0.00	20	20	0.00
	Note: In these cases, banks should be fully satisfied that the risk exposure is, in fact, on the other bank.						
10	Aggregate outstanding foreign exchange contracts of original maturity.						0.00
	(a) less than one year	0.00	0.00	0.00	0	0	0.00
	(b) for each additonal year or part thereof	0.00	0.00	0.00	0	0	0.00
11	Others	44991.61	0.00	44991.61	0	0	0.00
	Notes: At present, RRB may not be undertaking most of the off balance sheet transactions. However, keeping in view their potential for expansion, risk- weights are indicated against various off balance sheet items, which, perhaps Banks may undertake in future.						
	TOTAL OF C	49974.87	2150.73	47824.14			2832.53





KARNATAKA GRAMIN BANK

HEAD OFFICE : BALLARI

CASH FLOW STATEMENT FOR THE YEAR 2024-25

BANK AS A WHOLE

(Rupees in Thousands)

Particulars	31.03.2025	31.03.2024
Cash Flow from Operating activities		
Net Profit after Tax	-7913128	-1742737
Add: Provision for Tax (Incl. Provision for Deferred Tax)		
Net Profit Before	-7913128	-1742737
Adjustments for:		
Depreciation	363094	302773
Profit / (Loss) on revaluation of Investments	-	-
Provision for NPAs	7320698	6273428
Provision for Standard assets	-1225803	-498947
Provision for contingencies and others	2113889	1154887
(Profit) / Loss on sale of Investment	-70114	-16731
(Profit) / Loss on sale of Fixed Assets	-2482	-4509
Provision for investment depreciation/ (appreciation) & NPI	-1079119	-930578
Sub Total	7420161	62,80,324
Adjustments for:		
(Increase) / Decrease in Investments	12375740	4723231
(Increase) / Decrease in Advances	-8210138	-5003239
Increase / (Decrease) in Borrowings	-10699344	2572031
Increase / (Decrease) in Deposits	6668257	5569593
(Increase) / Decrease in Other Assets	24251	-1359286
Increase / (Decrease) in Other Liabilities and Provisions	-6054001	-8796377
	-5895234	-22,94,048
Less: Income Tax (Paid) / Refund	-400	-65800
Net Cash Generated from Operating Activities (A)	-6388601	21,77,738.88
Cash Flow from Investing activities		
Profit / (Loss) on sale of Investment	70114	16731
Net inflow / outflow from sale / purchase of fixed assets	-438254	-502456
Net Cash generated from Investing activities (B)	-368140	-4,85,725
Cash Flow from Financing activities		
Fresh issue of capital		
Premium Received on Issue of share and Set Off of Accumulated Loss		
Payment of Dividend of Previous Year		
Net Cash generated from Financing activities (C)		
NET CASH FLOWS ON ACCOUNT OF EXCHANGE FLUCTUATION (D)		
Net Increase / (Decrease) in cash and cash equivalents (A+B+C+D)	-67,56,740	16,92,014
Opening Cash and Cash equivalents	43040579	41348565
Closing Cash and Cash Equivalents	3,62,83,839	4,30,40,579

Notes:

1. The Cash Flow Statement has been prepared under the Indirect Method (AS-3) and figures has been re-grouped wherever considered necessary.
2. Cash and Cash equivalents include Cash on Hand, Balance with RBI & Other Banks and Money at Call and Short Notice.

Components of Cash & Cash Equivalents		
Cash & Balance with RBI	18428331	15871624
Balances with Banks and Money at Call and Short Notice	17855508	27168955
Total	3,62,83,839	4,30,40,579

Place: BALLARI

Date : 09-06-2025

PAVAN P
MANAGER

ADIVEPPA G CHATNI
SENIOR MANAGER

ANIL KUMAR V
CHIEF MANAGER

SANDEEP RANJAN VERMA
GENERAL MANAGER

SHREEKANT M BHANDIWAD
CHAIRMAN



As per report of even date
For M/S RAO & EMMAR
CHARTERED ACCOUNTANTS
(FR No.0030845)

CA B J PRAVEEN
PARTNER (M No.215713)