

Rs.

BALANCE SHEET AS ON

Sch

31-Mar-19

31-Mar-18

CAPITAL AND LIABILITIES

Capital	1	1342,22,620	1342,22,620
Reserves and Surplus	2	2570,07,743	2353,78,646
Deposits	3	21858,94,408	18177,12,014
Borrowings	4	-	-
Other Liabilities and Provisions	5	1801,09,365	1499,71,024

Total

27572,34,136

23372,84,304

ASSETS

Cash and Balances with Reserve Bank of India	6	903,61,226	524,40,919
Balances with Banks and Money at Call and Short Notice	7	3453,96,204	1143,44,150
Investments	8	4482,81,386	4838,36,894
Advances	9	17715,15,429	15888,65,995
Fixed Assets	10	390,51,764	512,42,616
Other Assets	11	626,28,127	465,53,730

Total

27572,34,136

23372,84,304

Contingent Liabilities
Bills for Collection

12

601,48,357

477,94,184

Principal Accounting Policies

17


Notes To Accounts

18

The schedules referred to above form an integral part of the Balance Sheet
In terms of our report of even date
for Sagar and Associates
Chartered Accountants

Firm Regn. No. 003510S

For and on behalf of Board of Directors


B. Srinivasa Rao
Partner
M.No. 202352


V. Jaganmohan
Director


Ravi Shankar Kolathur
Director


Mahpara Ali
Director


P A Pattnaik
Company Secretary & CFO


Donepudi Durga Prasad
Managing Director



Place: Madhapur
Date: May 21, 2019

Audited Financial Statements as on March 31, 2019

Rs.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED	Sch	31-Mar-19	31-Mar-18
I. INCOME			
Interest Earned	13	3165,64,452	3025,08,762
Other Income	14	627,33,406	651,71,856
Total		3792,97,858	3676,80,618
II. EXPENDITURE			
Interest Expended	15	1344,80,563	1313,04,113
Operating Expenses	16	2017,74,828	1939,09,732
Provisions and Contingencies		218,80,200	202,75,764
Total		3581,35,591	3454,89,609
III. PROFIT / LOSS			
Net Profit/(Loss) for the Year		211,62,267	221,91,009
Add: Profit/(Loss) Brought Forward		1438,63,378	1268,49,233
Total		1650,25,645	1490,40,242
IV. APPROPRIATIONS/TRANSFERS			
Statutory Reserve		42,35,508	44,41,405
Capital Reserve		4,76,716	12,12,487
Investment Fluctuation Reserve			
Interim and Proposed Dividend			
Tax on Dividend			
Balance Carried Over to Balance Sheet		1603,13,421	1433,86,350
Total		1650,25,645	1490,40,242
Principal Accounting Policies	17		
Notes on Accounts	18		

The schedules referred to above form an integral part of the Profit and Loss Account

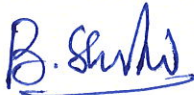
In terms of our report of even date

for Sagar and Associates

Chartered Accountants

Firm Regn. No. 003510S

For and on behalf of Board of Directors



B. Srinivasa Rao

Partner

M.No. 202352



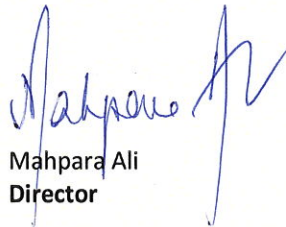
V. Jaganmohan

Director



Ravi Shankar Kolathur

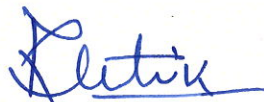
Director



Mahpara Ali

Director





P A Pattnaik

Company Secretary & CFO



Donepudi Durga Prasad

Managing Director

Place: Madhapur

Date: May 21, 2019

Audited Financial Statements as on March 31, 2019

	31-Mar-19	31-Mar-18
SCHEDULES TO BALANCE SHEET AS ON		
SCHEDULE 1:CAPITAL		
Authorised Capital	2500,00,000	2500,00,000
250,00,000 Equity Shares of Rs. 10/- each		
Issued Capital		
Issued 13422262 Equity Shares of Rs. 10/- each	1342,22,620	1342,22,620
Subscribed & Paid-up capital		
13422262 Equity Shares of Rs. 10/- each	1342,22,620	1342,22,620
Total	1342,22,620	1342,22,620
SCHEDULE 2:RESERVES AND SURPLUS		
I.Statutory Reserves		
Opening Balance	489,67,413	445,26,008
Additions during the Year	42,35,508	44,41,405
Deductions during the Year	-	-
Total	532,02,921	489,67,413
II.Capital Reserves		
Opening Balance	22,91,475	10,78,988
Additions during the year	4,76,716	12,12,487
Deductions during the year	-	-
Total	27,68,191	22,91,475
III.Share Premium		
Opening Balance	304,29,380	304,29,380
Additions during the year	-	-
Deductions during the year	-	-
Total	304,29,380	304,29,380
IV.Investment Fluctuation Reserve		
Opening Balance	93,75,000	93,75,000
Additions during the year	-	-
Deductions during the year	-	-
Total	93,75,000	93,75,000
V. Revenue and Other Reserves		
Opening Balance	4,52,000	4,52,000
Addition During the Year	-	-
Deductions during the year	-	-
Total	4,52,000	4,52,000
VI. Balance in Profit and Loss Account		
Opening Balance	1438,63,378	1268,49,233
Addition During the Year	164,50,043	165,37,117
Deductions during the year	-	-
Add: Deferred Tax	4,66,831	4,77,028
Less : Depreciation relating to earlier years	-	-
Total	1607,80,252	1438,63,378
Total (I to VI)	2570,07,744	2353,78,646


The schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date

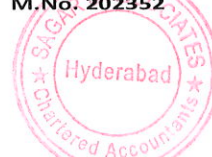
for Sagar and Associates

Chartered Accountants

Firm Regn. No. 0035105


B. Srinivasa Rao
Partner

M.No. 202352



Place: Madhapur
Date: May 21, 2019

For and on behalf of Board of Directors


V. Jaganmohan
Director


Ravi Shankar Kolathur
Director


Mahpara Ali
Director


P A Pattnaik
Company Secretary & CFO


Donepudi Durga Prasad
Managing Director

SCHEDULES TO BALANCE SHEET AS ON	31-Mar-19	31-Mar-18
SCHEDULE 3:DEPOSITS		
A I. Demand Deposits		
(i) From Banks	-	-
(ii) From Others	171,24,940	330,60,716
II. Savings Bank Deposits	4246,06,185	3791,32,944
III. Term Deposits		
(i) From Banks	-	-
(ii) From Others	17441,63,283	14055,18,354
Total (I, II and III)	21858,94,408	18177,12,014
B. I. Deposits of branches in India	21858,94,408	18177,12,014
II. Deposits of branches out side India	-	-
Total	21858,94,408	18177,12,014
SCHEDULE 4:BORROWINGS		
I. Borrowings in India		
i Reserve Bank of India	-	-
ii Other Banks	-	-
iii Other Institutions and Agencies	-	-
II. Borrowings outside India	-	-
Total	-	-
(Secured borrowings included in I & II above)		
SCHEDULE 5:OTHER LIABILITIES AND PROVISIONS		
I. Bills Payable & Liabilities	-	-
II. Inter-Office adjustments (net)	-	-
III. Interest Accrued	-	-
IV. Others (including provisions)	1801,09,365	1499,71,024
V. Proposed dividend (Inc Dividend Distribution tax)	-	-
Total	1801,09,365	1499,71,024
SCHEDULE 6:CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I: Cash in hand	705,69,194	326,48,887
(including foreign currency notes)		
II. Balances with Reserve Bank of India		
(i) in current Account	197,92,032	197,92,032
(ii) in other Accounts	-	-
Total - (I & II)	903,61,226	524,40,919

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In terms of our report of even date
for **Sagar and Associates**
Chartered Accountants
Firm Regn. No. 0035105

B. Srinivasa Rao
Partner
M.No. 202352

For and on behalf of Board of Directors

V. Jaganmohan
Director

Ravi Shankar Kolathur
Director

Mahpara Ali
Director

P A Pattnaik
Company Secretary & CFO

Donepudi Durga Prasad
Managing Director

Place: Madhapur
Date: May 21, 2019

Rs.

SCHEDULES TO BALANCE SHEET AS ON	31-Mar-19	31-Mar-18
SCHEDULE 7: BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I. In India		
i. Balance with banks		
a. in current accounts	1020,64,718	920,66,109
b. in other deposit accounts	2433,31,486	222,78,041
ii. Money at call and short notice		
a. with banks	-	-
b. with other institutions	-	-
Total	3453,96,204	1143,44,150
II. Outside India		
i. In current accounts	-	-
ii. In Other deposit accounts	-	-
iii. Money at call and short notice	-	-
Total	-	-
Total - (I & II)	3453,96,204	1143,44,150
SCHEDULE 8: INVESTMENTS		
I. Investments in India in		
i. Government Securities	4497,72,155	4863,15,294
ii. Other approved securities	-	-
iii. Shares	-	-
iv. Debentures and Bonds	-	-
v. Subsidiaries and/or joint ventures	-	-
vi. Others	-	-
Total	4497,72,155	4863,15,294
Less: Depreciation	14,90,769	24,78,400
Net Investments	4482,81,386	4838,36,894
II. Investments outside India in		
i. Government securities (including local authorities)	-	-
ii. Subsidiaries and/or joint ventures abroad	-	-
iii. Other investments	-	-
Total	-	-
Total - (I & II)	4482,81,386	4838,36,894


The schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date

for Sagar and Associates

Chartered Accountants

Firm Regn. No. 003510S



B. Srinivasa Rao
Partner
M.No. 202352

For and on behalf of Board of Directors



V. Jaganmohan
Director



Ravi Shankar Kolathur
Director



Mahpara Ali
Director



P A Pattnaik
Company Secretary & CFO



Donepudi Durga Prasad
Managing Director

Place: Madhapur
Date: May 21, 2019

	31-Mar-19	31-Mar-18
SCHEDULES TO BALANCE SHEET AS ON		
SCHEDULE 9:ADVANCES		
A i) Bills purchased and discounted	-	-
ii) Cash credits, overdrafts and loans repayable on demand	967,54,919	1045,51,358
iii) Term Loans	16747,60,510	14843,14,637
Total	17715,15,429	15888,65,995
B i) Secured by Tangible Assets	16683,03,605	14883,56,280
ii) Covered by Bank/Government Guarantee	-	-
iii) Unsecured	1032,11,824	1005,09,715
Total	17715,15,429	15888,65,995
C I) Advances in India		
i) Priority Sectors	13134,48,775	12071,63,598
ii) Public Sector	-	-
iii) Banks	-	-
iv) Others	4580,66,654	3817,02,397
Total	17715,15,429	15888,65,995
II) Advances outside India		
i) Due from Banks	-	-
ii) Due from Others	-	-
Total	-	-
Total (C. I & II)	17715,15,429	15888,65,995
SCHEDULE 10:FIXED ASSETS		
I Premises	-	-
II Other Fixed assets (including furniture and fixtures)		
At cost as on 31st March of the preceding year	1200,29,751	1007,90,876
Additions during the year	34,91,660	210,80,804
Deductions during the year	12,14,889	18,41,929
Depreciation to date	832,54,758	687,87,135
Total	390,51,764	512,42,616
SCHEDULE 11:OTHER ASSETS		
I. Inter-Office adjustments (net)	-	-
II. Interest accrued	194,76,546	167,00,385
III. Tax paid in advance / Tax deducted at source	233,63,176	148,04,136
IV. Stationery and stamps	25,71,444	17,96,282
V. Non-banking assets acquired in satisfaction c	-	-
VI. Deferred Tax Asset (Net)	11,66,146	6,99,315
VII. Others	160,50,816	125,53,612
Total	626,28,128	465,53,730

The schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date

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B. Srinivasa Rao

Partner

M.No. 202352

For and on behalf of Board of Directors



V. Jaganmohan

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Director



Mahpara Ali

Director



P A Pattnaik

Company Secretary & CFO



Donepudi Durga Prasad

Managing Director



Place: Madhapur

Date: May 21, 2019

Rs.

SCHEDULES TO BALANCE SHEET AS ON	31-Mar-19	31-Mar-18
SCHEDULE 12: CONTINGENT LIABILITIES		
I. Claims against the bank not acknowledged as debts	332,28,469	332,28,469
II. Liability for partly paid investments	-	-
III. Capital Commitments	-	-
IV. Liability on account of outstanding forward exchange contracts	-	-
V. Guarantees given on behalf of constituents		
a. In India	-	-
b. Outside India	-	-
VI. Acceptances, endorsements and other obligations	-	-
VII. Other items for which the bank is contingently liable	269,19,888	145,65,715
Total	601,48,357	477,94,184

The schedules referred to above form an integral part of the Balance Sheet

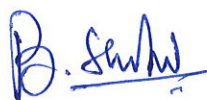
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Chartered Accountants

Firm Regn. No. 003510S

For and on behalf of Board of Directors



B. Srinivasa Rao
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M.No. 202352



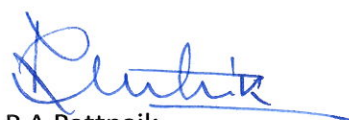
V. Jaganmohan
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Ravi Shankar Kolathur
Director



Mahpara Ali
Director



P A Pattnaik
Company Secretary & CFO



Donepudi Durga Prasad
Managing Director



Place: Madhapur

Date: May 21, 2019

Rs.

SCHEDULES TO PROFIT AND LOSS ACCOUNT	31-Mar-19	31-Mar-18
SCHEDULE 13: INTEREST EARNED		
I. Interest/discount on advances/bills	2781,92,647	2634,78,729
II. Income on Investments	314,82,107	349,58,292
III. Interest on balances with Reserve Bank of India and other inter-	68,89,698	40,71,741
IV. Others	-	-
Total	3165,64,452	3025,08,762
SCHEDULE 14: OTHER INCOME		
I. Profit on sale of Asset / Investments	37,59,322	111,85,663
II. Miscellaneous Income	589,74,084	539,86,193
Total	627,33,406	651,71,856
SCHEDULE 15: INTEREST EXPENDED		
I. Interest on Deposits	1344,80,563	1313,04,113
II. Interest on Reserve Bank of India/Inter-bank borrowings	-	-
II. Others	-	-
Total	1344,80,563	1313,04,113
SCHEDULE 16: OPERATING EXPENSES		
I. Payments to and provision for employees	1014,17,808	1005,17,656
II. Rent, taxes and lighting	185,93,993	166,50,010
III. Printing and Stationery	21,82,350	25,26,327
IV. Advertisement and publicity	5,43,426	1,16,242
V. Depreciation on bank's property	155,95,053	145,43,652
VI. Directors' fees, allowances and expenses	18,51,465	18,49,882
VII. Auditors' Fees and Expenses	8,33,768	6,82,111
VIII. Law Charges	40,000	15,000
IX. Postage, Telephones. Etc.	23,82,732	25,65,524
X. Repairs and maintenance	103,61,126	93,70,578
XI. Insurance	53,99,322	39,31,484
XII. Other expenditure	425,73,785	411,41,266
Total	2017,74,828	1939,09,732
PROVISIONS AND CONTINGENCIES		
I. Provision for Non Performing Assets	126,86,522	89,32,764
II. Provision on Standard Assets	5,59,563	5,07,488
III. Provision for Current Tax	95,05,894	82,91,966
IV. Provision for Deferred Tax	-	-
V. Provision for Depreciation on Investments	(9,87,631)	24,78,400
VI. Other Provisions	1,15,852	65,146
Total	218,80,200	202,75,764

The schedules referred to above form an integral part of the Profit and Loss Account

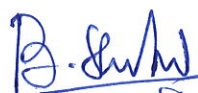
In terms of our report of even date

for Sagar and Associates

Chartered Accountants

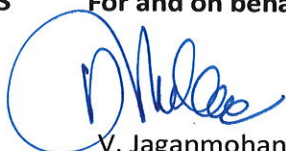
Firm Regn. No. 003510S

For and on behalf of Board of Directors



B. Srinivasa Rao
Partner

M.No. 202352



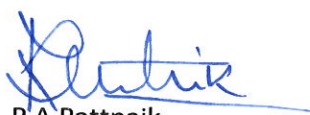
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Director



Mahpara Ali
Director

P A Pattnaik
Company Secretary & CFO



Donepudi Durga Prasad
Managing Director

Place: Madhapur

Date: May 21, 2019

SCHEDULE 17: SIGNIFICANT ACCOUNTING POLICIES

1) General :

The Financial Statements are prepared in accordance with the historical cost convention and accrual basis of accounting and are in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Accounting Policies applied are consistent with those applied in the earlier years except as otherwise stated elsewhere. They are also based on the going concern concept and conform to the statutory provisions and practices prevailing in India.

These Financial Statements have been prepared to comply with the Accounting Standards (AS) notified.

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities including Contingent Liabilities as of the date of the financial statements and the reported income and expenses for the reporting year. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

The normal operating cycle for the company is 12 months.

2) Revenue, Income and Expenditure Recognition:

2.1 Income:

- Income on advances classified under standard assets category is recognized on accrual basis.
- Income on Non-performing advances is recognized as and when realized as per the IRAC norms
- Interest on Investments and Bank Fixed deposits is recognized on accrual basis.
- Other Incomes like commission, exchange and other charges are recognized as and when realized.

2.2 Expenditure:

- Revenue Expenditure is accounted on accrual basis.

3) Investments:

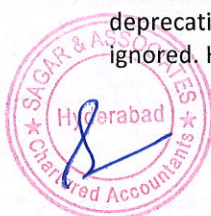
3.1 The Investment portfolio of the Bank is classified into the following three categories:

- Held to Maturity (HTM)
- Available for Sale (AFS)
- Held for Trading (HFT)

For disclosure purpose they are grouped and shown in the Balance Sheet under six groups.

3.2 Valuation :

- All investments held under HTM category are aggregated classification wise, and accounted for at acquisition cost. However, excess of cost over the face value being premium is amortized over the period remaining to maturity.
- Securities held under AFS category are valued scrip-wise, at market / estimated realizable value (worked out as per RBI guidelines) and aggregated classification wise. Treasury bills under AFS category are valued at carrying cost. The net depreciation under each group of classification, if any, is fully provided for while net appreciation is ignored.
- Securities held under HFT category are to be valued scrip wise at monthly intervals at market / estimated realizable value (worked out as per RBI guidelines) and aggregated classification wise. The net depreciation under each group of classification, if any, is fully provided for while net appreciation is ignored. However there are no securities under this category.



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- d) The shifting of securities as allowed by RBI as part of one time transfer of securities from one category to another is done at the lowest of the acquisition cost, book value or market value and treated as book value in the new category. The bank shifted three stocks of HTM category having aggregate book value of Rs. 199.91 lakh to AFS Category during the financial year 2018-19 after due approval of the Board as allowed by RBI.

4) Advances:

- a) The loans are classified as secured and un-secured after taking into consideration, the estimated value of primary security in terms of Livestock, Standing Crops, Other assets and collaterals hypothecated / mortgaged, wherever applicable.
- b) The loans and advances are also classified as Standard, Substandard, Doubtful and Loss Assets as per IRAC norms.
- c) All assets, which are not treated as standard assets are classified as Non-Performing Assets.
- d) Irrespective of the above classification, where any asset, in the opinion of the management, auditors and Reserve Bank of India, is considered irrecoverable with reasonable efforts, the same is classified as Loss Assets. However there are no loans under this category.
- e) Provision on Standard Assets is made at 0.50% on advances to Agriculture and 0.25% on SME sectors, 1% on advances to commercial real estate, 0.40% on all other advances.

5) Fixed Assets and Depreciation / Amortization :

- a) Fixed Assets are stated at Cost less accumulated depreciation. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets.
- b) Intangible Assets comprising of computer software and licenses expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprises of purchase price and directly attributable expenditure for making the asset ready for its intended use. Any technology support cost or annual maintenance cost for such software is charged to the Statement of Profit and Loss.
- c) Depreciation on tangible assets is provided on Straight Line Method (SLM) which reflects the management's estimate of the useful lives of the respective fixed assets. As per the Companies Act, 2013, the bank has reviewed and fixed the useful life of its fixed assets. Such useful Life of the fixed assets are given here under :

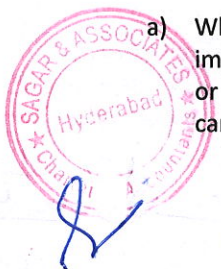
d)


Asset Category	Useful Life of the Asset
1. Assets for Own Use:	
I. Furniture and Fixtures	10
II. Office Equipment	5
III. Professional Equipment (Comprising of Computers, Printers, Peripherals, etc)	3
IV. Vehicles	5
V. Leased Premises – constructions	5

- e) Fixed Assets costing up to Rs. 5,000/- are depreciated fully in the year of purchase and put to use.

6) Impairment of Fixed Assets:

- a) Whenever events or changes in circumstances indicate that the carrying amount of fixed assets may be impaired, such assets are put to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the impairment loss is recognized which is the excess of the carrying amount over the recoverable amount.



- b) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- c) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying amount after reversal is not increased beyond the carrying amount that would have prevailed by charging usual depreciation if there was no impairment.

7) Provisioning and Write off :

- a) Provisioning in respect of Non-performing assets is made as per guidelines applicable to banks, issued by Reserve Bank of India.
- b) Bank has adopted a policy to write off selective cases, wherever 100% provision is made.

8) Pre-operative Expenditure :

- a) The pre-operative expenditure incurred with regard to shifting of existing branches and opening of new branches are treated as revenue expenditure during the year of shifting. However during the financial year the bank has not booked any pre-operative expenses.

9) Prior Period and Extra Ordinary Items :

- a) Prior Period and Extra Ordinary items having material impact on the financial affairs are disclosed separately.

10) Staff Benefits:

- a) **Provident Fund:** Contribution is accounted on actual liability basis and paid to Employee's Provident Fund Organization.
- b) **Gratuity:** Gratuity is being computed as per statutory norms on actuarial valuation basis and paid into a trust created with and for this purpose, through the group schemes of Life Insurance Corporation of India.

11) Taxes on Income :

- a) **Current Tax** is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.
- b) **Deferred Tax** is recognized on the timing differences – being differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

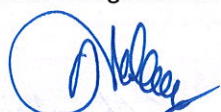
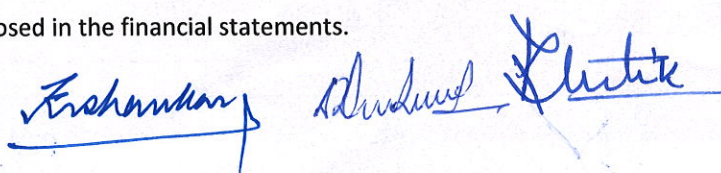
In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

12) Provisions, Contingent Liabilities and Contingent Assets :

- a) **Provisions** involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events – it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation.

- b) **Contingent Liabilities** are not recognized but are disclosed in the Notes.

- c) **Contingent Assets** are neither recognized nor disclosed in the financial statements.

13) Net Profit :

a) Net Profit is arrived at after accounting for the following "Provisions and Contingencies" :

Depreciation and amortization on Investments
 Provision for Taxation including Income Tax & Deferred Tax
 Provision for Loan Losses
 Provision for Standard Assets and NPAs
 Provision for disputed tax on the Interest on NPA
 Other usual and necessary provisions

14) Earnings per Share :

Basic and Diluted earnings per equity share are reported in accordance with Accounting Standard – 20 – Earnings per Share – notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.

Basic earnings per equity share have been computed by dividing Net Profit / (Loss) after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing the Net Profit / (Loss) after Tax for the year by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

SCHEDULE 18 – NOTES ON ACCOUNTS

(All Amounts are in Rs. Lakh unless otherwise stated)

1) CAPITAL:

S No	Particulars	31-Mar-19	31-Mar-18
i)	Common Equity Tier 1 capital ratio (%)	22.68	23.97
ii)	Tier 1 capital ratio (%)	22.68	23.97
iii)	Tier 2 capital ratio (%)	0.38	0.38
iv)	Total capital Ratio (CRAR) (%)	23.06	24.35
v)	Percentage of the shareholding of the Government of India in public sector banks	Nil	Nil
vi)	Amount of Equity capital raised	Nil	Nil
vii)	Amount of additional Tier 1 capital raised; of which PNCPs: PDI:	Nil	Nil
viii)	Amount of Tier 2 capital raised Of which Debt capital instrument: Preference share capital instruments: [perpetual Cumulative Preference shares (PCPS) / Redeemable Non-cumulative Preference shares (RNCPS) / Redeemable Cumulative Preference shares (RCPS)	Nil	Nil

2) a. INVESTMENTS

Particulars	31-Mar-19	31-Mar-18
1. Value of Investments		
a) Gross Value of Investments		
i) In India	4497.72	4863.15
ii) Outside India	Nil	Nil
b) Provision for Depreciation		
i) In India	14.91	24.78
ii) Outside India	Nil	Nil
c) Net Value of Investments		

i) In India	4482.81	4838.37
ii) Outside India		Nil
2. Movement of provisions held towards Depreciation on investments:		
i) Opening Balance	24.78	Nil
ii) Add: Provision made during the year		24.78
iii) Less: Write-off, write-back of excess provisions during the year	9.87	Nil
iv) Closing Balance	14.91	24.78

b. Repo Transactions:

Bank does not deal in any repo transaction.

c. Non SLR Investment Portfolio:

The total Investments held by the bank as on March 31, 2019 are SLR securities. The bank does not have any Non SLR Portfolio on the said date.

d. Sale and transfers to/from HTM category

The bank has shifted three stocks of HTM category having aggregate book value of Rs. 199.91 Lakh to AFS Category during the financial year, with the due approval of Board, as allowed by RBI and out of which two stocks are sold during the FY -2018-19

3) DERIVATIVES:

The bank does not deal in any derivatives products.

4) ASSET QUALITY

i) Non Performing Asset

Items	31-Mar-19	31-Mar-18
(i) Net NPAs to Net Advances (%)	1.92	0.93
(ii) Movement of NPAs (Gross)		
(a) Opening Balance	485.89	403.56
(b) Additions during the year	412.44	166.23
(c) Reduction during the year	157.58	83.9
(d) Closing Balance	740.75	485.89
(iii) Movement of Net NPAs		
(a) Opening Balance	144.86	120.33
(b) Additions during the year	234.16	108.45
(c) Reduction during the year	46.22	83.92
(d) Closing Balance	332.79	144.86
(iv) Movement of Provision For NPAs (excluding provisions on standard assets)		
(a) Opening Balance	341.03	283.23
(b) Provision made during the year	178.28	115.88
(c) Write-off/Write -Back of excess provisions	111.36	58.08
(d) Closing Balance	407.96	341.03

ii) Loan Assets subjected to Restructuring/Rescheduled

The bank has not rescheduled/ restructured any loan either during the current year or during the previous year.



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iii) Details of financial assets sold to Securitization / Reconstruction Company

The bank has not sold any financial assets to Securitization / Reconstruction Company during current year or the previous year.

iv) The bank has neither sold nor purchased any non performing financial assets during the current year or previous year.

v) Provisions on Standard Advances:

Particulars	31-Mar-19	31-Mar-18
Provisions towards Standard Advances	64.54	58.94

5) Business Ratios :

Particulars	31-Mar-19	31-Mar-18
Interest income as a percentage to Working Funds	14.08	14.68
Non-Interest income as a percentage to Working Funds	2.79	3.16
Operating Profit as a percentage to Working Fund	1.91	2.06
Return on Assets	0.85	0.96
Business (Deposits plus advances) per employee (Rs. in lakh)	110.23	91.82
Profit per Employee (Rs. in lakh)	0.59	0.6

6) Asset Liability Management:

Maturity pattern of certain items of assets and liabilities

Period	Deposits	Loans & Advances	Investments	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1Day	286.56	902.82	22.12	-	-	-
2 to 7 Days	304.29	490.75	53.65	-	-	-
8 to 14 days	437.24	283.59	96.04	-	-	-
15 to 28 days	438.25	41.59	128.77	-	-	-
29 days to 3 months	2513.63	1976.55	239.74	-	-	-
Over 3 months & up to 6	3344.00	5308.78	186.90	-	-	-
Over 6 months & up to 1 year	5623.26	4075.12	941.46	-	-	-
Over 1 year & up to 3 years	7373.09	3399.97	1009.93	-	-	-
Over 3 years & up to 5 years	1052.27	316.53	907.13	-	-	-
Over 5 years	486.35	919.45	897.10	-	-	-
Total	21858.94	17715.15	4482.84	-	-	-

7) Exposures :

i) Exposure to Real Estate Sector

The bank has provided housing loans, which are fully secured by mortgage on residential property that is or will be occupied by the borrowers or that is rented and are classified under priority sector.

The loans given to commercial real estate are classified as Non priority sector loans.

S No	Category	31-Mar-19	31-Mar-18
a)	Direct exposure		
i.	Residential Mortgages	396.24	333.12
	- Included under Priority Sector		
	- Non Priority Sector		Nil
ii.	Commercial Real Estate	512.89	597.14

iii.	Investments in Mortgage Backed Securities (MBS) and other securitized exposures : a. Residential b. Commercial Real Estate.		Nil
	c. Indirect Exposure		Nil
	Total Exposure to Real Estate Sector	909.13	930.26

ii) Exposure to Capital Market

The bank has not made any investment in capital market.

iii) Risk category wise Country Exposure

The bank does not have any overseas operations; hence there is no risk of country exposure.

iv) Details of Single Borrower Limit / Group Borrower Limit exceeded

The bank has not exceeded the prudential exposure limit in the case of single borrower or Group borrower during the current year / previous year.

v) Unsecured Advances

An Unsecured loan is a loan that is not backed by any security, either primary or collateral. It is a loan that is issued and supported only by the borrower's creditworthiness, Joint Liability, Group Pressure, etc., rather than by some sort of collateral. The unsecured advances breakup is as under:

Particulars	31-Mar-19	31-Mar-18
Crop Loans	22.14	22.38
Agri Allied Loans	14.82	47.18
Agri Investment Loan	6.41	9.18
NFS – Micro Enterprises Loan	23.90	109.40
Housing Loans		1.58
Samruddhi Kisan Credit Card Loans	12.84	14.64
SHG/FED/CDFI Loans		-
General Purpose Loans	874.08	737.15
Sudhama Loans		
Personal loan to staff	52.11	41.23
Salaried class term loan	6.02	22.35
Salaried class Overdraft		-
Personal loan to Staff	19.77	
Total	1032.11	1005.10

8) i) Amount of Provision made for Income Tax during the year:

Particulars	31-Mar-19	31-Mar-18
Provision for Income Tax – Current	95.06	82.92
Provision for Tax – Earlier years	-	-

ii) Penalties imposed by RBI: NIL

9) Additional Disclosures:

Provisions & contingencies:

i. The details of provisions debited to Profit and Loss Account

Particulars	31-Mar-19	31-Mar-18
Provision for depreciation on investments	(9.87)	24.78
Provision for Non-Performing Assets	126.86	89.33
Provision for Bad debts	1.16	0.65
Provision towards standard assets	5.59	5.08

Provision for taxation (including Deferred Tax)	95.06	82.92
Provision for Tax – Earlier years		-
Total	218.80	202.76

- ii. The bank was not having any floating provisions at the end of the previous year and has not made any additional or drawdown the provision during the current year.
- iii. During the year the bank has not drawn down any reserves made in earlier years.

iv. **a. Complaints :**

Complaints	ATM	Others
Number of complaints pending at the beginning of the year	NIL	NIL
Number of complaints received during the year	640	NIL
Number of complaints redressed during the year	640	NIL
Number of complaints pending at the end of the year	NIL	NIL

b. No awards were passed by the Banking Ombudsman against the bank during the current year.

- v. The bank has not issued any Letter of Comfort (LOCs) during the current year.
- vi. The Provision Coverage Ratio stood at 55.07% as at the end of March 2019 and 70.19% at the end of March 2018.
- vii. The Bank has not undertaken any bancassurance business.
- viii. **Claims against the bank not acknowledged as debts :**

Income Tax Proceedings:

a) Assmt. Year 2013-14 and 2014-15 :

The Income tax assessment proceedings for Assmt.years 2013-14 and 2014-15 were completed in earlier years, and demands were raised with details as under :

	A.Y. 2013-14		A.Y.2014-15	
Issues	Income	Tax	Income	Tax
NPA Interest	26,67,521/-	12,01,902/-	9,70,654/-	4,80,218/-
Share Application money	225,00,000/-	1,01,37,798/-	4,15,00,000/-	205,32,552/-

The Bank made a provision for the following amounts:

A.Y. 2013-14	Rs. 12,01,902/-	- NPA Interest
A.Y. 2014-15	Rs. 4,80,218/-	- NPA Interest

No Provision was made against the balance demands:

A.Y. 2013-14	Rs. 1,01,37,798/-
A.Y. 2014-15	Rs. 2,05,32,552/-

As the Bank was advised that these demands cannot be sustained.

b) Assmt. Year 2009-10:

A survey was conducted on 31-08-2015 by the TDS wing of Income Tax Department to verify the compliance with regard to provisions of TDS under Income Tax Act, 1961. Pursuant to the survey, various information was submitted. An order dated 31-03-2016 was passed wherein a demand of Rs. 13,94,370/- was raised for Assmt. Year 2009-10 for non-deduction of tax at source on Interest paid.

An appeal was filed against the said order of Income Tax Authorities.

Further, the Joint Commissioner of Income Tax (TDS), levied Penalty u/s 271C of Rs. 11,63,749/- vide his order dated 31-10-2016.



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An Appeal was filed against this order as it was passed during the pendency of the original TDS Appeal for A.Y. 2009-10 on which the very basis of TDS levy was contested.

No provision was made against these demands as the Bank was advised that these demands cannot be sustained.

ix) Concentration of Deposits, Advances, Exposures and NPAs

a. Concentration of Deposits:

Particulars	31-Mar-19
Total Deposits of twenty largest depositors	1899.14
Percentage of Deposits of twenty largest depositors to Total Deposits	8.69%

b. Concentration of Advances:

Particulars	31-Mar-19
Total Advances of twenty largest borrowers	744.35
Percentage of Advances of twenty largest borrowers to Total Advances	4.20%

c. Concentration of exposures:

Particulars	31-Mar-19
Total Exposure of twenty largest borrowers/customers	873.00
Percentage of Exposures of twenty largest borrowers/customers to Total Exposure on borrowers/customers	4.93%

The bank has not made any investment in shares/debentures, PSU Bonds and Commercial Papers, as such the investment exposure of the bank is NIL.

d. Concentration of NPAs:

Particulars	31-Mar-19
Total Exposure of Top four NPA accounts	125.50

x. Sector-wise Advances:

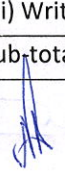
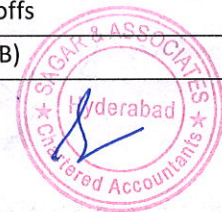
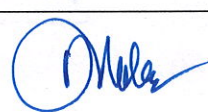
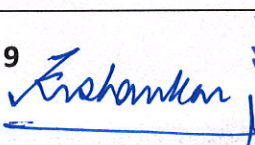
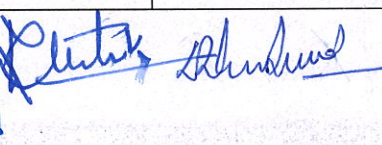
Sl. No.	Sector	Amount
1	Agriculture & allied activities	4503.51
2	Industry (Micro & small, Medium and Large)	8225.52
3	Services	4980.10
4	Personal Loans	6.02

xi. Sector-wise NPAs:

Sl. No.	Sector	% of NPAs to Total Advances in that sector
1	Agriculture & allied activities	5.31%
2	Industry (Micro & small, Medium and Large)	4.29%
3	Services	2.95%
4	Personal Loans	41.11%

xii. Movement of NPAs:

Particulars	Amount
Gross NPAs as on April 1, 2018	485.89
Additions (Fresh NPAs) during the year	412.44
Sub-total (A)	898.33
Less: (i) Upgradations	7.94
(ii) Recoveries (excluding recovery made from upgraded accounts)	71.95
(iii) Write-offs	77.69
Sub-total (B)	157.78




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Gross NPAs as on March 31, 2019 (A-B)	740.75
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xiii. Overseas Assets, NPAs and Revenue

The bank does not have any overseas operations.

xiv. Off-balance Sheet Sponsored

The bank has not sponsored any off balance sheet item.

xv. Un-amortized Pension and Gratuity Liabilities - NIL

xvi. Intra-Group Exposures – NIL

xvii. Transfers to Depositor Education and Awareness Fund (DEAF) :

Particulars	2018-19	2017-18	2016-17
Opening balance of amounts transferred to DEAF	7.63	4.98	2.82
Add: Amount transferred to DEAF during the year	2.57	2.65	2.16
Less: Amounts reimbursed by DEAF towards claims	-	-	-
Closing balance of amounts transferred to DEAF	10.20	7.63	4.98

10) Disclosure Requirements as per Accounting Standards :

a) Effect of changes in Accounting Policies : NIL

Accounting Standard 9 – Revenue Recognition

b) AS – 15 : Employee Benefits:

Provision has been made for employee benefits viz. Gratuity (as applicable to the bank) in accordance with the Revised Accounting Standard – 15. The liability of Gratuity was considered as per the statutory norms based on actuarial valuation and paid into a trust created for this purpose, through the group schemes of Life Insurance Corporation of India.

This is in compliance with the Revised Accounting Standard–15 on Employee Benefits notified by the Institute of Chartered Accountants of India.

c) AS – 17 : Segment Reporting:

Part A: Business segments

The Bank's operations are solely in financial services and consisting of providing Banking services to the local population. The entire operations of the Bank are thus considered as belonging to retail banking.

Part B : Geographic segments

There is only one segment i.e. Domestic segment

d) AS – 18 : Related Party Disclosures

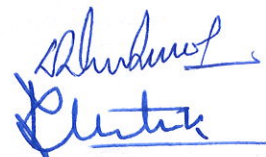
List of Related Parties and Transactions

The details of remuneration of Key Management Persons of the Bank are appended hereunder:

SI No	Name	Designation	Remuneration		
			2018-19	2017-18	2016-17
1	Donepudi Durga Prasad	Managing Director	17.00	12.52	
2	S Srinivasaraghavan	Chief Financial Officer	15.03	24.05	23.86
3	P A Patnaik	Company Secretary and CFO	10.00	8.71	7.41

Subsidiaries: NIL
Joint Ventures: NIL
Associates: NIL



e) **AS – 21 : Consolidated Financial Statements :**

The Bank does not have any Subsidiaries, Joint Ventures or Associates.
Hence, Consolidated Financial Statements are not prepared.

f) **AS - 22 : Accounting for Taxes on Income :**

Deferred Income Tax:

The major components of Deferred Tax Asset / (Liability) are Computation of Deferred Tax for the Year ended 31.03.2019

Particulars		Deference in Exp.	Deferred Tax as at 31.03.2019
Deferred Tax Liability			
Depreciation as per Companies Act	155.95		
Depreciation on GOI stock	(9.88)		
Deferred Tax Asset			
Depreciation as per Income Tax Act	104.15	41.92	11.66
Deferred Tax Asset at the beginning of the year			6.99
Net Deferred Tax Asset as on March 31, 2019			4.67

g) **AS – 28 : Impairment of Assets :**

In the opinion of Bank's Management, there is no impairment to the assets during the year to which Accounting Standard – 28 – Impairment of Assets applies.

h) **AS – 29 : Description of Contingent Liabilities (AS – 29) :**

1. Claims against the Bank not acknowledged as debts - Rs.332.28 Lacs
2. Other items – Rs. 269.20 Lacs

This constitutes written off Advances and amount transferred to Depositor Education and Awareness Fund (DEAF), of which Rs.121.61 lakh & 2.57 Lacs respectively pertains to Year. 2018-19

11) The previous year figures have been re-grouped / re-classified wherever necessary to make them comparable with the current year's figures.

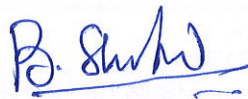
12) Wherever certain items are not relevant or applicable to the bank, the same have been omitted.

In terms of our report of even date

for Sagar and Associates

Chartered Accountants

Firm Regn. No. 003510S




B. Srinivasa Rao
Partner
M.No. 202352

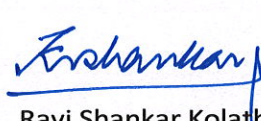


Place: Madhapur
Date: May 21, 2019

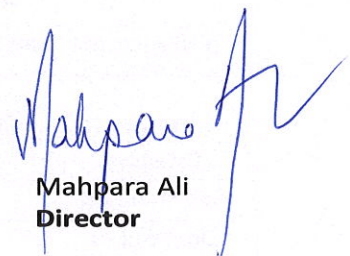
For and on behalf of Board of Directors



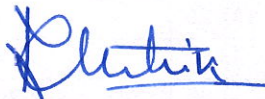
V. Jaganmohan
Director



Ravi Shankar Kolathur
Director



Mahpara Ali
Director



P A Pattnaik
Company Secretary & CFO



Donepudi Durga Prasad
Managing Director

Other Disclosures

A. Capital

(a) CRAR

Particulars	31-03-2019	31-Mar-18
CRAR	23.06%	24.35%
Core CRAR	22.68%	23.97%
Supplementary CRAR	0.38%	0.38%

(b) The bank has not raised any subordinated debt during the current year / previous year.

(c) Risk weighted assets

Particulars	Total Assets	Risk weighted Assets
Risk weighted assets - On Balance sheet items	27572.34	17198.63
Risk weighted assets - Off Balance sheet items	269.20	Nil

The bank does not have any investment from foreign holdings (Foreign Institutional Investors, Foreign Companies, Foreign Financial Institutions, NRIs, Overseas Corporate Bodies etc.,) as on March 31, 2019.

(d) Shareholding pattern as on March 31, 2019

S.no	Particulars	% of holding
1	Corporates	24.67
2	Individuals	75.33
3	Total	100.00

B. Asset quality and credit concentration

a) Net NPAs to net loans and advances

Particulars	31-Mar-19	31-Mar-18	31-Mar-17
Net NPAs to net loans and advances	1.92%	0.93%	0.83%

b) Net NPAs under the prescribed asset classification categories as on March 31, 2019.

Category	Gross NPA	Provision	Net NPA	Percentage of provision to Gross NPA
Sub-standard	424.62	91.83	332.79	12.40
Doubtful - 1	135.53	135.53	-	18.30
Doubtful - 2	147.26	147.26	-	19.88
Doubtful - 3	33.34	33.34	-	4.50
Grand Total	740.75	407.96	332.79	55.07

c) Provisions made towards Standard assets, NPAs, investments and income tax

Particulars	31-Mar-19	31-Mar-18	31-Mar-17
Provision for depreciation on investments	(9.87)	24.78	-
Provision for Non-Performing Assets	126.87	89.33	106.68
Provision for Bad debts	1.15	0.65	5.50
Provision towards standard assets	5.60	5.08	12.74
Provision for taxation	95.06	82.92	129.76
Provision for Tax – Earlier years	-	-	34.30

Total	218.81	202.76	288.98
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d) Movement in net NPAs

Particulars	March -19	31-Mar-18	31-Mar-17
(a) Opening Balance	144.86	120.33	89.02
(b) Additions during the year	234.16	108.45	75.44
© Reduction during the year	46.22	83.92	44.13
(d) Closing Balance	332.79	144.86	120.33

e) Credit exposure as percentage to capital funds and as percentage to total assets, in respect of

Particulars	Credit exposure as percentage to capital funds	Percentage to Total assets
The largest single borrower	5.04%	0.73%
The largest borrower group		
The 10 largest single borrowers	16.44%	2.36%
The 10 largest borrower groups		
Total Capital funds & Assets	3965.18	27572.34

f) Credit exposure to the five largest industrial sectors (if applicable) as percentage to total loan assets

Particulars	Percentage to total assets
Five largest industrial sectors	--

Forward rate agreements and interest rate swaps

- C. The bank has not made any forward rate agreements and interest rate swaps during the current year / previous year.

D. Business Correspondent Operations

The bank had appointed M/s/Basix Sub-K iTransactions Limited, as a Business Correspondent in November 2013 for extending its reach into the rural areas for Financial Inclusion and mobilizing small savings. M/s/Basix Sub-K iTransactions Limited rendered services as BC of the Bank till 31-01-2019 in Telangana Dist and 28.02.2019 in Karnataka Dist for the FY 2018-19. M/s. Gram Tarang Inclusive Development Services Pvt Ltd was appointed as Business Correspondent with effect from 01-02-2019 for Telangana Dist and 01-03-2019 for Karnataka Branches after obtaining approval of Board approval in the meeting held on 12-11-2018. The details of the business as follows

Particulars	31-Mar-19	31-Mar-18
Deposits	4718	3857.77
Advances	290	150
Percentage to total Deposits	21.58%	21.22%
Percentage to total Advances	1.64%	0.94%
No of Locations	17	18

D. Disclosures on Remuneration

S No.	Particulars	Remarks
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1	Qualitative disclosures	<p>1. Information relating to the composition and mandate of the Remuneration Committee.</p> <p>2. Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.</p>	<p>The functions of Remuneration committee are performed by Human Resources and Development Committee consisting of five directors as members.</p> <p>Scope of the committee To oversee the framing, review and implementation of compensation policy of the bank on behalf of the board.</p> <p>The Human Resources and Development committee reviews all aspects of the compensation structure such as proportion of fixed component & variable component of pay etc.</p>
2	Quantitative disclosures.	Number of meetings held by the Remuneration committee during the financial year.	<p>Current year previous year</p> <p>4 3</p>

E. Disclosures relating to Securitization

The bank has not entered into any securitization transaction during the financial year.

F. Credit default swaps

The bank does not deal in Credit default swaps.

G. Liquidity Coverage Ratio:

Bank has been following Basel-I framework which is applicable to Local Area Banks. So that, Liquidity Coverage Ratio is not applicable.

H.

Divergence in Asset Classification and Provisioning for NPAs

(Ref. RBI Cir. No. DBS (H) /No.72/04.03.022/2017-18))

Sr.No	Particulars	Amount Rs. In '000'
1.	Gross NPAs as on March 31, 2018* as reported by the bank	485.89
2.	Gross NPAs as on March 31, 2018 as assessed by RBI	487.69
3.	Divergence in Gross NPAs (2-1)	1.80
4.	Net NPAs as on March 31, 2018 as reported by the bank	144.85
5.	Net NPAs as on March 31, 2018 as assessed by RBI	146.65
6.	Divergence in Net NPAs (5-4)	1.80
7.	Provisions for NPAs as on March 31, 2018 as reported by the Bank	341.03
8.	Provisions for NPAs as on March 31, 2018 as assessed by RBI	341.03
9.	Divergence in provisioning (8-7)	Nil
10.	Reported Net Profit after Tax (PAT) for the year ended 31, March 2018	221.91
11.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2018 after taking into account the divergence in provisioning	Nil

* March 31, 2018 is the close of the reference period in respect of which divergences were assessed.

I. Reconciliation of ATM and POS Transactions:

ATM & POS reconciliation is completed till March 31, 2019;

ATM pending entries summary Transaction Type	31-03-2019	
	No of Tran	Amount (Rs.)
Acquirer	371	9,19,100
Issuer	635	11,00,200
Onus	33	89,400
Total	1039	21,08,700

POS pending entries Summary

Particulars	No of transactions	Amount
Issuer	Nil	Nil

CASH FLOWS STATEMENT

(Amount in Rs.)

Sl.No	Particulars	31-Mar-19	31-Mar-18
A	Cash Flow from Operating activities	22,07,59,170	(11,45,73,868)
B	Cash Flow from Investing activities	4,77,46,361	2,87,36,249
C	Cash Flow from Financial activities	4,66,831	4,77,028
	Net Change in Cash & Cash Equivalents	26,89,72,362	(8,53,60,591)
D	Cash & Cash Equivalents at the beginning of the year	16,67,85,069	25,21,45,660
E	Cash & Cash Equivalents at the end of the year	43,57,57,430	16,67,85,069
	Net Change in Cash & Cash Equivalents	26,89,72,362	(8,53,60,591)
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
I	Net Profit after Taxes	2,11,62,267	2,21,91,009
	Add : Tax Provision	95,05,894	82,91,966
	Sub Total	3,06,68,161	3,04,82,975
	Less : Amount Transferred to Provision for leave encashment	-	-
	Sub Total	3,06,68,161	3,04,82,975
	Adjustments :-		
i	Depreciation on Fixed Assets	1,55,95,053	1,45,43,652
ii	Provision for NPAs(pbdd)	1,26,86,522	89,32,764
iii	Provision for Standard Assets	5,59,563	5,07,488
iv	Depreciation on Investments	(9,87,631)	24,78,400
v	Interest paid on Subordinated Debts	-	-
vi	Other Provisions		
	Provision for Restructured accounts(interest sacrifice)	-	-
	Provision for Retired employee's Medical Bills	-	-
	Adhoc provision for loan loss & Misce.Items /other provision	-	-

	Provision for Contingent Liabilities	-	-	-
	Floating Provision for Loan Losses	-	-	-
	Deferred Tax asset for Current year / DTL	-	-	-
	Sub Total		5,85,21,668	5,69,45,278
	Less : Direct Taxes (Actual advance Tax paid)		85,00,000	1,25,00,000
	Sub Total		5,00,21,668	4,44,45,278
I	Increase in Deposits	36,81,82,394	(15,15,93,163)	
II	Increase /Decrease in Borrowings	-	-	
IV	Increase in Advances	(18,26,49,433)	(8,26,81,114)	
V	Increase in Other Liabilities & Provisions	(72,21,060)	5,08,04,995	
VI	Increase in Other Assets	(1,60,74,398)	2,44,50,136	
	Sub Total		17,07,37,502	(15,90,19,147)
	Net Cash Flow from Operating Activities		22,07,59,170	(11,45,73,868)
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
I	Investment in subsidiaries and /or Joint Ventures	-		
II	Income Earned on Such Investment	-	-	
III	Increase in Investments	3,55,55,508	3,52,73,396	
III	Fixed Assets			
	Additions during the year	1,09,75,964	(83,79,076)	
	Deductions during the year	12,14,889	18,41,929	
	Net Cash used in Investing Activities	-	4,77,46,361	2,87,36,249
C	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
I	Share Capital	-	-	
II	Share Premium	-	-	
III	Subordinated Bonds	-	-	
IV	Redemption of Bonds (Series -1)	-	-	
V	Interest paid on Subordinated Bonds	-	-	
VI	Dividend paid	-	-	
VII	Other Reserves	4,66,831	4,77,028	
	Net Cash Provided by (used in) Financing Activities		4,66,831	4,77,028
D	<u>CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</u>			
I	Cash in Hand (including Foreign Currency Notes)	3,26,48,887	4,99,72,176	
II	Balance with Reserve Bank of India	1,97,92,032	3,97,92,032	
III	Balance with Banks and Money at call and short Notice	11,43,44,150	16,23,81,452	
	Total :		16,67,85,069	25,21,45,660

E	<u>CASH & CASH EQUIVALENTS AT THE END OF THE YEAR</u>				
I	Cash in Hand(including Foreign Currency Notes)	7,05,69,194		3,26,48,887	
II	Balance with Reserve Bank of India	1,97,92,032		1,97,92,032	
III	Balance with Banks and Money at call and short Notice	34,53,96,204		11,43,44,150	
	Total :		43,57,57,430		16,67,85,069

In terms of our report of even date

for Sagar and Associates

Chartered Accountants

Firm Regn. No. 003510S

For and on behalf of Board of Directors



B. Srinivasa Rao

Partner

M.No. 202352



V. Jaganmohan

Director



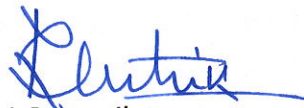
Ravi Shankar Kolathur

Director



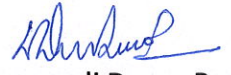
Mahpara Ali

Director

P A Pattnaik

Company Secretary & CFO



Donepudi Durga Prasad

Managing Director

Place: Madhapur

Date: May 21, 2019