



**PANDYAN GRAMA BANK  
ADMINISTRATIVE OFFICE, VIRUDHUNAGAR**

**HIGHLIGHTS 2017 – 18**

- Business Mix rose from ₹ 10051.91 crore to ₹ 11044.80 crore registering a **growth of 9.88%**.
- Deposits rose from ₹ 5541.23 crore to ₹ 5829.48 crore registering a growth of 5.20 %
- Demand Deposit rose from ₹ 1734.54 crore to ₹ 1787.16 crore which constitute **30.66 %** to the total deposits.
- Gross Advances rose from ₹ 4510.68 crore to ₹ 5215.32 crore registering a **growth of 15.62%**.
- Disbursement to Priority Sector advances amounts to ₹ 5871.66 crore, constituting **98.12 %** of total disbursement.
- Priority Sector advance stands at ₹ 5075.56 crore; accounts for 97.32 % of the total advances.
- 2906 New JLG Loan amounting to ₹ 30.81 crore disbursed during the year.
- 1501 New Self Help Groups were linked with a credit flow of ₹ 32.69 crore.
- Credit Deposit ratio is **89.46 %**
- Gross NPA of the Bank is ₹ 73.49 crore constituting **1.41 %** of total advance.
- Net NPA of the Bank is **0.43%** of total advance
- Recovery percentage of advances is **97.68 %**.
- **Bank has posted an Operating Profit of ₹ 186.69 crore (₹ 121.78 crore for FY 2016-17). The Bank has been continuously earning profit since 1997-98.**
- **Bank has posted Net Profit of ₹ 31.89 crore (₹ 74.63 crore for FY 2016-17).**
- Net Owned Funds has gone up to ₹ 639.00 Crore from ₹ 607.11 Crore.
- **12 New Branches** were opened. Out of which, 2 are in **unbanked area**.
- Total Number of Branches as on 31.03.2018 is 329.
- CRAR of the Bank as on 31.03.2018 is 13.28 %
- **151798** accounts outstanding under PMJDY
- Bank has provided 2% of Net Profit (Rs 65.27 lakh) towards Staff welfare fund and 0.25% ( Rs 8.16 lakh ) towards Corporate Social Responsibility Fund.
- Net Interest Margin      2.25 %                      Return on Assets      0.33 %
- Return on Equity              5.12 %                      Staff Productivity      7.91 Crore
- Branch Productivity      32.32 Crore



## DIRECTORS REPORT

Board of Directors of Pandyan Grama Bank is pleased to place the 41<sup>st</sup> Annual Report of the Bank along with the Audited Balance Sheet and Profit and Loss Account for the financial year ended 31<sup>st</sup> March 2018.

### 01. BRIEF INTRODUCTION

Pandyan Grama Bank was established on 9<sup>th</sup> March 1977 with its Administrative Office at Sattur, and shifted to Virudhunagar on 16.07.1993. The Administrative Office has started functioning in its own building from 31.10.2000 onwards.

### 02. BRANCH NETWORK

The Bank is operating in sixteen districts namely, Virudhunagar, Sivagangai, Ramanathapuram, Tirunelveli, Thoothukudi, Pudukottai, Madurai, Dindigul, Kanyakumari, Theni, Tiruchirappalli, Thanjavur, Thiruvarur, Perambalur, Nagapattinam and Ariyalur. During the financial year 12 new branches were opened and 21 branches were shifted to spacious, easy accessible buildings with better ambience.

The District-wise branch network as on 31.03.2018, reclassified as per RBI directives according to Census 2011, is given below:

SL. No.	District Name	No. of Branches in Metro	No. of Branches in Urban	No. of Branches in Semi-Urban	No. of Branches in Rural	Total
1	Ariyalur			3	4	7
2	Dindigul		1	8	2	11
3	Kanniyakumari		1	15	8	24
4	Madurai	5		5	6	16
5	Nagapattinam		1	1	8	10
6	Perambalur			2	4	6
7	Pudukkottai		1	1	12	14
8	Ramanathapuram			11	15	26
9	Sivaganga		1	8	23	32
10	Thanjavur		1	11	6	18
11	Theni			10		10
12	Thiruvarur			2	3	5
13	Thoothukkudi		2	13	22	37
14	Tiruchirappalli		1	4	6	11
15	Tirunelveli		3	30	32	65
16	Virudhunagar		1	13	23	37
	<b>TOTAL</b>	<b>5</b>	<b>13</b>	<b>137</b>	<b>174</b>	<b>329</b>



### 03. SHARE CAPITAL

As per the RRB Amendment Act 2015, with effect from 04/02/2016 the authorised Share Capital of the Bank is raised from ₹ 5 Crore to ₹ 2000.00 crore divided to 200,00,00,000 shares of ₹ 10 each. The details of Share capital by Government of India, Government of Tamil Nadu and Sponsor Bank (IOB) is furnished below:

DETAILS	Govt. of India	Govt. of T.N.	Sponsor Bank (IOB)	TOTAL
Number of Shares	20198400	6059500	14138800	40396700
Share Capital (₹ in thousands)	201984	60595	141388	403967

### 04. DEPOSITS

The deposits of the Bank reached the level of ₹ 5829.48 crore registering a growth of 5.20 % during the year. The break-up details are given below:

(₹ in thousands)

Details		As on 31.03.2018		As on 31.03.2017	
		No.	Amount	No.	Amount
1	Term Deposits	549836	40423205	568581	38066879
2	Savings Bank	1494665	16483289	1420727	15962716
3	Current Deposits	6361	1388321	6114	1382713
<b>TOTAL</b>		<b>2050862</b>	<b>58294815</b>	<b>1995422</b>	<b>55412308</b>

The share of demand deposits is 30.66 %. The cost of deposits is 6.40% during this year against 6.85 % in the previous year.

Per branch and Per employee deposits for two years are indicated below:

(₹ in thousands)

	As on 31.03.2018	As on 31.03.2017
<b>Per Branch Deposit</b>	177188	174802
<b>Per Employee Deposit</b>	43342	43461



## 05. BORROWING

### a. REFINANCE

Refinance sanctioned by NABARD, Sponsor Bank & National Housing Bank was utilized & channelized into productive lending and for maximizing the bank's profit. Details of refinance drawn and repaid during the year are indicated below:

(₹ In thousands)

Category	Limit sanctioned 2017-18	Outstanding as on 31.03.2017	Limit availed during 2017-18	Repayments Made 2017-18	Outstanding as on 31.03.2018
<b>A. NABARD</b>					
1. ST/SAO	5590000	4500000	5590000	4500000	5590000
2. Additional ST/SAO	4000000	5000000	6940000	9940000	2000000
2. ST/others	2500000	2000000	2200000	2000000	2200000
3. Schematic	13200000*	14814134	10400000	3799989	21414145
Sub - Total	<b>25290000</b>	<b>26314134</b>	<b>25130000</b>	<b>20239989</b>	<b>31204145</b>
<b>B. IOB</b>					
1. ST/SAO	3500000	725007	855001	725007	855001
2. ST/OSAO	1000000	0	0	0	0
Sub - Total	<b>4500000</b>	<b>725007</b>	<b>855001</b>	<b>725007</b>	<b>855001</b>
<b>C. NHB</b>					
NHB	0	29060	0	29060	0
<b>TOTAL</b>	<b>29790000</b>	<b>27068201</b>	<b>25985001</b>	<b>20994056</b>	<b>32059146</b>

Note: \* While the limit sanctioned represents refinance limits sanctioned by Nabard for FY 2017-18, the outstanding as on 31.03.2018 represents the aggregate of outstanding refinance availed by the Bank over the past years up to 31.03.2018.

**Cost of borrowing is 6.15 %**

### b. INTER BANK PARTICIPATION CERTIFICATE

During the year the bank has issued ₹ 1575 crore (Rupees One Thousand Five Hundred and Seventy Five crore only) of Agricultural advance to our Sponsor Bank under Inter Bank Participation Scheme. The outstanding under IBPC as on 31.03.2018 is ₹ 825 crores.

Bank	₹ in thousands
Indian Overseas Bank	2500000
Indian Overseas Bank	1500000
Indian Overseas Bank	2500000
Indian Overseas Bank	1750000
<b>Total</b>	<b>8250000</b>

**Note:** Our bank has done IBPC swap for Rs 1150 crore with IOB @ 3.75% and in turn, IOB has issued IBPC to our Bank for Rs 1150 crore @4.75%.



Date of Availment	Amt in crore	Due Date
21.12.2017	250.00	19.06.2018
27.03.2018	900.00	23.09.2018

## 06. OTHER LIABILITIES – DICGC

In case of Deposits, Bank continues cover under DICGC. No claim was lodged by the Bank for deposits.

## 07. CASH AND BALANCES WITH BANKS

- a. Average Cash Balance of the Bank for the year in comparison to previous year is indicated below:

(₹ in thousands)

Details	31.03.2018	31.03.2017
Average cash held during the year	466165	498765
Percentage of average cash to average deposits	0.82%	1.01 %

- b. Balance held with RBI in comparison to previous year is indicated below:

(₹ in thousands)

	31.03.2018	31.03.2017
Balance in RBI account	2478484	2196953

- c. Balance held with Sponsor Bank (IOB) and other Commercial Banks in comparison to previous year is indicated below:

(₹ in thousands)

Banks	31.03.2018	31.03.2017
Sponsor Bank (IOB)	1585180	2701239
State Bank of India	2783	9006
Other Commercial Banks	117490	126465

- d. Income earned on Deposit with Other Banks in comparison to previous year is indicated below:

(₹ in thousands)

	31.03.2018	31.03.2017
Income earned on Deposit with Other Banks	183020	871001



## 08. INVESTMENTS

The Investments are made as per Reserve Bank of India directives. Details of investments and provision held for the last two years are given below:

(₹ in thousands)

Details	31.03.2018				31.03.2017			
	Investments		Provision for depreciation during the year	Yield %	Investments		Provision for depreciation during the year	Yield %
	Gross	Net			Gross	Net		
S L R	43864057	43864057	1485812	7.66	37810475	37810475	3697	7.23
Non-SLR	--	--	NIL		--	--	NIL	
Mutual Funds (liquid)	--	--	NIL		--	--	NIL	
Deposit with Sponsor Bank/SBI & Other Public Sector Banks/ Private Banks	2500000	2500000	NIL	9.43	5600000	5600000	NIL	8.72

## 09. LOANS AND ADVANCES OUTSTANDING

Loans and Advances as on 31.03.18 rose to ₹ 5215.32 crore from ₹ 4510.68 crore in the previous year, registering a growth of 15.62 %. We have improved the diversification of lending to reduce the dependence of Jewel Loan portfolio.

In this connection we have also introduced the following New Schemes as detailed in the table below,

Scheme	Purpose
Oli Vilakku	For Differently abled persons
Unnal Mudiyum Penne	For Women Green field entrepreneurs
Kaikoduppom	For SC/ST Beneficiary Entrepreneurs
Meenava Thozhan	For Fishermen Upliftment
Iravu Soorian	For Solar Power for Institutions
Valarum Vanigam	For Small traders Upliftment



Kanavu Illam	Gol'S Pradhan Mantri Awas Yojana
Brindavanam	Home Garden/Vegetable Plantation
Doctor Plus	For Medical Practitioners
Vidhyalakshmi	For school Education
Amudam	For Home Water Management/ Irrigation
Thirumanam	For Marriage Expenses
Pandigai	For Festival Expenses
Sutrula	For Tour Expenses
Vaayuputhira	For Commercial Vehicle
Nila Valam	For Agri.Land Enrichment
Neer Valam	For Water/Irrigation Enrichment
Vithai Valam	For Seed Enrichment
Iyarkai Valam	For Organic Enrichment
Virpani Valam	For Agri.Trade Enrichment
Velaan Valam	For Crop Cultivation Enrichment
Mathippukoottu Valam	For Agri. Produce Enrichment
Niranthara Valam	For Agri.Infrastructure Enrichment
Yaetrumathi Valam	For Agri Commodity Enrichment
Pathukappu Valam	For Storage Enrichment
Elimai Agri	For Agri.Allied activities
Elimai MSME	For Manufacturing,Service & Trade
Parakkum Paavai	Govt of TN's Two Wheeler for Women

During FY 2017-18 loans to the tune of Rs 36.33 crore has been disbursed in the above mentioned schemes. The priority sector advances is Rs 5075.56 crore against the previous year position of Rs 4212.07 crore.

Advances to SC/ST stood at ₹ 2138.28 crore as against ₹ 2098.40 crore in the previous year. The sector wise outstanding advances are detailed hereunder:

(₹ in thousands)

CATEGORY OF ADVANCE	AS ON 31.03.2018	AS ON 31.03.2017
1. Agriculture	45070877	37800500
2. Industries	2153215	4961300
3. Services	3531507	1358867
<b>Sub Total</b>	<b>50755599</b>	<b>44120667</b>
4. Others	1397568	986109
<b>TOTAL</b>	<b>52153167</b>	<b>45106776</b>

The Credit Deposit Ratio of the bank is 89.46 % as on 31.03.2018. The average yield on advance is **9.56%**.



## 10. INCOME RECOGNITION AND ASSET CLASSIFICATION

### a. Asset Classification and Provisioning:

The classification of assets for the year 2017 - 18 and 2016 - 17 are furnished below:

(₹ in thousands)

S.No.	Details	31.03.2018			31.03.2017		
		Outstanding	%	Provision	Outstanding	%	Provision
1	Standard	51418293	98.59	138331	44680206	99.05	119913
2	Sub-Standard	383265	0.74	44483	137879	0.31	19425
3	Doubtful	330382	0.63	227562	288691	0.64	203900
4	Loss	21245	0.04	21245*	0	0	0
	<b>Total</b>	<b>52153185</b>	<b>100</b>	<b>431621</b>	<b>45106776</b>	<b>100</b>	<b>343238</b>
	@Floating Provision			218041			218041
	<b>Total Provision</b>			<b>649662</b>			<b>561279</b>

\*Provision for Loss Assets Rs.17212 thousand is kept in provision towards frauds (Contingent Liability)

Gross NPA to Total Advance is 1.41 %.

### b. Interest Derecognized:

The quantum of interest derecognized during 2017-18 and 2016-17 is indicated below:

(₹ in thousands)

Sl.No.	Details	2017-18	2016-17
1	Derecognized interest at the end of the year	23080	7539

Assets are classified in accordance with RBI norms.

### c. Provision

The provision held by the Bank for the last two years is indicated below:

(₹ in thousands)

Sl.No.	Details	2017-18	2016-17
1	Total Provision	649662	561279
2	Statutory Provision for NPA	293290	223325
3	Statutory Provision Standard Assets	138331	119913
4	Floating Provision for NPA	218041	218041





#### d. NPA Management:

The movement of NPA during the year under report over the last year's position is indicated as under:

(₹ in thousands)			
S.No	Details	2017-18	2016-17
1	NPA at the beginning	426570	411860
2	Additions during the year	733853	403914
3	Recovery in NPA during the year	425531	389204
	<b>NPA at the end of the year</b>	<b>734892</b>	<b>426570</b>

- Out of 329 Branches as on 31.03.2018 only 259 branches are having NPA

#### Strategies adopted for reduction of NPA:

- Recovered Rs.388.43 lakhs in 1253 Accounts under Regular OTS Scheme
- Recovery camps were organized in all the Branches having NPA.
- Lok Adalats conducted in Four Regions resulting recovery of ₹ 43.20 lakhs in 210 accounts
- Top most importance was given for arresting fresh slippage in SHG & Agri Advances.

#### e. Share of NPA to Net Advances:

(₹ in thousands)			
S.No	Details	2017-18	2016 - 17
1	Net advances	51640506	44883451
2	Net NPA	222213	NIL
3	Percentage of Net NPA to advances	0.43%	0 %

### 11. LOAN DISBURSEMENT DURING THE YEAR

The sector wise loan disbursements during 2017-18 and 2016-17 are indicated as under.

(₹ in thousands)		
CATEGORY OF ADVANCE	2017-18	2016-17
1. Agriculture	53078569	44214000
2. Industries	1594244	2233500
3. Services	4043872	3988000
4. Others	1123186	461530
<b>TOTAL</b>	<b>59839871</b>	<b>50897030</b>



#### a. ACHIEVEMENT UNDER ANNUAL CREDIT PLAN

Bank has successfully achieved the District wise allocation made under Annual Credit Plan during 2017-18 as given below.

(₹ in thousands)

CATEGORY OF ADVANCE	Target	Achievement	Percentage
1. Agriculture	42552800	53078569	<b>124.73</b>
2. Industries	3805800	1594244	<b>41.88</b>
3. Services	7479800	4043872	<b>54.06</b>
<b>TOTAL</b>	<b>53838400</b>	<b>58716685</b>	<b>109.06</b>

#### b. FARMERS' CLUB:

Farmers Club programme implemented by the Bank in co-ordination with NABARD helps to propagate the principles of development through credit and it is the grass root level informal forum aimed at creating a cordial relationship between the Bank and Farming community for mutual benefit. Bank has 378 Farmers' Club as on 31.03.2018.

Farmers club brings potential customers into the Bank's fold. They are also well utilized to trace defaulted borrowers for recovery of advances.

#### c. JOINT LIABILITY GROUPS:

The concept of extending credit assistance through JLG especially to clients, who are unable to produce collateral security, has immensely benefited through this scheme, as Mutual guarantee revokes collateral security.

During 2017-18, Bank has disbursed loans to 2906 JLGs amounting to Rs 30.81 crores. Both Farm sector including Agri & Fishing activities and Non Farm Sector including various MSE activities have been financed.

As on 31.03.2018, the Bank has cumulatively financed 9533 JLGs with an amount of ₹ 167.51 crores.

#### d. GENERAL CREDIT CARD:

During this year we have granted ₹ 4.00 lakhs to 15 beneficiaries and the outstanding as on 31.03.2018 is ₹ 41.67 lakhs pertaining to 139 beneficiaries.



#### e. KISAN CREDIT CARD SCHEME:

KCC has emerged as an important credit delivery mechanism to meet the production credit requirements of the farmers in a timely and hassle-free manner. Bank has implemented the scheme in letter and spirit and thereby, Bank had sanctioned ₹ 13.56 crore by issuing 2074 Kisan Credit Cards during the year 2017-18.

As on 31.03.2018, the outstanding under KCC ₹ 59.18 crores against 9940 cards. The cumulative disbursal amounting to ₹ 2459.26 crore.

#### f. PMMY

Government of India has launched "Micro Units Development and Regulation Agency" (MUDRA) under Pradhan Mantri MUDRA Yojana on 08.04.2015. During this financial year 2017-18 we have granted ₹ 303.07 crore to 44124 beneficiaries and achieved the target of Rs 300 crore fixed by Government of India.

#### g. Standup India

Government of India has launched "Standup India" on 15.08.2015 for Green Field enterprises setup by SC/ST and Women Entrepreneur. During the financial year 2017-18 we have granted Rs 149.05 lakh to 9 beneficiaries.

To fall in line with other Government sponsored scheme our Bank has formulated new scheme such as 'Oli Vilakku', 'Unnal Mudiyum Penne', ' Kai Koduppom'.

### 12. RECOVERY OF LOANS

The bank's recovery percentage is 97.68 to total demand as on 30.06.17 and the details of sector-wise Demand, Collection and Balance are as follows.

( ₹ in thousands )

Details	Farm Sector	Non-Farm Sector	Total
Demand	33201112	20609600	53810712
Collection	32498527	20063984	52562511
Balance	702585	545616	1248201
%	<b>97.88</b>	<b>97.35</b>	<b>97.68</b>

### 13. WRITE-OFF OF LOANS

Bank has written off

₹ in '000

Particulars	No of Accounts	Amounts
Loans Written off	1549	48703.37
Loans Written off through Compromise Settlement	1253	24960.49
Total Write off	2802	73663.86



#### 14. INCOME EARNED

Details of income earned during the year as compared to the previous year are furnished here under.

( ₹ in thousands )

Details	2017-18	2016 - 17
Interest Received on Advances	4724468	4209049
Interest Received on Investments	2752954	2075880
Other Income	1522718	1103062
Others (interest earned)	--	127101
<b>TOTAL</b>	<b>9000140</b>	<b>7515092</b>

#### 15. EXPENDITURE INCURRED

Details of expenditure incurred during this year as compared to the previous year is furnished hereunder:

( ₹ in thousands )

EXPENDITURE	2017-18	2016 - 17
Interest Paid on deposit	3651657	3400860
Interest paid on borrowings	1932348	1398589
Other expenditure	3097141	1499901
Total	<b>8681146</b>	<b>6299350</b>

#### 16. FINANCIAL RATIOS

The important financial ratios for the current year 2017 - 18 are indicated below in comparison with the previous year:

	2017 - 18	2016 - 17
Average Working Fund ( ₹ in thousands)	98085065	81624381
a) Financial Return	8.81	8.55
b) Financial Cost	6.31	6.59
c) Financial Margin	2.50	1.96
d) Operating Expenses	1.58	1.83
e) Operating Margin	0.92	0.92
f) Misc. Income	1.23	1.51
g) Risk Cost	0.05	0.10
h) Operating Profit as % to working fund	1.90	1.49
i) Other cost	1.52	0.48
j) Net Margin	0.57	1.06



## 17. TRANSFER PRICE MECHANISM

With effect from 01.09.2016, Interest Paid on Deposits to branches was revised, under Transfer Price Mechanism. CASA deposits are given interest at 6 % and Term deposits are given interest at 8.25% and Interest charged on Advances from branches, for Crop/KCC, Agri Term loan interest is charged at 3 %, Agri Jewel Loan at 5 % and all other loans at 7 %.

## 18. ACHIEVEMENT UNDER TRIPARTITE MEMORANDUM OF UNDERSTANDING (MOU)

The Bank has achieved the performance obligations of Tripartite MoU signed by Govt. of India, Sponsor Bank (IOB) and Our Bank as detailed below:

(₹ in Lakhs)

CATEGORY	MoU TARGET	ACHIEVEMENT
1. CD Ratio	< 87.47	89.46
CD Ratio Net of IBPC		75.31
2. Per employee Net Profit	6.36	2.37
3. Gross NPA%	0.94	1.41
4. Percentage of Non Int. Income	15.57	9.97
5. Loss Assets	--	212.45

## 19. TME CELL

Bank's Advances Department is looking after the TME cell and technical guidance is provided to the branches wherever necessary and specialized officers are deputed to branches for assisting them in getting sanction of bigger advances.

## 20. SELF HELP GROUPS-BANK LINKAGE PROGRAMME:

Extending hassle free and repetitive flow of credit to the poor become the hall mark of Micro Finance. During the year 2017-18, 1501 groups have been credit linked with an outlay of ₹ 32.69 crore. The cumulative disbursement was ₹ 982.77 crores towards 125273 groups. The amount outstanding as on 31.03.2018 is ₹ 56.77 crores pertaining to 6932 groups.



## 21. INTEREST RATES

The Rate of Interest of Deposits and Advances as on 31.03.2018 is as under:

### Term Deposit:

Period	General Public Rate (%)	Senior Citizen
14 days upto 45 days	5.75	6.25
46 days upto 90 days	6.00	6.50
91 days upto 179 days	6.90	7.40
6 months to less than 1 year	6.95	7.45
1 Year	7.05	7.55
Above 1 year to 3 years	7.00	7.50
Above 3 years to 5 years	7.00	7.50
Above 5 years to 10 years	7.00	7.50
PGB Tax Saver	7.00	7.50

### For NRE Term Deposit:

Period	Interest Rate (%)
1 Year	7.05
Above 1 year to 3 years	7.00
Above 3 years to 5 years	7.00
Above 5 years to 10 years	7.00

### Advances:

#### Priority Sector Advances:

Category	Upto ₹ 50,000	₹ 50,001 to ₹ 2 Lakhs	Above ₹ 2 Lakhs
Agri Term Loan	11.00%	11.75%	12.00%
AJL/KCC/Crop Loan	11.00%	11.75%	12.00%
Agri Term loan – Jewel	10.50%	10.50%	11.00%
Self Help Group	12.25%	13.25%	13.75%
SME (WC & TL)	12.25%	12.25%	12.75%
Education Loan	12.75%	13.75%	14.25%



### Housing Loan:

Category	
General – Priority – Up to Rs 25.00 lakh	10.00%
Non Priority- Above Rs 25.00 lakh	10.00%

Category(Under National Housing Bank Refinance Scheme)	Upto ₹ 20.00 Lakh
Rural Housing Loan:(10 yrs)	8.36%
Urban Housing Loan:(10 yrs)	8.36%

### Trading & Non Priority Sector Advances:

Category	Rate of Interest
Pushpavahanam	10.50%
Consumer Loan to Salaried Person	
Disbursement on Declaration	14.00%
Disbursement on Purchase of consumer durables with bills	13.50%
Easy Loan	13.00%
Trade Credit/MCC/Liquirent	13.25%
Demand Loan	
a. loans to Depositor	DR+1.50%
b. Loan/CC to Third Party	DR+2.00%
PGB Sutrula	11.50%
PGB Pandigai	11.50%
PGB Thirumanam	
Bride	12.00%
Bride Groom	12.25%
a. Clean Overdraft	15.00%
b. Overdraft to Smart Card	12.25%

## 22. NON-FUND BUSINESS

Non-Fund based business like Western Union Money Transfer Business, Cross selling insurance products of LIC & United India Insurance Co.Ltd., is done in all branches. We have extended Locker facility in select branches.



## 23. OTHER PARTICULARS

### I. MANPOWER

#### STAFF PARTICULARS AS ON 31.03.2018

CATEGORY	STRENGTH	OF WHICH				
		GENERAL	OBC	SC	ST	WOMEN
Chief Manager - Scale IV	31	1	22	8	0	1
Senior Manager - Scale III	40	7	26	7	0	3
Manager - Scale II	174	44	93	35	2	32
Assistant Manager - Scale I	477	115	259	94	9	178
<b>Sub Total</b>	<b>722</b>	<b>167</b>	<b>400</b>	<b>144</b>	<b>11</b>	<b>214</b>
Office Assistant (Multipurpose)	583	147	312	117	7	264
Office Attendant (Multipurpose)	40	6	24	10	0	5
<b>GRAND TOTAL</b>	<b>1345</b>	<b>320</b>	<b>736</b>	<b>271</b>	<b>18</b>	<b>483</b>

### II. TRAINING

The Staff Training College commenced its functioning from 23.08.2016 and has imparted training for Officers and Office Assistants. Further, Our Bank has also provided training at the Head office and the Financial Literacy Centres.

The Following table details the training attended by our staff members in our STC, BIRD, Nabard & RBI training centers during FY 2017-18,

Cadre	Training@ STC	Training @ BIRD	Training @ RBI Centre	Training @ Nabard Centre	Total
Officers	314	2	19	5	<b>340</b>
Office Assistants (MP)	302	0	0	0	<b>302</b>
Office Attendants (MP)	-	0	0	0	<b>0</b>
<b>Total</b>	<b>616</b>	<b>2</b>	<b>19</b>	<b>5</b>	<b>642</b>

FINACLE TRAINING	
Cadre	Count
Officers	350
Office Assistant (MP)	77





### III. PROMOTION

Promotion process has been completed for the year 2017 – 18.

Following staff members have been promoted across various cadres as per details given below:

S No	Cadre	No of Promoted Candidates
1	OAT to OAS	6
2	OAS to Scale I	13
3	Scale I to II	30
4	Scale II to III	11
5	Scale III to IV	19
<b>Total</b>		<b>79</b>

### IV. RECRUITMENT

Staff recruitment during the year 2017 – 18 as follows

OAS(MP)	: 50
Scale I	: 67
Scale II	: 46
Scale III	: 2

The Recruitment process for vacancies as on 01.04.2017 has been initiated through IBPS and allocation list was received from IBPS. Accordingly, the candidates were called in for verification process and subsequently, they were instructed to join the Bank during the First week of April 2018.

### V. STAFF WELFARE MEASURE

- i) Group Insurance Mediclaim policy for Staff renewed from 11.11.2017
  - a) Rs 3,00,000/- for Award staff
  - b) Rs 4,00,000/- for Officers
- ii) We have Extended Group Mediclaim policy to our Retired Staff also .w.e.f 05.04.2017 to cover our retirees and their spouses with a limit of Rs 2,00,000/-
- iii) Sports meet was conducted to encourage the staff in extracurricular activities.
- iv) 2 % of the Net Profit has been provided for staff welfare fund.(i.e. Rs 65.27lakhs)

### VI. INDUSTRIAL RELATIONS

The Industrial relations in the Bank continued to be cordial and harmonious. Meetings were conducted with all Trade Unions/ Associations to sort out and settle their demands.



## VII. BLOCKED ACCOUNTS:

Other liability include an amount of ₹ 73, 73,245/- as Blocked Accounts (net) representing an un-reconciled balance. This has been done in line with the RBI Circular letter dated 27.07.1998.

## VIII. INTER BRANCH ACCOUNTS:

Inter Branch Accounts have been brought under CBS as IBSA since 01.04.2012.

DRAA: DRAA account is the reimbursement agency arrangement Demand Draft issued by our branches on selected IOB branches. Issuance of IOB DD entries at our branches were stopped since October 2015. The un reconciled net difference moved to blocked account.

## The Depositor Education and Awareness Fund Scheme, 2014 – DEAF Account

As per the RBI Circular DBOD No. DEAF Cell. BC. 101/30.01.002/2013-14 dated March 21, 2014, paragraph 3 (iv) of the Scheme, we calculate the cumulative balances in all accounts along with interest accrued as on 31.03.2017 and such amount due has been transferred to Depositor Education and Awareness Fund (DEAF) upto 31.03.2018 to the tune of ₹ 1, 39, 06,178.63 and same has been shown as Contingent Liability in Schedule – 12 – Others.

(₹ in actual)

	Current Year	Previous Year
Opening balance of amount transferred to DEAF	89,28,206.71	86,81,122.71
Add: Amount Transferred to DEAF during the year	4,977,971.92	2,47,084
Less: Amount reimbursed by DEAF towards claims	0	0
Closing balance of amounts transferred to DEAF	13,906,178.63	89,28,206.71

## IX. AADHAAR & DBTL

Linking of Aadhaar with our customer accounts is being done by our bank from 31.12.2013. OAP, MGNREGA wages, LPG subsidy, Drought Relief, Salary, etc., are credited through DBTL and Aadhaar. Our Bank has been listed as one of the top 10 highest distributors of MGNREGA wages among its 112 members by NPCI. A total of 34, 03,224 MGNREGA payments have been processed from April, 2017 to November, 2017 and a DBTL incentive of Rs.2, 66, 04,535.62 has been received from NPCI.



## X. CHEQUE TRUNCATION SYSTEM (CTS)

Our Bank is also participating in CTS clearing at Madurai and Tirunelveli. City Back Office (CBO ) at Madurai covers inward and outward clearing. CBO at Tirunelveli covers only outward clearing. All settlement is made through RBI principal account and no separate account is maintained for this purpose. Reconciliation of CTS account is made up to 31.03.2018.

## XI. ATM

We have introduced ATM (Rupay card) facility in our Bank on 13.11.2014 and also reconciled with settlement file up to 31.03.2018.

## XII. NEFT

National Electronic Funds Transfer (NEFT) facility has been introduced in our Bank from 08.08.2011 and customers utilizing the facility increasing steadily:

Up to March 2018 NEFT Transactions are as follows

( ₹ Crore)

Details	Outward		Inward		Total	
	Entries	Amount	Entries	Amount	Entries	Amount
April 2017 to March 2018	230755	1274.17	394399	1007.16	625154	2281.33
Monthly Average	19230	106.18	32867	83.93	52096	190.11
Per day Average	833	4.60	1424	3.64	2257	8.24

## XIII. RTGS

RTGS facility has been introduced in our Bank from 17.07.2014 and customer utilizing the facility Increasing steadily.

As on March 2018 RTGS Transaction are as follows:

( ₹ Crore)

Details	Outward		Inward		Total	
	Entries	Amount	Entries	Amount	Entries	Amount
April 17 to March 2018	10905	1495.79	3723	309.90	14628	1805.70
Monthly Average	909	124.65	310	25.83	1219	150.47
Per day Average	39	5.40	13	1.12	53	6.52



#### XIV. IMPS

IMPS Inward facility has been introduced in our Bank as on 26.02.2018. As of now, we have enabled IMPS Inward. The details as on March,2018 are as follows:

(₹ Crore)

Details	Inward	
	Entries	Amount
From 26.02.2018 to 31.03.2018	1476	2.17

#### XV. WESTERN UNION – MONEY TRANSFER:

We have introduced the WESTERN UNION – MONEY TRANSFER facility in our Bank on 01.02.2014.

(₹ Lakh)

Details	No. of TRANSACTIONS	AMOUNT TRANSACTED	Commission Earned
April 2017 to March 2018	1224	309.61	1.11

#### XVI. FINANCIAL INCLUSION

SLBC has allotted 698 villages as follows for implementation of FI in our bank.

Particulars	No. of villages allotted by SLBC
Village with population above 2000(Phase I)	179
Villages with population 1600-2000(Phase II)	70
Villages with population 0-1600(Phase III)	431
PACB/PACS are functioning	18
No. of wards allotted Under Urban FI	144

Financial Inclusion a road to INDIA's growth towards a healthy economy, our Bank pioneered in providing a specified financial system / structure to rural people. Our Financial Inclusion Department sensitize the importance of financial inclusion amidst a wide range of people via Business Correspondents, Regional FI Coordinators, FLC Counsellors and Branch Managers.



### **In this Financial Year 2017-18,**

Special initiatives were taken up to enlarge the belt of people to get insured / secured under the Government Social Security Schemes and pension scheme PMJJBY, PMSBY, APY.

- BCs were given special training and literacy programme in respect to create awareness among the rural people on Financial System and its benefits.
- Regional FI Coordinators were involved in onsite programme which led them to study the morphological/Cultural perspectives of the people provided with they conduct many camps and awareness programme resulting to a healthy bond with the Bank.
- The Bank has conducted financial literacy camps as advised by RBI by actively using the mobile van. The details of special camps are as under.
  - Special camps on Going Digital by rural branches on 3<sup>RD</sup> Friday of every month after branch hours.
  - Special camps on Going Digital by FLCs twice per month.
  - Five target specific camps per month to target specific groups viz. Farmers, SMEs, SHGs, Senior Citizens School Children and others.
  - As advised by RBI/SLBC, Financial Literacy Week was observed from June 05,2017 to June 09,2017.
- As advised by the sponsor bank/UIDAI, the bank had registered as Aadhaar Enrolment Agency. The bank had identified 36 nodal branches for setting up Aadhaar enrolment Centre. 36 Officers were trained for Aadhaar Verifier Certification with the help of UIDAI and Sponsor Bank.

### **Performance:**

No. of villages allotted by SLBC	698
No. of wards allotted by SLBC	144
No. of BSBD accounts in the Bank	467874
Of which no. of accounts opened under PMJDY	151798
Aadhaar seeded in SB Operative accounts	960964
Aadhaar seeded in PMJDY operative accounts	103566
RuPay Debit card Issued under PMJDY	43844
No. of EBT transactions	1701267
Amount of transactions ( in 000's)	1916093
No. of Other transactions	82716
Amount of transactions (in 000's)	143278
Total No. of transactions	1783983
Amount of total transactions (in 000's)	2059371



## **XVII. COMPUTERISATION**

- CBS migration from CROWN to FINACLE has started and in process
- EMV chip BASED Rupay Card has been implemented.
- Merchant POS through Third party vendor has been introduced
- The Process of up gradation of existing BSNL Network bandwidth from 64 Kbps to 256 Kbps has been completed.
- Provision of Secondary Line through M/s. Sify Technologies Ltd., started and 209 locations completed.

## **XVIII. GST**

The Bank has moved to Goods and Services Tax system from 01.07.2018. The Bank being a service sector entity collects charges from customers under various income heads inclusive of GST that is charged at a rate of 18%. Further, all expenses made towards registered vendors are paid inclusive of GST (as per invoice) and for entities who are unregistered, GST has been paid under Reverse Charge mechanism (RCM) until October 2018 as per instructions from the Ministry of Finance. Thereafter, with regard to expenditure related to unregistered entities, the Bank continues to pay GST under RCM for fee paid to Director and Lawyer respectively.

## **XIX. Important Events / Awards and Recognition:**

- On 05.08.2017, Nabard CGM Shri. Nagoor Ali Jinnah visited our Bank.
- On 17.08.2017, IOB MD & CEO Shri. R. Subramania Kumar visited our Bank and addressed the staff at the Administrative Office.
- Seeking to find a permanent solution to the vexatious fishermen issue, Honourable Prime Minister launched the 'deep sea fishing project' under Blue revolution program and our Bank shall provide institutional finance support to this project under Meenavar Thozhan scheme. The subsidy assistance, our Bank loan and beneficiary contributions shall be released in 3 stages subject to the eligibility norms prescribed by the government and terms and conditions of the Bank for this advance.
- Bank was awarded 'Significant Performer under Financial Inclusion' award, in Tamil Nadu Region for 2016-17 at the State Credit Seminar conducted by Nabard. Further, the Bank was awarded second position for 'SHG Bank Linkage program'.
- The Bank has introduced various customer friendly credit schemes to cover all the households of Rural down trodden people with special focus on redeeming rural poor from the clutches of usurious money lenders.



- Our Bank sanctioned loans worth Rs 2.98 cr under PMEGP (with a back end subsidy of 33%) to nearly 417 beneficiaries of the palmyra making industry through our branches in Tuticorin and Ramnad districts.

## **XX. CORPORATE SOCIAL RESPONSIBILITY:**

Our Bank has initiated its Corporate Social Responsibility in the domain of Education, Health Care and Social Security of the General Public.

1. The Bank paid a sum of Rs 15.23 lakh to the District Collector, Dindigul for desilting and to erect supply channels for ponds located in the Kasavanampatti and kuthathupatti panchayats.
2. The Bank has contributed an amount totaling Rs 5.00 lakh to the District Collector, Tirunelveli towards construction of Toilets for 100 houses at a cost of Rs 5000/ unit.
3. The Bank has contributed Rs 2 lakh to Thoothukudi corporation towards construction of Toilets under Swach Bharat Mission for eradicating Open Defecation, in the rural vicinity of Thoothukudi Corporation.
4. The Bank has spent Rs 1.92 lakh towards installation of Solar Light in Kaanikudieruppu, a tribal village situated at Ambasamudram Taluk, Tirunelveli District and Rs 11,999 towards installation of sanitary napkin destroyer machine at Pattampudur Govt.Higher Secondary School.

During the Financial Year ended 31.03.2018, the bank has expended Rs.24.27 lakh under Corporate Social Responsibility

Our Bank has created a corpus of Rs.8.16 lakhs ( 0.25% of the net profit for the year 2017-18) to expend during the financial year 2018 – 19

## **XXI. BOARD OF DIRECTORS**

During the year Shri. N.Balu, AGM, RBI, Shri. P.Thilagavathy, State Government Nominee have ceased to be the Board of Directors. Bank places on record its gratitude for the valuable contribution made by them for the development of the Bank during their tenure as Directors.

Shri. Suresh Kumar Venu, AGM, RBI, Shri.S.Suresh, State Government Nominee has been appointed as Board of Director of the Bank during this year. The bank welcomes the incoming Directors.



## **ACKNOWLEDGEMENT**

The Board conveys its gratitude to the Government of India, the Government of Tamil Nadu, Indian Overseas Bank, Reserve Bank of India and NABARD for their valuable guidance and support. The Board also places on record its appreciation for the devoted services rendered by all sections of staff members of the Bank. The Board is thankful to the customers, well wishers, District Administrations and Non-Governmental Organisations for their support and patronage. The Board also acknowledges the valuable guidance and suggestions given by M/s. P K F Sridhar and Santhanam LLP, Chennai, the Statutory Central Auditors of the Bank, in finalising the Balance Sheet and Profit and Loss Account for the year ended 31<sup>st</sup> March 2018 within a short period and giving value added suggestions for the Bank.

**For and on behalf of Directors**

(Signed)

**Place: VIRUDHUNAGAR**  
**Date : 23.05.2018**

**CHAIRMAN**