

ANDHRA PRAGATHI GRAMEENA BANK
(Sponsored by Syndicate Bank)
HEAD OFFICE: KADAPA-516001(AP)

Circular No. 259 -2010-BC-ACCTS

Date: 09 -12-2010

SUBMISSION OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT
& WORKING RESULTS FOR THE QUARTER ENDING 31-12-2010

Attention of Branches/ECs & Regional Offices is invited to the captioned subject. As the Quarter ending December, 2010 is fast approaching, all the Branches and Regional Offices are advised to update their records and books of accounts in order to prepare financial statements as at the end of the Quarter for submission to the respective Regional Office as directed here below.

1. The working results should be sent to respective Regional Office on 31-12-2010 itself, as the quarter ending closing day for all branches is 31.12.2010.
2. The Balance Sheet, Annexure along with Trial balance as on 31.12.2010, should be submitted to respective Regional Office on 01.01.2011.
3. The Regional Office should submit consolidated working results on 01.01.2011 and Consolidated Balance Sheet & Annexure of all branches in their area of operation including Regional Office financial statements to Head Office on 03-01-2011 by 5.00 P.M. by E-mail and dispatch the soft and hard copies of Balance Sheet & Annexure by post/courier. Regional Offices are advised to submit soft copy of working results also along with Balance Sheet.
4. **Regional Offices should not change the format of Balance Sheet and working results. Regional Office should submit the figures for all heads mentioned in working results format enclosed.**
5. Two copies of financial statements along with Annexure are enclosed for the use of Branches/Offices. Branches may approach respective Regional Offices if they require additional formats, as buffer stock is available with Regional Offices.
6. All the figures shown in schedules must tally with respective head of accounts in trial balance dated 31/12/2010.

PAYMENT OF INTEREST ON SAVINGS BANK ACCOUNT:

7. **Branches have been already advised and necessary guidelines have been communicated for application of interest on SB accounts for the period from 01.07.2010 to 31.12.2010 by 31st December, vide Circular No.80-2010-BC-PDD dt.12.04.2010. For the procedural guidelines, for application of interest branches are advised to go through the annexure to the above circular. Hence all the branches are directed to apply interest on SB accounts on 31.12.2010. Branches are also advised to reverse the interest provision on SB accounts made as at 30.09.2010 without fail.**
8. **Further branches are advised to verify all the heads in Trail Balance well before finalisation of the financial statements, reverse the "outstanding provisions" made if any for the earlier period as on 30.09.2010 and provide fresh provisions in respect of all expenses payable as at 31.12.2010 by passing necessary slips.**
9. In the recently concluded Half-Yearly Review by the Central Statutory Auditors, it is noticed that some of the branches have not made provision for the half year ended September, 2010 on Rents, Lighting Charges, Telephone Expenditure and Commission on NN Deposits. Hence all the branches are advised to make provision for all the eligible expenditure items as said above without fail. It is also noticed that some of the branches are not reversing the Service Tax amount deducted by the system and continued to furnish under "OTHER LIABILITIES" instead of transferring to Miscellaneous Income at regular intervals. All the branches are advised to transfer the Service Tax amount if any, to Miscellaneous Income without fail.

10. Further branches have to calculate interest on Agricultural Advances for the quarter ended December, 2010 on average Agricultural Advances of the branch @ Average Interest (Return) i.e. 9.50% p.a. Branches **need not pass any slips** for the interest arrived on average Agricultural Advances and the same shall be furnished under the Head “**Interest on Loans and Advances**”(Schedule-13) and also under the Head” **Other Assets**”(Schedule-11)-under itemNo.2 “**Interest Accrued**”.

Branches are also advised to incorporate the Interest arrived on ‘Average Agricultural Advances’ for the quarter ended December, 2010 under Total Income in Working Results Statement without fail.

All the ROs are advised to ensure provisioning of interest on Average Agriculture Advances for the quarter ending December, on receipt of working results as well as Balance Sheet without fail. Further the ROs are advised to ensure any abnormal variation in provisioning of interest on Average Agricultural Advances when compared to year to year figures.

Other important points to be noted by the branches/ECs/Regional offices:

- Branches/ECs and Regional Offices should note that the figures for the Quarter ending 31st December 2010 Balance Sheet, shall be rounded off to “NEAREST RUPEE”. Branches are advised not to show points, decimals etc.
- In schedule – 5 & 11 “INTER OFFICE ADJUSTMENT” the net figure after clubbing HO A/C, Branch Adjustment A/C should be shown.
- Particulars of **Other Liabilities, Other Assets and Other Expenditure** should be shown in Annexure to Balance Sheet and the figures should tally with corresponding figure in Balance Sheet i.e. Item No.5 of Schedule 5 for other Liabilities; Item No 7 of Schedule 11 for other assets; Item No. 11 of Schedule 16 for other expenditure. Instead of showing particulars of other items, branches are showing total figures of Schedules. This is not correct. Branches should show details item wise by including wherever necessary and not mention ‘**others**’ as against any column.
- Some branches are furnishing the balance under Bank Guarantees issued i.e Acceptance for customers(Contra)/Acceptance of customers against point No.2 and some branches are furnishing the same against point No.3, under Schedule 12 Contingent Liabilities, which is causing confusion in consolidation work. To maintain uniformity in this regard, all branches are advised to show the figures under above head against point No.2 (Guarantees given on behalf of constituents(contra))
- Unrealized interest on NPA (Credit): Furnish under Schedule 5 Other Liabilities.
- Interest receivable on NPA (Debit): Furnish under Schedule 11 Other Assets.
- Ensure the amount furnished under unrealized interest on NPA (Credit) and Interest receivable on NPA (Debit) shall agree with each other and difference if any, shall be verified well in advance before finalization of Financial Statements for the quarter ending 31.12.2010.
- Pay orders and stale pay orders should be shown under ‘Bills Payable’ (Item No.1 of Schedule – 5 Other Liabilities and Provisions)
- It is also noticed that some of the branches have furnished the amounts under the head ‘Non Banking Assets’ which is totally incorrect as our Bank is not having any Non Banking Assets.

Any clarification to this circular may be sought from Head Office, Accounts Department.

(K.PREETAM LAL)
CHAIRMAN

Circular No: 259 -2010 -BC-ACCTS dated 09.12.2010.

ANDHRA PRAGATHI GRAMEENA BANK:: HEAD OFFICE, KADAPA

Branch _____ BIC NO _____ Region _____

WORKING RESULTS AS ON 31.12.2010

S. No	Particulars	Amount in Rupees
01	Total Deposits	
02	Low cost Deposits	
03	Total Advances	
04	Advances to Priority Sector	
05	Advances to Agricultural Sector	
06	Total Disbursement from 01.04.2010 to 31.12.2010	
07	Total Income	
08	Total Expenditure	
09	Operating Profit/Loss (7-8)	
10	Gross NPA s(Outstanding NPA level)	
11	No frills A/c opened up to date (Accounts only)	
12	SHG Credit Linked (Outstanding)	Accounts
		Amount
13	Grand Total (1 to 12 for control purpose)	

DATE: 31.12.2010 CLERK OFFICER MANAGER

ANDHRA PRAGATHI GRAMEENA BANK:: HEAD OFFICE, KADAPA

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DATE: 31.12.2010 CLERK OFFICER MANAGER

Annexure to Circular No: 259 -2010-BC-ACCTS dated 09.12.2010.

ANDHRA PRAGATHI GRAMEENA BANK:: HEAD OFFICE, KADAPA

Branch _____ BIC NO _____ Region _____

NPA RECOVERY AS ON 31.12.2010

S. No	Particulars	Amount in Rupees
01	Cash Recovery Principal	
	Interest	
02	Debt Relief Principal	
	Interest	
03	Written off in OTS Principal	
	Interest	
04	Total NPA Recovery Principal	
	Interest	

Outstanding PKCC 2007 (Potential NPA)

	Particulars	No of A/Cs	Amount involved
05	Outstanding PKCC of 2007		

DATE: 31.12.2010 CLERK OFFICER MANAGER

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