

103rd

Annual Report

2019-2020



SINCE 1917

NKGSB Bank
NKGSB Co-op. Bank Ltd.

(Multi-State Scheduled Bank)

Trusted over a Century




NKGSB Bank
NKGSB Co-op. Bank Ltd.
(Multi-State Scheduled Bank)

Trusted over a Century



Reaching out

We are one of the leading Multi-State Scheduled Co-operative Banks with a presence of 109 branches across 5 states viz. Maharashtra, Karnataka, Gujarat, Goa and Madhya Pradesh. We provide a full suite of banking products and services allowing us to make financial solutions accessible to all.



Meeting its responsibilities & commitment to growth

How we do business is as important as what we do. We have a responsibility to our customers, employees and the communities in which we operate and understand that to achieve success in the long term, economic growth must also be sustainable. We are mindful of our social responsibilities, and high standards of commitment to governance.



Actively manage risk to protect and enable our business

NKGSB Bank has maintained a conservative and consistent approach to risk throughout its history. This has helped us protect customers, lend responsibly and support sustainable growth of the economies we serve. An active approach to managing risks remains key to our continued success.



Using technology responsibly

We continue to assess our approach in light of changes in the environment in which we operate. NKGSB Bank continues to explore and invest in new technologies, which offer tremendous potential to improve the services we provide to customers, and manage our business more effectively.



Sheth Shri Shantaram Mangesh Kulkarni
(Founder Chairman)

BOARD OF DIRECTORS

Chairman

KISHORE KULKARNI, B.Com. (Hons.), LL.B., ACMA

Vice-Chairman

SUNIL GAITONDE, B.Com., LL.B, FCA

Directors

RAJAN BHAT, M.Com.

NAGESH FOVKAR, Civil Engineer

RAMESH KASBEKAR, B.Com., LL.B. (Gen), ACA

SHREEDHAR KAMAT, B.A. (Hons.), LL.B.

KAUSHAL MUZUMDAR, B.Com., FCA, PGDM (IIMB)

ANIL NADKARNI, B.Sc., PGDCM

LAXMIKANT PRABHU, B.E. (Civil), PG-HRM

SUJATA RANGNEKAR, B.Com., LL.B., FCA

Managing Director

CHINTAMANI NADKARNI, B.Com., ACA (upto: 31.08.2020)

Statutory Auditors

A.P.SANZGIRI & CO., Chartered Accountants

COMMITTEES OF THE BOARD

EXECUTIVE

**ADVANCES,
CREDIT
MONITORING &
RECOVERY**

**ACCOUNTS, AUDIT
AND INVESTMENT**

**SPECIAL
COMMITTEE OF
THE BOARD FOR
MONITORING OF
LARGE VALUE FRAUDS**



NOTICE

Notice is hereby given that the **103rd Annual General Meeting** of the Members of NKGSB Co-operative Bank Ltd., Mumbai, will be held on **WEDNESDAY, THE 25TH NOVEMBER, 2020, AT 11.00 A.M.** through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), in compliance with the circular regarding guidelines on conduct of AGM by Multi State Cooperative Banks dated 25th August, 2020 vide Ref. No.R-11017/101/2015-L&M, issued by Director (Co-operation) with the approval of Central Registrar of Cooperative Societies, New Delhi to transact the following business. This meeting does not require physical presence of the members at a common venue. The deemed venue for the 103rd Annual General Meeting shall be the registered office of the Bank situated at Laxmi Sadan, 361, V P Road, Girgaum, Mumbai – 400 004.

1. To receive and adopt the Audited Profit and Loss Account for the year ended 31st March, 2020 and Audited Balance Sheet as on that date and the reports of the Board of Directors and the Statutory Auditors thereon.
2. To approve appropriation of Net Profit for the year ended 31st March, 2020.
3. To appoint Statutory Auditors up to the date of the 104th Annual General Meeting.
4. To approve amendment to Bye-Law No. 5(ix), 37, 47, 51, 52 and 65 to 72 (Annexure II).
5. To appoint Shri Uday Shetye as the Managing Director of the Bank, subject to approval of the Reserve Bank of India.
6. Any other business that may be brought forward with the permission of the Chair.

By order of the Board,

UDAY SHETYE

Deputy Managing Director

Date – 14th October, 2020

NOTES

- If there is no quorum at the appointed time, the meeting shall stand adjourned and will be held after half an hour on the same day through VC/OAVM, at which time the members present shall constitute the quorum in terms of Bye-Law No. 32 (iii) and the agenda of the meeting shall then be transacted. The counting of quorum will be done on the basis of number of members logged in at the scheduled time of the meeting through the official link so provided by the Bank for this AGM.
- As per Rule No. 18 of the Multi-State Co-op. Societies Rules, 2002, the Minutes of the 102nd Annual General Meeting held on 27th June, 2019, were duly approved by the Board of Directors in its meeting held on 26th July, 2019 and copies thereof were made available at the branches and at the Registered Office.
- The detailed notice of AGM alongwith soft copy of the Annual Report are made available on the website of the Bank (www.nkgsb-bank.com).
- Members are requested to note that if the said AGM is interrupted due to any unforeseen circumstances viz., technical fallout/ network failure, etc., then the meeting will be continued immediately as soon as the system is restored, on the same web link/platform.
- If any member desires to have any information in connection with the Agenda items, he is requested to intimate to the Deputy Managing Director at the Registered Office, AT LEAST SIX DAYS in advance of the AGM during business hours, so that the necessary explanation or information can be easily made available.

APPEAL TO MEMBERS

- Members are requested to notify the change of address (alongwith address proof), e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), bank details such as branch and/ or account number, if any, to the respective branch. Those members who do not have account with our Bank are requested to contact the nearest branch.
- All members are required to comply with KYC requirements as advised by RBI. Members are requested to contact their concerned branch in this regard, if not complied till date.
- Members are requested to avail nomination facility by submitting Nomination form duly completed to the Shares Department.
- Members may please note that in terms of Bye-Law No. 54(iv), 'any dividend remaining undrawn for three years after having been declared shall be forfeited and shall be carried to the Reserve Fund of the Bank.' Members are therefore requested to collect the unclaimed dividend for the financial year 2017-18 on or before 31.07.2021, failing which the same will be forfeited and credited to Statutory Reserve Fund.

IMPORTANT NOTICE

A. The chronology for conducting AGM through OAVM is detailed below:

As per the guidelines issued by the Director (Co-operation) with the approval of Central Registrar of Cooperative Societies, New Delhi vide its Circular dated 25th August, 2020, process of Audio Visual Meeting will be for 5 days i.e. from 25th November, 2020 to 29th November, 2020 as under-

- a) Day 1 i.e. Wednesday, 25th November, 2020 at 11.00 a.m. to 01.00 p.m.: -Chairman's Speech and Introduction of Agenda.
 - b) Day 1 & 2 i.e. Wednesday, 25th November, 2020 and Thursday, 26th November, 2020 - Members can post question/query electronically by sending e-mail to agmqueries@nkgsb-bank.com from 03.00 p.m. to 05.00 p.m. on 25th November, 2020 and from 09.00 a.m. to 05.00 p.m. on 26th November, 2020.
 - c) Day 3 i.e. Friday, 27th November, 2020 from 09.00 a.m. to 05.00 p.m.: - Reply will be given by the Bank for the queries and the same will be posted on the Bank's website (www.nkgsb-bank.com).
 - d) Day 4 & 5 - The remote e-Voting period begins on Saturday, 28th November, 2020 from 09.00 a.m. to 05.00 p.m. and on Sunday, 29th November, 2020 from 09.00 a.m. to 05.00 p.m. The remote e-Voting module shall be disabled by NSDL for voting after the cut off time and date.
- B. In compliance with the aforesaid circular and clause number 31 of the Bye-laws of the Bank, Notice of the AGM through OAVM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Bank. Members may note that the Notice will be available on the website of NSDL (<https://www.evoting.nsdl.com>) and the Notice and Annual Report 2019-20 will also be available on the Bank's website (www.nkgsb-bank.com).
- C. The Central Registrar has issued guidelines vide its Circular dated 25th August, 2020, to engage services of expert independent agency for the conduct the AGM through VC/OAVM. Accordingly, the Bank has engaged services of National Securities Depository Limited(NSDL) as the Authorised Agency for conducting the e-AGM and providing online voting facility on the resolutions of the AGM proposed by the Board.
- D. Mr. Ashish Lalpuria, Practising Company Secretary (FCS: 9381, CP: 11155) has been appointed by the Bank as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- E. The Bank has fixed 31st March 2020 as the 'Cut-off Date' to record the entitlement of the Members to cast their vote through remote e-Voting through OAVM.



- F. A member shall not have more than one vote irrespective of the number of shares held.
- G. Institutional / Corporate / Partnership firm members (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization, etc., authorizing its representative to attend the AGM through OAVM on its behalf and to vote through remote e-Voting. The said Resolution/ Authorization shall be sent by email to **pranotiprabhu@nkgsb-bank.com** and to the Scrutinizer to **ashishlalpuria@yahoo.co.in** with a copy marked to **evoting@nsdl.co.in** through its registered e-mail address with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote; at least 8 days before the date of the meeting.
- H. In case of joint holders, the person whose name stands first in the share certificate, if present, shall have the right to vote. But in his absence, the person whose name stands second in the share certificate, who is present for AGM through OAVM and who is not a minor and is eligible to vote as per the provisions of the Bye-law of the Bank, shall have a right to vote. No member shall be permitted to vote by proxy.
- I. For any technical difficulty regarding login, the member can call on Toll free no.: 1800-222-990 or send a request to Ms. Pallavi Mhatre, Manager – NSDL on **pallavid@nsdl.co.in**, 022-24994545 or on **evoting@nsdl.co.in**. This facility has been arranged by the Bank for the convenience of the members. Only queries / issues regarding login / password shall be responded. This agency will not be able to resolve any network issues at the member's end. It is further informed that the agency will not respond to any queries regarding Agenda or Bank or Banking related matters.

J. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access the same at **<https://www.evoting.nsdl.com>** under members login by using the remote e-Voting credentials (As per instructions given in Point No. K, hereunder). The link for VC / OAVM will be available in members' login where the EVEN of Bank will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that the Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM.
6. Members who need assistance before or during the AGM through VC / OAVM, can contact NSDL on **evoting@nsdl.co.in/1800-222-990** or contact Mr.Amit Vishal, Senior Manager – NSDL on **amitv@nsdl.co.in**, 022-24994360 / or Ms.Pallavi Mhatre, Manager - NSDL on **pallavid@nsdl.co.in**, 022-24994545. Alternatively, the members can also write to National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

K. INSTRUCTIONS FOR MEMBERS TO JOIN AND VOTE AT THE AGM THROUGH OAVM ARE AS UNDER:

The Members can join the AGM through OAVM, 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

Steps and process to join and vote at the AGM through VC / OAVM:

The remote e-Voting will be on Saturday, 28th November, 2020 from 09.00 a.m. to 5.00 p.m. and Sunday, 29th November, 2020 from 9.00 a.m. to 05.00 p.m. The remote e-Voting module shall be disabled by NSDL for voting after the cut off time and date.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the URL: **<https://www.evoting.nsdl.com>** either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Members’ section.
3. A new screen will open wherein you will have to enter your User ID and your Password which is provided by NSDL on your registered e-mail ID. Further you will also have to verify as per the verification code shown on the screen.
4. Your User ID details as provided by NSDL will comprise of E-Voting Event Number (EVEN) followed by Folio Number (Registration Number) for example, your User ID will be: if Folio Number (Registration Number) is 001**** and EVEN is 121212 then user ID is 121212001****.
5. Your password details are given below:
 - (a) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you by NSDL. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - (b) How to retrieve your ‘initial password’?
 - (i) If your e-mail ID is registered with the Bank, your ‘initial password’ is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e.pdf file. Open the .pdf file. The password to open the .pdf file is your 6 digit Folio Number (Registration Number) for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your e-mail ID is not registered, please follow steps mentioned below:

For procuring user ID and password and Registration of e-mail IDs for e-Voting, you are requested to provide Folio Number (Registration Number), Name of Member, scanned copy of the share certificate (front and back), on **shareholders@nkgsb-bank.com**. The time limit for Registration will be 17.11.2020.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a. “Physical User Reset Password?” (If you are holding shares in physical mode) option available on <https://www.evoting.nsdl.com/>
 - b. If you are still unable to get the password by above mentioned options, you can send a request on **e-voting@nsdl.co.in** mentioning your Folio Number (Registration Number), your PAN, your name and your registered address.
 - c. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.



7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see the Bank’s “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Bank for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
9. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Physical User Reset Password?” option available on <https://www.evoting.nsdl.com> to reset the password.
10. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-Voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free No.: 1800-222-990 or send a request to Ms. Pallavi Mhatre, Manager – NSDL on pallavid@nsdl.co.in, 022-24994545 or on evoting@nsdl.co.in.

L. OTHER INSTRUCTIONS:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM through OAVM, unblock the votes cast through remote e-Voting in the presence of two witnesses not in the employment of the Bank and make, within a period not exceeding 48 hours of conclusion of the e-Voting on 29th November, 2020, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Bank or a person authorised by him in writing, who shall countersign the same.
2. The Chairman or the authorised person shall declare the results of the e-Voting on next working day upon receipt of the report from Scrutinizer on the Bank’s website (www.nkgsb-bank.com) and also on NSDL’s website (<https://www.evoting.nsdl.com>).

CHAIRMAN'S STATEMENT

“ Banking remains a risk-based industry and we will remain prudent in our management and pricing of risk. At the same time, we are well placed to take advantage of the opportunities that will undoubtedly arise. ”



KISHORE KULKARNI
CHAIRMAN

Dear Shareholders,

I Welcome you all to the NKGSB Bank's 103rd Annual General Meeting.

The year 2019-20 has been very difficult for the Indian Economy and consequently to the Banking Sector.

As stated in my last year's statement, 2018-19 had mixed signals on the growth of the Banking Sector due to high delinquency growth, and our Bank traded cautiously. However the year 2019-20 has been more difficult than the previous year due to various reasons.

Due to slowdown of the economy and frequent reduction in rate of interest and thereby competition, our business growth in advances remained more or less negative. This resulted in low revenue recognition and consequently profit going down steeply. This was aggravated due to the failure of PMC Co-operative Bank, which had cascading effect on the business of otherwise well-reputed and financially sound Urban Co-operative Banks. Your Bank has not been an exception.

There has been marginal growth in deposits.

Reserve Bank of India has taken some restrictive measures as applicable to the Urban Co-operative Banks (UCBs) as under:

1. Board of Management

Reserve Bank of India vide its circular dated 31.12.2019 made it mandatory to constitute Board of Management (BoM) of Primary (Urban) Co-operative Banks (UCBs) having deposit size of ₹ 100.00 Cr. and above, subject to which the Reserve Bank will allow such UCBs to expand their area of operations and open new branches. UCBs shall constitute BoM by making suitable amendments in their Bye-laws.

BoM has to be constituted by the Board of Directors within one year from the date of circular i.e. by December 31, 2020.

The Board has recommended suitable amendments to the Bye-laws in the ensuing AGM. I request all the members to approve these amendments for onward approval by the Central Registrar of Co-operative Societies, New Delhi.

2. Limits of Exposure to Single and Group borrowers / Parties and revision of targets for priority sector lending.

UCBs were permitted to have exposures upto 15% and 40% of their Capital funds to a single borrower and group borrowers, respectively.

With a view to reduce Credit Concentration Risk due to large exposures to few single borrowers or a group which may lead to non-performing assets, which in turn affect Capital/Net worth of a Bank significantly and consequently Liquidity and Solvency Risk to the Bank, the Reserve Bank of India has reviewed the norms and decided to rationalize these exposures.

The salient features of revised orders by RBI for this purpose are as under:-

1. Prudential exposure reduced to 15% and 25% for single and group exposure, respectively.
2. It shall apply to all new exposures.
3. UCBs to bring down existing exposures by 31.03.2023.
4. In case, where there is only Term Loan/NFB limits no further limits to be considered till the new norms are met.
5. 50% of portfolio should constitute borrowers upto ₹ 25 lacs or 0.2% of Tier I Capital subject to maximum of ₹ 1.00 Cr. In our case it works out to about ₹ 75.00 lacs at present.

The Priority Sector Exposure to be stepped up from 40% to 75% by March, 2024 in a phased manner.

3. Amendment to the Banking Regulation Act pertaining to Cooperative Banks.

The Banking Regulation (Amendment) Bill, 2020 has been passed by both the Houses of the Parliament. The Bill has replaced the Banking Regulation (Amendment) Ordinance, 2020. The amendment brings the Urban Cooperative Banks under the supervision of the RBI to provide for better management and proper regulation of these banks and to ensure that the affairs of these banks are conducted in a manner that protects the interests of the depositors, by increasing professionalism, enabling access to capital, improving governance and ensuring sound banking through the RBI. It allows the RBI to initiate a scheme for reconstruction or amalgamation of a bank without placing it under moratorium.

Non-Performing Assets (NPA)

In the previous year, Gross NPA stood at ₹ 200.80 Cr. i.e. 3.82% of advances and Net NPA at ₹ 88.58 Cr. i.e. 1.72% of the advances.

During the F.Y. 2019-20, NPAs increased substantially. Gross NPA stood at ₹ 361.07 Cr. i.e. 7.36% and Net NPA at ₹ 243.78 Cr. i.e. 5.09% of the advances.

This increase in NPA is due to slow down in Economy from the beginning of the year, resulting in low credit growth and very disappointing repayment record. This was further aggravated with unpredicted COVID-19, resulting into further drop in credit recoveries in February and March, 2020.

Most of the advances are secured by collateral properties and appropriate legal steps including One-Time-Settlement are being taken.

To improve Provision Coverage Ratio (PCR), requisite provisions including Additional Doubtful Debts (BDDR) have been made. The Provision Coverage Ratio stood at 32.48% on March 31, 2020.

COVID-19 and its impact

As all of you are aware that Corona Virus has made unprecedented impact on the Economic activities and consequently on the Banking sector. Lockdown has curtailed all economic activities including Banking.

Banking was declared as essential service during the lock-down period. All our Branches were functioning with restricted timings and limited staff. Our Bank made all out efforts to contain the spread of the virus as per Government Guidelines including Social distancing, mask wearing and use of sanitizers, etc. Bank's initiatives in this regard were appreciated in



the social media.

I am thankful to all our employees at all levels for their efforts to face the Global calamity and giving services to the customers. We also advised our customers to increase the use of technology for digital banking.

Impact of Failure of PMC Bank on Co-operative Banking Sector.

As you are aware, the Urban Co-operative Banking Sector is presently going through the bad patch, post the PMC Bank crisis. The PMC Bank fallout had cascading effect on other Urban Co-operative Banks. The RBI vide its letter dated April 20, 2020 has asked UCBs having exposure on PMC Bank to provide 20% of their exposure each year over a period of 5 years commencing from the F.Y. 2019-20. This has adverse effect on the financials of large numbers of UCBs. Our Bank, due to exposure with the PMC Bank has to provide ₹ 15.40 Cr. per year commencing from F.Y. 2019-20. This exposure on PMC Bank raised Gross and Net NPA of the Bank by about 1 ½% which was beyond our control. This has adverse effect on the Profitability of the Bank.

With all the above facts mentioned, the Bank's financials were affected adversely.

The business mix stood at ₹ 12,780 Cr. as on March 31, 2020 as against ₹ 12,852 Cr. as on March 31, 2019, a negative growth of ₹ 72 Cr.

Advances stood at ₹ 4,904 Cr., as on March 31, 2020 as against ₹ 5,251 Cr. as on March 31, 2019, a negative growth of ₹ 347 Cr.

Deposits increased from ₹ 7,601 Cr. to ₹ 7,876 Cr. as on March 31, 2020 with a growth of ₹ 275 Cr.

Gross NPA increased to ₹ 361 Cr. (7.36%) as against ₹ 201 Cr. (3.82%) as on March 31, 2019. Net NPA increased to ₹ 244 Cr. (5.09%) from ₹ 89 Cr. (1.72%) as on March 31, 2019.

Profitability decreased substantially. Net Profit stood at ₹ 3.07 Cr. for the year 2019-20 against ₹ 40.26 Cr. for the year 2018-19.

The Bank has not declared any dividend on Preference and Equity shares. The Reserve Bank of India has barred Indian Banks including Co-operative Banks from paying dividends for the financial year ended March 31, 2020, so that Capital is conserved in view of economic shock caused by COVID-19 outbreak.

The Financials for 2020-21 are also expected to be not encouraging due to breakdown of Economy caused by COVID-19. Your Bank has prepared the Business Continuity Plan (BCP) to overcome adverse impact on the Bank.

I am sure with the blessing and wishes of all of you, the Bank shall continue to make all out efforts to overcome in these difficult times.

I am grateful for the continuous support of all the members, customers, employees, regulators and other partners. I am also grateful to my colleagues on the Board for their valuable time, contribution and support during the year.

I request you all to approve the Directors' Report, Audited Profit and Loss account, Balance Sheet and Amendment to Bye-laws, which are placed before you.

Mumbai
July 31, 2020

Kishore Kulkarni
Chairman

BOARD OF DIRECTORS



Chairman
KISHORE KULKARNI



Vice Chairman
SUNIL GAITONDE



Director
RAJAN BHAT



Director
NAGESH FOVKAR



Director
RAMESH KASBEKAR



Director
SHREEDHAR KAMAT



Director
KAUSHAL MUZUMDAR



Director
ANIL NADKARNI



Director
LAXMIKANT PRABHU



Director
SUJATA RANGNEKAR

DIRECTORS' REPORT

Your Directors present the 103rd Annual Report along with the audited accounts for the financial year ended March 31, 2020.

MACROECONOMIC LANDSCAPE

- i) Global economic activity has been brought to a standstill by the COVID-19 pandemic, which is turning out to be unprecedented in its pan global impact and the toll it is taking on life and livelihood.
- ii) As the outbreak spread with an explosive suddenness and speed, lockdowns and social distancing halted economic activity across 200 countries with over 14.3 million infections and 0.6 million deaths.
- iii) Sharp reductions in GDP growth in advanced economies(AEs) ranging from (-) 3.4% to (-) 14.2% and in emerging markets (EMs) between 2.9% and (-) 6.8% (year-on-year or y-o-y basis) in Q1:2020 have been exacerbated in the ensuing months by a collapse in manufacturing as reflected in purchasing managers' indices (PMIs), which have plunged into contractionary territory.
- iv) According to the United Nations Conference on Trade and Development (UNCTAD), global trade contracted by 7.27% (q-o-q) in value in Q1:2020 and is expected to decline by 27% in Q2.
- v) In its June, 2020 update, the International Monetary Fund (IMF) has projected that global output would contract by 4.9% in 2020, under the baseline assumption of gradual recovery in activity starting in the second half of 2020. The OECD has projected a "double – hit" scenario in which a second wave of infections erupts in the later part of 2020; in this scenario, the global economy could contract by 7.6% in 2020.
- vi) Against this backdrop, swift and unprecedented central bank measures have resulted in a turnaround in asset prices, narrowed credit spreads significantly from their earlier peaks and helped improve investor sentiment towards EMs. Globally, banks bracing up for the incidence of bad assets have generally increased their provisions, as a prudential measure.
- vii) Looming over the global financial landscape is the fear of dollar shortage impeding the economic recovery.
- viii) Crude oil prices have recovered after sharp falls in March and the first half of April; Brent crude prices traded above USD 40 per barrel on June 30, 2020, up from the lows of April, 2020.
- ix) In its June, 2020 Oil Market Report, the International Energy Agency (IEA) projected global oil demand to fall by 8.1 million barrels/day (mb/d), the largest in history, before recovering by 5.7 mb/d in 2021.
- x) Demand for industrial metals witnessed severe contraction and their prices have been bearish in the early part of 2020, although the decline is not as severe as that of crude.
- xi) Gold prices remained elevated on hedging demand and it is further expected to increase.
- xii) CPI inflation remained subdued across major AEs and EMEs primarily due to a collapse in oil prices and compression in demand amidst lockdowns, while food inflation picked up due to supply disruptions.
- xiii) The adverse impact on low-income households is particularly acute.
- xiv) Adverse commodity price shocks can cause financial instability through various channels.
- xv) Strong multilateral cooperation remains essential on multiple fronts. Liquidity assistance is urgently needed for countries confronting health crises and external funding shortfalls, including through debt relief and financing through the global financial safety net.
- xvi) Beyond the pandemic, policymakers must cooperate to resolve trade and technology tensions that endanger an eventual recovery from the COVID-19 crisis.

- xvii) The global community must act now to avoid a repeat of this catastrophe by building global stockpiles of essential supplies and protective equipment, funding research and supporting public health systems, and putting in place effective modalities for delivering relief to the neediest.
- xviii) Overall, there is an unprecedented uncertainty about global growth, though financial markets have broadly stabilised in response to unprecedented fiscal and monetary stimulus.

INDIAN ECONOMY

- i) On the heels of a prolonged 8-quarter slowdown, GDP growth in India slumped to its lowest level since the Global Financial Crisis to 4.2% in 2019-20, with Q4:2019-20 growth (y-o-y) at 3.1% turning out to be lowest in the history of the current (2011-12 based) GDP series.
- ii) High frequency indicators point to a sharp dip in demand beginning March, 2020 across both urban and rural segments. Domestic economic activity virtually came to a standstill in April, 2020; although for several sectors the contraction became less severe from May, 2020.
- iii) Agriculture and allied activities, however, showed continued resilience on the back of all-time production highs and huge buffer stocks of rice and wheat. Above normal rains predicted for 2020-21 also boded well for agricultural production.
- iv) During April-May 2020-21, exports and imports collapsed, with contractions of 47.5% and 54.7% (y-o-y), respectively. India's trade deficit stood at USD 3.1 billion in May, 2020, the lowest recorded trade deficit since February, 2009. Compared to April, 2020, trade deficit narrowed during May with exports in May improving more than imports.
- v) Foreign portfolio investment (FPI) flows, which registered net inflows up to February, 2020, reversed into net outflows since March, 2020. In the foreign exchange market, the INR has depreciated relative to peer EM currencies on a year to date basis, although in more recent weeks, it has traded with an appreciating bias and underlying realised volatility has moderated.
- vi) Consequent upon the outbreak of COVID-19 pandemic in India, the RBI had announced regulatory and supervisory measures to inter-alia mitigate the burden of debt servicing and enable the continuity of viable businesses and households. Supervised Entities (SEs) have largely implemented these regulatory relief measures. Nearly half of the customers accounting for around half of outstanding bank loans opted to avail the benefit of the relief measures.
- vii) The prospects of the Indian banking sector are going to deteriorate considerably in the next one year, as earnings of the banking industry may be negatively impacted due to slow recovery post lockdown, along with lower net interest margins, elevated asset quality concerns and a possible increase in provisioning requirements. Macro stress tests for credit risk indicate that the GNPA ratio of all Scheduled Commercial Banks may increase from 8.5% in March, 2020 to 12.5% by March, 2021 under the baseline scenario. If the macroeconomic environment worsens further, the ratio may escalate to 14.7 per cent under very severe stress.
- viii) The top three sectors identified as adversely affected by the COVID-19 pandemic are: (i) tourism and hospitality; (ii) construction and real estate; and (iii) aviation. Their prospects of recovery in the next six months appear bleak.
- ix) All major risk groups viz., global risks, risk perceptions on macroeconomic conditions, financial market risks and institutional positions affecting the financial system were perceived as 'high'. Within the macroeconomic risks group, risks to domestic growth and the fiscal deficit were perceived to be in the 'very high' category, while risks on account of reversal of FIIs/slowdown in FDI, corporate sector vulnerabilities, collapsing real estate prices and household savings were perceived to be 'high risk' category.
- x) A combination of fiscal, monetary and regulatory interventions in India has kept financial markets from freezing and financial intermediaries functioning normally. Bank credit shows clear signs of risk aversion. Commodity market spillovers, except for oil, remain contained. Adequate levels of foreign exchange reserves provide a buffer. While the uncertainties still remain, restarting financial sector reforms on their path of convergence with global best practices and standards while adapting to the specific requirements of India's developmental strategy should be the focus, going forward.

BANKING & ECONOMIC SCENARIO – KEY DEVELOPMENTS

Key developments in India's banking industry include:

- i) The digital payments system in India has evolved the most among 25 countries with India's Immediate Payment Service (IMPS) being the only system at level 5 in the Faster Payments Innovation Index (FPII).
- ii) Transactions through Unified Payments Interface (UPI) stood at 1.15 billion in October, 2019 worth ₹1.91 lakh crore (US\$ 27.33 billion).
- iii) To improve infrastructure in villages, 204,000 Point of Sale (PoS) terminals have been sanctioned from the Financial Inclusion Fund by National Bank for Agriculture & Rural Development (NABARD).
- iv) The RBI has launched a mobile app to help visually-impaired people to identify the denomination of currency notes. The application can scan the currency notes using the camera of the mobile phone.
- v) The emergence of niche players, especially payments banks and small finance banks, is expected to augment innovation in financial technology and provide further impetus to the agenda of financial inclusion.
- vi) The merger of 10 state-run banks into four lenders came into effect on April 1, 2020, amid the lockdown triggered by coronavirus outbreak. The amalgamation of 10 PSBs into four Banks include: (i) United Bank of India and Oriental Bank of Commerce (OBC) into Punjab National Bank (PNB) (ii) Syndicate Bank into Canara Bank (iii) Corporation Bank and Andhra Bank into Union Bank of India (iv) Allahabad Bank into Indian Bank.
- vii) The Union Government will soon merge 3 PSU General Insurance Companies into one single insurance entity. These insurance companies are National Insurance Company Limited, Oriental India Insurance Company Limited, and United India Assurance Company Limited.
- viii) To ensure faster transmission of Policy rate cuts to loan borrowers, the RBI mandated all the banks to link the new Personal, Retail, Housing, Auto and MSMEs loans to the External Benchmark based Rate with effect from October 1, 2019.
- ix) The government has infused capital worth ₹1,06,000 crore in the current financial year in PSBs.
- x) Punjab and Maharashtra Co-operative (PMC) Bank recently hit headlines due to financial irregularities. The issue brought to the fore, the challenges related to low capital base, weak corporate governance, inability to prevent frauds, and inadequate system of checks.
- xi) To promote digital transactions in the Country, the RBI has directed banks that online money transfer through National Electronic Funds Transfer (NEFT) will be available 24x7 from December 26, 2019. The RBI has asked the participating member banks to keep adequate liquidity in their current account with the regulator at all times in order to facilitate the successful posting of NEFT batch settlements.
- xii) On December 31, 2019, RBI has asked all UCBs with deposits of over ₹100 crore to constitute a Board of Management (BoM) comprising experts to oversee their functioning. The BoM will be constituted by the Board of Directors (BoD) of the UCBs concerned within one year from the date of the RBI circular.
- xiii) The RBI directed large co-operative banks to report all exposures of ₹ 5 crore and more to the Central Repository of Information on Large Credits (CRILC) on a quarterly basis with effect from December 31, 2019. The total exposure will include all fund-based and non-fund based exposure (like partial credit enhancement), including investment exposure on the borrower.
- xiv) The RBI has instructed banks to make all online payments done through National Electronic Funds Transfer (NEFT) and Real-Time Gross Settlement (RTGS) free of cost for savings account holders w.e.f. January 1, 2020.
- xv) The RBI has revised its Supervisory Action Framework (SAF) for urban co-operative banks (UCBs) on January 6, 2020. The move is to expedite the resolution of UCBs experiencing financial stress.
- xvi) The RBI revised the exposure limits for urban cooperative banks (UCBs) to a single borrower and a group of borrowers to 15% and 25%, respectively, of tier-I capital (as against earlier base of capital funds).

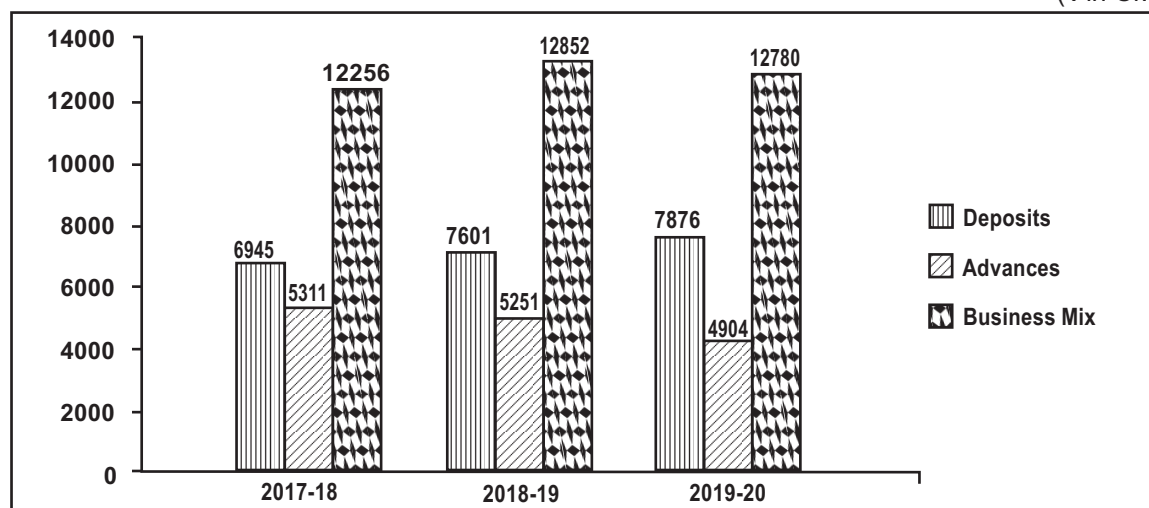
- xvii) RBI has mandated that UCBs shall have at least 50% of their aggregate loans and advances comprising loans of not more than ₹ 25 lakhs or 0.2% of their tier I capital, whichever is higher, subject to a maximum of ₹ 1 crore, per borrower/party.
- xviii) RBI has increased the overall priority sector lending target for UCBs to 75% (as against earlier 40%) of the adjusted net bank credit (ANBC) or credit equivalent amount of off-balance sheet exposure (CEOBSE), whichever is higher, gradually over a period of 5 years upto 2024. These RBI directives in respect of UCBs pose a greater challenge for the co-operative banking sector in terms of achieving the desired level of business and the bottomline.
- xix) The RBI introduced new measures to relax the impact of the COVID-19 induced lockdown such as:
- increase in the Short-term borrowing limits of States or ways and means advances (WMA) by 30% to enable the state governments to tide over the situation. The revised limits came into force on April 1, 2020 and will be valid until September 30, 2020.
 - cancellation of the counter-cyclical capital buffer for banks for a period of one year.
- xx) The RBI announced that all banks and NBFCs had been permitted to allow a moratorium of 3 months on repayment of term loans outstanding on March 1, 2020, which was further extended upto August 31, 2020. In respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions were permitted to defer the recovery of interest applied in respect of all such facilities during the period from March 1, 2020 upto August 31, 2020. The accumulated accrued interest to be recovered immediately after the completion of this period.
- xxi) The Government passed the Banking Regulation (Amendment) Bill, 2020 replacing the Banking Regulation (Amendment) Ordinance, 2020. The amendment brings the Urban Cooperative Banks under the supervision of the RBI to provide for better management and proper regulation of these banks to protect the interests of the depositors. The amendment also allows the RBI to initiate a scheme for reconstruction or amalgamation of a bank without placing it under moratorium.

KEY PERFORMANCE HIGHLIGHTS:

The performance of the Bank at a glance is as follows:

(₹ in Cr.)			
Particulars	2017-18	2018-19	2019-20
Deposits	6,945	7,601	7,876
% growth	(2)	9	3.62
Advances	5,311	5,251	4,904
% growth	4	(1)	(6.62)
Business-mix	12,256	12,852	12,780
% growth	0.27	5	(0.56)
Operating Profit	103.60	92.53	47.67
Net Profit	48.53	40.26	3.07
Gross NPA	317.16	200.80	361.07
% of Advances	5.97	3.82	7.36
Net NPA	189.86	88.58	243.78
% of Net Advances	3.66	1.72	5.09

(₹ in Cr.)



- Deposits of the Bank grew by 3.62% and reached ₹ 7,876 Cr. as at March 31, 2020, as against ₹ 7,601 Cr. in the previous year.
- Advances came down by 6.62% and reached ₹ 4,904 Cr., as against ₹ 5,251 Cr. in the previous year.
- The business mix witnessed a marginal fall by 0.56% to ₹ 12,780 Cr. in 2019-2020 as against ₹ 12,852 Cr. in the previous year.
- CD ratio stood at 62% compared to 69% last year.
- Owned funds stood at ₹ 781.22 Cr.
- NII as at end March, 2020 stood at 2.07%.
- Operating Profit for F.Y.2019-20 was ₹ 47.67 Cr. Operating Profit per employee has decreased from ₹ 7.97 Lac to ₹ 4.20 Lac.
- Net Profit after tax and provisions, was ₹ 3.07 Cr. for F.Y. 2019-20.

The profitability of the Bank for the year under review was greatly affected due to the following factors:

- The impact of demonetization which affected the business of many of our borrowers leading to their inability to pay the regular loan instalments. This eventually led to the rise in overdues and in few accounts turning NPAs.
- The outbreak of Covid-19 and the resultant lockdown declared by the Government affected our recovery efforts to a great extent. The Bank had expected a recovery of around ₹ 70 Crores out of the NPA accounts, however, due to shut down of businesses during the lockdown, our borrowers were unable to meet their commitments in many cases.
- In line with the RBI directions on Package of measures to mitigate the burden of debt servicing due to the disruption caused by COVID – 19, the Bank had provided its borrowers a moratorium on payment of the loan instalments and deferment of interest on the working capital limits enjoyed by borrowers.
- The PMC Bank fraud had a great impact on the confidence of depositors on the Co-operative Banking sector in general. Your Bank was not an exception to this. The Bank lost deposits of more than ₹ 600 crores in a span of six months due to pre-mature withdrawals by the depositors. Further many Financial Consultants advised their Depositor-Customers (mainly the housing societies) to withdraw deposits from the Co-operative Banks. However your Bank could garner fresh deposits on account of the confidence and trust shown by the investors and depositors.
- Your Bank maintained enough liquidity to meet the requirement of pre-mature withdrawals of deposits. As a result, the deployment of funds towards loans and advances was constrained by around ₹ 100 Cr., resulting in a lower credit growth and a revenue loss.
- The Credit growth of the Bank was also affected due to the general economic slowdown, low demand for credit due to lower investments in businesses, stringent regulations and processes, slowing down of certain industries like real estate, automobile industry, e-Commerce industry, etc. followed by the lockdown on account of Covid-19 at the fag end of the financial year.

- vii) The Bank also had to bear the brunt of rumours about its financial position and standing, post the PMC Bank fraud, due to the loss of confidence of the depositors in the Co-operative Banking sector.
- viii) The Bank has an exposure in form of LCBD with the PMC Bank resulting in addition to NPAs and reduction of profit on account of the provisioning made.

Way Forward:

- i) The Bank is strengthening its Credit monitoring team under the constant ongoing supervision of the Advances, Credit Monitoring and Recovery Committee of the Board. Board oversight is also being exercised. The Credit Monitoring Department is closely monitoring the Borrowers' accounts for their performance.
- ii) Considering the present situation, the Bank has ensured that effective recovery mechanism will be implemented for recovery of NPAs and SMA Accounts.
- iii) The Lockdown has begun to ease so has India's growth Indicators. The RBI's accommodative stance has injected abundant liquidity in the market, resulting in steepening of yield curve. The Bank's Treasury Department will take opportunity of the onetime shifting of HTM portfolio, to book the profit.
- iv) The Bank will take consistent measures to control the administrative expenses and capital expenditure.
- v) The Bank will review the rate of interest on Deposits to reduce the cost of funds and will also take steps to mobilize the CASA Deposits to improve the bottom-line.

APPROPRIATIONS

The following appropriations are recommended for the financial year 2019-20, for your approval under item No. 2 of the Notice:

(₹ in Lacs)

A)	Statutory Appropriations :-	2018-19	2019-20
1	Statutory Reserve Fund	1,006	77
2	Contingency Reserve Fund	403	31
3	Education Fund	40	4
B)	Other Appropriations :-		
1	Building Fund	166	-
2	Bad and Doubtful Debt Fund	1,200	707
3	Donation Fund	5	2
4	Investment Fluctuation Reserve	107	-
5	No Dividend recommended On Equity Shares (P.Y. @ 10% p.a.)	850	-
6	No Dividend recommended On Perpetual Non-Cumulative Preference Shares (PNCPS) (P.Y. @ 8.50% p.a.)	125	-
7	Ex-Gratia to Staff	835	-
8	Staff Welfare Fund	90	54
9	Members' Welfare Fund	20	20
10	Special Reserve u/s 36 (1) (viii) of I.T. Act, 1961	203	70
	NET PROFIT CARRIED TO BALANCE SHEET	1	2
	TOTAL	5,051	967

CAPITAL TO RISK ASSET RATIO (CRAR)

The Bank's Capital to Risk Asset Ratio (CRAR) stood at 13.18% as at the end of March 31, 2020 which is above the minimum required benchmark of 12% for a Foreign Exchange Authorized Dealer Category I license.

The Bank's Risk Weighted Assets at the end of March, 2020 amounted to ₹ 4,449.63 Cr. against which the Capital Funds stood at ₹ 586.64 Cr.

The Bank has so far issued four series of Long Term Subordinated Deposits and raised ₹152.92 Cr. under these series till March 31, 2020.

The Bank also raised capital funds through Perpetual Non-Cumulative Preference Shares (PNCPS).

Through the PNCPS issue, the Bank has garnered ₹ 13.64 Cr. as a part of Capital augmentation as at March 31, 2020.

The Bank shall strive to raise capital funds through various modes to strengthen the CRAR.

DIVIDEND :

The Bank endeavors to have a strong capital base to sustain the confidence of its stakeholders, and to continue to develop and grow its business in the light of changing economic conditions.

The RBI vide circular No. DOR.BP.BC.No.64/21.02.067/2019-20 dated April 17, 2020 has advised Banks as under:

“In an environment of heightened uncertainty caused by COVID-19, it is important that banks conserve capital to retain their capacity to support the economy and absorb losses. Accordingly, it has been decided that all banks shall not make any further dividend payouts from the profits pertaining to the financial year ended March 31, 2020 until further instructions.”

In line with the above RBI directive, the Board of Directors has not recommended dividend on equity shares and on PNCPS, for the year ended March 31, 2020. The Bank shall act as per further RBI directives.

SHARE CAPITAL

Equity Share Capital:

The paid up capital of the Bank as on March 31, 2020 stood at ₹ 86.76 Cr. as compared to ₹ 84.65 Cr. in the previous year. The number of shareholders stood at 56,601 members as compared to 55,071 members in the previous year.

Perpetual Non Cumulative Preference Share Capital (PNCPS):

As on March 31, 2020, the Perpetual Non-Cumulative Preference Share Capital (PNCPS) stood at ₹13.64 Cr. compared to ₹13.52 Cr. in the previous year.

RESOURCE MOBILISATION

The Bank's deposits stood at ₹ 7,876 Cr. as on March 31, 2020 registering a growth of 3.62% with an accretion of ₹275 Cr. over the previous year.

The deposit mix is detailed hereunder:

(₹ in Cr.)				
Type	As on 31.03.2019	%	As on 31.03.2020	%
Savings	1,400	18.42	1,426	18.11
Current	356	4.68	300	3.80
Fixed	5,845	76.90	6,150	78.09
Total	7,601	100.00	7,876	100.00

The Deposits of the Bank witnessed a major setback post the PMC Bank Fraud impact, resulting in withdrawal of over ₹ 600 Cr. of term deposits in a span of six months. The Bank was however able to overcome this crisis and achieve a deposit growth of 3.62%. The growth in deposits was further restricted due to the spread of Covid-19 and the resultant lockdown declared by the Government.

The Bank realizes the importance of growth in CASA for overall improvement in profitability. CASA constitutes 21.91% of the deposits at ₹1,726 Cr. The Bank shall endeavor to increase CASA in the current financial year by increasing its customer base.

The Bank revised the interest rates on deposits in September, 2019, April, 2020, and May, 2020, in line with the market rates.

RESOURCE DEPLOYMENT

The Bank's advances stood at ₹ 4,904 Cr. as on March 31, 2020 witnessing a decline of 6.62% over the previous year.

The Credit growth was greatly hampered due to the general economic slowdown, weak Corporate demand and also during the lockdown period declared on account of the Covid-19 pandemic.

A total Credit disbursement of ₹100 Cr. was withheld during the lockdown period affecting the credit growth to that extent.

Further, the Bank had to prudently deploy its funds for meeting the withdrawal of deposits consequent to the PMC Bank fraud crisis. The Bank was also focusing more on recovery of NPAs and ensuring quality assets.

These factors drastically brought down the credit growth by 6.62% over the previous year as also affected the profitability of the Bank.

The Credit Deposit (CD) ratio stood at 62.26 %.

Net Interest Income (NII) stood at 2.07 % as at the end of March, 2020 compared to 2.82% as at the end of March, 2019.

The composition of Credit portfolio is detailed here under:

(₹ in Cr.)

Sector	2018-19	%	2019-20	%
Retail	1,712	32.60	1,662	33.89
Wholesale	2,437	46.41	2,313	47.17
Others	1,102	20.99	929	18.94
Total	5,251	100.00	4,904	100.00

The Retail Credit constituted 33.89% of the total Credit portfolio compared to 32.60% last year. Thus, though there was less Corporate Demand, the Retail Credit picked up considerably due to the continued efforts for promotion of these loans.

To face the challenges of the general interest rate war, the Bank had to offer competitive rate of interest on advances. The Bank revised the interest rates on Retail Advances in May, 2019, January, 2020 (for a period upto 31st March, 2020) and in April, 2020, in line with the market rates.

CREDIT RISK MANAGEMENT

Credit Risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or counter parties. In a bank, the portfolio losses stem from outright default due to inability or unwillingness of a customer or counter party to meet commitments in relation to lending, trading, settlement and other financial transactions.

The Credit Risk Management Department (CRMD) is involved in formulating and conducting Risk Assessment Models / practices to examine, quantify and mitigate the risks associated with the Advances made by the Bank. The CRMD endeavours to adopt new methods & techniques to assess the industry specific, sectoral & product specific risks through various studies conducted through Credit Administration Department (CAD) & Credit Monitoring Department (CMD).

The Bank ensures that the Credit proposals are thoroughly assessed to minimize the risk associated. Towards this end, the Bank has adopted the CRISIL RAM Model, a globally used credit rating tool for the Credit Risk Assessment. All wholesale credit proposals of ₹ 3.00 Cr. and above are subjected to Credit Risk Assessment under the CRISIL RAM Model. This Rating model also covers all the Retail advances. The RAM standardizes credit assessment, facilitates maintaining the credit risk at an acceptable level, ensures quality of assets by minimizing non-performing assets and covers many additional parameters to provide an overall comprehensive score for the borrower which ensures that proper care and assessment is done while sanctioning the loan.

The Bank is taking continuous efforts towards improving and building more standardized and robust CRISIL RAM rating model, in line with the industry. For this improvement, the Bank has appointed a Committee including Directors. Post the standardization in parameters, necessary changes and implementation will be done after discussion with Industry Experts and CRISIL.

ASSET QUALITY

The Bank's Gross NPA and Net NPA stood at ₹ 361 Cr. i.e. 7.36% of the Advances and ₹ 244 Cr. i.e. 5.09% of the Net Advances respectively, as at the end of March, 2020.

The Bank endeavors to maintain a good asset quality. Whereas the Indian Banking Industry is facing serious challenge to maintain the asset quality, your Bank has taken all round efforts in controlling the slippages of accounts into NPAs as well as in the recovery of the NPA accounts.

However the lockdown declared consequent to the Covid-19 Pandemic put a set back to the Bank's recovery efforts to a certain extent. A recovery of around ₹ 70 Cr. was expected but could not be achieved due to the sudden declaration of the lockdown.

The Bank has an exposure with the PMC Bank in form of discounted bills drawn under LCs. This exposure has now become a non-performing exposure. In terms of the RBI circular dated April 20, 2020, such non-performing exposure arising from discounted bills drawn under LCs issued by a UCB shall be fully provided within five years. This has resulted not only in addition to NPAs but also affected the bottom-line to the extent of the provisioning required to be made in the current year.

The stressed advances of the Bank are secured to the extent of more than 100% with collateral properties and appropriate legal steps for recovery including one time settlements are taken wherever required, on an ongoing basis.

Monitoring mechanisms are in place to minimize slippages of accounts into non-performing.

The Bank has also adopted the 'Willful Defaulters Policy' and necessary action against the defaulting borrowers is being taken under the Policy.

To improve the Provision Coverage Ratio (PCR), requisite provisions by way of Bad and Doubtful Debt Reserve (BDDR) and Bad and Doubtful Debts Fund (BDDF) have been made towards NPAs in accordance with the guidelines issued by the RBI. The Bank has created additional BDDF of ₹ 7.07 Cr. during F.Y. 2019-2020 (P.Y. ₹ 12 Cr.) by way of appropriation out of net profit. The PCR of the Bank stood at 32% as at March 31, 2020 as against 56% as at March 31, 2019.

During F.Y. 2018-19, the Bank had assigned rights of Stressed Credit Exposure amounting to ₹ 128.31 Cr. to Asset Reconstruction Companies (ARCs). The ARCs made gross recovery of ₹ 20.46 Cr. during F.Y. 2019-20. Security Receipt (SR) to the tune of ₹ 12.26 Cr. stands redeemed and outstanding SR as on March 31, 2020 was ₹ 86.53 Cr.

INVESTMENTS

The Integrated Treasury Department is the custodian of the Bank's cash / liquid assets and handles its investments in securities, foreign exchange and cash instruments. It manages the liquidity and interest rate risks on the balance sheet and is also responsible for meeting reserve requirements.

The Financial year 2019-20, started on a rather gloomy note for fixed income markets with slow credit post ILFS default, hawkish Fed, slowing growth and concerns on overrunning Fiscal deficit. However a series of measures by the RBI and the Government paved way for the softening of yields in the first half of 2019-20.

RBI delivered successive rate cuts, 160 bps cumulative, during the year 2019-20, thereby reducing repo rate from 6% to 4.40%.

Rupee moved from ₹69.15 as at the end of March, 2019 to ₹75.66 as at the end of March 2020, a depreciation of 9.41%.

India 10Y Govt. Bond Index yield fell from a high of 7.35% in March, 2019 to a low of 6.13% by March, 2020. More dramatically, money market yields saw maximum transmission due to combination of rate cuts, high liquidity and credit risk aversion. However, in the second half of 2019-20, a highly accommodative RBI notwithstanding, long term rates begun to face headwinds and benchmark 10 year yield rose to nearly 6.75% as concerns begun to mount on a possible large Fiscal slippage due to poor tax collections, which were much below the budget estimates.

The Bank also utilised the Long Term Repo window launched by RBI to borrow ₹103 Cr. for three years at a low cost of 5.15%.

Profit from treasury-related activities (including forex treasury) increased from ₹ 16.95 Cr. in 2018-19 to ₹ 30.18 Cr. in 2019-20. The treasury profit grew by 78% mainly due to higher realised gains in government securities and Mutual Fund portfolios. Besides this, the Bank also earned an interest income from investments of ₹ 189.74 Cr. in 2019-20 as against ₹ 152.60 Cr. in 2018-19.

The Bank shall continue to improve the yield on investment for overall increase in profitability.

TECHNOLOGY

The Bank is continuously working towards upgrading its technology platform so as to facilitate seamless banking services across its branches as well as Bank's digital platforms. The Board and the Management are taking initiatives, to be amongst the top banks, which are leveraging technology to achieve supremacy in the Indian banking sector.

To improve the overall banking experience, the Bank now provides 24x7 NEFT with Straight Through Processing (STP), Bulk RTGS/NEFT enhancements and NFS charges' discounting for employees of certain marked corporates.

The Bank issues EMV chip enabled debit cards to its customers. To enhance the security further and also to comply with the RBI guidelines, the Bank has started upgrading its ATMs to be EMV enabled. This will help to reduce the risk of debit card frauds happening due to the card skimming devices installed on ATMs.

The Bank has implemented regional languages on Bank's ATMs, VAS (Value Added Services) and Debit card management facility on its mobile and net banking applications.

The Bank has taken many initiatives aimed towards enhancing the cyber security framework of the Bank. Some of the major initiatives are implementation of Web Security, Email Security, Shared Security Operations Centre (SOC) & Security information and event management (SIEM).

In its endeavour towards delivering top-class customer banking experience, the Bank has taken up multiple cutting edge technology initiatives in the current year such as Digital Banking, Loyalty Program, Online Payment collection (for schools, hospitals, societies, etc.), UPI 2.0 upgrade, Private Cloud using HCI, Automated DR, Robotic Process Automation, Cyber Security using Artificial Intelligence and Machine Learning.

During the year, the Bank introduced the process of account opening and onboarding of customers through scan based system. This has resulted in a drastic improvement in Turn around time (TAT) for account opening which could be maintained within 24 hours. Due to the adoption of this system, the process of add-on services also got automated resulting in faster delivery of debit cards and cheque books.

The Bank shall continue upgrading its technological platform for enhanced customer service.

INITIATIVES OF THE ANCILLARY BUSINESS DEPARTMENT

The Ancillary Business Department of the Bank focuses on enhancement of business in areas like CASA Deposit, and Ancillary Products viz; Insurance, Demat and Mutual Funds and evaluation of the Branch performance in these areas.

To achieve a higher operational efficiency and rendering better customer services, the Bank has created Clusters of the branches.

The Bank has Corporate agencies with five Insurance companies and covers most of the Insurance products. It has on board four Mutual Fund AMCs and assists the customers to invest in SIP and lump sum Mutual Funds considering their profile and risk appetite.

The Bank has already in place the BSE Star platform for uniformity and higher efficiency in Mutual Funds business and is also in process of further digitisation of both Insurance and Mutual Fund business.



The Bank's Demat department has included the E-Insurance business in addition to existing business and has initiated efforts to get approval for Online Trading from competent authorities in collaboration with leading brokers.

To take the customer service to higher level, the Bank will soon be introducing Reward points structure for all the customers. The Bank is in the process of offering digital payment solution to various institutions like schools, colleges, co-op. housing societies and hospitals. Many of the CASA products will be re-launched with attractive offers to serve each class of customer.

INTERNATIONAL BUSINESS

The Bank's International Banking Division (IBD) offers various foreign exchange facilities including pre & post shipment finance (in rupee and foreign currency) and Import finance to its various clients in USD, EUR and GBP currencies. During the year under review, the Bank has tied-up with IndusInd Bank for issuance of Travel Cards in 10 currencies, to its clients visiting various tourist destinations.

The Bank has tied up with various Authorised Money changers including FRR Forex Pvt. Ltd., Thomas Cook Ltd., EBIXCASH World Money Ltd. (earlier known as Centrum Direct Ltd.), Pheroze Framroze and Unimoni Financial Services Ltd. Recently, the Bank has tied up with Kesari Forex Pvt. Ltd. for offering foreign currencies at competitive rates to our clients visiting overseas through our Branch network.

IBD has established correspondence relationship with more banks thus increasing our reach for advising Letters of Credit on behalf of Importer clients.

The Bank has successfully implemented Payment Control Solution tool of SWIFT which helps the Bank to protect payment operations against fraudulent attacks thereby creating a more secured swift environment.

Training to Staff on various products including Non Resident deposits, Travel Cards, Currencies, Remittances and Letters of credit, SWIFT codes, Cyber security awareness etc. was undertaken to enhance their working knowledge in handling Foreign exchange transactions.

During the current year, the IBD aims at establishing correspondence relationship in more countries and dealing in more currencies to serve our customers in a better way and is also planning to set up an NRI Cell to serve the NRI customers efficiently.

RECOGNITION

The Bank bagged the Best Bank award 2nd position in the category of 'Deposits above ₹ 2000 Cr.' for the year 2018-19, declared by the Brihan Mumbai Nagari Sahakari Banks' Association Ltd., Mumbai.

CORPORATE GOVERNANCE

The Bank continues its tradition of conducting business ethically, in a transparent way, with the best corporate governance practices to protect the interests of the stakeholders. This includes compliances with regulatory requirement and being responsive to the growing customer needs.

The Bank has a team of qualified and experienced Directors with expertise in their areas of operation, contributing to the Bank's initiatives with their valuable experience. The Board ensures sound corporate governance mechanism that is in the interest of the stakeholders and the organization.

Details of various meetings of Board and Committees, held during the year are given below:

	No. of Meetings	No. of Directors in the Board/ Committee	Average Attendance
Board	13	12	9
Advances, Credit Monitoring & Recovery Committee			
Advances	23	7	5
Credit Review	2	7	5
Recovery	12	7	5
Wilful Defaulters	1	7	4
Accounts, Audit & Investment Committee			
Audit	14	6	4
Investment	11	7	4
Executive Committee			
Execution	13	5	4
Development & HR	12	6	5
Digitisation	12	6	4
Special Committee of the Board for Monitoring of Large Value Frauds	4	5	4

AUDIT & INSPECTION

The Bank has in place a system for internal and concurrent audit. All branches are covered under concurrent audit (monthly/quarterly) as also are covered under internal audit. The Accounts, Audit & Investment Committee of the Board gives directions, oversees the total audit function of the Bank, follows-up on the statutory / concurrent audit of the Bank and the inspection carried out by regulators. The Committee comprises of Directors with Professional qualification and expertise in Finance, Audit, Taxation and Accounting fields.

The Information System Audit of the Bank was conducted by KP Business Consultants Pvt. Ltd., for the F.Y. 2019-20 and the same will be continued to be done on an annual basis by qualified external agencies.

The Bank envisages to have a system of Risk Based Internal Audit and will initiate suitable steps for its implementation during the current financial year.

During the year, RBI carried out its on-sight inspection of the Bank with respect to financial position as on March 31, 2019.

VIGILANCE

The Vigilance department was set up in March, 2019 and is headed by the Chief Vigilance Officer (CVO). The CVO's role is to assist the Top Management in formulation, implementation and review of Bank's policy on vigilance matters in the Bank. The department was established primarily to check the incidence of fraud, cheating and forgery.

The Bank has expanded its footprints out of Maharashtra to four other states. The increased geographical spread, extensive use of technology, heavy volume of transactions, new range of products and increased incidences of frauds, cheating, etc. in the banking industry, has necessitated a more proactive and focused approach on part of the vigilance department.

While the cases of irregularities brought to the notice of the department are examined expeditiously, efforts are also made to educate the staff about preventive vigilance through class room lectures as well as small meetings held during the branch visits.

The vigilance department is also conducting Suo Moto investigations. These investigations are carried out on the basis of certain parameters and have an element of surprise in it. These inspections are quite effective in preventing the possible losses from vigilance point of view.

REAPPOINTMENT OF STATUTORY AUDITORS

In the 102nd Annual General Meeting held on June 27, 2019, M/s. A. P. Sanzgiri & Co., Chartered Accountants were appointed as Statutory Auditors. They have consented their willingness to be reappointed. Being eligible, the Board of Directors recommends their reappointment up to the date of the next Annual General Meeting.

BRANCH EXPANSION

During the year, the Bank had sought permission from the Reserve Bank of India (RBI) to open 4 Branches under its Annual Business Plan 2019-20. However, the RBI had kept the Bank's request on hold till further directions. Since the permission for Branch Expansion was deferred indefinitely, the Bank decided to consolidate its existing network of 109 Branches during the FY 2019-20.

Further in terms of the RBI's guidelines on constitution of a Board of Management, it shall be a mandatory requirement for UCBs with deposit size of ₹100 crore and above to constitute a Board of Management, to expand their area of operation and open new branches.

HUMAN RESOURCE

Creating a comprehensive and effective human resources management is a critical component to ensure the overall success of any business. The Human Resource Department plays a strategic role in managing people and the workplace culture and environment. For effective working it is necessary to continually develop the employees' competencies to improve the overall effectiveness of the organization.

Learning and development, often called training and development, forms part of an organisation's talent management strategy and is designed to align group and individual goals and performance with the organisation's overall vision and goals.

To continuously improve the skills and knowledge of its employees, the Bank has conducted several training programs during the year on topics such as Credit Risk, Customer Engagement, Communication Skills, Cyber Security Awareness, FOREX Services, Insurance and Marketing of ancillary business, TDS & GST, Happyness at Work, KYC, Documentation and General Audit Observations, Prevention of Frauds, AML, Risk, Cash Management, etc.

The Bank has also introduced the Learning Management (LMS) tool, an e-learning module which enables the employees to learn on-line on the varied subjects of banking and to test their knowledge through the on-line tests conducted on the module. The LMS tool keeps the employees updated on the recent developments in banking and keeps them abreast with the Bank's guidelines and circulars on varied subjects.

The Bank also encourages its employees to continually upgrade their knowledge in different fields. During the year under review, 21 employees took initiative in upgrading their academic qualifications. 3 employees attained their post graduation / professional qualifications and as many as 18 employees completed various courses conducted by the Indian Institute of Bankers.

The Directors would like to place on record their appreciation for the commitment of the employees, particularly for the uninterrupted service to the customers during the Covid-19 pandemic. The Board appreciates the risk-taking efforts by the employees and the support extended by their family members allowing them to attend their duties religiously.

Shri Vishal Rathod joined the Bank as Chief Information Officer on December 9, 2019.

Shri Amit Jaekar joined the Bank as Chief Information Security & Digitisation Officer on December 2, 2019.

Shri Gunakar Anwekar joined the Bank as AGM, HRD on May 12, 2020.

Shri Bhooshan Rege joined the Bank as Chief Manager – Liabilities and Ancillary Business on July 4, 2019.

Shri Mohan Guddad joined the Bank as Chief Manager, Goa Cluster Head w.e.f. June 5, 2020.

Shri Pravin Rao joined the Bank as Senior Manager, Bangalore Cluster Head w.e.f. April 2, 2019.

Shri Bhushan Patil joined the Bank as Senior Manager – Agro-based Business on January 28, 2020.

BRAND BUILDING

Brand building is an ongoing process in generating awareness, establishing and promoting an organisation using strategies and tactics. Bank continued with its brand building activities using various media of mass communication to reach out to maximum numbers of target audience. Promotion through Newspapers, Television commercials, Branding on the Bus shelters and other OOH media, display during Ganeshostav and Navratri festival was extensively undertaken.

Bank was associated with various features and events organized by leading newspapers viz., Loksatta, Maharashtra Times, Lokmat, Udayvani, Vijay Karnatak, Gomantak, etc. Various ground events were organized through branches in Schools, Housing Societies, Industrial estates, etc. to directly connect with our target group.

Bank is also enhancing its presence through digital marketing by Search Engine Optimisation, advertisement in Web series, e-news, etc. Bank has been able to generate business leads through these media.

The Bank donated ₹10,00,000 to The Chief Minister's Relief Fund to counter the spread of COVID -19 in Maharashtra. The employees and Directors of the Bank also donated a total of ₹ 14,53,282 towards this noble cause.

SHRI SHETH SHANTARAM MANGESH KULKARNI MEMORIAL LECTURE

The 21st Sheth Shantaram Mangesh Kulkarni Memorial lecture was organized on January 18, 2020 at Pracharya B.N. Vaidya Sabhagraha, IES School, Dadar. Dr. Soumya Kanti Ghosh, Group Chief Economic Advisor - SBI was the guest speaker who delivered a lecture on the topic "Rules Versus Discretions in Policy Making – Learning by Doing."

The lecture was well attended.

The Sheth Shantaram Mangesh Kulkarni Memorial Lecture Series, which started in 1997, has witnessed presence of various eminent speakers with expertise in their fields.

The Bank, as a mark of respect to its Founder member- Sheth Shantaram Mangesh Kulkarni and to celebrate the legacy in the Co-operative Banking sector, shall continue to conduct the series of "Sheth Shantaram Mangesh Kulkarni Memorial Lecture."

DEPOSIT INSURANCE

The Bank has been regularly paying premium to Deposit Insurance and Credit Guarantee Corporation (DICGC) covering Bank's deposits. The Bank paid a premium of ₹ 920.07 Lacs during the year.

With a view to providing a greater measure of protection to depositors in banks, the DICGC, a wholly owned subsidiary of the RBI, has raised the limit of insurance cover for depositors in insured banks from the present level of ₹ 1 lac to ₹ 5 lacs per depositor with effect from February 4, 2020. Accordingly, the Bank will have to bear an additional premium of around ₹ 93 lacs based on deposit figure of current financial year. The Premium at revised rate is payable from the Financial year 2020-21.

GRIEVANCE REDRESSAL UNIT

For an efficient and prompt redressal of customer grievances and for effective customer service, the Bank has in place a Grievance Redressal Unit (GRU) headed by the Principal Nodal Officer of the Bank, presently, Shri Laxmikant Desai, Assistant General Manager. The GRU addresses the complaints received through various sources including Banking Ombudsman and resolves them promptly.

During the year under review, RBI had introduced a digitised Complaint Management System (CMS) to process complaints received by Ombudsman (BO) as well as Consumer Education and Protection Cells. Members of public can access the CMS portal at RBI's website to lodge their complaints against any of the entities regulated by RBI (All banks, NBFCs, etc.) This system facilitates the regulated entities to resolve customer complaints received through CMS by providing seamless access to Banks' Principal Nodal Officers. The Bank now also uses this CMS portal to reply to the complaints received.

MEMBERS' WELFARE

The Bank has been felicitating the meritorious wards of the members encouraging them by recognizing their achievements in academics & sports. This year, 30 students were felicitated through the Members' welfare fund.

In all, 23 members have availed the benefits of the Members' Welfare scheme for reimbursement of hospitalization expenses.

During the year, 52 members availed the facility of reimbursement of expenses for medical check-up.

BYE-LAW AMENDMENT

The Board of Directors has proposed the following amendments to the Bye-Laws of the Bank, reasons for which are given in Annexure II

- i) Deletion of Bye-Law No. 5 (ix) – In terms of para 3.1 of RBI Master Circular DCBR.BPD (PCB). MC.No.4/16.20.000 /2015-16 dated July 1, 2015 on 'Investments by Primary (Urban) Co-operative Banks' prohibiting UCBs from undertaking any transactions on behalf of Portfolio Management Scheme (PMS) clients.
- ii) Amendment to Bye-Law No. 51 – In terms of para 3 of RBI Master Circular DCBR.BPD.(PCB).MC. No. 10/09.18.201 /2015-16 dated July 1, 2015 on 'Prudential Norms on Capital Adequacy - UCBs' for dispensing with the monetary ceilings on individual share-holding.
- iii) Amendment to Bye-Law No. 52 – In terms of para 3 of RBI circular DCBR.BPD. (PCB).Cir.No. 8/16.20.000/2015-16 dated November 19, 2015 on 'Placement of Deposits with Other Banks by Primary (Urban) Co-operative Banks (UCBs)' prohibiting acceptance of deposits by scheduled UCBs from scheduled UCBs in the nature of placement of deposits for investment purposes.
- iv) Renumbering of existing Bye-Law No. 65 to Bye-Law No. 72.
- v) Addition of Bye-Law No. 65 – Providing for constitution of the Board of Management In terms of the RBI circular No. DoR (PCB).BPD.Cir.No.8/12.05.002/2019-20 dated 31st December, 2019.

- vi) Addition of Bye-Law No. 66 – Providing for Qualification of Members of the Board of Management (BoM) in terms of the above referred RBI circular on Constitution of Board of Management (BoM).
- vii) Addition of Bye-Law No. 67 – Providing for Disqualification for being a Member of Board of Management (BoM) in terms of the above referred RBI circular on Constitution of Board of Management (BoM).
- viii) Addition of Bye-Law No. 68 – Providing for functions of Board of Management (BoM) in terms of the above referred RBI circular on Constitution of Board of Management (BoM).
- ix) Addition of Bye-Law No. 69 – Providing for meetings of Board of Management (BoM) in terms of the above referred RBI circular on Constitution of Board of Management (BoM).
- x) Addition of Bye-Law No. 70 – Providing for Tenure of Board of Management (BoM) in terms of the above referred RBI circular on Constitution of Board of Management (BoM).
- xi) Addition of Bye-Law No. 71 – containing provisions w.r.t. removal of member of BoM in terms of the above referred RBI circular on Constitution of Board of Management (BoM).
- xii) Amendment to Bye-Law No. 37 – to include additional functions of the Board of Directors (BoD) as per the above referred RBI Circular on Constitution of Board of Management (BoM).
- xiii) Amendment to Bye-Law No. 47 – to include the conditions prescribed for appointment of the Chief Executive Officer as per the above referred RBI Circular on Constitution of Board of Management (BoM).

CHANGES IN THE BOARD OF DIRECTORS

- I) Ms. Alka Diwadkar resigned as a Board member with effect from June 10, 2020.
- II) Shri Nagesh Pinge resigned as a Board member with effect from June 22, 2020.

The Board accepted the resignation of both the Board members and acknowledged the contribution made by them as Directors of the Bank.

MANAGEMENT

- I) Shri Srinivasaraghavan S., the Bank's Chief General Manager, was one of the awardees under the "CFO Power List 2019" awarded by Core Media Group on November 22, 2019, under the "Treasury Management ICON."
He was also awarded the 'Excellence in Finance Leaders Award' in recognition of his contribution to the Finance Industry, presented at FINEXT AWARDS & CONFERENCE at Dubai on February 27, 2020.
- II) Shri Amit Jaokar, the Bank's Chief Information Security & Digitisation Officer received the following awards:
 - i) TOP 100 CISO in India:
"TOP 100 CISO Award" by India's Largest Cyber Security Community CISO Platform, felicitated by honorable Shri Nabankur Sen, Ex. CISO Bandhan Bank, Axis Bank, SBI. The Chief Guest of the program was Shri Nandan Nilekani, Co-founder of Infosys.
 - ii) Digital Leader of the Year:
"Digital Leader of the Year" Award by UBS Forums. This is a first of its kind event in India to Honour Top 10 CDOs from key industry sectors; who have brought about a sea change in the way technology is leveraged in their businesses throughout their careers.
 - iii) BFSI Leadership Award:
'BFSI Leadership Award' by Elets Technomedia for exemplary leadership in the BFSI domain all-round the career in space of Innovation and Digital transformation.



III) Shri Chintamani Nadkarni, Managing Director of the Bank opted for early retirement w.e.f. September 1, 2020. In the interim period, Shri Srinivasaraghavan S., CFO (Chief General Manager) was given the charge of the Managing Director in addition to the role presently handled by him.

OBITUARY

The Board of Directors express their profound grief at the sad demise of Shri Shrikant Johri, Legal Consultant, and Shri Hrishikesh Jagnade and Ms. Asmita Prabhu, staff members of the Bank.

The Board pays homage to the departed souls of shareholders who have passed away during the year.

ACKNOWLEDGEMENT

The Bank expresses deep gratitude to our members, customers, staff members, well wishers, patrons and various institutions, officials and dignitaries for their co-operation and support, particularly during the Covid-pandemic, guidance and advice from time to time. To mention specially,

- Chief General Managers, General Managers and other Officials of Reserve Bank of India
- Central Registrar of Co-operative Societies, New Delhi
- Commissioner of Co-operation of Maharashtra State, Divisional Jt. Registrar & other officials of Co-op. Department at Pune & Mumbai
- President of Co-op. Bank's Employees Union
- M/s. A. P. Sanzgiri & Co., Chartered Accountants, Statutory Auditors
- Internal Auditors, Concurrent Auditors and Stock Auditors
- College of Agricultural Banking, Pune
- National Institute of Bank Management, Pune
- Indian Banks' Association, Mumbai
- National Federation of Urban Banks & Credit Societies Ltd., New Delhi
- Maharashtra State Co-op. Banks' Federation
- Maharashtra State Co-op. Banks' Association, Mumbai
- Brihan Mumbai Co-op. Banks' Association, Mumbai
- Legal Advisors, Consulting Architects, Engineers and Contractors
- Press, T.V. and other Media, Artists and Printers
- All those inadvertently missed, who helped us directly or indirectly.

For and on behalf of the Board,

PLACE: MUMBAI
DATE: July 31, 2020

KISHORE KULKARNI
CHAIRMAN

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
NKGSB Co-op. Bank Ltd.,
Mumbai.

Report on Audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of **NKGSB Co-Op. Bank Ltd. (hereinafter referred to as 'the Bank')** as at 31st March 2020, which comprise the Balance Sheet as at 31st March 2020, the statement of Profit and Loss Account, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The returns of Head Office and its departments audited by us and returns of all 109 branches certified by the Concurrent Auditors/Internal Auditors are consolidated in these Financial Statements. Of the 109 branches, all are under monthly/quarterly Concurrent Audit. No branches have been newly opened in the current financial year 2019-2020. As informed by the management, the Bank has not received any specific guidelines from the Central Registrar of Co-operative Societies with respect to selection of branches to be covered under audit. Key operations of the Bank are automated. With the key applications largely integrated to the core banking systems it does not require its branches to submit any financial returns. Accordingly, our audit is carried out centrally at the Head Office and Central Processing Units, based on the necessary records and data required for the purposes of the audit being made available to us and further the matter of percentages of advances, deposits, interest income and of interest expenses is not applicable to the Bank.
2. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes, give the information required thereon by the Banking Regulation Act, 1949 as well as Multi State Co-operative Societies Act, 2002 and rules made thereunder, in the manner so required, for the Urban Co-operative Banks, guidelines issued by Reserve Bank of India and the Central Registrar of Co-operative Societies, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In the case of the **Balance Sheet**, of state of affairs of the Bank as at **31st March 2020**;
 - b. In the case of the **Profit and Loss Account**, of the profit for the year ended on that date; and
 - c. In the case of the **Cash Flow Statement**, of the cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the Financial Statements under the provision of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 36 of Schedule 16 to the Financial Statements which describes the extent to which the high uncertainty caused by the COVID-19 pandemic will have an impact on the Bank's future financial

performance.

Our opinion on the financial results for the current year is not modified in respect of the above matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The Bank's Board of Directors is responsible with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, and provisions of the Banking Regulations Act, 1949, the circulars and guidelines issued by the Reserve Bank of India and the guidelines issued by the Central Registrar of Co-operative Societies, the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002 from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Acts for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the

disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

7. In view of the Government imposed lockdown and travel restrictions as a result of continuous spreading of COVID-19 across India, we were unable to physically visit some branches and certain aspects of the year-end statutory audit have been carried out based on remote access of certain data which has been represented, for our audit purposes, as correct, complete, reliable and directly generated by the accounting system of the bank without any manual modifications.

Under the aforesaid circumstances, our audit has duly considered the advisory on "Specific Considerations while conducting Distance Audit / Remote Audit / Online Audit of Bank under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We, have also relied on alternative audit procedures as per the SAs to obtain reasonable assurance whether the Financial Statements, as a whole, are free from material misstatement, whether due to fraud or error.

Report on Other Legal & Regulatory Requirements

8. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949 and the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002.
9. As required by Section 73(4) of the Multi State Co-operative Societies Act, 2002, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found to be satisfactory;
 - b. In our opinion, proper books of accounts as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches/offices;
 - c. As required by Section 30(3) of the Banking Regulation Act 1949, we further report that the transactions of the Bank which came to our notice have been within the powers of the Bank;
 - d. The Balance Sheet and the Profit and Loss Account dealt with by this report, are in the agreement with the books of account and the returns;
 - e. The reports on the accounts of the branches/offices certified by the branch auditors have been forwarded to us and have been properly dealt with by us in preparing this Report;
 - f. The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to Banks;

- g. In our opinion and according to information and explanations given to us, we have not noticed any material impropriety or irregularity in the expenditure or in the realization of money due to the Bank.
10. As required by the Rule 27 (3) of the Multi-State Co-operative Societies Rules, 2002, we report on the matters specified in clauses (a) to (f) of the said Rule to the extent applicable to the Bank.
- During the course of our audit, we have generally not come across transactions which appear to be contrary to the provisions of the Act, the Rules or the Bye-Laws of the Bank.
 - During the course of our audit, we have not come across material and significant transactions which appear to be contrary to the guidelines issued by RBI. Since the Bank has neither accepted deposits nor received subsidy from National Bank for Agriculture and Rural Development, our comments regarding transactions contrary to the guidelines issued by the said Bank are not called for.
 - Following monies due to the Bank appear to be doubtful of recovery against which a provision of Rs.8,312.54 Lacs is made in the accounts. Advances categorized as doubtful and loss assets as per Prudential Norms are considered as doubtful of recovery:-

Category	Outstanding on 31.03.2020 (₹ In Lacs)
Doubtful Assets	14,422.38
Loss Assets	954.14

- d. As per the information provided to us and to the best of our knowledge, following credit facilities have been sanctioned by the Bank to the members of the Board or their relatives:

Particulars	Amount outstanding (₹ In Lacs)	Security Value if any (₹ In Lacs)	Overdues if any (₹ In Lacs)
Fund Based	Nil	Nil	Nil
Non Fund Based	Nil	Nil	Nil

- e. We have generally not come across any violations of guidelines, instructions etc. issued by the RBI. Since the Bank has neither accepted deposits nor received subsidy from National Bank for Agriculture and Rural Development, our comments regarding violations of guidelines issued by the said Bank are not called for.
- f. To the best of our knowledge, no other matters have been specified by the Central Registrar, which require reporting under this Rule.

For and on behalf of
A.P. Sanzgiri & Co.
Chartered Accountants
Firm Regn. No.:116293W

Abhijit P. Sanzgiri
Partner
Membership No.: 43230
Place: Mumbai
Date: 31st July, 2020
UDIN : 20043230AAAAB01557

Balance Sheet

(₹ in Lacs)

CAPITAL AND LIABILITIES	Schedule	As at 31-Mar-20	As at 31-Mar-19
I. SHARE CAPITAL	1	10,040	9,817
II. RESERVE FUND AND OTHER RESERVES	2	68,082	67,777
III. PRINCIPAL/SUBSIDIARY STATE PARTNERSHIP FUND ACCOUNTS		-	-
IV. DEPOSITS AND OTHER ACCOUNTS	3	7,87,625	7,60,088
V. BORROWINGS	4	25,592	15,970
VI. BILLS FOR COLLECTION BEING BILLS RECEIVABLE (As per Contra)		7,150	9,574
VII. OVERDUE INTEREST RESERVE ON LOANS AND ADVANCES (As per Contra)		13,072	10,102
VIII. INTEREST PAYABLE		1,394	1,539
IX. OTHER LIABILITIES	5	3,440	8,198
X. SETTLEMENT CREDIT ACCOUNT (As per contra) (Refer Schedule 16, Note no. 4)		99	100
XI. PROFIT & LOSS ACCOUNT		2	1
GRAND TOTAL		9,16,496	8,83,166
CONTINGENT LIABILITIES	14	30,617	29,595
Significant Accounting Policies	15		
Notes to Accounts	16		

Schedules referred to above form an integral part of Balance Sheet

As per our report of even date attached
For and on behalf of
A. P. SANZGIRI & CO.
Chartered Accountants,
Firm Regn. No.: 116293W
sd/-
ABHIJIT P. SANZGIRI
PARTNER (MEMBERSHIP NO.: 43230)

Mumbai, 31st July, 2020

as at 31st March, 2020

(₹ in Lacs)

PROPERTY AND ASSETS	Schedule	As at 31-Mar-20	As at 31-Mar-19
I. CASH	6	37,899	35,543
II. BALANCES WITH OTHER BANKS	7	23,322	18,109
III. INVESTMENTS OUT OF THE PRINCIPAL/SUB. STATE PARTNERSHIP FUND		-	-
IV. MONEY AT CALL & SHORT NOTICE (LAF, REVERSE REPO & TREPS)	8	80,785	33,489
V. INVESTMENTS	9	2,20,207	2,08,561
VI. ADVANCES	10	4,90,352	5,25,052
VII. BILLS RECEIVABLE BEING BILLS FOR COLLECTION (As per Contra)		7,150	9,574
VIII. INTEREST RECEIVABLE			
a) On Investments & Earmarked Funds	11	4,295	3,921
b) On Staff Loans		1,081	927
c) On Loans and Advances (As per Contra)		13,072	10,102
IX. FIXED ASSETS	12	26,183	27,301
X. OTHER ASSETS	13	10,545	9,063
XI. DEFERRED TAX ASSET (NET) (Refer Schedule 16, Note no. 18)		1,506	1,424
XII. SETTLEMENT DEBIT ACCOUNT (As per contra) (Refer Schedule 16, Note no. 4)		99	100
GRAND TOTAL		9,16,496	8,83,166

KISHORE KULKARNI
Chairman
SUNIL GAITONDE
Vice - Chairman
CHINTAMANI NADKARNI
Managing Director
SRINIVASARAGHAVAN S.
Chief General Manager
SAMIR REGE
Asst. General Manager (Finance)

NAGESH FOVKAR
Director
SHREEDHAR KAMAT
Director
RAMESH KASBEKAR
Director
KAUSHAL MUZUMDAR
Director

LAXMIKANT PRABHU
Director
SUJATA RANGNEKAR
Director

Mumbai, 31st July, 2020

Profit and Loss Account

(₹ in Lacs)

EXPENDITURE	Year Ended 31-Mar-20	Year Ended 31-Mar-19
Interest on Deposits	52,489	47,265
Interest on Borrowings	1,522	1,481
Staff Salaries, Allowances and Benefits	8,669	8,143
Rent, Rates, Taxes, Service Charges, Insurance and Electricity	2,789	2,623
Legal and Professional Charges	196	224
Postage, Telegrams and Telephone Charges	295	243
Travelling, Lodging and Conveyance	65	73
Audit Fees	125	118
Repairs and Maintenance	861	828
Depreciation on Fixed Assets	1,420	1,512
Depreciation on Shifting of Securities	-	15
Amortisation on HTM Securities	540	491
Printing and Stationery	79	89
Advertisement	239	214
Bad Debts Written Off	3,544	3,799
Amortisation of Software	212	798
Sundry Expenses	1,769	1,910
OPERATING PROFIT (c/f)	4,767	9,253
	79,581	79,079
Provisions and Contingencies:		
A) Bad and Doubtful Debts Reserve	3,905	3,137
B) Contingent Reserve against Standard Assets	-	-
C) Provision on Moratorium Advances	46	-
D) Provision for Diminution in fair value of asset	-	2
E) Interest Transferred to Leave Encashment Fund	97	89
F) Provision for IDR	58	13
G) Provision for Election Fund	8	8
Profit Before Tax (c/f)	653	6,004
	4,767	9,253
Provision for Taxes:		
Income Tax	427	1,678
Deferred Tax	(81)	300
Net Profit for the year	307	4,026
Total	653	6,004

As per our report of even date attached
For and on behalf of
A. P. SANZGIRI & CO.
Chartered Accountants,
Firm Regn. No.: 116293W
sd/-
ABHIJIT P. SANZGIRI
PARTNER (MEMBERSHIP NO.: 43230)

Mumbai, 31st July, 2020

for the year ended 31st March, 2020

(₹ in Lacs)

INCOME	Year Ended 31-Mar-20	Year Ended 31-Mar-19
Interest and Discount		
a) Interest on Advances	50,638	54,919
b) Income from Investments	17,551	14,195
c) Interest on Deposits with Banks	1,378	1,064
Commission, Exchange & Brokerage	3,094	3,045
Bad Debts Provision Reversed	3,544	3,799
Bad Debts of Earlier year Written off now recovered	42	4
Profit on Sale of Investments (including Mutual Funds)	2,925	1,572
Profit on Forex Transactions	93	123
Profit on Sale of Fixed Assets	8	50
Rent on Safe Deposit Lockers	274	250
Miscellaneous Income	34	58
	79,581	79,079
OPERATING PROFIT (b/f)	4,767	9,253
	4,767	9,253
Profit Before Tax (b/f)	653	6,004
Total	653	6,004

KISHORE KULKARNI

Chairman

SUNIL GAITONDE

Vice - Chairman

CHINTAMANI NADKARNI

Managing Director

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Director

KAUSHAL MUZUMDAR

Director

LAXMIKANT PRABHU

Director

SUJATA RANGNEKAR

Director

Mumbai, 31st July, 2020

Profit and Loss Appropriation Account

(₹ in Lacs)

EXPENDITURE	Year Ended 31-Mar-20	Year Ended 31-Mar-19
Appropriations subject to Approval in AGM		
A) Statutory Appropriations :-		
1 Statutory Reserve Fund (25% of Net Profit)	77	1,006
2 Contingency Reserve Fund (10% of Net Profit)	31	403
3 Education Fund (1 % of Net Profit)	4	40
B) Other Appropriations :-		
1 Building Fund	-	166
2 Bad & Doubtful Debts Fund	707	1,200
3 Reserve for Donations	2	5
4 Investment Fluctuation Reserve	-	107
5 Dividend to be appropriated as NIL in C.Y. (P.Y. was provided @10% p.a.) (pro-rata) on Equity Shares	-	850
6 Dividend to be appropriated as NIL in C.Y. (P.Y. was provided @8.5% p.a.) (pro-rata) on Preference Shares	-	125
7 Ex-Gratia to Staff	-	835
8 Staff Welfare fund	54	90
9 Members' Welfare Fund	20	20
10 Special Reserve U/s 36 (1) (viii) of I.T. Act, 1961	70	203
	965	5,050
PROFIT CARRIED TO BALANCE SHEET	2	1
TOTAL	967	5,051

As per our report of even date attached
For and on behalf of

A. P. SANZGIRI & CO.
Chartered Accountants,
Firm Regn. No.: 116293W

sd/-
ABHIJIT P. SANZGIRI
PARTNER (MEMBERSHIP NO.: 43230)

Mumbai, 31st July, 2020

(₹ in Lacs)

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Director

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Director
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Director

Mumbai, 31st July, 2020

Schedules

(₹ in Lacs)

	As at 31-Mar-20	As at 31-Mar-19
Schedule - 1		
Share Capital		
Authorised Share Capital	20,000	20,000
20,00,00,000 shares of Rs. 10/- each		
I Issued Subscribed and Paid up Equity Capital		
8,67,63,371 shares of Rs. 10/- each		
(P.Y. 8,46,46,802 shares) of which :-		
Individuals	6,658	6,513
Co-op Institutions	-	-
Others	2,018	1,952
TOTAL	8,676	8,465
II Perpetual Non Cumulative Preference Share (PNCPS) Capital		
(5,00,00,000 Shares of Rs. 10 each Sanctioned)		
Issued Subscribed and Paid up Preference Share Capital		
1,36,40,000 shares of Rs 10/- each (P. Y. 1,35,21,000 shares)	1,364	1,352
TOTAL CAPITAL (I+II)	10,040	9,817

Schedule - 2

RESERVE FUND AND OTHER RESERVES

I Reserves as per Multi-State Co-op. Soc. Act		
(i) Statutory Reserve Fund	14,097	13,996
(ii) Contingency Reserve Fund	5,107	5,076
(iii) Building Fund	8,702	8,702
(iv) Donation Fund	15	13
II Reserves as per RBI guidelines		
(i) Investment Fluctuation Reserve	1,233	1,233
(ii) Contingent Reserve against Standard Assets	2,189	2,189
(iii) Provision on Moratorium Advances	46	-
(iv) Bad and Doubtful Debts Reserve	9,405	9,043
(v) Provision for Restructured Advances	50	50
(vi) General Reserve	35	35
III Other Funds as per Bye-Laws		
(i) Election Fund	31	23
(ii) Members' Welfare Fund	254	238
IV Others		
(i) Special Reserve U/s 36 (1) (viii) of I.T. Act, 1961	2,511	2,441
(ii) Capital Reserve	68	68
(iii) Revaluation Reserve	17,907	18,475

Schedules

(₹ in Lacs)

	As at 31-Mar-20	As at 31-Mar-19
(iv) Deferred Tax Reserve	292	292
(v) Bad and Doubtful Debts Fund	2,323	2,178
(vi) ARC Reserve Account	2,047	2,047
V Funds for the benefit of staff		
(i) Staff Welfare Fund	379	429
(ii) Staff Leave Encashment Fund	1,391	1,249
TOTAL RESERVES (I+II+III+IV+V)	68,082	67,777

Schedule - 3

Deposits

I Term Deposits		
(i) Individuals & Others	5,25,321	5,03,280
(ii) Societies	89,734	81,165
II Saving Deposits		
(i) Individuals & Others	1,34,375	1,33,054
(ii) Societies	8,230	6,946
III Current Deposits		
(i) Individuals & Others	28,116	32,861
(ii) Societies	694	652
IV Matured Deposits	1,155	2,130
Total (I+II+III+IV)	7,87,625	7,60,088

(Includes amount of Rs. 8,715 Lacs (P.Y. Rs. 11,952 Lacs) collateralised towards LCs / Guarantees. Also an amount of Rs. 58,536 Lacs (P.Y. Rs.49,419 Lacs) is lien marked against overdraft / loan against FDs.)

Schedule-4

Borrowings

I Long Term Subordinated Deposits		
Series I		
Tenure of 5 years @ 10.00% p.a.	49	2,283
Tenure of 7 years @ 10.25% p.a.	2,717	2,717

Schedules

(₹ in Lacs)

	As at 31-Mar-20	As at 31-Mar-19
II Long Term Subordinated Deposits		
Series II		
Tenure of 5 years @ 9.00% p.a.	1,392	1,392
Tenure of 7 years @ 9.25% p.a.	4,178	4,178
III Long Term Subordinated Deposits		
Series III		
Tenure of 5 years @ 8.50% p.a.	2,854	2,854
Tenure of 7 years @ 8.75% p.a.	2,546	2,546
IV Long Term Subordinated Deposits		
Series IV		
Tenure of 5 years @ 8.75% p.a.	1,556	-
V REPO	10,300	-
Total (I+II+III+IV+V)	25,592	15,970

Schedule-5

Other Liabilities

(i) Payorder Issued / Draft Payable	590	3,008
(ii) Proposed Dividend (Equity + PNCPS)	-	975
(iii) Ex-gratia for Staff	-	835
(iv) T.D.S. on F.D.R. Interest	522	217
(v) Interest received in Advance on Bill Discounting	360	791
(vi) Unclaimed Dividend	174	128
(vii) Sundry Deposits	249	664
(viii) Others	1,545	1,580
Total (i+ii+iii+iv+v+vi+vii+viii)	3,440	8,198

Schedule -6

Cash

(i) Cash in Hand	6,913	2,908
(ii) Balances with Reserve Bank of India	30,944	32,624
(iii) Balances with State Bank of India, State Co-operative Banks & District Co-operative Banks	42	11
Total (i+ii+iii)	37,899	35,543

Schedule -7

Balances with other Banks

I Current Deposits with Banks	1,573	3,106
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Schedules

(₹ in Lacs)

	As at 31-Mar-20	As at 31-Mar-19
II Fixed Deposits with Banks :-		
(a) Reserve Fund Investment	2,650	2,750
(b) Investment against Earmarked Funds	639	701
(c) Other Fixed Deposit Receipts	18,460	11,552
Total (a+b+c)	21,749	15,003
(Other Fixed Deposit Receipts includes Rs.2,260.80 Lacs placed with other Banks as margin for Credit Line (P.Y. Rs.1,014.85 Lacs))		
Total (I+II)	23,322	18,109

Schedule-8

MONEY AT CALL & SHORT NOTICE (LAF, REVERSE REPO & TREPS)

(i) Money at Call & Short Notice	-	-
(ii) Reverse REPO	68,800	18,500
(iii) TREPS	11,985	14,989
Total (i+ii+iii)	80,785	33,489

Schedule-9

Investments

(i) Government Securities	1,87,321	1,80,712
(ii) Government Securities (earmarked for Reserve Fund Investment)	16,445	15,945
(iii) Other Approved Securities	-	-
Other Trustee Securities approved for SLR (IDBI Bonds)		
(iv) Shares in Co-op. Institutions (Rs. 23,000/- P.Y. Rs.23,000/-)	-	-
(v) P.S.U. Bonds & Bonds of all India Financial Institutions	-	-
(vi) Bonds & NCDs	7,763	2,000
(vii) Other Investments	25	25
(viii) Security Receipts (ARC)	8,653	9,879
Total (i+ii+iii+iv+v+vi+vii+viii)	2,20,207	2,08,561

Schedule-10

Advances

I Short Term Loans, Cash Credit, Bills Discounted and Purchased	1,84,752	1,92,017
Of which secured against:		
(i) Govt. and Other Approved Securities	78	91
(ii) Other Tangible Securities	1,84,458	1,91,443
(iii) Unsecured - Personal /Surety Loans	216	483
(Amount due from individuals - Rs. 22,471.86 Lacs (P.Y. Rs.19,304.26 Lacs), amount overdue Rs. 31,971.54 Lacs (P.Y. Rs. 20,309.27 Lacs), considered Bad & Doubtful of recovery Rs. 4,264.87 Lacs (P.Y. Rs.5,265.60 Lacs) fully provided as per RBI Norms)		

Schedules

(₹ in Lacs)

	As at 31-Mar-20	As at 31-Mar-19
II Medium Term Loans :	7,492	27,394
Of which secured against:		
(i) Govt. and Other Approved Securities	-	1
(ii) Other Tangible Securities	7,288	26,614
(iii) Unsecured - Personal /Surety Loans	204	779
(Amount due from individuals - Rs. 1,198.96 Lacs (P.Y. 11,784.39 Lacs), amount overdue Rs. 724.48 Lacs (P.Y. Rs. 2,033.88 Lacs), considered Bad & Doubtful of recovery Rs. 675.50 Lacs (P.Y. Rs. 911.04 Lacs) fully provided as per RBI Norms)		
III Long Term Loans :	2,98,108	3,05,641
Of which secured against:		
(i) Govt. and Other Approved Securities	-	1,354
(ii) Other Tangible Securities	2,93,370	3,01,051
(iii) Unsecured - Personal /Surety Loans	4,738	3,236
(Amount due from individuals - Rs.2,00,289.81 Lacs (P.Y. Rs.1,97,047.29 Lacs) , amount overdue Rs.11,494.73 Lacs (P.Y. Rs.9,446.84 Lacs) , considered Bad & Doubtful of recovery Rs. 10,436.15 Lacs (P.Y. Rs.9,578.74 Lacs) fully provided as per RBI Norms)		
Total (I+II+III)	4,90,352	5,25,052

Schedule-11

Interest Receivable

(i) On Investments	4,275	3,908
(ii) On Investments against Earmarked Funds	20	13
Total (i+ii)	4,295	3,921

Schedule-12

Fixed Assets

I Premises (Including Land)

Opening Balance as on April, 1	32,144	32,183
Add : Additions during the year (Includes Leasehold Improvements)	36	65
Less : Sales during the year	-	(104)
	32,180	32,144
Less : Depreciation upto last year	6,577	5,730
Depreciation for the current year	829	857
Depreciation on assets sold	0	(10)
	7,406	6,577
Sub-Total (I)	24,774	25,567

Schedules

(₹ in Lacs)

	As at 31-Mar-20	As at 31-Mar-19
II Furniture and Fixtures		
Original Cost as on April, 1	3,274	3,205
Add : Additions during the year	7	74
Less : Sales during the year	(13)	(5)
	3,268	3,274
Less : Depreciation upto last year	2,154	1,884
Depreciation for the current year	254	275
Depreciation on assets sold	(13)	(5)
	2,395	2,154
Sub-Total (II)	873	1,120
III Other Fixed Assets		
Original Cost as on April, 1	3,985	3,894
Add : Additions during the year	273	256
Less : Sales during the year	(133)	(165)
	4,125	3,985
Less : Depreciation upto last year	3,371	3,149
Depreciation for the current year	337	381
Depreciation on assets sold	(119)	(159)
	3,589	3,371
Sub-Total (III)	536	614
Total Fixed Assets (I+II+III)	26,183	27,301

Schedule-13

Other Assets

(i) Premium paid on Investment (Net of Amortisation)	4,021	3,510
(ii) Earmarked fund against Staff Leave Encashment Fund	1,391	1,087
(iii) Lease & Security Deposits	889	851
(iv) Intangible Assets (Software)	592	694
(v) CCIL & CBLO Segment Cash Margins	215	215
(vi) Advance Income Tax (Net)	2,419	1,521
(vii) Prepaid Expenses	61	87
(viii) Others	957	1,098
Total (i+ii+iii+iv+v+vi+vii+viii)	10,545	9,063

Schedules

(₹ in Lacs)

	As at 31-Mar-20	As at 31-Mar-19
Schedule -14		
Contingent Liabilities		
(i) Forward Contracts Purchase	609	1,092
(ii) Forward Contract Sale	482	1,693
(iii) Guarantees *	19,841	19,184
(iv) Letter of Credit **	6,264	5,880
(v) DEAF Account	1,159	1,023
(vi) Income Tax Demand	2,033	664
(vii) Service Tax Demand	38	38
(viii) Others	191	21
Total (i+ii+iii+iv+v+vi+vii+viii)	30,617	29,595

* These amounts are collateralised by Fixed Deposits, Counter Guarantees and Secured Charges of Rs.8,714.79 Lacs (P.Y. Rs.11,952.22 Lacs)

** These amounts includes Expired LCs of Rs. 363.59 Lacs (P.Y. Rs.155.88 Lacs)/ Guarantees of Rs.883.89 Lacs, (P.Y. 2,670.76 Lacs) which have not been cancelled being Original LCs / Govt Guarantees / BGs not being received back.

ANNEXURE 'I'

NAME OF BANK	:	NKGSB CO-OPERATIVE BANK LTD.
REGISTERED OFFICE ADDRESS	:	'LAXMI SADAN', 361, V. P. ROAD, GIRGAUM, MUMBAI 400 004.
DATE OF REGISTRATION	:	SEPTEMBER 26, 1917
NO. & DATE OF RBI LICENSE	:	UBD MH 493 P, DT. JULY 26, 1986
AREA OF OPERATION	:	STATES OF MAHARASHTRA, KARNATAKA, GUJARAT, GOA, MADHYA PRADESH AND UNION TERRITORY OF DAMAN, DIU, DADRA & NAGAR HAVELI.

(₹ in Cr.)

ITEMS	AS ON MARCH 31, 2020
No. of Branches (including Head Office)	110
Membership	
No of Regular Members	56,601
No of Nominal Members	11,306
Paid up Share Capital	₹ 100.40
Total Reserves and Funds	₹ 781.22
Deposits :	
Current	₹ 299.66
Savings	₹ 1,426.05
Term	₹ 6,150.54
Total	₹ 7,876.25
Advances:	
Secured	₹ 4,851.95
Unsecured	₹ 51.57
Total	₹ 4,903.52
Total % of Priority Sector	44.17%
Total % of Weaker Section	9.45%
Overdues	₹ 441.91
Overdue Percentage	9.01%
Borrowings	₹ 255.92
Investments	₹ 3,227.42
Audit Classification	B
Profit for the year	₹ 3.07
Working Capital	₹ 8,961.76
Total Staff	1134

Cash Flow For The Year Ended 31st March, 2020

(₹ in Lacs)

Particulars	2019-20	2018-19
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit as per Profit and Loss Account	307	4,026
Add: Previous year excess provision written back	659	1,024
Add: Opening balance as per Profit & Loss Account	1	1
Profit Available for Appropriations	967	5,051
Less : Appropriations	965	5,050
Net Profit as per Balance Sheet	2	1
Add:		
Depreciation On Assets	852	943
Deferred Tax	(81)	301
Current Tax	427	1,678
Bad Debts Written Off	3,544	3,799
Premium on Securities Amortised	540	491
Amortisation of Software	212	798
	5,494	8,010
Add:		
Loss / (Profit) on Sale of Assets	(8)	(50)
	(8)	(50)
Less :		
BDDR written back	(3,544)	(3,799)
	(3,544)	(3,799)
Adjustments for:		
(Increase)/ Decrease in Investments	(11,146)	(46,494)
(Increase)/ Decrease in Other Investments	(7,772)	(14,164)
(Increase)/ Decrease in Advances	34,700	6,078
(Increase)/ Decrease in Interest receivable and OIR	(3,499)	4,388
(Increase)/ Decrease in Other Assets	(2,552)	(3,754)
Increase/(Decrease)in Funds	848	3,214
Increase/(Decrease)in Deposits	27,537	65,558
Increase/ (Decrease) in Interest Payable	(145)	(447)
Increase /(Decrease) in Other Liabilities	(819)	(3,426)
	37,152	10,953
Net Cash Generated from Operating Activities (A)	39,096	15,115

Cash Flow For The Year Ended 31st March, 2020

(₹ in Lacs)

Particulars	2019-20	2018-19
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(315)	(395)
Payment for Software	(110)	(109)
Sale Proceeds of Fixed Assets	22	86
Net Cash Generated from Investing Activities (B)	(403)	(418)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Equity Share Capital	198	(36)
Increase in Preference Share Capital	(12)	95
Increase in Borrowings (including Repo)	9,621	-
Dividend Paid	(906)	(871)
Net Cash generated from Financing Activities (C)	8,901	(812)
Net increase in Cash & Cash Equivalents (A+B+C)	47,594	13,885
Cash & Cash Equivalents at the beginning of the year	73,270	59,385
Cash & Cash Equivalents at the end of the year	1,20,864	73,270
	47,594	13,885
Cash & Cash equivalents		
Cash in hand & Balances with Notified Banks	37,900	35,543
Balances with Other Banks	2,178	4,237
Money at Call, Short Notice (LAF Reverse REPO & TREPS)	80,786	33,489
	1,20,864	73,270

As per our report of even date attached
For and on behalf of

A. P. SANZGIRI & CO.
Chartered Accountants,
Firm Regn. No.: 116293W
sd/-

ABHIJIT P. SANZGIRI
PARTNER (MEMBERSHIP NO.: 43230)

Mumbai, 31st July, 2020

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Director

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Director

SUJATA RANGNEKAR
Director

Mumbai, 31st July, 2020

Schedule 15:-**SIGNIFICANT ACCOUNTING POLICIES: -****1) ACCOUNTING CONVENTION:**

The Financial Statements are drawn up keeping in mind the historical cost and going concern concept and in accordance with generally accepted accounting principles and practices prevailing in the Co-operative Banks in India unless otherwise stated.

2) MONEY AT CALL & SHORT NOTICE:

Amount invested in Tri-party Repo (Dealing) System (TREPS) /

Liquidity Adjustment Facility (LAF) / CALL and Reverse Repo are disclosed under the head 'Money at Call and Short Notice'.

3) INVESTMENTS :

For presentation in the Balance Sheet, Investments are classified under the following heads as required under RBI guidelines – Government Securities, Bonds / NCDs, Shares in Co-operative Institutions/Other Institutions, Security Receipts (ARC), Mutual Funds and Other Investments.

3.1 Classification

In accordance with guidelines issued by RBI, the Bank classifies its investment portfolio into the following three categories:

- i) 'Held to Maturity' – Securities acquired by the Bank with the intention to hold till maturity.
- ii) 'Held for Trading' – Securities acquired by the Bank with the intention to trade.
- iii) 'Available for Sale' – Securities which do not fall within the above two categories are classified as 'Available for Sale'.

3.2 Valuation and Accounting of Investments

- a) Investments in HTM category are valued at acquisition cost unless it is more than the face value in which case the premium (if any) paid on the investments under this category is shown under "Other Assets" and is amortised over the period remaining to maturity. For any security acquired at discount to the face value, the discount earned on maturity/sale is recognized only at the time of redemption/sale.
- b) Investments under AFS and HFT categories are valued scrip-wise at lower of Book Value and Market Value and depreciation/appreciation is aggregated for each classification. Net depreciation, if any, is provided for, while net appreciation, if any, is ignored. Net Depreciation if any, for the year under these categories is charged to the Profit and Loss Account and shown under Other Liabilities as "Contingent Provisions against Depreciation in Investment".
- c) Treasury Bills under all categories/classifications are valued at carrying cost.
- d) Units of Mutual Fund are valued at lower of Cost or Net Asset Value.
- e) Shares of Co-operative Institutions/Other Institutions are valued at cost unless there is a diminution in the value thereof in which case the diminution is fully provided for.
- f) Market Value of Debt Securities, Debentures & Bonds are determined in terms of Yield To Maturity (YTM) method indicated by Fixed Income Money Market and Derivatives Association of India (FIMMDA).
- g) Profit on redemption of Investments under "HTM" category is included in profit on sale of Investments and the said amount is transferred to Investment Fluctuation Reserve by way of appropriation.
- h) Bank follows the settlement date method of accounting for Government of India and State Government securities in accordance with RBI guidelines.
- i) Broken period Interest, Brokerage, Commission paid if any, in respect of investments purchased is treated as an item of expenditure under the Profit and Loss Account.
- j) Investments in Security Receipts (SR) initially issued by Asset Reconstruction Companies (ARCs) are valued at cost till expiry of 6 months from acquisition date. Subsequently, these will be valued at NAV declared by the ARCs from time to time but not later than 6 months from the Balance Sheet Date. Depreciation if any, arising from the valuation thereon will be recognized in the Profit and Loss Account. Appreciation, if any will be ignored.

k) Accounting for Repo/Reverse Repo transactions [Including transactions under the Liquidity Adjustment Facility (LAF) with the RBI].

The securities sold and purchased under Repo/Reverse Repo are accounted as Collateralized Borrowings and Lending transactions. Securities are transferred as in the case of normal outright sale/purchase transactions and such movements of securities are reflected using Repo/Reverse Repo Accounts and contra entries. The above entries are reversed on the maturity date.

- Costs and revenue are accounted as interest expenditure/income, as the case may be.
- Balance in REPO account is classified under Borrowing and balance in REVERSE REPO account is classified under Money at Call & Short Notice.
- The accounting and disclosure of LAF is in accordance with the norms stipulated by RBI vide its Circular No. FMRD.DIRD. 10/14.03.002/2015-16 dated 19th May, 2016 and FMOD.MAOG. No.116/01.01.001/2016-17 dated 10th November, 2016.

3.3 Transfer between categories

Reclassification of investments from one category to another, is done in accordance with RBI guidelines and any such transfer is accounted for at the acquisition cost/book value/market value, whichever is lower, as at the date of transfer. Depreciation, if any, on such transfer is fully provided for.

4) ADVANCES:

- a) The classification of Advances into Standard, Sub Standard, Doubtful and Loss Assets as well as provisioning on Standard Advances, Restructured Advances and Non Performing Advances is arrived at in accordance with the Income Recognition, Assets Classification and Provisioning Norms prescribed by the RBI for Primary UCBs.
- b) The Bank also makes provision for diminution in fair value of Restructured Advances as per norms issued by RBI.
- c) Advances against security of Bank's own Fixed Deposits, National Saving Certificates, Life Insurance Corporation Policies, Indira Vikas Patra, Kisan Vikas Patra are considered as Performing Assets in accordance with the guidelines issued by the RBI.
- d) In arriving at the provisioning, for determining the value of securities, the value as per the latest valuation reports, wherever obtained, of the assets mortgaged is considered. For valuations over 3 years, the ready reckoner value rate increase/decrease over the corresponding period of previous valuation is considered. In case of stock the value as per latest stock statement submitted by the borrowers and in case of fixed assets, the depreciated value of the assets as per latest Audited Financials is considered.
- e) Amount recovered against debts write off in earlier years are recognised in Profit and Loss account.

5) FIXED ASSETS AND DEPRECIATION:

- a) Fixed Assets, other than those that have been revalued, are carried at historical cost less depreciation accumulated thereon. Cost includes incidental stamp duty, registration charges and civil work in case of ownership premises, and in case of other fixed assets, amounts incurred to put the asset in a working condition.
- b) Depreciation is provided on a straight line basis over the estimated useful life of the asset at the following rates:

Assets	Rate of Depreciation	Period of Depreciation
Land and Building (Including Tenancy Rights)	2.50%	480 months
Furniture and Fixture	10.00%	120 months
Office Machinery (including Air Conditioner)	15.00%	80 months
Fire Extinguisher, Glow Sign Board & Vehicles	20.00%	60 months
Computer Hardware & Software and UPS/ Batteries (*Finacle Software is depreciated over its estimated useful life (Currently 84 months))	33.33%	36 months
Leasehold Improvements		Equally over the primary period of lease

- c) Assets purchased during the year are depreciated from the completed month of it being put to use.
- d) Assets disposed off during the year are depreciated up to the quarter before the date of disposal.
- e) Books are capitalised and depreciated to Re1/- per book in the year of purchase.
- f) Depreciation on the revalued portion of assets is included in Depreciation expenses and the same amount is directly reversed from revaluation reserves through the Profit and Loss Appropriation Account. The same is in conformity with revised AS-10 issued by the ICAI and applicable to non corporate assesses from 01.04.2017.
- g) Fixed Assets which have been fully depreciated but are still in use, are carried in the books at Re. 1/-.
- h) Assets individually costing less than Rs. 5,000/- is charged to Profit and Loss Account in the year of purchase.
- i) Replacement of UPS/Batteries are also capitalized in the books. AMC & Recharges are expensed off to Profit and Loss Account.
- j) Chairs / Tables are capitalized under "Furniture & Fixtures" irrespective of value of individual Chair thereof.

6 RESERVE FUND AND OTHER RESERVES:

- I) As per the requirement of Multi-State Co-op. Soc. Act, 2002,
 - a) The Statutory Reserve Fund is bifurcated into 2 Categories viz.:
 - i) Statutory Reserve Fund (Comprising 25% of Net Profit).
 - ii) Contingency Reserve Fund (Comprising 10% of Net Profit).
 - b) Co-operative Education Fund maintained by National Co-operative Union of India (Comprising 1% of Net Profit).
- II) Membership entrance fees & Dividend payable remaining unclaimed for over 3 years are taken directly to the Statutory Reserve Fund.
- III) Interest accruing on investments against certain earmarked funds viz. Members' Welfare Fund and Staff Welfare Fund is credited initially to Profit and Loss Account and thereafter transferred to the respective funds through Appropriation of Profits for the year.

7 CASH FLOW STATEMENT (AS-3):

The Cash flows are reported using the indirect method whereby Profit before Tax is adjusted for effects of transactions of non-cash nature, deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the bank are segregated based on available information.

8 REVENUE RECOGNITION (AS-9):

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. Items of income and expenditure are accounted for on accrual basis except the following items:-

- a) Interest income on Non Performing Advances is accounted as per policy as specified in para 11 below.
- b) Commission, Exchange, Brokerage and Locker Rent are recognized as income upfront on receipt.
- c) Income from investments is accounted for on accrual basis except dividend on shares of Corporates and Mutual Funds, if any, which is accounted for on cash basis.
- d) Income from distribution of Insurance Products is accrued on the basis of business booked.
- e) Interest Income from Investments through TREPS/ REPO is shown net.

9 OTHER EXPENSES:

Expenses are accounted for on accrual basis except as stated below:

- a) Interest on Matured Fixed Deposits (MFD) where no renewal instructions are obtained from customers is provided at prevailing Savings Bank Deposit Rate.
- b) Ex-gratia given, if any, is accounted as an appropriation at the rates decided by the Management in accordance with provisions of Multi State Co-operative Societies Act, 2002.

10 OVERDUE INTEREST RESERVE:

Overdue Interest Reserve (OIR) represents unrecovered interest on Non Performing Advances, which is correspondingly shown under Interest Receivable as per RBI directives.

11 RECOVERY FROM NPAs:

Recovery from Non Performing Advances is firstly appropriated as under:-

- a) In case of Loss Assets towards Principal.
- b) In case of Substandard Assets towards Interest.
- c) In case of Doubtful Assets, where there are chances of recovery, appropriation is firstly towards Interest, in other cases towards Principal.

12 STAMP DUTY AND REGISTRATION CHARGES OF LEASED PREMISES:

Stamp Duty and Registration Charges in respect of Leased Premises is charged to the Profit and Loss Account.

13 FOREIGN EXCHANGE TRANSACTIONS (AS-11):

- a) Transactions denominated in foreign currency are accounted for at the rates prevailing on the date of the transaction. Monetary foreign currency Assets and Liabilities reflected in the Balance Sheet on the date are translated at the rates notified by Foreign Exchange Dealers Association of India (FEDAI). The Profit / Loss due to revaluation are recognized in the Profit and Loss Account.
- b) The outstanding spot and forward contracts are revalued at the applicable rates notified by FEDAI. The resulting Profit / Loss is accounted in Profit and Loss Account as per FEDAI / RBI guidelines.
- c) Premium/discount in respect of foreign exchange hedge contracts is amortized over the period of contract.
- d) Contingent Liabilities on account of foreign exchange contracts, guarantees, acceptances, endorsements and other obligations denominated in foreign currencies are disclosed at closing rates of exchange notified by FEDAI.

14 ACCOUNTING FOR AMALGAMATION (AS-14):

Accounting for Amalgamation in case of Amalgamated Banks with the Bank is carried out as per the amalgamation orders passed by RBI and Other Appropriate Statutory Authorities.

15 EMPLOYEE BENEFITS (AS-15):**a) Gratuity**

Retirement Benefit in the form of Gratuity is a Defined Benefit Plan. The Bank has a Gratuity Trust for its Employee under the Group Gratuity cum Life Assurance Scheme managed by Life Insurance Corporation of India (LIC). During the year, certain amounts have been additionally invested with HDFC Standard Life Insurance Company. Gratuity is provided for on the basis of Actuarial Valuation done by an Independent Actuary as at the year end, using the Projected Unit Credit Method in accordance with AS-15 on Employee Benefit as issued by ICAI.

b) Compensated Absences (Leave Encashment)

Employee Leave Benefits in the nature of Privilege Leave is a defined benefit plan. Employees are not entitled to encashment of Sick Leave. Casual Leave is en-cashed at the Calendar year end and not carried forward. Privilege Leave which is en-cashable is provided for on the basis of Actuarial Valuation done by an Independent Actuary as at the year end using the Projected Unit Credit Method in accordance with the guidelines issued under AS-15 on Employee Benefits as issued by ICAI.

c) Provident Fund Contribution

Retirement Benefit in the form of Provident Fund is a Defined Contribution Plan and contributions made to the Commissioner of Provident Fund at rates prescribed in the Employees Provident Fund and Misc. Provisions Act, 1952 are accounted for on accrual basis.

d) Superannuation Contribution

Contribution towards superannuation scheme of LIC is accounted for on accrual basis as a Defined Contribution Plan.

16 SEGMENT REPORTING (AS-17):

The Business Segments is considered as primary reporting format and the Bank does not have any geographical segment. In accordance with the guidelines issued by RBI, Bank has adopted following Business Segments:



- a) Treasury includes all Investment Portfolio, Profit/Loss on sale of investments (Bonds and Government Securities) money market operations and foreign exchange transactions including commission based Trade Finance transactions. The expenses of this segment consist of interest expenses on funds borrowed from external / internal sources and depreciation/ amortization of premium on Held To Maturity investments. Bank has Internal Parameters in place which are reviewed at half yearly intervals to calculate the internal fund transfer pricing.
- b) Other Banking operations include funded Trade Finance transactions and all other operations not covered under Treasury Operations. It primarily comprises of Loans and Advances to wholesale and retail customers and other Banking services to such customers. The revenue consists of interest earned on loans and advances, fee income on various services and foreign exchange products to customers. Funded Trade Finance transactions are classified under Other Banking operations.

17 OPERATING LEASES (AS-19):

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as Operating Leases. Operating Lease payments are recognized as an expense in the Profit and Loss Account during the year as per lease agreement.

18 EARNING PER SHARE (EPS (AS-20)):

Basic Earning per Share is calculated by dividing the Net Profit for the period by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares are calculated on monthly basis.

19 CONSOLIDATED FINANCIAL STATEMENTS (AS-21):

Since Bank does not have any subsidiary companies/ Co- Operative Societies, the Accounting Standard 21 (AS-21) regarding consolidated Financial Statements is not applicable to the Bank.

20 DEPOSITS FOR SERVICES:

Security Deposits for Electricity and Telephone services are written off equally over a period of 5 financial years.

21 INCOME TAX (AS-22):

- a) Income Tax expense comprises of Current Tax and Deferred Tax. Current Tax is provided for and Deferred Tax is accounted for in accordance with the applicable provisions of the Income Tax Act, 1961 and Rules framed there under.
- b) Provision for Current Tax is made on the basis of estimated taxable income for the year arrived at as per the provision of Income Tax Law and applicable Income Computation and Disclosure Standards (ICDS) issued by Central Board of Direct Tax (CBDT).
- c) Deferred Tax is recognised on account of timing differences between the book profits and the taxable profits. The tax effect of timing differences between the book profits and taxable profits measured using the tax rates and tax laws that have been enacted or substantially enacted at the Balance Sheet date are reflected through Deferred Tax Asset (DTA)/Deferred Tax Liability (DTL). DTA is recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such DTA can be realised.

22 DISCONTINUING OPERATIONS (AS-24):

Principles of recognition and measurements as set out in the Accounting Standards are considered for the purpose of deciding as to when and how to recognise and measure the changes in assets and liabilities and the revenue, expenses, gain, losses and cash flow relating to a discontinuing operations. There were no discontinuing operations as defined in the standard which need to be separately disclosed.

23 INTANGIBLE ASSETS (AS-26):

Amortisation of Software is calculated on Cost of Purchase as per agreement value plus all incidental & connected expenses related to the implementation and is depreciated from date of commercial usage over a period of 36 months except for Finacle Software where the amortisation is done as per estimated useful life of the software.

24 IMPAIRMENT OF ASSETS (AS-28):

The Bank assesses at each Balance Sheet date whether there is any indication that an assets may be impaired and provides for impairment loss, if any, in the Profit and Loss Account.

25 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS-29):

- The Bank makes provisions when it has a present obligation as a result of past event(s), where it is probable that an outflow of resources embodying economic benefit to settle the obligation will be required and a reliable estimate can be made of such an obligation.
- Contingent assets are not recognized in the Financial Statements.
- Contingent liabilities of the Bank are in respect of guarantees, acceptances and letters of credit with customers under approved limits and the liability thereon is dependent upon terms of contractual obligations, devolvement and raising of demand by the concerned parties. These amounts are partly collateralised by margins / guarantees/secured charges. A disclosure of contingent liability is made when there is a possible obligation, arising from a past event(s), the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank or any present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation cannot be made.

26 CASH & CASH EQUIVALENTS:

This includes Cash in Hand, Current Account Balances with Banks, Money at Call and Short Notice, LAF, Reverse REPO & TREPS and highly liquid deposits maturing within 90 days.

Schedule No. 16:-**NOTES FORMING PART OF THE ACCOUNTS:****1. Appropriation of Profit:**

The Bank has made the following appropriations of profits for the year ended March 31, 2020 which are subject to shareholders approval in the proposed Annual General Meeting.

Particulars	Amount (₹. in Lacs)
Net Profit for F.Y. 2019-20	307
Add: Opening Balance in Profit and Loss Account	1
Add: Transfer from Revaluation Reserve, excess appropriation from Education Fund, Dividend and Ex-gratia	659
Total Profit available for appropriation	967
Appropriations :-	
Statutory Reserve Fund @25% of Net Profit	77
Contingency Reserve Fund @10% of Net Profit	31
Education Fund @1% of Net Profit	4
Bad and Doubtful Debts Fund	707
Donation Fund	2
Staff Welfare Fund	54
Members' Welfare Fund	20
Special Reserve U/s 36 (1) (viii) of I.T. Act, 1961	70
Balance carried forward	2
Total	967

*In view of the RBI Directive no. DOR.BP.BC.No.64/21.02.067/2019-20 dt. 17.04.2020 prohibiting Banks from declaring and paying dividend, the Bank has not made any appropriation for dividend on Equity Shares and PNCPS out of its Profit of the Current Year.

2. Perpetual Non-Cumulative Preference Shares (PNCPS)

As per approval for Rs.5,000.00 Lacs granted by RBI vide its letter no. DCBS/MRO/BSS I/5911/12.07.163/2014-15 dated February 25, 2015 and the Director to Central Registrar of Co-operative Societies vide its letter no. R-11017/6/2004 – L and M (Pt.) dated November 28, 2014, and Board Approval dated September 23, 2014, in the current year, the Bank has raised Rs. 12.00 Lacs by way of Perpetual Non-Cumulative Preference Shares (PNCPS) (P.Y. Rs. 96.70 Lacs) for raising Tier I Capital thus, cumulatively amounting to Rs. 1,364.10 Lacs as on 31.03.2020.

The terms and conditions regarding issue of Preference Shares remains same as detailed in Notes to Accounts of F.Y. 2016-17; except for payment of dividend which is now guided by current RBI Circular as referred above in point no. 1.

3. Long Term Subordinated (Tier-II) Deposits (LTD):

The Balance in LTD subscribed as at 31st March, 2020 is Rs. 15,291.50 Lacs which includes: -

- Rs.2,765.75 Lacs during F.Y. 2014-15 (Series-I)
- Rs.5,570.25 Lacs during F.Y. 2015-16 (Series-II)
- Rs.5,400.00 Lacs during F.Y. 2016-17 (Series-III)
- Rs.1,555.50 Lacs during F.Y. 2019-20 (Series – IV)

Repayment of all LTD Series will be done only at maturity with prior approval of the Reserve Bank of India wherever required.

The amount of LTD Series I, Series II, Series III and Series IV after applying relevant discounting factors is included in the Tier-II capital funds of the Bank for Capital Adequacy purpose as per RBI Guidelines.

4. Settlement Credit/Debit Account:

Settlement Debit and Credit Accounts (Contra) represents mirror impact of the cost of acquisition of Shree Shahu Co-operative Bank Ltd. (SSCBL) and the entries pertaining to the Gains / Losses incurred post merger on Assets and Liabilities taken over.

- During the year, the Bank has written off an amount of Rs.3,543.76 Lacs (P.Y. Rs.3,799.42 Lacs) towards bad debts which is identified by the Management as irrecoverable, approved by the Board of Directors and certified by the Statutory Auditors. The said amount has been fully provided for, and accordingly an equivalent amount has been written back from the Bad and Doubtful Debts Reserve.
- Claims receivable outstanding more than 1 year is provided in the accounts over a period of 3 years. The same is disclosed net of provisions thereon.
- Commission and Exchange Income include Income from Forex Business Rs.551.40 Lacs (P.Y. Rs.564.79 Lacs). Exchange Profit is Rs.92.61 Lacs (P.Y. Rs.122.98 Lacs).
- The Bank has earned an Income of Rs.163.55 Lacs (P.Y. Rs.136.21 Lacs) on account of Corporate Agency of Insurance Business with Bajaj Allianz Life Insurance Co. Ltd., Bajaj Allianz General Insurance Co. Ltd., Max Life Insurance Co. Ltd., Religare Health Insurance Co. Ltd. and ICICI Lombard General Insurance Co. Ltd. The same is disclosed under Commission, Exchange and Brokerage in the Profit and Loss Account.
- The Bank has earned an Income of Rs.22.24 Lacs (P.Y. Rs.21.58 Lacs) on account of Corporate Agency of Mutual Fund business with Aditya Birla Sun Life AMC Ltd., Nippon India Mutual Fund (Previously known as Reliance Nippon Life Asset Management Co Ltd), HDFC Asset Management Co. Ltd and SBI Funds Management Co. Ltd. The same is disclosed under Commission, Exchange and Brokerage in the Profit and Loss Account.

10. Disclosure under AS -15 “Employee Benefits” Provident Fund:

(₹ in Lacs)

Particulars	Provident Fund	
	31.03.2020	31.03.2019
Employment and Retirement Benefits		
Post Employment Benefits		
Bank's contribution to Provident Fund debited to Profit and Loss Account	644.55	622.47

11. Disclosure under AS-15 “Employee Benefits” - Gratuity:

The following table sets out the status of the Gratuity Plan as required under AS-15. Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in Lacs)

Sr. No.	Particulars	Gratuity Funded	
		31.03.2020	31.03.2019
1	Principal actuarial assumptions as at the date of Balance Sheet:		
	Discount Rate	6.80%	7.50%
	Salary Escalation	3.75%	4.00%
	Expected Return on Plan Assets	6.80%	7.50%
2	Reconciliation of opening and closing balances of present value of obligation		
	Present value of obligation as at beginning of the year	2,386.94	2,350.91
	Interest cost	173.09	166.53
	Current service cost	156.95	148.89
	Benefit Paid	(280.15)	(280.24)
	Actuarial (Gain)/ Loss on obligations	171.13	0.85
	Present value of obligation as at end of the year	2,607.96	2,386.94
3	Reconciliation of opening and closing balance of present value of plan assets		
	Fair value of plan assets at beginning of the year	2,338.18	2,321.50
	Expected return on plan assets	175.32	169.96
	Contributions	126.80	114.82
	Benefits paid	(280.15)	(280.24)
	Actuarial Gain/ (Loss) on plan assets	180.57	12.14
	Fair value of plan assets at end of the year	2,540.72	2,338.18
4	Amount to be recognised in the Balance Sheet		
	Present value of obligation as at the end of the year	2,607.96	2,386.94
	Present value of plan assets as at the end of the year	2,540.72	2,338.18
	Funded Status	67.24	48.76
	Net (Asset)/Liability in Balance Sheet	67.24	48.76
5	Expenses Recognised in the Profit and Loss Account		
	Current service cost	156.95	148.89
	Interest cost	173.10	166.53
	Expected return on plan assets	(175.32)	(169.96)
	Net Actuarial (Gain)/ Loss recognised in the year	(9.45)	(11.28)
	Expenses recognised in statement of Profit and Loss Account	145.28	134.18

Investments of Employees Gratuity Fund is held with LIC of India & HDFC Life. Necessary provisions is made in the Books of Accounts as per Actuarial Valuation Report.

12. Disclosure under AS-15 “Employee Benefits” - Leave Encashment:

Discounting Rate is benchmarked to 10 years Government Security yield.

(₹ in Lacs)

Sr. No.	Particulars	Leave Encashment	
		31.03.2020	31.03.2019
1	Principal actuarial assumptions as at the date of Balance Sheet:		
	Discount Rate	6.80%	7.50%
	Salary Escalation	3.75%	4.00%
	Expected Return on Plan Assets	6.80%	7.50%
2	Reconciliation of opening and closing balance of present value of obligation		
	Present value of obligation as at beginning of the year	1,248.61	1,172.01
	Interest cost	90.49	89.07
	Current service cost	76.48	68.95
	Benefit paid	(311.46)	(224.10)
	Actuarial (Gain)/ Loss on obligations	287.12	142.68
	Present value of obligation as at end of the year	1,391.24	1,248.61
3	Reconciliation of opening and closing balance of present value of plan assets		
	Fair value of plan assets at beginning of year	1,105.00	1,273.00
	Expected return on plan assets	82.10	99.37
	Contributions / (Utilization)	211.43	-
	Benefits paid	-	(224.10)
	Actuarial Gain/ (Loss) on plan assets	14.50	(10.10)
	Redemption from / Addition to the fund	28.07	(33.17)
	Fair value of plan assets at end of the year	1,441.10	1,105.00
4	The amounts to be recognised in the Balance Sheet		
	Present value of obligation as at the end of the year	1,391.24	1,248.61
	Present value of plan assets as at the end of the year	1,441.10	1,105.00
	Funded Status	(49.86)	143.61
	Net (Asset)/Liability in Balance Sheet	(49.86)	143.61
5	Expenses Recognised in the statement of Profit and Loss Account		
	Current service cost	76.48	68.96
	Interest cost	90.49	89.07
	Expected return on plan assets	(82.10)	(99.37)
	Net Actuarial (Gain)/ Loss recognised in the year	272.62	152.77
	Expenses recognised in statement of Profit and Loss Account	357.49	211.43

Investments of employees Leave Encashment Fund is held in Fixed Deposits with Nationalised Banks/HDFC Life. Necessary provisions are made in the Books of Accounts as per Actuarial Valuation Report.

13. Disclosure under AS 17 on "Segment Reporting":

Information about Primary Business Segments:

(₹ in Lacs)

Particulars	For 2019-20			For 2018-19		
	Treasury and Forex	Other Banking Operations	Total	Treasury and Forex	Other Banking Operations	Total
Segment Revenue	22,309.73	57,316.30	79,626.03	17,476.98	61,604.08	79,081.06
Segment Expenses	20,512.44	58,285.94	78,798.39	14,701.05	58,179.07	72,880.12
Result	1,797.29	(969.64)	827.64	2,775.93	3,425.01	6,200.94
Unallocated expenses			174.73			197.30
Operating profit			652.91			6,003.64
Income Tax			345.69			1,977.94
Net Profit			307.22			4,025.70
Other Information						
Segment assets	3,24,454.99	5,68,790.85	8,93,245.84	2,56,410.67	6,03,208.40	8,59,619.07
Unallocated assets			23,250.64			22,927.34
Total assets			9,16,496.48			8,82,546.41
Segment liabilities	3,02,537.92	5,59,693.07	8,62,231.00	2,21,878.74	6,05,788.71	8,27,667.45
Unallocated liabilities			18,763.55			19,781.90
Shareholders' Funds			35,501.93			35,097.06
Total liabilities			9,16,496.48			8,82,546.41

Notes: -

The Bank is engaged into two main business segments, (described in Policy Note 15).

The above segments are based on the currently identified segments taking into account the nature of services provided, the risks and returns, overall organisation structure of the Bank and the internal financial reporting system.

Segment revenue, results, assets and liabilities include the respective amounts directly identifiable to each of the segments and also amounts apportioned/allocated on a reasonable basis. Segment liability excludes capital & reserve other than those specifically identifiable with a segment. Treasury result is net of transfer from IFR.

14. Disclosure under AS - 18 on "Related Party Transactions":

The Bank is a Co-operative society under the Multi State Co-operative Societies Act, 2002 and there are no Related Parties requiring a disclosure under Accounting Standard 18 issued by The Institute of Chartered Accountants of India (ICAI) other than of the Key Management Personnel.

There being only one Managing Director Shri. Chintamani V. Nadkarni for the financial year 2019-20, in terms of RBI circular dated March 29, 2003, he being a single party coming under the category, no further details thereon are required to be disclosed.

15. Disclosure under AS - 19 "Leases":

The Bank has entered into cancellable operating leases for the branches premises except for the initial lock in period. The disclosures under AS-19 on 'Leases' issued by ICAI are as follows:

- Lease rental payments of **Rs.1,465.61 Lacs (P.Y. Rs.1,382.36 Lacs)** have been recognised during the year in the Profit and Loss Account.
- The lease agreements entered into pertain to use of premises at the branches. The lease agreements do not have any undue restrictive or onerous clauses other than those normally prevalent in similar agreements regarding use of assets, lease escalations, renewals and a restriction on sub-leases.

Operating Lease comprises leasing of office premises (AS - 19):

(₹ in Lacs)

Particulars	31.03.2020	31.03.2019
Future lease rental payable as at the end of the year :	6,049.68	5,655.59
-Not later than one year	1,424.04	1,381.32
-Later than one year and not later than five years	3,847.75	3,669.73
-Later than five years	777.89	604.54
Total of minimum lease payments recognised in the Profit and Loss Account for the year.	1,465.61	1,382.36

Lease agreements in respect of all leased premises are renewed as of date. Amount considered above is as per the final date of lease agreement.

16. Depositor Education and Awareness Fund (DEAF) (Schedule 14)- Contingent Liability:

As required under RBI circular DBOD no. DEAF.Cell.BC.101/30.01.002/2013-14 dated March 21, 2014, the Bank has transferred so far following funds to DEAF with RBI. The movement of the DEAF funds is as follows:

(₹ in Lacs)

Particulars	31.03.2020	31.03.2019
Opening Balance of amounts transferred to DEAF	1,022.84	836.67
Add : Amounts transferred to DEAF during the year	162.26	211.84
Less : Amounts reimbursed by DEAF towards claims*	26.50	25.67
Closing Balance of amounts transferred to DEAF	1,158.60	1,022.84

*Does not include an amount of Rs. 0.63 Lacs (P.Y. Rs. 0.90 Lacs) that has already been paid by the Bank to the eligible depositors, claim for which has been lodged with the RBI and reimbursement of which is expected. This amount is shown as receivable under Other Assets-Schedule 13.

17. Earnings per Share (EPS) (AS - 20):

(₹ in Lacs)

Particulars	2019-20	2018-19
Net Profit/(Loss) after income tax	307.22	4,025.70
(*) Weighted average number of shares	852.32	843.52
Nominal Value of Shares (Rs.)	10	10
EPS (Rs.)	0.36	4.77

(*) Monthly Weighted average number of shares

18. Accounting for Taxes on Income (AS - 22):

Disclosures on major components of DTA/DTL are as under:

(₹ in Lacs)

Particulars	As At 31.03.2019	During 2019-20	As At 31.03.2020
DTA			
Provision for Advances	2,154.93	93.13	2,248.06
Provision for Leave Encashment	436.26	49.83	486.09
Total	2,591.19	142.96	2,734.15
Depreciation on Fixed Assets	338.51	38.38	376.89
Others (Special Reserve U/s 36 (1)(viii) of the Income Tax Act, 1961)	828.41	23.03	851.44
Total	1,166.92	61.41	1,228.33
Net DTA/(DTL)	1,424.27	81.55	1,505.82

19. Intangible Assets (AS - 26) :

Details of Computer Software Expenses (Intangible Asset) disclosed under Schedule 13 – Other Assets, are as under:

(₹ in Lacs)

Particulars	2019-20	2018-19
Carrying Amount at the Beginning of the Year	694.29	1,384.07
Additions during the Year	110.12	108.69
	804.41	1,492.76
Amortisation during the Year	212.26	798.47
Carrying Amount at the End of the Year	592.15	694.29

20. Impairment of Assets (AS - 28) :

The Bank has ascertained that there is no material impairment of any of its assets and as such no provision under Accounting Standard 28 issued by ICAI is required.

21. Details of financial assets sold during the year to SC/RC for Asset Reconstruction:

Particulars	31.03.2020	31.03.2019
a. No. of accounts (No. of Borrowers : C.Y. NIL and P.Y. - 54*)	-	111
b. Aggregate value (net of provisions) of accounts sold to SC/RC	-	9,637.79
c. Aggregate consideration	-	11,622.80
d. Additional consideration realized in respect of accounts transferred in earlier years net of expenses	1,226.36	N.A.
e. Aggregate gain over net book value	-	1,985.01

* (Includes C.Y. - NIL Retail borrowers (P.Y. 27))

22. There are no material prior period item's, except as disclosed elsewhere, included in Profit and Loss account required to be disclosed as per Accounting Standard 5 read with the Reserve Bank of India guidelines. Therefore, these have been charged and accounted for to their respective head of accounts.

23. The Bank has taken a Group Medclaim Policy and has paid a premium of Rs. 116.82 Lacs (P.Y. Rs. 87.44 Lacs) on this account.

24. The Bank has not undertaken any transaction in respect of Interest Rate Future (As per RBI Circular UBD (PCB) BPD CIR NO. 17/13.01.000/2009-10 dated October 28, 2009).

25. In respect of Court litigations against the Bank, there are necessary legal opinions that there will be no adverse orders causing any monetary impact. The Bank considers no provisioning necessary in respect of these court litigation.

Bank is contesting Income Tax Cases for / against in appeal at various levels.

Bank has the necessary written opinion from an Independent Tax Counsel that there will be no liabilities /demands to be paid in this regard. Bank also has favorable judgment substantiating their view. Consequentially no provision is considered necessary in this regard. Contingent Liability in respect of Court/Tax cases is disclosed at principal amount claimed excluding interest and penalties thereon.

26. Goods and Service Tax:

Goods and Services Tax (GST) has been implemented w.e.f. 1st July, 2017. Accordingly, GST collected is accounted in 'GST' on liabilities side and GST paid to Vendor is accounted in 'VGST' on assets side. Out of the 'VGST' on assets

side, eligible Input Tax Credit is availed as set off. In case, eligible Input Tax Credit remains unutilized, the same is carried forward and set off subsequently. The Input Tax Credit on expenses which is not allowable to be set off as per GST Law, is expensed out.

In case of fixed assets, eligible Input Tax Credit of GST paid to the vendor is utilized against the amount of GST collected from the customers and disallowed portion of Input Tax Credit is added back to the value of the asset i.e. the same is capitalized.

Income and Expenses on which GST is applicable are accounted for net of GST.

27. Collection Account of Rs.22.87 Lacs (P.Y. Rs.66.42 Lacs) disclosed in Other Liabilities under Schedule-5 of Accounts represents amounts due to shareholders of erstwhile Shri. Shahu Co-op Bank.
On the date of merger, the initial amount of Rs. 210.21 Lacs was repayable after 10 years as per merger order issued by Registrar, Co-operative Societies, Maharashtra State, dt. 23.06.2008.
Rs. 151.93 Lacs has already been repaid as of date, leaving Rs.12.87 lacs to be repaid and Rs.10 Lacs is additionally held in this account by the Bank as a matter of prudence for settlements of claims, if any. Rs.35.41 Lac is transferred to General Reserve as per clause no 4 (a) of Merger scheme as per the order by Commissioner for Co-operation and Registrar, Co-op. Societies, Maharashtra, Pune in F.Y. 2018-19.
28. **Capital Commitments:**
Estimated amount of contracts stated net of CWIP executed on capital account as of date aggregate to Rs. 136.39 Lacs. (P.Y. Rs. 73.00 Lacs)
29. As per RBI circular No. DCBR. BPD (PCB).MC.No. 4/16.20.000/2015-16 dated 01.07.2015, Bank needs to hold a minimum 5% of AFS/HFT category of Investment portfolio.
Bank continues to hold IFR as at 31.03.2020, in compliance with RBI guidelines.
30. Pay order/Drafts outstanding as at 31.03.2020 includes amount of Rs.75.69 Lacs being issuance towards disbursement of Advances.
31. The Bank has made adequate interest provision of Rs. 158.63 Lacs on matured Term Deposits of Rs. 1,154.82 Lacs as on 31.03.2020 as per present saving Bank rate.
32. In respect of Deferred Revenue Expenditure (Software): - Till the Previous Year, the Bank was assessing the useful life of DRE, Intangible Assets over 3 years as per RBI circular UBD. BPD. PCB. Cir. No. 28 /12.05.001/2005-06 & depreciating it on Straight Line Method.
In the Current year, the Bank has followed AS 26 – Accounting for Intangible Assets which states that “Since Software is used for longer duration in the Bank, it would be more appropriate to depreciate it to the best possible useful life described by the applicable statute”.
The Bank has re-assessed the useful life of the remaining block of Finacle Software as 5 years from 1/4/2019 which will henceforth be depreciated over the residual period to arrive at its written down value.
The depreciation charged to the Profit and Loss as per the current method is Rs.130.19 Lacs against Rs 576.98 Lacs (charge as per the previous method). The Profit and Loss Account and Net Fixed Assets are positively impacted by Rs. 446.79 Lacs by this change of accounting policy.
33. For Assets other than Software, the depreciation on addition during the year is accounted from the completed month of it being put to use as against the depreciation for 12 months in previous year. The Profit and Loss Account and net Fixed Assets are positively impacted by Rs. 28.91 Lacs as a result.
34. LCBD Exposure on PMC Bank Limited was considered under Sub-Standard Category and Rs 7.70 Cr. was provided @ 10% on year end exposure. Post RBI circular dated 20th April 2020, requiring 20% provision on exposure with PMC Bank Limited, to be provided over 5 years, as of date, the Bank has appropriated the additional 10% of Rs. 7.70 Cr. through BDDF.

- 35.** As per Board approved policy, Bank has issued Moratorium to 22 borrowers in SMA 2 Category as of 29th February, 2020, having exposure of Rs.1,436.12 Lacs, and provided Rs.71.25 Lacs @ 5% as at 31.03.2020. This is in accordance with RBI Circulars DOR.No.BP.BC.63/21.04.048/2019-20, dated 17th April 2020. There is a recovery in 2 borrower accounts with exposure of Rs.502.03 Lacs till 30.06.2020 and hence as per RBI Circular No. 4775/06.18.000/2019-20, dated 15th May 2020, provision of Rs.25.10 Lacs made thereon is reversed. Bank will be making the requisite 5% provision of Rs.46.71 Lacs on 30.06.2020.

Advances amounting to Rs.2,254.30 Cr. i.e. 45.97% of the Advances Portfolio of the Bank have been granted Moratorium on payment of Interest and Principal as per extent RBI Regulatory Circulars on Moratorium.

- 36.** The Covid pandemic has caused widespread economic disruptions, leading to financial stress on certain sectors of the economy. These external risks beyond the Bank's control have affected borrower liquidity and cash flows. Consequentially, the Bank's Credit Monitoring Department (CMD) is closely monitoring the Borrower Accounts, proactively for their performance and recovery. Necessary Moratorium have been given in accordance by a Board approved policy as per existing RBI Circulars.

Restructuring of MSME Accounts as per RBI Circular no. DOR.No.BP.BC.34/21.04.048/2019-20 dated, 11th Feb 2020, is being done wherever appropriate.

The Bank has strengthened its Monitoring and Recovery Team under constant ongoing supervision of their respective Committees. Board oversight is also being exercised. The Bank has ensured that the customer inconvenience if any, was completely minimized during the lockdown period.

Going forward, the Bank Board and its Management will be continuously reviewing the economic situation and the future developments for its impact on Borrower recovery to initiate immediate corrective action.

The Bank is hopeful that the situation will ease in the end of F.Y. 2020-21. With continuation of favorable Government & RBI interventions coupled with prompt and timely Bank action, the Bank expects to mitigate any significant impairment to its bottom line going ahead.

- 37.** Cash and Cash equivalent as per schedule 6 and 7(a) is Rs. 605.25 Lacs (P.Y. Rs.1,131.38 Lacs).
- 38.** Entries with respect to Bad Debt write off in two Borrower account, duly approved as per Bank policy, amounting to Rs.30.35 Cr for the Current Financial Year are accounted through Memorandum of Changes (MOC). The duly approved MOC with related entries forms an integral part of the books of account of the Bank.
- 39.** Advances includes Rs.1.65 Cr. reported to RBI as an alleged incident informed by the Customer. Pending disposal of this case since matter is subjudice in the court, no provision is considered necessary. The Bank has disclosed this amount under the head "Contingent Liability". The Bank holds more than adequate provision for Standard Advances in its Books of Accounts.
- 40.** Previous year figures are re-grouped, re-arranged or modified wherever necessary to conform to the presentation of the current year.

Schedule No. 17 :**Disclosures as per RBI Guidelines: –****DCBR.BPD.(PCB). MC.No.10 /09.18.201/2015-16 dated 01.07.2015**

(₹ in Lacs)

Sr. No.	Capital to Risk Asset Ratio (CRAR)	31.03.2020	31.03.2019
1.	A. Tier-I Ratio	8.69%	8.24%
	B. Tier-II Ratio	4.48%	4.66%
	CRAR	13.17%	12.90%
2.	Movement of CRAR		
	A.Tier-I Capital	38,720.93	38,274.32
	B.Tier-II Capital	19,943.51	21,644.23
	Capital Funds	58,664.44	59,918.55
	C.Risk Weighted Assets	4,45,496.53	4,64,472.08

*As per ICAI guidelines, Bank conservatively considers Software as an intangible assets & deducts the same from Capital funds to arrive at CRAR. Had it not done so, the CRAR would have been **13.30% (P.Y. 13.03%)**.

(₹ in Lacs)

3.	Value of Investments is as under:	31.03.2020	31.03.2019
	Government/ Approved Securities (Market Value)	2,15,668.86	1,99,557.38
	Bonds of Public Sector Undertakings (Market Value)	1,536.90	-
	Other Investments (Cost Value or Market Value whichever is less)	14,941.34	11,904.46
	Shares in Co-operative Institution (Cost Value)	0.14	0.14
	TOTAL MARKET VALUE	2,32,207.92	2,11,493.53
	TOTAL FACE VALUE	2,21,342.79	2,10,919.11
	TOTAL BOOK VALUE	2,20,207.14	2,08,561.36

Investment of Face Value Rs.2,000.00 Lacs as on 31st March 2020 (Face Value P.Y.Rs. 2,000.00 Lacs) and Market Value Rs. 2,121.80 Lacs as on 31st March 2020 (Market Value P.Y. Rs. 2,032.00 Lacs) have been lodged with CCIL as Collateral /Settlement Guarantee Fund.

Further, Investment of Face Value Rs.13,500.00 Lacs as on 31st March 2020 (Face Value P.Y. Rs.5,500 Lacs) and Market Value Rs.13,633.00 Lacs as on 31st March 2020 (Market Value P.Y.Rs.5,095.75 Lacs) have been lodged with CBLO as Collateral/Settlement Guarantee Fund.

Investment of Face Value Rs.125.00 Lacs as on 31st March 2020 (Face Value P.Y. Rs. 125.00 Lacs) and Market Value Rs.121.73 Lacs as on 31st March 2020 (Market Value P.Y. 113.37 Lacs) have been lodged with CCIL as Contribution to Default Fund- USD INR Segment.

Investment of Face Value Rs. 125.00 Lacs as on 31st March 2020 (Face Value P.Y. Rs. 125.00 Lacs) and Market Value Rs.121.73 Lacs as on 31st March 2020 (Market Value P.Y. Rs.113.37 Lacs) have been lodged with CCIL as Contribution to Default Fund- Forex Forward Segment.

Investment of Face Value Rs. 17,000.00 Lacs as on 31st March 2020 (Face Value P.Y. Rs. 16,500.00 Lacs, Book Value Rs.16,444.44 Lacs as on 31st March 2020 (Book Value P.Y. Rs.15,944.44 Lacs) and Market Value Rs.17,533.67 Lacs as on 31st March 2020 (Market Value Rs. 16,040.00 Lacs) have been liened for Reserve Fund Investment.

Investment of Face Value Rs.9,500.00 Lacs as on 31st March 2020 and Market Value Rs.10,717.13 Lacs as on 31st March 2020 have been lodged with RBI towards LTRO Margin.

(₹ in Lacs)

Sr.No.	Particulars	31.03.2020	31.03.2019
4.	A. Foreign Currency Liabilities	694.43	870.73
	B. Foreign Currency Assets	691.79	805.81

5. In connection with Repo/Reverse Repo transactions: (in Face Value terms)

(₹ in Lacs)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31,2020
Securities sold under REPO				
(i) Government Securities	10,300.00 (-)	10,300.00 (-)	10,300.00 (-)	10,300.00 (-)
(ii) Corporate Debt Securities	NIL (-)	NIL (-)	NIL (-)	NIL (-)
Securities purchased under Reverse REPO				
(i) Government Securities	1,200.00 (100.00)	71,000.00 (14,000.00)	8,669.02 (2,904.52)	68,800.00 (18,500.00)
(ii) Corporate Debt Securities	NIL (-)	NIL (-)	NIL (-)	NIL (-)

Note:- Figures in bracket represent previous year's figures.

6. Disclosure regarding Non-SLR Investments in Bonds as on 31.03.2020.

A. Issuer composition

(₹ in Lacs)

Sr. No.	Issuer	Amount	Extent of 'Below Investment Grade' securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities
(1)	(2)	(3)	(4)	(5)	(6)
A.	PSU's	1,500.00 (-)	- (-)	- (-)	- (-)
B.	FI's	- (-)	- (-)	- (-)	- (-)
C.	Nationalised Bank	- (-)	- (-)	- (-)	- (-)
D.	Mutual Funds	- (-)	- (-)	- (-)	- (-)
E.	Others* (incl. SR Bonds)	14,941.48		8,678.23	8,678.23
F.	Provisions held towards Depreciation	- (0.09)	- (-)	- (0.09)	- (-)
	TOTAL	16,441.48	-	8,678.23	8,678.23

*includes Shares of National Payment Corporation of India towards membership, SR Bonds and NCDs.

B. Non Performing Investments: -NIL (For F.Y. 2019-20 and F.Y. 2018-19). Hence movement not disclosed.

(₹ in Lacs)

7.	Advances to sensitive sectors	31.03.2020	31.03.2019
	Against -		
	a. Housing*	90,346.41	90,743.90
	b. Construction business (excluding rent discounting)	3,252.94	5,736.82
	c. Real estate **	17,460.05	15,396.09
	d. Against Shares and Debentures	0.52	17.08
	*Includes staff housing loans of Rs. 7,997.92 Lacs (P.Y. Rs. 8,461.34 Lacs) ** Excludes IPRE (Income Producing Real Estate) of Rs. 8,017.89 Lacs (P.Y. Rs. 8,327.32 Lacs) **Includes Non-Funded CRE Advances of Rs. 346.20 Lacs (P.Y. Rs. 365.00 Lacs) and Overdraft against property of Rs. 1,124.93 Lacs (P.Y. Rs. 1,856.42 Lacs)		

8. There have been no sanctioned limits to directors and relatives and the company/ firm where they are interested (Funded and Non Funded) as at 31.03.2020 (P.Y. – NIL). Advances to directors outstanding as at 31.03.2020 is Nil (P.Y. - NIL). Directors and relatives have not given any guarantees for any limits sanctioned by the Bank.

	Particulars	31.03.2020	31.03.2019
9.	Average cost of deposits	6.74%	6.48%

	Particulars	31.03.2020	31.03.2019
10.	NPAs at the end of the year		
	a. Gross NPAs	36,106.64	20,079.92
	b. Net NPAs **	24,378.47	8,858.47

** During the year, the Bank has proposed appropriation subject to approval of AGM of an amount of Rs. 707.00 Lacs (P.Y. Rs. 1,200.00 Lacs) towards Bad and Doubtful Debt Fund (BDDF) over and above the existing provision made towards Bad and Doubtful Debts. The proposed amount in the said fund is netted off against NPAs in arriving at the figure of net NPAs. Cumulative BDDF is Rs. 2,323.45 Lacs.

(₹ in Lacs)

	Particulars	31.03.2020	31.03.2019
11.	Movements in Gross NPA		
	Opening Balance – Gross NPAs	20,079.92	31,716.24
	Additions during the year *	23,636.61	8,047.13
	Less: Recovered /Upgraded/ Written Off/closed	7,609.89	6,852.76
	Less: Advances assigned to ARC	-	12,830.69
	Closing Balance – Gross NPA	36,106.64	20,079.92
	* Does not include amounts of NPAs of Rs. 8,480.20 Lacs added and recovered during the current year. (P.Y. Rs. 19,432.36 Lacs)		
	Net NPA		
	Gross NPA	36,106.64	20,079.92
	Less: Provision/appropriation as at end Mar 2020	11,728.17	11,221.45
	Net NPAs	24,378.47	8,858.47

12.	Profitability **	31.03.2020	31.03.2019
	A. Interest income as a percentage of working funds.	7.77%	8.13%
	B. Non-interest income as a percentage of working funds.	0.72%	0.59%
	C. Operating profit as a percentage of working funds.	0.53%	1.07%
	D. Return on Assets (Net Profit /Average of working funds).	0.03%	0.49%
	E. Business (Deposits + Advances) per employee (Rs. Lacs).	1,126.96	1,106.92
	F. Profit per employee (Rs. Lacs).	0.27	3.47

** Working Fund excludes Contra items in Balance Sheet.

(₹ in Lacs)

	Particulars	31.03.2020	31.03.2019
13.	Provisions made towards NPA during the year debited to Profit and Loss Accounts	3,905.00	3,137.20

(₹ in Lacs)

	Particulars	31.03.2020	31.03.2019
14.	Contingent provision made/written back during the year against depreciation in investment	58.20	13.20

(₹ in Lacs)

	Particulars	31.03.2020	31.03.2019
15.	Provisions made towards standard assets during the year debited to Profit and Loss Account	-	-

(₹ in Lacs)

	Particulars	31.03.2020	31.03.2019
16.	Provisions made towards Moratorium assets during the year debited to Profit and Loss Account	46.15	-

(₹ in Lacs)

Particulars	2019-20	2018-19
17. Movement in provisions		
A. Towards NPAs		
i. Bad and Doubtful Debts Reserve		
Opening Balance	9,043.48	9,705.70
Add: Provision during the year	3,905.00	3,137.20
Total	12,948.48	12,842.90
Less: Write back of provision on account of closure of/recovery in/ write off of NPA/ ARC	(3,543.76)	(3,799.42)
Closing Balance	9,404.72	9,043.48
ii. Bad and Doubtful Debts Fund		
Opening Balance	2,177.97	3,025.00
Add: Amount appropriated from profits after tax	707.00	1,200.00
Less: Write back of provision on account of sale of assets to ARC/ Interest Reversal on NPA	(561.52)	(2,047.03)
Closing Balance	2,323.45	2,177.97
B. Towards Standard Assets		
Opening Balance	2,189.00	2,189.00
Add: Additions during the year	-	-
Less: Written back during the year	-	-
Closing Balance	2,189.00	2,189.00
C. Towards Assets where Moratorium Issued		
Opening Balance	-	-
Add: Additions during the year	71.25	-
Less: Written back during the year	25.10	-
Closing Balance	46.15	-

(₹ in Lacs)

18. Movements in Contingent provisions against depreciation in investment	31.03.2020	31.03.2019
Opening Balance	14.80	1.60
Add: Provision made during the year	58.20	13.20
Less: Excess provision reversed	-	-
Closing Balance	73.00	14.80

(₹ in Lacs)

19. Movements in Investment Fluctuation Reserve	31.03.2020	31.03.2019
Opening Balance	1,232.54	1,525.54
Additions during the year	-	107.00
Less: Excess written back	-	400.00
Closing Balance	1,232.54	1,232.54

20. Disclosure in respect of Restructured Accounts as per RBI master circular no. RBI/2009-10/93UBD. PCB.MC.No. 3 / 09.14.000 / 2009-10 July 1, 2009 (Annexure - VIII)

(₹ in Lacs)

Restructured Accounts during F.Y. 2019-20				
		Housing Loans	SME Debt Restructuring	Others
Standard Advances Restructured	No of Borrowers	-	5	-
	Amount Outstanding		686.14	-
	Sacrifice	-	-	-
Substandard Accounts Restructured	No of Borrowers	-	-	-
	Amount Outstanding	-	-	-
	Sacrifice	-	-	-
Doubtful Accounts Restructured	No of Borrowers	-	1	-
	Amount Outstanding	-	364.05	-
	Sacrifice	-	-	-
Total	No of Borrowers	-	6	-
	Amount Outstanding	-	1,050.19	-
	Sacrifice	-	-	-

Note: There are no accounts pending for restructuring where applications have been received and not approved.

21. DICGC Insurance Premium paid for the current financial year is Rs. 920.07 Lacs (P.Y. Rs.819.72 Lacs).

22. No penalty or fine has been charged by the RBI for the current financial year.

23. There has been no default on CRR & SLR stipulated requirement by the Bank during the year.

24. Capital Charge on Market Risk :

Market Risk in Trading book - Standardized Modified Duration Approach:

Qualitative Disclosures:-

The general qualitative disclosure requirement for market risk:-

Strategies and Processes:

Investment Policy which includes Market Risk Management is in line with the RBI regulations vide circular UBD.BPD.(PCB). Cir. No. 42/09.11.600/2009-10 dated February 8, 2010 and business requirements.

The overall objective of market risk management is to enhance profitability by improving the Bank's competitive advantage and mitigate loss from all types of market risk loss events.

Scope and Nature of Risk Reporting / Measurement Systems:

The Bank has regulatory / internal limits for various Instruments in place.

Various exposure limits for market risk management such as Overnight Limit, Aggregate Gap Limit and Investment Limit etc. are in place.

The portfolio covered by Standardized Modified Duration Approach for computation of Capital Charge for Market Risk includes investment portfolio held under AFS and Forex Open positions.

Quantitative Disclosures:

(₹ in Lacs)

Particulars	Amount of Capital Required	
	31.03.2020	31.03.2019
• Interest rate risk	1,779.40	739.06
• Equity position risk	5.11	5.11
• Foreign exchange risk	63.27	56.88

25. Information under Micro Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006)

The information from suppliers/service providers regarding their registration under MSMED Act, 2006 is not fully received by the Bank. Therefore, information relating to cases of delays if any, in payment to such enterprises or of interest payments due to such delays is not given.

26. There is no breach in Single Borrower / Group Borrower limit.



PROGRESS REPORT OF THE BANK (1917-2020)

Year	Members	Paid up Capital	Reserves	Deposits	Advances	Investments	Cash & Bank	Working Capital	Net Profit	Total Dividend On Equity Shares	Rate of Dividend On Equity Shares
Inception	1917-18	104	2881	112	1494	3593	-	915	4487	22	-
	1920	183	5404	512	14587	19106	190	1967	21468	870	5%
	1930	334	6699	4782	36395	31346	12567	7208	51768	1409	6 1/4%
	1940	716	15960	15288	224314	125638	101065	38675	268656	3610	6 1/4%
Silver Jubilee	1942	800	0.24	0.18	3.39	1.19	2.34	0.39	3.97	0.03	6 1/4%
	1950	1335	0.72	0.99	17.34	1.61	17.21	0.33	20.17	0.15	6 1/4%
	1960	2206	1.25	1.74	26.63	17.01	13.09	0.42	31.39	0.36	6 1/4%
Golden Jubilee	1967	3530	2.15	3.78	63.68	46.84	14.05	10.65	73.20	0.69	9%
	1977	17357	12.12	17.41	335.81	190.01	79.88	101.18	383.58	3.50	12%
	1980	24361	17.93	34.96	631.30	312.58	150.74	229.84	715.89	8.76	12%
	1990	41439	97.88	279.58	4764.95	2931.95	1001.74	1280.81	5410.51	48.33	12%
Platinum Jubilee	1992	45393	136.47	475.90	6563.33	4560.83	1746.97	919.01	7575.84	84.01	12%
	2005	66373	1734.40	8585.41	96738.57	50387.21	42965.86	12222.15	110821.76	1207.75	14%
	2006	67613	1925.95	9833.88	111213.44	58710.04	44158.81	18769.64	127094.06	1250.79	14%
	2007	69715	2278.11	10193.84	128499.71	78870.39	40563.85	20930.12	145586.40	1503.34	14%
	2008	71461	2699.03	10838.93	154986.27	99518.13	46944.62	22947.74	174748.49	2068.07	14%
	2009	72990	3131.74	12694.04	184025.12	108901.45	59998.08	32904.96	207836.87	2717.20	15%
	2010	74396	3541.19	14071.71	229798.45	136979.83	68382.68	44293.90	258067.27	2740.87	15%
	2011	75663	4090.93	29772.07	264764.88	174895.38	91617.90	16779.35	305584.43	3060.42	15%
	2012	77675	5327.64	32561.60	325365.65	196124.31	132208.34	19764.25	372355.21	3600.50	15%
	2013	42345	6376.45	38756.83	366571.56	240453.06	132010.36	20480.44	419600.13	4345.95	15%
	2014	45152	8333.83	42324.64	429305.57	281201.28	147485.74	27337.33	486568.14	4031.62	12%
	2015	49110	9168.49	54253.56	533453.27	363718.74	174333.13	28294.16	608864.81	4012.68	12%
	2016	51562	#9238.22	56577.43	603797.54	453184.17	158336.70	37922.90	691189.76	4566.59	12%
Centenary	2017	53442	#9448.34	61201.11	709488.81	512750.74	197772.33	54416.36	808800.03	4655.08	12%
	2018	54547	#9759.97	66151.20	694530.53	531129.20	181301.61	39868.52	794852.10	4852.72	10%
	2019	55071	#9816.78	67776.77	760088.10	525051.57	257053.97	38649.44	863390.17	4025.70	10%
	2020	56601	#10040.44	68081.69	787624.75	490351.99	322741.64	39472.23	896175.52	307.22	**

*(Not Recommended)

* 1917-1940 : Actual
1942-2020 : ₹ in lacs
Including PNCPS

संचालक मंडळाचा अहवाल (संक्षिप्त गोषवारा)

३१ मार्च २०२० या आर्थिक वर्षाखेरीचा बँकेचा १०३ वा वार्षिक अहवाल संचालक मंडळ सादर करीत आहे.

बँकिंग क्षेत्राचा आढावा:

- १) कोरोना महामारीमुळे जागतिक आर्थिक उलाढालींची गती स्थिरावली. याचा परिणाम सर्वसामान्यांच्या जीवनशैलीवर दिसून आला. जगातील जवळ जवळ २०० राष्ट्रांना याची आर्थिक झळ पोहोचली.
- २) जगातील प्रगत तसेच प्रगतिशील देशांच्या अर्थव्यवस्थेवर याचा दुष्परिणाम होऊन जीडीपी वाढीमध्ये कमालीची घट झाली. एकंदरीत जागतिक अर्थव्यवस्था स्थिरावण्याच्या मार्गावर वाटचाल करीत आहे. तरीसुद्धा आर्थिक वाढीच्या गतीबद्दल अजूनही साशंकता आहे.

भारतीय अर्थव्यवस्था :

२०१९-२० या आर्थिक वर्षात भारतीय अर्थव्यवस्थेतील जीडीपी वाढ ही न्यूनतम स्तरावर येऊन केवळ ४.२% इतकी दिसून येते. या वर्षातील शेवटच्या तिमाहीतील वाढ ही केवळ ३.१% एवढीच झाली व ही गेल्या १० वर्षातील सर्वात कमी निर्देशांक दर्शवते.

- गेल्या आर्थिक वर्षापासून भारताने डिजीटल पेमेंट व्यवस्था, यूपीआय, पॉस, तसेच मोबाईल अ‍ॅप अशा विविध नवीन तंत्रज्ञानाचा अवलंब केला आहे.
- आर्थिक समावेशकतेचे उद्दिष्ट साध्य करण्यासाठी लघुवित्त बँका व पेमेंट बँकानी नवनवीन प्रणालींचा व तंत्रज्ञानाचा अंगिकार केला आहे.
- चालू आर्थिक वर्षापासून म्हणजेच १ एप्रिल २०२० पासून १० राष्ट्रीयकृत बँकांचे विलीनीकरण पंजाब नॅशनल बँक, कॅनरा बँक, युनियन बँक ऑफ इंडिया व इंडियन बँक या ४ प्रमुख बँकामध्ये झाले.
- सरकारने यावर्षी राष्ट्रीयकृत बँकांच्या भागभांडवलामध्ये रु.१.०६ कोटींची भर घातली आहे.
- डिजीटल व्यवहाराला चालना देण्यासाठी रिझर्व्ह बँकेने 'इलेक्ट्रॉनिक फंड ट्रान्सफर' ची व्यवस्था २४x७ तत्वावर पुरविली आहे.
- रिझर्व्ह बँकेने नागरी सहकारी बँकाकरीता केलेल्या निकषांमध्ये काही बदल केले आहेत ते पुढीलप्रमाणे:-

अ) एकल व समूह कर्जदारांच्या करपात्रतेचा निकष

ब) नागरी बँकांच्या एकूण कर्जवाटपाच्या ५०% कर्जे ही २५ लाख किंवा Tier I भांडवलाच्या ०.२% या मर्यादेपेक्षा जास्त नसणे

क) बँकेच्या अग्रक्रम क्षेत्रातील कर्जवाटपाचे प्रमाण (PCL) टप्पाटप्प्याने वाढवून पुढील ५ वर्षात ७५% पर्यंत नेणे.

ड) कोरोना महामारीच्या पार्श्वभूमीवर रिझर्व्ह बँकेने कर्जफेडीच्या मासिक हप्त्यांसाठी ३१ ऑगस्ट २०२० पर्यंतची मुदतवाढ दिल्यामुळे कर्जदारांना दिलासा मिळाला आहे.

२०१९-२० या वर्षातील आपल्या बँकेची ठळक वैशिष्ट्ये :

(रु. कोटीत)

तपशील	२०१७-१८	२०१८-१९	२०१९-२०
ठेवी (वाढीची टक्केवारी)	६,९४५ (२)	७,६०१ ९	७,८७६ ४
कर्जे (वाढीची टक्केवारी)	५,३११ ४	५,२५१ (१)	४,९०४ (७)
उलाढाल (वाढीची टक्केवारी)	१२,२५६ ०.२७	१२,८५२ ५	१२,७८० (०.५६)
कर व तरतूदीपूर्वीचा नफा	१०३.६०	९२.५३	४७.६७
निव्वळ नफा	४८.५३	४०.२६	३.०७
ढोबळ अनुत्पादित कर्जे (एकूण कर्जांशी टक्केवारी)	३१७.१६ ५.९७	२००.८० ३.८२	३६१.०७ ७.३६
निव्वळ अनुत्पादित कर्जे (नक्त कर्जांशी टक्केवारी)	१८९.८६ ३.६६	८८.५८ १.७२	२४३.७८ ५.०९

- बँकेच्या ठेवीमध्ये यंदा ३.६२% ची वाढ होऊन त्या रु.७,८७६ कोटींवर पोहोचल्या.
- कर्जवाटपाचे प्रमाण यंदा ६.६२% ने घटले असून ते रु.४,९०४ कोटींवर आले.
- गतवर्षीच्या रु.१२,८५२ कोटींच्या तुलनेत यंदा बँकेची एकूण उलाढाल ०.५६% नी घटली व ती रु.१२,७८० कोटींवर आली.
- कर्जांचे ठेवींशी प्रमाण (CD Ratio) गतवर्षीच्या ६९% वरून ६२% वर आले.
- बँकेचा स्वनिधी रु.७८१.२२ कोटींवर स्थिरावला आहे.
- बँकेचा NII मार्च २०२० अखेरीस २.०७% इतका आहे.

विनीयोग :

संचालक मंडळ वर्ष २०१९-२० करीता नोटीस क्रमांक २ अन्वये खालील विनीयोगांची शिफारस आपल्या मान्यतेकरता करीत आहे

(रु. लाखात)

तपशील	२०१८-१९	२०१९-२०
अ) वैधानिक विनीयोग :-		
१) वैधानिक राखीव निधी	१,००६	७७
२) आकस्मिक विपत्ती निधी	४०३	३१
३) शैक्षणिक निधी	४०	४
ब) इतर विनीयोग :-		
१) इमारत निधी	१६६	-
२) अनुत्पादित कर्जनिधी	१,२००	७०७
३) देणगी निधी	५	२
४) गुंतवणूक चढउतार निधी	१०७	-
५) यंदा नियोजित लाभांशाची शिफारस नाही (Equity Shares) (गतवर्षी १०%)	८५०	-
६) यंदा नियोजित लाभांशाची शिफारस नाही (PNCPS) (गतवर्षी ८.५०%)	१२५	-
७) कर्मचारी सानुग्रह अनुदान (यावर्षी शिफारस नाही)	८३५	-
८) कर्मचारी कल्याण निधी	९०	५४
९) सभासद कल्याण निधी	२०	२०
१०) विशेष निधी (आयकर कायदा १९६१च्या कलम ३६ (१) (viii) नुसार)	२०३	७०
ताळेबंदात दाखविलेला नक्त नफा	१	२
एकूण	५,०५१	९६७

बँकेची स्वनिधी पर्याप्तता (CRAR)

बँकेने यंदाही आपल्या स्वनिधी पर्याप्ततेचे प्रमाण (CRAR) कायमस्वरूपी १२% हून अधिक राखण्यात यश मिळविले आहे. वर्षअखेरीस बँकेने आपला (CRAR) १३.१७% इतका राखला आहे.

आपली स्वनिधी पर्याप्तता बळकट करण्यासाठी बँकेने आवश्यक त्या पर्यायांचा अवलंब केला आहे.

लाभांश :

रिझर्व्ह बँकेच्या परिपत्रकानुसार यंदा भांडवल व गंगाजळी अधिक राखण्याकरता सभासदांना लाभांश न देण्याचा आदेश बँकाना दिला आहे त्यामुळे यावर्षी equity व PNCPS शेअर्सवर लाभांशाची शिफारस करण्यात आलेली नाही.

भाग भांडवल :

३१ मार्च, २०२० रोजी बँकेत भरणा झालेले भागभांडवल रु.८६.७६ कोटी इतके आहे. गतवर्षी ते रु.८४.६५ कोटी होते. तसेच एकूण सभासद संख्या ५६,६०१ आहे.

Preference Share Capital (PNCPS) :

बँकेचे Preference Share Capital गतवर्षीच्या रु. १३.४२ कोटींवरून रु.१३.६४ कोटींवर पोहोचले आहे.

ठेवी संकलन :

मार्च २०२० च्या वर्षात ठेवींमध्ये वाढ होऊन त्या रु.७,८७६ कोटींवर पोहोचल्या. गतवर्षीच्या ठेवींमध्ये रु.२७५ कोटींची वाढ दिसून आली.

ठेवींचे तपशील पुढीलप्रमाणे :

(रु. कोटीत)

ठेव तपशील	३१/०३/२०१९	%	३१/०३/२०२०	%
बचत	१,४००	१८.४२	१,४२६	१८.११
चालू	३५६	४.६८	३००	३.८०
मुदत	५,८४५	७६.९०	६,१५०	७८.०९
एकूण	७,६०१	१००.००	७,८७६	१००.००

पंजाब आणि महाराष्ट्र बँकेच्या अफरातफर प्रकरणानंतर बँकेच्या ठेवींना जबरदस्त फटका बसून पुढील ६ महिन्यात मुदतठेवी जवळजवळ रु.६०० कोटींनी घटल्या, तरीसुद्धा आपल्या बँकेने ठेवींमध्ये ३.६२% इतकी वाढ करण्यात यश मिळविले. परंतू कोविड १९या जगभर पसरलेल्या साथीच्या आजारामुळे व सरकारने घोषित केलेली टाळेबंदी या सर्वांचा एकत्रित परिणाम ठेवींवर दिसून येतो आहे.

बँकेच्या नफ्यात वाढ होण्यासाठी बचत व चालू (CASA) खाती वाढविणे गरजेचे आहे. याची बँकेला जाण असून त्यासाठी ग्राहक संख्या वाढवण्याचा बँक संपूर्ण प्रयत्न करीत आहे.

निधींचे आयोजन :

ठेवींचे कर्जांशी गुणोत्तर (CD Ratio) चालू वर्षाखेर ६२.२७% इतके असून बँकेची एकूण कर्जे रु. ४,९०४ कोटी झाली आहेत.

(रु. कोटीत)

क्षेत्र	२०१८-१९	%	२०१९-२०	%
वैयक्तिक/किरकोळ	१,७१२	३२.६०	१,६६२	३३.८९
औद्योगिक	२,४३७	४६.४१	२,३१३	४७.१७
इतर	१,१०२	२०.९९	९२९	१८.९४
एकूण	५,२५१	१००.००	४,९०४	१००.००

जोखीम व्यवस्थापन:

बँकेकडे आलेल्या सर्व कर्जप्रस्तावांची कसून छाननी होत असते. याकरीता बँकेने जागतिक स्तरावर मान्यता मिळालेले "CRISIL RAM MODEL" चा अवलंब केला असून या अंतर्गत रु.३ कोटी व त्यावरील सर्व किरकोळ व घाऊक कर्जप्रस्तावांची छाननी केली जाते. त्यामुळे कर्जाची गुणवत्ता चांगली राखण्यास मदत होते.

कर्जाची गुणवत्ता :

मार्च २०२० च्या वर्षाअखेरीस बँकेची ढोबळ अनुत्पादित कर्जे व नक्त अनुत्पादित कर्जे अनुक्रमे रु.३६१ कोटी (७.३६%) व रु.२४४ कोटी (५.०९%) वर पोहोचली. अनुत्पादित कर्जाचे प्रमाण कमीत कमी राहण्यासाठी आवश्यक ते सर्व प्रयत्न बँक करीत आहे.

पंजाब आणि महाराष्ट्र बँकेवरील असलेल्या कर्जवाट्यामुळे अनुत्पादित कर्जामध्ये वाढ झाली तसेच यावर कराव्या लागलेल्या तरतूदीमुळे बँकेच्या नफ्यावर परिणाम झाला. बँकेची सर्व कर्जे ही आवश्यक तारण घेऊनच दिली गेली आहेत व कर्जवसूली करता सर्व कायदेशीर मार्गांचा अवलंब बँक करीत आहे.

गुंतवणूक :

बँकेचा कोष विभाग रिझर्व्ह बँकेच्या निकषानुसार CRR व SLR नियमितपणे राखण्यात आग्रेसर असतो. बँकेने यंदा गुंतवणूक संबंधित व्यवहारातून रु.३०.१८ कोटींचा नफा कमावला आहे, जो गतवर्षाच्या रु.१६.९५ कोटीपेक्षा ७८% नी जास्त आहे. तसेच बँकेने गुंतवणूकीवरील व्याजाची रक्कम रु. १५२.६० कोटीवरून या वर्षी रु.१८९.७४ कोटीवर नेली आहे. तसेच बँक गुंतवणूकीवरील व्याज दर वाढवण्यात सतत प्रयत्नशील असते.

तंत्रज्ञान :

आपल्या ग्राहकांना अखंड सेवा देण्याच्या हेतूने बँक सतत आधुनिक तंत्राचा अवलंब करत आहे. भारतीय बँकिंग क्षेत्रात आपल्या बँकेचे नाव अग्रगण्य बँकाच्या यादीत आणण्यासाठी बँकेचे व्यवस्थापन व संचालक मंडळ सतत कार्यशील आहेत. उदारणार्थ २४x७ RTGS व NEFT तंत्रज्ञानाचा अवलंब, डेबिट कार्ड फसवेगिरीला आळा घालण्यासाठी ग्राहकांना दिलेले EMV Chip असलेले कार्ड इत्यादी.

बँकेच्या संगणकप्रणालीसाठी आवश्यक असलेले सायबर सिक्युरिटी फ्रेमवर्क अधिक बळकट करण्यासाठी आपल्या बँकेने अनेक उपाययोजनांचा अवलंब केला आहे.

साहाय्यक व्यवसाय कक्ष (Ancillary Business Department)

बँकेचा हा कक्ष प्रामुख्याने CASA ठेवींच्या वाढी तसेच इतर सेवा उदारणार्थ विमा, डीमॅट, म्युच्युअल फंड यावर नियंत्रण ठेवतो. बँकेने ५ विमा कंपन्यांशी करार केले असून या कंपन्या ग्राहकाभिमुख सेवा देतात. बँक आपल्या ग्राहकांना म्युच्युअल फंडाची सेवाही देत आहे. या सर्व सेवांमधेही आधुनिक तंत्रज्ञानाचा अवलंब करण्याचा बँकेचा मानस आहे.

पुरस्कार :

वर्ष २०१८-१९ साठी बँकेला यंदा रु. २००० कोटींवरील ठेवींच्या विभागात दुसऱ्या क्रमांकाचा पुरस्कार बृहन्मुंबई नागरी सहकारी बँक असोसिएशन लि. कडून प्रदान करण्यात आला.

लेखापरिक्षण :

बँकेच्या सर्व शाखा या समवर्ती व अंतर्गत लेखापरिक्षणाद्वारे तपासल्या जातात. बँकेचे संचालक मंडळ त्यांना सूचना देऊन व योग्य ती दिशा दाखवून परिक्षण करून घेते. रिझर्व्ह बँकेने आर्थिक वर्ष २०१८-१९ यासाठी लेखापरिक्षण केले.

दक्षता विभाग :

बँकेने आपला शाखाविस्तार हा महाराष्ट्राव्यतिरिक्त इतर ४ मोठ्या राज्यांमध्ये केला असल्याने, फसवणूक, Forgery या सर्वांना आळा घालण्यासाठी दक्षता विभागाची स्थापना करण्यात आली. हा विभाग शाखांमध्ये घडलेल्या अनियमित प्रकरणांचा त्वरेने अभ्यास करून कर्मचाऱ्यांना त्याविषयी सजग करतो. या व्यतिरिक्त स्वयंप्रेरणे हा विभाग शाखांना भेटी देऊन त्यांची पाहणीही करतो.

वैधानिक लेखापरिक्षकांची पुनर्नियुक्ती :

२७ जून २०१९ रोजी झालेल्या बँकेच्या १०२व्या वार्षिक सर्वसाधारण सभेत मे.अ.पी.संझगिरी आणि कं. यांची वैधानिक लेखापरिक्षक म्हणून पुनर्नियुक्ती झाली होती. यंदाही बँकेचे लेखापरिक्षण करण्याची कंपनीची इच्छा व त्यांची योग्य पात्रता पाहूनच संचालक मंडळाने पुढील वार्षिक सर्वसाधारण सभेपर्यंत त्यांच्या पुनर्नियुक्तीचा प्रस्ताव मांडला आहे.

मनुष्यबळ विकास :

कोणत्याही उद्योगाच्या यशात सर्वसमावेशक व परिणामकारक मनुष्यबळ व्यवस्थापन महत्वाचे मानले जाते. कर्मचाऱ्यांची कार्यक्षमता वाढविण्यात मनुष्यबळ विकास खात्याचा महत्वाचा वाटा असतो. बँकेने त्यांच्या कर्मचाऱ्यांच्या ज्ञानात भर टाकण्यासाठी यंदा E-learning Module चालू केले आहे. जिथे कर्मचारी आपल्या स्वतःच्या कामाच्या जागी बसूनच वेगवेगळ्या विषयांवरचे ज्ञान अवगत करतात व यामुळेच त्यांना नवनवीन योजनांची माहिती मिळते.

यंदा २१ कर्मचाऱ्यांनी शिक्षणात उन्नती, तसेच ३ कर्मचाऱ्यांनी उच्चशिक्षण व १८ कर्मचाऱ्यांनी इंडियन इन्स्टिट्यूट ऑफ बँकिंग या संस्थेचे वेगवेगळे अभ्यासक्रम यशस्वीरित्या पूर्ण केले. संचालक मंडळ या सर्वांची प्रशंसा करीत आहे.

कोरोना महामारीच्या कठीण काळातसुद्धा बँकेच्या कर्मचाऱ्यांनी व व्यवस्थापनाने ग्राहकांना विनाखंडित सेवा दिली याबद्दल संचालक मंडळ समाधान व्यक्त करीत आहे.

२०१९-२० या वर्षात जे नवीन कर्मचारी बँकेत रुजू झाले ते पुढीलप्रमाणे

नांव	पद	नियुक्तीचा महिना
१) श्री.विशाल राठोड	- चीफ इन्फोर्मेशन ऑफिसर	९ डिसेंबर २०१९
२) श्री.अमित जावकर	- चीफ इन्फोर्मेशन सिक्युरिटी व डिजीटायझेशन ऑफिसर	२ डिसेंबर २०१९
३) श्री.गुणाकर अनवेकर	-सहाय्यक महाव्यवस्थापक (मनुष्यबळ विकास)	१२ मे २०२०
४) श्री.भूषण रेगे	- मुख्य व्यवस्थापक (ठेवी व इतर व्यवसाय)	४ जुलै २०१९
५) श्री.मोहन गुडडाड	-मुख्य व्यवस्थापक (गोवा क्लस्टर)	५ जून २०२०
६) श्री.प्रविण राव	- वरिष्ठ व्यवस्थापक (बंगलोर क्लस्टर)	२ एप्रिल २०१९
७) श्री.भूषण पाटील	-वरिष्ठ व्यवस्थापक (शेती विषयक व्यवसाय)	२८ जानेवारी २०२०

ब्रँड बिल्डिंग :

प्रसारमाध्यमांच्या वेगवेगळ्या तंत्रांचा उपयोग करून यंदाही बँकेने आपला ब्रँड जनमानसातल्या वेगवेगळ्या स्तरांवर पोहोचविला यासाठी दूरदर्शन, वृत्तपत्रे, बसथांबे, सार्वजनिक उत्सव या सर्व साधनांचा विस्तृतपणे वापर केला गेला.

श्री.शेठ शांताराम मंगेश कुळकर्णी स्मृती व्याख्यानमाला दरवर्षीप्रमाणे यंदाही १८ जानेवारी २०२० रोजी बँकेचे संस्थापक श्री.शेठ शांताराम मंगेश कुळकर्णी यांच्या स्मृतीप्रित्यर्थ २१ वे व्याख्यानपुष्प आयोजिले होते. स्टेट बँक ऑफ इंडियाचे, ग्रुप चीफ इकॉनॉमिक अँडवायझर डॉ. सौम्यकांती घोष यांनी "Rules Versus discretion in Policy Making - learning by doing" या विषयावर दिलेल्या व्याख्यानाला चांगला श्रोतृवर्ग उपस्थित होता.

ठेव विमा :

बँकेच्या ठेवी या "ठेव विमा व कर्ज संस्थेवरील विमा" (DICGC) या योजनेद्वारे सुरक्षित असून बँकेने रु. ९२०.०७ लाखांचा विम्याचा हप्ता भरला आहे.

तक्रार निवारण कक्ष :

उत्तम ग्राहकसेवा देणे व त्यांच्या तक्रारींचे लवकरात लवकर निवारण करण्याच्या हेतूने बँकेने तक्रार निवारण कक्षाची स्थापना केली होती. वेगवेगळ्या माध्यमांतून आलेल्या सर्व तक्रारींचे निवारण बँकेचे सहाय्यक महाव्यवस्थापक व प्रमुख नोडल अधिकारी श्री.लक्ष्मीकांत देसाई या कक्षाचे काम सांभाळत आहेत. रिझर्व्ह बँकेने Complaint Management System (CMS) ही तक्रार निवारणाची आणलेली नवीन तंत्रप्रणाली आपल्या बँकेत असल्यामुळे तक्रारींचे निवारण त्वरित होते.

सभासद कल्याण :

दरवर्षीप्रमाणे यंदाही बँकेने सभासद कल्याण योजनेतील निधीतून सभासदांच्या ३० पाल्यांचा त्यांची शैक्षणिक, क्रीडा, क्षेत्रातील पात्रता बघून सत्कार केला. २३ सभासदांना त्यांच्या रुग्णालय खर्चासाठी तर ५२ सभासदांना त्यांच्या वैद्यकीय तपासणीसाठीची मदत बँकेकडून करण्यात आली.

संचालक मंडळातील बदल :

- १) कु. अलका दिवाडकर यांनी १० जून २०२० रोजी त्यांच्या संचालकपदाचा राजीनाम दिला.
- २) श्री.नागेश पिंगे यांनी २२ जून २०२० रोजी त्यांच्या संचालकपदाचा राजीनामा दिला.
(संचालक मंडळ या दोघांनी दिलेल्या बँकेसाठीच्या योगदानाबद्दल अत्यंत ऋणी आहे.)

व्यवस्थापन :

बँकेचे मुख्य महाव्यवस्थापक श्री. श्रीनिवासाराघवन् एस् यांना यंदा पुढील २ पुरस्कारांनी गौरवण्यात आले.

- १) अ) २२ नोव्हेंबर २०१९ रोजी 'Core Media Group' तर्फे देण्यात आलेला "CFO Power List 2019" पुरस्कार
ब) २७ फेब्रुवारी २०२० रोजी दुबई मध्ये Finext Awards & Conference मध्ये देण्यात आलेला Excellence in Finance Leaders Award हा पुरस्कार त्यांना वित्तक्षेत्रातील त्यांच्या योगदानाबद्दल देण्यात आला.
- २) बँकेचे चीफ इन्फोर्मेशन सिक्यूरिटी व डिजिटायझेशन ऑफिसर श्री.अमित जावकर यांना मिळालेले पुरस्कार पुढीलप्रमाणे
अ) "Top 100 CISO Award" हा पुरस्कार त्यांना बंधन बँक, अँक्सिस बँक व स्टेट बँक ऑफ इंडियाचे माजी CISO श्री. नबांकुर सेन यांच्या हस्ते मिळाला. या सोहोळ्याचे प्रमुख अतिथी होते इन्फोसिस चे सह संस्थापक श्री. नंदन निलेकणी.
ब) VBS Forums तर्फे देण्यात आलेला "Digital Leaders of the year" पुरस्कार हा पुरस्कार प्रथमच भारतातील १० अशा व्यक्तींना देण्यात आला ज्यांनी आपल्या कारकिर्दीत तंत्रज्ञान क्षेत्रात आमूलाग्र बदल घडवून आणले.
क) Elets Technomedia तर्फे देण्यात आलेला "BFSI Leadership Award"

३) बँकेचे कार्यकारी संचालक श्री.चिंतामणी नाडकर्णी यांनी १ सप्टेंबर २०२० पासून निवृत्त होण्याचे ठरविल्याने श्री. श्रीनिवासाराघवन् एस. यांच्याकडे कार्यकारी संचालक पदाचा कार्यभार बँकेने सोपवला आहे.

श्रध्दांजली :

बँकेचे कायदेसल्लागार श्री.श्रीकांत जोहरी तसेच कर्मचारी श्री ऋषिकेश जगनाडे व कु. अस्मिता प्रभू यांचे दुःखद निधन झाले. त्यांच्या व यंदा निधन पावलेल्या सभासदांच्या आत्म्यांस ईश्वर शांती देवो अशी श्रध्दांजली संचालक मंडळ व्यक्त करीत आहे.

आभार :

बँक आपले सर्व सभासद, ग्राहक, कर्मचारी, हितचिंतक, इतर संस्था व त्यांचे अधिकारी यांनी वेळोवेळी दिलेल्या सहकार्याबद्दल आभारी आहे.

विशेषत :

- * रिझर्व्ह बँकेचे मुख्य महाव्यवस्थापक, सरव्यवस्थापक व इतर अधिकारी वर्ग.
- * केंद्र व राज्य सरकारचे सहकार खाते
- * सहकारी बँक कर्मचारी संघटना.
- * वैधानिक लेखापरिक्षक मे.ऐ.पी. संझगिरी आणि कंपनी, चार्टर्ड अकाउंटंटस्
- * सर्व लेखापरिक्षक
- * कृषी बँकिंग महाविद्यालय, पुणे
- * नॅशनल इन्स्टिट्यूट ऑफ बँक मॅनेजमेंट, पुणे
- * इंडियन बँक्स असोसिएशन, मुंबई
- * नॅशनल फेडरेशन ऑफ अर्बन बँक व क्रेडिट सो.लि., नवी दिल्ली.
- * महाराष्ट्र स्टेट को-ऑप. बँक फेडरेशन व असोसिएशन
- * बृहन्मुंबई को-ऑप. बँक असोसिएशन, मुंबई
- * कायदेतज्ञ, स्थापत्य शास्त्रज्ञ व अभियंते
- * वृत्तपत्रे, दूरदर्शन, इतर माध्यमे व त्यांचे कलाकार, तसेच बँकेच्या प्रगतीमध्ये ज्यांनी प्रत्यक्ष व अप्रत्यक्षपणे हातभार लावला त्या सर्वांचे आम्ही मनःपूर्वक आभार मानतो.

संचालक मंडळाच्या वतीने

किशोर कुळकर्णी

अध्यक्ष

मुंबई

दि. ३१ जुलै, २०२०

३१ मार्च २०२०

(₹ लाखात)

भांडवल व देणी	३१ मार्च २०२० रोजी	३१ मार्च २०१९ रोजी
भाग भांडवल	१०,०४०	९,८१७
राखीव व इतर निधी	६८,०८२	६७,७७७
प्रिंसीपल/ सब्सीडीयरी स्टेट पार्टनरशीप फंड अकाऊंट	-	-
ठेवी	७,८७,६२५	७,६०,०८८
घेतलेली कर्जे	२५,५९२	१५,९७०
इतर देणी वसूलीची बिले (येणे बाजूप्रमाणे)	७,१५०	९,५७४
थकित कर्जावरील जमा न केलेले व्याज	१३,०७२	१०,१०२
व्याज देणे	१,३९४	१,५३९
इतर देणी	३,४४०	८,१९८
सेटलमेंट क्रेडिट अकाऊंट	९९	१००
नफा / तोटा	२	१
एकूण	९,१६,४९६	८,८३,१६६
संभाव्य देणी	३०,६१७	२९,५९५

आमच्या याच तारखेच्या अहवालानुसार
अ.प. संझगिरी व कंपनी
चार्टर्ड अकाऊंटंट्स
सही/-

श्री. अभिजित संझगिरी
भागिदार (मे.नं. ४३२३०)
वैधानिक लेखापरिक्षक
मुंबई, ३१ जुलै २०२०

चा ताळेबंद

(₹ लाखात)

मालमत्ता व येणी	३१ मार्च २०२० रोजी	३१ मार्च २०१९ रोजी
रोख	३७,८९९	३५,५४३
बँकेतील जमा	२३,३२२	१८,१०९
इन्वेस्टमेंट आऊट ऑफ द प्रिन्सीपल/सब्सिडियरी स्टेट पार्टनरशीप फंड	-	-
मागणी योग्य ठेव	८०,७८५	३३,४८९
गुंतवणूक	२,२०,२०७	२,०८,५६१
दिलेली कर्जे	४,९०,३५२	५,२५,०५२
इतर देणी वसुलीची बिले (येणे बाजूप्रमाणे)	७,१५०	९,५७४
येणे व्याज:-		
अ) गुंतवणूक व निर्धारित निधीवरील	४,२९५	३,९२१
ब) कर्मचारी कर्जावरील	१,०८१	९२७
क) बुडीत व संशयित कर्जावरील	१३,०७२	१०,१०२
स्थावर मालमत्ता	२६,१८३	२७,३०१
इतर मालमत्ता	१०,५४५	९,०६३
डिफर्ड टॅक्स असेट (नेट)	१,५०६	१,४२४
सेटलमेंट डेबिट अकाऊंट	९९	१००
एकूण	९,१६,४९६	८,८३,१६६

किशोर कुळकर्णी (अध्यक्ष)
 सुनिल गायतोंडे (उपाध्यक्ष)
 चिंतामणी नाडकर्णी (व्यवस्थापकीय संचालक)
 श्रीनिवासासाराघवन एम्. (मुख्य वित्त अधिकारी)
 समीर रेगे (सहाय्यक महाव्यवस्थापक - अर्थ व कोष)

नागेश फोवकार
 श्रीधर कामत
 रमेश कसबेकर
 (संचालक)

कौशल मुझुमदार
 लक्ष्मीकांत प्रभु
 सुजाता रांगणेकर
 (संचालक)

मुंबई, ३१ जुलै, २०२०

३१ मार्च २०२० अखेर

(₹ लाखात)

खर्च	३१ मार्च २०२० अखेरीस	३१ मार्च २०१९ अखेरीस
ठेवीवरील व्याज	५२,४८९	४७,२६५
घेतलेल्या कर्जावरील व्याज	१,५२२	१,४८१
कर्मचारी व अधिकारी वर्गाचा पगार व भत्ते	८,६६९	८,१४३
भाडे, कर, विमा व वीज खर्च	२,७८९	२,६२३
कायदा व व्यावसायिक तज्ञांचे शुल्क	१९६	२२४
टपाल व टेलिफोन खर्च	२९५	२४३
प्रवास खर्च	६५	७३
हिशेब तपासणी शुल्क	१२५	११८
दुरुस्ती व देखभाल	८६१	८२८
मालमत्तेवरील घसारा	१४२०	१,५१२
रोख्यांचा स्थानांतरणावरील घसारा	०	१५
रोख्यावरील अतिरिक्त भार	५४०	४९१
छपाई व लेखन सामुग्री खर्च	७९	८९
जाहिरात खर्च	२३९	२१४
निलेखित बुडित खर्च	३५४४	३,७९९
संगणक प्रणालीवरील अग्रिमता	२१२	७९८
इतर खर्च	१७६९	१,९१०
व्यावसायिक नफा	४७६७	९,२५३
	७९५८१	७९,०७९
तरतूदी व संभाव्य देणी		
अ) बुडित व संशयित कर्जांची तरतूद	३९०५	३,१३७
ब) उत्पादित कर्जावरील तरतूद	-	-
क) कर्ज फेडीच्या कालावधी वाढीवरील तरतूद	४६	-
ड) पुनरर्चीत कर्जावरील तरतूद	-	२
इ) रजा मोबदला निधीवरील व्याज	९७	८९
ई) गुंतवणूक घसारा निधीसाठीची तरतूद	५८	१३
फ) मतदान निधीची तरतूद	८	८
ग) कर पूर्व नफा	६५३	६,००४
	४,७६७	९,२५३
आयकर	४२७	१,६७८
डिफर्ड टॅक्स	(८१)	३००
निव्वळ नफा	३०७	४,०२६
एकूण	६५३	६,००४

आमच्या याच तारखेच्या अहवालानुसार

अ.प. संज्ञिगिरी व कंपनी

चार्टर्ड अकाऊंटंट्स

सही/-

श्री. अभिजित संज्ञिगिरी

भागिदार (मे.नं. ४३२३०)

वैधानिक लेखापरिक्षक

मुंबई, ३१ जुलै २०२०

संपलेल्या वर्षाचे नफा/तोटा पत्रक

(₹ लाखात)

जमा	३१ मार्च २०२० अखेरीस	३१ मार्च २०१९ अखेरीस
दिलेल्या कर्जावरील व गुंतवणूकीवरील व्याज		
१) दिलेल्या कर्जावरील व्याज	५०,६३८	५४,९९९
२) गुंतवणूकीवरील व्याज	१७,५५१	१४,१९५
३) बँकांतील ठेवीवरील व्याज	१,३७८	१,०६४
४) वठणावळ व हुंडणावळ	३,०९४	३,०४५
५) बुडित व संशयित कर्जनिधीतील तरतूदीचे प्रतिक्रमण	३,५४४	३,७९९
६) आधीच्या वर्षाच्या निलेखित बुडित कर्जांची वसुली	४२	४
इतर उत्पन्न		
सरकारी रोख्यांच्या उलाढालीवरील नफा (म्युच्युअल फंडासहीत)	२,९२५	१,५७२
विदेशी मुद्रा व्यवहारावरील नफा	९३	१२३
स्थावर मालमतेच्या विक्रीवरील नफा	८	५०
सुरक्षा तिजोरीवरील भाडे	२७४	२५०
इतर किरकोळ उत्पन्न	३४	५८
	७९,५८१	७९,०७९
व्यावसायिक नफा	४,७६७	९,२५३
	४,७६७	९,२५३
कर पूर्व नफा	६५३	६,००४
एकूण	६५३	६,००४
किशोर कुळकर्णी (अध्यक्ष)	नागेश फोवकार	कौशल मुझुमदार
सुनिल गायतोंडे (उपाध्यक्ष)	श्रीधर कामत	लक्ष्मीकांत प्रभु
चिंतामणी नाडकर्णी (व्यवस्थापकीय संचालक)	रमेश कसबेकर	सुजाता रांगणेकर
श्रीनिवासासाराघवन एम्. (मुख्य वित्त अधिकारी)	(संचालक)	(संचालक)
समीर रेगे (सहाय्यक महाव्यवस्थापक - अर्थ व कोष)		

मुंबई, ३१ जुलै, २०२०

TABLE NO. 1

(Distribution of Shareholders as on March 31, 2020)

No. of Shares Held	No. of Members	%
50 TO 100	23,778	42.01
101 TO 500	15,614	27.59
501 TO 5000	13,854	24.47
5001 AND ABOVE	3,355	5.93
TOTAL	56,601	100.00

TABLE NO. 2

(Distribution of Deposit Accounts as on March 31, 2020)

(₹ in Cr.)

Amount	No. of Accounts	Amount of Deposits	%
Upto Rs. 10,000	2,95,036	63.98	0.81
Rs. 10,001 to Rs. 50,000	1,79,578	510.57	6.48
Rs. 50,001 to Rs. 1,00,000	1,08,722	826.71	10.50
Rs. 1,00,001 to Rs. 2,00,000	77,438	1,094.44	13.90
Rs. 2,00,001 to Rs. 10,00,000	62,536	2,601.67	33.03
Rs. 10,00,001 and Above	8,823	2,778.88	35.28
Total	7,32,133	7,876.25	100.00

TABLE NO. 3

(Distribution of Advances as on March 31, 2020)

(₹ in Cr.)

Amount	No. of Accounts	Balance O/S	%
Upto Rs. 25,000	777	0.75	0.02
Rs 25,001 to Rs. 1,00,000	1,690	10.05	0.20
Rs. 1,00,001 to Rs. 2,00,000	1,542	22.81	0.47
Rs. 2,00,001 to Rs. 10,00,000	6,574	340.01	6.93
Rs. 10,00,001 to Rs. 25,00,000	4,642	762.79	15.56
Rs. 25,00,001 to Rs. 50,00,000	2,144	744.30	15.18
Rs. 50,00,001 and Above	1,666	3,022.81	61.64
TOTAL	19,035	4,903.52	100.00

Annexure II

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
5 (ix)	OBJECTS: To purchase and to sell Bonds, Funds, Shares, Debentures, scrips or other forms of securities on behalf of constituents.	To delete Bye-Law No. 5 (ix)	Post this amendment the number of the clauses x to xxv of Bye-Law No. 5 will change to clauses ix to xxiv.	<p>In terms of para 3.1 of RBI Master Circular DCBR.BPD (PCB). MC.No.4/16.20.000 /2015-16 dated July 1, 2015 on 'Investments by Primary (Urban) Co-operative Banks':</p> <p>'Banks should not undertake any transactions on behalf of Portfolio Management Scheme (PMS) clients in their fiduciary capacity, and on behalf of other clients, either as custodians of their investments or purely as their agents.'</p> <p>Further in the course of the RBI Annual Financial Inspection for the year 2018-19, the Inspecting Official has observed that the Clause 5(ix) of the bye-laws was in non-adherence to the instructions contained in the above Master Circular of RBI.</p> <p>The Board of Directors has therefore proposed deletion of Bye-Law No.5 (ix).</p>
51	LINKING OF SHARE HOLDING WITH LOAN LIMITS: The Shareholding of a member in the Bank shall be in the following proportion to his borrowing: a. 5% of borrowings if such borrowings are on unsecured basis; b. 2½% of borrowings in case of secured borrowings, and c. 2½% of borrowings in case of small scale industrial units, of which 1% to be collected initially and balance 1½% to be collected in the course of next two years.	To remove the monetary ceiling of ₹5,00,000 in the first proviso to Bye-Law No. 51	LINKING OF SHARE HOLDING WITH LOAN LIMITS: The Shareholding of a member in the Bank shall be in the following proportion to his borrowings: a. 5% of borrowings if such borrowings are on unsecured basis; b. 2½% of borrowings in case of secured borrowings, and c. 2½% of borrowings in case of small scale industrial units, of which 1% to be collected initially and balance 1½% to be collected in the course of next two years.	<p>In terms of para 3 of RBI Master Circular DCBR.BPD.(PCB).MC. No.10/09.18.201 /2015-16 dated July 1, 2015 on 'Prudential Norms on Capital Adequacy - UCBs':</p> <p>'All the State Governments have been requested to carry out necessary amendments to the respective State Co-operative Societies Acts for dispensing with, wherever applicable, monetary ceilings on individual share holding and restricting the individual shareholding of a member to 5% of the total paid up share capital of a UCB. Pending amendment to the State Cooperative Societies Act, UCBs are required to adhere to the above mentioned share linking to borrowing</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
	<p>balance 1½% to be collected in the course of next two years.</p> <p>Provided that no member other than authorities referred to in clause (c) to (g) of Sub-Section (1) of Section 25 of the MCS Act, 2002 shall hold more than 5% of the total paid up share capital of the Bank or ₹5,00,000/- whichever is less.</p> <p>Provided further that any notification, change in percentage of the share-linking by the Reserve Bank of India from time to time shall be binding on the borrower.</p>		<p>the MCS Act, 2002 shall hold more than 5% of the total paid up share capital of the Bank.</p> <p>Provided further that any notification, change in percentage of the share-linking by the Reserve Bank of India from time to time shall be binding on the borrower.</p>	<p>norms and ceiling on individual share holding.</p> <p>Further in the course of the RBI Annual Financial Inspection for the year 2018-19, the Inspecting Official has observed that the first proviso to bye-law No. 51 was not in line with para 3 of the above Master Circular of RBI.</p> <p>The Board of Directors has therefore proposed amendment to the first proviso to Bye-Law No. 51 for dispensing with the monetary ceiling on individual share holding.</p>
52	<p>INVESTMENTS OF FUNDS: The Bank may invest or deposit its funds:</p> <ol style="list-style-type: none"> 1. In a Co-operative Bank, State Co-operative Bank, Co-operative Land Mortgage Bank, Co-operative Land Development Bank or Central Co-operative Bank, or 2. In any of the securities specified in Section 20 of the Indian Trust Act, 1882, or 3. In the shares or securities of any other Multi - State Co-operative Society or 	<p>To amend clause 1 of Bye-Law 52 and to add clause 2 and renumber the remaining clauses as under:</p> <p>The Bank may invest or deposit its funds:</p> <ol style="list-style-type: none"> 1. In Scheduled Urban Co-operative Banks, only if it is a part of arrangement for providing specific services to the latter bank such as acting as the sponsor bank for clearing purposes, DD arrangement, CSGL facility, currency chest facility, foreign exchange transactions, remittance facility and non-fund based facilities like bank guarantee (BG), letter of credit (LC), etc.; 2. In a Co-operative Bank, State Co-operative Bank, Co-operative Land Mortgage Bank, Co-operative Land Development Bank or Central Co-operative 	<p>INVESTMENTS OF FUNDS: The Bank may invest or deposit its funds:</p> <ol style="list-style-type: none"> 1. In Scheduled Urban Co-operative Banks, only if it is a part of arrangement for providing specific services to the latter bank such as acting as the sponsor bank for clearing purposes, DD arrangement, CSGL facility, currency chest facility, foreign exchange transactions, remittance facility and non-fund based facilities like bank guarantee (BG), letter of credit (LC), etc.; 2. In a Co-operative Bank, State Co-operative Bank, Co-operative Land Mortgage Bank, Co-operative Land Development Bank or Central Co-operative 	<p>In terms of para 3 of RBI circular D C B R . B P D . (P C B) . C i r . N o . 8/16.20.000/2015-16 dated November 19, 2015 on 'Placement of Deposits with Other Banks by Primary (Urban) Co-operative Banks (UCBs)':</p> <p>'Acceptance of deposits by scheduled UCBs from scheduled UCBs in the nature of placement of deposits for investment purposes is not permitted.'</p> <p>Further in the course of the RBI Annual Financial Inspection for the year 2018-19, the Inspecting Official has observed that the bank, being a scheduled Urban Co-operative Bank (UCB), cannot place deposit for investment purposes with other scheduled or non-scheduled UCBs. Hence, the contents of the bye-laws were not in line with the extant guidelines.</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
	<p>any Co-operative Society,</p> <p>4. In the shares or securities or assets of a subsidiary institution or any other institution, or</p> <p>5. With any Bank, or</p> <p>6. In such other mode as may be prescribed or permitted by RBI.</p> <p>Explanation : In clause (e), "Bank means any banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949 and includes-</p> <p>i. The State Bank of India constituted under the State Bank of India Act, 1955 and the amendments thereto from time to time,</p> <p>ii. a subsidiary bank as defined in clause (k) of Section 2 of the State Bank of India (Subsidiary Banks) Act, 1959 and the amendments thereto from time to time,</p> <p>iii. a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and the amendments thereto from time to time.</p>	<p>facility and non-fund based facilities like bank guarantee (BG), letter of credit (LC), etc.;</p> <p>2. In a Co-operative Bank, State Co-operative Bank, Co-operative Land Mortgage Bank, Co-operative Land Development Bank or Central Co-operative Bank, or</p> <p>3. In any of the securities specified in Section 20 of the Indian Trust Act, 1882, or</p> <p>4. In the shares or securities of any other Multi - State Co-operative Society, or</p> <p>5. In the shares or securities or assets of a subsidiary institution or any other institution, or</p> <p>6. With any Bank, or</p> <p>7. In such other mode as may be prescribed or permitted by RBI.</p> <p>Explanation : In clause (6), "Bank means any banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949 and includes-</p> <p>i. The State Bank of India constituted under the State Bank of India Act, 1955 and the amendments thereto from time to time,</p> <p>ii. a subsidiary bank as defined in clause (k) of Section 2 of the State Bank of India (Subsidiary Banks) Act, 1959 and the amendments thereto from time to time,</p> <p>iii. a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and the amendments thereto from time to time.</p>	<p>Bank, or</p> <p>3. In any of the securities specified in Section 20 of the Indian Trust Act, 1882, or</p> <p>4. In the shares or securities of any other Multi - State Co-operative Society or any Co-operative Society,</p> <p>5. In the shares or securities or assets of a subsidiary institution or any other institution, or</p> <p>6. With any Bank, or</p> <p>7. In such other mode as may be prescribed or permitted by RBI.</p> <p>Explanation : In clause (6), "Bank means any banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949 and includes-</p> <p>i. The State Bank of India constituted under the State Bank of India Act, 1955 and the amendments thereto from time to time,</p> <p>ii. a subsidiary bank as defined in clause (k) of Section 2 of the State Bank of India (Subsidiary Banks) Act, 1959 and the amendments thereto from time to time,</p> <p>iii. a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and the amendments thereto from time to time.</p>	<p>However, para 2 of the above RBI circular provides as under:</p> <p>On a review it has been decided to permit scheduled UCBs to accept deposits from other scheduled UCBs, if it is part of an arrangement for providing specific services to the latter bank such as acting as the sponsor bank for clearing purposes, DD arrangement, CSGL facility, currency chest facility, foreign exchange transactions, remittance facility and non-fund based facilities like bank guarantee (BG), letter of credit (LC), etc.</p> <p>The Board of Directors has therefore proposed amendment to Bye-Law No. 52 (1) to facilitate investment or deposit of the funds of the Bank in other Scheduled UCB for the purposes specified in para 2 of the above RBI circular.</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
	Transfer of Undertakings) Act, 1980 and the amendments thereto from time to time.	<p>ii a subsidiary bank as defined in clause (k) of Section 2 of the State Bank of India (Subsidiary Banks) Act, 1959 and the amendments thereto from time to time,</p> <p>iii a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and the amendments thereto from time to time.</p>		
65		To add new Bye-Law No. 65 providing for Constitution of the Board of Management (BoM). The number of existing bye-law No. 65 will accordingly change to 72.	<p>CONSTITUTION OF BOARD OF MANAGEMENT (BoM)</p> <p>i) The BoM shall be constituted by the Board of Directors (BoD).</p> <p>ii) The BoM (excluding CEO) shall have a minimum of five members.</p> <p>iii) The maximum number of members in BoM shall not exceed twelve.</p> <p>iv) The CEO would be a non-voting member.</p> <p>v) Members of the BoM may be drawn from the members of the Board of Directors provided they meet the criteria specified. However, not more than 50 per cent of the BoM members shall be from Board of Directors.</p>	<p>In terms of the RBI circular No. DoR (PCB), BPD, Cir.No.8/12.05.002/2019-20 dated 31st December, 2019, constitution of Board of Management (BoM) in Primary (Urban) Co-operative Banks (UCBs) is mandatory for UCBs with deposit size of ₹ 100 crore and above for allowing such banks to expand their area of operation and open new branches. UCBs shall constitute a BoM by making suitable amendments in their bye-laws.</p> <p>The Board of Directors has therefore proposed addition of Bye-Law No. 65. Accordingly, the number of existing bye-law No. 65 will change to 72.</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
			vi) Under all circumstances, BoM shall have at least two members from outside the Board of Directors.	
66		To Add new Bye-Law No. 66 providing for Qualification of Members of Board of Management (BoM)	<p>QUALIFICATION OF MEMBERS OF BoM:</p> <p>i) The member of BoM shall be a member of the Bank for atleast twelve months immediately preceding the date of his/her appointment.</p> <p>ii) All the members of the BoM shall consist of persons having special knowledge or practical experience in respect of one or more of the following matters, namely:</p> <ul style="list-style-type: none"> a. Accountancy b. Agriculture and rural economy c. Banking d. Co-operation e. Economics f. Finance g. Law h. Small scale industry i. Information Technology j. Any other subject, which would, in opinion of the Reserve Bank, be useful to the Bank. <p>iii) The members of BoM shall at all times satisfy the 'Fit and Proper' Criteria as prescribed by the Reserve Bank of India from time to time.</p> <p>iv) Person to be appointed as a member of BoM has to provide a declaration-cum-undertaking to the Board of Directors at the time of his/her appointment and shall undergo a process of due diligence initiated by the Board of Directors in respect of such</p>	<p>In terms of the RBI circular No. DoR (PCB).BPD.Cir.No.8/12.05.002/2019-20 dated 31st December, 2019, constitution of Board of Management (BoM) in Primary (Urban) Co-operative Banks (UCBs) is mandatory for UCBs with deposit size of ₹ 100 crore and above for allowing such banks to expand their area of operation and open new branches. UCBs shall constitute a BoM by making suitable amendments in their bye-laws.</p> <p>The RBI circular also provides for qualification of the members of the BoM.</p> <p>The Board of Directors has therefore proposed addition of Bye-Law No. 66 for providing the qualification of the members of the BoM.</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
			<p>person, basis the information given in the Declaration.</p> <p>v) The process of due diligence will be undertaken at the time of renewal of appointment of such member.</p> <p>vi) A member of the BoM cannot be appointed as a BoM member in more than 3 banks, including the Bank and there should not be overlapping in the area of operation.</p>	
67		To Add new Bye-Law No. 67 providing for Disqualification for being a Member of Board of Management (BoM)	<p>DISQUALIFICATION FOR BEING A MEMBER OF THE BoM:</p> <p>1) No member of the Bank shall be eligible for being a member of the BoM, if such member:</p> <p>a) has been adjudged by a competent Court to be insolvent or of unsound mind;</p> <p>b) is concerned or participates in the profits of any contract with the Bank;</p> <p>c) has been convicted for an offence involving moral turpitude;</p> <p>d) holds any office or place of profit in the Bank, provided that the Chief Executive or such full-time employee of the Bank as may be notified by the Central Government from time to time shall be eligible for being chosen as, or for being, a member of the BoM,</p> <p>e) has been a member of the Bank for less than twelve months immediately preceding the date of such appointment;</p> <p>f) has taken loan or any services on credit from the Bank, or is otherwise indebted to the Bank and after the receipt of a notice of</p>	<p>In terms of the RBI circular No. DoR (PCB)BPD.Cir.No.8/12.05.002/2019-20 dated 31st December, 2019, constitution of Board of Management (BoM) in Primary (Urban) Co-operative Banks (UCBs) is mandatory for UCBs with deposit size of ₹ 100 crore and above for allowing such banks to expand their area of operation and open new branches. UCBs shall constitute a BoM by making suitable amendments in their bye-laws.</p> <p>The RBI circular also provides that any disqualification prescribed for member of a Board of Directors under respective co-operative societies act will also apply to a member of a BoM.</p> <p>The Board of Directors has therefore proposed addition of Bye-Law No. 67 for providing for disqualification for being a member of the BoM on lines with the disqualification applicable to the members of the Board of Directors.</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
			<p>default issued to him by the Bank, has defaulted-</p> <p>i. in repayment of such loan or debt or in payment of the charges of the services, as the case may be, within the date fixed for such repayment or payment or where such date is extended, which in no case shall exceed six months within the date so extended OR</p> <p>ii. when such loan or debt or the charges of services is to be paid in instalments and the amount in default or any part thereof has remained unpaid on the expiry of six months from the date of such default:</p> <p>Provided that a member of the BoM who has ceased to hold Office as such under this clause shall not be eligible for a period of one year, from the date on which he ceased to hold office, for re-appointment as a member of the BoM of the Bank;</p> <p>g) is a person against whom any amount due under a decree, decision or order is pending recovery under the Multi-State Co-operative Societies Act, 2002;</p> <p>h) is retained or employed as a legal practitioner on behalf of or against the Bank, or on behalf of or against any other Multi- State Co-operative Society which is a member of the Bank.</p> <p>Explanation- for the purposes of this clause "legal practitioner" has the same meaning as in the clause (i) of sub-section (1) of the section 2 of the Advocates Act, 1961 (25 of 1961).</p> <p>i) has been convicted for any offence under the Multi-State Co-operative Societies Act, 2002;</p>	

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
			<p>j) is disqualified for being a member under section 29 of the Multi-State Co-operative Societies Act, 2002;</p> <p>k) has been expelled as a member under section 30 of the Multi-State Co-operative Societies Act, 2002;</p> <p>l) absents himself from three consecutive meetings of the BoM and such absence has not been condoned to by the BoM;</p> <p>m) absents himself from three consecutive General Body Meetings and such absence has not been condoned by the members in the General Body Meeting.</p> <p>2) A person shall not be eligible for being a member of the BoM of the Bank for a period of five years, if the Board of the Bank fails –</p> <p>a. to conduct election of the Board under section 45 of the Act; or</p> <p>b. to call the General Body Meeting under section 39 of the Act; or</p> <p>c. to prepare the financial statements and present the same in the Annual General Meeting.</p> <p>3) Any person who has had a business relationship with the Bank, during the immediate preceding three years will not be eligible for appointment as a member of BoM. A person having deposits with the Bank will not be classified as having business relationship for the purpose.</p>	In terms of the RBI circular No. DoR (PCB).BPD.Cir.No.8/12.05.002/2019-20 dated 31st December, 2019, constitution of Board of Management (BoM) in Primary (Urban) Co-operative Banks (UCBs) is mandatory for UCBs with
68		To Add new Bye-Law No. 68 providing for Functions of Board of Management (BoM)	<p>FUNCTIONS OF BoM:</p> <p>The BoM shall report to the BoD and shall exercise oversight over the banking related functions of the Bank. The functions of the BoM shall include the following:</p>	

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
			<p>i) Assist the Board of Directors on formulation of the policy and any other related matters and powers specifically delegated to it by the Board of Directors for proper functioning of the Bank.</p> <p>ii) Rendering expert advice on all proposals being put up to the Board or any Committee of the Board for sanction of loans.</p> <p>iii) Recommending action for recovery of NPAs, One Time Settlement or Compromise Settlement and assisting the Board in monitoring the same.</p> <p>iv) Overseeing the management of funds and borrowings in the bank.</p> <p>v) Recommending proposals for investment of Bank's funds as per the board approved policy.</p> <p>vi) Oversight on internal controls and systems and risk management in the Bank.</p> <p>vii) Exercising oversight on implementation of computerisation, technology adoption and other incidental issues in the Bank.</p> <p>viii) Overseeing internal audit and inspection functions including compliance.</p> <p>ix) Oversight on complaint redressal system.</p> <p>x) Assisting the Board in formulation of policies related to banking functions, illustratively loan policy, investment policy, recovery policy, ALM and Risk management, etc. to ensure that policies are in tune with RBI guidelines.</p> <p>xi) Any other responsibility as may be delegated to it by the BoD.</p>	<p>deposit size of ₹ 100 crore and above for allowing such banks to expand their area of operation and open new branches. UCBs shall constitute a BoM by making suitable amendments in their bye-laws.</p> <p>The RBI Circular also provides for the functions of the BoM.</p> <p>The Board of Directors has therefore proposed addition of Bye-Law No. 68 providing for the functions of the BoM.</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
69		To Add new Bye-Law No. 69 providing for Meetings of Board of Management (BoM)	<p>MEETINGS OF BoM:</p> <p>i) The periodicity of meetings of the BoM shall be as decided by the Board of Directors.</p> <p>ii) The Chief Executive Officer shall convene the meeting of the BoM at the instance of the Chairman of the BoM.</p> <p>iii) The meetings of the BoM shall be presided over by the Chairman of the BoM and in the absence of Chairman, the members present in the meeting shall elect a Chairman for the meeting from among themselves.</p> <p>iv) Seven days' notice shall ordinarily be necessary for the meeting of the BoM.</p> <p>v) The quorum for the meeting shall be two-third of the total members of the BoM.</p> <p>vi) The majority shall decide any question brought forward for discussion at the meeting of the BoM. In case of equality of votes, the Chairman of the BoM shall have casting vote.</p> <p>vii) Minutes of the proceedings of the BoM shall be entered in a minute book kept for the purpose and shall be signed by the Chairman of the BoM and Chief Executive Officer of the Bank. The minutes so signed, shall be an evidence of the correct proceedings of the meetings. Minutes of each meeting of BoM shall be put up to Board of Directors.</p> <p>viii) The Chairman of the BoM shall be elected by the members of BoM from amongst themselves.</p> <p>ix) The Chairman of the BoD shall not be appointed as Chairman of the BoM, under any circumstances.</p>	<p>In terms of the RBI circular No. DoR (PCB), BPD.Cir.No.8/12.05.002/2019-20 dated 31st December, 2019, constitution of Board of Management (BoM) in Primary (Urban) Co-operative Banks (UCBs) is mandatory for UCBs with deposit size of ₹ 100 crore and above for allowing such banks to expand their area of operation and open new branches. UCBs shall constitute a BoM by making suitable amendments in their bye-laws.</p> <p>The RBI Circular also provides for the Meetings of the BoM.</p> <p>The Board of Directors has therefore proposed addition of Bye-Law No. 69 providing for the meetings of the BoM in line with the RBI circular as also certain provisions applicable to the meetings of the BoD as per the existing byelaws.</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
70		To Add new Bye-Law No. 70 Providing for Tenure of Board of Management (BoM).	<p>x) Members of BoM may be paid allowance / sitting fees for their services as decided and approved by the Board of Directors.</p> <p>TENURE OF BoM: The tenure of BoM shall be co-terminus with the tenure of the BoD.</p>	<p>In terms of the RBI circular No. DoR (PCB),BPD.Cir.No.8/12.05.002/2019-20 dated 31st December, 2019, constitution of Board of Management (BoM) in Primary (Urban) Co-operative Banks (UCBs) is mandatory for UCBs with deposit size of ₹ 100 crore and above for allowing such banks to expand their area of operation and open new branches. UCBs shall constitute a BoM by making suitable amendments in their bye-laws.</p> <p>The RBI Circular also provides for the tenure of the BoM.</p> <p>The Board of Directors has therefore proposed addition of Bye-Law No. 70 for providing for the tenure of the BoM.</p>
71		To Add new Bye-Law No. 71 containing provisions w.r.t. removal of member of BoM.	<p>REMOVAL OF A MEMBER OF THE BoM: i) The Board of Directors (BoD) shall seek concurrence from RBI before removing any member of the BoM / accepting the resignation tendered by any member of the BoM.</p> <p>VACANCY IN THE BoM: i) After removal of the member of BoM or supersession of BoM, the BoD shall appoint a new member or constitute a new BoM as the case may be within a period of three months. ii) As an interim arrangement, BoD may carry out the functions of BoM.</p>	<p>In terms of the RBI circular No. DoR (PCB),BPD.Cir.No.8/12.05.002/2019-20 dated 31st December, 2019, constitution of Board of Management (BoM) in Primary (Urban) Co-operative Banks (UCBs) is mandatory for UCBs with deposit size of ₹ 100 crore and above for allowing such banks to expand their area of operation and open new branches. UCBs shall constitute a BoM by making suitable amendments in their bye-laws.</p> <p>The RBI circular also contains provisions w.r.t. removal of a member of the BoM.</p> <p>The Board of Directors has therefore proposed addition of Bye-Law No. 71 containing provisions w.r.t. removal of a member of the BoM.</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
72	65. MISCELLANEOUS	The existing Bye-Law No. 65 to be renumbered as Bye-Law No. 72	72. MISCELLANEOUS	With the inclusion of New Bye-Law Nos. 65 to 71, the existing Bye-Law No. 65 is renumbered as 72.
37	<p>POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS:</p> <p>1. The Board of Directors may exercise all such powers as may be necessary or expedient for the purpose of carrying out its functions under the Act.</p> <p>2. Without prejudice to the generality of the foregoing powers, such powers shall include the following powers:</p> <p>a. to admit members;</p> <p>b. to interpret the organizational objectives and set up specific goals to be achieved towards these objectives;</p> <p>c. to make periodic appraisal of operations;</p> <p>d. to appoint and remove a Chief Executive Officer or other employees of the Bank as are not required to be appointed by the Chief Executive Officer;</p> <p>e. to make provisions for regulating the appointment of employees of the Bank and the scales of pay, allowances and other conditions of service of, including disciplinary action against such employees;</p> <p>f. to place the annual report, annual financial statements, annual plan and budget for the approval of the general body;</p> <p>g. to consider audit and compliance report and place the same before the general body;</p> <p>h. to acquire or dispose off immovable property;</p> <p>i. to review membership in other co-operatives;</p> <p>j. to approve annual and</p>	<p>To amend Bye-Law No. 37 to add the following clauses to the powers and functions of the Board of Directors (BoD) as per the RBI Circular on Constitution of Board of Management (BoM):</p> <p>q. to look after the general direction and control of the Bank.</p> <p>r. to be the apex policy setting body.</p> <p>s. to constitute various Committees including BoM to assist the Board in carrying out its responsibilities.</p> <p>t. to delegate powers to the various Committees as considered appropriate.</p> <p>u. to ensure that there are no conflicts in the powers delegated to the Committees of the Board and the BoM.</p> <p>v. to delegate any responsibility to the BoM, as it deems fit.</p> <p>w. In the event where the BoD differs with the recommendations of BoM, it shall do so by recording, in writing, the reasons thereof.</p> <p>x. to appoint a new member of the BoM or constitute a new BoM as the case may be within a period of three months, after removal of a member of BoM or supersession of a BoM. As an interim arrangement, the Board may carry out the functions of BoM.</p>	<p>POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS:</p> <p>1. The Board of Directors may exercise all such powers as may be necessary or expedient for the purpose of carrying out its functions under the Act.</p> <p>2. Without prejudice to the generality of the foregoing powers, such powers shall include the following powers:</p> <p>a. to admit members;</p> <p>b. to interpret the organizational objectives and set up specific goals to be achieved towards these objectives;</p> <p>c. to make periodic appraisal of operations;</p> <p>d. to appoint and remove a Chief Executive Officer or other employees of the Bank as are not required to be appointed by the Chief Executive Officer;</p> <p>e. to make provisions for regulating the appointment of employees of the Bank and the scales of pay, allowances and other conditions of service of, including disciplinary action against such employees;</p> <p>f. to place the annual report, annual financial statements, annual plan and budget for the approval of the general body;</p> <p>g. to consider audit and compliance report and place the same before the general body;</p> <p>h. to acquire or dispose off immovable property;</p> <p>i. to review membership in other co-operatives;</p> <p>j. to approve annual and</p>	<p>In terms of the RBI circular No. DoR (PCB).BPD.Cir.No.8/12.05.002/2019-20 dated 31st December, 2019, constitution of Board of Management (BoM) in Primary (Urban) Co-operative Banks (UCBs) is mandatory for UCBs with deposit size of ₹ 100 crore and above for allowing such banks to expand their area of operation and open new branches. UCBs shall constitute a BoM by making suitable amendments in their bye-laws.</p> <p>The RBI circular also provides for the functions of the Board of Directors.</p> <p>The Board of Directors has therefore proposed amendment to Bye-Law No. 37 to also include the functions of the Board of Directors as prescribed in the above RBI Circular.</p>

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
	<p>service of, including disciplinary action against such employees;</p> <p>f. to place the annual report, annual financial statements, annual plan and budget for the approval of the general body;</p> <p>g. to consider audit and compliance report and place the same before the general body;</p> <p>h. to acquire or dispose off immovable property;</p> <p>i. to review membership in other co-operatives;</p> <p>j. to approve annual and supplementary budget;</p> <p>k. to raise funds;</p> <p>l. to sanction loans to the members;</p> <p>m. to invest Bank's Funds in permissible securities and to determine investment policy from time to time;</p> <p>n. to consider proposals for opening Branches, extension counters, pay offices and ATM centers;</p> <p>o. to fix the rates of interest on loans and deposits as per directives of The Reserve Bank of India issued from time to time;</p> <p>p. to arrange for election of Directors of the Board;</p> <p>q. to look after the general direction and control of the Bank;</p> <p>r. to be the apex policy setting body;</p> <p>s. to constitute various Committees including BoM to assist the Board in carrying out its responsibilities.</p> <p>t. to delegate powers to the various Committees as considered appropriate;</p> <p>u. to ensure that there are no conflicts in the powers delegated to the Committees of the Board and the BoM;</p> <p>v. to delegate any responsibility as it deems fit to the BoM;</p> <p>w. In the event where the BoD differs with the recommendations of BoM, it shall do so by recording, in writing, the reasons thereof;</p> <p>x. to appoint a new member of the BoM or constitute a new BoM as the case may be within a period of three months, after removal of a member of BoM or supersession of a BoM. As an interim arrangement, the Board</p>	<p>y. to carry out a process of due diligence to determine the suitability of the person for appointment as the member of the BoM, based upon qualification, expertise, track record, integrity and other 'fit and proper' criteria as set out by Reserve Bank of India.</p> <p>z. to carry a process of due diligence for determining the suitability of a candidate for appointment as Chief Executive Officer.</p> <p>aa. to take such other measures or to do such other acts as may be prescribed or required under this Act or the Bye-laws or as may be delegated by the general body.</p>	<p>k. supplementary budget;</p> <p>l. to raise funds;</p> <p>m. to sanction loans to the members;</p> <p>n. to invest Bank's Funds in permissible securities and to determine investment policy from time to time;</p> <p>o. to consider proposals for opening Branches, extension counters, pay offices and ATM centers;</p> <p>p. to fix the rates of interest on loans and deposits as per directives of The Reserve Bank of India issued from time to time;</p> <p>q. to arrange for election of Directors of the Board;</p> <p>r. to look after the general direction and control of the Bank;</p> <p>s. to be the apex policy setting body;</p> <p>t. to constitute various Committees including BoM to assist the Board in carrying out its responsibilities.</p> <p>u. to delegate powers to the various Committees as considered appropriate;</p> <p>v. to ensure that there are no conflicts in the powers delegated to the Committees of the Board and the BoM;</p> <p>w. to delegate any responsibility as it deems fit to the BoM;</p> <p>x. In the event where the BoD differs with the recommendations of BoM, it shall do so by recording, in writing, the reasons thereof;</p> <p>y. to appoint a new member of the BoM or constitute a new BoM as the case may be within a period of three months, after removal of a member of BoM or supersession of a BoM. As an interim arrangement, the Board</p>	

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
	<p>p. to arrange for election of Directors of the Board;</p> <p>q. to take such other measures or to do such other acts as may be prescribed or required under this Act or the Bye- laws or as may be delegated by the general body.</p>		<p>y. may carry out the functions of BoM;</p> <p>to carry out a process of due diligence to determine the suitability of the person for appointment as the member of the Board of Management, based upon qualification, expertise, track record, integrity and other 'fit and proper' criteria as set out by Reserve Bank of India;</p> <p>z. to carry a process of due diligence for determining the suitability of a candidate for appointment as Chief Executive Officer;</p> <p>aa. to take such other measures or to do such other acts as may be prescribed or required under this Act or the Bye- laws or as may be delegated by the general body.</p>	
47	<p>CHIEF EXECUTIVE OFFICER AND POWERS AND FUNCTIONS OF THE CHIEF EXECUTIVE OFFICER:</p> <p>The Chief Executive Officer of the Bank shall be appointed by the Board. He shall be a full time employee of the Bank and he shall aid and assist the Board in their functions. The Chief- Executive shall also be the ex-officio member of the Board.</p>	<p>To amend the first para of Bye-Law No. 47 to include the conditions prescribed for appointment of the Chief Executive Officer as under, in compliance with RBI Circular on Constitution of Board of Management (BoM):</p> <p>1. The Chief Executive Officer (CEO) shall be appointed by the Board of Directors. Appointment of CEO shall be subject to prior approval of Reserve Bank of India. Board Resolution appointing the CEO to be either ratified in the ensuing Annual General Meeting or the Board of Directors may obtain prior approval of the AGM/Special General Meeting before appointing the CEO.</p> <p>2. The Chief Executive Officer shall be a person meeting the following 'fit and proper' criteria as prescribed by the Reserve Bank of India from time to time.</p> <p>3. Qualification of CEO:</p>	<p>CHIEF EXECUTIVE OFFICER AND POWERS AND FUNCTIONS OF THE CHIEF EXECUTIVE OFFICER:</p> <p>1. The Chief Executive Officer (CEO) shall be appointed by the Board of Directors. Appointment of CEO shall be subject to prior approval of Reserve Bank of India. Board Resolution appointing the CEO to be either ratified in the ensuing Annual General Meeting or the Board of Directors may obtain prior approval of the AGM/Special General Meeting before appointing the CEO.</p> <p>2. The Chief Executive Officer shall be a person meeting the following 'fit and proper' criteria as prescribed by the Reserve Bank of India from time to time.</p> <p>3. Qualification of CEO:</p>	<p>In terms of the RBI circular No. DoR (PCB).BPD.Cir.No.8/12.05.002/2019-20 dated 31st December, 2019, constitution of Board of Management (BoM) in Primary (Urban) Co-operative Banks (UCBs) is mandatory for UCBs with deposit size of ₹ 100 crore and above for allowing such banks to expand their area of operation and open new branches. UCBs shall constitute a BoM by making suitable amendments in their bye-laws.</p> <p>The RBI circular contains provisions w.r.t. appointment of the Chief Executive Officer.</p> <p>The Board of Directors has therefore proposed amendment to the first para of Bye-Law No. 47 to include the conditions prescribed for appointment of the Chief Executive Officer.</p>

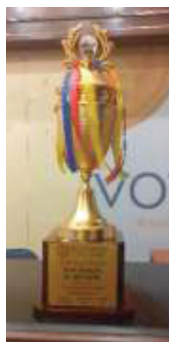
BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
		<p>the CEO.</p> <p>2. The Chief Executive Officer shall be a person meeting the following 'fit and proper' criteria as prescribed by the Reserve Bank of India from time to time.</p> <p>Qualification of CEO:</p> <p>i) The person shall be a graduate with</p> <p>(a) CAIIB / DBF / Diploma in Co-operative Business Management or equivalent qualification; or</p> <p>(b) Chartered / Cost Accountant; or</p> <p>(c) Postgraduate in any discipline.</p> <p>ii) The person may preferably not be less than 35 years of age and not more than 70 years of age at the time of appointment.</p> <p>iii) The person shall have at least 8 years' work experience at the middle / senior level in the banking sector.</p> <p>4. The CEO shall furnish a declaration-cum-undertaking to the Board of Directors at the time of his/her appointment and shall undergo a process of due diligence carried out by Board of Directors in respect of such person relying on the information given in the Declaration.</p> <p>5. The process of due diligence will also be undertaken at the time of renewal of appointment.</p> <p>6. If the Chief Executive Officer is removed, the Board of Directors shall appoint a new Chief Executive Officer within a period of three months, subject to approval from the Reserve Bank of India.</p> <p>Such appointment shall be informed to and ratified by the members of the Bank in the ensuing Annual General Meeting or a Special General Meeting.</p> <p>7. The Chief Executive Officer shall be a full time employee of the Bank and he shall aid and assist the Board in their functions.</p> <p>8. The Chief Executive Officer shall also be the ex-officio member of</p>	<p>i) The person shall be a graduate with</p> <p>(a) CAIIB / DBF / Diploma in Co-operative Business Management or equivalent qualification; or</p> <p>(b) Chartered / Cost Accountant; or</p> <p>(c) Postgraduate in any discipline.</p> <p>ii) The person may preferably not be less than 35 years of age and not more than 70 years of age at the time of appointment.</p> <p>iii) The person shall have at least 8 years' work experience at the middle / senior level in the banking sector.</p> <p>4. The CEO shall furnish a declaration-cum-undertaking to the Board of Directors at the time of his/her appointment and shall undergo a process of due diligence carried out by Board of Directors in respect of such person relying on the information given in the Declaration.</p> <p>5. The process of due diligence will also be undertaken at the time of renewal of appointment.</p> <p>6. If the Chief Executive Officer is removed, the Board of Directors shall appoint a new Chief Executive Officer within a period of three months, subject to approval from the Reserve Bank of India.</p> <p>Such appointment shall be informed to and ratified by the members of the Bank in the ensuing Annual General Meeting or a Special General Meeting.</p> <p>7. The Chief Executive Officer shall be a full time employee of the Bank and he shall aid and assist the Board in their functions.</p> <p>8. The Chief Executive Officer shall also be the ex-officio member of</p>	

BYE LAW NO.	PRESENT BYE-LAW	AMENDMENT PROPOSED IN THE EXISTING BYE-LAW	TEXT OF BYE-LAW AFTER PROPOSED AMENDMENT	REASON FOR AMENDMENT
		<p>Chief Executive Officer within a period of three months, subject to approval from the Reserve Bank of India.</p> <p>Such appointment shall be informed to and ratified by the members of the Bank in the ensuing Annual General Meeting or a Special General Meeting.</p> <p>7. The Chief Executive Officer shall be a full time employee of the Bank and he shall aid and assist the Board in their functions.</p> <p>8. The Chief Executive Officer shall also be the ex-officio member of the Board of Directors and the Board of Management. The Chief Executive Officer shall be a non-voting member of the Board of Management.</p>	<p>the Board of Directors and the Board of Management. The Chief Executive Officer shall be a non-voting member of the Board of Management.</p>	

AWARDS & RECOGNITION

Best Bank Award

Our Bank bagged the 2nd position for the award for Best Bank, declared by the Brihan Mumbai Sahakari Banks Association Ltd. Mumbai, for the year 2018-19.



CFO Power List 2019 & Excellence in Finance Leader Award



Srinivasraghavan Soundararajan, our CFO, was one of the awardees for “**CFO Power List 2019**” awarded by Core Media Group on 22nd November, 2019. He received the award under “Treasury Management ICON”.

The CFO POWER LIST features 51 finance leaders across 13 categories- Digital Finance Transformation, Finance Automation, Finance Innovation, Strategic Finance Transformation, Building Finance Organization, Cross Functional Portfolio Management, Financial Planning & Analysis, Fund Raising, Investor Relations, Merger & Acquisitions, Strategic Finance Transformation, Supply Chain Finance and Treasury Management

He also received “**Excellence in Finance Leader Award**” in recognition of his contribution to the Finance Industry. This award was presented to him at **FINEXT AWARDS & CONFERENCE** at Dubai.

TOP 100 CISO Award, Digital Leader of the Year & BFSI Leadership Award



Amit Jaokar our “Chief Information Security & Digitisation Officer received three awards.

“**TOP 100 CISO Award**” by India's Largest Cyber Security Community CISO Platform. felicitated by honorable Mr. Nabankur Sen Ex. CISO Bandhan Bank, Axis Bank, SBI. The Chief Guest of the program was Mr. Nandan Nilekani cofounder of Infosys.

“**Digital Leader of the Year Award**” by UBS Forums. This is a first of its kind event in India to Honour Top 10 CDO's from key industry sectors; who have brought about a sea change in the way technology is leveraged in their businesses throughout their careers.

“**BFSI Leadership Award**” by Elets Technomedia for exemplary leadership in the BFSI domain all-round the career in space of Innovation and Digital transformation.

MANAGEMENT TEAM

CHINTAMANI NADKARNI

Managing Director (Upto 31.08.2020)

UDAY SHETYE

Deputy Managing Director

SRINIVASRAGHAVAN S.

Chief General Manager

DIWAKAR KAMATH

Senior General Manager

RAJESH KAMAT

General Manager

VISHAL RATHOD

Chief Information Officer

AMIT JAOKAR

Chief Information Security Officer

SANTOSH BORKAR

Deputy General Manager

UPENDRA KINI

Deputy General Manager

VANITA SATAM

Deputy General Manager

FUNCTIONAL HEADS

Laxmikant Desai - Operations & Compliance

Samir Rege - Finance & Treasury

Jyoti Nageshkar - Wholesale Credit

Anand Dhareshwar - Forex & Trade Finance

Gunakar Anwekar - Human Resources

Vinay Rao - Liability & Ancillary

Ashish Aldangadi - Facilities & Marketing

Shivprakash Nair - Audit & Inspection

Deepali Kandade - Secretarial

Anil Muley - Vigilance & Risk

CLUSTER HEADS

Vilas Palande - Cluster I

Umesh Dhawale - Cluster II

Rohidas Raikar - Cluster III

Dayanand Shenoy - Cluster IV

Vasant Kandloor - Cluster V

Nitin Khanolkar - Cluster VI

Deepak Manel - Cluster VII

Sandeep Patki - Cluster VIII

Prasad Varpe - Cluster IX

Kiran Pai - Cluster X

Nilesh Bandekar - Cluster XI

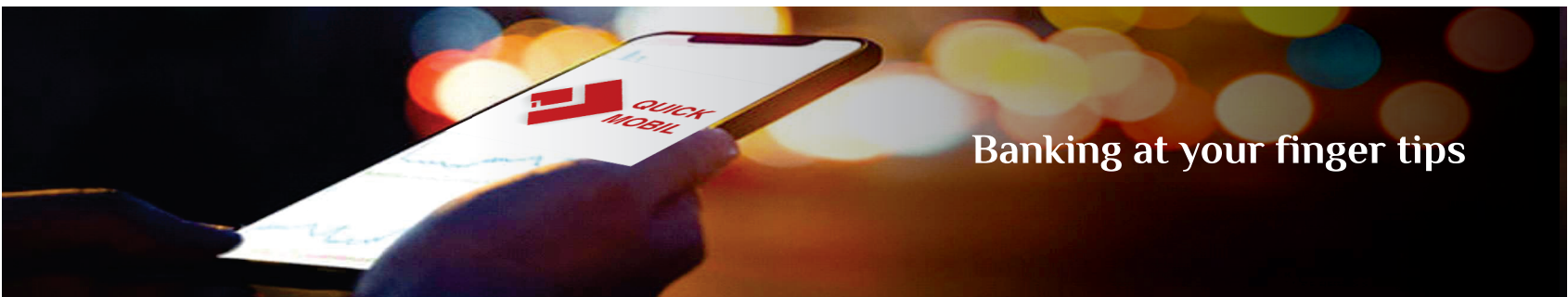
Pravin Rao - Cluster XII

Mukul Negandhi - Cluster XIII



NKGSB Bank
NKGSB Co-op. Bank Ltd.
(Multi-State Scheduled Bank)

Trusted over a Century



Banking at your finger tips

NKGSB Bank has made great strides in this area in a relatively short space of time. We have equally focussed on digital keeping in mind the convenience of banking for clients through Mobile Banking App and Internet Banking.



Corporate Citizen

We fulfill our responsibility to society through paying taxes and are transparent in our approach to it. Furthermore, we recognise our wider obligations to society to increase financial inclusion and are carrying out a number of initiatives to help more people access financial services.



Communities

We have a responsibility to invest in the long-term prosperity of the communities where we operate. Much of our focus is on programmes that develop employability and financial capability. We also back initiatives that support responsible business.



Culture & Behaviours

Our culture supports our employees and empowers them to consistently do the right thing for our customers and markets in which we operate. We are open to challenges,, we acknowledge when things go wrong, we fix things and we learn from our mistakes.

Together through Generations

Serving many generations of customers for 103 years, our growth is accomplished by staying true to our objective of Humanising Financial Services which drives us to constantly innovate and incorporate sustainability considerations in our pursuit of meeting the evolving needs of our stakeholders and customers today and in the future.

The ongoing global outbreak of COVID-19 (Coronavirus) has changed the way we live, work and do business. The challenges are uncertain and unprecedented in the history of mankind. But thanks to the unfailing trust and support of our shareholders, customers and well-wishers, backed by the solidarity and dedication of our employees, we have managed to stay afloat. Proper precautions has been taken during this pandemic situation and we ensure that we will adhere to them in future as well. Our priority is the safety of our personnel, customers, partners and community. It's not only your Wealth, we care for your Health too.

NKGSB Bank always focuses on improving customer experience and engagement. Through a rollout of innovative digital banking products and services that are safe, secure and convenient, banking is now made available at any place, any time.

Our endeavour to give the best of banking services will continue...

Regd. Office:

Laxmi Sadan,
361, V.P. Road, Girgaum,
Mumbai - 400004. Call: 022 67545000.



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