

# ANNUAL REPORT

2016-2017

REACHING OUT  
DIGITALLY



CITIZENCREDIT  
CO-OPERATIVE BANK LTD



## Vision

Helping customers achieve economic success and financial security thereby building vibrant and prosperous communities, sustained by values of integrity and good governance.

## Mission

To be a financially strong and vibrant Bank.

To work to improve the quality of life to the communities we serve.

To earn the respect of employees and customers.

To conduct our operations with integrity and transparency.

To demonstrate character that always recognizes that the financial well being of the customers is the reason we are here.

To promote the spirit of co-operation and build long term shareholder value.

## BOARD OF DIRECTORS



**Mr. Anthony D'Souza**  
CHAIRMAN



**Mr. Donald L. Creado**  
VICE-CHAIRMAN



**Mrs. Priscilla W. Buthello**  
DIRECTOR



**Mr. Frederick F. Castelino**  
DIRECTOR



**Mr. Malcolm D. Correa**  
DIRECTOR



**Dr. Frederick J. De Souza**  
DIRECTOR



**Mr. Edwin J. Gonsalves**  
DIRECTOR



**Mr. Leslie J. H. Lobo**  
DIRECTOR



**Mr. Joseph M. B. Mascarenhas**  
DIRECTOR



**Mr. Leslie Mascarenhas**  
DIRECTOR



**Mr. James S. Pereira**  
DIRECTOR



**Mr. Roger C. B. Pereira**  
DIRECTOR



**Adv. Royston J. Pereira**  
DIRECTOR



**Adv. Arvind Pinto**  
DIRECTOR



**Mrs. Geeta C. Andrades**  
MANAGING DIRECTOR & C.E.O

## PROFILE

### **DATE/OFFICIAL ADVICE OF REGISTRATION**

Regn. No. 2905 of May 08, 1920 with the Registrar of Co-operative Societies as the erstwhile Bombay Catholic Urban Co-operative Credit Society.

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### **CONVERSION INTO CO-OPERATIVE BANK**

Order no. BOM/URB/BOMBAY CATHOLIC R-WARD OF 84 dated October 20, 1984 by the Registrar of Co-operative Societies, New Delhi.

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### **RBI BANKING LICENCE**

MH 1016 p dated December 27, 1989.

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### **SCHEDULED BANK STATUS**

October 26, 1996

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### **MULTI-STATE CO-OPERATIVE BANK**

Regn. No. MSCS/CR/75/98 dated January 20, 1998 by the Central Registrar of Co-operative Societies, New Delhi.

## BOARD OF DIRECTORS

**April 2016 - December 06, 2016**

**Chairman**

Mr. Anthony D'Souza

**Vice-Chairman**

Mr. Melvin P. Tellis

**Directors**

Mr. John L. Araujo  
Mrs. Maureen E. Britto  
Mr. Malcolm D. Correa  
Mr. Donald L. Creado  
Mr. Archie C. D'Souza  
Prof. Mrs. Lilla D'Souza  
Mr. Edwin J. Gonsalves  
Mr. Leslie J. H. Lobo

**December 07, 2016 - March 2017**

**Chairman**

Mr. Anthony D'Souza

**Vice-Chairman**

Mr. Donald L. Creado

**Directors**

Mrs. Priscilla W. Buthello  
Mr. Frederick Castelino  
Mr. Malcolm D. Correa  
Dr. Frederick J. De Souza  
Mr. Edwin J. Gonsalves  
Mr. Leslie J. H. Lobo  
Mr. Joseph M. B. Mascarenhas  
Mr. Leslie Mascarenhas  
Mr. James Pereira  
Mr. Roger C.B. Pereira  
Adv. Mr. Royston Pereira  
Adv. Mr. Arvind Pinto

**Managing Director & CEO**

Mrs. Geeta C. Andrades

**EXECUTIVE MANAGEMENT TEAM**

**Deputy General Manager**

Mr. Mathew Thomas

**Officer on Special Duty**

Mr. Samir Majumdar

**Assistant General Managers**

Mrs. Suzan Cardoso  
Mrs. Fatima Jacinto  
Mrs. Shoba Saldanha

Mr. Vincent D'Cunha  
Mrs. Francisca Quinny

**Statutory Auditor**

M/s. Mukund M. Chitale & Co.

Chartered Accountants

**Legal Advisors**

M/s. Kanga & Co  
M/s. Manilal Kher Ambalal & Co  
M/s. PRS Legal

Advocates Solicitors & Notary  
Advocates & Solicitors  
Advocates & Legal Consultants

**Registered Office / Central Administrative Office**

Helena Apartments, 57, Mount Carmel Road, Bandra (West), Mumbai 400050  
Telephone Nos: 26401126, 26442829 / 30 / 31 / 32, 26455108, 26456018  
Fax Nos: 26403128, 26430131 **Toll Free Number No. 1800 123 0209**

**Website**

[www.citizencreditbank.com](http://www.citizencreditbank.com)

**Email**

[ccb1@citizencreditbank.com](mailto:ccb1@citizencreditbank.com)

BOARD OF DIRECTORS



## NOTICE TO MEMBERS

NOTICE is hereby given that the **TWENTIETH ANNUAL GENERAL MEETING** of the members of **CITIZENCREDIT CO-OPERATIVE BANK LTD.** as a Multi-State Co-operative Bank under the Multi-State Co-operative Societies Act, 2002, will be held on **Sunday, September 24, 2017 at 10.00 a.m. at St. Andrew's Auditorium, St. Dominic Road, Bandra (W), Mumbai 400050**, to transact the following business:

1. To record the Minutes of the Annual General Meeting of the Bank held on September 25, 2016 which are circulated herewith.
2. To consider the Board of Directors' Report for the year ended March 31, 2017 on the performance of the Bank and future perspectives.
3. To consider and adopt the Audited Statements of Accounts including the Balance Sheet as at March 31, 2017 and the Profit & Loss Account for the year ended March 31, 2017 and the Statutory Auditor's Report.
4. To approve the Appropriation of Profit and declaration of dividend.
5. To appoint Statutory Auditors for the financial year 2017-18.
6. To consider any other subject of which proper notice has been given.

By Order

**Geeta C. Andrades**  
Managing Director &  
Chief Executive Officer

DATE: July 12, 2017

In the absence of a quorum at the time fixed for the Meeting, it shall stand adjourned for half an hour. Thereafter, at the Adjourned Meeting, the members present shall constitute the quorum.

### IMPORTANT NOTES

1. Minutes of the Annual General Body Meeting held on September 25, 2016 are enclosed.
2. Members are requested to intimate any change of address, name of nominee, etc., to enable the Bank to keep its records up-to-date.
3. The Register of Members shall be closed 30 days before the Annual General Body Meeting; i.e. by August 24, 2017.
4. Members desirous of raising any queries relating to the Annual Report, Balance Sheet and Profit & Loss Account at the Annual General Body Meeting must send them to the Registered & Central Administrative Office, at least 10 working days prior to the Annual General Body Meeting; i.e. by Thursday, September 14, 2017 before 2 p.m.
5. The Bank's Identity Card is a requisite for attendance at all official meetings. Identity Cards are issued to members at the Registered & Central Administrative Office on production of two stamp size photographs (3 cm x 2 cm). However, a member not possessing the Identity Card should bring the envelope containing the Annual Report to the Annual General Body Meeting as alternate proof of identity.
6. All unclaimed dividends from the Financial Year 2013-14 may be claimed on submission of Form V available at all branches of the Bank. Dividend amounts for the Financial Year 2012-13 lying unclaimed as on March 31, 2017 will be transferred to the Statutory Reserve Fund.
7. Members are requested to give instructions to the Bank for direct credit of the dividend to their Savings Bank / Current Account with Citizencredit Co-operative Bank Ltd /any other Bank.
8. Members are kindly requested to update their KYC details, if not already done, with any of the Branches of the Bank. In terms of RBI Directive No. DBR.AML.BC No.81/14.31.001/2015-16 dated February 25, 2016 updated on July 08, 2016; all Urban Co-operative Banks are instructed to freeze the accounts if not KYC compliant.
9. Members are requested to introduce the Bank to their friends and relatives, to avail of the varied products & services offered by the Bank.

## DIRECTORS' REPORT

### DEAR MEMBERS,

The Board of Directors have pleasure in presenting the Twentieth (20<sup>th</sup>) Annual Report of the Bank as a Multi-State Co-operative Bank Ltd, along with the Audited Accounts for the financial year ended March 31, 2017.

### INTRODUCTION

The Bank's mission is to be a financially sound and vibrant Bank which strives to improve the quality of life of the communities we serve. The Bank is committed to doing this while conducting its operations with integrity, transparency and character. The mission is to build long term and sustainable shareholder value while keeping the paramount interest of our customers in mind.

Naturally, therefore, our business strategy is founded on the bedrock of our mission principles and the strategy includes:

- Being a customer centric bank to help them achieve economic and financial security.
- Building a strong and sustainable asset book through robust and formidable credit discipline.
- Building a business on a low cost base where margins are durable.
- Building a Bank where technology and the human touch coexist seamlessly.
- Striving to grow our market share while retaining our cooperative brand.

This year, a new Board of Directors is in place. The Board has a clear-cut vision and direction for the Bank. The experience and foresight of the directors will, ensure that the Bank assumes its rightful place in the Indian banking space as a modern, digital and operationally sound Bank.

On the macro economic front we expect that till such time there is an up swing in the investment cycle, primarily private investment, and asset quality of Banks remains under stress, the Banking sector may not see a comprehensive recovery. Given the stress stated above, growth of the economy may not be more than 7.5 to 7.6%. Government investments, revival of the rural economy, and higher plan outlay in various social sectors would ensure that growth rates accelerate in 2018-19.

For the Bank this is a time to consolidate operations, build digital and product delivery channels,

identify and book quality assets while pursuing an enhanced risk protocol in respect of these assets. The Bank is at the cusp of circumstances that can propel it forward once the stress in the economy abates and the opportunities to viable and sustainable growth presents them.

The Bank's digital initiatives are on course and the new offerings will be available soon. The Bank is also conscious about cyber security and has enhanced the cyber vigilance programme aimed at effective governance measures to manage digital security.

A comprehensive risk strategy is in place to cover the risk we are exposed to by the very nature of our business. The material risk, primarily credit, market, business, liquidity, technology and operation risk are measured, monitored and managed as these are crucial to the risk return principle and will be important in determining how well prepared we are in managing risks and making the Bank successful. The Board places a lot of importance on Risk and reviews risk levels to ensure these remain manageable particularly in the current challenging environment.

The Board has also set goals and milestones that need to be achieved by the Bank, in particular, of achieving the optimal credit deposit ratio, reducing substantially the non performing and stressed assets of the Bank, increasing the net interest margin and return on assets and managing treasury risks in a manner that ensures that the yield on treasury portfolio remains healthy and sustainable.

### 1 THE GLOBAL ECONOMIC SCENE

During the year 2016 and even going into 2017 the global environment was swamped by anti-globalization and anti-immigration wave causing much turmoil. The US presidential election result and Brexit in UK caught markets off guard, increasing uncertainty in the World Economies already hit by slow growth and disinflation. Exporting countries saw some respite but

non-commodity exporting countries suffered due to slowdown in global demand.

Global economic growth moderated to 3.1% in both advanced as well as emerging economies during calendar year 2016. The US Federal Reserve increased policy rates towards the end of calendar year 2016, and again in March 2017, while the monetary policy stance remained accommodative in most other economies. Commodity prices, which had declined sharply in calendar year 2015, partially recovered during calendar year 2016, particularly in respect of crude oil and metals. Global trade showed an improvement towards the later part of the year, partly led by the rise in commodity prices. The key political developments during the year were the presidential election in the US and the UK referendum decision to withdraw from the European Union.

## 2 INDIAN ECONOMIC SCENE

- Domestically 2016 was a year that saw India doing well on all grounds. A growth oriented Government was at the center. India's fiscal policy remained prudent as the government adhered to containing the fiscal deficit as prescribed in FSRM Act; inflation targeting through CPI instead of WPI and the passage of the GST bill.
- In May 2016, the Insolvency and Bankruptcy Code, 2016 was enacted providing an institutional framework for recovery and resolution of loans and advances, and protection for investors and creditors.
- A six-member Monetary Policy Committee comprising members from the Reserve Bank of India (RBI) and the Government was constituted, with responsibility for monetary policy decision making.
- Fiscal policy was reformed with the merger of the Railway Budget with the Union Budget and removal of the categorization of plan and non-plan expenditure.
- Foreign investment policies were further liberalized, and the dissolution of the Foreign Investment Promotion Board (FIPB) was announced.
- Legislation relating to the Goods and Services Tax was enacted, paving the way for its implementation in fiscal 2017.
- The Rupee depreciated from ₹66.4 per U.S. dollar at March 31, 2016 to ₹68.8 per U.S. dollar at November 28, 2016 but subsequently appreciated to ₹64.9 per U.S. dollar at March 31, 2017.
- **Demonetization:**
  - On November 8, 2016, the Government of India denotified ₹1,000 and ₹500 denomination currency notes Specified Bank Notes (SBNs) constituting approximately 86% of the total currency in circulation, as legal tender and introduced new ₹500 and ₹2,000 denomination currency notes. This step was taken with the aim to curb the parallel economy, eliminate the use of counterfeit notes and encourage a shift to cashless digital transaction modes.
  - RBI announced several measures with regard to limits on exchange of SBNs, cash withdrawal limits from ATMs and bank accounts, waiver of ATM charges for all transactions of savings account customers, reduction in Merchant Discount Rate (MDR) for debit card transactions up to ₹2,000 and waiver of charges on transactions settled on Immediate Payment Service (IMPS).
  - In November 2016, RBI extended the period for recognizing a loan account as sub-standard by an additional 60 days.
  - Demonetization led to a surge in of ₹ 8.20 trillion in deposits in the banking system during November 2016 to March 2017.
  - Hundred percent incremental Cash Reserve Ratio (CRR) during Demonetization period.
  - Incremental CRR of 100% related to the increase in net demand and time liabilities (NDTL) between September 16, 2016 and November 11, 2016 effective the fortnight beginning November 26, 2016.
  - Later, to facilitate liquidity management operations by RBI, the Government of India on December 2, 2016, revised the ceiling for issue of securities under the Market Stabilization Scheme (MSS) to ₹ 6.00 trillion.
  - Banks were also permitted to provide additional working capital limit to borrowers in the micro and small enterprise segment up to March 31, 2017.
  - During the year, digital financial transactions received a further push through launch of new payment applications. Key launches included the Unified Payment Interface (UPI), a payment platform which allows instant fund transfer to any bank account using a virtual payment address and without requiring bank account details, the Bharat Interface for Money (BHIM) a mobile application



built using the UPI interface, and Aadhaar-Enabled Payment System (AePS) which enables banking transactions using Aadhaar authentication.

### 3 MONETARY POLICY STANCE OF RBI

During the Financial year 2016–17, RBI kept Cash Reserve Ratio unchanged at 4%. However, it has cut the Repo rate by 25 basis points each in April 2016 and October 2016 respectively. In the Sixth Bi-monthly Monetary Policy Statement of year 2016-17 the MPC in a surprise move decided to change the monetary stance from accommodative to neutral to assess the transitory effects of demonetization on inflation and the output gap play out with the objective of achieving consumer price index (CPI) inflation at 5% by fourth Quarter of 2016-17 and the medium-term target of 4% within a band of +/- 2%, while supporting growth.

### 4 INDIAN BANKING SCENARIO

Some important regulatory developments impacting the Banking Sector as a whole during the Financial Year 2016-17 were as follows:

- In April 2016, RBI allowed the issuance of priority sector lending certificates (PSLCs) and permitted banks to trade their priority sector portfolios by selling/buying these certificates.
- In May 2016, RBI issued revised guidelines with regard to shareholding in private sector banks. As per the guidelines, non-financial corporate entities can have a shareholding up to 10% in private sector banks; non-diversified unlisted financial institutions can hold up to 15%; and well-diversified listed financial institutions can hold up to 40%. Voting rights are capped at 15%.
- As an additional measure to strengthen the ability of banks to deal with large stressed assets, in June 2016, RBI issued guidelines introducing the Scheme for Sustainable Structuring of Stressed Assets (SSSSA).
- In July 2016, RBI allowed banks to include government securities equivalent to an additional 1% of net demand and time liabilities (NDTL) under Facility to Avail Liquidity for Liquidity Coverage Ratio (FALLCR) as level 1 high quality liquid assets for the computation of liquidity coverage ratio.
- In August 2016, RBI increased the risk weights on externally unrated exposures to corporates, asset finance companies (AFCs) and infrastructure financing non-banking finance companies (IFCs).

- Also in August 2016, RBI permitted banks to raise funds overseas by issuing long-term rupee denominated bonds for financing infrastructure and affordable housing.
- In August 2016, RBI also released guidelines for continuous licensing of universal banks in the private sector.
- In September 2016, RBI announced a series of measures with regard to development of the corporate bond market.
- RBI issued a new framework for sale of distressed assets by banks in September 2016. Key features include allowing banks to sell such assets to non-banking finance companies; using E-auction platform.
- In November 2016, RBI allowed banks to raise funds through issuance of rupee denominated bonds overseas.
- In December 2016, RBI issued guidelines on the banking system's exposure to large borrowers and higher standard asset provisioning and risk weights on incremental exposures beyond the normally permitted lending limits.
- In February 2017, RBI issued amendments with regard to payment of coupon on Basel III capital instruments. As per the revised guidelines, if current year profits are not sufficient, coupon may be paid through profits brought forward from previous years, and/or reserves representing appropriation of net profits including statutory reserves.

### 5 PERFORMANCE OF THE BANK

The Bank has continued to get 'A' rating from the Statutory Auditors for the year 2016-17. The Bank has completed review of its existing policies, modified those where appropriate and introduced several new policies in all functional areas, like Credit, Operations, Planning, Audit, Treasury (Investments), Information Technology and Human Resources. The Board of Directors together with the Executive Management Team has devised a revised and a more effective Organization Chart for the Bank, so as to ensure sustainable growth, with a view to strengthening governance and more effectively manage the various risks facing the Bank today. The revised organization chart provides for succession plan at various levels too. The Bank continues with Risk and Compliance Structure which is expected to be greatly beneficial

in meeting challenges and confronting the future with confidence.

During the last three years, the Board of Directors has been endeavoring to strengthen the financial position of the Bank by making additional provisions so as to ensure that the loans provision coverage ratio exceeds 60%. The Board after due deliberations recommends “write off” of certain chronic defaulted loans wherein full provisions have been made from profits of past years.

The Board is pleased to inform that during the financial year 2016-17, the Bank has fulfilled all the necessary criteria laid down by the RBI, to be considered as a Financially Sound and Well Managed (FSWM) Bank.

Net Interest Income has reduced to ₹ 83.89 crores from ₹86.36 crores, during previous year as there was hardly any fresh credit off take during the year. Keeping in view the depositor profile, the Bank’s Interest Rate Policy on Deposits has been so calibrated to ensure positive rate of return (Real rate of Interest, adjusted for Inflation as targeted by RBI) to depositors. However, the RBI reduction of Policy Rates (Repo Rate), from time to time, is passed on to borrowers. In view of market trends, competition and demand of borrowers, the Bank has reduced its lending rates and introduced new loan products with attractive low lending rates during the year with the focused intention on growing the loans and advances portfolio. The reduction

in rate of interest on advances has immediate effect on lowering interest income, however the impact of interest expenses due to reduction of rate of interest on Deposits depends on the maturity pattern of Deposits.

## 6 CAPITAL

### 6.1 Capital Adequacy

The Capital to Risk Weighted Assets of the Bank (CRAR) stood at 18.68% as against the minimum prescribed 9% specified by RBI and 10% for Financially Sound & Well Managed Banks. The Bank has an adequate Capital buffer to meet any contingency on market forces or Regulatory requirements in its Risk Weighted Assets. The total Capital Funds have increased by 5.04% over the previous year. The ratio of Tier I to Tier II Capital stood at 3.13, in excess of the prescribed level of 1.5.

### 6.2 Share Capital & Reserves

The Paid-up Capital of the Bank stood at ₹15.25 crores. The accumulated Reserves were ₹335.99 crores and covered the Paid-up Share Capital over twenty two times, indicating sustained internal accruals for strengthening the financial position of the Bank. The Capital & Reserves of the Bank have increased by 6.10% over the previous year and the Bank has prudently ploughed back 88.06% of the profits to Reserves.

### Comparative Snapshot of the Bank’s financial performance during the last two Financial Years 2015-16 & 2016-17:

(₹ in Crores)

Performance Highlights	2016-2017	2015-2016	% change
No. of Branches	42	42	-
Membership (Regular)	14469	13655	5.96%
Paid up Share Capital	15.25	15.20	0.33%
Total Reserves & Funds	335.99	316.85	6.04%
Working Capital	3354.58	3082.15	8.84%
Business Mix	4410.48	3942.99	11.86%
Gross NPAs	87.37	79.92	9.32%
Gross NPAs ratio	5.88%	6.05%	-2.81%
Net NPAs	32.82	28.22	16.30%
Net NPAs ratio	2.29%	2.22%	3.15%
Provision Coverage Ratio	62.39%	64.63%	-3.46%
Return on Assets	0.67%	0.69%	-2.57%

## Business Growth

(₹ in Crores)

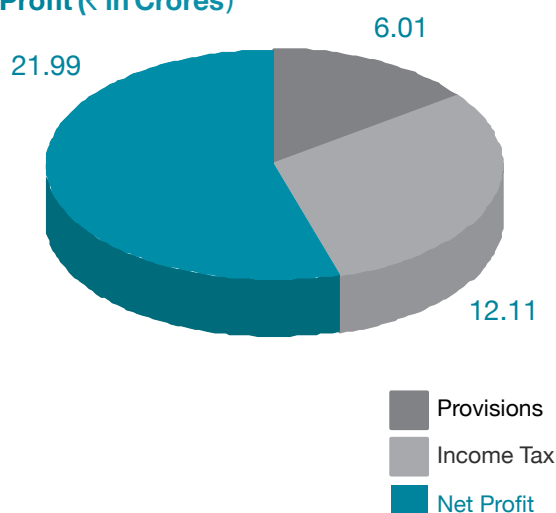
Particulars	March 31, 2017	March 31, 2016	% change
Deposit (i+ii = A)	2924.02	2621.62	11.53%
(i) Low Cost Deposits (a+b) (CASA)	1058.70	893.42	18.50%
(a) Current	75.88	68.61	10.60%
(b) Savings	982.82	824.80	19.16%
(ii) Term Deposits	1865.32	1728.20	7.93%
Advances (B)	1486.46	1321.37	12.49%
<b>Total Business Turnover (A+B)</b>	<b>4410.48</b>	<b>3942.99</b>	<b>11.86%</b>
Investments	843.99	981.46	-14.01%

## Operating Results

(₹ in Crores)

Particulars	March 31, 2017	March 31, 2016	% change
Interest Income	270.34	263.37	2.42%
Interest Expenses	186.44	177.59	4.98%
Net Interest Income	83.89	86.36	-2.86%
Non-Interest Income	23.54	19.81	18.83%
Total Operating Income	107.43	106.18	1.19%
Operating Expenses	67.31	62.57	7.59%
<b>Additions to Provisions</b>	<b>6.01</b>	<b>12.20</b>	<b>-50.74%</b>
Profit before Tax	34.11	31.41	8.60%
Income Tax / Deferred Tax	12.12	11.20	8.21%
<b>Net Profit after Tax</b>	<b>21.99</b>	<b>20.21</b>	<b>8.81%</b>
Audit Classification	A	A	
<b>Total Staff</b>	<b>502</b>	<b>507</b>	<b>0.99%</b>

### Profit (₹ in Crores)



## 7 ASSET QUALITY

### 7.1 Asset Growth and Risk Profile

The Total Assets have increased by 15.73% and the Risk Weighted Assets by 6.70%. There has been accretion to the Net Owned Funds. The Capital to Risk Weighted Assets of the Bank (CRAR) has decreased from 18.97% to 18.68% as on March 31, 2017. It may however be noted that as mentioned above the Bank is maintaining a CRAR in excess of the prescribed requirement of the RBI.

### 7.2 Loans and Advances

The net increase in the core advances of the Bank is ₹66 crores under the schedule of advances. As per the RBI data, Industry wide Credit off-take has



slowed drastically during the year as compared to earlier years. Banks disbursed advances of ₹89,500 crores from April to early December as against ₹4,03,220 crores in the same period during financial year 2015-16. Multiple effects of demonetization such as reduction in CC/OD limits utilization, deposit of cash by borrowers in their loan accounts, towards recovery and/or even closure of loan accounts, sharp fall in business turn over etc. led to further drop in credit portfolio after demonetization. Actual credit growth remained around 5% industry wide, which is the lowest in the past several years.

Under the circumstances the core advances of our bank grew by ₹65 crores, at par with the other Banks in the co-operative sector.

During demonetization period, bank had collected deposits besides regular growth at around 6% on deposits. The bank, therefore, was required to lend extra funds to the extent of ₹250 crores under CBLO term lending. As per the RBI/CCIL circular such lending is required to be shown under 'schedule on advances' as short term advances like CC, OD balances. The total portfolio thus indicates total advances as ₹1486.46 crores and thereby a growth of 12.49% as on March 31, 2017.

However, the interest earned has not grown proportionately during the year due to reduction in Net Interest Income as an impact of low interest rate regime in the banking industry. The net interest rate on CBLO lending was around 6% for a short period of 2-3 weeks which is at par with reverse repo rate.

The advances portfolio has increased by ₹165.09 crores registering a growth of 12.49% during the year. The Bank's Loans and Advances during the year stood at ₹1486.46 crores at the end of the financial year 2016-17. The Bank's lending during the year to Priority Sector was 40.14% and to Weaker Sections was 10.06%, of Adjusted Net Bank Credit. The sluggishness in the economy, more pronounced in the SME sector, on account of uncertainty as well as recession, has adversely affected credit off-take in the banking sector as a whole and has also impacted the Bank's growth in advances in the Corporate Sector.

It may be emphasized that with a view to maintain a healthy portfolio, the Bank has been selective in building its Loans/Advances portfolio. The Bank has made necessary structural and operational

changes in the Credit Department so as to ensure better credit appraisal methods, adherence to strict risk parameters and enhancement in credit operation skills, including documentation and monitoring. The Bank's credit-deposit ratio was 50.84%.

With a view to judiciously increase the credit portfolio, the Bank in 2016-17 has introduced several new products such as Loan/Overdraft against Property, Lease Rental Discounting, and Education Loan at competitive and attractive lower rate of interest.

In order to ensure that the quality assets under advances are retained, the Bank has introduced an effective Credit Rating Model for large Corporate/SME borrowers. This assists in the pricing of the loan products based on individual asset risk analysis, which is beneficial to its borrowers. All the credit proposals of ₹1 crore and above are assessed by the Risk Department for risk identification, evaluation and mitigation. The Bank has set up a specialized team to monitor the accounts on a regular basis, for proper management of the Stressed accounts and recovery of the Non-Performing Assets.

The Bank has segmented the Credit portfolio into Corporate, SME and Retail loans as follows:

- **Corporate Credit** comprise of all credit facilities availed of by Borrowers which aggregate ₹5 crores and above.
- **SME Credit** are pertaining to all types of Business loans availed of by Borrowers which is less than ₹5 crores.
- **Retail Credit** consist of all types of personal loans such as Housing, Education, Gold, Mortgage, Vehicle, Consumer / Personal, Reverse Mortgage and generally small value loans.

### 7.3 Non-Performing Assets

Asset quality issues were at its peak for Indian Banks in last year and still continue. It increased further during 2016-17 as small customers continued to struggle with the adverse effects of demonetization. According to global rating agency viz 'Standard and Poor' many advances in the banking sector slipped due to the cash crunch and a slowdown in business. Borrowers were also affected by rising working capital cycles since they had to support the supply chain which

often deals with cash. Obviously the borrowers at the margin turned delinquent. The borrowers resumed their repayments with a lag. Also the staff working on recovery at branches were required to be put on the job of managing the sudden surge in cash activity at branches after demonetization. The total NPAs as on March 31, 2017 are ₹87.37 Crores. The Bank's Gross Non- Performing Assets (NPAs) stood at 5.88% and the net Non- Performing Assets (NPAs) at 2.29% as of March 2017. The Board of Directors has ensured that more than adequate provision has been made for loans classified as NPAs and for any possible value erosion in the loan exposure, investment and other assets of the Bank.

The overall economic depression has largely affected credit growth in various industries, particularly in the Corporate and SME sectors. The Bank has been proactive in early identification of stressed assets with continuous monitoring of the same for ensuring recovery in order to maintain strong financials of the Bank. In the light of the challenges, measures, including legal actions, initiated by the Bank during the year will ensure effective management of stressed assets / NPAs of the Bank so as to improve the Asset Quality of the Bank by reducing the Gross and Net NPAs in the coming years.

The Bank is pleased to inform that the Provision Coverage Ratio of the Bank at 62.39% which provides a strong cushion and is in consonance with the guidelines of the RBI in this regard.

Gross NPAs (₹ in Crores)		
As on March 31, 2016	79.92	
Additions during the year	15.44	
Reduction during the year	7.99	
As on March 31, 2017		87.37
Provisions		
As on March 31, 2016	51.65	
Additions during the year	2.86	
Reduction during the year	-	
As on March 31, 2017		54.51

Gross NPAs		
NET NPAs		
As on March 31, 2016	28.22	2.22%
As on March 31, 2017	32.82	2.29%

### Thrust on Legal Action Initiated against persistent Defaulting Borrowers

During the financial year 2016-17 and in the current year as well, the Bank has accelerated the legal proceedings against Defaulters with several / multiple actions initiated under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) and under the Recovery of Debts Due to Banks and Financial Institutions Act, (RDB Act 1993) against the defaulters.

Under the Insolvency & Bankruptcy Code 2016, the Bank has also initiated action for winding-up against borrower companies. Additionally the Bank obtained appointment of the Arbitrator in the last financial year and hearings under Section 84 of the Multi-state Co-operative Societies Act 2002 commenced with two orders passed in favor of the Bank.

The Bank also defends cases which have been filed against the Bank in recovery matters in various Courts.

Statistics of legal actions initiated by the Bank for recovery of the dues during the period are as under:

Recovery Cases filed by the Bank against defaulters/borrowers under:	No of cases	Claim Amount (₹ in Crores)
RDB Act, 1993	6	40.96
SARFAESI Act, 2002	11	38.80
<b>Under NCLT (IBC-2016)</b>	<b>2</b>	<b>29.53</b>

The Bank's thrust is to ensure recovery of loans by sale of mortgaged properties and initiating action against borrowers and guarantors through legal process. During 2016-17, the Bank was successful in obtaining 20 orders in its favor under the SARFAESI Act, 2002 which are under execution/ stay / further legal process. The Bank is confident that these efforts will bring good results, however due to the inherent delays in the judicial system,

the legal route may seem lengthier procedure. The Bank has been successful in recovering total ₹8 crores through the legal process.

### **Write off**

During last two years, the bank has been deliberating on the need to follow a policy of prudential write-off of certain chronic NPA accounts where, year by year, chances of any recovery are very remote. The amount proposed to be written off will be out of bad debts reserve created by provisions as per the RBI Directives and will not have any impact on profit. Indeed, 'write off' does not in any manner extinguish the right of the Creditor to pursue the Debtor for recovery of the dues through the legal process, sale of securities held and other means of recovery provided by law. The bank will therefore continue efforts for recovery of all dues in these written off accounts. As write off will help clean the balance sheet, the Statutory Auditors have been advising to take this step and write off chronic NPAs where 100% provision is made/ required to be made which will help to improve the ratios of the Balance Sheet of the Bank.

### **Status of Proceedings initiated by the Bank:**

In continuation of the Criminal Complaints lodged with The Mumbai Police Economic Offences Wing (EOW) on December 24, 2014 and as reported in our Annual Report 2015-16 pertaining to 7 NPA accounts, the investigation is still in progress by EOW.

## **7.4 Investments**

The Bank adopts a prudent Risk based Investment Policy duly approved by the Board.

The Bank has maintained the mandated minimum balance of the prescribed Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) as stipulated by RBI during the financial year 2016-17. The Bank has also maintained all other investments, including Non-SLR investments, within the prescribed norms of the RBI. The 10-year benchmark Government securities remained in the range of 7.0% to 7.50% during April-October 2016. Yields fell significantly following the withdrawal of legal tender status of Specified Bank Notes (SBNs) to around 6.20% in November 2016, but thereafter increased to 6.69% as March 31, 2017. The Investment portfolio of the Bank as on March 31, 2017 was ₹843.99 crores at cost with a face value ₹850.00 crores and market

value of ₹846.45 crores respectively. The Treasury Department of the Bank actively churned the portfolio and booked profits at regular intervals. During the Financial Year 2016-17, the Bank realized net profit of ₹12.15 crores on Sale of Investments as against ₹8.01 crores during the Financial Year 2015-16.

## **8 MANAGEMENT**

### **8.1 Corporate Governance**

Good Corporate Governance is a way of life in the Bank and is enshrined as a part of our way of working. The Bank is focused on enhancement of long-term value creation for all members without compromising on integrity. The Bank has a strong sense of values and commitment. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in the future.

The Bank believes in ensuring transparency in financial statements and protecting shareholder's interest as the key attributes of Good Corporate governance.

### **8.2 Election Process**

The elections for the Board of Directors were held, after the completion of the 5 year term of the previous Board, in December 2016.

To ensure convenience of members in the process of Election, of course, within the ambit of MSCS Act, 2002, instead of single polling centre at Bandra, there were 8 polling centres in Mumbai, Goa and Pune. The members in the areas outside Mumbai could also get the opportunity of voting. The members were allowed to apply and get their ID cards till November 30, 2016. It is observed that 1560 members have voted this year as against 384 members in the past. The Bank places on record its thanks to, Mr. Gemini, retired Deputy Registrar from the Central Registrar of Co-operative Societies New Delhi, for conducting the elections in a democratic, peaceful and smooth manner.

### **8.3 Board of Directors**

The elections to the Board of Directors were held on December 4, 2016. The newly constituted Board of Directors is broad-based, comprising 14 Directors and the MD & CEO, constituted in compliance with the Banking Regulation Act, 1949



and the Multi-State Co-operative Societies Act, 2002 and rules framed there under and the Bye-laws of the Bank. The Board has experienced Bankers and several highly qualified persons from the Academic, Professional, Legal and Business experience fields functioning as Directors.

The newly constituted Board of Directors places on record its sincere appreciation to the outgoing Directors for their valuable contribution to the Board and to the Bank, during their tenure of office.

During the Financial Year 2016-17, the Board of Directors held thirty three meetings. The Board has constituted various Committees, which include Directors and executive management as invitees, which take informed decisions in the best interest of the Bank.

## 8.4 COMMITTEES OF THE BOARD

### Executive Committee

The function of the Committee is to approve expenditure, consider loans & advances proposals for sanction or review, which are beyond the delegated authority of the Executive Management Head Office Committee. The Executive Committee provides direction & guidance on monitoring & supervision of the advances portfolio; considers applications for membership & approves/confirms investment of the Bank's funds. The Committee comprises the Chairman, Vice-Chairman, Managing Director & Chief Executive Officer and two other Directors. The Committee held fifteen meetings during the year 2016-17.

### Personnel and Human Resource Management Committee

The Committee oversees the Human Resources Development of the Bank and sets Goals and objectives for Manpower Planning Recruitment Career Progression & Human Resources Management, Development & Training. This Committee comprises the Chairman, Managing Director & Chief Executive Officer and five other Directors. This Committee held twelve meetings during the year 2016-17.

### Planning, Business Development, Communications and Marketing Committee

The Committee oversees business development policies of the Bank and sets goals and objectives for the Business Plan for the financial year and

monitors progress thereof. This Committee organizes customer meets and also looks into the renovation of the branch premises. This Committee comprises the Chairman, Managing Director & Chief Executive Officer and five other Directors. This Committee held twelve meetings during the year 2016-17.

### Audit Committee

The Committee provides direction to the audit function of the Bank. It monitors the quality of internal, statutory and other requisite audits, as well as the internal control system, and overall status of the advances portfolio of the Bank and examines technical and other issues in regards to acquisition of premises. The Committee consists of the Vice Chairman, Managing Director & Chief Executive Officer and four Directors. The Committee held thirteen meetings during the year 2016-17.

### Fraud Monitoring Special Committee

The Committee monitors and reviews all frauds involving amounts of ₹1 crore and above with the objective of identifying systemic lacunae, if any, that facilitated perpetration of the fraud and action taken to rectify deficiencies and possible methods to mitigate frauds. The progress of investigation and recovery position is also monitored by the Committee. A fraud classification and reporting policy of the Bank has been drawn up in terms of RBI guidelines. Presently, the Committee consists of the Chairman, Vice Chairman, Managing Director & Chief Executive Officer and four directors; two of them being members of the Audit Committee. The Committee held ten meetings during the year 2016-17.

### Sub Committees

With a view to better monitor the growth and to improve operational standards, the Board has constituted the following Sub Committees.

- 1) Information Technology and Investment Sub Committee that deals with Information Technology and Investment issues, reporting to the Board through the Executive Committee.
- 2) NPA Recovery Sub Committee overlooks and monitors stressed & NPA status of loans and advances and reports to the Board through the Audit Committee.
- 3) Property Sub Committee essentially handles all

matters relating to the Bank's Malad Project and acquisition of new premises for Branch opening and reports to the Board through the Audit Committee.

## 8.5 HUMAN RESOURCES, INDUSTRIAL RELATIONS AND TRAINING

### Human Resources

As on March 31, 2017 the staff strength of the Bank stood at 502. The productivity per staff member was ₹8.61 crores and profitability per staff member ₹4 lacs during the year ended March 31, 2017.

During the year the Bank developed and promoted policies, standards and best Banking practices in management of its employees. These policies were implemented through proper communication and feedback as well as discussion, guidance, procedures, processes and circulars to establish a work culture of security and trust and loyalty for employees of the Bank as a sign of efficiency and effectiveness and reduction in workplace accidents. Policies implemented, revised and circulated during the financial year 2016-2017 were Recruitment & Promotion Policy, Staff Housing Loan Policy, Leave Policy, Conditions of Work Policy, Staff Loan Policy and also introduced new policy like Clean Desk Policy.

The Bank has focused on priority issues like manpower planning, recruitment, performance management, training and development and staff relations to ensure effective utilization and maximum development of human resources.

As per the revised Recruitment & Promotion Policy, a Fast Track Promotion process for the Financial Year 2016-2017 was initiated for various grades promotion and 17 staff members were promoted under the Fast Track Promotion mode.

### Staff Industrial Relations

The Bank believes in the ideology of staff empowerment and motivates its employees in the management of the Bank. The Bank has cordial and healthy industrial relations with the representatives of Employees Union and Management Staff. The Board of Directors places on record its sincere appreciation for the dedicated efforts and proactive approach of all its employees of the Bank.

During demonetization phase the Bank's Management has to be especially commended for the extra efforts put in by all the employees during

this critical period when they worked selflessly to provide exceptional customer service and prolonged hours of work.

### Staff Training

The Training Department of the Bank conducts regular In-House training programmes by expert faculty, both internal and external. Induction & Orientation Programmes are conducted for new recruits.

During the year, the staff at various levels have attended functional/skill based and self-development soft skills training programmes conducted in house or at external institutions like RBI CAB, IIBF, NAFCUB, Income Tax, Bombay Chamber of Commerce, Fintelekt, Brihan Mumbai Nagari Sahakari Banks Association Ltd etc. Various other External Training Programmes including conferences/ seminars on Customer Service Meeting, Compliance, Audit and RBI inspection for UCBs, Housing Finance, Credit Management, KYC/ AML & CFT, SFT-New Codes, Protection of Women against Sexual Harassment, Credit Monitoring, Recovery Management, Treasury Management, Knowing Labour Laws from Appointment to Retirement & Ensuring Immunity from Criminal Prosecution of Directors, RBI Legal Requirement Compliance & Legal Risk Identification of Co-operative Banks, Customer Centric approach towards Business Development, Basics of Investments and Asset Liability Management, Digital Banking, Payment systems for effective Financial inclusion, Dream Trip Project, KYC/AML, Time Management, Demat & Forex were also conducted.

## 9 EARNINGS

### 9.1 Profit

Net Profit for the year ended March 31, 2017 amounted to ₹21.99 crores after making all the necessary and adequate provisions as required. The profit available for appropriation is as follows:

	Amount (₹)
Net Profit for the year	219,914,422.00
Profit brought forward from the previous year 2015-16	1,886.00
<b>Net Profit Available for Appropriation</b>	<b>219,916,308.00</b>

## 9.2 Appropriations

The Directors recommend the following appropriations:

	2016-17 Amount (₹)
Statutory Reserve fund	55,000,000.00
Special Contingency fund	22,000,000.00
Co-operative Education fund	2,199,000.00
General Reserve	116,287,000.00
Investment Fluctuation Reserve	-
<b>Total</b>	<b>193,960,000.00</b>
Dividend @ 16% (pro-rata)	24,430,000.00
Carry over	308.00
<b>Total</b>	<b>219,916,308.00</b>

## 9.3 Dividend

The Board of Directors proposes to appropriate an amount for payment of dividend @ 16% p.a. (pro-rata on shares purchased after April 01, 2016) for the financial year ended March 31, 2017. The Board seeks approval of the members accordingly.

Members having Savings Bank and Current Deposit accounts in the Bank will have their dividends credited immediately in the respective accounts after due approval by the AGM., and for other members, the dividend will be credited to their accounts by NEFT or Dividend warrants.

## 10 LIQUIDITY

### 10.1 Asset Liability Management (ALCO)

Asset Liability Management Committee (ALCO) which comprises of senior executives and headed by the Managing Director & CEO is a decision making unit responsible for balance sheet planning, for Liability and Asset Management for optimal results from a risk-return perspective, including the strategic management of interest rate and liquidity risks. The responsibility of the ALCO is to strike a right balance between resources mobilization and deployment and meet the core objectives of attaining profitability and ensuring appropriate management of the liquidity risk and interest rate risk in the banking business. Liquidity risk of the Bank is assessed

through gap analysis for any maturity mismatch based on residual maturity in different time buckets and the management of the same is done within the prudential limits fixed for the purpose. Further, ALCO reviews Interest Rate Sensitivity statement on a monthly basis to assess interest rate risk.

### 10.2 Deposits

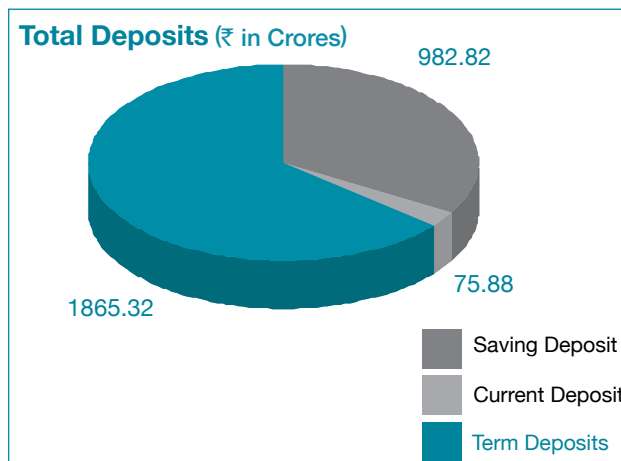
The total Deposits showed an increase of 11.53% from ₹2621.62 crores to ₹2924.02 crores for the year. The Bank's Current and Savings Deposits (CASA) increased from 34.08% to 36.21% of the Bank's total Deposits. Healthy deposit growth is an indicator of the TRUST reposed by our customers in the Bank. The Bank's deposits are duly insured under the Depositor Insurance Credit Guarantee Corporation.

Position of CASA / Term Deposits is as under:

(₹ in Crores)

Particulars	March 31, 2017	March 31, 2016
Total Deposits	2924.02	2621.62
CASA Amount	1058.70	893.41
CASA (%)	36.21%	34.08%
Increase in CASA	165.28	77.89
Term Deposits	1865.32	1728.20
Increase in Term Deposits	137.12	204.29

The Bank in the interest of its customers has made available to all its account holders, a Special Scheme on Personal Accident Insurance through its Corporate Agency tie-up with United India Insurance Co. Ltd for accidental death cover for a Sum Insured of ₹2.50 lakhs at a premium of only ₹100/- p.a.





The Bank has made available a special scheme of deposits for Senior Citizens giving an additional benefit of 0.25% over the interest rates offered by the Bank and waiver of penalty on premature withdrawal of fixed deposits. The Bank introduced Zero Balance Accounts and Junior accounts for Kids to improve CASA deposits.

## **11 SYSTEMS & CONTROLS**

The Bank has a proper and adequate system of internal controls and system supported checks and balances for automated processes to ensure that all assets are safeguarded and protected against loss.

### **11.1 Risk Management**

Risk is inevitable in the banking business and hence, a sound risk management framework is the touchstone of an efficient bank. The Bank has robust architecture to address various risks inherent in its business. The Bank has a detailed and comprehensive Risk Management Policy as well as a Compliance Policy. The same were reviewed and amended to manage the various risks & challenges facing banking operations. The Bank has implemented the necessary systems & MIS for monitoring Credit Risk and also Market Risks arising from treasury operations. Every new product & service is vetted by the Risk & Compliance Department to ensure that it is compliant with the regulatory requirements.

Despite the macroeconomic slowdown, the Bank actively managed its corporate credit portfolio, maintained asset quality and also pursued new lending opportunities in a judicious manner.

The various Policies of the Bank are revised from time to time, in line with the emerging developments in the Banking scenario.

The Bank has implemented a comprehensive risk rating/ scoring system that serves as a single point indicator of diverse risk factors on the counterparty and for taking credit decisions in a consistent manner.

### **11.2 Audit and Inspection**

The Audit and Inspection Department of the Bank is instrumental in undertaking inspection across branches and departments on an annual basis. All branches are covered under concurrent audit by external empanelled auditors on monthly/bi-monthly basis. The audit process is evaluated

every year to ensure that all new RBI guidelines and statutory requirements as also technological enhancements taking place in the banking industry are taken care of by incorporating the requisite changes in the audit and inspection process. A risk based Audit policy is in place and is reviewed and updated every year.

RBI conducted the Inspection of the Bank under Section 35 of the Banking Regulation Act, (AACs) 1949 with respect to the financial year ended March 31, 2016 in August 2016. The Bank has submitted its compliance to the Inspection report to the RBI on time.

Statutory Audit of the Bank for the year 2016-17 has been carried out by M/s. Mukund M. Chitale & Co., Chartered Accountants who were appointed by the Members at the last Annual General Meeting held on September 25, 2016. The Statutory Auditors have awarded 'A' Audit Classification to the Bank. The report of the Statutory Auditor is enclosed.

As M/s. Mukund M. Chitale & Co, Chartered Accountants have completed a tenure of four years as Statutory Auditors of the Bank, a change in the Bank's Statutory Auditor is proposed for Financial Year 2017-18. The Board of Directors recommends M/s. Borkar & Muzumdar, Chartered Accountants be appointed as Statutory Auditors of the Bank for the year 2017-18. M/s Borkar & Muzumdar is a reputed firm of Chartered Accountants carrying total 70 years of experience in Audit, taxation & financial consultancy services. The firm was established on June 28, 1946. The firm has 13 branches on Pan India Level.

The Bank's Demat operations were inspected by NSDL in June 2016 and have been found satisfactory.

M/s. R. A. Moraes & Associates, Chartered Accountants, M/s. Gonsalves & Associates, Chartered Accountants, M/s Shinde & Associates, Chartered Accountants, M/s. Ganesh Daivajna & Associates, Chartered Accountants, M/s R. K. Pikale & Co and M/s. Batliboi & Purohit, Chartered Accountants carried out the Concurrent Audit of the Bank during the year 2016-17.

Annual Audits during the year 2016-17 were conducted of Provident Fund, Gratuity Fund & Other Matters by M/s R. A. Moraes & Associates; Human Resources Department by M/s Shinde &

Associates; Shares Department by M/s Gonsalves & Associates, Chartered Accountants; Information Systems Audit and Structured Financial Messaging System (SFMS) Audit of the Bank by M/s. Shinde & Associates, Chartered Accountants.

Special Audits during the year 2016-17 were conducted of Audit & Inspection Department by M/s Simethy & Gramopadhye, Chartered Accountants; Advances Department by M/s Gandhi & John, Chartered Accountants and Audit of Specified Bank Notes & Legal Tender collected, dispensed and reported during the demonetization period by M/s Shinde & Associates, Chartered Accountants.

### 11.3 Compliance

The Bank continues to place great emphasis on compliance with the ongoing requirements as per RBI directives. The Board approved Compliance Policy is a requirement under the extant RBI guidelines and accordingly, the Bank has adopted the Compliance Policy. The Compliance Department ensures compliance with various communications received from RBI, Central/State Registrar, IBA and other authorities by sending all such communications to the concerned operational Departments for prompt necessary action.

The Compliance function ensures observance of statutory provisions contained in various legislations viz. Banking Regulation Act, Reserve Bank of India Act, Multi-State Co-op Societies Act, 2002. It also ensures adhered Standards and Codes prescribed by BCSBI (The Banking Codes and Standards Board of India) and IBA (Indian Banks Association) guidelines.

### 11.4 Know Your Customer (KYC) Guidelines and Anti-Money Laundering (AML) Standards

The Bank has a Board approved KYC-AML-CFT Policy. The said Policy is the foundation on which the Bank's implementation of KYC /AML / Combating the financing of terrorism (CFT) norms are adhered to.

The major highlights of KYC-AML-CFT implementation across the Bank are as under:

The Bank generates Cash Transaction Reports (CTRs) electronically for submission to Financial Intelligence Unit-India (FIU-IND), through the electronic medium.

The AML software Solution for generating system-based alerts has been installed and implemented.

There is a system-based detection and submission of Suspicious Transaction Reports (STRs) to the Financial Intelligence Unit-India (FIU-IND).

Risk Categorization of Banks customers accounts is being reviewed every half year.

The Bank files Non Profit Organizations Transaction Reports (NTRs) to FIU-IND, every month.

The Bank is in the final stage of the process of allotting Unique Customer Identification Code (UCIC) to all its existing customers as per the RBI guidelines.

The Bank is in the process of implementation of Aadhar based e-KYC in collaboration with Unique Identification Authority of India (UIDAI) & National Payments Corporation of India (NPCI).

The full compliance of KYC/AML/norms entails Staff Education as well as Customer Education for which a comprehensive list of KYC documents is uploaded on the Bank's website for the benefit of customers.

### FATCA Compliance

The Government of India signed the Inter Governmental Agreement (IGA) with the United States of America to implement the Foreign Account Tax Compliance Act (FATCA) to promote transparency on tax matters. RBI has made it mandatory for banks and financial institutions to seek supplementary KYC and self certification forms from customers in this regard. The Bank is registered as a Reporting Financial institution with the US Internal Revenue service (IRS), obtained the GIIN number and filed the requisite compliances. The FATCA self-declaration forms are put up on the Bank's website for the benefit of the customers.

### 11.5 CERSAI

The Bank continues its association with CERSAI (Central Registry of Securitization Asset Reconstruction and Security Interest of India) for the purpose of registering charges in relation to mortgage by deposit of title deeds created in favor of the Bank.

### 11.6 Membership of Credit Information Companies (CICs)

As per RBI instruction/2014-15/435-DCBR.BPD. (PCB/RCB). Cir no.13/16.74.000/2014-15 dated January 29, 2015, all credit Institutions have

been directed to become members of all CICs in operation. Presently, four CICs viz. Credit Information Bureau India Ltd (CIBIL), Equifax Credit Information Services P Ltd, Experian Credit Information Company of India Ltd and CRIF High Mark Credit Information Services has been granted Certificate of Registration by RBI.

The Bank is a member of all four CICs to help improve quality of the advances portfolio as a credit risk mitigant and to increase credit penetration, profitability and growth.

#### **11.7 Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Upgradation of the Small Scale Industries**

The Ministry of Small Scale Industries (SSI) is operating a scheme for technology upgradation for SSIs called the Credit Linked Capital Subsidy Scheme (CLCSS) since September 2005 which aims at facilitating technology upgradation by providing upfront capital subsidy to SSI units, on institutional finance (credit) availed by them for modernization of their production equipment (plant and machinery) and techniques in selected sub sectors/products approved under the scheme.

The Bank continues its tie up with Small Industries Development Bank of India (SIDBI) which is the Nodal Agency for CLCSS for release of capital subsidy under the scheme for sole proprietors, partnerships, co-operative societies / companies (MSME) in the SSI sector.

#### **11.8 Technology Absorption, Adaptation and Innovation**

The Bank has focussed on increasing technology adoption during the year and has been able to complete most of the planned activities in the realm of technology enabled products and services.

The Bank successfully automated the process of identification and marking of NPAs through CBS software in September 2016, thus strengthening its monitoring and recovery processes and ensuring that asset quality is maintained and improved. Disaster Recovery site at Bangalore has been operationalized in January 2017. The bank has also implemented and executed a UCIC solution on an ongoing basis to meet regulatory requirements. The Bank's RuPay card has been fully enabled as a debit card with POS and e-commerce capability in September 2016. Internet banking (view only)

was rolled out in January 2017 and Immediate Payment Service (IMPS) mobile banking services in February 2017. With these implementations the bank now provides the basic convenience of mobile banking services and account control in the hands of customers 24 X 7.

The bank has also made a foray into the e-lobby space thereby twenty-four hours service by setting up e-lobbies at two branches i.e. Borivli and Malad where customers can use an ATM for cash withdrawals and a Multi function kiosk for passbook updates, cheque deposit, intra-account transfers, account statements and stop cheque requests. The e-lobby facility will be extended to more branches in a phased manner.

The technology roadmap for the year 2017-2018 includes under-implementation projects viz. E-KYC, C-KYC, internet banking, card management and mobile banking. The bank continues to evaluate emerging technology based products and services like ABPS, UPI, BBPS, etc. in line with its commitment to provide services at par with the best in the industry.

### **12 VALUE ADDED SERVICES**

#### **12.1 Full-Fledged Money Changing Facilities**

As Authorized Dealer Category II, the Foreign Exchange services offered at our sixteen branches have achieved a total turnover of ₹103.86 crores during the year. The dedicated foreign exchange counter of the Bank are located at Hill Road, Vakola, Colaba, Borivali, Malad, Dadar, Kalina, Byculla, Moti Daman, Sahar, Mira Road, Panaji, Fatima Nagar, Camp, Mapusa, Margao branches.

#### **12.2 Depository Services – NSDL**

The Bank continues to offer Demat Services to its clients as a Depository Participant of the National Securities Depository Ltd. (NSDL) since October 1999. As of March 31, 2017 the portfolio covered 8017 Demat accounts. SPEED-e was introduced to our clients in April 2012. SPEED-e is a secured Internet website set-up by NSDL for clients to submit delivery instructions to their DPs. SPEED-e enables the Demat holders, who register for this facility, to directly execute their Delivery Instructions Depository Participants (DPs) electronically online on the NSDL website without submitting Delivery Instruction Slips physically to the branch.



### **EzeeWill Services**

The Bank in association with NSDL e-Governance Infrastructure Limited and Warmond Trustees and Executors Pvt Ltd offers online service of data submission for 'Will Preparation' through computerized platform namely EzeeWill System for the benefit of members and customers.

### **12.3 Stamp Duty Franking Services**

The Bank is a sub-agent to IDBI Bank offering e-SBTR service to the General public. e-SBTR service is available at all our Branches in Mumbai and Thane Division (excluding the Pune Branches). Goa Branches continue to provide the Stamp Duty Franking services and the same are being utilized by the general public in a large measure. Bank also offers franking services of smaller values at Borivli branch which is for the benefit of general public.

### **12.4 Bancassurance**

The Bank also continues to undertake Life Insurance business as a Corporate Agent with Max Life Insurance Company Ltd since January, 2007. For the financial year, 538 policies were issued for a sum assured of approx. ₹96.88 crores. The Bank has also undertaken General Insurance business since March 2011 with United India Insurance Co. Ltd. For the Financial year, 3136 policies were issued for a sum assured of approx. ₹482.38 crores.

### **12.5 Implementation of Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) for the Bank's Saving Account Holders**

In May 2015, the Bank has successfully introduced the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) Scheme through Life Insurance Corporation of India Ltd. and Pradhan Mantri Suraksha Bima Yojana (PMSBY) through United India Insurance Co. Ltd., to the Bank's Savings Account Holders who fit the eligibility criteria of the Schemes. For the financial year, under the Pradhan Mantri Suraksha Bima Yojana (PMSBY) there have been 3398 enrollments and under the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) Scheme there has been 2032 enrollments.

### **12.6 Automated Teller Machine – ATM**

ATM is one of the delivery channels providing 24 x 7 banking services including Cash withdrawal, Mini

Statement, Balance Enquiry and Pin Change. The Bank has installed its own ATMs since December 08, 2012. The Bank has 14 ATMs at Bandra (Mt. Carmel Road), Bandra (Hill Road), Bandra (Turner Road), Bhayander, Borivli, Chembur, Kalina, Malad, Mira Road, Santacruz, Vakola, Moti Daman, Mapusa (Goa) and Margao (Goa). The ATM facility is open to all customers of the Bank. The Bank has joined the National Financial Switch (NFS) from NPCI as a direct member through which customers can access all the ATMs under the RuPay network. The RuPay ATM card was launched by the Bank on March 21, 2015. The customers of the Bank are able to use the RuPay ATM card at more than 200,000 ATMs across the country. Presently, the Bank has issued more than 29,000 RuPay ATM cards to its customers.

Customer security has always been the priority of the Bank. All our Bank's branches and ATMs are protected by security guards and CCTV surveillance systems.

### **RuPay Debit Card**

CITIZEN CREDIT RuPay Debit Card combines the benefit of an ATM card and a Debit card. It allows access to one's account for cash withdrawal, balance inquiry, mini statement and make purchases at merchant establishments under the RuPay network across the country. The customers of the Bank are able to use the RuPay Debit card at more than 22,00,000 Point of Sale (POS) terminals across the country.

### **Mobile Point of Sale (M-POS)**

Point of sale (POS) is the point at which a customer makes a payment to a merchant in exchange for goods or services. It is a critical point with small and mid-sized merchants in India. The Mobile POS (M-POS) solution is the latest technology solution for card acceptance and provides improved acceptance of all types of cards. The M-POS is a device which is easy to use, and works with most smart phones. The Bluetooth connectivity provides customer with security while typing the PIN and also the information on the amount. The Bank has partnered with M-Swipe Technologies Pvt. Ltd. for the issue of POS terminals for its customers.

## 12.7 Real Time Gross Settlement System – RTGS / National Electronic Funds Transfer NEFT

The Bank has been a direct member of the 'Real Time Gross Settlement System' and National Electronic Funds Transfer system. Further RBI's "Next Generation RTGS" was successfully implemented in October 2013, a system which ensures faster customer credits and settlements. The Bank has implemented straight through processing (STP) at all branches thereby making RTGS/NEFT services available at all branches through their IFSC numbers allotted by the RBI.

## 12.8 Cheque Truncation System (CTS)

The Bank, based on RBI directives, implemented the Cheque Truncation System (CTS). CTS is a process of transmitting electronic images of cheques across the banks without physical movement of the cheque. This system aims at enhancing customer service by overall reduction in the clearing time and reducing operational risks.

## 12.9 Banking Codes and Standards

The Bank continues to be a member of the Banking Codes and Standards Board of India (BCSBI) as a voluntary commitment to provide banking services of specified standards and protection to our customers leading to a greater degree of trust and confidence in the Bank. The 'Code of Bank's Commitment to Customers' and the 'Code of Bank's Commitment to Micro & Small Enterprises' are available at our branches and is also put up on Bank's website. Staff are duly sensitized at training sessions to ensure compliance of the codes in letter and spirit.

## 13 BUSINESS DEVELOPMENT

In the digital banking era, Bank has made progress in offering various techno based products such as Internet banking (E-statement view only), MPOS (Mobile point of sale), IMPS (Immediate Payment Services), Debit Rupay cards etc. To give value addition services to our esteemed customers, Bank has implemented various products such as PAN card services, E-statement facility, E-franking services, Teller facility, extended business hours for customers, Bancassurance schemes, Festive loan offers, attractive travel loan product "Dream Trip" etc. All these products are introduced to enhance customer service and also to have a competitive edge over peer Banks.

The Bank introduced Customer Rights Policy, Customer Grievance Policy and monthly Branch level Customer Service Committee meetings to serve customers better and to provide a redressal within stipulated timeframes.

Bank has recently launched Mutual Fund distribution services, having tied-up with five top Asset Management Companies such as SBI Funds Management Pvt Ltd, ICICI Prudential Asset Management Company Ltd, HDFC Asset Management Company Ltd, DSP Blackrock Investment Managers Pvt Ltd, Birla Sunlife Asset Management Company Ltd. Members and customers are requested to avail of these services to enhance Bank's business of valued added products.

For the benefit of our members and customers, Bank has regularly organized Symposiums, Customer meets and Academic Awards for excellence to members' children, each focusing on different segments of customers. The Bank has made considerable efforts to advertise its products through creative advertisements in Magazines, Banners, Parish Bulletins, etc resulting in Brand reinforcement for the Customers and acting on feedback received.

## 14 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

- That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures;
- That such Accounting Policies have been applied consistently; and such judgments and estimates have been made that are reasonable and prudent, so as to present a true and fair view of the state of affairs of the Bank at the end of the financial year, and of the profit of the Bank for the same period;
- That proper and sufficient care has been taken for maintenance of adequate accounting records, in accordance with the provisions of the Banking Regulation Act, 1949, as applicable to Co-operative Societies and the Multi-State Co-operative Societies Act, 2002 for safeguarding the assets of the Bank and for detecting and preventing fraud and other irregularities; and
- That the annual accounts have been prepared on a going-concern basis.

## 15 BRANCH NETWORK

The Bank has a network of total 42 branches covering Mumbai, Pune, Goa, and Daman as on March 31, 2017. The Bank has received RBI approval for Allotment of Centre's for opening of new branches at six locations namely Bandra (W), Dahisar (W), Virar (W), Boisar (W), New Panvel (E) and Nasik under the Annual Business Plan for the year 2017-18.

During the financial year 2016-17, the Bank shifted its Turner Road Branch to Shop No. 5/6, Dharvesh Royale, Turner Road, Bandra (W), Mumbai – 400 050 and Bhayander branch to Shop No. 6, Vineet Apartment CHSL, Chattrapati Shivaji Road, Bhayandar (W) which have better frontage, easier branch access to customers and thereby provides a greater visibility to both the Branches.

## 16 MALAD PROPERTY DEVELOPMENT

The Bank began the construction of its Administrative Office building at Orlem, Malad in 2009. The Architect and Civil works Contractor completed the ground floor up to two floors work, including two basements, in 2013. Thereafter, adhering to MCGM formalities and their statutory requirements with changes in the Development Rules, the super structure got completed in 2014. The Bank appointed a Project Management Consultant and Interior Designer in 2014-2015 to complete the Interiors and supervise completion of the Building.

The Bank has received Part Occupancy Certificate for occupying ground floor, mezzanine & 1st floor of the building in July, 2016 and has shifted the Branch operations after the inauguration function on August 28, 2016. The interior works on the balance floor has completed. The installation of passenger lift, car lift etc. have commenced and expected to be completed soon.

The Bank is hopeful to shift its entire Administrative Office departments to the new premises soon, subject to satisfactory compliance of requirements for obtaining the various Statutory approvals for final Occupancy Certificate.

## 17 SEMINARS

During the financial year on February 2, 2017, the Bank conducted an Interactive session on "Career Opportunities" which was coupled with the presentation of the Awards for Academic Excellence. The symposium was arranged with a view to disseminate expert information to the Bank's members, customers and other members of the public and was very well attended.

The Bank also sponsored the program held on February 28, 2017 at the Archbishop House in the presence of His Eminence Cardinal Oswald Gracias and retired Senior level IAS / IPS and allied Services and Armed Forces officers for interface with the 23 Youth who were winners at the recently held Academic Excellence Awards of the Bank, and have shown interest considering the Indian Civil /Armed Forces Services as a career option.

## 18 AWARDS FOR ACADEMIC EXCELLENCE

Every year the Bank recognizes members / members' children for achieving meritorious ranking in their respective academic examinations ranging from SSC to Post-Graduation and other specialized Professional Courses. This year, 254 meritorious students were presented Awards for Academic Excellence. The total number of students recognized for Academic Excellence over the years stands at 4454.

## 19 CUSTOMER MEET

During the financial year, the Bank conducted one customer meet each in Mumbai and Goa. The objective of the meet was to interact with customers/ members and obtain feedback in order to improve Bank's products and services. The customer meet focused on customer feedback and also informing the customers of the technology products and services introduced and offered by the Bank especially IMPS and Kiosk. On the occasion of International Women's Day, the Bank also conducted a celebration on March 08, 2017 for all our women customers & members. All the meets were well attended and appreciated.

## 20 ACKNOWLEDGEMENTS

The Board of Directors sincerely place on record its appreciation for the support which the Board and the Bank has received from all our members and other stakeholders and thanks them whole heartedly for their confidence and trust reposed in the Board and the Bank during all these years.

The Board of Directors would also like to place on record the deep sense of gratitude to the authorities of the RBI, especially the Urban Banks Department, the Central Registrar of Co-operative Societies, Government of India, New Delhi, the Commissioner for Co-operation and Registrar of Co-operative Societies, Maharashtra State, Pune for their valuable guidance, support and advice. The Board is also grateful to the Registrar of Co-operative Societies of the State of Goa and Statutory / Concurrent / and other Auditors for their encouragement, support and auditing work.

The Board of Directors records its appreciation to all the employees for their loyalty, dedication and wholehearted involvement in achieving the goals and mission of the Bank, especially in providing excellent and courteous service to its customers

and the excellent team work by the Staff. The Board of Directors places on record its deep appreciation of the unfailing commitment, dedication and hard work of all its versatile management and dedicated Staff. The Board of Directors, in particular, expresses deep gratitude for the co-operation extended to the Bank/Management by the Employees' Union of the Bank.

The Board of Directors also recognizes that the Bank's growth over the years has been directly attributed to the unstinted support of members and customers and thanks the members, depositors and customers for their unwavering confidence reposed in the Bank.

The Board wishes to assure all the members that the Bank will continue to strive towards attaining even better results and excellence through continued professional commitment to achieve and exceed the ambitious organizational goals that have been set for the Bank.

July 12, 2017

**Anthony D'Souza**  
Chairman



## REPORT OF THE INDEPENDENT AUDITORS

To  
The Shareholders,  
CITIZENCREDIT Co-Operative Bank Ltd.,

### Report On the Financial Statements

1. We have audited the accompanying financial statements of CITIZENCREDIT Co-Operative Bank Ltd, Mumbai which comprise the Balance Sheet as at March 31, 2017, the 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. Incorporated in these financial statements are the returns of the Head Office and 18 branches audited by us and 24 branches which have been certified by the management and independently reviewed by the concurrent auditors of those branches and relied by us.

### Management Responsibility for the Financial Statements

2. The Management is responsible for the preparation of these financial statements, in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India, Banking Regulation Act, 1949 and Multi State Co-operative Societies Act, 2002 and Rules made there-under. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

6. In our opinion, and to the best of our information and according to explanation given to us, the said accounts together with the Notes thereon give the information required by Banking Regulation Act, 1949, Multi State Co-operative Societies Act, 2002 and guidelines issued by the Reserve Bank of India in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) In case of the Balance Sheet, of the state of affairs of the Bank as on 31<sup>st</sup> March, 2017;
  - ii) In case of the Profit and Loss Account, of the Profit for the year ended on that date; and
  - iii) The Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Multi State Co-operative Societies Act, 2002 and the rules made there-under.

As required by Section 73 (4) of the of the Multi State Co-operative Societies Act, 2002 and Rules framed thereunder and Banking Regulation Act, 1949, we report that:

7. 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.
8. In our opinion, proper books of accounts as prescribed in Multi State Co-operative Societies Rules, 2002 and bye laws have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purpose of audit have been received from the branches of the Bank.
9. The Financial Statements dealt with by this report are in agreement with books of accounts and returns maintained by the Bank.
10. As required by Section 30(3) of the Banking Regulation Act, 1949, we further report that the transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
11. 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;
12. As required by Rule 27 (3) of Multi State Co-operative Societies Rules, 2002, we give the information required in annexure to the report.

Place: Mumbai  
Date: July 12, 2017

**For MUKUND M. CHITALE & CO**  
Chartered Accountants  
Registration No:106655W  
**[Abhay V. Kamat]**  
Partner  
Membership No. 39585

## CERTIFICATE

We have audited the financial statement of Citizencredit Co-operative Bank Limited: Mumbai for the year ended 31st March, 2017 and we report that audit class "A" has been given to the Bank for the financial year 2016-17, as per norms prescribed for audit classification of Urban Co-operative Banks by Registrar of Co-operative Societies, Maharashtra State

Place: Mumbai  
Date: July 27, 2017

**For MUKUND M. CHITALE & CO**  
Chartered Accountants  
Registration No:106655W  
**[Abhay V. Kamat]**  
Partner  
Membership No. 39585

## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

AS REQUIRED UNDER MULTI- STATE CO-OPERATIVE SOCIETIES RULE, 2002

**(Refer to Para 12 in our report of even date on the accounts of Citizencredit Co-operative Bank Ltd. as at 31<sup>st</sup> March 2017)**

In our opinion and to the best of information and according to explanation given to us by the Bank and on the basis of test check carried out during the course of our audit and as required by Rule 27 (3) of Multi-State Cooperative Rules, 2002, we report on the matters specified in clauses (a) to (f) of the said Rule to the extent applicable to the Bank.

- We have not come across transactions which appear to be contrary to the provisions of the Act, the rules or the Bye-laws of the Bank.
- We have not come across transactions which appear to be contrary to the guidelines issued by Reserve Bank of India.
- The following money due to the bank appears to be doubtful of recovery against which a provision of ₹ 4385.87 Lakhs is made in the accounts (advances considered as doubtful and loss assets as per prudential norms are considered as doubtful of recovery)

Category	Outstanding as on 31.3.2017 (₹ in Lakhs)
Doubtful Assets	7,289.80
Loss Assets	100.38

- The following credit facility has been sanctioned by the bank to the members of the Board and their relatives

Fund Based Amount outstanding (₹ in Lakhs)	Security Value (₹ in Lakhs)	Overdue, If any (₹ in Lakhs)
NIL	NIL	NIL

- We have not come across any significant and material violation of guidelines, conditions etc, issued by Reserve Bank of India.
- To the best of our knowledge, no other matter have been specified by the Central Registrar which required reporting under this Rule.

Place: Mumbai  
Date: July 12, 2017

**For MUKUND M. CHITALE & CO**  
Chartered Accountants  
Registration No:106655W  
**[Abhay V. Kamat]**  
Partner  
Membership No. 39585

## BALANCE SHEET AS AT MARCH 31, 2017

# BALANCE SHEET

As at 31.03.2016 ₹	CAPITAL AND LIABILITIES	Sch. No.	As at 31.03.2017 ₹
152,000,050	1. SHARE CAPITAL	1	152,547,290
3,158,603,958	2. RESERVE FUND AND OTHER RESERVES	2	3,359,900,957
–	3. PRINCIPAL / SUBSIDIARY STATE PARTNERSHIP FUND ACCOUNT		–
–	4. BORROWINGS		–
26,216,157,075	5. DEPOSITS AND OTHER ACCOUNTS	3	29,240,201,799
1,171,364	6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE (As per Contra)		1,254,789
176,800,000	7. SECURITIES PURCHASED UNDER RBI-REVERSE REPO / REVERSE REPO		2,249,755,275
209,603,933	8. OVERDUE INTEREST RESERVE (Contra)		325,316,024
275,775,065	9. INTEREST PAYABLE		270,014,371
808,062,091	10. OTHER LIABILITIES	4	292,401,578
213,023,289	11. PROFIT AND LOSS ACCOUNT	5	230,728,308
<b>31,211,196,825</b>	<b>GRAND TOTAL</b>		<b>36,122,120,391</b>
<b>694,689,288</b>	<b>CONTINGENT LIABILITIES: Refer Schedule 15(14)</b>	<b>15</b>	<b>759,281,188</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS 1 - 15  
AS PER OUR REPORT OF EVEN DATE**

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**  
 FRN 106655 W

**[Abhay V. Kamat]**  
 Partner  
 M. No.39585

Place: Mumbai  
 Date: July 12, 2017

**FOR AND ON BEHALF OF BOARD  
OF DIRECTORS**

**For: CITIZENCREDIT CO-OPERATIVE  
BANK LIMITED**

Geeta Andrades  
 Managing Director &  
 Chief Executive Officer



## BALANCE SHEET AS AT MARCH 31, 2017

As at 31.03.2016 ₹	PROPERTY AND ASSETS	Sch. No.	As at 31.03.2017 ₹
1,283,670,837	1. CASH, BALANCES WITH RBI, SBI, STATE CO-OPERATIVE BANK AND CENTRAL CO- OPERATIVE BANK	6	1,450,653,466
4,498,476,158	2. BALANCES WITH OTHER BANKS	7	5,034,347,667
–	3. INVESTMENT OUT OF THE PRINCIPAL SUBSIDIARY STATE PARTNERSHIP FUNDS		–
–	4. MONEY AT CALL AND SHORT NOTICE		–
170,000,000	5. LENDING UNDER RBI-REVERSE REPO / REVERSE REPO	8	2,249,755,275
9,814,554,015	6. INVESTMENTS	9	8,439,899,208
13,213,705,186	7. ADVANCES	10	14,864,642,360
	8. INTEREST RECEIVABLE		
462,386,368	a) On Investments		394,865,740
2,677,170	b) On Advances		5,148,787
209,603,933	c) On Non Performing Assets (Contra)		325,316,024
1,171,364	9. BILLS RECEIVABLE BEING BILLS FOR COLLECTION (As per Contra)		1,254,789
176,800,000	10. SECURITIES PURCHASED UNDER RBI-REVERSE REPO / REVERSE REPO		2,249,755,275
64,975	11. BRANCH ADJUSTMENTS (NET)		32,036
790,114,586	12. FIXED ASSETS	11	803,575,908
519,439,233	13. OTHER ASSETS	12	233,577,856
68,533,000	14. DEFERRED TAX ASSET (NET)		69,296,000
<b>31,211,196,825</b>	<b>GRAND TOTAL</b>		<b>36,122,120,391</b>

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**  
**For : CITIZEN CREDIT CO-OPERATIVE BANK LIMITED**

Anthony D'Souza  
Chairman

Donald L. Creado  
Vice-Chairman

**DIRECTORS**

Priscilla Buthello  
Frederick J. De Souza  
Joseph M. B. Mascarenhas  
Roger C. B. Pereira

Frederick F. Castelino  
Edwin J. Gonsalves  
Leslie Mascarenhas  
Royston J. Pereira

Malcolm D. Correa  
Leslie J.H. Lobo  
James S. Pereira  
Arvind Pinto

Place: Mumbai  
Date: July 12, 2017

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2017

PREVIOUS YEAR ₹		EXPENDITURE	Sch. No.	CURRENT YEAR ₹
	1	INTEREST ON DEPOSITS AND BORROWINGS		
1,768,733,343		a) On Deposits		1,854,776,490
7,137,875		b) On Borrowings (Repo / Call / CBLO / NHB)		9,634,351
379,494,278	2	Salaries, Allowances, PF, Gratuity etc.		407,112,702
1,508,990	3	Directors Sitting Fees, Allowances and Other Exp		1,639,129
63,732,718	4	Rent, Rate, Taxes, Insurance and Lighting		81,695,982
6,700,070	5	Legal and Professional Charges		6,151,332
4,614,368	6	Audit Fees		4,981,540
15,736,904	7	Postage, Telegram and Telephone		19,047,250
25,700,854	8	Depreciation		26,477,739
5,779,277	9	Staff Welfare		6,760,526
9,007,434	10	Printing and Stationery		9,758,609
4,079,213	11	Advertisement		5,247,100
19,662,490	12	Repairs and Maintenance		18,825,157
3,423,279	13	Travelling and Conveyance		4,083,412
3,118,121	14	Bank Charges		3,080,262
20,647,266	15	Security Charges		20,661,722
5,982,787	16	Software Expenses		6,078,486
	17	Election Expenditure		1,078,390
11,568,865	18	Sundry Expenses	13	16,641,238
248,365	19	Depreciation on Shifting of Investmens		-
596,393	20	Loss on Sale of Assets		687,509
44,081,724	21	Loss on Sale of Investments		33,145,336
-	22	Provisions and Amortisations		
11,152,313	a	Earned Leave		8,065,286
6,278,681	b	Gratuity		5,852,968
1,595,375	c	Leave Travel Allowance		4,221,918
-	d	Depreciation on Investment		-
3,557,533	e	Amortisation of Premium on Investments		5,442,239
9,650	f	Premium on Securities W/O on Redemption		-
1,370,000	g	Standard Assets		5,327,000
1,600,000	h	Restructured Advances		600,000
91,441,000	i	Bad and Doubtful Debts		28,582,000
4,981,000	j	Special Reserve U/s 36 (1)(viii) of Income Tax Act, 1961		2,000,000
<b>2,523,540,166</b>				<b>2,597,655,672</b>
<b>314,096,519</b>		<b>PROFIT BEFORE TAX</b>		<b>341,062,005</b>
<b>2,837,636,685</b>		<b>TOTAL</b>		<b>2,938,717,677</b>

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2017

[illegible]

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2017

PREVIOUS YEAR ₹	EXPENDITURE	Sch. No.	CURRENT YEAR ₹
	TAX EXPENSES		
134,500,000	Income Tax		121,500,000
(22,550,000)	Deferred Tax		(763,000)
-	Excess tax provision of earlier years		(931,292)
-	Short tax provision of earlier years		1,341,875
111,950,000			121,147,583
<b>202,146,519</b>	<b>NET PROFIT AFTER TAX</b>		<b>219,914,422</b>
<b>314,096,519</b>			<b>341,062,005</b>

### NOTES FORMING PART OF FINANCIAL STATEMENTS 1 - 15 AS PER OUR REPORT OF EVEN DATE

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**  
 FRN 106655 W

**[Abhay V. Kamat]**  
 Partner  
 M. No.39585

Place: Mumbai  
 Date: July 12, 2017

### FOR AND ON BEHALF OF BOARD OF DIRECTORS

**For: CITIZENCREDIT CO-OPERATIVE  
BANK LIMITED**

Geeta Andrades  
 Managing Director &  
 Chief Executive Officer



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2017

PREVIOUS YEAR ₹	INCOME	Sch. No.	CURRENT YEAR ₹
314,096,519	PROFIT BEFORE TAX		341,062,005
<b>314,096,519</b>			<b>341,062,005</b>

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**  
**For : CITIZENCREDIT CO-OPERATIVE BANK LIMITED**

Anthony D'Souza  
Chairman

Donald L. Creado  
Vice-Chairman

**DIRECTORS**

Priscilla Buthello  
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Malcolm D. Correa  
Leslie J.H. Lobo  
James S. Pereira  
Arvind Pinto

Place: Mumbai  
Date: July 12, 2017

## SCHEDULES TO BALANCE SHEET 31<sup>ST</sup> MARCH 2017

# SCHEDULES TO BALANCE

As at 31.03.2016 Amount ₹		PARTICULARS		As at 31.03.2017 Amount ₹
		<b>SCHEDULE - 1</b>		
		<b>SHARE CAPITAL</b>		
	A)	Authorised Capital		
500,000,000		5,00,00,000 (PY 5,00,00,000) Shares of ₹10/- each		500,000,000
	B)	Issued, Subscribed and Paid-up		
		1,52,54,729 (PY 1,52,00,005) Shares of ₹10/- each		
150,587,680	a)	Individuals:	151,069,920	
1,412,370	b)	Others:	1,477,370	152,547,290
<b>152,000,050</b>				<b>152,547,290</b>
		<b>SCHEDULE - 2</b>		
		<b>RESERVE FUND AND OTHER RESERVES</b>		
576,424,003	a)	Statutory Reserve Fund	627,912,482	
183,509,000	b)	Special Contingency Fund	203,709,000	
716,434,288	c)	Building Fund	716,434,288	
247,341,975	d)	General Reserve	303,126,975	
516,532,000	e)	Provision for Bad and Doubtful Debts	545,114,000	
3,645,101	f)	Provision for Restructured Advances	4,245,101	
40,672,953	g)	Contingent Provisions against Standard assets	45,999,953	
329,623,670	h)	Investment Fluctuation Reserve	379,623,670	
453,050,968	i)	Revaluation Reserves	440,365,488	
91,370,000	j)	Special Reserve Long Term Finance U/s 36(1)(viii) of Income tax Act, 1961	93,370,000	
<b>3,158,603,958</b>				<b>3,359,900,957</b>
		<b>SCHEDULE - 3</b>		
		<b>DEPOSITS AND OTHER ACCOUNTS</b>		
	(i)	<b>TERM DEPOSITS</b>		
16,500,404,043	a)	From Individuals and Others	17,892,642,708	
777,953,706	b)	From Other Societies	754,027,851	
<b>17,278,357,749</b>				<b>18,646,670,559</b>
	(ii)	<b>SAVINGS BANK DEPOSITS</b>		
7,948,135,614	a)	From Individuals and Others	9,527,633,948	
299,895,791	b)	From Other Societies	300,519,572	
<b>8,248,031,405</b>				<b>9,828,153,520</b>

## SCHEDULES TO BALANCE SHEET 31<sup>ST</sup> MARCH 2017

As at 31.03.2016 Amount ₹		PARTICULARS		As at 31.03.2017 Amount ₹
	(iii)	<b>CURRENT DEPOSITS</b>		
684,550,942		a) From Individuals and Others	757,743,524	
1,568,337		b) From Other Societies	1,037,360	
<b>686,119,279</b>				<b>758,780,884</b>
	(iv)	<b>MATURED DEPOSITS</b>		
3,648,642		a) From Individuals and Others	6,596,836	
–		b) From Other Societies		
<b>3,648,642</b>				<b>6,596,836</b>
<b>26,216,157,075</b>				<b>29,240,201,799</b>
		<b>SCHEDULE - 4</b>		
		<b>OTHER LIABILITIES</b>		
268,958,384	a)	Pay orders Issued	24,036,323	
1,745,949	b)	Unclaimed Dividends	1,926,037	
2,253,443	c)	Sundry Creditors	4,491,939	
3,592,588	d)	Deposit on Capital Linked Subsidy Scheme from SIDBI	3,972,219	
2,345,170	e)	Audit Fees Payable	2,682,325	
423,438,000	f)	Provision for Tax	121,500,000	
50,158,748	g)	Leave Encashment	56,157,594	
6,278,681	h)	Gratuity	4,852,968	
1,595,375	i)	Leave Travel Allowance	5,817,293	
2,501,181	j)	Rent on Lockers Received in Advance	4,243,150	
1,846,000	k)	Key Deposit	4,120,800	
8,068,097	l)	Outstanding Expenses	8,766,002	
26,170,154	m)	TDS Payable	23,634,850	
650,117	n)	General Suspense Account	494,628	
2,952,230	o)	Cheques under Clearing for Franking	5,718,784	
5,507,974	p)	Miscellaneous other liabilities	19,986,666	
<b>808,062,091</b>				<b>292,401,578</b>

## SCHEDULES TO BALANCE SHEET 31<sup>ST</sup> MARCH 2017

As at 31.03.2016 Amount ₹		PARTICULARS		As at 31.03.2017 Amount ₹
		<b>SCHEDULE - 5</b>		
		<b>PROFIT AND LOSS ACCOUNT</b>		
231,903,370		Profit as per last Balance Sheet	213,023,289	
–		Less: Appropriation for 2015-2016	–	
55,300,000	a)	Statutory Reserve Fund @ 25% of Profit	50,500,000	
22,100,000	b)	Contingency Fund @10%	20,200,000	
2,210,000	c)	Education Fund @ 1%.	1,521,000	
24,016,600	d)	Dividend @16%	24,203,403	
30,000,000	e)	Investment Fluctuation Reserve	50,000,000	
87,400,000	f)	General Reserve	55,785,000	
<b>10,876,770</b>			<b>10,813,886</b>	
<b>202,146,519</b>		Add: Net Profit for the year as per Profit and Loss A/c.	<b>219,914,422</b>	
<b>213,023,289</b>				<b>230,728,308</b>
		<b>SCHEDULE - 6</b>		
		<b>CASH, BALANCES WITH RBI, SBI, STATE CO-OPERATIVE BANK AND CENTRAL CO-OPERATIVE BANK</b>		
90,032,612	I.	<b>Cash In Hand</b>	87,873,702	
	II.	<b>Reserve Bank of India</b>		
1,049,140,172	a)	In Current Accounts	1,232,895,226	
–	b)	In Other Accounts	–	
	III.	<b>Balances with State Bank of India and Subsidiaries</b>		
443,879	a)	In Current Accounts	135,336	
144,000,000	b)	In Other Accounts	129,700,000	
	IV.	<b>Balances with State and Central Co-operative Banks</b>		
		In Current Accounts		
35,434	i.	State Co-op. Bank Ltd.	30,402	
18,740	ii.	Dist. Central Co-op. Bank Ltd.	18,800	
<b>1,283,670,837</b>				<b>1,450,653,466</b>



## SCHEDULES TO BALANCE SHEET 31<sup>ST</sup> MARCH 2017

As at 31.03.2016 Amount ₹		PARTICULARS		As at 31.03.2017 Amount ₹
		<b>SCHEDULE - 7</b>		
		<b>BALANCES WITH OTHER BANKS</b>		
	a)	<b>Current Deposits with</b>		
1,021,124	(i)	Nationalised Banks	1,536,903	
18,004,467	(ii)	Other Banks	73,986,254	
	b)	<b>Fixed Deposits with</b>		
1,318,000,000	(i)	Nationalised Banks	1,274,400,000	
3,161,450,567	(ii)	Other Banks	3,684,424,510	
<b>4,498,476,158</b>				<b>5,034,347,667</b>
		<b>SCHEDULE - 8</b>		
		<b>LENDING UNDER RBI REVERSE REPO / REVERSE REPO</b>		
170,000,000	(i)	Reverse Repo under RBI LAF	750,000,000	
-	(ii)	Reverse Repo	1,499,755,275	
<b>170,000,000</b>				<b>2,249,755,275</b>
		<b>SCHEDULE - 9</b>		
		<b>INVESTMENTS</b>		
7,594,954,871	(i)	In Central and State Government Securities Face Value ₹5,85,00,00,000 (PY ₹7,66,76,00,000) Market Value ₹5,89,80,03,665 (PY ₹7,94,70,13,321)	5,891,512,014	
2,000	(ii)	Shares in co-operative institutions Face Value ₹2,000 (PY ₹2,000) Market Value ₹2,000 (PY ₹2,000)	2,000	
1,050,860,650	(iii)	P.S.U. Bonds and Bonds of all India Financial Institutions Face Value ₹90,00,00,000 (PY ₹1,05,00,00,000) Market Value ₹91,84,30,136 (PY ₹1,07,54,83,966)	900,281,700	
1,168,736,494	(iv)	Others Face Value ₹1,75,00,00,330 (PY ₹1,25,00,00,330) Market Value ₹1,64,81,00,832 (PY ₹1,16,87,31,863)	1,648,103,494	

## SCHEDULES TO BALANCE SHEET 31<sup>ST</sup> MARCH 2017

As at 31.03.2016 Amount ₹		PARTICULARS		As at 31.03.2017 Amount ₹
<b>9,814,554,015</b>				<b>8,439,899,208</b>
		<b>SCHEDULE - 10</b>		
		<b>ADVANCES</b>		
	<b>1)</b>	<b>Short Term Loan, Cash Credit, Overdraft and Bill Discounted of which secured against:</b>		
1,493,913,447	a)	Term Lending CBLO	2,490,138,369	
1,612,371	b)	Government and Other approved securities	1,147,749	
3,441,873,879	c)	Other Tangible Securities	3,751,222,291	
569,078	d)	Personal Sureties	252,354	
<b>4,937,968,775</b>				<b>6,242,760,763</b>
		i) Amount overdue ₹469,854,209 (P.Y. ₹485,770,563)		
		ii) Amount considered as Bad and Doubtful of recovery provided as per RBI norms ₹333,504,368 (P.Y. ₹313,868,175)		
	<b>2)</b>	<b>Medium Term Loan of which Secured against:</b>		
478,055	a)	Government and Other approved Securities	527,751	
1,196,225,343	b)	Other Tangible Securities	1,029,573,587	
141,642,082	c)	Personal Sureties	154,863,002	
<b>1,338,345,480</b>				<b>1,184,964,340</b>
		i) Amount overdue ₹39,877,264 (P.Y. ₹35,095,739)		
		ii) Amount considered as Bad and Doubtful of recovery provided as per RBI norms ₹34,047,515 (P.Y. ₹353,81,251)		
	<b>3)</b>	<b>Long Term Loans of which Secured against:</b>		
–	a)	Government and Other approved Securities	–	
6,936,829,056	b)	Other Tangible Securities	7,435,705,226	
561,875	c)	Personal Sureties	1,212,031	
<b>6,937,390,931</b>				<b>7,436,917,257</b>
		i) Amount overdue ₹176,032,876 (P.Y. ₹134,432,433)		

## SCHEDULES TO BALANCE SHEET 31<sup>ST</sup> MARCH 2017

As at 31.03.2016 Amount ₹	PARTICULARS		As at 31.03.2017 Amount ₹
	ii) Amount considered as Bad & Doubtful of recovery provided as per RBI norms ₹506,127,792 (P.Y. ₹44,99,20,095)		
<b>13,213,705,186</b>			<b>14,864,642,360</b>
	<b>SCHEDULE - 11</b>		
	<b>FIXED ASSETS</b>		
	<b>I) FREEHOLD LAND</b>		
	<b>Gross Block</b>		
150,920,800	At Original Cost / Revalued Cost	150,920,800	
<b>150,920,800</b>	<b>Total</b>		<b>150,920,800</b>
	<b>II) PREMISES</b>		
	<b>Gross Block</b>		
697,983,135	At Original Cost / Revalued Cost	698,122,335	
139,200	Add: Additions during the year	33,382,624	
<b>698,122,335</b>	<b>Total (A)</b>	<b>731,504,959</b>	
	<b>Accumulated Depreciation</b>		
240,967,963	Opening Balance	264,436,558	
23,468,595	Add: Depreciation for the year **	25,735,504	
<b>264,436,558</b>	<b>Total Accumulated Depreciation (B)</b>	<b>290,172,062</b>	
<b>433,685,777</b>	<b>Net Block (C) [(A) – (B)] **</b> (includes ₹12685480 (PY ₹12685480) on account of Revaluation adjusted to Revaluation Reserve)		<b>441,332,897</b>
	<b>III) FURNITURE AND FIXTURES</b>		
	<b>Gross Block</b>		
85,677,800	At Original Cost	91,212,397	
7,014,264	Add: Additions during the year	13,764,634	
1,479,667	Less: Deductions	2,832,568	
<b>91,212,397</b>	<b>Total (A)</b>	<b>102,144,463</b>	
	<b>Accumulated Depreciation</b>		
35,457,377	Opening Balance	40,253,010	

## SCHEDULES TO BALANCE SHEET 31<sup>ST</sup> MARCH 2017

As at 31.03.2016 Amount ₹		PARTICULARS		As at 31.03.2017 Amount ₹
5,633,092		Add: Depreciation for the year	6,235,301	
837,459		Less: Deductions	2,076,716	
<b>40,253,010</b>		<b>Total Accumulated Depreciation (B)</b>	<b>44,411,595</b>	
<b>50,959,387</b>		<b>Net Block (C) [(A) – (B)]</b>		<b>57,732,868</b>
	<b>IV)</b>	<b>COMPUTERS</b>		
		<b>Gross Block</b>		
141,730,831		At Original Cost	145,658,525	
6,550,850		Add: Additions during the year	11,546,141	
2,623,156		Less: Deductions	3,074,984	
<b>145,658,525</b>		<b>Total (A)</b>	<b>154,129,682</b>	
		<b>Accumulated Depreciation</b>		
132,231,547		Opening Balance	138,484,434	
8,855,769		Add: Depreciation for the year	6,827,869	
2,602,882		Less: Deductions	3,074,948	
<b>138,484,434</b>		<b>Total Accumulated Depreciation (B)</b>	<b>142,237,355</b>	
<b>7,174,091</b>		<b>Net Block (C) [(A) – (B)]</b>		<b>11,892,327</b>
	<b>V)</b>	<b>VEHICLES</b>		
		<b>Gross Block</b>		
3,838,341		At Original Cost	3,836,016	
2,325		Less: Deductions	61	
<b>3,836,016</b>		<b>Total (A)</b>	<b>3,835,955</b>	
		<b>Accumulated Depreciation</b>		
978,464		Opening Balance	1,405,707	
428,878		Add: Depreciation for the year	364,544	
1,635		Less: Deductions	48	



## SCHEDULES TO BALANCE SHEET 31<sup>ST</sup> MARCH 2017

As at 31.03.2016 Amount ₹		PARTICULARS		As at 31.03.2017 Amount ₹
1,405,707		Total Accumulated Depreciation (B)	1,770,203	
2,430,309		Net Block (C) [(A) – (B)]		2,065,752
144,944,222	VI)	CAPITAL WORK IN PROGRESS		139,631,264
790,114,586		TOTAL (I+II+III+IV+V+VI)		803,575,908
		<b>SCHEDULE - 12</b>		
		<b>OTHER ASSETS</b>		
335,281	a)	Sundry Debtors	533,755	
7,660	b)	Stamps in Hand	4,100	
85,683	c)	Pan Coupon Stock	61,000	
9,834,056	d)	Deposits for Premises	10,303,106	
14,909,894	e)	Deposits for Services	14,393,938	
1,396,447	f)	Stock of Stationery	2,086,934	
3,071,273	g)	Commission Receivable	1,405,566	
435,656,806	h)	Income Tax	138,088,485	
7,802,843	i)	Advance for Expenses	1,629,240	
4,65,721	j)	Clearing Account	8,004	
16,188,974	k)	Stamp Imprest/ Advance Account	27,022,686	
3,256,672	l)	Prepaid Expenses	7,429,501	
975,933	m)	Amount Claimed From RBI DEAF	622,490	
25,215,464	n)	Non Banking Asset acquired in satisfaction of claim	25,215,464	
236,526	o)	Miscellaneous other assets	4,773,587	
519,439,233				233,577,856

## SCHEDULES TO PROFIT AND LOSS ACCOUNT

PREVIOUS YEAR (₹)		PARTICULARS		CURRENT YEAR (₹)
		<b>SCHEDULE - 13</b>		
		<b>SUNDRY EXPENSES</b>		
295,781	i)	Brokerage	88,428	
2,643,170	ii)	CCIL Transaction Charges	3,226,450	
734,603	iii)	Electronic Channel Division Expenses	1,632,946	
1,271,407	iv)	ATM Transaction Paid	3,056,871	
206,962	v)	SMS Alert Expenses	380,234	
-	vi)	Rupay Transaction Paid	56,450	
-	vii)	IMPS Fees Paid	2,560	
	viii)	Cersai-CKYC-CPD Expenses	5,578	
1,793,586	ix)	Membership & Subscription	1,821,587	
298,452	x)	Recruitment Expenses	520,376	
268,461	xi)	AGM Expenditure	363,516	
487,900	xii)	Members Welfare Expenses	451,977	
1,901,854	xiii)	Business Development Expenses	2,417,538	
1,666,689	xiv)	Other Expenses	2,616,727	
<b>11,568,865</b>				<b>16,641,238</b>
		<b>SCHEDULE - 14</b>		
		<b>SUNDRY INCOME</b>		
178,047	i)	Salary in lieu of notice period	261,237	
342,785	ii)	Miscellaneous Receipts	803,400	
3,782	iii)	Provisions no longer required written back	-	
34,647	iv)	Tax Refund of earlier years	185,860	
<b>559,261</b>				<b>1,250,497</b>

## SCHEDULE - 15

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

#### I. 1. OVERVIEW

CITIZENCREDIT Co-operative Bank Ltd (CCCBL) was incorporated on May 8, 1920 as a primary cooperative credit society. The society was licensed to undertake Banking business by the Reserve Bank of India vide its licence no. MH 1016 p dated December 27, 1989. The Bank is registered under the Multi-State Cooperative Societies Act by the Central Registrar vide their order dated January 20, 1998. The area of operation of the Bank extends to the entire State of Maharashtra, Union Territory of Daman, States of Goa, Karnataka and New Delhi. The Bank has a network of 42 branches.

#### 2. BASIS OF PREPARATION

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless otherwise stated, and comply with Generally Accepted Accounting Principles in India (GAAP), statutory requirements prescribed under the Banking Regulation Act 1949, and the Multi State Co-operative Societies Act, 2002, circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time, the Accounting Standards ('AS') issued by the Institute of Chartered Accountants of India ('ICAI') in so far as they apply to the banks and current practices prevailing within the banking industry in India.

#### 3. USE OF ESTIMATES

The preparation of the financial statements, in conformity with GAAP, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from these estimates. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revisions to the accounting estimates are recognized prospectively in the current and future periods.

### II. SIGNIFICANT ACCOUNTING POLICIES

#### 1 Accounting Conventions:

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 except otherwise stated.

#### 2 Revenue Recognition:

- 2.1. Interest / discount on advances / bills is recognized on accrual basis except on non- performing assets in which case the income is recognized on actual realization as per prudential norms. Overdue Interest in respect of advances classified as Non-Performing Assets, is disclosed separately under Overdue Interest Reserve.
- 2.2. Commission & Exchange and Rent on Lockers are recognized on cash basis. The Locker Rent received in advance for a period beyond 12 months is considered as liability.
- 2.3. Income on Investments is recognized on accrual basis, except for Non Performing Investments, where the income is recognized on actual realization as per the prudential norms.
- 2.4. Provision is made for Interest on overdue and unclaimed deposits at the rate applicable to Savings Bank Accounts as per RBI instructions.

- 2.5. Recovery in Non-Performing Assets is first appropriated towards interest and the balance, if any towards principal, except in the case of Suit Filed Accounts.
- 2.6. Legal expenses incurred on suit filed cases are accounted for in the profit and loss account as per RBI guidelines. Such amount when recovered is treated as income.

### **3 Reserve Fund and Other Reserves:**

- 3.1. The Statutory Reserve Fund and Special Contingency Fund are created under the provisions of The Multi-State Co-operative Societies Act, 2002. Other Reserves are created out of the appropriations from the profit for the year approved by the members in the General Meeting.
- 3.2. Entrance fees and nominal membership fees received from the members on admission during the year and dividends remaining unclaimed for over 3 years are credited to Statutory Reserve.
- 3.3. The Bank has created a Special Reserve u/s 36(i) (viii) of the Income Tax Act, 1961 in respect of profits from “eligible business” as mentioned in the said section.

### **4 Investments:**

- 4.1. In accordance with the Reserve Bank of India (RBI) guidelines, investments are classified at the date of purchase as :
  - Held to Maturity (HTM) ;
  - Held for Trading (HFT) ; and
  - Available for Sale (AFS).

Investments that the Bank intends to hold till maturity are classified under the HTM category. Investments that are held principally for sale within a short period are classified as HFT securities. All other investments are classified as AFS securities. However, for disclosure in Balance Sheet, Investments are grouped as Government Securities, other approved securities, shares, PSU Bonds and Other Investments as required.
- 4.2. Transfer of securities between categories of investments is accounted as per the RBI guidelines.
- 4.3. Investments are valued in accordance with the RBI guidelines. Securities held in HTM category are carried at acquisition cost. Premium, if any, paid on acquisition is amortized over the remaining period of maturity. Discount on securities held under HTM category is not accounted and such securities are held at acquisition cost till maturity. Securities held in HFT and AFS category are valued scrip-wise, at market value based on Reserve Bank of India guidelines and appreciation / depreciation is aggregated for each class of securities and net depreciation is recognized in the Profit and Loss account, whereas net appreciation, if any, is ignored.
- 4.4. The market value of unquoted government securities which qualify for determining Statutory Liquidity Ratio (SLR) included in AFS and HFT categories is computed as per yield to maturity (YTM) indicated by Primary Dealers Association of India (PDAI) jointly with Fixed Income and Money Market Derivatives Association of India (FIMMDA).
- 4.5. Treasury bills, Commercial Paper and Certificate of Deposits being discounted instruments are valued at carrying cost.
- 4.6. Investments in other securities include shares of a joint stock company carried over from the erstwhile Bombay Catholic Urban Credit Co-operative Society Limited, being carried at cost.



- 4.7. Realised gains on investments under the HTM category are recognized in the Profit and Loss Account and subsequently appropriated to Investment Fluctuation Reserve in accordance with the RBI guidelines. Losses are recognized in the Profit and Loss Account.
- 4.8. Repo / Reverse repo transactions if any, are accounted for as collateralized lending and collateralized borrowing transactions in accordance with RBI guidelines and correspondingly the expense and income thereon are treated as interest and recognized in the Profit and Loss Account.
- 4.9. In respect of Repo transactions under LAF with RBI, amount borrowed from RBI is credited to investment account and reversed on maturity of transaction. Cost thereon is accounted for as interest expenses. In respect of Reverse Repo transactions under LAF with RBI, amount lent to RBI is debited to investment account and reversed on maturity of transaction. Revenue thereon is accounted for as interest income.

## 5 Advances:

- 5.1. Advances are classified into standard, sub-standard, doubtful and loss assets in accordance with the guidelines issued by the Reserve Bank of India from time to time.
- 5.2. Provision on Advances categorized under Sub-Standard, Doubtful and Loss Assets is made in accordance with the guidelines issued by the Reserve Bank of India. Doubtful Assets for more than 3 years and Loss Assets are fully provided as per the extant RBI guidelines. NPAs are identified by periodic appraisals of the loan portfolio by the Management.
- 5.3. A general provision on Standard Assets is made as prescribed by the RBI.

## 6 Fixed Assets and Depreciation:

- 6.1. Fixed assets are carried at cost of acquisition less accumulated depreciation in accordance with AS 6 and AS 10 issued by Institute of Chartered Accountants of India (ICAI). Cost includes cost of purchase and all directly attributable costs of bringing the asset to its working condition for its intended use.
- 6.2. In the absence of any provisions in the related co-operative laws recommending rates of depreciation to be followed, the Bank has adopted the rates of depreciation on Written Down Value Method as laid down in the Income Tax Rules, 1961 for all assets (except Computers) owned by the Bank. Depreciation on computers has been charged @ 33 1/3% on Straight Line Method (SLM) in accordance with the Reserve Bank of India guidelines. Depreciation is charged on the rates mentioned below-

Type Of Fixed Asset	Depreciation rate (p.a.)	Depreciation Method
Freehold Premises	10%	Written Down Value
Furniture and Fixtures	10%	Written Down Value
Computers	33 1/3%	Straight Line
Vehicles	15%	Written Down Value

- 6.3 Depreciation on fixed assets purchased during the year is charged for the entire year, if the asset is purchased and put to use for 180 days or more; otherwise it is charged at 50% of the normal rate. No depreciation is charged on fixed assets sold / disposed off during the year.

- 6.4 No depreciation is charged on freehold land.
- 6.5 Civil works including interior decoration and renovation expenses in respect of premises is charged to Profit and Loss Account.
- 6.6 Depreciation on assets costing ₹5,000/- or less is depreciated at 100%.
- 6.7 Capital work-in-progress includes cost of fixed assets that are not ready for their intended use. As on 31<sup>st</sup> March 2017, the Bank has one project in hand viz; proposed Malad Building where the Bank has commenced construction of its own five storied premises at Orlem-Malad. As on 31<sup>st</sup> March 2017, only ground floor is capitalized as the same is being used for branch operations.
- 6.8 The premises and freehold land of the Bank were last revalued as on 31<sup>st</sup> March 2010 by professionally qualified independent valuers empanelled by the Bank in accordance with the policy formulated by the Bank based on RBI guidelines. The surplus arising on revaluation of Freehold Land amounting to ₹963.28 lakhs is credited to Revaluation Reserve. The surplus arising on revaluation of Freehold Premises amounting to ₹3179.10 lakhs is credited to Revaluation Reserve and is being used to adjust depreciation on revaluation over the remaining useful life of the premises. Total revaluation reserve stands at ₹4403.65 lakhs as on March 31, 2017.

## 7 Foreign Currency Transactions:

Foreign currency transactions during the year are accounted at the rate of exchange prevailing on the dates of the transactions. Foreign Currency assets and liabilities are translated at the Balance Sheet date at the rates notified by Foreign Exchange Dealers Association of India (FEDAI). Profit / Losses resulting from year end revaluations are recognized in the Profit and Loss Account.

## 8 Retirement and Employee Benefits:

The liability on employee benefits are recognised in accordance with Accounting Standard 15 (Revised):

- 8.1 **Provident Fund:** The Bank's Contribution to the Provident Fund payable to "The Employees Provident Fund Organisation (EPFO)" is charged to Profit & Loss account and is included under the head "Salaries, Allowances and Provident Fund etc".
- 8.2 **Gratuity:** The Bank makes annual contribution to the "The CITIZENCREDIT Co-operative Bank Ltd Employees Gratuity Fund Trust" administered and managed by the trustees. The net present value of the Bank's obligation towards the same is determined by actuarial valuation based on the projected unit credit method as at the balance sheet date and the same was funded to LIC under the LIC Group Gratuity Scheme, who, in turn manages the Fund.
- 8.3 **Leave Encashment:** The employees of the Bank are entitled to compensated absence as per the leave rules. The Bank measures the long term expected cost of compensated absence as a result of the unused entitlement that has accumulated at the balance sheet date based on actuarial valuation and this cost is recognised in the Profit & Loss account.

## 9 Segment Reporting:

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

9.1 **Treasury** – It includes all investment portfolio, profit / loss on sale of investments, profit / loss on foreign exchange transactions, equities and money market operations. The expenses of this segment consist of interest expenses on funds borrowed from external sources as well as internal sources and depreciation / amortization of premium on Held to Maturity category investments.

9.2 **Other Banking Operations** – It includes all other operations not covered under Treasury operations.

## 10 Leases:

Operating Leases where the Bank's lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit & Loss Account over the lease term.

## 11 Taxation:

11.1 Tax expense comprises both deferred and current taxes. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

11.2 Deferred tax is based on tax rates and the tax laws effective at the Balance Sheet date.

11.3 Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## 12 Impairment of Assets:

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## 13 Provisions, Contingent Assets and Contingent Liabilities:

13.1 A provision is recognized when the bank has a present obligation as a result of past event where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

13.2 A disclosure of contingent liability is made when there is:

- i. A possible obligation arising from a past event, 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
- ii. A present obligation arising from a past event which is not recognized as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

13.3 Contingent assets are neither recognized nor disclosed in the financial statements.

### III. NOTES FORMING PART OF ACCOUNTS

#### 1. Provision For Income Tax:

a) The Bank has made provision of ₹1215.00 lakhs (P.Y. ₹1345.00 lakhs) for Income Tax for the year.

#### 2. Provision for Bad and Doubtful Debts:

The Bank has made the following provisions in accordance with the regulatory requirements.

(₹ in Lakhs)

Particulars	Current Year	Previous Year
Provision for Bad and Doubtful Debts	285.82	914.41
Provision for Standard Assets	53.27	13.70
Provision for Restructured Advances	6.00	16.00

#### 3. Restructured Loans:

The details of loans subjected to restructuring during the year 2016-17 as per RBI guidelines is as follows-

(₹ in Lakhs)

Sr. No.	Particulars	Housing Loan	SME Debt Restructuring	Others
1	Standard Advances Restructured	No. of Borrowers	-	1
		Amount Outstanding	-	495.25
		Diminution in the fair value	-	3.01
2	Sub-Standard Advances Restructured	No. of Borrowers	-	-
		Amount Outstanding	-	-
		Diminution in the fair value	-	-
3	Doubtful Advances Restructured	No. of Borrowers	1	-
		Amount Outstanding	0.96	-
		Diminution in the fair value	NIL	-
	Total	No. of Borrowers	1	1
		Amount Outstanding	0.96	495.25
		Sacrifice (Diminution in the fair value)	NIL	3.01

There is one account in respect of which application for restructuring is under process.

#### 4. Revaluation Reserve:

Revaluation reserve has been reduced to the extent of ₹126.85 lakhs (P.Y. ₹126.85 lakhs) on account of depreciation on account of revaluation of ownership premises and the same has been adjusted in depreciation.



## 5. Other Liabilities And Provisions:

Interest accrued but not due on deposits and borrowings has been fully provided for and is included in Interest payable. Full provision has been made for all known expenses.

## 6. Bancassurance Business:

The Details of fees/remuneration received with respect to bancassurance business undertaken by the Bank is disclosed in the table given below:

(₹ in Lakhs)

Sr. No.	Nature of Income	31.03.2017	31.03.2016
1	For selling life insurance policies	72.13	89.92
2	For selling non-life insurance policies	14.87	7.39
3	For selling PMJBY policies	0.84	0.90

## 7. AS-11 Accounting for Effects of Changes in Foreign Currency:

The Foreign Currency balance held by the Bank amounted to ₹33.94 lakhs (PY ₹12.48 lakhs) as on March 31, 2017. Foreign currency in hand has been valued at the rate prevailing on that date. Any profit / loss has accordingly been taken into account and there was no depreciation in the foreign exchange assets held by the Bank in terms of AS-11 on "Accounting for Effects of Changes in Foreign Currency" issued by the Institute of Chartered Accountants of India.

## 8. AS-15 Accounting for Employee Benefits:

The Bank has made full provision towards Leave Encashment and Gratuity. The details as required by Accounting Standard 15 (Revised) pertaining to Leave Encashment and Gratuity is as under. (₹ in Lakhs)

Sr. No.	Particulars	Leave Encashment		Gratuity (Funded)	
		Current Year	Previous Year	Current Year	Previous Year
1	Discount rate	7.50% p.a.	8.00% p.a.	8.00% p.a.	8.00% p.a.
2	Expected Return on plan assets	N.A.	N.A.	56.42	58.54
3	Salary escalation rate	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.
4	Reconciliation of opening and closing balance of the present value of the defined benefit obligation				
I	Present value of obligation as at beginning of the year	501.59	414.50	836.85	742.64
II	Interest cost	40.13	33.16	77.04	59.41
III	Current service cost	19.38	70.74	40.23	62.49
IV	Liability transfer in	NIL	NIL	NIL	NIL
V	Benefits paid	(20.66)	(24.43)	(35.90)	(27.12)
VI	Actuarial gains / (loss) on obligations.	21.14	7.62	(2.32)	(0.57)
VII	Present value of obligation as at the year end	561.58	501.59	915.90	836.85
5	Reconciliation of opening and closing balance of fair value of fair plan assets.				
I	Fair value of plan assets as at the beginning of the year	NIL	NIL	774.06	644.34
II	Expected return on plan assets.	NIL	NIL	66.36	58.54
III	Contributions.	NIL	NIL	62.79	98.30
IV	Transfer from other entities.	NIL	NIL	NIL	NIL
V	Benefits paid	NIL	NIL	(35.89)	(27.12)
VI	Actuarial gain/ (loss) on plan assets.	NIL	NIL	NIL	NIL
VII	Fair value of plan assets as at the year end	NIL	NIL	867.32	774.06
6	Amount recognized in Balance Sheet.				
I	Present value of obligations as at the year end	561.58	501.59	915.90	836.85
II	Fair value of plan assets as at the year end	NIL	NIL	(867.32)	(774.06)
III	(Assets) / liability as at the end of the year	561.58	501.59	48.58	62.79
7	Expenses recognized in Profit and Loss Account.				
I	Current service cost	19.38	70.74	40.23	62.49
II	Interest cost	40.13	33.16	77.04	59.41
III	Expected Return on planned Assets	NIL	NIL	(66.36)	(58.54)
IV	Net actuarial gain / (loss).	21.14	7.62	(2.32)	(0.57)
8	Expenses recognized in Profit and Loss Account.	80.65	111.52	48.58	62.79

## 9. AS-17 Segment Reporting:

### PRIMARY SEGMENT REPORTING (BY BUSINESS SEGMENTS)

Pursuant to the guidelines issued by RBI on AS-17 (Segment Reporting) the business segments have been classified as under :-

- Treasury: Dealing operations in Money Market Instruments, Trading / Investment in Bonds / Government Securities.
- Other Banking Operations: Foreign and Local finance/ services.

(₹ in Lakhs)

Particulars	Treasury	Other Banking Operations	Total
			(31.03.2017) (31.03.2016)
Revenue	15,561.73 (14,321.93)	13,823.59 (14,054.44)	29,385.32 (28,376.37)
Segment Cost	12,157.94 (11,327.39)	13,331.40 (12,723.83)	25,489.34 (24,051.22)
Result	3,403.79 (2,994.54)	492.19 (1,330.61)	3,895.98 (4,325.15)
Less: Extraordinary Items	–	–	–
Net Result	3,403.79 (2,994.54)	492.19 (1,330.61)	3,895.98 (4,325.15)
Less: Unallocated Provisions and Contingencies			487.22 (1,184.18)
Profit Before Tax			3,408.76 (3,140.97)
Income Tax/ Deferred Tax Asset			1,209.62 (1,119.50)
Net Profit			2,199.14 (2,021.47)
<b>Other Information</b>			
Segment Assets	1,96,557.44 (1,61,195.85)	1,62,589.91 (1,45,849.92)	3,59,147.35 (3,07,045.77)
Unallocated Assets			2,073.85 (5,066.20)
<b>Total Assets</b>			3,61,221.20 (3,12,111.97)
Segment Liabilities	26,293.79 (3,296.24)	3,00,076.89 (2,72,641.31)	3,26,370.68 (2,75,937.55)
Unallocated Liabilities			1215.00 (4,234.38)
Capital Employed			33,635.52 (31,940.04)
<b>Total Liabilities</b>			3,61,221.20 (3,12,111.97)

- The Bank is catering mainly to the needs of Indian customers, operates as a single unit in India, hence separate information regarding geographical segment is not given.
- The above segments are reported based on the nature of products / services and their attributable risks / returns, overall organizational structure and the internal management reporting system of the Bank.

## 10. AS-18 Related Parties and Disclosures:

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 other than of one Key Management Personnel viz. Mrs. Geeta Andrades, Managing Director and Chief Executive Officer of the Bank. However in terms of RBI Circular dated March 29, 2003, he / she being a single party coming under the category, no further details need to be disclosed.

## 11. AS-19 Operating Leases:

Lease rental obligations in respect of assets taken on operating lease are charged to Profit and Loss Account on straight-line basis over the lease term. Initial direct costs are charged to Profit and Loss Account.

(₹ in Lakhs)

Particulars	31.03.2017	31.03.2016
Future lease rental payable as at the end of the year :		
- Not later than one year	240.47	203.99
- Later than one year and not later than five years	548.53	507.97
- Later than five years	28.57	70.18
Total of minimum lease payments recognized in the Profit and Loss Account for the year	240.31	158.71
Total of minimum sub-lease payment expected to be received under non-cancellable sub-lease	NIL	NIL
Sub-lease payments recognized in the Profit and Loss Account for the year	NIL	NIL

## 12. AS-22-Accounting for Taxes on Income:

The components of Deferred Tax Assets / Liabilities (net) arising on account of timing differences between book profit and taxable profits as at March 31, 2017 are as follows:

(₹ in Lakhs)

Particulars	Balance as on 01.04.2016	During the year	Balance as on 31.03.2017
<b>Deferred Tax Liability</b>			
Special Reserve u/s 36(i)(viii) of the Income Tax Act, 1961	(316.23)	(6.91)	(323.14)
<b>TOTAL</b>	<b>(316.23)</b>	<b>(6.91)</b>	<b>(323.14)</b>
<b>Deferred Tax Asset</b>			
Depreciation	6.57	(6.22)	0.35
Provision for earned leave	173.57	20.76	194.33
Provision u/s 36(1)(vii)(a) of the Income Tax Act, 1961	821.42	0.00	821.42
<b>TOTAL</b>	<b>1001.56</b>	<b>14.54</b>	<b>1016.10</b>
<b>Total Deferred Tax Asset / (Liability)</b>	<b>685.33</b>	<b>7.63</b>	<b>692.96</b>

The Bank has accounted for the net Deferred Tax Asset as on March 31, 2017 amounting to ₹692.96 lakhs after considering the above.

## 13. AS-28 Impairment of Assets:

The Bank has ascertained that there is no material impairment of any of its assets and as such no provision under Accounting Standard 28 – Impairment of Assets, issued by the Institute of Chartered Accountants of India is required.

#### 14. AS-29 Provisions, Contingent Liabilities and Contingent Assets:

Guarantees are disclosed at face value and are fully secured and hence no evaluation of the risks involved is undertaken.

Foreign Letters of Credit are disclosed at rupee equivalent rates prevailing at the time of opening the LCs and are fully secured, hence no evaluation of the risks involved is undertaken.

No provision other than those made, have been considered necessary by the management in respect of disputed tax liabilities in view of the opinion obtained / judgements in favour of the Bank.

Contingent Liabilities on account of Bank Guarantees, Letters of Credit and other claims are as follows:

(₹ in Lakhs)

Particulars	31.03.2017	31.03.2016
(i) Guarantees issued on behalf of constituents	2815.66	2495.08
(ii) Letters of Credit opened on behalf of constituents	4234.75	3844.44
(iii) Income Tax Demand	-	95.27
(vi) Unclaimed Deposits transferred to DEAF*	542.40	512.10
<b>Total</b>	<b>7592.81</b>	<b>6946.89</b>

\* DEAF (Depositor Education and Awareness Fund Scheme) : As per RBI circular No RBI /2013-14 /614 DBOD.No.DEAF Cell.BC.114/30.01.002/2013-14

#### 15. Priority Sector Lending Certificates:

As per RBI Circular RBI/2015-16/366 FIDD.CO.Plan.BC.23/ 04.09.01/2015-16 dated April 7, 2016 both seller and buyer shall report the amount of PSLCs (category-wise) sold and purchased during the year in the 'Disclosures to the Balance Sheet'.

Amount of PSLCs (category-wise) purchased/sold during the year

(₹ in Lakhs)

PSLC Category	PURCHASED AMOUNT	SOLD AMOUNT
PSLC-Small & Marginal farmers (SFMF)	4000.00	Nil
PSLC-Agriculture	Nil	Nil
PSLC-General	Nil	Nil
PSLC-Micro Enterprises	Nil	Nil
<b>Total</b>	<b>4000.00</b>	<b>Nil</b>

#### 16. Non-Banking Asset:

Non-Banking Asset acquired in satisfaction of the claim reflected in 'Other Assets' are as follows:

- A property acquired through auction process during the course of recovery proceeding of one of the borrowers amounting to ₹ 2,52,03,501/-. The bank holds title of this property and is in process of selling the same.
- The bank holds 11963 shares valued at ₹ 1 per share of M/s Ventura Fabrications Pvt. Ltd. (VFPL). It appears that the shares of VFPL were taken over by the ex-officers on behalf of the bank in 2003. The First Information Report (FIR) with regard to the same against the erstwhile officers of the bank has been registered at Bandra Police Station, Mumbai. The matter is presently being investigated by Economic Offences Wing, (EoW) Mumbai.



## 17. General:

Previous year's figures are re-grouped / rearranged, wherever necessary, to conform to the presentation of the accounts of the current year.

## IV. DISCLOSURES UNDER RESERVE BANK OF INDIA GUIDELINES:

In terms of Reserve Bank of India Circular, the following additional disclosures are made :

(₹ in Crores)

Sr. No.	Particulars	31.03.2017	31.03.2016
1	<b>Capital to Risk Asset Ratio (CRAR)</b>	18.68%	18.97%
	a. Tier I Ratio	14.16%	14.11%
	b. Tier II Ratio	4.52%	4.86%
	Increase / (Decrease) in CRAR	(0.29%)	(1.79%)
2	<b>Movement of CRAR</b>		
	a. Tier I Capital	223.19	208.52
	b. Tier II Capital	71.27	71.82
	<b>Total</b>	<b>294.46</b>	<b>280.34</b>
	c. Risk Weighted Assets	1576.76	1477.73
3	<b>Values of Investments are as under :</b>		
	Face Value	850.00	996.76
	Book Value	843.99	981.46
	Market Value	846.45	1019.12
4	<b>Advances against :</b>		
	a. Housing	303.56	272.29
	b. Construction business	39.98	100.17
	c. Other real estates	105.99	37.38
	d. Shares & debentures	1.41	1.59
5	<b>Advances of ₹1486.46 crores (P. Y. ₹1321.37 crores) shown in the Balance Sheet includes advances to directors, their relatives, companies/firms in which they are interested:</b>		
	a. Fund Based	Nil	Nil
	b. Non Fund Based	Nil	Nil
6	<b>Average cost of deposits</b>	6.69%	7.19%
7	<b>NPA's</b>		
	a. Gross NPA's	87.37	79.92
	b. Gross NPA %	5.88%	6.05%
	c. Net NPA's	32.82	28.22

(₹ in Crores)

Sr. No.	Particulars	31.03.2017	31.03.2016
	d. Net NPA %	2.29%	2.22%
8	<b>Movement in NPAs (Gross)</b>		
	Opening Balance	79.92	74.95
	Additions during the year	15.44	19.77
	Less : Closed / Recovered	7.99	14.80
	Closing Balance	87.37	79.92
9	<b>Profitability</b>		
	a. Interest income as a percentage of working funds	8.06%	8.56%
	b. Non-interest income as a percentage of working funds	0.70%	0.64%
	c. Operating profit as a percentage of working funds	1.11%	1.33%
	d. Return on Assets (Net Profit / Average of working funds)	0.67%	0.69%
	e. Business (Deposits + Advances - NPA) per employee	8.61	7.62
	f. Profit per employee (₹ in Lakhs)	4.38	3.99
10	<b>Provision for NPAs</b>		
	a. Provisions on NPAs required to be made	46.04	35.40
	b. Provisions on Non-Performing Advances actually made	54.51	51.65
	c. Provisions on Non-Performing Investments made	Nil	Nil
11	<b>Provisions made towards Standard Assets</b>	4.60	4.07
12	<b>Provisions made towards depreciation in investments during the year</b>	Nil	Nil
13	<b>Movement in Provisions</b>		
	<b>A. Towards Bad &amp; Doubtful Debts</b>		
	Opening Balance	51.65	42.51
	(+) Additions during the year	2.86	9.14
	Closing Balance	54.51	51.65
	<b>B. Towards standard assets</b>		
	Opening Balance	4.07	3.93
	(+) Additions during the year	0.53	0.14
	Closing Balance	4.60	4.07

(₹ in Crores)

Sr. No.	Particulars	31.03.2017	31.03.2016
14	<b>a. Movements in Investment Fluctuation Reserve</b>		
	Opening Balance	32.96	29.96
	(+) Appropriated during the year	5.00	3.00
	Closing Balance	37.96	32.96
	<b>b. % of Investment Fluctuation Reserve to (AFS + HFT) Portfolio</b>	12.23%	8.70%
	<b>c. Movements in Investment Depreciation Reserve</b>		
	Opening Balance	-	-
	Provisions made during the year	-	-
	(-) Transferred during the year	-	-
	Closing Balance	-	-
15	<b>Movement in Overdue Interest Reserve</b>		
	Opening Balance	20.96	14.24
	(+) Additions during the year	15.51	14.55
	(-) Reversal during the year	3.94	7.83
	Closing Balance	32.53	20.96
16	<b>Foreign Exchange Assets</b>		
	Amount held in foreign currency	0.34	0.12
17	Payment towards insurance premium to the DICGC, including arrears, if any	2.71	2.42
18	<b>Penalty imposed by RBI</b>	NIL	NIL
19	<b>Movement in DEAF Account</b>		
	Opening balance of amounts transferred to DEAF	5.12	0.90
	Add: Amounts transferred to DEAF during the year	0.51	4.52
	Less: Amounts reimbursed by DEAF towards claims	0.21	0.30
	Closing balance of amounts transferred to DEAF	5.42	5.12
20	<b>Non Performing Non SLR investments</b>		
	Opening balance	-	-
	Additions during the year since 1st April	-	-
	Reductions during the above period	-	-
	Closing Balance	-	-
	Total Provision held	-	-

**21) Issuer composition of Non SLR Investments**

(₹ in Crores)

Sr. No.	Issuer	31.03.2017				31.03.2016			
		Amount	Extent of below investment grade securities	Extent of unrated securities	Extent of unlisted securities	Amount	Extent of below investment grade securities	Extent of unrated securities	Extent of unlisted securities
1	PSUs	45.04	NIL	NIL	NIL	45.04	NIL	NIL	NIL
2	FIs	44.99	NIL	NIL	NIL	60.05	NIL	NIL	NIL
3	Nationalised Banks	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
4	Others	164.81	NIL	NIL	NIL	116.87	NIL	NIL	NIL
	<b>TOTAL</b>	<b>254.84</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>221.96</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
5	Provision held towards depreciation	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

22)	Securities sold / purchased under repo / reverse repo	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31, 2017
<b>a</b>	<b>Securities sold under repo</b>				
	(i) Government Securities	-	91.90	9.62	-
	(ii) Corporate debt securities	-	-	-	-
<b>b</b>	<b>Securities purchased under reverse repo</b>				
	(iii) Government Securities	-	371.00	121.44	224.98
	(iv) Corporate debt securities	-	-	-	-

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

		(₹) 31.03.2017	(₹) 31.03.2016
<b>1.</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>(A)</b>	<b>Net Profit as per Profit and Loss A/c</b>	219,914,422	202,146,519
	Add: Provisions	60,091,411	121,985,552
	Depreciation on Fixed Assets	26,477,739	25,700,854
	Loss on sale of fixed assets	687,509	596,393
	Less: Provisions written back	-	-
	Profit on sale of fixed assets	(1,20,284)	(106,300)
	<b>Operating profit before changes in operating assets</b>	<b>307,050,797</b>	<b>350,323,018</b>
<b>(B)</b>	<b>(Increase) / Decrease in Operating Assets:-</b>		
	(Increase) / Decrease in Operating Investments	904,138,625	(2,542,717,818)
	(Increase) / Decrease in Advances	(1,650,937,174)	(1,117,063,473)
	(Decrease) / Increase in Deposits	3,024,044,724	2,821,792,571
	(Increase) / Decrease in Other Assets	234,468,236	(171,630,458)
	(Decrease) / Increase in Other Liabilities & Provisions	(546,100,882)	240,713,047
<b>(C)</b>	<b>Income tax paid</b>	121,147,583	111,950,000
	<b>NET CASH FROM OPERATING ACTIVITIES (i)</b>	<b>2,393,811,909</b>	<b>(306,633,113)</b>
<b>2.</b>	<b>CASH FLOW FROM INVESTING ACTIVITY</b>		
	(Increase) / Decrease in Long Term Investments	-	-
	Purchase of Fixed Assets	(53,380,441)	(59,247,095)
	Proceeds from sale of Fixed Assets	188,676	173,079
	<b>NET CASH FROM INVESTING ACTIVITIES (ii)</b>	<b>(53,191,765)</b>	<b>(59,074,016)</b>
<b>3.</b>	<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
	Proceeds from issue / (redemption) of shares	547,240	1,088,450
	Entrance fees received	571,490	578,590
	Dividends paid	(24,203,403)	(24,016,600)
	(Decrease) / Increase in Borrowings	-	-
	<b>NET CASH FROM FINANCING ACTIVITIES (iii)</b>	<b>(23,084,673)</b>	<b>(22,349,560)</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (i+ii+iii)</b>	<b>2,317,535,471</b>	<b>(388,056,689)</b>
	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>1,328,696,428</b>	<b>1,716,753,117</b>
	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>3,646,231,899</b>	<b>1,328,696,428</b>
	<b>NOTES TO THE CASH FLOW STATEMENT:</b>		
<b>(i)</b>	<b>Cash and Cash Equivalents</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	Cash	1,320,953,466	1,139,670,837
	Balances with other Banks	75,523,157	19,025,591
	Money at call and short notice	-	-
	Lending under CBLO / Reverse Repo	2,249,755,275	170,000,000
	<b>Cash and Cash Equivalents</b>	<b>3,646,231,898</b>	<b>1,328,696,428</b>
<b>(ii)</b>	<b>As per Accounting Standard (AS-3) (revised 1997) the following terms are used in this Statement with the meanings specified:</b>		
a)	<b>Cash</b> comprises cash on hand and demand deposits with banks.		
b)	<b>Cash equivalents</b> are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.		
c)	<b>Cash flows</b> are inflows and outflows of cash and cash equivalents.		
d)	<b>Operating activities</b> are the principal revenue-producing activities of the enterprise and other activities that are not investing or financing activities.		
e)	<b>Investing activities</b> are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.		
f)	<b>Financing activities</b> are activities that result in changes in the size and composition of the owners' capital and borrowings of the Bank.		

NOTES FORMING PART OF FINANCIAL STATEMENTS 1 - 15  
AS PER OUR REPORT OF EVEN DATE

For **Mukund M. Chitale & Co.**  
Chartered Accountants  
FRN 106655 W

**[Abhay V. Kamat]**  
Partner  
M. No. 39585

Place: Mumbai  
Date: July 12, 2017

Geeta Andrades  
Managing Director &  
Chief Executive Officer

Priscilla Buthello  
Frederick J. De Souza  
Joseph M. B. Mascarenhas  
Roger C. B. Pereira

For : **CITIZENCREDIT CO-OPERATIVE BANK LIMITED**

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
For : **CITIZENCREDIT CO-OPERATIVE BANK LIMITED**

Anthony D'Souza  
Chairman

#### DIRECTORS

Frederick F. Castellino  
Edwin J. Gonsalves  
Leslie Mascarenhas  
Royston J. Pereira

Donald L. Creado  
Vice-Chairman

Malcolm D. Correia  
Leslie J.H. Lobo  
James S. Pereira  
Arvind Pinto



**Registered Office & Central Administrative Office:**

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**Toll Free No. 1800 123 0209**

Name Of The Branch	Address of the Branch	Telephone No.	Fax No.
<b>MUMBAI</b>			
Amboli	Creado Co-op. Hsg. Soc., Caeser Road, Amboli, Andheri (W), Mumbai 400058	26771280 / 26771523	26771035
Bandra (Mt.Carmel)	Sunbeam Co-op. Hsg. Soc., 64, Mount Carmel Road, Bandra (W), Mumbai 400050	26408717 / 26428293 / 26443765 / 26456012	26438709
Bandra (Hill Road)	Salsette Catholic Co-operative Housing Society Limited, Plot no. 29, Hill Road, Bandra (W), Mumbai 400050	26437089 / 26401764	26437089
Bandra (Turner Road)	Shop no.5/6, Darvesh Royale, Opp.Kotak Mahindra Bank, Perry Road, Bandra (W), Mumbai 400050	26430709 / 26430802	26432240
Borivali	Rosario Apts. I. C. Colony Road, Borivali (W), Mumbai 400103	28931145 / 28937776 / 28940873	28935539
Byculla	St. Mary's Extension, Nesbit Road, Mazgaon, Mumbai 400010	23719862 / 23726815	23730019
Chembur	Eric House, Near Ambedkar Garden, Central Avenue, Chembur, Mumbai 400071	25218157	25213059
Colaba	Sind Chambers Co-op. Hsg. Soc. Ltd., S. B. Singh Road, Colaba, Mumbai 400005	22047753 / 22850783 /	22850782
Dadar	Dr. Antonio Da Silva School Annexe, S. K. Bole Road, Dadar, Mumbai 400028	24374948 / 24380988	24300629
Dhobitalao	St. Xavier's High School, 289, L. T. Marg, Mumbai 400001	22610112 / 32	22610132
Four Bungalows	Shop No.3, Rameshwar Darshan CHSL, N. Dutta Marg, Four Bungalows, Andheri (W), Mumbai 400053	26374415 / 16	26374417
Gorai	Church Road, Gorai, Borivali P. O. Mumbai 400091	28452650	28452589
Goregaon	Shop No.5, Ground Floor, Shreeniketan Building, Flower House CHSL, Pandurangwadi, Goregaon (E), Mumbai 400063	29275801 / 29275802	29275803

Name Of The Branch	Address of the Branch	Telephone No.	Fax No.
Kalina	Domingo's Court, Church Road, Kalina, Santacruz (E), Mumbai 400029	26660052	26662051
Kurla	Sai Dham Co-op. Hsg. Soc. Ltd., Premier Road, Kurla (W), Mumbai 400070	25041370 / 25041913	25040831
Madh	St. Bonaventure School, Madh Island, Malad West, Mumbai 400061	28889975	28889975
Mahakali	Shop No.5, Ground Floor, Sai Ashish CHSL, Near Bindra Complex, Mahakali Caves Road, Andheri (E), Mumbai 400093	28303141 / 28303142	28303143
Mahim	Shop No. 1/3, Mahim Garden View CHSL, Plot No. 482, M. M. Chotani Road, Mahim (W), Mumbai 400016	24474480	24475308
Malad	CITIZENCREDIT CENTRE, Ground Floor, Opposite Our Lady of Lourdes Church, Orlem-CTS, No. 236, Malad (West), Mumbai 400064	28074643 / 28622159	28012127
Manori	Manori Church Compound, Manori, P. O. Kharodi, Mumbai 400095	2845 2741 / 2845 2128	28452741
Marol	St. John the Evangelist High School, Marol, Andheri (E), Mumbai 400059	28215286 / 28261232	28261232
Mulund	Sai Dham Complex CHS, P. K. Extension, Mulund (W), Mumbai 400080	25641710 / 29	25913570
Sahar	Our Lady of Good Health High School, Sahar, Andheri (E), Mumbai 400099	26829285 / 26817448	26817448
Santacruz	154, Fida Mansion, S. V. Road, Santacruz (W), Mumbai 400052	26047470 / 26047976	26047770
Vakola	S. Nabibux House, P. J. Nehru Road, Vakola Bridge, Santacruz (E), Mumbai 400055	26685077 / 78	26685079
Vikhroli	St. Joseph's High School, Station Road, Vikhroli (W), Mumbai 400079	25779750	25779751
Wadala	1st Floor, Our Lady of Dolours Church, David Barretto Road, Wadala (West), Mumbai 400031	24104551/52	24104553
<b>THANE</b>			
Bhayandar	Shop No.6, Ground Floor, Next to Popular Auto, Vineet Apartment CHSL, Chattrapati Shivaji Road, Bhayander (W), Dist Thane, Pin 401101	28170131	28170132
Mira Road	Geeta Arcade, Station Road, Opp. Holy Cross School, Mira Road (E), Dist: Thane, Pin 401107	28118323	28118324

Name Of The Branch	Address of the Branch	Telephone No.	Fax No.
Thane	Shop no. 2 & 3, Angel's Paradise, Near Dagadi Shala, Veer Savarkar Marg, Thane (W), Pin 401602	25425447	25458560
Naigaon	Citizencredit Bank Building, Citizen Housing Society, Naigaon (E), Dist: Palghar, Pin 401202	(0250) 2200715 / 2200716 / 3215646	(0250) 2200715
Vasai	Ground Floor, Richmond Town, Phase-II Bldg.No.3 CHSL, Vasai (W), Dist: Palghar, Pin 401202	(0250) 2382922 / 8080640930	(0250) 2382923
<b>NAVI MUMBAI</b>			
Vashi	Shop No. 7, Building F-1/7, Sector – 5, Opp. Sacred Heart Church, Vashi, Navi Mumbai 400703	27825113	27825114
<b>PUNE</b>			
Fatima Nagar	Shop 11, Ground Floor, Building 'C', CTP Tain Square, Fatima Nagar, Pune 411040	(020) 26860327 / (020) 26860328	(020) 26860328
Camp	Shop no. 15, Kumar Corner, Convent Street, Camp, Pune 411001	(020) 26331122 / (020) 26352233	(020) 26352233
<b>UNION TERRITORY OF DAMAN</b>			
Nani Daman	Shop No.8-152, Shop No. 5& 6, Ground Floor, Damania Heights, Kavi Khabardar Road, Nani Daman 396210	(0260) 2250152	(0260) 2250153
Moti Daman	House No. 7/382, Ground Floor, Main Road, Near Hathi Baug, Moti Daman, Union Territory of Daman & Diu, Daman 396220	(0260) 2230397	(0260) 2230398
<b>GOA</b>			
Margao	Shop No. 6, Ground Floor, Building A-1, Sapana Barrier CHSL, St. Joaquim Rd, Borda, Margao, Goa 403602	(0832) 2700096	(0832) 2700097
Mapusa	Shop No. G-1, Ground Floor, Block D-1, Boshan Homes, Near Navtara Hotel, Mapusa, Goa 403507	(0832) 2254078 / (0832) 2254079	(0832) 2254080
Panaji	H. No. E – 320, Rua de Ourem, Panaji, Goa 403001	(0832) 2432995 / 996 / 2422513	(0832) 2432996
Porvorim	Plot No. 158, Survey No. 125/2, Alto–Porvorim, Penha–de–Franca, Bardez, Goa 403521	(0832) 2412371 / (0832) 2412372	(0832) 2412370
Vasco–da–Gama	Shop no. 1 & 16, Sapana Terraces CHSL, Swatantra Path, Vasco–da–Gama, Goa 403802	(0832) 2501870 / (0832) 2501871	(0832) 2501872

### FULL FLEDGED MONEY CHANGING CENTRES

Bandra (Hill Road)	:	Tel: 2645 6059 / 2645 7593 (Forex Department)
Borivali	:	Tel: 2893 1145/7776, 2894 0873; Fax: 2893 5539
Byculla	:	Tel: 2371 9862, 2372 6815; Fax: 2373 0019
Colaba	:	Tel: 2204 7753, 2285 0783; Fax: 2285 0782
Dadar	:	Tel: 2432 0792, 2437 4948, 2438 0988; Fax: 2430 0629
Daman	:	Tel: (0260) 223 0397, 223 0398
Kalina	:	Tel: 2666 0052; Fax: 2666 2051.
Malad	:	Tel: 2807 4643, 2862 2159; Fax: 2801 2127
Mira Road	:	Tel: 2811 8323; Fax: 2811 8324
Goa-Margao	:	Tel: (0832) 2700096; Fax: (0832) 2700097
Goa-Mapusa	:	Tel: (0832) 2254078/2254079; Fax: (0832) 2254080
Goa-Panaji	:	Tel: (0832) 2432995; Fax: (0832) 2432996
Pune-Camp	:	Tel: (020)26331122/52233; Fax: (020)26352233
Pune-Fatima Nagar	:	Tel: (020) 26860327/328; Fax: (020) 26860328
Sahar	:	Tel: 2682 9285; Tele-Fax: 2681 7448
Vakola	:	Tel: 2668 6187; Fax: 2668 5079

### STAMP FRANKING SERVICES

Borivali	:	Tel: 2893 1145/7776, 2894 0873; Fax: 2893 5539
Margao	:	Tel: (0832) 270 0096; Fax: (0832) 270 0097
Mapusa	:	Tel: (0832) 2254078/2254079; Fax: (0832) 2254080
Panaji	:	Tel: (0832) 2432995; Fax: (0832) 243 2996
Porvorim	:	Tel: (0832) 241 2371 / 72; Fax: (0832) 241 2370
Vasco	:	Tel: (0832) 250 1870 / 71; Fax: (0832) 250 1872

### e-SBTR - FRANKING SERVICES

All Branches located in Mumbai

### BANCASSURANCE

Malad: CITIZENCREDIT CENTRE, 1<sup>st</sup> Floor,  
Opposite Our Lady of Lourdes Church, Orlem- CTS, No. 236,  
Malad (West), Mumbai- 400064  
Tel: 26401126, 26442829/30/31/32, 26455108, 26456018

### SERVICE BRANCH

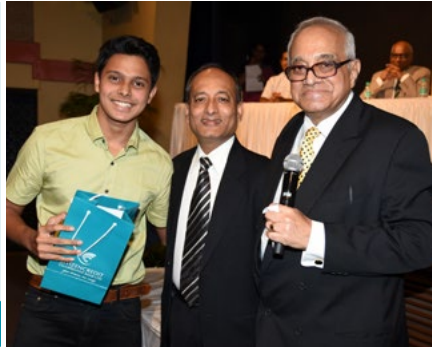
St. Xavier's High School, L. T. Marg, Mumbai 400001  
Tel: 2265 8969/ 70, 2267 1635, 2270 5553; Fax: 2267 1632

**FINANCIAL HIGHLIGHTS (₹ in Lakhs)**

Year ended	31.03.03	31.03.04	31.03.05	31.03.06	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11	31.03.12	31.03.13	31.03.14	31.03.15	31.03.16	31.03.17
<b>Total Assets</b>	<b>69,915</b>	<b>80,803</b>	<b>83,048</b>	<b>88,997</b>	<b>92,175</b>	<b>1,14,335</b>	<b>1,32,409</b>	<b>1,78,632</b>	<b>1,96,657</b>	<b>2,24,672</b>	<b>2,43,949</b>	<b>2,57,320</b>	<b>2,81,370</b>	<b>3,12,112</b>	<b>3,61,221</b>
Issued Capital	987	985	1,188	1,305	1,470	1,462	1,463	1,488	1,498	1,501	1,500	1,501	1,509	1,520	1,525
Shareholders Fund	5,824	6,390	7,817	8,402	10,034	11,073	12,863	19,173	20,582	22,381	24,597	27,826	30,270	33,106	35,124
Total Deposits	58,612	67,435	68,653	74,264	77,120	92,589	1,04,339	1,43,227	1,59,441	1,82,404	2,04,310	2,15,986	2,33,944	2,62,162	2,92,402
Current Deposits	2,183	3,054	2,989	3,932	4,724	7,471	5,500	5,396	8,188	7,397	5,627	5,642	6,257	6,861	7,588
Savings Deposits	20,864	25,579	29,023	33,319	36,129	39,416	41,212	50,018	57,836	59,409	64,452	70,671	75,296	82,481	98,282
Fixed Deposits	35,565	38,803	36,641	37,013	36,267	45,702	57,627	87,812	93,418	1,15,598	1,34,231	1,39,673	1,52,391	1,72,820	1,86,532
<b>Total Advances</b>	<b>19,367</b>	<b>21,868</b>	<b>25,502</b>	<b>27,418</b>	<b>32,838</b>	<b>47,715</b>	<b>60,694</b>	<b>70,076</b>	<b>79,512</b>	<b>1,00,028</b>	<b>1,01,893</b>	<b>1,04,513</b>	<b>1,20,966</b>	<b>1,32,137</b>	<b>1,48,646</b>
Investments	31,848	34,717	29,489	24,113	24,696	31,128	41,459	61,072	60,393	65,071	76,143	80,503	76,803	98,146	84,399
Provision for Income tax & FBT	-	-	-	6	476	586	908	496	772	894	1,085	1,409	1,142	1,119	1,211
Net Profit before appropriation	706	771	822	1,275	1,044	1,148	2,048	1,280	1,672	1,911	2,068	2,088	2,210	2,021	2,199



## ACADEMIC EXCELLENCE AWARDS



## KURLA CUSTOMER MEET





## FOUNDATION DAY GOA



## FOUNDATION DAY MUMBAI





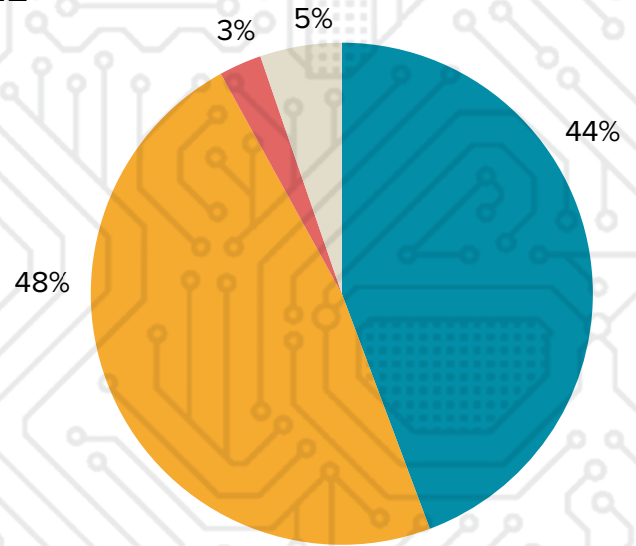
# INAUGURATION MALAD



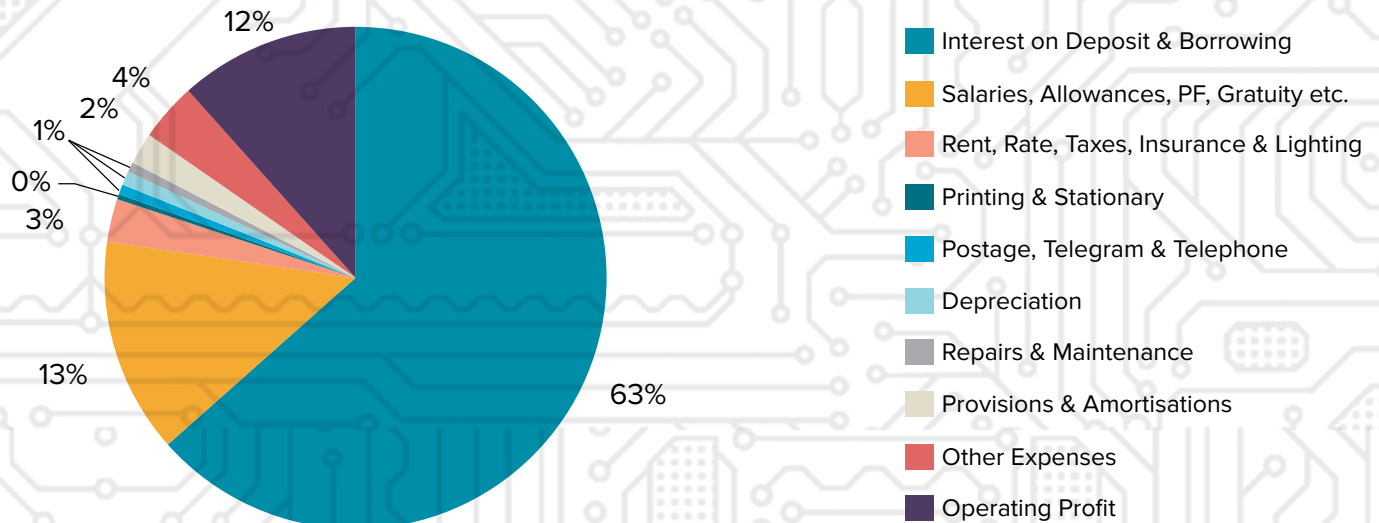


## INCOME

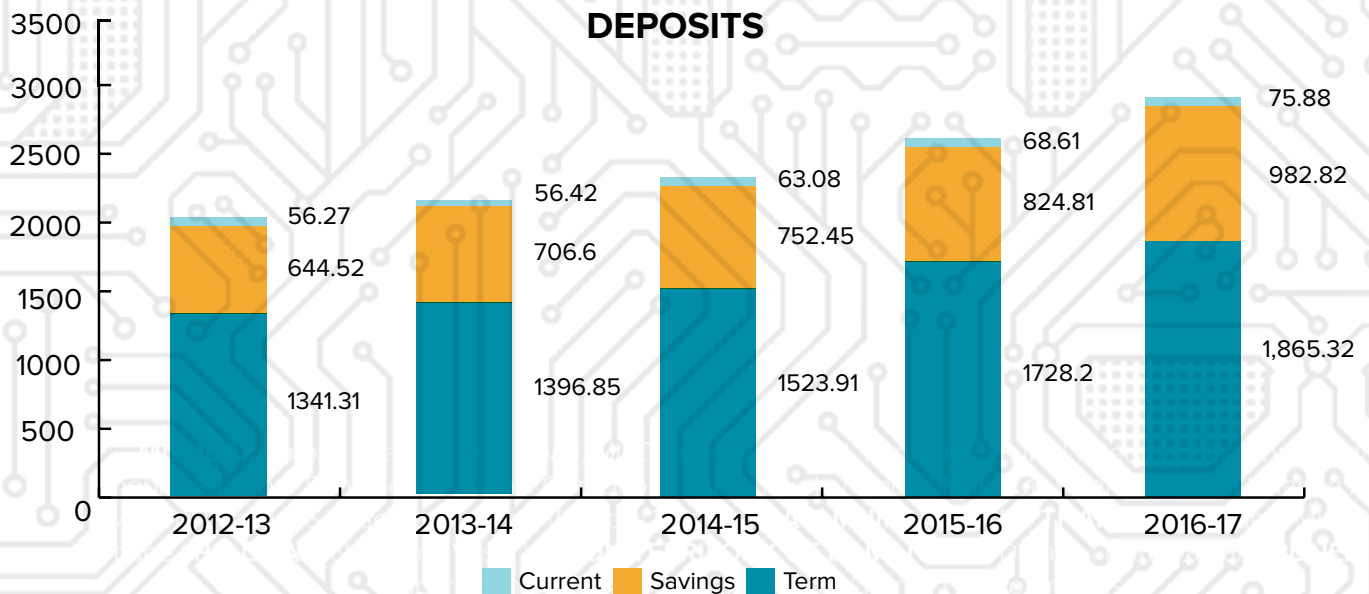
- Interest on Loans and Advances
- Interest on Investments
- Commission, Exchange, Brokerage and Miscellaneous Receipts
- Profit on sale of Securities



## EXPENDITURE



## DEPOSITS







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**MUMBAI:** Amboli | Bandra - Hill Road, Mt. Carmel, Turner Rd. | Borivli | Byculla | Chembur | Colaba | Dadar | Dhobitalao | Four Bungalows | Gorai | Goregaon | Kalina | Kurla | Madh | Mahakali | Mahim | Malad | Manori | Marol | Mulund | Sahar | Santacruz | Vakola | Vikhroli | Wadala | **NAVI MUMBAI:** Vashi | **THANE:** Bhayander | Mira Road | Thane | **PALGHAR:** Naigaon | Vasai | **UNION TERRITORY OF DAMAN:** Moti Daman | Nani Daman | **PUNE:** Fatima Nagar | Camp | **GOA:** Mapusa | Margao | Panaji | Porvorim | Vasco