

ANNUAL REPORT 2018-19



CITIZEN CREDIT
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.

OUR NEW BRANCHES



NEW PANVEL



DAHISAR

ANNUAL GENERAL MEETING



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 Pereira
DIRECTOR



Adv. Arvind Pinto
DIRECTOR



Mrs. Geeta C. Andrades
MANAGING DIRECTOR & C.E.O
upto 31.01.2019



Mr. Christopher A. Mendoza
MANAGING DIRECTOR & C.E.O
from 01.02.2019



PROFILE

DATE/OFFICIAL ADVICE OF REGISTRATION

Regn. No 2905 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

CHAIRMAN

Mr. Anthony D'Souza

VICE CHAIRMAN

Mr. Donald L. Creado

DIRECTORS

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 Mr. Leslie Mascarenhas
 Mr. Malcolm D. Correa
 Mrs. Priscilla W. Buthello
 Mr. Roger C. B. Pereira
 Adv. Royston Pereira

MANAGING DIRECTOR & CEO

Mr. Christopher A. Mendoza

EXECUTIVE MANAGEMENT TEAM

Officer on Special Duty

Mr. Samir Majumdar

Deputy General Manager

Ms. Shoba Saldanha

Assistant General Managers

Mr. Errol D'souza
 Ms. Fatima Jacinto
 Ms. Francisca Quinny

Ms. Premila D'souza
 Ms. Suzan Cardoso
 Mr. Vincent D'Cunha

STATUTORY AUDITOR

M/s. Borkar & Muzumdar, Chartered Accountants

LEGAL ADVISORS

M/s. Kanga & Co.	Advocates Solicitors & Notary
M/s. Manilal Kher Ambalal & Co.	Advocates & Solicitors
M/s. PRS Legal	Advocates & Legal Consultants

REGISTERED OFFICE / CENTRAL ADMINISTRATIVE OFFICE

Helena, 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

EMAIL

ccbl@citizencreditbank.com

NOTICE TO MEMBERS

NOTICE is hereby given that the TWENTY SECOND ANNUAL GENERAL MEETING of the members of CITIZEN CREDIT CO-OPERATIVE BANK LTD. as a Multi-State Co-operative Bank under the Multi-State Co-operative Societies Act, 2002, (MSCS Act, 2002) will be held on Saturday, September 28, 2019 at 9.30 am at St. Andrew's Auditorium, St. Dominic Road, Bandra (W), Mumbai 400050, to transact the business as follows:

1. To record the Minutes of the Annual General Meeting of the Bank held on September 15, 2018 which are circulated herewith.
2. To consider the Board of Directors' Report for the year ended March 31, 2019 on the performance of the Bank and future prospects.
3. To consider and adopt the Audited Statements of Accounts including the Balance Sheet as at March 31, 2019 and the Profit & Loss Account for the year ended March 31, 2019 and the Statutory Auditor's Report.
4. To approve the Appropriation of Net Profit and declare a dividend.
5. To appoint Statutory Auditors for the F.Y. 2019-20.
6. To consider and adopt amendments to the Bye-laws as notified separately in the report.
7. To consider any other matter of which proper notice has been given.

By Order
Christopher A. Mendoza
Managing Director &
Chief Executive Officer

DATE: AUGUST 09, 2019

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 15, 2018 are enclosed.
2. Members are requested to intimate any change of address, contact details, 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 28, 2019.
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 the same to the Registered & Central Administrative Office, at least 10 working days prior to the Annual General Body Meeting; i.e. by Tuesday, September 17, 2019 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 one stamp size photograph (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 membership.
6. All unclaimed dividends from the F.Y. 2015-16 may be claimed on submission of Form V available at all branches of the Bank. Dividend amounts for the F.Y. 2014-15 lying unclaimed as on March 31, 2019 have been transferred to the Statutory Reserve Fund as per Bye-law 46(iv).
7. Members are requested to give instructions to the Bank for direct credit of the dividend to their Savings Bank / Current Account with CITIZEN CREDIT Co-operative Bank Ltd. / any other Bank.
8. Members are 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.81/14.01.001/2015-16 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 having shareholding of less than one hundred shares are requested to apply for additional shares, to ensure compliance with Bye-law No. 6.

DIRECTORS' REPORT

DEAR MEMBERS,

The Board of Directors is pleased to present the Twenty Second (22nd) Annual Report of the Bank as a Multi-State Co-operative Bank, along with the audited accounts for the financial year ended March 31, 2019.

INTRODUCTION

In view of economic downturn due to overall slow down in the Global Economy, impacting the Indian Economy, the country's Banking System continues to face problems largely on account of stressed assets in the loan and investment portfolios. Banks in India are facing several challenges with the Government now seriously considering consolidation of the sector, re-capitalizing state owned banks and introducing other structural measures to strengthen the overall banking framework. The challenge before the Banks, particularly the Banks in the co-operative sector, is to manage both growth and prevent slippages in the loan book.

1. THE GLOBAL ECONOMIC SCENE

After strong growth in early 2018, global economic growth slowed down considerably in the 2nd half of 2018 reflecting a combination of factors taking a toll on business and consumer confidence. The deceleration was noticeable in both advanced economies (AEs) and emerging market and developing economies (EMDEs) and coincided with the waning effect of stimulus measures in major economies, financial stress in some large EMDEs, and elevated policy uncertainty, globally. The loss of momentum was particularly pronounced in the manufacturing sector. However, services sector activity and non-durable goods spending have been more resilient, supported in part by moderating inflation, as oil prices dropped from last year's peak.

Borrowing costs had generally tightened in EMDEs following a broad-based appreciation of the U.S. Dollar, bouts of investor risk aversion, and increased focus on country-specific vulnerabilities.

The projected global growth for 2019 was recently revised downward to 3.2% by IMF as against their earlier (January 2019) projection of 3.5% due to prolonged policy uncertainty, technology tensions that can significantly disrupt global supply chains and increased prospects of no-deal Brexit. Trade war between US and China is adding to the slowdown and the Global Economy appears to be spiralling down into a recession.

2. INDIAN ECONOMIC SCENE

India's real GDP growth decelerated to 6.8% in F.Y. 2018-19 from 7.2% in F.Y. 2017-18 due to sharp weakening of investment and consumption in the second half of F.Y. 2019. The real GDP growth was strongly supported by the Industrial sector which grew 6.9% in F.Y. 2018-19 in comparison to 5.9% in F.Y. 2017-18. Services sector growth decelerated to 7.5% in F.Y. 2018-19 from 8.1% in

F.Y. 2017-18 and Agriculture and allied activities sector slowed down markedly to 2.9% in F.Y. 2018-19 from 5% in F.Y. 2017-18, pulling down the overall GDP growth from the previous year level.

The fiscal deficit for F.Y. 2018-19 was 3.4% of GDP against the budgeted figure of 3.3% estimated initially, as the Centre's indirect tax collections trailed budget estimates and contributed to the fiscal deficit turning out to be higher in the revised estimates.

Current account deficit (CAD) increased to 2.1% of GDP in F.Y. 2018-19 as against 1.8% in the previous year, on the back of a widening trade deficit.

India's forex reserves at US\$ 412.9 billion as on March 31, 2019 reduced marginally compared to US\$ 424.4 billion on March 30, 2018 on account of RBI's forex operations, necessitated by capital outflows. The exchange rate (Indian rupee vis-à-vis the US dollar) has been highly volatile in keeping with a strengthening U.S. dollar, heightened financial market volatility, rising risk premiums, intensifying capital outflow and currency pressures in some large EMDEs during the 1st half of F.Y. 2018-19. In the 2nd half of F.Y. 2018-19, the currency appreciated from its October 2018 level, buoyed by the steady revival of portfolio flows, softening of crude oil prices, lower domestic inflation and dovish monetary policy stance in the US.

Headline CPI inflation moderated during the year averaging 3.4% in F.Y. 2018-19 as against 3.6% in F.Y. 2018. Sustained fall in food inflation (even turning into deflation during October 2018-February 2019), the waning away of the direct impact of house rent allowances for Central Government employees, and sharp fall in fuel prices aided in CPI moderation during the F.Y. 2018-19.

The 10-year gilt benchmark traded in the wide range of 7.12% to 8.23% during the F.Y. 2018-19 before closing at 7.35% as on March 2019. Bonds were volatile with yields rising sharply in the 1st half in response to supply pressure and rate hikes by the RBI to decline in the 2nd half on RBI OMO purchases, lower inflation and growth and policy rate cut by RBI.

As noted earlier, economic activity weakened in F.Y. 2018-19 and is expected to remain weak in the 1st half of F.Y. 2019-20 with recovery in the 2nd half. The RBI monetary policy stance is expected to remain accommodative through the F.Y. 2019-20 on lower growth, benign inflation outlook and global policy uncertainty.

In view of the above, a greater slowdown in the Chinese GDP to 6.4% (March 2019), a five year low, India remains the fastest growing major economy.

3. INDIAN BANKING SCENE

The important developments impacting the Banking Sector during the F.Y. 2018-19 are:

- Bank credit rose 13.24% annually to ₹ 97.67 lakh crore, while deposits grew by 10.03% to ₹ 125.72 lakh crore during the same period.
- With public sector banks, suffering weak valuations, failing to raise external capital, the Government's recapitalisation plan nearly doubled from its original estimate for F.Y. 2018-19. The Government's equity contribution in F.Y. 2018-19 stands at ₹ 1.06 lakh crore, against an initial estimate of ₹ 65,000 crore.
- Five PSU banks were removed from Prompt Corrective Action (PCA) framework of the RBI after capital infusion by the Government. Five other public sector banks still remain under PCA framework, which imposes lending restrictions and prevents them from expanding, among other curbs and restrictions.
- The Government is seriously considering reducing the number of Public sector Banks from the existing 21 to 12 with a view to creating 3-4 global sized banks. The merger of subsidiaries of SBI has now been followed up with the merger of Vijaya Bank and Dena Bank with Bank of Baroda. Also on the cards are 4 more umbrella Banks viz. Punjab National Bank, Bank of India, Canara Bank and Union Bank of India in which other public sector banks will be merged. The merged banks are expected to improve service and reduce re-capitalisation requirement.
- During the F.Y. 2018-19, the banks and other financial institutions in aggregate provided loans of ₹ 3.12 trillion to 59.80 million beneficiaries under the GOI Mudra scheme.
- In September 2018, Ministry of Finance, Government of India launched the Financial Inclusion Index. This index will measure access, usage and quality to financial services.
- The Department of Financial Services (DFS), Ministry of Finance and National Informatics Centre (NIC) launched Jan Dhan Darshak as a part of the financial inclusion initiative. It is a mobile app to help people locate financial services in India.
- In September 2018, the Government of India launched India Post Payments Bank (IPPB) with branches across 650 districts, to achieve the objective of financial inclusion.
- New generation Payment Banks and Small Finance Banks remain a threat to the Urban Co-operative Banks. Also Fintech companies with their digital platforms will lead to further disintermediation.

It is observed that resolution of NPAs under the Insolvency and Bankruptcy Code, 2016 has not met with the targeted timelines of 270 days. Fresh slippages are expected due to the slowdown in the economy.

4. MONETARY POLICY STANCE

The RBI increased its policy repo rate by 50 bps during the 1st half of F.Y. 2018-19 (25 bps each in June 2018 and August 2018) in response to steady growth and inflation trending above its target rate. However, RBI had to change its stance to neutral and reduce the repo rate by 25 bps in February 2019 due to a sharp deceleration in growth, steep fall in oil prices and low food inflation in the 2nd half of F.Y. 2018-19.

To address liquidity issues, the RBI conducted open market operation (OMO) purchase auctions to the extent of ₹ 2,985 billion during F.Y. 2018-19 to infuse durable liquidity.

Moreover, to support credit growth and assist banks in meeting their Liquidity Coverage Ratio (LCR) requirement, the RBI at its monetary policy meeting in December 2018 reduced the minimum Statutory Liquidity Ratio (SLR) by 25 bps and will do so every calendar quarter until it reaches 18% of NDTL. The first round of reduction of 25 bps became effective from the quarter commencing January 2019, lowering the SLR to 19.25 % of NDTL.

In F.Y. 2019-20 it is expected that, inflation remaining in the targeted band, RBI will continue its actions of infusing liquidity and lowering the Repo rate.

5. PERFORMANCE OF THE BANK

This has been a challenging year for Citizencredit Co-operative Bank. While the growth registered has been satisfactory, profitability has been affected mainly on account of provisioning for bad loans as per RBI norms. The positive feature is that the Bank has largely, been able to maintain its Net Interest Income indicating thereby that the operations have been fairly well managed. The Bank remains optimistic that in the coming year both profitability and the quality of the loan book would show significant improvement. The challenge would largely depend on reducing and rationalizing costs to further improve the Net Interest Income, increasing the Provision Coverage Ratio, improving the Credit Deposit Ratio and improving the skill sets of our human resources through training.

The challenges stated can be seen as an opportunity to improve the business model in a sustainable manner, to adapt, adopt and introduce strong systems to ensure growth.

The Bank has continued to maintain its consistency for the F.Y. 2018-19 and the Statutory Auditor has awarded an 'A' Audit rating.

The Bank's Total Deposits stood at ₹ 3266.75 crore & Advances at ₹ 1546.14 crore as on March 31, 2019. The Total Deposits and core Advances grew by ₹ 197.47 crore (6.43%) & ₹ 242 crore (18.56%) respectively over the previous year. Growth in advances was higher than the industry average of 14.47%.

The Bank's lending to Priority Sector at 41.15% and to Weaker Sections at 20.07%, of Adjusted Net Bank Credit, ensured that the Bank has met the required regulatory norms.

The Bank has commendably maintained the level of operating profit during F.Y. 2018-19 even in the face of adverse industry conditions. However, the Net Profit declined on account of the following reasons:

- a. Ageing of large NPA accounts resulted in higher provisioning of ₹ 13.68 crore for March 2019 vis-à-vis ₹ 2.51 crore for the previous year in compliance with regulatory norms. This also included additional provisions to the tune of ₹ 6.35 crore so as to strengthen the balance sheet and to provide for Non Performing Investments (NPI) going forward.
- b. Payment of net Salary Arrears amounting to ₹ 2.69 crore.
- c. Increase in Depreciation amounting to ₹ 1.24 crore, resulting from an increase in Capital expenditure on IT assets.
- d. The Bank had to reverse an interest amount of ₹ 1.96 crore on its investment made in IL&FS as the Institution has not paid its dues.

The Bank did well to contain the treasury losses resulting from relentless rise in bond yields in the 1st half of F.Y. 2018-19 and ended on a positive note as the yields tapered off in the latter half of the year.

Going forward, given the general slowdown in the economy, the Bank will cautiously build its Advances Portfolio focusing on good retail and small businesses to contain the risk arising from large Corporate advances facing stress. The Bank has bucked the industry trend of increasing NPAs through persistent recovery efforts and brought down the gross NPAs from ₹ 121.93 crore to ₹ 77.11 crore.

All policies are reviewed / revised every year. Accordingly, the Credit policy, Recovery / Restructuring and Write-off policy, Investment policy, Operations and Planning policy, Information Technology policy, Human Resources policy, Risk and Compliance policy, KYC and PML policy were reviewed and updated based on the latest RBI circulars. New policies such as Cyber Security policy, Customer Liability policy, etc. have been implemented as per regulatory guidelines.

6. CAPITAL

6.1 Capital Adequacy

The Capital to Risk Weighted Assets of the Bank (CRAR) stood at 19.64% as against the minimum prescribed 9% specified by RBI and 12% for Financially Sound & Well Managed Banks. The Bank continued to exercise due diligence, and has also built up an adequate Capital buffer to meet any risks arising out of market forces or Regulatory requirements in its Risk Weighted Assets.

The total Capital Funds have increased by 4.55% over the previous year. The ratio of Tier I to Tier II Capital stood at 3.15, way above the prescribed level of 1.5.

6.2 Share Capital & Reserves

The Paid-up Capital of the Bank stood at ₹ 15.17 crore. 220 members have been allotted 11,000 shares, to fulfill the criteria of minimum holding of 100 shares.

However, there are still members holding less than 100 shares. These members are required to ensure that they hold minimum 100 shares each, as required in terms of Bye-law No. 6.

281 members have applied for additional shares within the limit of 500 shares. Since KYC compliance has become very critical, some members, particularly NRIs, have surrendered their shares and hence the share capital is affected.

The Accumulated Reserves were ₹ 369.64 crore and covered the Paid-up Share Capital over twenty four times, indicating sustained internal accruals for strengthening the financial position of the Bank. The Net Worth of the Bank has increased over the previous year.

The Bank has 14,166 regular members as on March 31, 2019.

7. ASSET QUALITY

7.1 Asset Growth & Risk Profile

The Total Assets have increased by 2.22% and the Risk Weighted Assets increased by 7.72% owing to increase in the advances portfolio. There has been accretion to the Net Owned Funds and reduction of the Capital to Risk Weighted Assets (CRAR) of the Bank from 20.24% to 19.64% as on March 31, 2019. It may however be noted that the Bank is maintaining the CRAR in excess of the prescribed minimum requirement of the RBI @9% and @12% for FSWM Banks as a capital buffer for risk mitigation.

Comparative Snapshot of the Bank's financial performance during the last two Financial Years 2017-18 & 2018-19:

(₹ In crore)

Performance Highlights	March 31,2019	March 31,2018	% change
No. of Branches	46	45	2.22%
Membership (Regular)	14,166	14,542	(2.59%)
Paid up Share Capital	15.17	15.22	(0.33%)
Total Reserves & Funds	369.64	351.03	5.30%
Working Capital	3,741.50	3,522.03	6.23%
Business Mix	4,812.89	4,423.09	8.81%
Gross NPAs	77.11	84.78	(9.04%)
Gross NPAs ratio	4.99%	6.26%	(20.29%)
Net NPAs	24.66	34.36	(28.24%)
Net NPAs ratio	1.65%	2.64%	(37.50%)
Provision Coverage Ratio	67.97%	59.43%	14.37%
Return on Assets	0.31%	0.52%	(40.38%)

Business Growth

(₹ In crore)

Particulars	March 31,2019	March 31,2018	% change
Deposit (i+ii = A)	3,266.75	3,069.28	6.43%
(i) Low Cost Deposits (a+b) (CASA)	1,158.10	1,097.96	5.48%
(a) Current	88.30	75.26	17.32%
(b) Savings	1,069.80	1,022.70	4.61%
(ii) Term Deposits	2,108.65	1,971.32	6.97%
(a) Core Advances	1,546.14	1,304.08	18.56%
(b) CBLO Term Investment	-	49.73	(100.00%)
Total Advances (a +b)	1,546.14	1,353.81	14.21%
Total Business Turnover (A+B)	4,812.89	4,423.09	8.81%
Investments	1,286.24	1,268.71	1.38%

Operating Results

(₹ In crore)

Particulars	March 31, 2019	March 31, 2018	% change
Interest Income	283.64	275.07	3.12%
Interest Expenses	185.97	182.79	1.75%
Net Interest Income	97.67	92.28	5.83%
Non-Interest Income	40.15	26.02	54.32%
Total Operating Income	137.82	118.30	16.50%
Operating Expenses	100.83	81.49	23.86%
Operating Profit	36.99	36.81	0.46%
Provisions	18.08	8.19	120.59%
Profit before Tax	18.91	28.62	(34.28%)
Income Tax/ Deferred Tax	7.58	10.56	(27.56%)
Prior Period Expenses	0.10	-	
Net Profit after Tax	11.23	18.06	(37.82%)
Audit Classification	A	A	
Total Staff	521	505	3.17%

7.2 Loans & Advances

The Banking Industry witnessed robust growth in Bank Credit during the F.Y. 2018-19. As business recovered from the twin impacts of demonetisation and the introduction of GST, Bank credit recorded double digit growth during the F.Y. 2018-19.

In line with the trends of the Banking sector, the Bank, during F.Y. 2018-19, witnessed a significant growth in its core Credit Portfolio which grew by 18.56% from ₹1304.08 crore as of March 31, 2018 to ₹1546.14 crore as of March 31, 2019. Corporate and SME advances accounted for 70% of the Bank's Credit Portfolio while Retail advances accounted for 30%. It may be noted that the CBLO Term Lending was NIL as on March 31, 2019 as compared to ₹49.73 crore in the previous financial year.

The growth in the portfolio can be attributed to various measures undertaken over the past few years, like structuring of the Credit Management process encompassing various areas like Lead Generation and filtering process, proposal assessment and consistent monitoring. Further the Comprehensive Credit Rating Model, developed by the Bank, significantly assists in credit pricing and 'sanction related' decision making. Additionally, the Bank's 'Risk Management' department independently assesses all credit proposals of ₹1 crore and above by specifically analysing the risk parameters of these proposals.

The Bank's strategy to maintain dual verticals, with one concentrating on Corporate and SME loans, and the other on the Retail portfolio, further boosted growth in the Bank's Credit portfolio.

The Retail Vertical ensured that Credit Products were developed

based on specific requirements of the borrowers with a special focus on lending to all Priority Sectors without compromising on the health of the portfolio and further implemented an assessment framework that reduced turnaround time. Retail Credit grew by 12.8% from ₹408.49 crore as of March 31, 2018 to ₹460.81 crore as of March 31, 2019.

The Corporate & SME Verticals acquired fresh business from well established corporates after ascertaining viability and other credit parameters of these proposals. The Corporate & SME Loan Book grew by 21.18% from ₹895.59 crore as of March 31, 2018 to ₹1085.32 crore as of March 31, 2019. The Bank also provided its corporate customers with the facility of Bill Discounting and as of March 31, 2019 the outstanding was ₹32.33 crore.

Notwithstanding the growth in fresh sanctions, the Bank continued with its concerted efforts to maintain the health of the Credit Portfolio and successfully recovered overdues and closed large chronic NPA accounts. The Bank also has a dedicated team that monitors the entire credit portfolio particularly Corporate and SME accounts, thus ensuring timely, immediate and necessary action is initiated in accounts which may indicate early signs of weakness/stress.

The Bank has also continued its participation in consortium finance during the financial year and extended its banking relations with other commercial banks, including the largest Bank in the country and also other Co-operative Banks which has further aided in the growth of the Bank's Corporate Loan book. The Bank has also financed its corporate customers under multiple banking arrangement.

It may be noted that the total interest earned on advances during F.Y. 2018-19 has witnessed an increase from ₹127.87 crore as of March 31, 2018 to ₹139.40 crore as of March 31, 2019 mainly due to the steady growth in the portfolio during the year.

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

- Corporate Credit comprises of all credit facilities availed by Borrowers which aggregate above ₹5 crore.
- SME Credit pertains to all types of Business loans availed by Borrowers which is upto ₹5 crore.
- Retail Credit consists of all types of personal loans such as Housing, Education, Gold, Mortgage, Vehicle, Consumer / Personal, Reverse Mortgage and generally small value loans.

The statistics of loans sanctioned, disbursed and recoveries during the year is as follows: (₹ in crore)

	2018-19	2017-18	% change
Sanctions	714.37	655.61	8.96%
Disbursement	413.53	449.67	(8.03%)
% of disbursements to sanctions	58%	69%	(15.60%)
Recovery /Prepayment	177.98	300.28	(40.73%)

7.3 Non-Performing Assets (NPAs), Legal Action and Write-offs

7.3.1 Non-Performing Assets (NPAs)

Over the past few years, there has been a sharp deterioration in the asset quality of Indian Banks, which has impacted their bottom line. The Gross NPA ratios of Scheduled Commercial Banks during F.Y.2018-19 stood at 9.30%, which reflects the continuing adverse asset quality scenario in the banking system.

The Bank's Gross NPAs have reduced during the year from ₹84.78 crore as on March 31, 2018 to ₹77.11 crore as on March 31, 2019. Rigorous follow up is underway to ensure maximum recovery in the NPAs. The Bank stepped up recovery efforts by undertaking close monitoring, concerted recovery efforts and prompt recovery actions to reduce NPAs.

The Bank's Gross NPAs stood at 4.99% and the net NPAs at 1.65% as of March 2019. The Bank has adequate provisions held for loans classified as NPAs and for any possible value erosion in the loan exposure of the Bank.

The Bank has been proactive in early identification of stressed assets with continuous monitoring of the same to ensure effective management of stressed assets / NPAs so as to improve the Asset Quality and maintain strong financials of the Bank. Provision Coverage Ratio of the Bank at 67.97% provides strong cushion and is in consonance with the guidelines of the RBI.

Post RBI Inspection as per report of November 2018, for the F.Y. 2017-18, the assessed Gross NPAs of the Bank stood at ₹121.93 crore. After persistent followup, the Bank was successful in upgrading these accounts and the Audited Gross NPA position of

the Bank as of March 31, 2019 stood at ₹77.11 crore, as per details given in the table below including provisions and net NPAs position

GROSS NPAs (₹ in crore)		
As on March 31, 2018	84.78	
Additions during the year	52.87	
Reduction during the year	60.54	
As on March 31, 2019		77.11
PROVISIONS		
As on March 31, 2018	50.38	
Additions during the year	13.68	
Reduction during the year	11.65	
As on March 31, 2019		52.42
NET NPAs		
As on March 31, 2018	34.36	2.64%
As on March 31, 2019	24.66	1.65%

7.3.2 Restructuring of Accounts:

The details of loans restructured during the year 2018-19 are as follows: (₹ in crore)

Sr. No.	Particulars	Corporate	Corporate SME /Retail
1.	Standard Advances Restructured	No. of Borrowers	-
		Amount Outstanding as on 31.03.2019	-
		Diminution in the fair value	-
2.	Sub-Standard Advances Restructured	No. of Borrowers	-
		Amount Outstanding as on 31.03.2019	-
		Diminution in the fair value	-
3.	Doubtful Advances Restructured	No. of Borrowers	1
		Amount Outstanding as on 31.03.2019	13.06
		Diminution in the fair value	-
Total		No. of Borrowers	1
		Amount Outstanding as on 31.03.2019	13.06
		Sacrifice (Diminution in the fair value)	-

7.3.3 Legal Action against persistent Defaulting Borrowers:

The Bank has intensified and 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, (RDDB&FI Act 1993). Matters are also referred to the Arbitrator appointed by the Bank under Section 84 of the MSCS, 2002. In addition the Bank also defends cases which have been filed against the Bank in recovery matters in various courts and also initiates E-auction of the properties as a recovery tool under the SARFAESI Act.

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

Recovery Cases filed by the Bank	No of group accounts	Principal Amount involved (₹ in crore)
RDDB&FI Act, 1993	16	41.27
SARFAESI Act, 2002 (includes overlapping of accounts due to multiple actions initiated)	5	10.37
Under Arbitration	2	0.11
Recovery cases against the Bank	No. of cases	
RDDB Act, 1993	6	Counter claims against the bank's action

The Bank's thrust is to ensure recovery of loans by sale of mortgaged properties / assets and initiating action against borrowers and guarantors through legal process. During 2018-19, the Bank was successful in obtaining 12 orders in its favour under the SARFAESI Act, 2002, RDDB&FI Act and Arbitration Act which have been executed / under execution / stay / further legal process. The Bank is confident that these efforts will bring good results but are time-consuming due to the inherent delays in the judicial procedures. The Bank has been successful in recovering total ₹ 26 crore through the legal process, sale of assets and write-offs in a few loss accounts.

7.3 4 Write-Offs

The Bank has been following a policy of prudential write-off of certain chronic NPA accounts where, year by year, chances of any recovery are time consuming. Write-offs are basically technical in nature and are done within the framework of RBI guidelines regarding provisioning for bad loans under IRAC norms. 'Writing off' of non-performing assets is a normal exercise conducted by banks to clean up their balance sheets. It is primarily intended at cleansing the balance sheet and achieving taxation efficiency. In 'Technically Written-Off' accounts, loans are taken off from the books at the Bank, without in any way foregoing the right

to recovery. Further, write-offs are generally carried out against accumulated provisions made for such loans, thereby releasing additional funds for further deployment. '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. During the F.Y. 2018-19 the Board has approved write off of 15 accounts classified as loss assets aggregating to ₹ 11.65 crore as per the 'Recovery Policy' of the Bank and after pursuing all efforts for recovery in such accounts.

7.3.5 Status of Proceedings initiated by the Bank

The Criminal Complaint against the ex-employees pertaining to the seven NPA accounts was filed with the Economic Offences Wing (EOW) at Mumbai. The required material / documents were furnished by the Bank from time to time to the office of the EOW.

The Investigating Officer from the Office of the EOW filed a "B-Summary" in the 47th Court of the Addl. Chief Metropolitan Magistrate at Esplanade, Mumbai. In response to the said report, the Bank has preferred a Protest Petition. The office of the EOW filed a reply to the said Petition. The Bank has filed its counter to the same. The Protest Petition is now scheduled for hearing on August 26, 2019.

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 F.Y. 2018-19. The Bank has also maintained all other investments, including Non-SLR investments, within the prescribed norms of the RBI.

The Investment portfolio of the Bank (excluding Inter-Bank and Lending) as on March 31, 2019 was ₹ 1,146.98 crore at cost with a face value of ₹ 1,171.11 crore and market value of ₹ 1,147.21 crore respectively. In F.Y. 2018-19 the Bank realized net profit of ₹ 5.88 crore on sale of investments as against ₹ 8.46 crore in F.Y. 2017-18.

A provision of ₹ 7.26 crore for depreciation on shifting of securities from AFS to HTM category was made in F.Y. 2017-18. The Bank has not shifted securities during the F.Y. 2018-19 and there was no depreciation on the portfolio as of March 31, 2019.

The Bank has an investment of ₹ 25 crore (Face Value) in IL&FS. On account of a liquidity crisis at IL&FS and its group companies, the group was downgraded from Top rating 'AAA' to 'D' default by rating companies, resulting in an imminent downgrade in the Bank's investment to a NPI. The Bank has made an appeal to NCLAT, which has been accepted. Due to its importance to the stability of the entire financial sector, the Government of India took over the management of the Company's Board and the resolution of the issue is under process. The Bank had to reverse the interest on the investment amounting to ₹ 1.96 crore since it is a NPI.

8 MANAGEMENT

8.1 Celebrating the Centenary Year

The Bank is currently in its centenary year (1920 – 2020). The momentous occasion was celebrated on May 8, 2019 with a Eucharistic Celebration at the St. Andrews Auditorium, followed by a get-together at the St. Andrews School grounds attended by the valued Shareholders and Customers. The Bank felicitated its past and present Chairmen, MD & CEOs and acknowledged their contributions to the Bank.

The portrait of the Founding Father of the Bank, late Mr. F. A. C. Rebello, was unveiled at the event and his contribution was acknowledged with gratitude.

8.2 Corporate Governance

Good Corporate Governance is a way of life in the Bank and is enshrined as a part of the working ethics. The Bank is focused on enhancement of long-term value creation for all members and customers without compromising on integrity. The Bank has a strong sense of values and commitment.

The Bank's actions are governed by ethical values and principles, which are reinforced at all levels of the organisation and will continue to be the guiding force into the future.

The Bank believes in ensuring transparency and disclosure in financial statements and protecting shareholder and customer interest as the key attributes of Good Corporate Governance.

8.3 Arbitration

A member had submitted a petition against the Bank, the Returning Officer and a Director, to the State Registrar, Pune under sec 84(4) of MSCS Act, 2002 challenging one of the Directors on contesting the election to the Board of Directors, held in December 2016.

The Tribunal order has been received on August 30, 2018 in the Bank's favour and presently the issue is closed. The member who had approached the Bombay High Court in appeal, however on the date of the hearing, withdrew his appeal.

8.4 Board of Directors

The composition of the Board of Directors is broad-based, comprising 14 Directors and the Managing Director & Chief Executive Officer as ex-officio member of the Board, and is governed by the MSCS Act, 2002, the rules framed therein and the Bye-laws of the Bank as well as RBI guidelines. The Board is composed of experienced Bankers and several highly qualified persons from the fields of Academics, Banking, Law, Business and Administration.

The Board has 4 committees as per the MSCS Act, 2002. The Special Fraud Monitoring Committee is formed as per the RBI circular. Normally all committees and the Board meet once in a month. However, extra / special meetings are called as and when the need arises.

The committees take informed decisions based on the notes / data provided / recommended by the management in the best interest of the Bank. There were twenty one meetings of the Board of Directors held during last financial year.

8.4.1 Finance to Directors of the Bank

The directors on the Board and their relatives, as per the definition of the RBI Master Circular no RBI/2015-16/2DCBR.BPD (PCB/RCB) Cir.No.2/14.01.062/2015-16 dated July 1, 2015 are not granted any kind of finance by the Bank, except loan/overdraft against fixed deposits standing in their own name in strict compliance to the RBI directives in this regard

8.5 COMMITTEES OF THE BOARD

8.5.1 Executive Committee

The functions of the Committee are to approve expenditure, consider loans & advances proposals for sanction / decline/ renew or review, which are beyond the delegated authority of the Executive Management Head Office Committee. The Executive Committee provides direction and guidance on monitoring and supervision of the advances portfolio, considers application forms of membership & approves / confirms investment of the Bank's funds. The Committee now also oversees the implementation of technology in the Bank and reviews the investment portfolio and investment strategies of the Bank. The Committee comprises of the Chairman, Vice-Chairman, two Directors and Managing Director & Chief Executive Officer. The Officer on Special Duty is a special invitee. The Committee held twenty two meetings during the F.Y. 2018-19.

8.5.2 Personnel and Human Resource Management Committee

The Committee oversees the Human Resources Administration and Development of the Bank and sets Goals and objectives for Manpower Planning Recruitment, Career Progression & Human Resources Management, Development & Training requirements. This Committee comprises the Chairman, six Directors and the Managing Director & Chief Executive Officer. The Committee held thirteen meetings during the F.Y. 2018-19.

8.5.3 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.

The Committee monitors and supervises the monthly performance vis-à-vis targets set on the Business performance. This Committee organizes customer meets and also looks into the renovation / relocation of the branch premises. This Committee comprises the Chairman, five Directors and the Managing Director & Chief Executive Officer. This Committee held twelve meetings during the F.Y. 2018-19.

8.5.4 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 with regards to acquisition of premises. The Committee also overlooks and monitors the stressed and NPA status of credit facilities and handles all matters relating to the

Bank's Malad Project and acquisition of new premises for branches to be opened. The Committee is headed by the Vice Chairman (ex- GM of NABARD) and consists of five Directors and Managing Director & Chief Executive Officer. This Committee held sixteen meetings during the year 2018-19.

8.5.5 Fraud Monitoring Special Committee

As per the directives given in the RBI circular, the Committee monitors and reviews all frauds involving amounts of Rs. 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. This Committee held six meetings during the year 2018-19.

8.6 HUMAN RESOURCES, INDUSTRIAL RELATIONS AND TRAINING

8.6.1 Human Resources

As on March 31, 2019 the employee strength of the Bank stood at 521. The Bank had recruited 50 Trainee Junior Clerks during the year 2018-19 and have offered them suitable employment opportunities. The productivity per employee was ₹ 9.24 crore and profitability per employee was ₹ 2.16 lakh.

During the F.Y. 2018-19, the Bank reviewed and refined the H.R. related policies and inculcated best banking practices and standards in the management of its employees. These policies were implemented through proper communication to establish a professional work culture for the employees of the Bank.

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

8.6.2 Industrial Relations

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

8.6.3 The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Bank has a policy in place to ensure Prevention of Sexual Harassment at the Workplace since 2005. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 was the basis of the formation of the Internal Complaints Committee (ICC). During the year, no cases were reported.

8.6.4 Learning and Development

The Learning Centre of the Bank conducts regular training programmes with both Internal and External expert faculty.

Suitable Induction and Orientation programmes are conducted for newly recruited employees.

During the year, the employees at various levels have attended functional / skill based and self development training programmes conducted in house or at external institutions like RBI-CAB, IIBF, NIBM, IDRBT, VAMNICOM, NAFCUB, Bombay Chamber of Commerce, Dr. Vitthalrao Vikhe Patil Institute of Co-operative Management, Maharashtra Urban Co-operative Bank Federation, Princeton Academy Pvt .Ltd., Abhyudaya Co-operative Bank Ltd. and Institute of HRD.

The internal and external training programmes have covered a majority of the employees. The number of employees that attended internal and external trainings during the year were 357 employees and 73 employees respectively.

8.6.5 Newsletter of the Bank

The Bank internally circulates the quarterly edition of its newsletter - CITIZEN CREDIT CONNECT to ensure awareness of the recent developments in the Bank.

9. EARNINGS

9.1 Profit:

The Bank has maintained the operating profit at par with earlier years.

Net Profit for the year ended March 31, 2019 amounted to ₹ 11.23 crore after making all the necessary and adequate provisions as required.

The net profit available for appropriation is as follows:

	Amount (₹)
Net Profit for the year	112,303,254
Depreciation on revaluation reserve	12,685,480
Profit brought forward from the previous F.Y. 2017-18	194,702
Net Profit Available for Appropriation	₹ 125,183,436

9.2 Appropriations:

As per the MSCS Act, 2002, the Co-operative Banks are mandatorily required to transfer certain percentage of its Net Profit to Statutory Reserves, Special Contingency Reserve and to Co-operative Education Fund. Balance, if any, can be transferred to Other Reserves, Dividend Distribution and may be for Ex-gratia and the Board of Directors has rights to transfer as they find fit.

This year, the Board of Directors recommends the following appropriation.

Particulars	Amount (₹)
Appropriations :-	
Statutory Reserve Fund @25% of Net Profit	28,100,000
Contingency Reserve Fund @10% of Net Profit	11,200,000
Education Fund @1% of Net Profit	1,100,000
Bad & Doubtful Debts Reserve	30,000,000
Investment Fluctuation Reserve	30,000,000
Proposed Dividend @16% p.a. (pro-rata)	24,200,000
Balance carried forward	583,436
Total	125,183,436

9.3 Dividend

Bank has been following a policy which balances dual objective of rewarding shareholders through dividends and retaining capital in order to maintain healthy CRAR / reserves so as to support future growth. The Bank has a consistent track record of steady dividend distribution pay out @16% over the past several years. The Board is pleased to recommend dividend @16% for the financial year ended March 31, 2019 on pro-rata basis. 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 General Body, 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 core objective of the ALCO is to strike a right balance between 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.

11. SYSTEMS AND 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

The Bank has an Independent Risk Management Department which ensures that the inherent risks (credit, market and operational) are identified, quantified and appropriately managed. A detailed and comprehensive Risk Management Policy as well as a Compliance Policy has been put in place, which is reviewed and updated from time to time in line with the emerging developments in the Banking space. Every new product and service is vetted by the Risk & Compliance Department to ensure that it is compliant with the regulatory requirements.

The Bank has implemented a comprehensive risk rating / scoring system that serves as an indicator of diverse risk factors on the counterparty facilitating Risk Based Pricing and consistent credit decisions.

In order to maintain adequate liquidity, the Bank has in place an ALM Policy that oversees funding strategies, liquidity planning under alternative scenarios, prudential limits, and liquidity reporting / reviewing.

It may be further noted that a strong MIS and regular monitoring forms the basis of timely identification of stress in the bank's operations, specifically relating to the Treasury and Credit portfolio, thus enabling prompt and appropriate corrective action.

In addition to the Information security, the Bank has a Cyber security Policy put in place to ensure adequate cyber-security and to manage risks in real time, protection of stored / in-transit information (personal and sensitive) of customer, reporting of cyber security incidents to supervisory authorities and other agencies.

11.2 Audit and Inspection

The Audit and Inspection Department of the Bank is instrumental in conducting inspection across branches and departments on an annual basis. All branches are covered under concurrent audit by external empanelled auditors on monthly / bimonthly 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 incorporated in the audit and inspection process. A risk based Audit policy is in place and is reviewed / 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, 2018 in July 2018. The Bank has submitted its compliance to the Inspection report to the RBI on time.

Statutory Audit of the Bank for the year 2018-19 is undertaken by M/s. Borkar & Muzumdar, Chartered Accountants who were appointed by the Members at the last Annual General Meeting held on September 15, 2018. The Statutory Auditors have awarded 'A' Audit Classification to the Bank.

The Bank's Demat operations were inspected by NSDL in June 2018 and there were no adverse observations.

Chartered Accountants M/s. R. A. Moraes & Associates, M/s. Ramanand & Associates, M/s. Shinde & Associates, M/s. Simethy and Gramopadhye, M/s. Akhilesh Pandey & Co., M/s. Niranjana S. Karmarkar & Associates, M/s. Vaishampayan & Padhye, and M/s. R. Devendra & Associates, carried out the Concurrent Audit of the branches/ departments for the F.Y. 2018-19.

Special Audit during the F.Y. 2018-19 was conducted of Information Systems, Structured Financial Messaging System (SFMS), ATM and Electronic Channel of the Bank by M/s. Mukund M. Chitale & Co. Chartered Accountants. The Bank has also on the rolls a CISA qualified Chief Information Security Officer.

M/s. Borkar & Muzumdar, Chartered Accountants have completed their 2nd year as Statutory Auditors of the Bank for the F.Y. 2018-19. The Board of Directors recommend that the firm continue as Statutory Auditor for the next year i.e F.Y. 2019-20. Approval of the General Body is solicited.

11.3 Compliance

The Bank continues to place great emphasis on compliance with the various directives issued by the RBI and other Statutory Authorities / Regulators. A dedicated department, guided by the Board approved Compliance Policy, ensures compliance with various guidelines, directives and communications, received from RBI, Central / State Registrar, IBA and other authorities, within the prescribed deadlines.

The Compliance function also ensures observance of statutory provisions contained in various legislations viz. Banking Regulation Act, Reserve Bank of India Act, MSCS Act, 2002. It also ensures compliance with guidelines specified by The Banking Codes and Standards Board of India and Indian Banks Association.

11.3.1 FATCA and CRS Compliance

Governments and Financial Institutions all over the world have taken up initiatives to combat tax evasion and stashing of unaccounted money overseas. Towards this end, countries have entered into agreements with each other for automatic exchange of information pertaining to such unaccounted resources. In 2010, USA enacted a law known as "Foreign Account Tax Compliance Act" (FATCA) with the objective of tackling tax evasion through obtaining information in respect of offshore financial accounts maintained by USA residents and citizens. India and USA have signed an Inter-Governmental Agreement (IGA) on July 09, 2015 for reporting under FATCA. India has also joined the Multilateral Competent Authority Agreement (MCAA) on June 3, 2015 for reporting to countries other than the USA under the Common Reporting Standards (CRS). In accordance with the above agreements, Financial Institutions are required to identify reportable accounts by carrying out due diligence procedures. RBI has made it mandatory for banks and financial institutions to seek supplementary KYC and self certification forms from investors 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 Bank ensures that the necessary annual reporting under FATCA and CRS is made prior to the deadline of May 31, each year.

11.3.2 Banking Codes and Standards

The Bank is a voluntary member of the Banking Codes and Standards Board of India (BCSBI) in its commitment to ensure consistently superior standards of banking services and protection to our customers. The Bank is among only 18 Scheduled Urban Cooperative Banks to have taken up the voluntary membership indicative of the Bank's commitment to provide its customers with the highest level of service. The 'Code of Bank's Commitment to Customers' and the 'Code of Bank's Commitment to Micro & Small Enterprises' are available at all 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.

11.4 Technology Absorption, Adaptation and Innovation

The Information Technology revolution is transforming the Banking scenario and the manner by which financial business is transacted and has considerably expanded the range of products and increased the expected demands of the customers. Financial sector and banking sector reforms are part and parcel of economic reforms, which strengthen the economy. IT Act of 2000 gave a new dimension to the Indian financial sector. IT has transformed the banking sector, banking structure, business process, workculture and human resource development, and has enhanced the productivity, profitability and efficiency of the banks to a large extent.

Contemporary Banking cannot be carried out without ITES (IT Enabled Services), be it for the Banks' own housekeeping and MIS or for customer interface. ITES reduce the cost of operations and brings tremendous efficiencies. The Bank has already made available the latest technological facilities like ATM, e-commerce, POS, IMPS, mobile banking, RTGS / NEFT, CTS, e-tax payments, Bharat Bill Payments Systems, AML, EZee Will online, CKYC, etc, for customers. The Board has always promoted the latest technology which leads us to cashless economy, irrespective of huge investments, considering the need of the times and the competition in the Banking industry.

The investment in technology is viable only if utilisation by customers is very high. The technology based transaction cost is very low as compared to manual transactions. This is in line with the Government's digital India program to transform the country into a digitally empowered society and knowledge economy.

IT enabled services, while a necessity to be relevant in the market place and to ensure safety of deposits, also considerably increase the operational risk and consequently underline the need for managing and mitigating them.

Digital banking comes with risks associated with cyber security concerns. To enhance security against cyber threats, the Bank has enhanced current defenses and put in place a robust cyber security / resilience framework, as directed by RBI. The Bank has robust IT systems and subjects them to regular IS audits and vulnerability test for Information Technology / Information Security Systems.

Moreover, to enhance physical and logistical security for critical Information Technology (IT) / Information Security (IS) systems, Bank has migrated its Data Centre to SIFY Data Centre, which is certified for SSAE-18, ISO 27001, ISO 9001:2015 and CMMI Level V.

11.5 KYC, AML and CFT

The Bank has a KYC policy in place which is updated in tune with the guidelines issued by the RBI from time to time. The Bank has a centralized Account Opening Unit that ensures that all accounts opened are KYC Compliant. The Bank has frozen all active accounts which are not KYC Compliant, in terms of RBI circulars.

The Bank undertakes customer risk assessment for new accounts and has a system of periodic review of risk categorization, which is carried out on a half yearly basis.

The Bank has a mechanism in place to identify and monitor accounts and transactions suspected of money laundering or terrorism financing. The Bank, further, carries out ongoing due diligence of customers to ensure that the transactions are consistent with the customer's risk profile.

As part of the Customer Acceptance Policy, the Bank undertakes the process of name screening for new and existing accounts to ensure that no account is opened or held by persons with known criminal background or banned entities such as terrorist individuals or terrorist organizations.

The Bank ensures that all the requisite statutory reports to FIU-India (Financial Intelligence Unit) are in accordance with relevant laws and are furnished within prescribed time limit.

11.6 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 of immovable assets and hypothecation of movable or intangible created in favour of the Bank.

11.7 Membership of Credit Information Companies

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 has been granted Certificate of Registration by RBI.

The Bank is a member of all four Credit Information Companies (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.

CIC reports are considered as an effective credit risk mitigant and assists the Bank in maintaining the quality of the advances portfolio and facilitates effective credit penetration, profitability and growth.

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

The Bank continues its tie up with Small Industries Development Bank of India (SIDBI) which is the Nodal Agency for the Credit Linked Capital Subsidy Scheme (CLCSS). The said scheme is being operated by The Ministry of Small Scale Industries (SSI) since September 2005 and aims at facilitating technology upgradation for SSIs (in selected sub sectors / products approved under the

scheme) by providing upfront capital subsidy to the said units, on the institutional finance (credit) availed by them for modernization of their production equipment (plant and machinery) and techniques.

11.9 Credit Linked Subsidy Scheme for EWS, LIG, MIG-I and MIG-II under Pradhan Mantri Awas Yojana- Housing for All

The Prime Minister of India has envisioned Housing for All by 2022 when the Nation completes 75 years of its Independence. In order to achieve this objective, Central Government has launched a comprehensive mission "Housing for All by 2022". National Housing Bank (NHB) has been identified as a Central Nodal Agency (CNAs) to channelize this subsidy to the lending institutions and for monitoring the progress of Affordable Housing for weaker section through credit linked subsidy scheme (CLSS).

Credit linked subsidy will be provided on home loans taken by eligible urban poor for acquisition, construction of house under following group:

- i. Economically Weaker section (EWS)
Annual Household Income upto ₹ 3.00 lakh
- ii. Low Income Group (LIG)
Annual Household Income above ₹ 3.00 to ₹ 6.00 lakh
- iii. Middle Income Group-I (MIG-I)
Annual Household Income above ₹ 6.00 to ₹ 12.00 lakh
- iv. Middle Income Group-II (MIG-II)
Annual Household Income above ₹ 12.00 to ₹ 18.00 lakh

The Bank has tied up with NHB for providing the credit linked subsidy scheme to enable affordable housing to all.

11.10 CRISIL Reports

The Bank has, during the financial year tied up with CRISIL, for obtention of reports for all fresh SME and Corporate Credit proposals above ₹ 25 lakh. These reports provide the Bank with a detailed evaluation of the borrower's firm (covering it's financials and credit history), the industry in which the firm operates and general market conditions (at the time of the generation of the report). The Bank utilises the same as an effective Risk Management tool which assists in the making of a more informed assessment of fresh loan proposals.

12 VALUE ADDED SERVICES

Across the banking industry, Net Interest Margins are continuously shrinking and there is a conscious focus on increasing Non-Interest Income (fee business) to shore up the bottomline. Similarly the Bank will continue to focus on Value Added Services to ensure contribution to profitability, calibrating these services in keeping with the Government Of India / RBI thrust.

12.1 Foreign Exchange Business under AD Category-II

As Authorized Dealer Category II, the Foreign Exchange services offered at fifteen of our branches have achieved a total turnover of ₹ 88.43 crore during the year. The dedicated foreign exchange counters of the Bank are located at Hill Road, Vakola, Colaba, Borivali, Malad, Dadar, Kalina, Byculla, 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, 2019 the portfolio covered 7757 Demat accounts.

12.3 Bancassurance

The Bank also continues to undertake Life Insurance business as a Corporate Agent with Max Life Insurance Company Ltd since January, 2007 and HDFC Life Insurance Co. Ltd. since October 2017. For the financial year, 662 policies were issued against a total premium of ₹ 4.38 crore. The Bank has also undertaken General Insurance business since March 2011 with United India Insurance Co. Ltd. and since June 2017 with Bajaj Allianz General Insurance Co. Ltd. For the Financial year, 2615 policies were issued against a total premium of ₹ 0.94 crore.

12.4 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.

12.5 Mutual Fund Distribution Services

The Bank is registered with The Association of Mutual Funds in India (AMFI) under registration number ARN-120472 for distribution of Mutual Funds. This is purely a referral service introduced to our members and customers w.e.f May 2017.

The Bank has tied up with five Asset Management Companies (AMCs) i.e M/s ICICI Prudential Asset Management Company Limited, M/s. HDFC Asset Management Company Ltd, M/s SBI Funds Management Private Ltd, M/s. Aditya Birla Sun Life Asset Management Company Limited and M/s. DSP Mutual Fund for distribution of Mutual Fund Services.

13. BRANCH NETWORK

Presently the Bank has 46 Branches as on March 31, 2019 spread over the States of Maharashtra, Goa and Union Territory of Daman. During the F.Y. 2018-19, two branches were opened at New Panvel and Dahisar. The Moti Daman branch was merged with the Nani Daman branch during this period.

14. MALAD PROPERTY DEVELOPMENT

The project of construction of the Bank's own administrative building is awaiting the second Occupation Certificate, for complete shifting of its administrative office from Bandra to Malad. Some of the Administrative departments have been shifted into the new building in 2017.

15. FULFILLMENT OF OBLIGATION UNDER MSCS ACT, 2002 SCHEDULE 1

Initiatives which continue to be taken to provide Education, Training and Information in terms of Co-operative Principle No. 5 of the Schedule No. 1 of the MSCS Act, 2002.

15.1 Awards for Academic Excellence

The Bank's Annual Academic Excellence Award was held on January 30, 2019 at St Andrew Auditorium. A total of 175 students were presented Awards for Academic Excellence. It provided the

students an opportunity to interact with unique individuals/leaders and to be part of the Take Charge mentorship program, allowing each student to walk away with both financial and mentorship assistance from a community proud of what they have achieved and looking forward to them making a mark of their own. The total number of students recognized for Academic Excellence over the years stands at 4924.

15.2 Chartered Accountant Meet

During the financial year 2018-19, the Bank hosted a Chartered Accountants Meet at Dr. Antonio Da Silva School Auditorium, Dadar. The event brought together a large number of Chartered Accountants and focused on the need for Co-operative Banks and the financial stability of Citizencredit Co-operative Bank Ltd. It was a very interactive session with the participants sharing ideas, stating views and raising queries on the Cooperative Banking sector and the role of Citizencredit Bank in the current market scenario.

15.3 Goa Customer Meet

A meeting with Customers and Members was hosted by our Bank in the month of January 2019 at Flamingo Hall, Miramar, Goa with the theme "Lets Grow Together". The purpose of the meet was to invite suggestions from the customers/members for the growth of the Bank in Goa. The 168 attendees included members along with existing and prospective customers. The meet threw up ideas and discussion that could help the Bank become a better institution. The session was very interactive and most customers/members appreciated the Bank for its services. A request was made that the next AGM be held in Goa. The meeting ended with a vote of thanks.

15.4 Women's Day Celebration

As part of the Women's Day Celebration, this year the Bank organized a week long Women's Day Drive at its branches. Booklets were kept at branches to encourage all Female walk-in customers to write a short message on "HEALTH IS WEALTH" and the nine best messages were awarded a prize. Many customers actively participated and wrote messages pertaining to the subject.

The other initiative was an activity for the girl child named "Ladder of Growth", which was organized at various branches. Parents were invited along with their children to attend the drawing competition held at our branches. The objective behind the same was to create awareness among the parents to invest in products which can be used for their children's future.

All the meets were well attended and appreciated.

16. DIRECTOR'S 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 MSCS 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 going-concern basis

17. ACKNOWLEDGEMENTS

The Board of Directors place on record its sincere appreciation for the support which the Board and the Bank has received from all our members and other stake holders and thanks them wholeheartedly for the confidence and the trust reposed in the Board and the Bank over the years.

The Board of Directors place on record, with a deep sense of gratitude, the valuable guidance support and advice received from the Reserve Bank of India especially the Urban Banks Dept, Central Registrar of Co-operative Societies, Government of India, New Delhi, Commissioner for Co-operation and Registrar of Co-operative Societies, Maharashtra State, Pune. 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 services rendered. The Board of Directors records its appreciation to all the employees for their loyalty, dedication and whole hearted involvement in achieving the goals and mission of the Bank especially in providing excellent and courteous service to its customers.

The Board of Directors places on record its appreciation to the Management for its unfailing commitment, dedication and hardwork in providing much needed leadership and direction to the Bank through excellent team work among the staff.

The Board of Directors also expresses gratitude to the Employees Union for the co-operation extended to 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 organisation goals that have been set for the Bank.

18. AMENDMENTS TO BYE-LAWS:

Following are the amendments proposed to the Bank's bye-laws, not coming within the purview of the 97th Amendment to the Constitution.

Page No.	Bye-law No.	Existing	Amendment Recommended	Remark
5	2. Definitions (addition)	Definition of 'minimum level of services' is missing in the existing Bye-Laws.	2(xxiii) "Minimum level of services" To maintain any active deposit or loan account or value added services and maintain the same as per basic conditions required by the Bank.	Bye-Law No. 7(v) defined. However, definition of minimum level of services is added.
2	4(B) Regular Membership (addition)	The condition not specified under existing bye-law no.4 and to be included under 4B (j) and 4B (k).	4B(j) Member must be KYC Compliant as per RBI Definition. 4B(k): Must hold minimum number of shares, at present it is 100 shares.	To comply with RBI directions / AML requirements.
9	6 (A) Amendments	Provided that no member shall be entitled to subscribe to more than 1/5th of the share capital of the Bank.	Provided that no member shall be entitled to subscribe more than 5% of the share capital of the Bank.	As per RBI circular on Capital Adequacy Norms
38	Addition	Introducing 'Board of Management (BOM)' besides Board of Director's is a new concept recommended by the Malegam Committee and the High Power Committee of UCB's It is under consideration of RBI.	53. Board of Management: To set up a Board of Management as per directives / instructions of the RBI.	RBI has indicated that UCB's, if desirous in getting permissions for any business growth or area of operation, they must accept BOM concept.

These amendments are now brought to the General Body, due to technical issues of timelines, at the Central Registrar, New Delhi.

Date : August 09, 2019

Anthony D'Souza
Chairman

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
CITIZENCREDIT Co-Op. Bank Ltd.
Mumbai.

Report on the Financial Statements

Opinion

1. We have audited the accompanying financial statements of CITIZENCREDIT Co-Op. Bank Ltd. ('the Bank') as at 31st March, 2019, which comprise the Balance Sheet as at 31st March 2019, and 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. The returns of Head Office and its departments audited by us and returns of all 46 branches certified by the Concurrent Auditors/Internal Auditors are consolidated in these financial statements. Of the total no of branches, 46 were under monthly/bimonthly Concurrent Audit. As informed by the management, the Bank has not received any specific guidelines from the Central Registrar of Co-operative Societies with respect to selection of branches to be covered under audit. During the course of our audit we performed select relevant procedures at 17 branches. Key operations of the Bank are automated, with the key applications largely integrated to the core banking systems and hence it does not require its branches to submit any financial returns. Accordingly, our audit is carried out centrally at the Head Office and Central Processing Units, based on the necessary records and data required for the purposes of the audit being made available to us and further the matter of percentages of advances, deposits, interest income and of interest expenses is not applicable to the Bank.
2. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes, give the information required thereon by the Banking Regulation Act, 1949 as well as Multi State Co-operative Societies Act, 2002 and rules made thereunder, in the manner so required, for the urban co-operative banks, guidelines issued by Reserve Bank of India and the Central Registrar of Co-operative Societies, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In the case of the Balance Sheet, of state of affairs of the Bank as at 31st March 2019;
 - b. In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

4. The Bank has upgraded as credit facilities of one borrower amounting to ₹ 34.59 crore, as standard from sub-standard based on subsequent recoveries as mentioned in Note 3 of Schedule 16, forming part of Financial Statements. The auditor's opinion is not modified in respect of the matter emphasized.

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

5. The Bank's Board of Directors is responsible with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, and provisions of the Banking Regulations Act, 1949, the guidelines issued by the Reserve Bank of India and the guidelines issued by the Central Registrar of Co-operative Societies, the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002 from time to time. This respon-

sibility also includes maintenance of adequate accounting records in accordance with the provisions of the Acts for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal & Regulatory Requirements

7. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949 and the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002.
8. As required by Section 73(4) of the Multi State Co-operative Societies Act, 2002, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found to be satisfactory
 - b. In our opinion, proper books of accounts as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches/offices;
 - c. The transactions of the Bank which came to our notice have been within the powers of the Bank;
 - d. The Balance Sheet and the Profit and Loss Account dealt with by this report, are in the agreement with the books of account and the returns;

- e. The reports on the accounts of the branches/offices audited by the branch auditors have been forwarded to us and have been properly dealt with by us in preparing this Report;
- f. The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to Banks;
- g. In our opinion and according to information and explanations given to us, we have not noticed any material impropriety or irregularity in the expenditure or in the realization of money due to the bank.
9. As required by the Rule 27 (3) of the Multi-State Co-operative Societies Rules, 2002, we report on the matters specified in clauses (a) to (f) of the said Rule to the extent applicable to the Bank.
- a. During the course of our audit, we have generally not come across transactions which appear to be contrary to the provisions of the Act, the Rules or the Bye-Laws of the Bank.
- b. During the course of our audit, we have not come across material and significant transactions which appear to be contrary to the guidelines issued by RBI.
- c. Following monies due to the Bank appear to be doubtful of recovery against which a provision of ₹ 4960.18 Lakh is made in the accounts. (Advances categorized as doubtful and loss assets as per Prudential Norms are considered as doubtful of recovery: -

Category	Outstanding on 31.03.2019 (₹ In lakh)
Doubtful Assets	6158.08
Loss Assets	84.29

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

Fund and Non- fund Based amount outstanding (₹ In lakh)	Security Value if any (₹ In lakh)	Overdues if any (₹ In lakh)
NIL	NIL	NIL

- e. We have generally not come across any violations of guidelines, instructions etc. issued by the RBI.
- f. To the best of our knowledge, no other matters have been specified by the Central Registrar, which require reporting under this Rule.

Place: Mumbai
Date: August 09, 2019

For Borkar & Muzumdar
Chartered Accountants
FRN 101569W

Supriya D. Bhat
Partner
Membership No. 048592
UDIN: 19048592AAAABT1067

CERTIFICATE

We have audited the balance sheet of Citizencredit Co-operative Bank Ltd. Mumbai as on March 31, 2019 and the Profit and Loss Account annexed thereto for the year then ended and we report that audit class "A" has been given to the Bank for the year 2018-19, as per norms prescribed for audit classification of Urban Co-operative Banks by Registrar of Co-Operative Societies, Maharashtra State.

Place: Mumbai
Date: August 09, 2019.

For Borkar & Muzumdar
Chartered Accountants
FRN 101569W

Supriya D. Bhat
Partner
Membership No. 048592
UDIN: 19048592AAAABT1067

BALANCE SHEET AS AT MARCH 31, 2019

As at 31.03.2018 ₹	PROPERTY AND ASSETS	Sch. No	As at 31.03.2019 ₹
1,38,97,94,970	1. CASH, BALANCES WITH RBI, SBI, STATE CO-OPERATIVE BANK AND CENTRAL CO-OPERATIVE BANK	6	1,56,80,53,726
4,30,33,81,885	2. BALANCES WITH OTHER BANKS	7	3,99,33,00,361
-	3. INVESTMENT OUT OF THE PRINCIPAL		-
	SUBSIDIARY STATE PARTNERSHIP FUNDS		
-	4. MONEY AT CALL AND SHORT NOTICE		-
1,68,98,99,436	5. LENDING UNDER RBI-REVERSE REPO / REVERSE REPO	8	1,94,88,74,820
12,68,71,01,144	6. INVESTMENTS	9	12,86,23,50,915
13,53,80,89,054	7. ADVANCES	10	15,46,14,05,214
	8. INTEREST RECEIVABLE		
39,50,36,736	a) On Investments		33,21,68,006
24,52,861	b) On Advances		39,639
38,18,25,124	c) On Non Performing Assets (Contra)		23,46,84,112
18,81,227	9. BILLS RECEIVABLE BEING BILLS FOR COLLECTION (As per Contra)		12,55,105
1,68,98,99,436	10. SECURITIES PURCHASED UNDER RBI-REVERSE REPO / REVERSE REPO		1,94,88,74,820
80,78,37,904	11. FIXED ASSETS	11	79,45,98,977
34,97,51,922	12. OTHER ASSETS	12	39,65,55,779
5,69,07,000	13. DEFERRED TAX ASSET (NET)		5,76,33,000
54,280	14. BRANCH ADJUSTMENTS (NET)		-
37,29,39,12,979	GRAND TOTAL		39,59,97,94,474

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

Christopher A. Mendoza
Managing Director & Chief Executive Officer

Anthony D'Souza
Chairman

Adv. Arvind Pinto
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

PREVIOUS YEAR ₹	EXPENDITURE	Sch. No	CURRENT YEAR ₹
	1. INTEREST ON DEPOSITS AND BORROWINGS		
1,81,85,93,248	a) On Deposits		1,85,44,30,467
92,55,992	b) On Borrowings (Repo/ Call/ CBLO/ TREPS)		53,26,028
40,91,26,486	2. Salaries, Allowances, PF, Gratuity etc.		46,04,78,271
15,94,553	3. Directors Sitting Fees, Allowances and Other Exp		18,05,868
9,65,80,071	4. Rent, Rate, Taxes, Insurance and Lighting		11,13,21,210
40,86,814	5. Legal and Professional Charges		57,70,970
46,46,750	6. Audit Fees		48,57,440
2,17,22,830	7. Postage, Telegram and Telephone		2,13,13,428
4,44,02,335	8. Depreciation		4,67,99,544
53,25,570	9. Staff Welfare		55,15,294
85,91,053	10. Printing and Stationery		80,04,607
48,02,810	11. Advertisement		39,71,568
2,43,02,431	12. Repairs and Maintenance		3,05,11,941
38,61,573	13. Travelling and Conveyance		38,37,163
24,03,285	14. Bank Charges		30,24,658
2,39,54,040	15. Security Charges		2,76,28,202
72,01,559	16. Software Expenses		97,67,076
-	17. Election Expenditure		-
1,71,77,912	18. Sundry Expenses	13	1,78,89,182
4,63,77,548	19. Bad Debts written off		11,64,71,542
7,26,17,500	20. Depreciation on Shifting of Investmens		-
1,31,049	21. Loss on Sale of Assets		7,02,850
1,59,77,105	22. Loss on Sale of Investments		12,86,62,500
-	23. Prior Period Expenses		9,94,494
	24. Provisions for and Amortisations of		
64,11,995	a) Earned Leave		26,78,230
89,10,555	b) Gratuity		1,56,80,367
16,34,084	c) Leave Travel Allowance		44,22,122
1,01,33,874	d) Amortisation of Premium on Investments		1,07,50,958
-	f) Premium on Securities W/O on Redemption		2,27,900
43,14,000	e) Standard Assets		1,12,00,000
49,00,000	f) Restructured Advances		-
-	i) Unreconciled Balances		-
1,97,11,000	g) Non Banking Asset		-
2,50,88,000	h) Bad and Doubtful Debts		13,68,06,542
8,35,000	i) Special Reserve U/s 36(1)(viii) of Income Tax Act, 1961		-
2,72,46,71,022			3,05,08,50,422
28,61,89,746	PROFIT BEFORE TAX		18,80,68,254
3,01,08,60,768	TOTAL		3,23,89,18,675

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

PREVIOUS YEAR ₹	EXPENDITURE	Sch. No	CURRENT YEAR ₹
	TAX EXPENSES		
9,31,74,000	Income Tax		7,64,91,000
1,23,89,000	Deferred Tax		-
10,55,63,000			7,64,91,000
18,06,26,746	NET PROFIT AFTER TAX		11,23,03,254
28,61,89,746			11,23,03,254

NOTES FORMING PART OF FINANCIAL STATEMENTS 1 - 16
AS PER OUR REPORT OF EVEN DATE

For Borkar & Muzumdar
Chartered Accountants
FRN 101569 W

[Supriya D. Bhat]
Partner
M. No.048592

Date : August 09, 2019
Place : Mumbai
UDIN No: 9048592AAAABT1067

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

PREVIOUS YEAR ₹	INCOME	Sch. No	CURRENT YEAR ₹
28,61,89,746	PROFIT BEFORE TAX		18,80,68,254
-	Deferred Tax		7,26,000
28,61,89,746			18,87,94,254

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

Christopher A. Mendoza
Managing Director & Chief Executive Officer

Anthony D'Souza
Chairman

Adv. Arvind Pinto
Director

SCHEDULES TO BALANCE SHEET 31st MARCH 2019

As at 31.03.2018 ₹		PARTICULARS		As at 31.03.2019 ₹
		SCHEDULE - 1		
		SHARE CAPITAL		
	A)	Authorised Capital		
50,00,00,000		₹ 5,00,00,000 (PY ₹ 5,00,00,000) Shares of ₹ 10/- each		50,00,00,000
	B)	Issued, Subscribed and Paid-up :		
		₹ 1,51,71,700 (₹ 1,52,15,466) Shares of ₹ 10/- each		
15,06,70,290	a)	Individuals :	15,02,59,130	
14,84,370	b)	Others :	14,57,870	
15,21,54,660				15,17,17,000
		SCHEDULE - 2		
		RESERVE FUND AND OTHER RESERVES		
68,39,48,593	a)	Statutory Reserve Fund	73,01,97,727	
22,57,09,000	b)	Special Contingency Fund	24,38,09,000	
71,64,34,288	c)	Building Fund	71,64,34,288	
41,94,13,975	d)	General Reserve	43,83,12,475	
-	e)	Centenary Fund	1,00,00,000	
50,38,24,452	f)	Provision for Bad and Doubtful Debts	52,41,59,452	
91,45,101	g)	Provision for Restructured Advances	81,31,066	
5,03,13,953	h)	Contingent Provisions against Standard assets	6,15,13,953	
-	i)	Investment Depreciation Reserve	-	
37,96,23,670	i)	Investment Fluctuation Reserve	45,46,23,670	
42,76,80,008	j)	Revaluation Reserves	41,49,94,528	
9,42,05,000	k)	Special Reserve-Long Term Finance U/s 36(1)(viii) of Income Tax Act, 1961	9,42,05,000	
3,51,02,98,040				3,69,63,81,158
		SCHEDULE - 3		
		DEPOSITS AND OTHER ACCOUNTS		
	(i)	TERM DEPOSITS		
18,73,81,32,814	a)	From Individuals and Others	19,86,41,04,369	
96,70,22,531	b)	From Other Societies	1,21,51,91,321	
19,70,51,55,345				21,07,92,95,690
	(ii)	SAVINGS BANK DEPOSITS		
9,91,00,29,201	a)	From Individuals and Others	10,34,56,92,996	
31,69,51,464	b)	From Other Societies	35,23,51,517.7	
10,22,69,80,665				10,69,80,44,514

SCHEDULES TO BALANCE SHEET 31st MARCH 2019

As at 31.03.2018 ₹		PARTICULARS		As at 31.03.2019 ₹
	(iii)	CURRENT DEPOSITS		
75,11,32,016		a) From Individuals and Others	88,20,44,698	
14,87,795		b) From Other Societies	935166.61	
75,26,19,811				88,29,79,865
	(iv)	MATURED DEPOSITS		
80,23,296		a) From Individuals and Others	71,70,019	
-		b) From Other Societies	-	
80,23,296				71,70,019
30,69,27,79,117				32,66,74,90,088
-			-	
		SCHEDULE - 4		
		OTHER LIABILITIES		
5,23,55,130	a)	Pay orders Issued	4,70,60,294	
21,13,121	b)	Unclaimed Dividends	21,73,494	
26,44,631	c)	Deposit on Capital Linked Subsidy Scheme from SIDBI	26,44,631	
20,29,500	d)	Audit Fees Payable	21,16,710	
21,46,74,000	e)	Provision for Tax	29,11,65,000	
5,91,11,898	f)	Leave Encashment	5,81,78,576	
79,08,662	g)	Gratuity	1,46,70,977	
16,34,084	h)	Leave Travel Allowance	60,56,206	
45,79,723	i)	Rent on Lockers Received in Advance	28,67,246	
57,27,800	j)	Key Deposit	70,53,200	
1,27,80,023	k)	Outstanding expenses	2,06,39,304	
1,89,48,201	l)	TDS Payable	2,32,10,802	
6,86,091	m)	General Suspense - NPA Recoveries	4,91,628	
62,05,048	n)	Cheques under Clearing for Franking	43,20,231	
14,72,956	o)	Sundry Deposits-Retention	22,16,810	
6,50,557	p)	Sundry Deposits-Earnest money	3,25,495	
53,232	q)	Sundry Deposits-Excess cash	85,433	
2,57,821	r)	Sundry Deposits-Others	3,04,397	
2,55,22,034	s)	Miscellaneous other liabilities	1,13,45,309	
41,93,54,512				49,69,25,743

SCHEDULES TO BALANCE SHEET 31st MARCH 2019

As at 31.03.2018 ₹		PARTICULARS		As at 31.03.2019 ₹
		SCHEDULE - 5		
		PROFIT AND LOSS ACCOUNT		
23,07,28,308		Profit as per last Balance Sheet	20,42,53,447	
		Less: Appropriation for 2017-18		
5,50,00,000	a)	Statutory Reserve Fund @ 25% of Profit	4,52,00,000	
2,20,00,000	b)	Contingency Fund @ 10%	1,81,00,000	
21,99,000	c)	Education Fund @ 1%.	18,00,000	
2,43,01,087	d)	Dividend @ 16%	2,42,46,745	
-	e)	Investment Fluctuation Reserve	7,50,00,000	
-	f)	Centenary Fund	1,00,00,000	
11,62,87,000	g)	General Reserve	1,89,00,000	
1,09,41,221			-	1,10,06,702
1,26,85,480		Add: Depreciation on Revaluation Reserve	1,26,85,480	
18,06,26,746		Add: Net Profit for the year as per Profit and Loss A/c.	11,23,03,254	
20,42,53,447				13,59,95,436
		SCHEDULE - 6		
		CASH, BALANCES WITH RBI, SBI, STATE CO-OPERATIVE BANK AND CENTRAL CO-OPERATIVE BANK		
9,16,76,952	1	Cash In Hand	9,82,91,268	
	2	Reserve Bank of India		
1,29,80,27,220	a)	In Current Accounts	1,46,96,64,777	
-	b)	In Other Accounts	-	
	3	Balances with State Bank of India and Subsidiaries		
43,245	a)	In Current Accounts	42,157	
-	b)	In Other Accounts	-	
	4	Balances with State and Central Co-operative Banks		
-		In Current Accounts	-	
28,692	i)	State Co-operative Banks	36,663	
18,861	ii)	Dist. Central Co-op. Banks	18,861	
1,38,97,94,970				1,56,80,53,726

SCHEDULES TO BALANCE SHEET 31st MARCH 2019

As at 31.03.2018 ₹		PARTICULARS		As at 31.03.2019 ₹
		SCHEDULE - 7		
		BALANCES WITH OTHER BANKS		
	1	Current Deposits with		
7,73,815	a)	Nationalised Banks	10,73,796	
2,67,40,545	b)	Other Banks	3,01,48,351	
	2	Fixed Deposits with		
5,94,00,000	a)	Nationalised Banks	18,92,00,000	
4,21,64,67,525	b)	Other Banks	3,77,28,78,214	
4,30,33,81,885				3,99,33,00,361
		SCHEDULE - 8		
		LENDING UNDER RBI REVERSE REPO /REVERSE REPO		
1,13,00,00,000	(a)	Reverse Repo under RBI LAF	45,00,00,000	
55,98,99,436.00	(b)	Reverse Repo	-	
-	(c)	TREPS	1,49,88,74,820	
1,68,98,99,436				1,94,88,74,820
		SCHEDULE - 9		
		INVESTMENTS		
9,45,81,84,900	(a)	In Central & State Government Securities Face Value ₹ 10,211,100,000 (PY ₹ 9,500,000,000) Market Value ₹ 10,049,673,315 (PY ₹ 9,507,129,937)	10,04,80,63,315	
2,000	(b)	Shares in co-operative institutions Face Value ₹ 2,000 (PY ₹ 2,000) Market Value ₹ 2,000 (PY ₹ 2,000)	2,000	
70,03,52,900	(c)	P.S.U. Bonds & Bonds of all India Financial Institutions Face Value ₹ 500,000,000 (PY ₹ 7,00,000,000) Market Value ₹ 500,819,250 (PY ₹ 7,05,705,600)	50,01,25,000	
1,39,72,64,000	(d)	Certificate of Deposit Face Value ₹ 1,450,000,000 (PY ₹ 1,500,000,000) Market Value ₹ 1,392,521,100 (PY ₹ 1,397,264,000)	1,39,25,21,100	
1,13,12,97,344	(e)	Others Face Value ₹ 1,000,000,000 (PY ₹ 1,20,00,00,330) Market Value ₹ 9,21,639,500 (PY ₹ 1,131,293,664)	92,16,39,500	
12,68,71,01,144				12,68,71,01,144

SCHEDULES TO BALANCE SHEET 31st MARCH 2019

As at 31.03.2018 ₹		PARTICULARS		As at 31.03.2019 ₹
		SCHEDULE - 10		
		ADVANCES		
	1)	Short Term Loan, Cash Credit, Overdraft and Bill Discounted of which secured against:		
49,72,53,645	a)	Term Lending CBLO	-	
12,82,077	b)	Government and Other approved securities	5,77,361	
4,33,96,44,758	c)	Other Tangible Securities	7,13,21,59,572	
2,31,336	d)	Personal Sureties	6,20,930	
4,83,84,11,816				7,13,33,57,863
	i)	Amount overdue ₹ 751061224 (P.Y. ₹ 444,118,880)		
	ii)	Amount considered as Bad and Doubtful of recovery- provided as per RBI norms ₹ 25,35,54,280 (P.Y. ₹ 357,420,913)		
	2)	Medium Term Loan of which Secured against:		
6,81,604	a)	Government and Other approved Securities	3,92,064	
1,34,61,73,729	b)	Other Tangible Securities	63,80,23,341	
13,16,00,856	c)	Personal Sureties	6,96,59,494	
1,47,84,56,189				70,80,74,899
	i)	Amount overdue ₹ 46,016,375 (P.Y. ₹ 433,25,698)		
	ii)	Amount considered as Bad & Doubtful of recovery provided as per RBI norms ₹ 6,54,40,819 (P.Y. ₹ 30,181,535)		
	3)	Long Term Loans of which Secured against:		
-	a)	Government & Other approved Securities	-	
7,21,63,60,376	b)	Other Tangible Securities	7,61,94,98,820	
48,60,673	c)	Personal Sureties	4,73,632	
7,22,12,21,049				7,61,99,72,452
	i)	Amount overdue ₹ 291,889,436 (P.Y. ₹ 252,666,188)		
	ii)	Amount considered as Bad & Doubtful of recovery provided as per RBI norms ₹ 45,21,37,759 (P.Y. ₹ 460,198,250)		
13,53,80,89,054				15,46,14,05,214
		SCHEDULE - 11		
		FIXED ASSETS		
	1	FREEHOLD LAND		
		Gross Block		
15,09,20,800		At Original / Revalued Cost	15,09,20,800	
15,09,20,800		Total		15,09,20,800

SCHEDULES TO BALANCE SHEET 31st MARCH 2019

As at 31.03.2018 ₹	PARTICULARS	As at 31.03.2019 ₹
2	PREMISES	
	Gross Block	
73,15,04,959	At Original / Revalued Cost	74,38,78,992
1,23,74,033	Add: Additions during the year	23,34,943
74,38,78,992	Total (A)	74,62,13,935
	Accumulated Depreciation	
29,01,72,062	Opening Balance	31,57,93,086
2,56,21,024	Add: Depreciation for the year **	2,44,91,096
31,57,93,086	Total Accumulated Depreciation (B)	34,02,84,182
42,80,85,906	Net Block (C) [(A) - (B)]	40,59,29,753
	** (includes ₹ 1,26,85,480 (PY ₹ 1,26,85,480) on account of Revaluation adjusted to Revaluation Reserve	
3	FURNITURE AND FIXTURES	
	Gross Block	
10,21,44,463	At Original Cost	12,59,49,408
2,48,11,152	Add: Additions during the year	1,19,74,431
10,06,207	Less: Deductions	21,60,771
12,59,49,408	Total (A)	13,57,63,068
	Accumulated Depreciation	
4,44,11,595	Opening Balance	5,13,32,613
77,37,024	Add: Depreciation for the year	86,52,524
8,16,006	Less: Deductions	13,99,182
5,13,32,613	Total Accumulated Depreciation (B)	5,85,85,955
7,46,16,795	Net Block (C) [(A) - (B)]	7,71,77,113
4	COMPUTERS	
	Gross Block	
15,41,29,682	At Original Cost	16,87,32,050
1,66,31,049	Add: Additions during the year	1,75,83,721
20,28,680	Less: Deductions	41,21,302
16,87,32,051	Total (A)	18,21,94,469
	Accumulated Depreciation	
14,22,37,355	Opening Balance	15,07,66,679
1,05,47,385	Add: Depreciation for the year	1,32,13,317
20,18,061	Less: Deductions	41,04,629
15,07,66,679	Total Accumulated Depreciation (B)	15,98,75,367
1,79,65,372	Net Block (C) [(A) - (B)]	2,23,19,102

SCHEDULES TO BALANCE SHEET 31st MARCH 2019

As at 31.03.2018 ₹		PARTICULARS		As at 31.03.2019 ₹
	5	VEHICLES		
		Gross Block		
38,35,955		At Original Cost	51,51,685	
13,71,264		Add: Additions during the year	74,770	
55,534		Less: Deductions	-	
51,51,685		Total (A)	52,26,455	
		Accumulated Depreciation		
17,70,203		Opening Balance	22,38,386	
4,96,902		Add: Depreciation for the year	4,42,606	
28,719		Less: Deductions		
22,38,386		Total Accumulated Depreciation (B)	26,80,992	
29,13,299		Net Block (C) [(A) - (B)]		25,45,463
13,33,35,732	6	CAPITAL WORK IN PROGRESS		13,57,06,746
80,78,37,904		TOTAL (I+II+III+IV+V+VI)		79,45,98,977
		SCHEDULE - 12		
		OTHER ASSETS		
7,27,448	a)	Sundry Debtors	3,74,414	
9,440	b)	Stamps in Hand	510	
12,400	c)	PAN Coupon Stock	6,015	
1,49,15,308	d)	Deposits for premises	1,61,84,952	
1,44,89,797	e)	Deposits for services	1,49,25,334	
16,46,653	f)	Stock of Stationery	23,63,513	
16,35,836	g)	Commission Receivable	13,02,243	
23,65,67,105	h)	Income Tax	31,49,66,876	
95,02,547	i)	Advance for Expenses	56,38,018	
8,013	j)	Clearing Account	-	
5,12,50,557	k)	Stamp Imprest/ Advance Account	2,16,99,487	
42,29,432	l)	Prepaid Expenses	62,58,193	
1,01,446	m)	Amount Claimed From RBI DEAF	1,89,604	
55,04,464	n)	Non Banking Asset acquired in satisfaction of claim	55,04,464	
91,51,476	o)	Miscellaneous other assets	71,42,156	
34,97,51,922				39,65,55,779

SCHEDULES TO PROFIT AND LOSS

As at 31.03.2018 ₹		PARTICULARS		As at 31.03.2019 ₹
		SCHEDULE - 13		
		SUNDRY EXPENSES		
26,950	a)	Brokerage	12,125	
28,50,272	b)	CCIL Transaction Charges	19,47,766	
15,73,404	c)	Electronic Channel Division Expenses	13,86,870	
50,83,238	d)	ATM Transaction Paid	63,76,922	
6,37,227	e)	SMS Alert Expenses	8,18,795	
2,13,912	f)	Rupay Transaction Paid	2,46,289	
46,051	g)	IMPS Fees Paid	1,07,103	
13,966	h)	Cersai-CKYC-CPD Expenses	9,517	
21,82,843	i)	Membership and Subscription	17,00,818	
3,87,054	j)	Recruitment Expenses	7,52,017	
2,94,628	k)	AGM Expenditure	3,09,525	
6,00,073	l)	Members Welfare Expenses	4,53,723	
14,17,410	m)	Business Development Expenses	14,68,490	
18,50,884	n)	Other Expenses	22,99,222	
1,71,77,912				1,78,89,182
		SCHEDULE - 14		
		SUNDRY INCOME		
-	a)	Salary in lieu of notice period	2,56,789	
7,10,573	b)	Miscellaneous Receipts	12,34,127	
7,10,573				14,90,915

SCHEDULE - 15

Notes Forming Part of the Financial Statements for the year ended March 31, 2019

I. Background

CITIZEN CREDIT Co-operative Bank Ltd was incorporated on May 8, 1920 as a primary co-operative 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 Co-operative 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. On July 1, 2018 the business of our Moti Daman branch has been merged with our Nani Daman branch. Our branch at Moti Daman stands closed. The Bank has a network of 46 branches. 2 new Branches were opened in the current year.

SIGNIFICANT ACCOUNTING POLICIES:

1. ACCOUNTING CONVENTION:

The accompanying Financial statements have been prepared and presented under the historical cost convention as a going concern on accrual basis of accounting, unless otherwise stated, and comply with the Generally Accepted Accounting Principles, statutory requirements prescribed under the Banking Regulation Act, 1949 – As applicable to Co-operative Societies (AACs), 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 applicable Accounting Standards ('AS') issued by the Institute of Chartered Accountants of India ('ICAI') and the current practices prevailing amongst the co-operative banks in India.

The Accounting policies adopted in the current year are consistent with those of previous year except otherwise stated.

2. USE OF ESTIMATES:

The presentation of financial statements, in conformity with generally accepted accounting principles, requires 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 those estimated. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revisions to the accounting estimates are recognised prospectively in the current and future periods.

3. INVESTMENTS :

For presentation in the Balance Sheet, Investments are classified under the following heads as required under RBI guidelines – Government securities, Other approved securities, Shares in co-operative institutions/Financial Corporations, Bonds of Public Sector undertaking, Certificate of Deposits and other Investments.

3.1 Classification

Investments other than shares in Co-operative Banks, Societies and Mutual Funds are classified into three categories viz; 'Held To Maturity' (HTM), 'Available for Sale' (AFS) and 'Held For Trading' (HFT) in accordance with the guidelines issued by the RBI on "Classification and Valuation of Investments by Primary (Urban) Co-operative Banks (Primary UCBs).

3.2 Valuation and Accounting of Investments

a) Investments under HTM category are valued at acquisition cost unless it is more than the face value in which case the premium (if any) paid on the investments under this category is amortised over the period remaining to maturity as per RBI guidelines and policy adopted by the Bank. Discount on securities held under HTM category is not accounted and such securities are held at acquisition cost till maturity.

b) Investments under AFS and HFT categories are valued scrip-wise at lower of Book Value and Market Value and depreciation/appreciation is aggregated for each classification. Net depreciation, if any, is provided for, while net appreciation, if any, is ignored. Net Depreciation for the year under these categories is charged to the Profit and Loss Account.

c) Treasury Bills, Commercial Paper and Certificate of Deposits under all categories/classifications are valued at carrying cost.

d) Shares of Co-operative Institutions and Financial Corporations are valued at cost unless there is a diminution in the value thereof in which case the diminution is fully provided for.

e) Market Value of Debt Securities is determined in terms of Yield to Maturity (YTM) method indicated by Fixed Income Money Market and Derivatives Association of India (FIMMDA).

f) Broken period interest, Brokerage, Commission paid if any, in respect of investments purchased is treated as an item of expenditure under the Profit and Loss account.

g) 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.

h) 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.

3.3 Transfer between categories :

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

4. ADVANCES:

a) The classification of advances into Standard, Sub Standard, Doubtful and Loss assets as well as provisioning on Standard Advances, Restructured Advances and Non Performing Advances is arrived at in accordance with the Income Recognition, Assets Classification and Provisioning Norms prescribed by the RBI for Primary UCBs. Certain advances have been kept outstanding at nominal amounts to continue the charge on securities in respect of other standard facilities enjoyed by them with the Bank. Accordingly, these advances are classified as Standard Assets.

b) Any lending under the Collateralised Borrowing and Lending Obligations (CBLO) & Triparty Repo Segments (TREPS) facility which is repayable beyond 15 days is classified under Advances (Short Term) Secured against Government and Other Approved Securities. Other CBLO/ TREPS lending repayable within 15 days is classified under "Money at Call and Short Notice".

c) The Bank also makes provision for diminution in fair value of Restructured Advances as per norms issued by RBI.

d) In addition to provisioning on Non- Performing Advances, general provisions are made on the following categories of standard asset as per RBI guidelines as under:

Category	Provisions (%)
Direct Advances to Agricultural and SME sectors	0.25
Commercial and Real Estate Loans	1.00
Commercial & Real Estate Loans- Residential Housing	0.75
Other Standard Advances	0.40

5. FIXED ASSETS AND DEPRECIATION:

a) Fixed Assets, other than those that have been revalued, are carried at historical cost less depreciation accumulated thereon in accordance with AS 10. Cost includes incidental stamp duty, taxes, registration charges and civil work in case of ownership premises, and in case of other fixed assets, amounts incurred to put the asset in a working condition.

b) 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 and software has been charged @ 33 1/3 percent on Straight Line Method (SLM) in accordance with Reserve Bank of India guidelines.

Assets	Depreciation Method	% of Depreciation
Freehold premises	Written Down Value	10.00
Furniture and Fixture	Written Down Value	10.00
Vehicles	Written Down Value	15.00
Computer Hardware & Software	Straight Line	33 1/3

c) The depreciation on fixed assets acquired prior to October 3rd, is provided for the whole year otherwise the same are depreciated at 50% of the normal rates. No depreciation is charged on fixed asset sold/ disposed off during the year.

d) Gains or losses arising from derecognition of fixed asset are measured as difference between the net proceeds on disposal and carrying amount of the assets and are recognized in the Profit and Loss account when the asset is derecognized.

e) No depreciation is provided on Freehold Land.

f) Capital work-in-progress includes cost of fixed assets that are not ready for their intended use. As on March 31, 2019 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 March 31, 2019 only ground floor and 1st floor is capitalized as the same is being used for branch operations.

g) The premises and freehold land of the Bank were last revalued as on March 31, 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 lakh is credited to Revaluation Reserve. The surplus arising on revaluation of Freehold Premises amounting to ₹ 3179.10 lakh 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 ₹ 4149.95 lakh as on March 31, 2019.

h) Fixed Assets which have been fully depreciated but are still in use, are carried in the books at Re.1/- each.

i) Assets individually costing less than ₹ 5,000/- is depreciated at 100% and is carried in books of account as ₹ 1/- each.

j) From F.Y. 2018-19, Depreciation on the revalued portion of assets is included in Depreciation expenses and the same amount is directly reversed from revaluation reserves through the Profit and Loss Appropriation Account (hitherto routed through the profit and loss account). The same is in conformity with revised AS-10 issued by the ICAI and applicable to non-corporate assesses from 01.04.2017.

6. RESERVE FUND AND OTHER RESERVES:

- a) As per the requirement of Multi-State Co-op. Soc. Act. 2002,
- 1) The Statutory Reserve Fund has been bifurcated into 2 Categories viz. :
 - Statutory Reserve Fund (Comprising 25% of Net Profit of each year transferred)
 - Contingency Reserve Fund (Comprising 10% of Net Profit of each year transferred)
 - 2) Co-operative Education Fund maintained by National Co-operative Union of India (Comprising 1% of Net Profit of each year transferred).
 - b) 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.
 - c) Surplus arising on account of revaluing of fixed assets over their book value is transferred to Revaluation Reserve.

7. REVENUE RECOGNITION:

- a) As per RBI directives, in respect of accounts classified as Standard, interest and other income is recognized on accrual basis; income from Non-Performing Asset is recognized on realisation. In case of advances classified as NPA, the recoveries in the account are first appropriated towards interest and then towards principal, except in the case of suit filed accounts. Overdue Interest in respect of advances classified as Non-Performing Assets, is disclosed separately under Overdue Interest Reserve.
- b) Interest income from investment is recognized on a time proportion basis considering the face value of investment and the rate applicable. Discount on T-Bills and other discounted instruments is recognized on straight line basis over the period of maturity. Trading profits/ losses on securities are recognised on a trade – date basis.
- c) The commission & exchange, Locker Rent, demat charges and other service charges levied by the Bank are accounted on receipt basis. The locker rent received in advance for a period beyond 12 months is considered as liability.
- d) Income from investments is accounted for on accrual basis except dividend on shares of Corporate and, if any, which is accounted for on cash basis.
- e) Commission on sale of insurance products and mutual fund products by the bank is recognised as and when due.
- f) Interest on overdue and unclaimed deposits is provided at prevailing Savings Bank Deposit Rate as per RBI instruction.
- g) 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.

8. EXPENSES:

All Expenses are accrued for the period for which they are incurred.

9. RECOVERY FROM NPAs:

Recovery from Non-performing Advances is appropriated as under:-

- a) In cases of normal recovery other than loss accounts, first towards other charges, penal interest, interest and principal in that order.
- b) In cases of recovery through sale of security:
 - In case of Substandard Assets first towards other charges, penal interest, interest and principal
 - In case of Doubtful Assets and loss accounts, where the recovery suit is filed, recovery should be first appropriated towards principal if sale proceeds of securities sold and to be sold are less than dues receivable.

10. FOREIGN EXCHANGE TRANSACTIONS:

Transactions denominated in foreign currency are accounted for at the rates prevailing on the date of the transaction. Foreign currency assets and liabilities are valued as on the balance sheet date at the rates notified by Foreign Exchange Dealers Association of India (FEDAI). The profit / loss due to revaluation are recognised in the Profit and Loss account.

11. EMPLOYEE BENEFITS:

a) Gratuity: Retirement Benefit in the form of Gratuity is a Defined Benefit Plan. The Bank has a Gratuity Trust for its Employee under the group Gratuity cum Life Assurance Scheme managed by Life Insurance Corporation of India (LIC). Gratuity is provided for on the basis of actuarial valuation done by an independent actuary as at the year end, using the Projected Unit Credit Method in accordance with AS-15 on Employee Benefit as issued by ICAI.

b) 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 under AS-15 on Employee Benefits as issued by ICAI and this cost is recognised in the Profit & Loss account.

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

12.SEGMENT REPORTING:

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

- a) Treasury includes all investment portfolio, profit/loss on sale of investments (Bonds and government securities) money market operations and foreign exchange transactions. The expenses of this segment consist of interest expenses on funds borrowed from external / internal sources and depreciation/ amortization of premium on Held to Maturity investments.
- b) Other banking operations include all other operations not covered under Treasury operations. It primarily comprises of Loans and Advances to wholesale and retail customers and other banking services to such customers. The revenue consists of interest earned on loans and advances, fee income on various services and foreign exchange products.

13.OPERATING LEASES:

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

14.EARNING PER SHARE (EPS):

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

15.INCOME TAX:

- a. Income Tax expense comprises of Current Tax, and Deferred Tax. Current Tax is provided for and Deferred Tax is accounted for in accordance with the applicable provisions of the Income Tax Act, 1961 and Rules framed there under.
- b. Provision for Current Tax is made on the basis of estimated taxable income for the year arrived at as per the provision of Income Tax Law and applicable Income Computation and Disclosure Standards (ICDS) issued by Central Board of Direct Tax (CBDT).
- c. Deferred Tax is recognised on account of timing differences between the book profits and the taxable profits. The tax effect of timing differences between the book profits and taxable profits measured using the tax rates and tax laws that have been enacted or substantially enacted at the Balance Sheet date are reflected through Deferred Tax Asset (DTA)/Deferred Tax Liability (DTL). DTA is recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such DTA can be realised.
- d. The Bank follows the policy of netting off of the provisions against the tax paid under the head 'Advance Tax, Self-Assessment Tax' on the receipt of refund or scrutiny assessment order u/s 143(1) and required effect of excess / short provisions for tax has been given in Profit & Loss account.

16. ACCOUNTING OF GOODS AND SERVICE TAX:

Goods and Service Tax (GST) has been implemented with effect from July 1, 2017. Accordingly, GST collected is accounted in GST on income account and GST paid to vendor is accounted in GST on Expense account. Out of the GST on expense account, eligible input tax credit is availed as set off. In case, eligible Input Tax credit remains unutilized, the same is carried forward and set off subsequently. The input tax credit on expenses which is not allowable to be set off as per GST law, is expensed out. In case of fixed asset, eligible input tax credit of GST paid to the vendor is utilised against the amount of GST collected from the customers and disallowed portion of Input Tax credit is expensed out. Income and expenses on which GST is applicable are accounted for net of GST.

17. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES :

The Bank makes provisions when it has a present obligation as a result of past event (s), where it is probable that an outflow of resources embodying economic benefit to settle the obligation will be required and a reliable estimate can be made of such an obligation.

Contingent assets are not recognized in the Financial Statements.

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

18. 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.

SCHEDULE - 16

NOTES FORMING PARTS OF THE ACCOUNTS:

1. Appropriation of Profits:-

The Bank has proposed the following appropriations of profits for the year ended March 31, 2019 which are subject to shareholders approval in the Annual General Meeting.

Particulars	Amount (₹ in lakh)
Net Profit for F.Y. 2018-2019	1123.03
Add: Depreciation on Revaluation Reserve	126.85
Add: Opening Balance in Profit and Loss Account	1.95
Total Profit available for appropriation	1251.83
Appropriations :-	
Statutory Reserve Fund @25% of Net Profit	281.00
Contingency Reserve Fund @10% of Net Profit	112.00
Education Fund @1% of Net Profit	11.00
Bad & Doubtful Debts Reserve	300.00
Investment Fluctuation Reserve	300.00
Proposed Dividend @ 16% p.a. (pro-rata)	242.00
Balance carried forward	5.83
Total	1251.83

2. During the year, the Bank has written off an amount of ₹ 1164.72 lakh (P.Y. 463.78 lakh) towards bad debts which is identified by the Management as irrecoverable, approved by the Board of Directors and certified by the Statutory Auditor. The said amount has been fully provided for, and accordingly an equivalent amount has been written back from the Bad and Doubtful Debt Reserve.

3. The Bank has upgraded as on March 31, 2019 credit facilities of one borrower amounting to ₹ 34.59 crore, classified as sub-standard on March 31, 2018. The said borrower has regularized the account before finalization of the financial statements. In the view of the Accounting Standard 4 "Events occurring after balance sheet date" the Bank has upgraded the said account as standard as on March 31, 2019. The total reversal of OIR to Interest Income is ₹ 3.83 crore and the ₹ 6.92 crore amount of provision as bad debts is no longer required to be made.

4. Estimated amount of contracts stated net of CWIP executed on capital account as of date aggregates to ₹ 5.86 lakh

5. Prior Period Expenses:

Material Prior period expenses/income debited / credited to Profit & Loss account required to be disclosed are as under.

(₹ in lakh)

Particulars	Amount
Dividend & Shares of HUL earlier credited to Banks income now repaid to customer	9.94

The Bank had a Non-Banking Investment in the form of 5030 shares of Hindustan Unilever Ltd (HUL) in the books as on March 31, 2018. However, these investments were not recorded in the books of the Bank since the origin of the same was not known. Further the dividend received was also not accounted as income and recorded under the head 'Other Liabilities'. The bank obtained confirmation from HUL that these shares were hypothecated in favour of the bank. Due to default in an overdraft account in 1991, the shares were endorsed to the Bank. The Bank was able to locate the customer/borrower in the audit period and have refunded to the customer/borrower on March 30, 2019 vide Board of Directors' sanction dated March 02, 2019 the dividend earned from 1991 till date alongwith interest @ 4% on the outstanding dividend amount. The shares have also been transferred from the Bank to the customer/borrower.

6. As per the RBI guidelines, Banks may shift investments to/from HTM category with the approval of the Board of Directors once in a year. Such shifting will normally be allowed at the beginning of the accounting year. The Bank has not shifted any securities from HTM category to AFS category and vice versa during the FY 2018-19. (P.Y. : Securities having book value of ₹ 31055.48 lakh shifted from HTM

to AFS category and securities having book value of ₹ 14973.43 lakh shifted from AFS to HTM category on which there was depreciation of ₹ 726.17 lakh)

7. Income from sale of securities comprised of ₹ 588.20 lakh (Previous Year ₹ 846.15 lakh) on sale of securities under AFS category.

8. Old Unclaimed Pay Orders and Sundry Deposits transferred to DEAF Liability Account:

Amounts outstanding in Pay Orders and Sundry Liability Account, which are unclaimed for 10 years amounting to ₹ 5.06 lakh (P.Y. ₹ 11.29 lakh) have been transferred during the year to RBI.

9. Commission and Exchange Income include Income from Forex Business ₹ 66.12 lakh (P.Y. ₹ 65.92 lakh).

10. Investments in other securities included shares of a joint stock company carried over from the erstwhile Bombay Catholic Urban Credit Co-operative Society Limited. These shares have been sold at a profit during the year.

11. The Bank has earned an Income of ₹ 11.05 lakh (P.Y. ₹ 5.24 lakh) on account of Corporate Agency of Mutual Fund business with Birla Sun life Asset Management Co. Ltd. & DSP Blackrock, ICICI Prudential, SBI and HDFC. The same is disclosed under Sundry Income in the Profit and Loss Account.

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

(₹ in lakh)			
Sr. No.	Nature of Income	31.03.2019	31.03.2018
1.	For selling life insurance policies	87.57	109.90
2.	For selling non-life insurance policies	4.92	3.80
3.	For selling PMJBY policies	0.76	0.90
4.	For selling Bajaj policies	7.18	6.72
	TOTAL	100.43	121.33

13. The Foreign Currency balance held by the Bank amounted to ₹ 3.18 lakh (PY ₹ 14.43 lakh) as on March 31, 2019. 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.

14. The Bank has paid a total amount of ₹ 331.97 lakh as arrears to the staff during the FY 2018-19. The Union Agreement entered into on 17.08.2014 had expired on 31.12.2015. The Union Agreement has been renewed on 01.01.2018 for the period 01.01.2016 to 31.12.2019. Hence, the provision of ₹ 190 lakh for payment of Salary arrears has been reversed in the current financial year, 2018-19.

15. Disclosure under AS - 15 "Employee Benefits" Provident Fund:

Salaries and Allowances include an amount of ₹ 316.44 lakh (P. Y. 291.57 lakh) contributed by Bank on account of contribution towards Provident Fund. Actuarial assessment of Gratuity Fund & Leave Encashment.

(₹ in lakh)

Sr. No.	Particulars	Leave Encashment		Gratuity (Funded)	
		Current Year	Previous Year	Current Year	Previous Year
1	Discount rate	7.75% p.a.	7.75% p.a.	7.75% p.a.	7.75% p.a.
2	Expected Return on plan assets in (₹ in lakh)	N.A.	N.A.	63.47	59.22
3	Salary escalation rate	4.75% p.a.	4.75% p.a.	4.75% p.a.	4.75% 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	591.12	561.58	991.84	915.90
II	Interest cost	45.81	42.12	76.87	73.27
III	Current service cost	(55.50)	44.64	69.47	69.47
IV	Liability transfer in	NIL	NIL	NIL	NIL
V	Benefits paid	(36.11)	(34.58)	(62.08)	(72.38)
VI	Actuarial gains/ (loss) on obligations.	36.47	(22.64)	73.93	5.58
VII	Present value of obligation as at the year end	581.79	591.12	1150.03	991.84
5	Reconciliation of opening & closing balance of fair value of fair plan assets.				
I	Fair value of plan assets as at the beginning of the year	NIL	NIL	912.75	867.32
II	Expected return on plan assets.	NIL	NIL	63.47	59.22
III	Contributions.	NIL	NIL	89.18	58.55
IV	Transfer from other entities.	NIL	NIL	NIL	NIL
V	Benefits paid	NIL	NIL	(62.08)	(72.38)
VI	Actuarial gain/ (loss) on plan assets.	NIL	NIL	NIL	NIL
VII	Fair value of plan assets as at the year end	NIL	NIL	1003.32	912.75
6	Amount recognized in Balance Sheet.				
I	Present value of obligations as at the year end	581.79	591.12	1150.03	991.84
II	Fair value of plan assets as at the year end	NIL	NIL	(1003.32)	(912.75)
III	(Assets) / liability as at the end of the year	581.79	591.12	146.71	79.09
7	Expenses recognized in Profit & Loss Account.				
I	Current service cost	55.50	44.64	69.47	69.47
II	Interest cost	45.81	42.12	76.87	73.27
III	Expected Return on planned Assets	NIL	NIL	63.47	59.22
IV	Net actuarial gain/ (loss).	36.47	22.64	NIL	5.58
8	Expenses recognized in Profit & Loss Account.	26.78	64.12	156.80	89.11

16. Disclosure under AS - 17 on "Segment Reporting":

Information about Primary Business Segments:

(₹ in lakh)

Particulars	Treasury	Other Banking Operations	Total 31.03.2019
Revenue	16298.86 (15,725.48)	16080.19 (14,383.13)	32,379.05 (30,108.61)
Segment Cost	12187.08 (12,993.59)	16603.61 (13,535.07)	28,790.69 (26,528.66)

Result	4,111.78 (2,731.89)	523.42 (848.06)	3,588.36 (3,579.95)
Less :Extraordinary Items			9.94 -
Net Result	4,111.78 (2,731.89)	523.42 (848.06)	3,578.41 (3,579.95)
Less :Unallocated Provisions and Contingencies			1697.73 (718.05)
Profit Before Tax			1,880.68 (2,861.90)
Income Tax/ Deferred Tax Asset			757.65 (1,055.63)
Net Profit			1123.03 (1806.27)
Other Information			
Segment Assets	2,05,751.92 (2,20,358.79)	1,67,201.65 (1,49,616.47)	3,72,953.57 (3,69,975.26)
Unallocated Assets			3,751.45 (2,963.87)
Total Assets			3,76,705.02 (3,72,939.13)
Segment Liabilities	4546.24 (20,695.23)	3,33,952.44 (3,15,226.34)	3,38,498.68 (3,35,921.57)
Unallocated Liabilities			2,911.65 (2,146.74)
Capital Employed			35,294.70 (34,870.82)
Total Liabilities			3,76,705.02 (3,72,939.13)

Notes: -

The Bank is engaged into two main business segments, (described in Policy Note 12).

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

Segment revenue, results, assets and liabilities include the respective amounts directly identifiable to each of the segments and also amounts apportioned/allocated on a reasonable basis.

17.Disclosure under AS - 18 on “Related Party Transactions”:

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

There being only one Ex-Managing Director Mrs Geeta Andrades from 01.04.2018 -31.01.2019 and Present Managing Director Mr. Christopher A. Mendoza from 01.02.2019 -31.03.2019, in terms of RBI circular dated March 29, 2003. They are single party coming under the category, no further details thereon are required to be disclosed.

18.Disclosure under AS - 19 “Leases”:

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

a)Lease payments of ₹ 391.85 lakh (P.Y Rs. 302.02 lakh) have been recognised during the year in the Profit and Loss Account.

b)The lease agreements entered into pertain to use of premises at the branches. The lease agreements do not have any undue restrictive or onerous clauses other than those normally prevalent in similar agreements regarding use of assets, lease escalations, renewals and a restriction on sub-leases.

Operating lease comprises leasing of Office Premises (AS 19):

(₹ in lakh)

Particulars	31.03.2019	31.03.2018
Future lease rental payable as at the end of the year :		
-Not later than one year	383.88	338.77
-Later than one year and not later than five years	670.61	810.26
-Later than five years	8.36	-
Total of minimum lease payments recognised in the Profit and Loss account for the year.	391.85	302.02

19. Depositor Education and Awareness Fund (DEAF) (Schedule XII)- Contingent Liability

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

(₹ in lakh)

Particulars	31.03.2019	31.03.2018
Opening Balance of amounts transferred to DEAF	595.69	542.40
Add : Amounts transferred to DEAF during the year	72.77	73.71
Less : Amounts reimbursed by DEAF towards claims*	22.82	20.42
Closing Balance of amounts transferred to DEAF	645.64	595.69

*does not include an amount of ₹ 1.90 lakh (P.Y. ₹ 1.01 lakh) that has already been paid by the Bank to the eligible depositors, claim for which has been lodged with the RBI and reimbursement of which is expected. This amount is shown as receivable under Other Assets-Schedule 12.

20. EARNINGS PER SHARE (EPS)

(₹ in lakh)

Particulars	2018-19	2017-18
Net Profit/(loss) after income tax	1123.03	1806.27
Weighted average numbers of shares	152.14	152.11
Nominal Value of Shares (₹)	10	10
EPS (₹)	7.40	11.87

21. ACCOUNTING FOR TAXES ON INCOME:

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

(₹ in lakh)

Particulars	Balance as on 01.04.2018	During the year	Balance as on 31.03.2019
Deferred Tax Liability			
Special Reserve u/s 36(i)(viii) of the Income Tax Act, 1961	(329.20)	-	(329.20)
TOTAL	(329.20)	-	(329.20)
Deferred Tax Asset			
Depreciation	6.62	10.52	17.14
Provision for earned leave	206.54	(3.26)	203.28
Provision u/s 36(1)(vii)(a) of the Income Tax Act, 1961	685.11	-	685.11
TOTAL	898.27	7.26	905.53
Total Deferred Tax Asset / (Liability)	569.07	7.26	576.33

22. INTANGIBLE ASSETS:

Details of Computer Software Expenses (Intangible Asset) disclosed under Schedule 11 – Fixed Assets, are as under:

(₹ in lakh)

Particulars	2018-19	2017-18
Carrying Amount at the Beginning of the Year	55.97	61.65
(+) Additions during the Year	29.35	29.91
(-) Amortisation during the Year	39.69	35.59
Carrying Amount at the End of the Year	45.63	55.97

23. Impairment of Assets:

There is no indication of any material impairment of any asset in the opinion of the Bank and as such no provision under AS-28 “Impairment of Assets” is required.

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

25. Contingent Liabilities:

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 / judgment's in favour of the Bank.:

Contingent liabilities on account of bank Guarantees, Letters of Credit and other claims are as follows:

(₹ in lakh)

Particulars	31.03.2019	31.03.2018
(i) Guarantees issued on behalf of constituents	4738.22	2947.05
(ii) Letters of Credit opened on behalf of constituents	1951.21	2421.26
(iii) Advance Under Collection Account - AUCA	1628.49	463.78
(iv) Unclaimed Deposits transferred to DEAF*	645.64	595.69
Total	8963.56	6427.78

* 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

26. PENDING CASES RELATING TO SERVICE TAX

The Service Tax Department has issued the following periodical Show Cause Notices (SCNs) for wrong availment of Cenvat Credit on DICGC Premium.

(₹ in lakh)

Sr. No.	Period of claim	Demand
1st SCN	01.04.14 - 30.06.15	20.87
2nd SCN	01.07.15 - 31.03.16	8.75
3rd SCN	01.04.16 - 30.06.17	31.09

The Bank has paid ₹ 29.62 lakh and ₹ 2.33 lakh under protest. Of the amount of ₹ 31.09 lakh, ₹ 9.60 lakh has been utilised and ₹ 21.49 lakh has been availed but not utilised. At present Bank has filed an appeal against 3rd SCN with the CESTAT.

27. PENDING CASES RELATING TO INCOME TAX

The Bank has no pending cases relating to Income Tax. The refunds receivable for the previous years are as follows;

(₹ in lakh)

Year	Pending Issue	Refund Amounts
F.Y. 2007-08 A.Y. 2008-09	FBT Refund	0.46
F.Y. 2008-09 A.Y. 2009-10	FBT Refund	1.33
F.Y. 2009-10 A.Y. 2010-11	Difference in refund received	-48.56
F.Y. 2010-11 A.Y. 2011-12	Difference in refund received	2.24
F.Y. 2014-15 A.Y. 2015-16	On 20/11/2016 order under Sec 143(1) passed adjusting refund against demand for AY 2010-11.	63.75
F.Y. 2016-17 A.Y. 2017-18	Intimation u/s 143(1) dated 28/01/18 received. Refund of ₹ 180/- adjusted against demand for AY 2010-11.	0.00
F.Y. 2017-18 A.Y. 2018-19	ITR not processed till date	-
	TOTAL	19.22

28. INFORMATION UNDER MSME (DEVELOPMENT) ACT, 2006:

Suppliers/ service providers covered under Micro, Small, Medium Enterprises Development Act, 2006, have not furnished the information regarding filing of necessary memorandum with the appropriate authority. Therefore, information relating to cases of delays in payments to such enterprise or of interest payment due to such delays in such payment, could not be given.

29. PRIORITY SECTOR LENDING CERTIFICATES

As per RBI Circular RBI/2019-20/70 FIDD.CO.Plan.BC.No.08/04.09.01/2019-20 dated July 29, 2019 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 lakh)

PSLC Category	Purchased Amount	Sold amount
PSLC-Small & Marginal farmers (SFMF)	Nil	Nil
PSLC-Agriculture	Nil	Nil
PSLC-General	5000.00	Nil
PSLC-Micro Enterprises	Nil	Nil
Total	5000.00	Nil

30. 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 present value of the property as it appears in the Balance sheet is ₹ 55,04,564 as on March 31, 2019.
- 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.

31. Previous year figures are re-grouped, re-arranged or modified wherever necessary to conform to the presentation of the current year.

SCHEDULE - 17

DISCLOSURES AS PER RESERVE BANK OF INDIA GUIDELINES

(₹ in crore)

Sr. No.	Particulars	31.03.2019	31.03.2018
1)	Capital to Risk Asset Ratio (CRAR)	19.64%	20.24%
	A. Tier I Ratio	14.91%	15.90%
	B. Tier II Ratio	4.73%	4.34%
	Increase / (Decrease) in CRAR	-0.60%	1.56%
2)	Movement of CRAR		
	A. Tier I Capital	243.76	241.31
	B. Tier II Capital	77.40	65.89
	Total	321.17	307.20
	C. Risk Weighted Assets	1635.08	1517.84
3)	Values of Investments are as under :		
	Face Value	1316.11	1279.73
	Book Value	1286.24	1268.71
	Market Value	1286.47	1274.14
4)	Advances against :		
	a. Housing	365.75	339.29
	b. Construction business	82.51	85.92
	c. Other real estates	35.79	33.20
	d. Shares & debentures	1.31	1.68
5)	Advances of ₹ 1546.14 core (P. Y. ₹ 1353.81 crore) shown in the Balance Sheet includes advances to directors, their relatives, companies/firms in which they are interested:		
	a. Fund Based	Nil	Nil
	a. Non Fund Based	Nil	Nil
6)	Average cost of deposits	5.91%	6.11%
7)	NPAs		
	a. Gross NPAs	77.11	84.78
	b. Gross NPA %	4.99%	6.26%
	c. Net NPAs	24.66	34.36
	d. Net NPA %	1.65%	2.64%
8)	Movement in NPAs (Gross)		
	Opening Balance	84.78	87.37
	Additions during the year	52.87	27.34
	Less : Closed / Recovered	60.54	29.93
	Closing Balance	77.11	84.78
9)	Profitability		
	A. Interest income as a percentage of working funds	7.76%	7.81%
	B. Non-interest income as a percentage of working funds	1.10%	0.74%
	C. Operating profit as a percentage of working funds	0.92%	0.89%
	D. Return on Assets (Net Profit / Average of working funds)	0.31%	0.52%
	E. Business (Deposits + Advances - NPA) per employee	9.09	8.59
	F. Profit per employee (₹ in Lacs)	2.16	3.58

Sr. No.	Particulars	31.03.2019	31.03.2018
10)	Provision for NPAs		
	a. Provisions on NPAs required to be made	46.07	47.64
	b. Provisions on Non-Performing Advances actually made	52.42	50.38
	c. Provisions on Non-Performing Investments made	Nil	Nil
11)	Provisions made towards Standard Assets	6.15	5.03
12)	Provisions made towards depreciation in investments during the year	Nil	Nil
13)	Movement in Provisions		
	A. Towards Bad & Doubtful Debts		
	Opening Balance	50.38	54.51
	(+) Additions during the year	13.68	2.51
	(-) Written back during the year	11.65	6.64
	Closing Balance	52.42	50.38
	B. Towards standard assets		
	Opening Balance	5.03	4.60
	(+) Additions during the year	1.12	0.43
	Closing Balance	6.15	5.03
14)	A. Movements in Investment Fluctuation Reserve		
	Opening Balance	37.96	37.96
	(+) Appropriated during the year	7.50	-
	Closing Balance	45.46	37.96
	B. % of Investment Fluctuation Reserve to (AFS + HFT) Portfolio	7.38%	5.06%
	C. Movements in Investment Depreciation Reserve		
	Opening Balance	-	-
	Provisions made during the year	-	-
	(-) Transferred during the year	-	-
	Closing Balance	-	-
15)	Movement in Overdue Interest Reserve		
	Opening Balance	38.18	32.53
	(+) Additions during the year	21.39	17.41
	(-) Reversal during the year	36.10	11.76
	Closing Balance	23.47	38.18
16)	Foreign Exchange Assets		
	Amount held in foreign currency	0.03	0.14
17)	Payment towards insurance premium to the DICGC, including arrears, if any	3.14	3.01
18)	Penalty imposed by RBI	NIL	NIL
19)	Movement in DEAF Account		
	Opening balance of amounts transferred to DEAF	5.96	5.42
	Add: Amounts transferred to DEAF during the year	0.73	0.74
	Less: Amounts reimbursed by DEAF towards claims	0.23	0.20
	Closing balance of amounts transferred to DEAF	6.46	5.96
20)	Non Performing Non SLR investments		
	Opening balance	-	-

	Additions during the year since 1st April	-	-
	Reductions during the above period	-	-
	Closing Balance	-	-
	Total Provision held	-	-

DISCLOSURE REGARDING NON SLR INVESTMENTS IN BONDS AS ON 31.03.2019.

(i) Issuer Composition of Non SLR Investment :-

(₹ in crore)

No	Issuer	Amount	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities
(1)	(2)	(3)	(4)	(5)	(6)
A.	PSU'S	25.01			
		(35.04)	NIL	NIL	NIL
B.	FI'S	117.16			
		(124.08)	NIL	NIL	NIL
C.	Nationalised Banks	NIL	NIL	NIL	NIL
D.	Mutual Funds	NIL	NIL	NIL	NIL
E.	Others	NIL			
		(24.05)	NIL	NIL	NIL
F.	Provisions held towards Depreciation	NIL	NIL	NIL	NIL
	TOTAL	142.18			
		(183.17)	NIL	NIL	NIL

(II). REPO TRANSACTIONS

(₹ in crore)

	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, 2019
A	Securities sold under repo				
	(i) Government Securities	-	150.53	11.12	-
	(ii) Corporate debt securities	-	-	-	-
B	Securities purchased under reverse repo				
	(iii) Government Securities	-	507.64	196.54	45.00
	(iv) Corporate debt securities	-	-	-	-

32. RESTRUCTURED LOANS:

The details of loans restructured during the year 2018-19 as per RBI guidelines are as follows:

(₹ in lakh)

Sr. No.	Particulars		Housing Loan	SME Debt Restructuring	Others
1.	Standard Advances Restructured	No. of Borrowers Amount Outstanding Diminution in the fair value	- - -	- - -	- - -
2.	Sub-Standard Advances Restructured	No. of Borrowers Amount Outstanding Diminution in the fair value	- - -	- - -	- - -
3.	Doubtful Advances Restructured	No. of Borrowers Amount Outstanding Diminution in the fair value	- - -	- - -	1 1305.83 -
	Total	No. of Borrowers Amount Outstanding Sacrifice (Diminution in the fair value)	- - -	- - -	- - -

33. No penalty has been charged by the RBI for the current financial year.
AS PER OUR REPORT OF EVEN DATE
**FOR AND ON BEHALF OF BOARD OF DIRECTORS
OF CITIZEN CREDIT CO-OPERATIVE BANK LIMITED**
For Borkar & Muzumdar

Chartered Accountants

FRN 101569 W

[Supriya D. Bhat]

Partner

M. No.048592

 Christopher A. Mendoza
 Managing Director & Chief Executive Officer

 Anthony D'Souza
 Chairman

 Adv. Arvind Pinto
 Director

Place : Mumbai

Date : August 09, 2019

UDIN No: 19048592AAAABT1067

Cash Flow Statement

1.	CASH FLOWS FROM OPERATING ACTIVITIES	31.03.2019 ₹	31.03.2018 ₹
(A)	Net Profit as per Profit & Loss A/c	11,23,03,254	18,06,26,746
	Add : Non-Cash Expenses / Provisions		
	Prior Period Expenses	9,94,494	-
	Depreciation on Fixed assets	4,67,99,544	4,44,02,335
	Bad debts written off	11,64,71,542	4,63,77,548
	Depreciation on shifting of investments	-	7,26,17,500
	Loss on sale of assets	7,02,850	1,31,049
	Loss on sale of investments	12,86,62,500	1,59,77,105
	Earned Leave	26,78,230	64,11,995
	Gratuity	1,56,80,367	89,10,555
	Leave Travel Allowance	44,22,122	16,34,084
	Amortisation of Premium on Investments	1,07,50,958	1,01,33,874
	Premium on Securities W/O on Redemption	2,27,900	-
	Standard Assets	1,12,00,000	43,14,000
	Restructured Advances	-	49,00,000
	Non Banking Asset	-	1,97,11,000
	Bad & Doubtful Debts	13,68,06,542	2,50,88,000
	Special Reserve U/s 36(1)(viii) of Income Tax Act, 1961	-	8,35,000
	Provision for taxation	7,64,91,000	9,31,74,000
	Tax adjustment of earlier years	-	-
	Deferred Tax	-	1,23,89,000
	Less : Non-Cash Incomes		
	Profit on Sale of Investments	(18,74,82,345)	(10,05,91,869)
	Profit on Sale of Assets	(1,44,392)	(1,08,723)
	Bad Debts written back	(11,64,71,542)	(6,63,77,548)
	Provision of Restructured accounts reversed	(10,14,035)	-
	Deferred Tax	(7,26,000)	-
	Operating profit before changes in operating assets	35,83,52,988	38,05,55,651
(B)	(Increase) / Decrease in Operating Assets :-		
	(Increase) / Decrease in Investments	(12,74,08,784)	(4,24,53,38,546)
	(Increase) / Decrease in Advances	(2,03,97,87,701)	1,28,01,75,758
	(Increase) / Decrease in Interest Receivable	21,24,22,964	(5,39,84,170)
	(Increase) / Decrease in Branch Adjustments	56,713	(22,244)
	(Increase) / Decrease in Other Assets	4,93,42,271	(3,74,06,446)
	(Decrease) / Increase in Deposits	1,97,47,10,971	1,45,25,77,318
	(Decrease) / Increase in Overdue Interest Reserve	(14,71,41,012)	5,65,09,100
	(Decrease) / Increase in Interest Payable	2,50,01,162	(2,85,46,955)

1.	CASH FLOWS FROM OPERATING ACTIVITIES	31.03.2019 ₹	31.03.2018 ₹
	(Decrease) / Increase in Other Liabilities	(1,13,64,684)	2,44,80,913
(C)	Gratuity paid	(89,18,052)	(58,54,861)
	Leave encashment paid	(36,11,552)	(34,57,691)
	Income tax paid	(9,61,46,128)	(9,84,78,620)
	NET CASH FROM OPERATING ACTIVITIES (i)	18,55,09,156	(1,27,87,90,793)
	CASH FLOW FROM INVESTING ACTIVITY		
	Purchase of Fixed Assets	(3,43,38,879)	(4,88,91,966)
	Proceeds from sale of Fixed Assets	2,19,804	2,05,309
	NET CASH FROM INVESTING ACTIVITIES (ii)	(3,41,19,075)	(4,86,86,657)
	CASH FLOW FROM FINANCING ACTIVITY		
	Proceeds from issue / (redemption) of shares	(4,37,660)	(3,92,630)
	Entrance fees received	4,46,940	4,91,050
	Dividends paid	(2,42,46,745)	(2,43,01,087)
	(Decrease) / Increase in Borrowings	-	-
	NET CASH FROM FINANCING ACTIVITIES	(2,42,37,465)	(2,42,02,667)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (i+ii+iii)	12,71,52,616	(1,35,16,80,117)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7,38,30,76,291	8,73,47,56,408
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7,51,02,28,907	7,38,30,76,291
	NOTES TO THE CASH FLOW STATEMENT :		
	(i) Cash & Cash Equivalents		
	Cash	1,56,80,53,726	1,38,97,94,970
	Balances with other Banks	3,99,33,00,361	4,30,33,81,885
	Money at call & short notice	-	-
	Lending under Reverse Repo	1,94,88,74,820	1,68,98,99,436
	Cash & Cash Equivalents	7,51,02,28,907	7,38,30,76,291
	(ii) As per Accounting Standard (AS-3) (revised 1997) the following terms are used in this Statement with the meanings specified:		
	a) Cash comprises cash on hand and demand deposits with banks.		
	b) Cash equivalents 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) Cash flows are inflows and outflows of cash and cash equivalents.		
	d) Operating activities are the principal revenue-producing activities of the enterprise and other activities that are not investing or financing activities.		
	e) Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.		
	f) Financing activities 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
AS PER OUR REPORT OF EVEN DATE.

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

For Borkar & Muzumdar
Chartered Accountants
FRN 101569 W

[Supriya D. Bhat]

Partner

M. No.048592

Place : Mumbai

Date : August 09, 2019

Christopher A. Mendoza
Managing Director & Chief Executive Officer

Anthony D'Souza
Chairman

Adv. Arvind Pinto
Director

Registered Office & Central Administrative Office:

Helena Apt., 57, Mount Carmel Road, Bandra (W), Mumbai - 400 050

Tel: 26401126, 26442829/30/31/32, 26455108, 26456018; Fax: 26403128, 26430131

Sr. No.	Name of the Branch	Address of the Branch	Telephone No.	Fax No.
1	Amboli	Creado Co-op. Hsg. Soc., Caeser Road, Amboli, Andheri (W), Mumbai - 400 058	26771280 / 26771523	26771035
2	Bandra (Mt.Carmel)	Sunbeam Co-op. Hsg. Soc., 64, Mount Carmel Road, Bandra (W), Mumbai - 400 050	26408717 / 26428293 / 26443765 / 26456012	26438709
3	Bandra (Hill Road)	Salsette Catholic Co-operative Housing Society Limited, Plot no. 29, Hill Road, Bandra (W), Mumbai - 400 050	26437089 / 26401764	26437089
4	Bandra (Turner Road)	Shop no.5/6, Darvesh Royale, Opp.Kotak Mahindra Bank, Perry Road, Bandra (W), Mumbai - 400 050	26430709 / 26430802	26432240
5	Borivali	Rosario Apts. I. C. Colony Road, Borivali (W), Mumbai - 400 103	28931145 / 28937776 / 28940873	28935539
6	Byculla	St. Mary's Extension, Nesbit Road, Mazgaon, Mumbai - 400 010	23719862 / 23726815	23730019
7	Chembur	Eric House, Near Ambedkar Garden, Central Avenue, Chembur, Mumbai - 400 071	25218157	25213059
8	Colaba	Sind Chambers Co-op. Hsg. Soc. Ltd., S. B. Singh Road, Colaba, Mumbai - 400 005	22047753 / 22850783 /	22850782
9	Dadar	Dr. Antonio Da Silva School Annexe, S. K. Bole Road, Dadar, Mumbai - 400 028	24374948 / 24380988	24300629
10	Dhobitalao	St. Xavier's High School, 289, L. T. Marg, Mumbai - 400 001.	22610112 / 32	22610132
11	Dahisar	Shop No. 4 & 5, Madhu Kunj, Bhausaheb Parab Road, Kanderpada, Dahisar (W), Mumbai-400068	28900761	28900781
12	Four Bungalows	Shop No.3, Rameshwar Darshan CHSL, N. Dutta Marg, Four Bungalows, Andheri (W) Mumbai - 400 053	26374415 / 16	26374417
13	Gorai	Church Road, Gorai, Borivali P. O. Mumbai - 400 091	28452650	28452589
14	Goregaon	Shop No.5, Ground Floor, Shreeniketan Building, Flower House CHSL, Pandurangwadi, Goregaon (E), Mumbai - 400 063	29275801 / 29275802	29275803
15	Kalina	Domingo's Court, Church Road, Kalina, Santacruz (E), Mumbai - 400 029	26660052	26662051
16	Kurla	Sai Dham Co-op. Hsg. Soc. Ltd., Premier Road, Kurla (W), Mumbai - 400 070	25041370 / 25041913	25040831
17	Madh	St. Bonaventure School, Madh Island, Malad West, Mumbai - 400061	28889975	28889975

18	Mahakali	Shop No. 2, Ambika Apartments CHSL, Next to Domino's Pizza Mahakali Caves Road, Andheri (East), Mumbai-400 093,	28303141 / 142	28303143
19	Mahim	Shop No. 1/3, Mahim Garden View CHSL, Plot No. 482, M. M. Chotani Road, Mahim (W), Mumbai – 400 016	24474480	24475308
20	Malad	CITIZEN CREDIT CENTRE, Ground Floor, Opposite Our Lady of Lourdes Church, Orlem- CTS, No. 236, Malad (West), Mumbai- 400064	28074643 / 28622159	28012127
21	Manori	Manori Church Compound, Manori, P. O. Kharodi, Mumbai – 400 095	2845 2741 / 2845 2128	28452741
22	Marol	St. John the Evangelist High School, Marol, Andheri (E), Mumbai – 400 059	28215286 / 28261232	28261232
23	Mulund	Sai Dham Complex CHS, P. K. Extension, Mulund (W), Mumbai – 400 080	25641710 / 29	25913570
24	Sahar	Our Lady of Good Health High School, Sahar, Andheri (E), Mumbai – 400 099	26829285 / 26817448	26817448
25	Santacruz	154, Fida Mansion, S. V. Road, Santacruz (W), Mumbai – 400 052	26047470 / 7976	26047770
26	Vakola	S. Nabibux House, P. J. Nehru Road, Vakola Bridge, Santacruz (E), Mumbai – 400 055	26685077 / 78	26685079
27	Vikhroli	St. Joseph's High School, Station Road, Vikhroli (W), Mumbai – 400 079	25779750	25779751
28	Wadala	1st Floor, Our Lady of Dolours Church, David Barretto Road, Wadala (West), Mumbai 400031	24104551/52	24104553

Thane

Sr. No.	Name of the Branch	Address of the Branch	Telephone No.	Fax No.
1	Bhayander	Shop No.6, Ground Floor, Next to Popular Auto, Vineet Apartment CHSL, Chattrapati Shivaji Road, Bhayander (W), Dist Thane, Pin- 401101	28170131	28170132
2	Mira Road	Geeta Arcade, Station Road, Opp. Holy Cross School, Mira Road (E), Dist Thane, Pin – 401 107	28118323	28118324
3	Thane	Shop no. 2 & 3, Angel's Paradise, Near Dagadi Shala, Veer Savarkar Marg, Thane (W), Pin- 401 602	25425447	25458560

Palghar

Sr. No.	Name of the Branch	Address of the Branch	Telephone No.	Fax No.
1	Boisar	Harshgeet, Ground floor, Bhimnagar, Boisar Tarapur Road, Boisar (W), Mumbai- 401501	(02525) 270922/33	-
2	Naigaon	Geeta Arcade, Station Road, Opp. Holy Cross School, Mira Road (E), Dist Thane, Mumbai – 401 107	(0250) 2200715 / 2200716 / 3215646	0250) 2200715
3	Virar	Sugandhi Heights, Ground Floor, Village Bolinj, Kharodi Naka, Virar (W), Mumbai- 401303.	(0250) 2551954/55	-
4	Vasai	Ground Floor, Richmond Town, Phase-II Bldg.No.3 CHSL, Vasai (W), Dist-Palghar. Pin 401202	(0250) 2382922/ 8080640930	(0250) 2382923

Navi Mumbai

Sr. No.	Name of the Branch	Address of the Branch	Telephone No.	Fax No.
1	Vashi	Harshgeet, Ground floor, Bhimnagar, Boisar Tarapur Road, Boisar (W), Mumbai- 401501	(02525) 270922/33	-

Raigad

Sr. No.	Name of the Branch	Address of the Branch	Telephone No.	Fax No.
1	New Panvel	Shop No. 3 & Neel Kunj, Plot No 1 & 2, Sector No.4, New Panvel (E), 401201.	27450145	-

Pune

Sr. No.	Name of the Branch	Address of the Branch	Telephone No.	Fax No.
1	Fatima Nagar	Shop 11, Ground Floor, Building 'C', CTP Tain Square, Fatima Nagar, Pune 411040	(020) 26860327/ 328	(020) 26860328
2	Camp	Shop no. 15, Kumar Corner, Convent Street, Camp, Pune - 411001	(020) 26331122/ 52233	(020) 26352233

Nashik

Sr. No.	Name of the Branch	Address of the Branch	Telephone No.	Fax No.
1	Nashik	Shop No.5, 'Bosco Centre' Gr. Flr, Thatte Nagar, Near Prasad Circle, Gangapur Road, Nashik - 422 005	(0253) 2313380/81	

Union Territory of Daman

Sr. No.	Name of the Branch	Address of the Branch	Telephone No.	Fax No.
1	Nani Daman	Shop No.8-152, Shop No. 5& 6, Ground Floor, Damania Heights, Kavi Khabardar Road, Nani Daman 396210	(0260) 2250152	(0260) 2250153

Goa

Sr. No.	Name of the Branch	Address of the Branch	Telephone No.	Fax No.
1	Margao	Shop No. 6, Ground Floor, Building A-1, Sapana Barrier CHSL, St. Joaquim Rd, Borda, Margao, Goa- 403 602	(0832) 2700096	0832) 2700097
2	Mapusa	Shop No. G-1, Ground Floor, Block D-1, Boshan Homes, Near Navtara Hotel, Mapusa, Goa – 403 507	(0832) 2254078/ 2254079	(0832) 2254080
3	Panaji	H. No. E – 320, Rua de Ourem, Panaji, Goa – 403 001	(0832) 2432995 / 996 / 2422513	(0832) 2432996
4	Porvorim	Plot No. 158, Survey No. 125/2, Alto – Porvorim, Penha –de- Franca, Bardez, Goa – 403 521	(0832) 2412371 / 72	(0832) 2412370
5	Vasco –da- Gama	Shop no. 1 & 16, Sapana Terraces CHSL, Swatantra Path, Vasco – da- Gama, Goa – 403 802	(0832) 2501870 / 71	(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
 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
 Mapusa: Tel: (0832) 2254078/2254079; Fax: (0832) 2254080

e-SBTR - FRANKING SERVICES

All Branches located in Mumbai.

BANCASSURANCE

Malad: CITIZEN CREDIT CENTRE, 1st 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

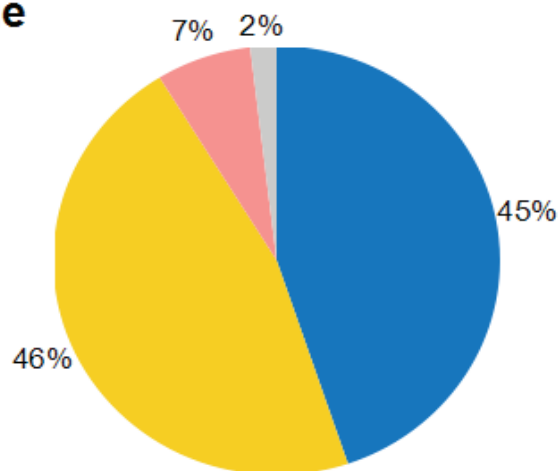


Financial Highlights : (₹ in lakh)

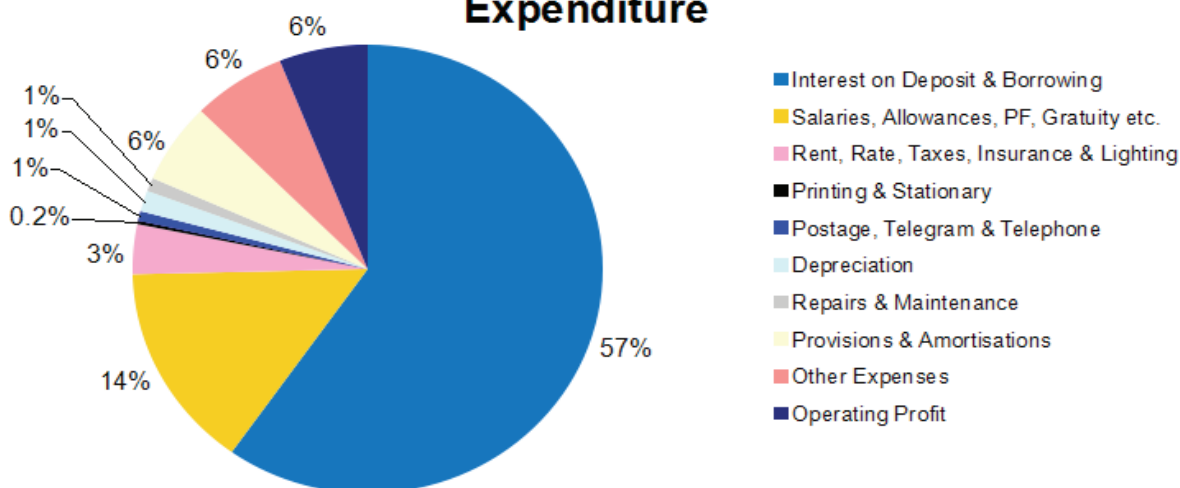
Year ended	31.03.05	31.03.06	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11	31.03.12	31.03.13	31.03.14	31.03.15	31.03.16	31.03.17	31.03.18	31.03.19
Total Assets	83048	88997	92175	114335	132409	178632	196657	224672	243949	257320	281370	312112	361221	372939	376509
Issued Capital	1188	1305	1470	1462	1463	1488	1498	1501	1500	1501	1509	1520	1525	1522	1517
Shareholders Fund	7817	8402	10034	11073	12863	19173	20582	22381	24597	27826	30270	33106	35124	36625	36964
Total Deposits	68653	74264	77120	92589	104339	143227	159441	182404	204310	215986	233944	262162	292402	306928	326675
Current	2989	3932	4724	7471	5500	5396	8188	7397	5627	5642	6257	6861	7588	7526	8830
Savings	29023	33319	36129	39416	41212	50018	57836	59409	64452	70671	75296	82481	98282	102270	106980
Fixed	36641	37013	36267	45702	57627	87812	93418	115598	134231	139673	152391	172820	186532	197132	210865
Total Advances	25502	27418	32838	47715	60694	70076	79512	100028	101893	104513	120966	132137	148646	135381	154614
Investments	29489	24113	24696	31128	41459	61072	60393	65071	76143	80503	76803	98146	84399	126871	128624
Provision for Taxes	0	6	476	586	908	496	772	894	1085	1409	1142	1119	1211	1056	758
Net Profit before appropriation	822	1275	1044	1148	2048	1280	1672	1911	2068	2088	2210	2021	2199	1806	1123

Income

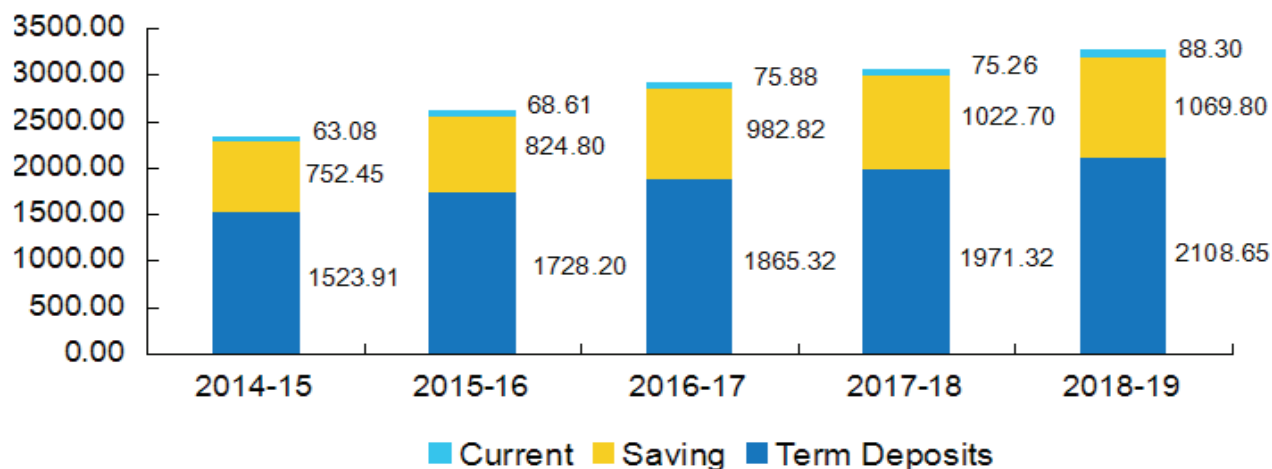
- Interest on Loans and Advances
- Interest on Investments
- Commission, Exchange, Brokerges and Miscellaneous Receipts
- Profit on sale of Securities



Expenditure



DEPOSITS



CHARTERED ACCOUNTANTS MEET



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NAVI MUMBAI: Vashi | Panvel | **THANE:** Bhayander | Mira Road | Thane | **PALGHAR:** Naigaon | Vasa | Vilar | Boisar | Nashik | **UNION TERRITORY OF DAMAN:** Nani Damani | **PUNE:** Fatima Nagar | Camp |
GOA: Mapusa | Margao | Panaji | Porvorim | Vasco