

55<sup>th</sup> ANNUAL REPORT 2021-22



## BOARD OF DIRECTORS 2021-2022

**SATISH CHANDER**  
Chairman

**GAURI BHANU**  
Vice Chairperson

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**DIRECTORS**

FREDERICK D'SA  
RAMESH VEKARIA  
KURUSH PAGHDIWALLA  
MILAN KOTHARY  
SHIV KATHURIA  
VIREN BAROT  
ANTHONY QUADROS  
DAMAYANTI SALUNKHE

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**CHIEF EXECUTIVE OFFICER** ABHIMANYU BHOAN

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**SOLICITORS** M/S. BINA RAO & CO.

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**LEGAL ADVISORS** SHRIDHAR POOJARY ADARSH RAMANUJAN  
VATSAL J. SHAH

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**STATUTORY AUDITORS** M/S. U.G.DEVI & COMPANY

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**INTERNAL AUDITORS** M/S. S. I. MOGUL & CO. M/S. GANDHI & ASSOCIATES LLP  
M/S. SANJAY RANE & ASSOCIATES M/S. ANJARIA & ASSOCIATES  
M/S. SISA INFORMATION SECURITY PVT. LTD. M/S. RUPALI GAWDE & CO.  
M/S. SHINDE NAYAK & ASSOCIATES

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**INSURERS** CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED

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**BANKERS** STATE BANK OF INDIA UNION BANK OF INDIA  
HDFC BANK LTD. INDUSIND BANK LTD.  
IDBI BANK LTD. AXIS BANK LTD.  
YES BANK LTD. BANK OF INDIA



## NOTICE TO MEMBERS

NOTICE is hereby given that the Fifty Fifth Annual General Body Meeting of the Members of the New India Co-operative Bank Limited will be held on Thursday, 08 th September, 2022 at 10:00 a.m. at J. K. Banquets Pvt. Ltd., 1 B – 1, Industry Manor, Ground Floor, A. M. Marg, Prabhadevi, Mumbai 400 025 to transact the following business:

1. To consider and approve the Annual Accounts which consists of the Profit and Loss Account, the Balance Sheet, the Report of the Board of Directors and the Report of the Statutory Auditors for the year ended March 31, 2022.
2. Appropriation of net profit for the year ended March 31, 2022.
3. To appoint Statutory Auditors for the year 2022-23 and to authorize the Board of Directors to fix their remuneration.
4. To approve amendments to bye – laws.
5. Any other business that may be brought forward with the permission of the Chair.

By Order of the  
Board of Directors

**ABHIMANYU BHOAN**  
CHIEF EXECUTIVE OFFICER

Place : Mumbai.  
Dated: August 24, 2022

**Note:** In terms of Bank's Bye law No. 29(c), the notice along with Annual Report consisting of Profit and Loss Account, Balance Sheet, Report of the Board of Directors and Statutory Auditor's Report for the year ended March 31, 2022 is displayed on the notice board kept at Administrative Office of the Bank & its branches and website: [www.newindiabank.in](http://www.newindiabank.in). Annual Report shall not be distributed at the Annual General Meeting in view of high cost of paper and printing. Only a member who has the minimum subscribed shares and has availed the minimum level of Bank's services as per Bye – law no. 20 upto 24.08.2022 is qualified to attend the Annual General Meeting and exercise his / her right to vote.

If there is no quorum at the scheduled time, the Meeting shall stand adjourned and would be held after half an hour on the same day and the agenda of the Meeting shall be transacted at the same venue irrespective of quorum, in terms of Bye law No. 30.

For any information in connection with the financial accounts, the members are requested to send an email addressed to the Chief Executive Officer on [memberservices@newindiabank.in](mailto:memberservices@newindiabank.in) on or before September 03, 2022.

### TO SERVE YOU BETTER:

- 1) Shareholders are hereby requested to kindly intimate the change in address, if any, to the Share Department for updating Bank's records. They are also requested to provide their e-mail address and mobile numbers.
- 2) Shareholders are requested to avail nomination facility by submitting prescribed Nomination Form, as required under Section 36 of the Multi State Co-operative Societies Act, 2002 and Bye law No. 18.

### UNCLAIMED DIVIDENDS

Notice is hereby given that dividend for the year ended March 31, 2019 if not drawn on or before 30th September, 2022 will be forfeited by the Bank and credited to Reserve Fund in terms of Bye law No. 54.

# REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

Dear Members,

Your Directors are pleased to present the Fifty Fifth Annual Report on the business of the Bank together with the Audited Financial Statements of Accounts for the year ended March 31, 2022.

## ***Economic Outlook***

### **GLOBAL :**

The global economy was gaining momentum in April – June 2021 quarter, driven mainly by major advanced economies and powered by massive vaccination programmes and stimulus packages. However, the pace got moderated in July – September 2021 quarter with resurgence of infections in several parts of the world, especially from delta variant of the virus. Countries which were ahead in vaccination and were able to provide or maintain policy stimulus, rebounded strongly. Growth in other economies remained subdued and vulnerable to new waves of infections. The oil prices went up considerably and head line inflation also went up in several advanced economies as well as in most emerging markets. In emerging markets, bond yields remained relatively high on inflation concern and country specific risk factors. In the foreign exchange market, EME currencies have depreciated on account of portfolio outflows since Mid-June as risk appetite reduced. The momentum further reduced in October – December 2021 quarter owing to rapid spread of Delta variant of COVID 19, including in some countries with relatively high vaccination rates. Commodity prices remained elevated, and consequently, inflationary pressure increased in most advance economies and emerging market economies, prompting monetary tightening by a few central banks

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in the former group and several in the latter. Change in monetary policy stance caused sharp rise in bond yields in major advanced economies and emerging market economies after remaining range bound in August. The US dollar has strengthened sharply, while EME currencies weakened since early September on account of capital outflows.

The global composite purchasing managers' index (PMI) slipped to an 18 months low to 52.70 in January 2022, with weakness in both services and manufacturing sectors. In its January 2022 update of the World Economic Outlook, the International Monetary Fund (IMF) revised global output and trade growth projections for 2022 downward to 4.40% and 6.00% from its earlier forecasts of 4.90% and 6.70% respectively.

Financial markets witnessed increased volatility during the period. Crude oil prices jumped to 14 year high in March 2022, despite some corrections. The broad based jump in global commodity prices increased inflationary pressure across advanced economies and emerging market economies, causing a sharp revision in their inflation projection on the upper side. World merchandise trade momentum had weakened. Bullion prices increased sharply nearing to an all-time high on safe haven flows, with some small corrections as bond yield rose. Global equity market fell, although more recently they recovered some ground. In recent weeks, strong capital outflows from emerging market economies have moderated thus reducing downward pressure in their currencies. Overall the global economy faced major headwinds from several fronts, including continuing uncertainty about the pandemic's trajectory.

Global growth prospects weakened significantly on account of ongoing geo political tensions, rising energy, food and commodity prices, soaring inflation and tightening monetary policy stance by major central banks. Growth forecast for the United States, European Union and China had been revised downward, with the European Union registering the most significant downward revision. The broad – based slowdown of the global economy will undermine a full, inclusive and sustainable recovery from pandemic.

The global economy continued to grapple with multi decadal high inflation and slowing growth, persisting geopolitical tensions and sanctions, elevated prices of crude oil and other commodities and lingering COVID 19 related supply chain bottlenecks.

#### **DOMESTIC:**

The Indian Economy, as per provisional estimates released by the National Statistical Office (NSO), had registered GDP growth @8.70% for the financial year 2021 – 2022 as against contraction of 7.30% in the financial year 2020 -2021 due to the outbreak of COVID 19. This worked out to 1.50 per cent above the pre pandemic level (2019 – 2020). The economic data for April – May 2022 indicates a broadening of the recovery in economic activity. Urban demand is recovering and rural demand is gradually improving. Merchandising exports posted robust double – digit growth for the fifteenth month in a row during May 2022 while non-oil, non-gold import continued to expand at a healthy pace, pointing to recovery of domestic demand.

High frequency indicators are pointing to a fast recovery. Urban demand reflected in domestic air traffic rebounded in March and the pace of contraction in passenger sales moderated in February 2022. Import of Capital goods increased robustly in February 2022, although domestic production continued to contract.

Food grain production touched a new record in 2021 – 2022. The manufacturing PMI remained in expansion zone in March, although it moderated somewhat to 54.00 from 54.90 in February, 2022. Service sector indicators – railway freight, e- way bills, GST collections, toll collections, fuel consumption and electricity demand were in expansion zone in February, March 2022. The Service PMI continued in expansion mode, inching to 53.60% in March from 51.80% in the preceding month.

The outlook for the growth is positive on account of strong recovery in domestic economic activity, expectation of improving rural consumption owing to likely normal south-west monsoon and the expected improvement in agriculture prospects, expectation of improvement in capacity utilisation on account of increasing manufacturing activity, the government's capital expenditure push and strengthening bank credit. However, spill overs from prolonged geopolitical tensions, elevated commodity prices, continued supply bottlenecks and tightening global financial conditions expected to weigh on the outlook. Taking all these factors into consideration, the real GDP growth projection for the 2022 -2023 is 7.20% as against 8.70% for the financial year 2021 -2022.

Major Macro Economic indicators which reflect the overall economic scenario are as under:

1. India has reported GDP growth at 8.70% for the financial year 2021 -2022 as against -7.30% for the financial year 2020 – 2021. This was 1.50 per cent above the pre pandemic level (2019 – 2020).
2. India's fiscal deficit in the year ended March 2022 stood at 6.71% as against 9.30% of gross domestic product for the financial year 2020 – 2021 and 6.90% projected by the Finance Ministry in the revised budget estimates.
3. The inflation measured by Consumer Price Index (CPI) as on 31 st March, 2022 stood at around 7.00% as against 5.52% as on 31 st March, 2021. The inflation measured by Wholesale Price Index (WPI) as on 31 st March, 2022 stood at 14.55% (Provisional) as against 7.89% as on 31st March, 2021.
4. The credit off take growth was 9.60% in financial year 2021 – 2022 as against 5.60% in financial year 2020 – 2021.
5. The aggregate deposits growth moderated to 9.60% in financial year 2021 – 2022 as against acceleration to 12.30% for the financial year 2020 -2021.
6. The equity market witnessed a jump of around 18% from around 50000 level as on 31 st March, 2021 to around 59000 level as on 31 st March, 2022. This is mainly due to gradual restoration of economic activities globally from the adverse impact of COVID 19 pandemic on economies across the world.
7. The overall trade deficit rose 87.50% to \$192.41 billion in 2021 – 2022 as against \$102.63 billion in the previous financial year. This was mainly due to import which soared to \$610.22 billion as against increase in export to \$471.81 billion, leaving trade gap of \$192.41 billion against trade gap of \$102.63 billion in financial year 2020 – 2021.
8. The Nikkei India Manufacturing Purchasing Managers' Index (PMI) marginally reduced to 54.00 in March, 2022 against 55.40 in March, 2021. It was mainly due to high oil prices caused by geopolitical uncertainties and tensions.

9. India's Industrial Production growth reduced to 1.90% in March, 2022 as against acceleration to 22.40% in March 2021. It was on a higher side in March 2021 owing to base effect of contraction to 16.70% in March 2020 due to adverse impact of COVID 19 on overall economy of the world. It was on a very lower side in March 2022 due to rising interest rates in line with change in monetary policy stance by majority of the central banks of the world to control inflation, increasing oil prices and supply chain disruption on account of ongoing geopolitical tensions.
10. Average CPI on year on year basis was 5.30% for the financial year 2021 – 2022 as against 4.88% for the financial year 2020 -2021. It was within the Reserve Bank of India's medium term target of having consumer price index (CPI) inflation at 4% within a band of +/-2 per cent, while supporting growth. The projection of inflation by RBI indicates that inflation is likely to remain above the upper tolerance level of 6% through the first three quarters of financial year 2022 -2023.

### **LIQUIDITY / INTEREST RATE SCENARIO**

The Reserve Bank of India, through its conventional and non-conventional market operations, has maintained ample surplus liquidity in system since the onset of pandemic to ensure easing of financial conditions in support of domestic demand. As the economy started showing signs of recovery from pandemic impact and inflation started going up, the Reserve Bank of India, gradually started withdrawing liquidity from the system through conventional and non-conventional market operations. However, overall systemic liquidity remained in large surpluses to support the growth momentum.

### **REFORMS IN FINANCIAL & BANKING SECTOR**

The Reserve Bank of India and Government of India, in their endeavour towards improving operational efficiency, technology up-gradation, maintaining liquidity & interest rate at comfortable level and bringing more transparency in financial market, introduced series of reforms. Notable among these were as under:

1. Withdrawal of redundant circulars by RBI.
2. Operationalised Payment Infrastructure Development Funds (PIDF) scheme to subsidise deployment of payment acceptance infrastructure in Tier 3 to Tier 6 centres.
3. Introduced Risk Based Internal Audit system for Urban Co-Operative Banks.
4. Issued guidelines for processing of e – mandates for recurring online transactions.
5. Cheque Truncation System extended across all branches in the country.
6. Issued Guidelines for appointment of Statutory Auditors by Commercial banks, Co-operative banks and NBFCs including HFCs.
7. Enhanced the limit of maximum balance per customer at the end of the day from Rs.1.00 Lakh to Rs.2.00 Lakh for payment Banks.
8. Issued Guidelines for managing risk in outsourcing of financial services by Co-Operative Banks.
9. Revised definition of Micro, Small and Medium Enterprises from time to time.
10. Appointment of Chief Risk Officer made mandatory for Urban Co-Operative Bank having total assets size of Rs.5000 crore and above.

11. Issued guidelines for appointment of CEO in Urban Co-Operative Banks.
12. Mandatory Leave for employees posted in Sensitive Positions or Area of Operations made mandatory for Co-Operative Banks.
13. Permitted appointment of Internal Ombudsman by Non-Banking Financial Companies.
14. Issued guidelines on Small Value Digital Payments in Offline Mode.
15. Advised NBFCs having 10 or more branches to adopt Core Banking Solutions.
16. Issued guidelines on issuances and regulating of share capital and securities by Primary Urban Co-Operative Banks.
17. Issued guidelines for investment in Umbrella Organisation (UO) by Primary (Urban) Co-Operative Banks.
18. Issued revised instructions for Safe Deposit Locker / Safe Custody Articles Facility provided by the Banks.
19. Issued revised guidelines in respect of provisioning requirement for investment in Security Receipts.
20. Enhanced Individual Housing Loan limit for Co-Operative Bank.
21. Announced revised regulatory framework for Urban Co-Operative Banks.
22. Issued guidelines on strengthening the grievance redressal mechanism in Banks.
23. Introduced Legal Entity Identifier for large value transactions in Centralised Payment Systems.

## 1. Performance of the Bank

### PROFITABILITY

A comparative position of the profitability of Bank for the two financial years is presented below:

	<u>2020-2021</u>	<u>2021-2022</u>
		<i>(Rs. in lakh)</i>
A. Total Income.....	23,195.64	20,485.62
B. Total Expenditure.....	21,833.59	19,611.76
C. Provisions / Reserves / Contingency Other Than Provision For Income Tax .....	1,976.87	615.43
D. Total Expenditure Excluding Provision for Taxation.....	23,810.46	20,227.19
E. Provision for Taxation .....	0.00	12.19
F. Net Profit / (Loss).....	(614.82)	246.24

## 2. Appropriation of net profit

According to section 63 of the Multi State Co-operative Societies Act, 2002, the Board of Directors are required to recommend the appropriation of net profit of each financial year. However, as the Bank has an accumulated net loss, there would be no appropriation for the financial year 2021-2022.

## 3. Dividend

As the Bank has an accumulated loss, there is no dividend to be declared for the financial year 2021-2022.





## 4. Membership

As on March 31, 2022, the number of regular members of the bank was 4813 and nominal members was 2565.

## 5. Members' Welfare Fund

Your Board of Directors are pleased to inform that the corpus of Members' Welfare fund is sufficient and some of the members have availed benefit under various schemes of the Members' Welfare Fund.

## 6. Owned Funds

The paid up share capital & Reserves of the Bank as on March 31, 2022 stood at Rs.13.30 Crore and Rs.251.81 Crore respectively.

## 7. CRR & SLR Balances

As on March 31, 2022, the Bank was required to maintain CRR at 4.00% of its NDTL by way of balance in the current account with the Reserve Bank of India and SLR at 18.00% by way of investment in Government and other approved securities as stipulated by the Reserve Bank of India. With a view to comply with these statutory requirements the Bank has held balance in current account with Reserve Bank of India and invested in Government & other approved securities at the desired levels.

## 8. Asset & Liability Management

### I LIABILITIES

The Working Capital of the Bank was at Rs.3340.06 Crore as on March 31, 2022 as against Rs.3137.59 Crore as on March 31, 2021.

The main components of the working capital besides Owned Funds were as under:

#### i. DEPOSITS

The deposits of the Bank as on March 31, 2022 were Rs.2437.35 Crore as against Rs.2471.19 Crore as on March 31, 2021. Net reduction is Rs. 33.84 Crore i.e. 1.37%.

The composition is as under: *(Rs. in crore)*

Type Of Deposit	31.03.2021	%	31.03.2022	%
Savings	708.12	28.65	700.63	28.75
Current	109.84	4.44	115.64	4.75
Term	1653.23	66.91	1621.08	66.50
<b>Total</b>	<b>2471.19</b>	<b>100.00</b>	<b>2437.35</b>	<b>100.00</b>

#### ii. BORROWINGS

Your Bank availed borrowings during the financial year 2021 – 2022 with a view to benefit from money market operations by the Treasury Department.

### II ASSETS

#### i. ADVANCES

Bank's Advances portfolio increased to Rs.1441.89 Crore as on March 31, 2022 from Rs.1416.60 Crore as on March 31, 2021. Net increase is Rs.25.29 Crore i.e. 1.78%.

## ii. INVESTMENTS

As on March 31, 2022, the investments of the Bank stood at Rs.1347.45 Crore as against Rs.1197.78 Crore as on March 31, 2021.

Your Bank's Investment Policy is continuously reviewed and fine-tuned in accordance with the guidelines issued by the Reserve Bank of India.

## 9. *Capital Adequacy*

The C R A R of the Bank as on March 31, 2022 was at 9.03% against minimum requirement of 9% as stipulated by the R.B.I.

## 10. *Audit & Inspection*

The Bank has formed an internal inspection & audit team for doing audit of Branches & Treasury Department on an ongoing / concurrent basis and has appointed external audit firms as Auditors for better control on the working of the Bank and to check, verify and certify Profit and Loss A/c & Balance Sheet and NPA position of the Bank.

The Bank has appointed separate external audit firms for auditing following activities:

1. Treasury Operations (Concurrent Audit as per RBI guidelines),
2. Income Tax matters,
3. Demat Activities (As per SEBI guidelines),
4. GST Matters,
5. Forex Operations (As per RBI guidelines),
6. Depositor and Education Awareness Fund ("DEAF") (As per RBI guidelines)
7. Know Your Customer (KYC) operations.
8. Credit related activities.

The Systems Audit of all Information Technology related activities at Data Centre, Disaster Recovery site and branches were conducted by an external Systems Audit Firm i.e. M/s. SISA Information Security Pvt. Ltd.

As per RBI guidelines, at the Annual General Meeting held on September 28, 2021, M/s U.G. Devi & Co., Chartered Accountant Firm was appointed as Statutory Auditor of the Bank for the Financial Year 2021-2022. The Statutory Auditor has completed their audit assignment and submitted their report for the financial year 2021-2022.

Reserve Bank of India has conducted inspection of the Bank as per Section 35 of the Banking Regulation Act, 1949 (AACS) with reference to financial position as on March 31, 2021. Compliance report on the Inspection findings has been submitted to the Reserve Bank of India in time.

The inspecting officials have offered some suggestions during the course of Inspection to enable the Bank to improve its working. The Bank is thankful to them for their valuable suggestions.

## 11. *Payment Of Premium To DICGC*

The Bank has been regular in payment of premium to the Deposit Insurance and Credit Guarantee Corporation ( DICGC) and the deposits of up to Rs.5.00 lakh are fully insured by DICGC.

## 12. *Human Resources Development*

Human resources are the most valuable resource and key factors behind the success of any organisation. The Bank is fully aware of the growing needs of continuous training and educating the staff. In addition to “in-house” training programmes, the Bank has deputed/nominated staff regularly to various seminars, workshops and training programmes arranged by RBI Training College, CCIL, IIBF, etc.

## 13. *Third Party Products Distribution*

The Bank is into distribution of Mutual Fund products of 20 MF Companies, Life Insurance products of Max Life Insurance, ICICI Prudential Life Insurance, Non-Life Insurance Products of Cholamandalam MS General Insurance Company Limited & ICICI Lombard General Insurance Co. Ltd. and Health Insurance Products of Manipal Cigna Health Insurance Company. The Bank earns income from distribution of these products and the same is expected to grow further.

## 14. *Business Development - New Initiatives*

The Bank introduced a Suvidha Savings Product, uniquely intended for individuals giving them the freedom to hold lower balances in their account without incurring penal charges. True to its name, Suvidha Savings Account is exceptional with all helpful banking features at a zero balance facility. The Bank also constituted a Customer Service Committee at Board and Branch levels. Customers are invited to the monthly branch-level committee meetings to receive their feedback on the existing products and services.

The Bank, with its focus on retail and Priority Sector loans, developed sales and business sourcing strategies for home and other retail loan products. The primary focus is now on products like affordable housing, auto loans, MSME funding and small ticket loans.

The Bank has launched a new product i.e. overdraft against gold ornaments for business purpose. The Bank has been successful in generating new business especially in priority sector segment.

## 15. *Technology initiatives*

The Bank introduced 2FA for its Core Banking Application (CBS) to prevent unauthorised access to customers’ critical demographic and financial information. Following the RBI guidelines, the Bank introduced Positive Pay System (PPS) for its customers. The PPS enables an additional security layer to the cheque clearing process wherein the issuer (drawer) shares cheque details with their bank while issuing a cheque. The customers can submit the cheque details either through Internet Banking or by visiting the nearest branch.

## 16. *Foreign Exchange Transactions*

The Reserve Bank of India has granted Authorised Dealer Category II licence to the Bank. The Bank has extended services to its customers in respect of Purchase / Sale of Foreign currency, Travellers Cheques, Travel Cards, Inward / Outward remittances as well as Trade Finance facilities.

## **17. Election to the Board of Directors for the period 2021- 2026**

The election to the Board of Directors of the Bank for the period 2021 – 2026 was conducted by Mr. Jayant D Patil, District Deputy Registrar, Co-operative Societies, Mumbai (1) City, who was appointed as the Returning Officer.

On 07.10.2021 at the Special General Meeting of the Bank, the result of the election was declared and the meeting of the newly elected Board of Directors was convened and chaired by the Returning Officer in which Mr. Satish Chander and Mrs. Gauri Bhanu were elected as the Chairman and the Vice Chairperson of the Bank respectively for the period of five years from 2021 to 2026.

In the said meeting, the Board of Directors co-opted Mr. Anthony Quadros and Mrs. Damayanti Salunkhe as experienced and professional Directors on the Board.

## **18. Amendment to bye-laws**

The Bank proposes for amendment to bye-laws so as to remain compliant to RBI directives.

The text of the proposed amendment of the Bank's bye-laws for approval of the General Body is furnished separately in this Report.

## **19. Acknowledgements**

1. I take this opportunity to acknowledge the dedicated and timely support extended by my colleagues on the Board.
2. The Board of Directors would like to place on record and express their sincere appreciation to Bank's valued shareholders, constituents, patrons, stakeholders and well-wishers for their generous and most welcomed goodwill, co-operation and patronage extended to the Bank throughout the year and their confidence in the Board and the management team.
3. The Board of Directors are also grateful to the Officials of the Reserve Bank of India, Central Registrar of Co-operative Societies, New Delhi and the Commissioner for Co-operation, Registrar of Co-operative Societies, Maharashtra and Gujarat state, Clearing Corporation of India Ltd., Fixed Income Money Market and Derivatives Association of India, Financial Benchmarks India Pvt. Ltd. for their valuable guidance, support and co-operation.
4. The Bank is also grateful to the Indian Banks' Association, National Federation of Urban Co-operative Banks & Credit Societies Ltd. (NAFCUB), Solicitors, Legal Advisors, Internal Auditors, Treasury Auditors and the Statutory Auditor.
5. The Board of Directors would also like to express their appreciation to all members of the staff and Executives for their valued contribution and dedicated services.

For and on behalf of  
Board of Directors

**SATISH CHANDER,**  
CHAIRMAN

Place : Mumbai  
Date : August 24, 2022



# INDEPENDENT AUDITOR'S REPORT

To,

**The Shareholders of New India Co-operative Bank Ltd.**

## **Report on the Financial Statements**

1. We have audited the accompanying financial statements of **New India Co-operative Bank Ltd** ('the Bank') as at 31 March 2022, which comprise the Balance Sheet as at 31 March 2022, 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 and 13 branches audited by us and the returns of other branches which have been inspected by the internal audit department and audited by concurrent auditors of those branches are incorporated in these financial statements.

## **Management's Responsibility for the Financial Statement**

2. The Bank's management and Board of Directors are responsible for 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 accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, the provisions of The Banking Regulation Act, 1949 (as applicable to Co-operative societies) as amended by the Banking Regulation (Amendment) Act, 2020, The Multi State Co-operative Societies Act, 2002, The Multi State Co-operative Societies Rules, 2002 made there under, the guidelines issued by the Reserve Bank of India (RBI) and the Central Registrar of Cooperative Societies. This responsibility also includes maintenance of adequate records in accordance with the provisions of the Act for safeguarding of assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 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 entity or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Bank's financial reporting process.

## **Auditor's Responsibility**

3. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's 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.

#### **Basis for Qualified Opinion**

4. We draw attention to Note No. III (1) (a) to Notes forming part of accounts which constitutes a departure from Accounting Standard 29- Provisions, Contingent Liabilities and Contingent Assets. As per para no. 77 of RBI circular no. RBI / DOR / 2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24-09-2021, provision in respect of outstanding security receipts (SRs) is to be made, subject to a floor of the face value of the SRs reduced by the provisioning rate as applicable to the underlying loans, had the loans continued in the books of the Bank. Accordingly, the bank is required to make a provision of Rs.414.41 lakhs on security receipts of Rs.3,315.00 lakhs in respect of loans transferred to ARC during the financial year. After considering existing BDDR ARC reserve of Rs.85.14 lakh, there is a shortfall of Rs.329.27 lakhs in provision on above security receipts. Accordingly, the Net profit for the year would have been reduced by Rs.329.27 lakhs.
5. We draw attention to Note No. III (2) to Notes forming part of accounts which constitutes a departure from Accounting Standard 29- Provisions, Contingent Liabilities and Contingent Assets. The bank is required to make a provision for Non Performing Assets (NPA), as per RBI guidelines, of Rs.1986.78 lakhs as on 31-03-2022 against which the bank has made provision of Rs.1892.31 lakhs only resulting in a short provision of Rs.94.47 lakhs. Accordingly, the Net profit for the year would have been reduced by Rs.94.47 lakhs.
6. We draw attention to Note No. III (5) to Notes forming part of accounts which constitutes a departure from Accounting Standard 5 -Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies. The bank has changed its accounting policy/rates for depreciation on Property, Plant and Equipment as per which for the current financial year no depreciation has been provided on owned premises and depreciation in respect capital expenditure of rented premises, Furniture & Fixture and Vehicles has been provided at half the rates applied in the previous year. Had depreciation been provided as per earlier years, the depreciation for the year would have been higher by Rs.346.16 lakhs and accordingly the Net profit for the year would have been reduced by Rs.346.16 lakhs.

**Considering the cumulative effect of the above the Net loss for the year would have been Rs.523.17 lakhs.**

#### **Qualified Opinion**

7. In our opinion, and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, of the aforesaid financial statements give the information required by The Banking Regulation Act, 1949 [as applicable to Co-operative societies] as amended by the Banking Regulation (Amendment) Act, 2020, The Multi State Co-operative Societies Act, 2002, The Multi State Cooperative Societies Rules, 2002 made there under, the guidelines issued by the Reserve Bank of India (RBI) and the Central Registrar of Cooperative Societies, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of the Balance Sheet, of the state of affairs of the Bank as at 31st March 2022;
  - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Emphasis of Matter**

8. We draw attention to the following matter in the Notes to the financial statements:

Note No. III (1) (b) to the financial statement in respect of Provision for Security Receipts (S.R.) held. In the opinion of the bank Circular no. RBI/ DOR /2021-22 /86 DOR.STR.REC.51/21.04.048/2021-22 dated 24-09-2021 issued by the Reserve Bank, in respect of provisions in respect of SRs, applies prospectively from the date of the Circular and not to the outstanding security receipts. As per retrospective effect, the provision required on SRs outstanding prior to date of above RBI circular works out to Rs.8198.28 lakhs, which is not provided for by the Bank, as the RBI's clarification on the same is awaited as informed to us by the Bank's Board of Directors and Management.

Our opinion is not modified in respect of this matter.

#### **Other Information**

9. The Bank's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Bank's annual report but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Report of Board of Directors including other



explanatory information, if based on the work we have performed, we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

#### Report on Other Legal & Regulatory Requirements

10. 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 (as applicable to Co-operative societies) as amended by the Banking Regulation (Amendment) Act, 2020 and the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002.
11. As required by Section 73(4) of the Multi State Co-operative Societies Act, 2002, we report that:
- 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;
  - Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account 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;
  - The transactions of the Bank which came to our notice have been within the powers of the Bank;
  - The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report, are in agreement with the books of account and the returns;
  - The reports on the accounts of the branches/offices audited by branch auditors have been forwarded to us and have been properly dealt with by us in preparing this Report.
  - Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, 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;
  - In our opinion and according to information and explanations given to us, we have not noticed any material impropriety or irregularity in the expenditure or in the realization of money due to the bank.
12. As per the information and explanations given to us and based on our examination of the books of account and other records and as required by Rule 27(3) of the Multi State Co-operative Societies Rules, 2002 we report on the matters specified in clauses (a) to (f) of the said Rule, to the extent applicable to the Bank.
- During the course of our audit, we have generally not come across transactions which appear to be contrary to the provisions of the Act, the Rules or the Bye-Laws of the Bank.
  - During the course of our audit, we have not come across material and significant transactions which appear to be contrary to the guidelines issued by the Reserve Bank of India.
  - The following advances are categorized as doubtful or loss assets as per prudential norms of RBI as on 31st March 2022 and reported in terms of clause (c) of Rule 27(3) of The Multi State Co-operative Societies Rules, 2002 against which a provision of Rs.1649.40 lakhs is made in the accounts.

Category	Outstanding as on 31.03.2022 (₹ in lakhs)
Doubtful Assets	6848.69
Loss Assets	5.12

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

Fund based amount outstanding as on 31-03-2022	Overdue, if any	Asset classification
216.44 lakhs	-	Standard

- During the course of our audit, we have generally not come across any violations of guidelines, conditions etc. issued by the Reserve Bank of India, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above. Since the Bank has neither accepted deposits nor received subsidy from National Bank for Agriculture and Rural Development, our comments regarding violations of guidelines issued by the said Bank are not called for.
- To the best of our knowledge, no other matters have been specified by the Central Registrar which requires reporting under this rule.

**M/S. U. G. Devi & Company**  
Chartered Accountants  
Firm Reg. No.102427-W

**(V. U. Devi)**  
Partner  
M. No.38973  
UDIN :22038973ALVKIR6554

Place : Mumbai  
Dated : June 25, 2022

## Balance Sheet as at March 31, 2022

As at 31.03.2021		CAPITAL & LIABILITIES		As at 31.03.2022	
Rs.	P.			Rs.	P.
		<b>1. CAPITAL</b>			
1,500,000,000.00		i) Authorised Capital			
		150,000,000 Shares of 10 each		1,500,000,000.00	
225,866,770.00		ii) Subscribed and Paid-up Capital			
		13,299,256 (Previous Year 22,586,677 Shares of Rs.10 each		132,992,560.00	
		a) Individuals Rs. 93,655,980.00			
		(Previous Year Rs.164,451,470.00)			
		b) Co-operative Institutions Rs. 0.00			
		c) State Govt. Rs. 0.00			
		Note: Out of the amount of Share Capital,			
		Shares of Rs. 39,336,580.00 (Previous Year Rs. 61,415,300.00)			
		are held by Firms, Companies, Institutions & Associations.			
		<b>2. RESERVE &amp; SURPLUS</b>			
712,351,892.81		i) Statutory Reserve		712,655,692.81	
194,137,159.30		ii) Bad & Doubtful Debt Reserve		189,231,491.13	
66,800,000.00		iii) Contingent Provision against Standard Asset		66,800,000.00	
50,000,000.00		iv) Building Fund		50,000,000.00	
16,412,756.56		v) General Reserve		8,449,290.50	
2,109,332.37		vi) Staff Welfare Reserve		1,809,332.37	
70,000,000.00		vii) Investment Fluctuation Reserve		70,000,000.00	
207,000.00		viii) Charity Fund		207,000.00	
191,077,546.00		ix) Contingency Reserve		191,077,546.00	
4,465,284.00		x) Members Welfare Fund		4,460,284.00	
999,815,339.64		xi) Revaluation Reserves		1,145,379,154.08	
6,748,000.00		xii) Provision for Restructured Advances		3,913,000.00	
-		xiii) Provision for Restructured Advances (Covid-19)		29,650,000.00	
44,003,800.00		xiv) Bad & Doubtful Debt Reserve (Investment)		30,000,000.00	
6,000,000.00		xv) Capital Reserve		6,000,000.00	
-		xvi) Bad & Doubtful Reserve (SR)		8,513,807.39	
2,364,128,110.68				2,518,146,598.28	
		<b>3. PRINCIPAL/SUBSIDIARY/STATE</b>			
0.00		<b>PARTNERSHIP FUND ACCOUNT</b>			0.00
		<b>4. DEPOSITS &amp; OTHER ACCOUNTS</b>			
14,797,271,882.85		<b>i) Fixed Deposits</b>			
		a) Individuals Rs.12,268,894,378.21			
		b) Other Societies Rs. 2,148,992,782.81			
		c) Matured Term Deposits Rs. 686,713,749.29		15,104,600,910.31	
7,081,141,410.02		<b>ii) Savings Bank Deposits</b>			
		a) Individuals Rs. 6,395,490,108.75			
		b) Other Societies Rs. 610,825,261.91		7,006,315,370.66	
<b>2,589,994,880.68</b>		<b>CARRIED FORWARD</b>		<b>2,651,139,158.28</b>	





## Balance Sheet as at March 31, 2022

As at 31.03.2021		PROPERTY & ASSETS		As at 31.03.2022	
Rs.	P.			Rs.	P.
		<b>1. CASH</b>			
		In hand with Reserve Bank of India, State Bank of India and Associates, State Co-operative Banks & District Central Co-operative Banks			
2,614,854,909.93				2,374,137,147.03	
		<b>2. BALANCE WITH OTHER BANKS</b>			
17,689,733.79		i) Current Deposit	17,548,055.37		
807,200,000.00		ii) Fixed Deposits (including Rs. 630,147,820.00 [Previous Year Rs.620,400,000.00] earmarked for Statutory Reserve, Rs. 129,400,000.00 [Previous Year Rs. 96,000,000.00] pledged for Securing non-funded facilities)	789,347,820.00	806,895,875.37	
824,889,733.79					
0.00		<b>3. MONEY AT CALL &amp; SHORT NOTICE LAF REVERSE REPO</b>		640,000,000.00	
		<b>4. INVESTMENTS</b>			
9,977,446,965.00		i) In Central & State Government Securities (At Book Value)	10,604,374,022.00		
		Face Value Rs. 10,638,390,000.00 (Previous Year Rs.9,987,370,000.00)			
		Market Value Rs. 10,413,726,286.00 (Previous Year Rs.9,960,627,696.30)			
		a) Including G-Sec. of face value of Rs. 8,035,000,000.00 (Previous Year 4,735,000,000.00) pledged for RTGS, NDS Order Matching, TREPS Segment & Default Fund Securities.			
		b) Including G-Sec & Bonds of Rs. 100,549,300.00 face value of (Previous Year NIL) earmarked for Statutory Reserve			
0.00		ii) Other Approved Securities	0.00		
61,750.00		iii) Shares of Co-operative Institutions	61,750.00		
0.00		iv) Bonds of PSU	0.00		
1,193,148,000.00		v) Other Investments	1,440,687,300.00		
11,170,656,715.00		Bonds / Mutual Funds / Commercial Paper		12,045,123,072.00	
		Face Value Rs. 1,440,687,300.00 (Previous Year Rs.1,193,148,000.00)			
		Market/Net Asset Value Rs. 1,410,174,297.33 (Previous Year Rs.1,195,725,789.49)			
0.00		<b>5. INVESTMENTS OUT OF THE PRINCIPAL/SUBSIDIARY/ STATE/PARTNERSHIP FUND</b>		0.00	
<b>26,605,947,807.51</b>		<b>CARRIED FORWARD</b>		<b>15,866,156,094.40</b>	

## Balance Sheet as at March 31, 2022

As at 31.03.2021		CAPITAL & LIABILITIES		As at 31.03.2022	
Rs.	P.			Rs.	P.
2,589,994,880.68		BROUGHT FORWARD			2,651,139,158.28
1,098,408,311.36		<b>iii) Current Deposits</b>			
		a) Individuals	Rs. 1,150,922,072.37		
		b) Other Societies	Rs. 5,542,036.15	1,156,463,807.58	
295,727,584.00		<b>iv) Recurring Deposits</b>			
		a) Individuals	Rs. 176,412,183.04		
		b) Other societies	Rs. 51,856,831.00	228,269,014.04	
1,439,263,288.75		<b>v) Short Term Deposits</b>		877,896,082.75	
24,711,812,476.98					24,373,545,185.34
		<b>5. BORROWINGS</b>			
		i) From Reserve Bank of India/ State/ Central Govt.		0.00	
0.00		ii) From State Bank of India /State Govt.		0.00	
395,247,815.00		iii) Long Term Subordinated Deposits - Series I		538,553,305.00	
0.00		iv) From others		0.00	
		A) Short Term Loans of which secured against:			
3,448,436,672.63		a) Govt. and other approved securities		5,507,753,287.73	
0.00		b) Other Tangible securities		0.00	
		B) Long Term Loans of which secured against:			
0.00		a) Govt. and other approved securities		0.00	
0.00		b) Other Tangible securities		0.00	
3,843,684,487.63					6,046,306,592.73
		<b>6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE (as per Contra)</b>			
29,734,001.74		i) Bills for Collection		30,045,911.20	
		ii) Acceptances, Endorsements & other obligations As per Contra Sundry Inward Bills for Collection		0.00	
0.00					30,045,911.20
		<b>7. BRANCH ADJUSTMENTS</b>			0.00
97,659,314.21		<b>8. OVERDUE INTEREST RESERVE</b>			139,541,903.29
20,059,989.10		<b>9. INTEREST PAYABLE</b>			14,072,383.66
		<b>10. OTHER LIABILITIES</b>			
0.00		i) Deferred Tax Liability		0.00	
29,801,288.31		ii) Pay Orders		137,372,751.73	
2,779,500.00		iii) Provision for Audit Fees		3,606,075.00	
3,095,876.00		iv) Unclaimed Dividends		1,653,513.00	
174,633,822.63		v) Sundries		209,854,667.67	
210,310,486.94					352,487,007.40
<b>31,503,255,637.28</b>		<b>CARRIED FORWARD</b>			<b>33,607,138,141.90</b>



## Balance Sheet as at March 31, 2022

As at 31.03.2021		PROPERTY & ASSETS		As at 31.03.2022	
Rs.	P.			Rs.	P.
26,605,947,807.51		BROUGHT FORWARD		15,866,156,094.40	
		<b>6. ADVANCES</b>			
3,539,928,769.65		<b>i) Short Term Loans</b>			
		<b>Cash Credits, Overdrafts and Bills Discounted,</b>			
		<b>Of which secured against:</b>			
		a) Govt. & Other Trustee Securities	Rs. 31,830,621.00		
		b) Other Tangible Securities	Rs. 3,076,553,887.79		
		c) Personal Sureties with or without collateral Securities	Rs. 0.00	3,108,384,508.79	
		Of the advances, amount due from individuals	Rs. 445,180,112.00		
		Of the advances, amount overdue	Rs. 765,966,742.00		
		Considered Bad & Doubtful of recovery (fully provided for)	Rs. 1,627,891.00		
3,599,159,071.33		<b>ii) Medium Term Loans</b>			
		<b>Of which secured against:</b>			
		a) Govt. & Other Trustee Securities	Rs. 480,239.00		
		b) Other Tangible Securities	Rs. 2,548,861,648.00		
		c) Personal Sureties with or without collateral Securities	Rs. 277,089,193.00	2,826,431,000.00	
		Of the advances, amount due from individuals	Rs. 844,331,903.00		
		Of the advances, amount overdue	Rs. 104,263,087.00		
		Considered Bad & Doubtful of recovery (fully provided for)	Rs. 18,762,754.00		
7,026,898,444.24		<b>iii) Long Term Loans:</b>			
		<b>Of which secured against:</b>			
		a) Govt. & Other Trustee Securities	Rs. 0.00		
		b) Other Tangible Securities	Rs. 8,481,154,388.00		
		c) Personal Sureties with or without collateral Securities	Rs. 2,912,612.00	8,484,067,000.00	
		Of the advances, amount due from individuals	Rs. 4,581,558,583.00		
		Of the advances, amount overdue	Rs. 451,322,200.00		
		Considered Bad & Doubtful of recovery (fully provided for)	Rs. 15,487,074.00		
14,165,986,285.22				14,418,882,508.79	
		<b>7. INTEREST RECEIVABLE</b>			
83,791,312.53		i) On Loans & Advances		132,103,217.12	
115,640,524.57		ii) On Investments		140,466,983.00	
199,431,837.10		Of which amount overdue	Rs. 0.00	272,570,200.12	
		Considered Bad & doubtful of recovery (fully provided for)	Rs. 0.00		
85,632,268.21		<b>8. INTEREST RECEIVABLE ON NON PERFORMING ASSETS</b>		139,541,903.29	
		Of which amount overdue	Rs. 139,541,903.29		
		Considered Bad & Doubtful of recovery (fully provided for)	Rs. 139,541,903.29		
<b>55,422,416,320.35</b>		<b>CARRIED FORWARD</b>		<b>30,697,150,706.60</b>	

## Balance Sheet as at March 31, 2022

As at 31.03.2021		CAPITAL & LIABILITIES		As at 31.03.2022	
Rs.	P.			Rs.	P.
31,503,255,637.28		BROUGHT FORWARD		33,607,138,141.90	
		<b>11. PROFIT &amp; LOSS ACCOUNT</b>			
51,727,091.45		Balance as per last Balance Sheet		-	
		Less: Appropriations made:			
13,000,000.00		i) Statutory Reserve		-	
518,000.00		ii) Education Fund of National Co-operative Union of India (NCUI)		-	
0.00		iii) Dividend		-	
5,200,000.00		iv) Contingency Reserve		-	
27,000,000.00		v) Bad & Doubtful Debt Reserve		-	
0.00		vi) Investment Fluctuation Reserve		-	
9,091.45		vii) General Reserve		-	
6,000,000.00		viii) Capital Reserve		-	
		- Add: i) As per Profit & Loss Appropriation Account		-	
		<b>CONTINGENT LIABILITIES:</b>			
		Bank Liabilities for			
		(i) Guarantee issued on behalf of customers (Previous Year Rs. 147,942,484.58)	166,472,567.00		
		(ii) Letter of Credit issued on behalf of customers (Previous Year Rs. 19,403,163.12)	3,161,327.40		
		(iii) Other : Items for which the Bank is contingently liable : Amount transferred to the Depositor Education and Awareness Fund (DEAF) (Previous Year Rs. 185,840,576.16)	205,415,191.71		
		(iv) Disputed Income-tax (Previous Year Rs. 49,427.00)	-		
<b>31,503,255,637.28</b>		<b>TOTAL</b>		<b>33,607,138,141.90</b>	

Mumbai: June 25, 2022

AS PER OUR REPORT OF EVEN DATE  
FOR M/S. U. G. DEVI & COMPANY  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.102427-W

CA VINAY DEVI  
PARTNER  
MEMBERSHIP NO. 038973  
UDIN :22038973ALVKIR6554



## Balance Sheet as at March 31, 2022

As at 31.03.2021		PROPERTY & ASSETS		As at 31.03.2022	
Rs.	P.			Rs.	P.
55,422,416,320.35		BROUGHT FORWARD			30,697,150,706.60
		<b>9. BILLS RECEIVABLE BEING BILLS FOR COLLECTION (as per contra)</b>			
29,734,001.74		i) Bills Receivable	30,045,911.20		
0.00		ii) Acceptances, endorsements & other obligations			
29,734,001.74		Inward Bills for collection		0.00	30,045,911.20
0.00					
		<b>10. BRANCH ADJUSTMENT</b>			
		<b>11. PREMISES</b>			
		Balance as per last Balance Sheet	Rs.1,308,994,897.16		
		(Including Revaluation Reserves of	Rs. 999,815,339.64		
		Add: Additions during the year	Rs. 558,473,550.31		
		Add: Revaluation during the year	Rs. 145,563,814.44	2,013,032,261.91	
		Less: Deductions	Rs. 0.00		
		Less: Depreciation	-		
1,308,994,897.16		Less: Depreciation on Revalued Premises	-	0.00	2,013,032,261.91
		<b>12. CAPITAL EXPENDITURE ON RENTED/OWNED PREMISES</b>			
		Balance as per last Balance Sheet	Rs. 175,766,950.54		
		Add: Additions during the year	Rs. 230,426.00	175,997,376.54	
		Less : Assets Written Off	Rs. 0.00		
		Less : Deductions	Rs. 89,836,535.56		
175,766,950.54		Less : Depreciation	Rs. 2,154,021.02	91,990,556.58	84,006,819.96
		<b>13. FURNITURE &amp; FIXTURE</b>			
		Balance as per last Balance Sheet	Rs. 394,237,546.99		
		Add: Additions during the year	Rs. 1,790,445.41	396,027,992.40	
		Less : Assets Written Off	Rs. 0.00		
		Less : Deductions	Rs. 465,647.16		
394,237,546.99		Less : Depreciation	Rs. 42,192,014.14	42,657,661.30	353,370,331.10
		<b>14. VEHICLES</b>			
		Balance as per last Balance Sheet	Rs. 7,770,037.72		
		Add: Additions during the year	Rs. 0.00	7,770,037.72	
		Less : Assets Written Off	Rs. 0.00		
		Less : Deductions	Rs. 0.00		
7,770,037.72		Less : Depreciation	Rs. 582,752.83	582,752.83	7,187,284.89
1,886,769,432.41					2,457,596,697.86
0.00		<b>15. DEFERRED REVENUE EXPENDITURE TO THE EXTENT NOT WRITTEN OFF</b>			0.00
		<b>16. OTHER ASSETS</b>			
1,413,657.00		i) Deposit for Electricity & Other Services	1,413,657.00		
39,041,616.00		ii) Deposit with Landlord	25,280,456.00		
21,733,321.14		iii) Prepaid Expenses	16,074,811.42		
62,928.00		iv) Clearing House Receivable	54,232.00		
108,483,194.75		v) Cash Collateral Deposit with CCIL/TREPS/NPCI	59,783,194.75		
8,103,106.59		vi) Income Tax	12,184,665.56		
169,404,776.56		vii) Deferred Tax Asset	168,234,695.87		
115,576,019.14		viii) Sundries	102,460,736.99		
463,818,619.18					385,486,449.59
		<b>17. PROFIT &amp; LOSS ACCOUNT</b>			
61,481,834.70		Balance as per last Balance Sheet	61,481,834.70		
0.00		Less: Profit as per Profit & Loss Appropriation Account	24,623,458.05		36,858,376.65
<b>31,503,255,637.28</b>		<b>TOTAL</b>			<b>33,607,138,141.90</b>

**ABHIMANYU BHOAN**  
CHIEF EXECUTIVE OFFICER  
**SATISH CHANDER**  
CHAIRMAN  
**GAURI BHANU**  
VICE CHAIRPERSON

DIRECTORS: FREDERICK D'SA  
RAMESH VEKARIA  
KURUSH PAGHDIWALLA  
MILAN KOTHARY

SHIV KATHURIA  
VIREN BAROT  
ANTHONY QUADROS  
DAMAYANTI SALUNKHE

## Profit &amp; Loss Account for the year ended on March 31, 2022

YEAR ENDED		EXPENDITURE	YEAR ENDED			
As at 31.03.2021			As at 31.03.2022			
Rs.	P.		Rs.	P.	Rs.	P.
1,384,707,584.17		To Interest on Deposits & Borrowings			1,217,026,809.19	
168,727,907.07		To Salaries, Allowances, P.F. Gratuity, Bonus			181,956,860.70	
225,000.00		To Directors Meeting Fees & Allowances			2,523,000.00	
169,943,870.97		To Rent, Taxes, Insurance and Lighting			147,266,055.85	
2,403,559.00		To Law Charges			3,832,015.75	
17,236,398.55		To Postage & Telephone Charges			15,781,088.97	
11,375,095.00		To Auditor Fees			13,091,435.50	
4,334,877.89		To Printing and Stationery			5,969,293.09	
1,562,573.64		To Advertisement			1,672,859.68	
79,902,010.51		To Depreciation on Fixed Assets			44,928,787.99	
49,152,304.57		To Repairs & Maintainance			55,934,481.80	
3,569,282.77		To Loss on Sale of Assets			382,266.53	
69,547,111.26		To Management Fees - ARC			39,775,870.00	
26,130,667.50		To Professional Fees			21,747,763.04	
111,146,938.75		To Other Expenditure			117,595,554.24	
1,100.00		To Assets written off			1,120.00	
10,073,973.00		To Amortisation of Premium on Investments			10,151,942.00	
2,065,000.00		To Loss on Redemption of Investment			2,535,000.00	
<b>93,114,703.08</b>		<b>Profit after Exceptional items, but before Extraordinary Items, Income-tax and Provisions &amp; Contingency</b>			<b>132,740,265.84</b>	
		<b>Extraordinary Items:</b>				
9,771,843.16		To Loss on Sale of Assets to Asset Reconstruction Company (ARC)		-		
-		To Investments written off	30,814,775.10			
-		To Loss on shifting of Investments	48,188,700.00			
9,771,843.16					79,003,475.10	
<b>83,342,859.92</b>		<b>Profit before Provisions, Contingency &amp; Income Tax</b>			<b>87,386,565.84</b>	
57,687,000.00		To Provision and Contingency	46,543,600.10			
		Further deductions in terms of Section 62(2) of Multi-State Co-operative Societies Act, 2002		-		
140,000,000.00		To Provision for Bad & Doubtful Debts Reserve	15,000,000.00			
-		To Contingent Provision against Standard Assets		-	61,543,600.10	
197,687,000.00						
<b>(114,344,140.08)</b>		<b>Profit before Income-tax</b>			<b>25,842,965.74</b>	
		<b>To Provision for Tax:</b>				
-		Current Income-tax		-		
(49,362,305.38)		Deferred Tax	1,170,080.69			
-		Income-tax of earlier years/(Excess provision for Income-tax of earlier years written back)	49,427.00			
<b>(49,362,305.38)</b>					<b>1,219,507.69</b>	
-		<b>Net Profit after Tax</b>			<b>24,623,458.05</b>	
<b>2,270,201,792.43</b>		<b>TOTAL</b>			<b>2,048,562,245.27</b>	
		Profit & Loss Appropriation Account for the year ended on March 31, 2022				
61,481,834.70		To Net Loss after Tax			-	
-		To Balance Profit Carried to Balance Sheet			24,623,458.05	
<b>61,481,834.70</b>		<b>TOTAL</b>			<b>24,623,458.05</b>	

Mumbai: June 25, 2022

AS PER OUR REPORT OF EVEN DATE  
FOR M/S. U. G. DEVI & COMPANY  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.102427-W

CA VINAY DEVI  
PARTNER  
MEMBERSHIP NO. 038973  
UDIN :22038973ALVKIR6554



## **NEW INDIA CO-OPERATIVE BANK LIMITED FINANCIAL YEAR ENDED ON MARCH 31, 2022**

### **I. Notes forming part of Balance Sheet as at 31st March, 2022 and Profit and Loss Account for the year ended 31st March, 2022.**

#### **1. Overview:**

- New India Co-operative Bank was incorporated on 06.12.1967 and has completed its 55 years of providing wide range of banking services.

#### **2. Basis of Preparation:**

- The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless otherwise stated, and comply with generally accepted accounting principles in India. The Bank has prepared these financial statements as stipulated under the Reserve Bank of India (Financial Statements – Presentation and Disclosures) Direction 2021, to comply in all material respect with statutory requirements prescribed under the Banking Regulation Act, 1949 (As applicable to Co-operative Societies) as amended by the Banking Regulation (Amendment) Act, 2020, The Multi state Co-operative Societies Act, 2002, circulars and guidelines issued by the Reserve Bank of India from time to time, the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and current practices prevailing within banking industry of India.

#### **3. Use of Estimates:**

- The preparation 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, revenue and expenses and disclosure of contingent liabilities at the date of financial statement and the result of operation during the reporting period end. Although these estimates are based upon management's best knowledge of current events and action, actual result could differ from these estimates.

### **II. SIGNIFICANT ACCOUNTING POLICIES: -**

#### **1. Accounting Convention:**

- The Bank has drawn up its accounts in conformity with the provisions of Multi-State Cooperative Societies Act, 2002 and rules framed thereunder and the Banking Regulation Act, 1949 as applicable to Co-operative Banks.
- Financial statements are prepared in accordance with historical cost convention and going concern concept and in accordance with generally accepted accounting practices and conform to statutory provisions of practices prevailing in India except as otherwise stated in the Accounting Standards issued by the ICAI.

#### **2. Investments:**

- The entire Investment Portfolio of the bank (including SLR and Non SLR securities) is classified into (i) Held to Maturity (ii) Held for Trading (iii) Available for Sale Categories as per RBI Guidelines.
- The investments are disclosed in the balance sheet into (i) Central & State Government Securities (ii) Other approved securities (iii) Shares of Co-operative Institutions (iv) Bonds of PSU and (v) Other Investments.
- Investments are valued as per the directives issued by the Reserve Bank of India from time to time and in line with the methodology suggested by Financial Benchmark India Ltd. (FBIL).
- Investment classified under Held to Maturity is carried at acquisition cost and any premium paid on acquisition of such securities is amortised over the balance period of maturity of the investment.
- Investments held under "Held for Trading" & "Available for Sale" are marked to market and net depreciation, if any, under each category is provided in the profit and loss account. Net appreciation in each category is ignored.
- Re-classification of investments in either category is carried based on RBI guidelines issued in that respect. Security in such reclassification is recorded, lower of acquisition cost/book value/market value as on date of transfer. Depreciation, if any, on such transfer is fully provided in the profit and loss account & appreciation if any, is ignored.
- In respect of non-performing investments (Where interest/principal is in arrears), income is not recognized, and required provision is made without adjusting it against appreciation in other performing investments.
- The securities sold and purchased under Repo/Reverse Repo are accounted based on guidelines issued by Reserve Bank of India. Securities are transferred as in the case of normal outright sale/purchase transactions and such movement of securities is reflected using Repo/Reverse Repo accounts and contra entries. The above entries are reversed on the date of maturity. Cost and revenue are accounted as interest expenditure/income, as the case may be. Balance in Repo account is classified under Borrowings and balance in Reverse Repo account is classified under Money at Call and Short notice.
- SRs are valued at Net Asset value as provided by the Asset Reconstruction Company and any depreciation thereon is recognized in the Profit & Loss Account and book value to that extent reduced. Appreciation, if any, in the rating of the SRs over the previous valuation is ignored.
- Broken Period Interest paid at the time of acquisition of securities is recognized as Revenue Expense.

#### **3. Advances**

- All the advances are classified into four categories i.e. (i) Standard Assets, (ii) Sub-standard Assets, (iii) Doubtful Assets and (iv) Loss Assets as per the prudential norms on Income Recognition and Assets Classification issued by the RBI.
- Provision on Advances categories under Sub Standard, Doubtful & Loss Assets is made in accordance with the guidelines issued by RBI.



- For restructured accounts provision is made in accordance with RBI guidelines which required diminution in the fair value of assets to be provided for at the time of restructuring and at each Balance sheet date thereafter. In respect of accounts restructured pursuant to the impact of COVID-19, provisions have been made as stipulated under the extant RBI guidelines on the subject.
- The overdue interest in respect of Non Performing advances is accounted separately under "Overdue Interest Reserve" as per RBI directives.

#### 4. Fixed Assets and Depreciation:

- Fixed Assets are stated at cost less accumulated depreciation. Cost comprises of purchase price, borrowing cost if any, and cost incurred for bringing the assets to its working condition for intended use.
- The stamp duty and registration fees incurred on lease premises are expensed out in the Profit and Loss Account in year in which it is paid.
- **Depreciation**
  - a) Depreciation is charged on written down value method on fixed assets, other than computers.
  - b) Depreciation on computers is charged on straight line method at 33.33% as per the guidelines issued by RBI.
  - c) Depreciation is not provided on revalued value of the assets which are revalued during F.Y.2021-22.
  - d) Depreciation on additions to assets is provided for the full year if the assets are purchased on or before 30th September, at 100% of normal rates and if the assets are purchased after 30th September, at 50% of normal rate.
  - e) There is a change in accounting policy in F.Y. 2021-22 for depreciation on fixed assets (other than Computers), as the rates of depreciation are reduced by 50% in case of capital expenditure on rented premises, Furniture & fixture and Vehicles and no depreciation is charged on Owned Premises. The following are the details for rates changed in F.Y.2021-22 considered appropriate by the management of the Bank

Sr. No.	Category of Assets	Type of Assets	Rate of Depreciation (FY 2021-22)	Rate of Depreciation (FY 2020-21)
i)	Premises	Ownership Premises	No depreciation	2.50% on written down value method
ii)	Capital Expenditure on Rented Premises	Capital Expenditure on Rented Premises	2.50% on written down value method	5.00% on written down value method
iii)	Furniture & Fixture	Wooden/Metal made Furniture & Fixture	2.50% on written down value method	5.00% on written down value method
iv)	Furniture & Fixture	Electrical & Electronic products	3.75% on written down value method	7.50% on written down value method
v)	Vehicles	Vehicles	7.50% on written down value method	15% on written down value method

- f) Depreciation on on fixed asset sold during the year is charged up to the month prior to the month in which the fixed asset is sold.
- Revalued premises are carried at revalued amounts less depreciation accumulated thereon. Surplus arising out of revaluation is carried to Premises and is accounted under Revaluation Reserve.
- As per AS 10 (revised 2016) 'Property, Plant and Equipment' issued by ICAI and as made applicable to non-corporate entities from 1-4-2017, depreciation on original cost as well as additional revalued amount should be debited to the Profit & Loss Account and an amount equivalent to the depreciation on such additional revalued amount of fixed asset should be transferred from Revaluation Reserve to revenue reserve. Whereas, the Bank charges depreciation on the revalued amount of premises to Revaluation Reserve.

#### 5. Revenue Recognition (AS-9):

- Income & Expenditure are recognized on accrual basis except as stated below;
  - a) Income from non-performing assets is recognized on cash basis on realisation as per directives issued by RBI.
  - b) Income from locker rent, interest on income tax refunds, dividend income, commission, incidental charges, service charges, are accounted on cash basis.
  - c) Interest on income-tax refund is determined based on the order of the concerned authorities and is recognised on receipt of the relevant refund order.

#### 6. Employee Benefits (AS-15):

##### a. Provident Fund:

The retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to Profit & Loss Account for the year in when the contributions are due.

##### b. Gratuity:

Retirement Benefit in the form of Gratuity is a Defined Benefit Plan. Liability towards gratuity is assessed on the basis of actuarial valuation by an Independent Actuary as at the balance sheet date. The gratuity liability of the Bank is funded through Group Gratuity Scheme with HDFC Standard Life Insurance Company Limited, premium for which is paid annually. 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 Benefits as issued by ICAI. Actuarial gain or loss is recognized in the Profit & Loss Account. The shortfall, if any, between the present value of the benefit obligation and the fair value of plan assets as on 31 March is paid / provided for and recognized as expense in the profit and loss account.

**c. Leave Encashment:**

Provision for encashment of accumulated leave payable on retirement or otherwise is made on actuarial valuation done by an Independent Actuary as at the year-end using Projected Unit Credit Method, in accordance of the guidelines issued under AS -15 on Employee Benefits as issued by ICAI. The leave encashment liability of the Bank is funded through group conventional plan with HDFC Standard Life Insurance Company Limited.

**7. Segment Reporting (AS-17):**

- a) 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:- Treasury, Corporate/ Wholesale Banking, Retail Banking and other Banking operations respectively.
- b) Income and expenses in relation to the segments are categorized based on the items that are individually identifiable to the segments.
- c) Deposits and interest paid/payable on deposits are allocated on the basis of investments & advances in the segments Treasury, Corporate/Wholesale Banking and Retail Banking.
- d) Assets and liabilities that cannot be allocated to specifically identifiable segments are grouped under unallocated assets and liabilities.

**8. Operating Leases (AS-19):**

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

**9. Earning Per Share (EPS) (AS-20):**

Basic & Diluted earning per share are calculated by dividing the Net Profit for the period by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares are calculated on monthly basis.

**10. Income Tax (AS-22):**

- a) Income Tax expense comprises of Current Tax and Deferred Tax. Current Tax is measured on the basis of estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961 and Rules framed thereunder.
- b) 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
- c) Deferred Tax Assets are reassessed at each reporting date, based upon management's judgement as to whether the realization is reasonably certain.

**11. Intangible Assets (AS-26):**

Intangible Assets consist of Computer Software acquired. The same is amortized equally over the period of three years, as per RBI guidelines.

**12. Impairment Of Assets (AS-28):**

At each Balance Sheet date, the Bank reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. The recoverable amount is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to its present value using a discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The reversal of impairment loss is recognised immediately as income in the Profit & Loss Account.

**13. Provisions, Contingent Liabilities And Contingent Assets (AS-29):**

- a) The bank recognizes provision when it has a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. The provisions are reviewed at each Balance Sheet and adjusted to reflect the current best estimates.
- b) Contingent assets are not recognized in financial statements.
- c) Contingent liabilities of the bank are in respect of the guarantees, acceptances and letters of credit with customers under approved limits and the liability thereon is dependent upon terms of contractual obligations, development and rising of demand by the concerned parties. These amounts are partly collateralized by margin/guarantees/secured charges. A disclosure of contingent liability is made when there is a possible obligation arising from past event(s), the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within 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.

#### 14. Foreign Currency Transactions

- a) All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- b) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. The resultant gain or loss is accounted during the year.

#### 15. Accounting Of Goods & Service Tax

Goods and Service Tax (GST) has been implemented with effect from 1st July 2017. Accordingly, GST collected is accounted in GST Payable Account and GST paid to vendor is accounted in Input credit Receivable Account. Out of the GST in Input credit Receivable Account, eligible Input tax credit (ITC) is availed as set off. In case, eligible ITC remains unutilized, the same is carried forward and set-off subsequently. The ITC on expenses which is not allowable to be set-off as per GST Law, is expensed out.

In case of fixed assets, eligible ITC of GST paid to vendor is utilized against the amount of GST collected from the customers and the disallowed portion of ITC is added back to the value of respective assets.

Items of Income and expenses on which GST is applicable, are accounted for net of GST.

#### 16) Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash and cash equivalents comprises cash on hand, balances with other banks (excluding term deposits), money at call and short notice and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### 17) Cash Flow Statement (AS-3)

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

### III. NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

#### 1. Security Receipts of ARC

- a) As per para no. 77 of RBI circular no. RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24-09-2021, provision on outstanding security receipts (SRs) to be made on 31-03-2022 if security receipts received by bank is more than 10% of all SRs backed and provision to be made at the provisioning rate as applicable to the underlying loans, had the loans continued in the books of the bank. Accordingly, the bank is required to make the provision of Rs. 414.41 lakh on security receipts received of Rs. 3,315.00 lakh on account of loans transferred to ARC on 31-03-2022. After considering existing BDDR ARC reserve of Rs. 85.14 lakh, there is a shortfall of Rs. 329.27 lakh in provision on above security receipts on 31-03-2022, which is not debited to profit & loss account.
  - b) Further as per above para of RBI, the retrospective effect of the provision required on SRs outstanding prior to date of above RBI circular works out to Rs. 8,198.28 lakh, which is not provided by the Bank on 31-03-2022, as the RBI clarification on the same is awaited as informed by Bank's Board of Directors and Management.
2. The NPA provision required as on 31-03-2022 of Rs. 1986.78 lakhs as against bank has made provision of Rs. 1892.31 lakhs. Hence there is a short provision in NPA by Rs. 94.47 lakhs on 31-03-2022, which is not debited to profit & loss account.
  3. While classifying account as NPA, due regard is given to the events occurring after the Balance Sheet Date, like closure of NPA accounts which has an effect of altering the status of the account. Due to this, NPA of the bank has decreased by Rs. 3120.34 lakh on 31-03-2022. The interest thereon of Rs. 276.51 lakhs has however not been accounted as income on 31-03-2022.
  4. Bank has purchased the Central Office premises of Rs. 4649 lakh (including stamp duty and registration fees) during F.Y.2021-22 and the same has been revalued on 31-03-2022 of Rs. 7003.00 lakh on the basis of valuation reports obtained from two independent valuers. After considering capital expenditure on same premises of Rs. 898.37 lakh prior to purchase and purchased cost of Rs. 4649 lakh, the surplus of Rs. 1455.63 lakh arising out of such revaluation is added to Premises and is accounted under Revaluation Reserve on 31-03-2022.
  5. There is a change in accounting policy in F.Y. 2021-22 for depreciation on fixed assets (other than Computers) , as the rates of depreciation are reduced by 50% in case of capital expenditure of rented premises, Furniture & fixture and Vehicles and no depreciation is charged on Owned Premises. The rates are changed in F.Y.2021-22 as considered appropriate by the management of the Bank. The profit of the bank has been shown on higher side by Rs. 346.16 lakh for F.Y.2021-22.

#### 6. Appropriation of Profit

The bank has accumulated loss of Rs. 368.58 lakh upto 31-03-2022 after considering current year's profit. Thus no appropriation has been made from current year's profit.

#### 7. Net profit & Loss for the period, prior period items and Changes in Accounting policies – (AS-5)

During the year there were no material prior period income/expenditure items. There is change in accounting policy in respect of depreciation rates on fixed assets other than computer items during F.Y.2021-22 as compared to those followed in the previous financial year 2020-21 as mentioned detailed in para no. II. 4(e) under Significant Accounting Policies.

#### 8. Employee Benefits

- 8.1 Salaries and Allowances include amount of Rs. 96,18,316.00(Previous year Rs. 93,51,287.00) contributed by the Bank on account of contribution towards Provident Fund.

8.2 Disclosure pursuant to Accounting Standard 15 (revised 2005) "Employee Benefits" - Gratuity

Sr. No.	Particulars	Year ended on March 31, 2022 (Rs. in lakhs)	Year ended on March 31, 2021 (Rs. in lakhs)
8.2.1	Change in benefit obligation		
	Liability at the beginning of the year	338.57	314.94
	Interest cost	21.23	21.48
	Current Service Cost	25.32	22.70
	Past service cost vested benefit	0.00	0.00
	Liability transfer in		
	Benefit paid	(14.83)	(45.76)
	Actuarial (gain)/loss on obligation	(7.93)	25.20
	Liability at the end of the current period	362.36	338.57
8.2.2	Fair Value of Plan Assets		
	Fair Value Plan Assets at the beginning of the year	322.84	283.56
	Expected return on plan assets	20.24	19.34
	Contributions	50.00	50.00
	Transfer from other company	-	-
	Transfer to other company	-	-
	Benefit paid	(14.83)	(45.76)
	Actuarial gain/(loss) on plan assets	0.94	15.69
	Fair Value of Plan Asset at the end of the year	379.20	322.84
	Total Actuarial Gain/Loss to be recognized	-	-
8.2.3	Actual return on plan assets		
	Expected return on plan assets	20.24	19.34
	Actuarial gain/(loss) on plan assets	0.94	15.69
	Actual return on plan assets	21.18	35.03
8.2.4	Amount recognized in the balance sheet		
	Liability at the end of the year	(362.36)	(338.57)
	Fair value of plan assets at the end of the year	379.20	322.84
	Funded Status (Surplus/-Deficit)	16.84	(15.73)
	Amount recognized in the balance sheet	16.84	(15.73)
8.2.5	Expenses recognized in the income statement		
	Current Service Cost	25.32	22.70
	Interest Cost	0.99	21.48
	Expected return on plan assets	(20.24)	(19.34)
	Actuarial (gain)/ loss	(8.88)	9.51
	Past Service Cost-Vested benefit recognized during the year	0.00	0.00
	Expenses recognized in Profit & Loss Account	17.43	34.35
8.2.6	Balance Sheet Reconciliation		
	Opening net liability	15.73	31.38
	Expenses as above	17.43	34.35
	Transfer from other company	-	-
	Transfer to other company	-	-
	Employers contribution	(50.00)	(50.00)
	Amount recognized in the balance sheet	(16.84)	15.73
8.2.7	Actuarial Assumptions		
	Discount Rate previous	6.27%	6.82%
	Rate of return on plan assets previous	6.27%	6.82%
	Salary Escalation previous	4.00%	4.00%
	Attrition Rate Previous Year	8.00%	2.00%
	Discount Rate Current	6.96%	6.27%
	Rate of Return on Plan Assets current	6.96%	6.27%
	Salary escalation current	4.00%	4.00%

Sr. No.	Particulars	Year ended on March 31, 2022 (Rs. in lakhs)	Year ended on March 31, 2021 (Rs. in lakhs)
	Attrition Rate Current	8.00%	8.00%
8.2.8	Category of Assets		
	Government of India Assets	-	-
	State Government Securities	-	-
	Special Deposit Scheme	-	-
	Debt Instruments	-	-
	Corporate Bonds	-	-
	Cash and Cash Equivalents	-	-
	Insurer Managed Funds	379.20	322.84
	Asset-Backed Securities	-	-
	Structured Debt	-	-
	Other	-	-
8.2.9	Number of Employees	276	282
8.3	Disclosure pursuant to Accounting Standard 15 (revised 2005) "Employee Benefits"- Leave Encashment.		
Sr. No.	Particulars	Year ended on March 31, 2022 (Rs. in lakhs)	Year ended on March 31, 2021 (Rs. in lakhs)
8.3.1	Change in benefit obligation		
	Liability at the beginning of the current period	76.72	62.54
	Interest cost	4.81	4.27
	Current Service Cost	8.08	15.71
	Liability transferred in (Liability transferred out)	-	-
	Benefit paid	(20.36)	(23.54)
	Actuarial (gain)/loss on obligation	(5.32)	17.75
	Liability at the end of the current period	63.93	76.72
8.3.2	Fair Value of Plan Assets		
	Fair Value Plan Assets at the beginning of the year	56.77	27.74
	Expected return on plan assets	3.56	1.89
	Contributions	25.00	50.00
	Transfer from other company	-	-
	Transfer to other company	-	-
	Benefit paid	(20.36)	(23.54)
	Actuarial gain/(loss) on plan assets	(0.85)	0.68
	Fair Value of Plan Assets at the end of the year	64.12	56.77
8.3.3	Actual return on plan assets		
	Expected return on plan assets	3.56	1.89
	Actuarial gain/(loss) on plan assets	(0.85)	0.68
	Actual return on plan assets	2.71	2.57
8.3.4	Amount recognized in the balance sheet		
	Fair value of plan assets at the end of the period	64.12	56.77
	Liability at the end of the period	(63.93)	(76.72)
	Difference	0.19	(19.95)
	Net Amount recognized in the balance sheet	0.19	(19.95)
8.3.5	Expenses recognized in the income statement		
	Current Service Cost	8.08	15.71
	Interest Cost	4.81	4.27
	Expected return on plan assets	(3.56)	(1.89)
	Actuarial (gain)/ loss	(4.47)	17.07
	Expenses recognized in Profit & Loss Account	4.86	35.15
8.3.6	Balance Sheet Reconciliation		
	Opening net liability	19.95	34.80
	Expenses as above	4.86	35.15
	Net transfer in	-	-
	Net transfer out	-	-
	Employers contribution	(25.00)	(50.00)

Sr. No.	Particulars	Year ended on March 31, 2022 (Rs. in lakhs)	Year ended on March 31, 2021 (Rs. in lakhs)
	Amount recognized in the balance sheet	(0.19)	19.95
8.3.7	Assumptions		
	Discount Rate Previous	6.27%	6.82%
	Rate of return on plan assets previous	6.27%	6.82%
	Salary escalation previous	4.00%	4.00%
	Attrition Rate previous	8.00%	2.00%
	Discount Rate current	6.96%	6.27%
	Rate of return on plan asset current	6.96%	6.27%
	Salary escalation current	4.00%	4.00%
	Attrition Rate current	8.00%	8.00%
8.3.8	Category of Assets		
	Government of India Assets	-	-
	State Government Securities	-	-
	Special Deposit Scheme	-	-
	Debt Instruments	-	-
	Corporate Bonds	-	-
	Cash and Cash Equivalents	-	-
	Insurer Managed Funds	64.12	56.77
	Asset-Backed Securities	-	-
	Structured Debt	-	-
	Other	-	-
8.3.9	Number of Employees	276	287

#### 9. Related Party Disclosures

There are no related parties requiring disclosure under Accounting Standard 18 'Related Party Disclosures' issued by the ICAI, other than the Key Management Personnel i.e. Abhimanyu S. Bhoan, Chief Executive Officer of the bank. However, in terms of RBI Circular dated March 29, 2003, there being a single party coming under the aforesaid category, no further details need to be disclosed.

#### 10. Disclosure under AS-17 on "Segment Reporting":

(Rs. in lakhs)

Sr No.	Particulars	Treasury	Corporate/ Wholesale Banking	Retail Banking	Other Banking Operations	Total as on 31-03-2022
A	Revenue	5478.50	6775.18	6560.06	1671.89	20485.62
		(6878.20)	(7964.50)	(5730.15)	(1514.35)	(22087.20)
	Result	-1531.55	580.34	825.00	384.65	258.43
		(-664.77)	(296.60)	(-159.29)	(12.22)	(-1108.44)
	Unallocated Expenses	-	-	-	-	-
	Net Profit/( loss) before tax	-	-	-	-	258.43
						(-1108.44)
	Provision for income tax	-	-	-	-	0.49
						(0.00)
	Deferred Tax	-	-	-	-	11.70
						(-493.62)
	Net Profit/(loss) after tax					246.23
						(-614.82)
	OTHER INFORMATION					
	Segment Assets	160194.23	74483.60	72421.68	26204.88	333304.39
		(147888.42)	(83217.82)	(60136.28)	(20858.98)	(312101.50)
	Unallocated Assets					2766.99
						(2931.06)
	Total Assets	160194.23	74483.60	72421.68	26204.88	336071.38

	(147888.42)	(83217.82)	(60136.28)	(20858.98)	(315032.56)
Segment Liabilities	161127.17	74616.81	72551.20	16390.64	324685.83
	(145180.75)	(83854.99)	(60596.72)	(13097.10)	(302729.56)
Unallocated Liabilities					11385.55
					(12303.00)
Total Liabilities	161127.17	74616.81	72551.20	16390.64	336071.38
	(145180.75)	(83854.99)	(60596.72)	(13097.10)	(315032.56)

The Bank operates as a single unit in India, hence separate information regarding geographical segment is not given.

The previous year's figures are indicated in brackets.

#### 11. Operating Leases (AS-19)

11.1 The Bank has taken a number of premises on operating lease. The details of maturity profile of future operating lease payments as per Accounting Standard 19 'Leases' issued by the ICAI are given below:

Particulars	Year ended on March 31, 2022 (Rs. in Lakhs)	Year ended on March 31, 2021 (Rs. in Lakhs)
Future lease rentals payable as at the end of the year:		
Not later than one year	738.71	957.91
Later than one year but not later than five years	1,923.24	2,575.17
Later than five years	119.30	289.50
Total of minimum lease payments recognised in the Profit and Loss Account for the year	855.49	1,109.21

#### 12. Earnings Per Share (EPS) (AS-20):

(Rs. in Lakhs)

Particulars	2021-22	2020-21
Net profit/(Loss) after income tax	246.23	(614.82)
(*) Weighted average number of shares	161.43	244.57
Nominal Value of Shares (Rs.)	10	10
EPS - Basic & Diluted (Rs.)	1.53	(2.51)

(\*) Monthly Weighted average number of shares

#### 13. Deferred Tax Assets / Liabilities (AS-22)

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

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets:		
Expenses allowable only on payment basis	(5.95)	12.47
Provision for Loans & Advances	6,58.84	5,12.74
Provision for Investments	1,04.82	1,53.75
Unabsorbed Losses	20,58.06	18,35.15
	(a)	28,15.77
Deferred Tax Liability:		
Provision for Staff Gratuity	—	—
Depreciation on Fixed Assets	11,33.42	8,20.05
	(b)	11,33.42
Deferred Tax Assets/(Liability) [net]	(a)-(b)	1682.35
		1694.05

Deferred tax asset recognised to the extent the management is reasonably certain of its realization.

The Bank has not opted for section 115BAD of Income Tax Act, 1961 and therefore has recognized the deferred taxes for the year ended 31-03-2022 at the rate existing prior to the amendment.

#### 14. Intangible Assets

The fixed asset block for "Furniture & Fixture" included computer software/hardware, the details of which are as follows;

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance at the beginning of the Year	557.70	482.04
Add : Addition during the year	17.58	467.31
Less : Deduction during the year	—	—
Less : Depreciation during the year	(320.29)	(391.65)
Closing Balance at the end of the year	254.99	557.70

#### 15. Management Fees paid to Assets Reconstruction Company

The Bank has paid Rs. 364.06 lakh as one-time management fees in the financial year 2018-2019. The Bank has decided to

amortize the said expenditure over a period of five years. Accordingly, the Bank has charged Rs. 72.81 lakh to the Profit & Loss Account in financial year 2021-2022 (Previous year – Rs. 72.81 lakh) and has deferred Rs. 72.81 lakh, which has been included in Prepaid Expenses.

**16. Long Term Subordinated Deposits**

In accordance with RBI circular No.RBI/2016-17/7 DCBR.BPD.Cir No.21/09.18.201/2016-17, the bank has decided to raise Long Term Subordinated Deposits-Series I upto Rs. 5400 lakh which are callable after 5 years from the date of issue. Out of which, Rs. 1289.50 lakh was raised during the F.Y. 2021-22. The said amount is included in the Tier II capital of the bank for Capital Adequacy purpose as per RBI guidelines.

**17. Statement of Cash Flow for the year ended 31st March 2022**

Particulars	Year ended on March 31, 2022 (Rs. in Lakhs)	Year ended on March 31, 2021 (Rs. in Lakhs)
Cash Flow from operating activities		
Net Profit after Income tax	246.23	(614.82)
Adjustments for:		
Provision for Tax	11.70	(493.62)
Depreciation on fixed assets	449.29	799.02
Amortisation of premium on held to maturity investments	101.52	100.74
(Profit)/loss on sale of fixed assets [net]	3.36	34.47
Provision for Standard/Non-performing assets/Restructure advances/Special General	440.44	1580.55
Provision / charge for Diminution in value of investments	168.94	563.42
Assets written off	0.01	0.01
Profit/loss on sale/redemption of investments	339.20	(1752.01)
Excess Bad & Doubtful Debts Reserve written back	-	(35.00)
	1514.46	797.58
Adjustments for:		
(Increase)/Decrease in investments	(9493.53)	739.40
(Increase)/Decrease in advances	(2848.05)	(14499.14)
Increase/(Decrease) in deposits	(3382.67)	10403.26
(Increase)/Decrease in other assets	64.99	2607.28
Increase/(Decrease) in Other Liabilities, Provisions and Reserves	1358.69	141.25
Direct taxes paid (net of refunds)	(25.00)	(75.00)
Net cash flow from operating activities (a)	(12564.89)	500.17
Cash flows used in investing activities		
Purchase of fixed assets	(4706.58)	(1044.11)
Proceeds from sale of fixed assets	1.29	95.69
Net cash used in investing activities (b)	(4705.29)	(948.42)
Cash flows from financing activities		
Increase/(Decrease) in Borrowings	22026.22	4956.44
Issue/Reduction in Share Capital	(928.74)	(379.28)
Dividend paid during the year	14.42	(18.40)
Net cash generated from financing activities (c)	21083.06	4558.76
Net increase/(decrease) in Cash and Cash Equivalents (a) + (b) + (c)	3812.88	3110.16
Cash and Cash Equivalents as at April 1st	34397.45	31287.28
Cash and Cash Equivalents as at March 31st	38210.33	34397.45

**Note : Cash Flow is prepared in accordance with Indirect Method as per AS-3**

18. Disclosure as per RBI master direction DOR.ACC. REC. NO. 45 / 21.04.018 / 2021 - 22 dated 30.08.2021 (updated as on 15.11.2021) is annexed to the financial statement.
19. Previous year figures are re-grouped, re-arranged or modified wherever necessary to conform to the presentation of the current year.





**IV. Disclosure as per RBI master direction DOR.ACC.REC.NO.45/21.04.018/2021-22 dated 30-08-2021 (updated as on 15-11-2021 is annexed to the financial statements)**

**1. Regulatory Capital**

**Composition of Regulatory Capital**

Sr. Particulars No.	FY 2021-22 Rs. in Lakhs	FY 2020-21 Rs. in Lakhs
i) Common Equity Tier 1 capital (CET 1)/ Paid up share capital and reserves (net of deductions, if any)	8,046.43	9,502.60
ii) Additional Tier 1 capital/ Other Tier 1 capital	-	-
iii) Tier 1 capital (i + ii)	8,046.43	9,502.60
iv) Tier 2 capital	8,046.43	9,156.63
v) Total capital (Tier 1+Tier 2)	16,092.86	18,659.23
vi) Total Risk Weighted Assets (RWAs)	178,275.40	171,787.40
vii) CET 1 Ratio (CET 1 as a percentage of RWAs)/ Paid-up share capital and reserves as percentage of RWAs	4.51%	5.53%
viii) Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	4.51%	5.53%
ix) Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	4.51%	5.33%
x) Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	9.03%	10.86%
xi) Amount of paid-up equity capital raised during the year	(928.74)	(379.28)
xii) Amount of Tier 2 capital raised during the year, of which Long Term (Subordinated) Deposits	1,433.05	670.64

**2. Asset liability management**

**a) Maturity pattern of certain items of assets and liabilities as on 31-03-2022**

(Rs. in Lakhs)

	Day 1	2-7 days	8-14 days	15-28 days	29 days and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
DEPOSITS	3,393.55	5,000.31	5,364.78	5,524.23	25,961.50	17,646.00	28,522.35	132,058.16	14,440.85	5,823.72	243,735.45
LOANS & ADVANCES	3,345.24	1,137.31	396.90	1,088.56	5,012.34	5,955.00	12,513.45	65,571.96	32,308.67	16,859.38	144,188.83
INVESTMENT	0.00	6,430.00	0.00	0.00	33,792.09	2,096.00	4,158.00	1,706.40	11,745.41	74,816.81	134,744.71
BORROWINGS	55,077.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,385.53	0.00	60,463.07
Foreign Currency assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**b) Maturity pattern of certain items of assets and liabilities as on 31-03-2021**

(Rs. in Lakhs)

	Day 1	2-7 days	8-14 days	15-28 days	29 days and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
DEPOSITS	3,796.97	5,206.01	7,510.01	7,738.17	21,412.69	23,632.04	37,923.80	138,319.05	1,386.01	193.39	247,118.12
LOANS & ADVANCES	3,470.64	992.26	387.13	1,083.59	6,879.08	6,309.55	11,863.39	69,211.36	27,208.92	14,253.94	141,659.86
INVESTMENT	0.00	0.00	0.00	1,983.45	53,700.17	20,977.00	2,578.00	1,542.22	0.00	38,997.72	119,778.57
BORROWINGS	34,484.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,952.48	0.00	38,436.84
Foreign Currency assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Currency liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Note: The above format is as per ALM statement submitted to RBI**

**3. Investments**

**a) Composition of Investment Portfolio**

**i) As at 31-03-2022**

(Rs. in Lakhs)

Particulars	Investments in India						Investments outside India					
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	Total Investments
Held to Maturity												
Gross	58,698.70	-	-	-	-	-	58,698.70	-	-	-	-	58,698.70
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	58,698.70	-	-	-	-	-	58,698.70	-	-	-	-	58,698.70
Available for Sale												
Gross	47,345.04	-	0.61	805.49	-	13,601.38	61,752.52	-	-	-	-	61,752.52
Less: Provision for depreciation and NPI (*)	-	-	-	-	-	-	-	-	-	-	-	-
Net	47,345.04	-	0.61	805.49	-	13,601.38	61,752.52	-	-	-	-	61,752.52
Held for Trading												
Gross	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	106,043.74	-	0.61	805.49	-	13,601.38	120,451.22	-	-	-	-	120,451.22
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	106,043.74	-	0.61	805.49	-	13,601.38	120,451.22	-	-	-	-	120,451.22

**\* Provision for depreciation is accounted separately under Investment Depreciation Reserve and not deducted from Investment Book Value.**



ii) As at 31-03-2021

(Rs. in Lakhs)

Particulars	Investments in India							Investments outside India				
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	Total Investments
Held to Maturity												
Gross	18,527.39	-	-	-	-	-	18,527.39	-	-	-	-	18,527.39
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	18,527.39	-	-	-	-	-	18,527.39	-	0.00	0.00	0.00	18,527.39
Available for Sale												
Gross	81,247.08	-	0.61	1,250.38	-	10,681.10	93,179.17	-	-	-	-	93,179.17
Less: Provision for depreciation and NPI (*)	-	-	-	-	-	-	-	-	-	-	-	-
Net	81,247.08	-	0.61	1,250.38	-	10,681.10	93,179.17	-	0.00	0.00	0.00	93,179.17
Held for Trading												
Gross	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	99,774.47	0.00	0.61	1,250.38	0.00	10,681.10	111,706.56	-	-	-	-	111,706.56
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	99,774.47	-	0.61	1,250.38	-	10,681.10	111,706.56	-	-	-	-	111,706.56

\* Provision for depreciation is accounted separately under Investment Depreciation Reserve and not deducted from Investment Book Value.

b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Rs. in Lakhs)

Particulars	FY 2021-22	FY 2020-21
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	374.28	190.86
b) Add: Provisions made during the year	0.83	852.36
c) Less: Write off / write back of excess provisions during the year	-	668.94
d) Closing balance	375.11	374.28
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	760.00	760.00
b) Add: Amount transferred during the year	-	-

c) Less: Drawdown	-	-
d) Closing balance	760.00	760.00
iii) Closing balance in IFR as a percentage of closing balance of investments 13 in AFS and HFT/Current category	1.23%	0.82%

**c) Non-SLR investment portfolio**

**i) Non-performing non-SLR investments**

(Rs. in Lakhs)

Sr. No.	Particulars	FY 2021-22	FY 2020-21
a)	Opening balance	900.38	600.38
b)	Additions during the year since 1st April	-	300.00
c)	Reductions during the above period	600.38	-
d)	Closing balance	300.00	900.38
e)	Total provisions held	300.00	440.04

**ii) Issuer composition of non-SLR investments**

(Rs. in Lakhs)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
a)	PSUs	-	-	-	-	-	-	-	-	-	-
b)	FIs	455.49	900.38	-	-	-	-	-	-	300.00	900.38
c)	Banks	350.00	350.00	-	-	-	-	-	-	350.00	350.00
d)	Private Corporates	-	-	-	-	-	-	-	-	-	-
e)	Subsidiaries/ Joint Ventures	-	-	-	-	-	-	-	-	-	-
f)	Others	13,602.00	10,681.72	-	-	-	-	-	-	13,602.00	10,681.72
g)	Provision held towards depreciation	-	-	-	-	-	-	-	-	-	-
	Total	14,407.49	11,932.10	-	-	-	-	-	-	14,252.00	11,932.10

**d) Repo transactions (in face value terms)**

**F.Y. 2021-22**

(Rs. in Lakhs)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31
i) Securities sold under repo				
a) Government securities	-	-	-	-
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-
ii) Securities purchased under reverse repo				
a) Government securities	100.00	6,400.00	1,202.00	6,400.00
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-

**F.Y. 2020-21**

(Rs. in Lakhs)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31
i) Securities sold under repo				
a) Government securities	-	-	-	-
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-
ii) Securities purchased under reverse repo				
a) Government securities	-	-	-	-
b) Corporate debt securities	-	-	-	-
c) Any other securities	-	-	-	-

**4. Asset quality**

**a) Classification of advances and provisions held**



As at 31-03-2022

(Rs. in Lakhs)

Particulars	Standard	Non-Performing			Total Non-Performing Advances	Total
		Sub- standard	Doubtful	Loss		
Gross Standard Advances and NPAs						
Opening Balance	128,493.97	10,323.01	2,837.23	5.65	13,165.89	141,659.86
Add: Additions during the year	-	-	-	-	2,508.08	-
Less: Reductions during the year	-	-	-	-	6,442.32	-
Closing balance	134,957.17	2,377.85	6,848.69	5.12	9,231.65	144,188.83
Reductions in Gross NPAs due to:						
i) Upgradation/Recoveries	-	-	-	-	6,442.32	-
ii) Technical/ Prudential Write-offs	-	-	-	-	-	-
iii) Write-offs other than those under (ii) above	-	-	-	-	-	-
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	668.00	1,032.30	731.68	5.65	1,941.37	2,609.37
Add: Fresh provisions made during the year	-	-	-	-	150.00	-
Less: Excess provision reversed/ Write-off loans	-	-	-	-	199.06	-
Closing balance of provisions held	668.00	237.79	1,649.40	5.12	1,892.31	2,560.31
Net NPAs						
Opening Balance	-	9,290.71	2,105.55	-	11,224.52	-
Add: Fresh additions during the year	-	-	-	-	[3,885.18]	-
Less: Reductions during the year	-	-	-	-	-	-
Closing Balance	-	2,140.06	5,199.29	-	7,339.34	-
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts	-	-	-	-	1,367.94	1,367.94
Add: Technical/ Prudential write-offs during the year	-	-	-	-	-	-
Less: Recoveries made from previously technical/ prudential written-off accounts during the year	-	-	-	-	2.25	2.25
Closing balance	-	-	-	-	1,365.69	1,365.69

As at 31-03-2021

(Rs. in Lakhs)

Particulars	Standard	Non-Performing			Total Non-Performing Advances	Total
		Sub- standard	Doubtful	Loss		
Gross Standard Advances and NPAs						
Opening Balance	124,272.73	2,259.20	920.59	4.43	3,184.22	127,456.95
Add: Additions during the year	-	-	-	-	12,829.11	-
Less: Reductions during the year	-	-	-	-	2,847.44	-
Closing balance	128,493.97	10,323.01	2,837.23	5.65	13,165.89	141,659.86
Reductions in Gross NPAs due to:						
i) Upgradation/Recoveries	-	-	-	-	2,847.44	-
ii) Technical/ Prudential Write-offs	-	-	-	-	-	-
iii) Write-offs other than those under (ii) above	-	-	-	-	-	-
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	668.00	225.92	359.81	4.43	590.16	1,258.16
Add: Fresh provisions made during the year	-	-	-	-	1,670.00	1,670.00
Less: Excess provision reversed/ Write-off loans	-	-	-	-	318.79	318.79
Closing balance of provisions held	668.00	1,032.30	903.42	5.65	1,941.37	2,609.37
Net NPAs						
Opening Balance	-	2,033.28	560.78	-	2,594.06	-
Add: Fresh additions during the year	-	-	-	-	8,630.46	-
Less: Reductions during the year	-	-	-	-	-	-
Closing Balance	-	9,290.71	1,933.81	-	11,224.52	-
Technical write-offs and the recoveries made thereon						
Opening balance of Technical/ Prudential written-off accounts	-	-	-	-	1,245.90	1,245.90

Add: Technical/ Prudential write-offs during the year	-	-	-	-	122.10	122.10
Less: Recoveries made from previous technical/ prudential written-off accounts during the year	-	-	-	-	0.06	0.06
Closing balance	-	-	-	-	1,367.94	1,367.94

Ratios %		FY 2021-22	FY 2020-21
Gross NPA to Gross Advances		6.40%	9.29%
Net NPA to Net Advances		5.16%	8.03%
Provision coverage ratio		20.50%	14.75%

**b) Sector-wise Advances and Gross NPAs**

(Rs. in Lakhs)

Sr. No.	Sector	FY 2021-22			FY 2020-21		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
<b>i) Priority Sector</b>							
a)	Agriculture and allied activities	2,485.00	-	0.00%	2,797.00	-	0.00%
b)	Advances to industries sector eligible as priority sector lending	21,468.00	1,929.00	8.99%	20,702.00	1,585.00	7.66%
c)	Services	15,832.00	273.00	1.72%	3,222.00	173.00	5.37%
d)	Personal loans	14,722.00	894.00	6.07%	12,008.00	666.00	5.55%
	<b>Subtotal (i)</b>	<b>54,507.00</b>	<b>3,096.00</b>	<b>5.68%</b>	<b>38,729.00</b>	<b>2,424.00</b>	<b>6.26%</b>
<b>ii) Non-priority Sector</b>							
a)	Agriculture and allied activities	-	-	0.00%	-	-	0.00%
b)	Industry	634.00	-	0.00%	1,115.00	-	0.00%
c)	Services	54,207.00	5,025.00	9.27%	67,370.00	9,833.00	14.60%
d)	Personal loans	34,840.00	1,111.00	3.19%	34,445.00	909.00	2.64%
	<b>Sub-total (ii)</b>	<b>89,681.00</b>	<b>6,136.00</b>	<b>6.84%</b>	<b>102,930.00</b>	<b>10,742.00</b>	<b>10.44%</b>
	<b>Total (i + ii)</b>	<b>144,188.00</b>	<b>9,232.00</b>	<b>6.40%</b>	<b>141,659.00</b>	<b>13,166.00</b>	<b>9.29%</b>

**c) Particulars of resolution plan and restructuring**

**i) Details of accounts subjected to restructuring**

(Rs. in Lakhs)

		Agriculture and allied activities		Corporates (excluding MSME)		Micro, Small and Medium Enterprises (MSME)		Retail (excluding agriculture and MSME)		Total	
		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Standard	Number of borrowers	-	-	2	4	2	-	1	-	5	4
	Gross Amount (Rs. Lakh)	-	-	932.82	2,610.11	2,044.92	-	166.77	-	3,144.51	2,610.11
	Provision held (Rs. Lakh)	-	-	-	13.45	-	-	-	-	-	13.45
Sub-standard	Number of borrowers	-	-	1	-	-	-	-	-	1	-
	Gross Amount (Rs. Lakh)	-	-	1,200.00	-	-	-	-	-	1,200.00	-
	Provision held (Rs. Lakh)	-	-	16.84	-	-	-	-	-	16.84	-
Doubtful	Number of borrowers	-	-	-	-	1	-	-	-	1	-
	Gross Amount (Rs. Lakh)	-	-	-	-	968.56	-	-	-	968.56	-
	Provision held (Rs. Lakh)	-	-	-	-	5.45	-	-	-	5.45	-
Total	Number of borrowers	-	-	3	4	3	-	1	-	7	4



	Gross Amount (Rs. Lakh)	-	-	2,132.82	2,610.11	3,013.48	-	166.77	-	5,313.07	2,610.11
	Provision held (Rs. Lakh)	-	-	16.84	13.45	5.45	-	-	-	22.29	13.45

**d) Disclosure of transfer of loan exposures**

**Details of stressed loans (NPA) transferred during the year**

(Rs. in Lakhs)

	To ARCs		To permitted transferees		To other transferees (please specify)	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
No: of accounts	9	4	-	-	-	-
Aggregate principal outstanding of loans transferred	3,673.79	1,966.86	-	-	-	-
Weighted average residual tenure of the loans transferred	-	-	-	-	-	-
Net book value of loans transferred (at the time of transfer)	3,814.86	2,099.72	-	-	-	-
Aggregate consideration	3,900.00	2,002.00	-	-	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

Note :- The above data also includes Standard Asset transferred to ARC.

**e) Fraud accounts**

(Rs. in Lakhs)

	FY 2021-22	FY 2020-21
Number of frauds reported	22	32
Amount involved in fraud (Rs. Lakh)	9.63	12.00
Amount of provision made for such frauds (Rs. Lakh)	-	5.93
Amount of Unamortised provision debited from 'other reserves' as at the end of the year (Rs. Lakh)	-	-

**f) Disclosure under Resolution Framework for COVID-19-related Stress**

**i) For the half year ended 31-03-2022**

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half- year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	-	-	-	-	1,101.06
Corporate persons	-	-	-	-	1,863.62
Of which MSMEs	-	-	-	-	1,863.62
Others	-	-	-	-	-
Total	-	-	-	-	2,964.68

**ii) For the half year ended 30-09-2021**

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half- year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half- year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	-	-	-	-	-
Corporate persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

**5. Exposures**

**a) Exposure to real estate sector**

(Rs. in Lakhs)

Category	FY 2021-22	FY 2020-21
<b>i) Direct exposure</b>		
a) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans eligible for inclusion in priority sector advances shall be shown separately. Exposure would also include non-fund based (NFB) limits.	18,422.86	14,845.52
b) Commercial Real Estate - Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	19,511.16	14,080.06
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -	-	-
i. Residential		
ii. Commercial Real Estate		
<b>ii) Indirect Exposure</b>		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>37,934.02</b>	<b>28,925.58</b>

**b) Exposure to capital market**

(Rs. in Lakhs)

Particulars	FY 2021-22	FY 2020-21
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	2.09	1.76
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
Total exposure to capital market	2.09	1.76

**c) Unsecured advances**

(Rs. in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Total unsecured advances of the bank	2,820.48	2,998.72
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	-	-
Estimated value of such intangible securities	-	-

**6. Concentration of deposits, advances, exposures and NPAs**

**a) Concentration of deposits**

(Rs. in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Total deposits of the twenty largest depositors	13,006.28	17,343.54
Percentage of deposits of twenty largest depositors to total deposits of the bank	5.34%	7.02%

**b) Concentration of advances**

(Rs. in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Total advances to the twenty largest borrowers	32,974.09	36,995.10
Percentage of advances to twenty largest borrowers to total advances of the bank	22.87%	26.12%





**c) Concentration of exposures**

(Rs. in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Total exposure to the twenty largest borrowers/customers	32,974.09	36,995.10
Percentage of exposures to the twenty largest borrowers/ customers to the total exposure of the bank on borrowers/ customers	22.74%	25.89%

**d) Concentration of NPAs**

(Rs. in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Total Exposure to the top twenty NPA accounts	6,937.42	10,956.91
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	75.15%	83.22%

**7. Transfer to Depositor Education and Awareness Fund (DEA Fund)**

(Rs. in Lakhs)

Sr. No.	Particulars	FY 2021-22	FY 2020-21
i)	Opening balance of amounts transferred to DEA Fund	1,858.41	1,664.94
ii)	Add: Amounts transferred to DEA Fund during the year	219.61	212.70
iii)	Less: Amounts reimbursed by DEA Fund towards claims	23.86	19.24
iv)	Closing balance of amounts transferred to DEA Fund	2,054.15	1,858.41

**8. Disclosure of complaints**

**a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman**

Sr. No	Particulars	FY 2021-22	FY 2020-21
	Complaints received by the bank from its customers		
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	32	40
3	Number of complaints disposed during the year	32	40
	3.1 Of which, number of complaints rejected by the bank	-	-
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the bank from Office of Ombudsman		
5	Number of maintainable complaints received by the bank from Office of Ombudsman	14	22
	5.1 Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	14	22
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.

**b) Top five grounds of complaints received by the bank from customers**

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
FY 2021-22					
Ground 1 - POS AND ATM RELATED	-	11	22.22%	-	-
Ground 2 - CHARGES REVERSAL RELATED	-	8	-27.27%	-	-
Ground 3 - BRANCH SERVICE	-	5	-58.33%	-	-
Ground 4 - PMAY CLSS SUBSIDY	-	4	-20.00%	-	-
Ground 5 - FD RELATED ISSUES	-	3	-66.67%	-	-
Others	-	15	-6.25%	-	-
Total		46			
FY 2020-21					
Ground 1 - POS AND ATM RELATED	-	9	-	-	-
Ground 2 - CHARGES REVERSAL RELATED	-	11	-	-	-

Ground 3 - BRANCH SERVICE	-	12	-	-	-
Ground 4 - PMAY CLSS SUBSIDY	-	5	-	-	-
Ground 5 - FD RELATED ISSUES	-	9	-	-	-
Others	-	16	-	-	-
Total		62			

**9. Disclosure of penalties imposed by the Reserve Bank of India**

(Rs. in Lakhs)

Sr. No.	Nature of Breach	FY 2021-22		FY 2020-21	
		Number of instances of Default	Amount in Lakhs	Number of instances of Default	Amount in Lakh
1	Non-compliance with directions issued by RBI contained in the circular on "Frauds in UCBS: Changes in monitoring and reporting mechanism" during May 19, 2016 pertaining to FY 2018-19.	1	25.00	-	-

**10. Other Disclosures**

**a) Business ratios**

Sr. No	Particulars	FY 2021-22	FY 2020-21
i)	Interest Income as a percentage to Working Funds	6.28%	6.79%
ii)	Non-interest income as a percentage to Working Funds	0.70%	1.18%
iii)	Cost of Deposits	4.52%	5.38%
iv)	Net Interest Margin	2.54%	2.18%
v)	Operating Profit as a percentage to Working Funds	0.46%	0.34%
vi)	Return on Assets	0.09%	-0.22%
vii)	Business (deposits plus advances) per employee 36 (Rs. in Lakh)	1,337.67	1,326.89
viii)	Profit per employee (Rs. in Lakh)	0.85	-2.10

**b) Bancassurance business**

(Rs. in Lakhs)

Sr. No.	Particulars	FY 2021-22	FY 2020-21
i)	For selling Life Insurance Policies	67.33	43.94
ii)	For selling Non Life Insurance Policies	7.30	3.94
iii)	For selling Mutual Fund Products	5.00	4.05
iv)	Others (Specify)	-	-

**c) Provisions and contingencies**

(Rs. in Lakhs)

Sr. No	Provision debited/credited to Profit and Loss Account	FY 2021-22	FY 2020-21
i)	Provisions for NPI	168.11	380.00
ii)	Provision towards NPA	150.00	1,400.00
iii)	Provision made towards Income tax		
	Current Year Tax	-	-
	Deferred Tax	11.70	(493.62)
	Earlier Tax	0.49	-
iv)	Provision for Restructure Advances	(28.35)	13.45
v)	Provision for Restructure Advances (Covid 19)	296.50	-
vi)	Provision for Investments	0.83	183.42
vii)	Special General Provision written back	-	(35.00)
	Total	599.28	1,448.25

**d) Payment of DICGC Insurance Premium**

(Rs. in Lakhs)

Sr. No	Particulars	FY 2021-22	FY 2020-21
i)	Payment of DICGC Insurance Premium	320.12	310.09
ii)	Arrears in payment of DICGC premium	-	-

**e) Disclosure of facilities granted to directors and their relatives**

(Rs. in Lakhs)

Sr. No	Particulars	FY 2021-22	FY 2020-21
i)	Fund Based	216.44	-
ii)	Non- Fund Based	-	-



## ANNEXURE - A

Name of the Bank	: New India Co-operative Bank Ltd.
Administrative Office Address	: Mahesh Residency, Tandice Building, M.G. Road, Dahanukar Wadi, Kandivali West, Mumbai 400 067.
Date of Registration	: BOM/BNK/106 dated 21st November 1967
Date & No. of RBI License	: ACD.MH.4-P dated 6th December 1967
Jurisdiction	: The area of operation of the Bank is entire Union of India.

		(Rs. in Lakhs)
<b>ITEM</b>		<b>As on 31st March, 2022</b>
No. of Branches		30
SHAREHOLDERS	Regular	4,813
	Nominal	2,565
Paid-up Share Capital		Rs. 1,329.93
Total Reserve Funds		Rs. 25,181.47
DEPOSITS	Savings	Rs. 70,063.15
	Current	Rs. 11,564.64
	Fixed / Short Term	Rs. 1,62,107.66
ADVANCES	Secured	Rs. 1,41,380.43
	Unsecured	Rs. 2,808.40
	Total % of Priority Sector	32.96 %
	Total % of Weaker Sections	0.49 %
BORROWINGS	D.C.C. / APEX	NIL
	M.S.C.	NIL
	Others	NIL
INVESTMENTS	D.C.C. / APEX	NIL
	M.S.C.	NIL
	Others	Rs. 1,34,744.71
Overdue %		5.28 %
Profit/Loss for the year		Rs. 246.23
Total Staff		290
Working Capital		Rs. 3,34,006.92

**NEW INDIA CO-OPERATIVE BANK LIMITED - AMENDMENT TO BYE-LAWS**

<b>Bye-Law No.</b>	<b>Text of Present Bye-Law</b>	<b>Proposed Amendment to Bye-Law</b>
<b>5</b>	<b>OBJECTS &amp; FUNCTIONS</b>	<b>OBJECTS &amp; FUNCTIONS</b>
	<p>a) Objects:</p> <p>i) The principal object of the Bank will be to promote the interests of all its members to attain their social and economic betterment through self-help and mutual aid in accordance with the Co-operative principles.</p> <p>ii) To encourage thrift, self-help and co-operation among members and to provide products and services to its members.</p> <p>iii) To accept deposits of money from the public, repayable on demand or otherwise and withdrawable by cheque, draft order or otherwise.</p> <p>iv) To borrow or raise money.</p> <p>v) To lend or to advance money either upon or without security to members and others as permitted by the Reserve Bank of India.</p> <p>vi) To draw, make, accept, discount, buy, sell, collect and deal in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts warrants, certificates, scrips and other instruments and other securities whether transferable or negotiable or not.</p> <p>vii) To grant and issue letters of credit, traveller'scheques and circular notes.</p> <p>viii) To buy and to sell foreign exchange including foreign notes.</p> <p>ix) To acquire, to hold, to issue on commission, to underwrite and to deal in stocks, funds, shares, debentures, debenture stocks, bonds, obligations, securities and investments of all kinds.</p> <p>x) To receive all kinds of bonds, scrips, valuables on deposit or for safe custody or otherwise.</p> <p>xi) To provide safe deposit vaults and ancillary services.</p> <p>xii) To collect and transmit money and securities.</p> <p>xiii) To negotiate loans and advances.</p> <p>xiv) To carry on and to transact every kind of guarantee and indemnity business on behalf of constituents</p> <p>xv) To acquire, to construct, to maintain and to alter any building or works necessary or convenient for the purpose of the Bank.</p> <p>xvi) To manage, to sell and to realize any property which may come into the possession of the in satisfaction or part satisfaction of any of its claims.</p> <p>xvii) To open branches and pay offices, with the permission of the Reserve Bank of India within the area of operation of the Bank so as to provide Banking services to the public.</p> <p>xviii) To acquire, to manage and to undertake the whole or part of the business of any other Co-operative society with the prior permission of the Central Registrar.</p> <p>xix) To establish, to support or to aid in establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit members, employees/ex-employees of the Bank or the dependants or connections of such persons and to grant pensions.</p> <p>xx) To prepare and to finance schemes for amelioration of the financial condition of the members.</p> <p>xii) To collect and transmit money and securities.</p>	<p>a) Objects:</p> <p>i) The principal object of the Bank will be to promote the interests of all its members to attain their social and economic betterment through self-help and mutual aid in accordance with the Co-operative principles.</p> <p>ii) To encourage thrift, self-help and co-operation among members and to provide products and services to its members.</p> <p>iii) To accept deposits of money from the public, repayable on demand or otherwise and withdrawable by cheque, draft order or otherwise.</p> <p>iv) To borrow or raise money.</p> <p>v) To lend or to advance money either upon or without security to members and others as permitted by the Reserve Bank of India.</p> <p>vi) To draw, make, accept, discount, buy, sell, collect and deal in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts warrants, certificates, scrips and other instruments and other securities whether transferable or negotiable or not.</p> <p>vii) To grant and issue letters of credit, traveller'scheques and circular notes.</p> <p>viii) To buy and to sell foreign exchange including foreign notes.</p> <p>ix) To acquire, to hold, to issue on commission, to underwrite and to deal in stocks, funds, shares, debentures, debenture stocks, bonds, obligations, securities and investments of all kinds.</p> <p>x) To receive all kinds of bonds, scrips, valuables on deposit or for safe custody or otherwise.</p> <p>xi) To provide safe deposit vaults and ancillary services.</p> <p>xii) To collect and transmit money and securities.</p> <p>xiii) To negotiate loans and advances.</p> <p>xiv) To carry on and to transact every kind of guarantee and indemnity business on behalf of constituents.</p> <p>xv) To acquire, to construct, to maintain and to alter any building or works necessary or convenient for the purpose of the Bank.</p> <p>xvi) To manage, to sell and to realize any property which may come into the possession of the in satisfaction or part satisfaction of any of its claims.</p> <p>xvii) To open branches and pay offices, with the permission of the Reserve Bank of India within the area of operation of the Bank so as to provide Banking services to the public.</p> <p>xviii) To acquire, to manage and to undertake the whole or part of the business of any other Co-operative society with the prior permission of the Central Registrar.</p> <p>xix) To establish, to support or to aid in establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit members, employees/ex-employees of the Bank or the dependants or connections of such persons and to grant pensions.</p> <p>xx) To prepare and to finance schemes for amelioration of the financial condition of the members.</p> <p>xii) To collect and transmit money and securities.</p>

Bye-Law No.	Text of Present Bye-Law	Proposed Amendment to Bye-Law
	<p>xxi) To provide financial and technical assistance to Small Scale and Cottage Industries and to help self-employed persons for setting up their own business.</p> <p>xxii) To enter into participation, consortium arrangement/arrangements with any other Bank or Banks or financial institutions with the object of making loans and advances with the permission of the Reserve Bank of India wherever necessary.</p> <p>xxiii) To do any other form of business as specified in clause (1) of Section 6 of the Banking Regulation Act, 1949 [as applicable to Co-operative societies].</p> <p>xxiv) To act as agents for collection of monies of various Government, quasi-Government and Statutory Bodies.</p> <p>xxv) To grant loans to Co-operative Housing Societies for temporary period pending reimbursement from the Maharashtra Co-operative Housing Finance Society Ltd., L.I.C., Government, Semi-Government, Institutions or other financing agencies with the prior permission of the Central Registrar and/or to grant loans to such societies on permanent basis as may be permitted by the Reserve Bank of India and the Central Registrar.</p> <p>xxvi) To undertake any other form of business which the Central or State Government may specify as a form of business in which it is lawful for a Co-operative banking institution to engage.</p> <p>xxvii) To do all such other things as are incidental and conducive to the promotion or advancement of these objects and of the business of the Bank.</p>	<p>xxi) To provide financial and technical assistance to Small Scale and Cottage Industries and to help self-employed persons for setting up their own business</p> <p>xxii) To enter into participation, consortium arrangement/arrangements with any other Bank or Banks or financial institutions with the object of making loans and advances with the permission of the Reserve Bank of India wherever necessary.</p> <p>xxiii) To do any other form of business as specified in clause (1) of Section 6 of the Banking Regulation Act, 1949 [as applicable to Co-operative societies].</p> <p>xxiv) To act as agents for collection of monies of various Government, quasi-Government and Statutory Bodies.</p> <p>xxv) To grant loans to Co-operative Housing Societies for temporary period pending reimbursement from the Maharashtra Co-operative Housing Finance Society Ltd., L.I.C., Government, Semi-Government, Institutions or other financing agencies with the prior permission of the Central Registrar and/or to grant loans to such societies on permanent basis as may be permitted by the Reserve Bank of India and the Central Registrar.</p> <p>xxvi) To undertake any other form of business which the Central or State Government may specify as a form of business in which it is lawful for a Co-operative banking institution to engage.</p> <p>xxvii) To do all such other things as are incidental and conducive to the promotion or advancement of these objects and of the business of the Bank.</p>
	<p><b>b) Functions:</b> In furtherance of the above objects, the Bank may undertake any or all the following activities.</p> <p>i) To do merchant banking.</p> <p>ii) To engage in credit/debit cards business.</p> <p>iii) To act as an insurance agent.</p> <p>iv) Undertaking and executing trusts, undertaking the administration of estates as executor, trustee or otherwise with the previous permission of the Central Registrar.</p> <p><b>v) To promote a subsidiary institution/s. ( to delete )</b></p> <p>vi) Doing all such things as are incidental and conducive to the promotion of advancement of the business of the Bank.</p>	<p><b>b) Functions:</b> In furtherance of the above objects, the Bank may undertake any or all the following activities :</p> <p>i) To do merchant banking.</p> <p>ii) To engage in credit/debit cards business.</p> <p>iii) To act as an insurance agent.</p> <p>iv) Undertaking and executing trusts, undertaking the administration of estates as executor, trustee or otherwise with the previous permission of the Central Registrar.</p> <p>v) Doing all such things as are incidental and conducive to the promotion of advancement of the business of the Bank.</p>
<b>52</b>	<b>DISTRIBUTION OF PROFITS</b>	<b>DISTRIBUTION OF PROFITS</b>
	<p>a) Subject to the provisions of the Act and Rules framed thereunder, the net profits of a Multi-state Co-operative Bank shall be distributed by the General Body as follows :</p> <p>i) Transfer at least 25% of net profit to the reserve fund.</p> <p>ii) Credit one percent of its net profit to the Co-operative education fund maintained by the National Co-operative Union of India.</p> <p>iii) An amount of at least 10% of the net profit shall be transferred to the reserve fund for meeting unforeseen losses.</p> <p>b) The balance of the net profit may be utilised for all or any of the following purposes :</p> <p>i) Payment of dividend to members on their paid up capital at the rate not exceeding 15%.</p>	<p>a) Subject to the provisions of the Act and Rules framed thereunder, the net profits of a Multi-state Co-operative Bank shall be distributed by the General Body as follows :</p> <p>i) Transfer at least 25% of net profit to the reserve fund.</p> <p>ii) Credit one percent of its net profit to the Co-operative education fund maintained by the National Co-operative Union of India.</p> <p>iii) An amount of at least 10% of the net profit shall be transferred to the reserve fund for meeting unforeseen losses.</p> <p>b) The balance of the net profit may be utilised for all or any of the following purposes :</p> <p>i) Payment of dividend to members on their paid up capital at the rate not exceeding 15%.</p>

Bye-Law No.	Text of Present Bye-Law	Proposed Amendment to Bye-Law
	<ul style="list-style-type: none"> <li>ii) Contribution to the education fund at the rate of 5% or more and not exceeding 10%. The fund may be utilised for the education and training of members, directors and employees as approved by the Board of Directors.</li> <li>iii) Donation for the development of the Co-operative movement or charitable purpose as defined in Section 2 of the Charitable Endowment Act, 1890 not exceeding <b>5%. ( to change % )</b></li> <li>iv) Payment of ex-gratia amount to employees as approved by the Board of Directors.</li> <li>v) The remaining net profit if any shall be added to the reserve fund.</li> </ul>	<ul style="list-style-type: none"> <li>ii) Contribution to the education fund at the rate of 5% or more and not exceeding 10%. The fund may be utilised for the education and training of members, directors and employees as approved by the Board of Directors.</li> <li>iii) Donation for the development of the Co-operative movement or charitable purpose as defined in Section 2 of the Charitable Endowment Act, 1890 not exceeding <b>1%</b>.</li> <li>iv) Payment of ex-gratia amount to employees as approved by the Board of Directors.</li> <li>v) The remaining net profit if any shall be added to the reserve fund.</li> </ul>
<b>56</b>	<b>AUDIT</b>	<b>AUDIT</b>
	<p>The accounts of the Bank shall be audited by an auditor appointed from the panel of auditors approved by the Central Registrar or from a panel of auditors, if any, prepared by the Bank at least once in each year and remuneration of auditors shall be fixed by the Central Registrar or the Bank as the case may be. Appointment of auditor and his remuneration shall be approved by the General Body Meeting.</p>	<p>The accounts of the Bank shall be audited by an auditor appointed from the panel of auditors approved by the Central Registrar or from a panel of auditors, if any, prepared by the Bank at least once in each year.</p> <p><b>The appointment of the auditor will be done with approval of the Reserve Bank of India.</b> The remuneration of the auditor will be decided by the Board.</p>
<b>62</b>	<b>INVESTMENT OF FUNDS</b>	<b>INVESTMENT OF FUNDS</b>
	<p><b>The Bank may invest or deposit its funds in :</b></p> <ul style="list-style-type: none"> <li>i) <b>In a Scheduled Urban Co-operative Bank, State Co-operative Bank, Co-operative Land Development Bank or Central Co-operative Bank or ( to delete )</b></li> <li>ii) In any of the securities specified in Section 20 of the Indian Trusts Act, 1882 (2 of 1882) or</li> <li>iii) In the shares or securities of any other multi state co-operative society or any co-operative society; or</li> <li>iv) In the shares, securities or assets of a subsidiary institution; or</li> <li>v) With any other Bank or</li> <li>vi) In such other mode as may be permitted by R.B.I. and or as provided in the bye-laws.</li> </ul>	<p><b>The Bank may invest or deposit its funds in :</b></p> <ul style="list-style-type: none"> <li>i) In any of the securities specified in Section 20 of the Indian Trusts Act, 1882 (2 of 1882) or</li> <li>ii) In the shares or securities of any other multi state co-operative society or any co-operative society; or</li> <li>iii) In the shares, securities or assets of a subsidiary institution; or</li> <li>iv) With any other Bank or</li> <li>v) In such other mode as may be permitted by R.B.I. and or as provided in the bye-laws.</li> </ul>



## Branches

### Maharashtra State

#### Mumbai

Andheri (E)	: Kalpita Enclave, Andheri - Sahar Road, Andheri (E), Mumbai – 400 069.
Andheri (W)	: Crystal Plaza, New Link Road, Andheri (W), Mumbai – 400 058.
Bandra	: Kohli House, 32nd Road, TPS III, Bandra (W), Mumbai – 400 050.
Borivali	: Kalpana Apts., Punjabi Lane, Borivali (W), Mumbai – 400 092.
Chembur	: Akshay Apts., 10th Road, Chembur, Mumbai – 400 071.
Ghatkopar	: V.C.Gurukul High School, Derasar Lane, Ghatkopar (E), Mumbai – 400 077.
Girgaum	: Nikko House, V. P. Road, Opp. Congress House, Mumbai – 400 004
Goregaon	: Hirnen Shopping Centre, M.G. Road, Goregaon (W), Mumbai – 400 062.
Kandivali (W)	: Shivam CHS Ltd., Near Charkop Village, Kandivali (W), Mumbai – 400 067.
Mahavir Nagar	: Gangotri Yamnotri Bldg., Mahavir Nagar, Kandivali (W), Mumbai- 400 067.
Malad (E)	: Temple View - I, Raheja Township, Malad (E), Mumbai – 400 097.
Malad (W)	: 37, Jimmit Apts., Marve Road, Malad (W), Mumbai – 400 064.
Mulund (E)	: Gurujyot, Mahatma Phule Road, Mulund (E), Mumbai – 400 081.
Mulund (W)	: Golden Willows, Vasant Garden, Off. LBS Road, Mulund (W), Mumbai - 400 080.
Nariman Point	: 3, Ground Floor, Tulsiani Chambers, Nariman Point, Mumbai - 400 021.
Santacruz	: Adarsh Apts., Golibar Road, Santacruz (E), Mumbai – 400 055.
Santacruz – Arun Society	: Santacruz Arun CHS Ltd., 6th Road, Santacruz (E), Mumbai – 400 055.
Versova	: Amit Nagar, Yari Road, Versova , Mumbai – 400 061.

#### Thane & Palghar Dist.

Majiwade	: Amrapali Arcade, Vasant Vihar, 2nd Pokharan Road, Majiwade, Thane (W) - 400 610.
Panchpakhadi	: Shreeji Ville, Almeida Road, Panchpakhadi , Thane (W) – 400 601.
Mira Road -Shanti Nagar	: B-42/43, Sector – 1, Shantinagar, Mira Road (E), Dist. Thane – 401 107.
Mira Road -Poonam Garden	: Unique Heights, Poonam Garden, Mira Road (E), Dist. Thane – 401 107.
Mira Road – Shanti Park	: G-4, Poonam Residency, Shanti Park, Mira Road (E), Dist. Thane – 401 107.
Vasai	: Sarojini Apts., Par Naka, Vasai (W), Dist. Palghar - 401 201.
Virar	: Bayabai Shopping Centre, Agashi Road, Virar (W), Dist. Palghar - 401 303.

#### Navi Mumbai

Nerul	: Riddhi Siddhi Bldg., Sector – 20, Station Road, Nerul (W), Navi Mumbai - 400 706.
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#### Pune

Bibwewadi	: Gagan Samruddhi, Bibwewadi-Kondhwa Road, Market Yard, Pune – 411 037.
Wakad	: Shop Nos. 1 to 4, Navdeep, Hissa No.1, Wakad, Taluka Mulshi, Pune – 411 057.

#### Gujarat State

#### Surat

Ring Road	: Annapurna Market, Kamela Darwaja, Ring Road, Surat – 395 003.
Varachha Road	: Ground Floor, CTC Tower, Varachha Main Road, Surat – 395 006.

Website : [www.newindiabank.in](http://www.newindiabank.in)

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