

'Any team can be a miracle team,
but you have to go out and do
hardwork for your miracles.'

32nd

Annual Report
2011-2012



Estd. 24.11.1980
Raj Bank

The Co-Operative Bank of Rajkot Ltd.

Multi State Co-Operative Bank



બેંકના AGM શ્રી ભૂપેન્દ્રભાઈ વેકરીયાની નિવૃત્તિ પ્રસંગે ચોજેલ વિદાય સમારંભમાં સ્મૃતિ ચિન્હ અર્પણ કરતાં બેંકના MD શ્રી રમણીકભાઈ ધામી તા. ૪-૫-૨૦૧૧



બેંકના કર્મચારી મોહનલાલ પટેલની નિવૃત્તિ વિદાય પ્રસંગ તા. ૩૧-૫-૨૦૧૧



બેંક આયોજીત ઇન્કમેટેક્સ સેમિનાર ઉદ્ઘાટન સમારોહ પ્રસંગે બેંકના ચેરમેનશ્રી મધુસુદનભાઈ ઠોંગા સાથે શ્રી કમલ ધામી, શ્રી નવિન દવે, શ્રી કૃષ્ણકાંત ધોળકીયા તથા શ્રી આર.સી. દોશી તા. ૩૦-૬-૨૦૧૧



બેંકની ૨૧મી ડાહોર શાખા ઉદ્ઘાટન પ્રસંગે દીપ પ્રાગટ્ય કરી રહેલ CEO શ્રી સત્યપ્રકાશ ખોખરા તા. ૧૦-૧૦-૨૦૧૧



બેંકના ડેપ્યુટી જનરલ મેનેજરશ્રી દિપકભાઈ મહેતાને નિવૃત્તિ પ્રસંગે સ્મૃતિ ચિન્હ અર્પણ કરી રહેલા શ્રી કમલ ધામી તા. ૧૬-૧૧-૨૦૧૧



બેંકની ૨૨મી ચાવલ શાખાનું ઉદ્ઘાટન કરી રહેલા અધિકારીગણશ્રીઓ તા. ૯-૧-૨૦૧૨



Know Your Bank

M.S.C.S. Regi. No. :	MSCS/CP/450/2011 Dt. 31.10.2011	Multistate Status :	31.10.2011
RBI Licence No. :	ACD. GJ. 219.P Dt. 12.08.1980	Bank Code No. :	213
P. A. No. :	AAAAT2423R	S. T. Regi. No. :	AAAAT2423RST001
OSS Code No. :	08672901	TAN No. :	RKTT00213D
Chairman :	Madhusudan Donga	Appointment Dt. :	22.04.2012
Vice Chairman :	Naresh Patel	Appointment Dt. :	22.04.2012
Name of GM & CEO :	Satyaprakash Khokhara	Appointment Dt. :	01.06.2000
Phone No. :	[0281] 2233155, 2234454	Fax No. :	[0281] 2236682
E-mail :	rajbank@yahoo.com	DICGC Code No. :	43106 [F-G / 284]
Registered Office :	"Sahakar Sarita", Panchnath Road, Rajkot-360 001. (Gujarat). www.rajbank.net		

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Concurrent Auditors

S P Nathwani & Associates
Chartered Accountants

Harsh H. Thaker
Chartered Accountant

Statutory Auditors

N. Dedania Associates
Chartered Accountants

S P Mehta & Co.
Chartered Accountants

Dhruvi Buddhadev
Chartered Accountant

Internal Auditor :
Somnath Pal - CAIIB



22 Branches

Branch Network

11 ATMs

Panchnath Road

'Sahakar Sarita', Panchnath Road, Rajkot-1.
Ph. : 0281 - 2234454, 2224120
RBI Licence No. ACD.GJ.219. P. Dt. 12-08-1980



← 1

12 ⇌

Naranpura

2, Amarnath Society, Naranpura Char Rasta,
Ahmedabad-380 013 Ph. : 079 - 27681234
RBI Licence No. UBD. AH/661 Dt. 02-04-2007

Gandhigram

'Sahakar Dhara', Dharam Nagar Main Road,
150 Ft. Ring Road, Rajkot-7. Ph. : 0281 - 2575261
RBI Licence No. UBD.BL 1937 Dt. 26-10-1987



← 2

13 ⇌

Maninagar

2, Mihir Tower, Uttam Nagar, Opp. Bus Stop,
Ahmedabad-380 008. Ph. : 079 - 25462566
RBI Licence No. UBD. AH/662 Dt. 02-04-2007

Saurashtra University Road

'Sahakar Saurabh', Saurashtra Uni. Road, Rajkot-5.
Ph. : 0281 - 2573600, 2573601
RBI Licence No. UBD. AH-4 Dt. 12-08-1992



← 3

14 ⇌

K K Nagar

31, Vidhata Society, Opp. K K Nagar, Ghatlodiya Road,
Ahmedabad-380 061 Ph. : 079 - 27601987
RBI Licence No. UBD. AH/663 Dt. 02-04-2007

Jasdan

Chitalia Kuva Road, Jasdan - 360 050.
Ph. : 02821 - 220830
RBI Licence No. UBD. AH/95 Dt. 09-08-1994

← 4

15 ⇌

Jamnagar

Shwetketu, Summair Club Road, Near S. T. Depo,
Jamnagar-361 005 Ph. : 0288 - 2661622, 2661633
RBI Licence No. UBD. AH/728 Dt. 10-9-2009

Morvi

'Sahakar Sadan', Ravapar Road,
Morvi-363 641. Ph. : 02822 - 230920
RBI Licence No. UBD. AH/96 Dt. 09-08-1994



← 5

16 ⇌

Mavdi Chowkdi

Mavdi Chowkdi, Opp. Jitriya Hanuman Temple,
150 Ft. Ring Road, Rajkot-4. Ph. : 0281 - 2364300
RBI Licence No. UBD. AH/665 Dt. 02-04-2007

Jetpur

'Sahakar Deep', Kanakia Plot,
Jetpur-360 370. Ph. : 02823 - 223151
RBI Licence No. UBD. AH/94 Dt. 09-08-1994

← 6

17 ⇌

Surendranagar

Mega Mall, Bus Stand Road,
Surendranagar-363 002 Ph. : 02752 - 230401, 238401
RBI Licence No. UBD. AH/695 Dt. 13-08-2008

Upleta

Raj Marg, Uplete-360 490
Ph. : 02826 - 222955
RBI Licence No. UBD. AH/334 Dt. 19-06-1997



← 7

18 ⇌

Vaso

Main Bazar, Vaso (Kheda)
Ph. : 0268 - 2585427
RBI Licence No. UBD.AH/753 Dt. 04-10-2010

Gondal

Opp. Circuit House, Gondal-360 311.
Ph. : 02825 - 223143
RBI Licence No. UBD. AH/348 Dt. 25-09-1997

← 8

19 ⇌

Nadiad

Santram Road, Near Glob Cinema,
Nadiad. Ph. : 0268 - 2568294
RBI Licence No. UBD.AH/754 Dt. 04-10-2010

Sahakar Society Area

'Sahakar Jyot', Hasanwadi Main Road,
Nr. Trishul Chowk, Rajkot-2. Ph. : 0281 - 2363536
RBI Licence No. UBD. AH/610 Dt. 10-08-2001



← 9

20 ⇌

Anand

Nagindas Chambers, M. G. Road,
Near Gamdivad, Anand. Ph. : 02692 - 242770
RBI Licence No. UBD.AH/755 Dt. 04-10-2010

Raiya Road

Omkar Tower, Opp. Nirmala School, Rajkot-7.
Ph. : 0281 - 2589494
RBI Licence No. UBD. AH/608 Dt. 28-05-2001



← 10

21 ⇌

Dakor

Laxmiji Road, Near Temple, Dakor-388 225
Dist. Kheda (Gujarat) Ph. : 02699 - 244234
RBI Licence No. UBD.GJ.669P Dt. 28-11-1986

Junagadh

'Sardar Bhavan, Maharshi Arvind Marg,
Junagadh-362 001. Ph. : 0285 - 2621313, 3290427
RBI Licence No. UBD. AH/642 Dt. 28-05-2003



← 11

22 ⇌

Yawal

Yawal Main Road, Near Chawdi Yawal - 425 301
Dist. Jalgaon (Maharashtra) Ph. : 02585 - 261692
RBI Licence No. UBD.AH/783 w.e.f. Dt. 09-01-2012



Board of Directors 2012-2017

1. Madhusudan Donga
2. Naresh Patel

Chairman

Vice Chairman

3. Kiritbhai Kamdar	Director	10. Shashibhai Mehta	Director
4. Manharbhai Shah	Director	11. Muljibhai Chauhan	Director
5. Manubhai Nasit	Director	12. Nilesh Dhruv	Director
6. Chandubhai Pambhar	Director	13. Kamalnayan Sojitra	Director
7. Chandrakantbhai Patel	Director	14. Jagdishbhai Kotadia	Director
8. Dr. Vallabhdas Hirani	Director	15. Sachin Sachde	Director
9. Gopalbhai Karia	Director		

16. Bakulbhai Zalawadia, CA **Professional Director**

17. Bipinchandra Shah, CAIIB-I **Professional Director**

Top Management

Satyaprakash Khokhara
General Manager & CEO

Kamal Dhami
Jt. Managing Director

Ramnikbhai Dhami
Managing Director

Assistant General Managers

Ravji Pansuria
Vinod Sudani
Ketan Shah

Ramnik Boda
Sajjan Patel
Mita Parikh - Manager

Dhirendra Dave
Kanji Viradia

Vishwesh Vaishnav
Sanjiv Virparia

Deputy Managers

Hitesh Joshi
Rajendra Chauhan
Vajubhai Chavda
Suresh Makwana
Narendra Patel
Keshubhai Shekhda
Pravin Gadhavi
Vipul Mehta
Pragna Vaghela
Jayshree Patel

Vinod Siddhapara
Jitendra Solanki
Dipti Parekh
Avni Pujara
Ashwin Kaneria
Kashmira Dalsania
Maheeb Vadivala
Mohan Matta
Dharmendra Pujara
Devendra Parmar

Salome Singh
Mahesh Vadavia
Mukesh Kalavadia
Ketan Bundela
Sachin Vyas
Bina Chauhan
Rasik Jagani
Pratibha Sojitra
Rina Ranparia
Jagdish Dobaria

Mahesh Radadia
Dharmendra Jadeja
Pritesh Chandresa
Divyesh Dudakia
Ramesh Lunagaria
Dipal Patel
Milan Sheth
Bhavesh Babaria
Rita Padariya
Bhavi Trivedi

Area of Operations [In District]

- ◆ Entire Saurashtra & Kutchh ◆ Ahmedabad ◆ Baroda ◆ Kheda ◆ Anand ◆ Mehsana ◆ Gandhinagar ◆
◆ Sabarkantha ◆ Banaskantha ◆ Bharuch ◆ Panchmahal in Gujarat State and Jalgaon in Maharashtra State ◆



**List of Various Committees & their members formed
under Section 53 of MSCS Act 2002
Committees - 2012-2013**

Audit

1. Madhusudan Donga	Chairman
2. Naresh Patel	Member
3. Manubhai Nasit	Member
4. Chandrakantbhai Patel	Member
5. Bipinbhai Zalawadia - C.A.	Member
6. Bipinchandra Shah - CAIIB-I	Member
7. Jagdishbhai Kotadia	Member
8. Ramnikbhai Dhami	M.D.
9. Satyaprakash Khokhara	C.E.O.

Staff

1. Madhusudan Donga	Chairman
2. Naresh Patel	Member
3. Kiritbhai Kamdar	Member
4. Dr. Vallabhbhai Hirani	Member
5. Gopalbhai Karia	Member
6. Shashibhai Mehta	Member
7. Ramnikbhai Dhami	M.D.
8. Satyaprakash Khokhara	C.E.O.

Asset Liabilities

1. Madhusudan Donga	Chairman
2. Naresh Patel	Member
3. Manharlal Shah	Member
4. Chandubhai Pambhar	Member
5. Muljibhai Chauhan	Member
6. Nilesh Dhruv	Member
7. Sachin Sachde	Member
8. Kamal Dhami	Jt. M.D.
9. Satyaprakash Khokhara	C.E.O.

Executive

1. Madhusudan Donga	Chairman
2. Naresh Patel	Member
3. Kiritbhai Kamdar	Member
4. Shashikantbhai Mehta	Member
5. Kamalnayan Sojitra	Member
6. Ramnikbhai Dhami	M.D.
7. Kamal Dhami	Jt. M.D.
8. Satyaprakash Khokhara	C.E.O.
9. Ramnik Boda	AGM
10. Vishwesh Vaishnav	AGM
11. Vinod Sudani	AGM
12. Kanji Viradia	AGM
13. Sajjan Patel	AGM
14. Sanjiv Virparia	AGM
15. Ketan Shah	AGM

Key Financial Indicators [Rs. in Lacs]

Particulars	Projections 2011-2012	Actual 2011-2012	Change in %
Own Funds	17500.00	18577.64	↑ 06.16 %
Deposits	96300.00	102649.69	↑ 06.59 %
Advances	60300.00	54824.36	↓ 09.08 %
Total Business	156600.00	157474.05	↑ 00.56 %
Investments	47500.00	60399.06	↑ 27.16 %
Working Funds	125000.00	122616.89	↓ 01.91 %
Gross Profit	2900.00	2806.85	↓ 03.21 %
CRAR	22.00 %	21.59 %	↓ 00.41 %
C/D Ratio	62.62 %	53.41 %	↓ 09.21 %

32nd Annual General Meeting

Date : 17th June, 2012
Day : Sunday
Time : 9.00 am
Venue : Registered Office
 "Sahakar Sarita",
 Panchnath Road,
 Rajkot 360 001.

YoY Growth History

[Rs. in Crore]

Particulars	Financial Year Ended					CAGR [2008-12]	Fiscal 2013 [Projected]
	2008	2009	2010	2011	2012		
Own Funds	90.18	106.60	132.08	168.53	185.78	19.88 %	204.00
Deposits	477.41	600.32	723.60	871.72	1026.50	21.09 %	1100.00
Advances	229.11	296.35	419.95	514.20	548.24	24.37 %	603.00
Total Business	706.52	896.68	1143.55	1385.92	1574.74	22.19 %	1703.00
Investments	278.09	318.33	393.38	459.68	603.99	21.40 %	640.00
Working Funds	575.20	717.07	865.01	1049.76	1226.17	20.83 %	1320.00
Gross Profit	16.56	17.90	21.04	25.15	28.07	14.61 %	30.00
Total Assets	575.20	717.07	865.01	1049.76	1226.17	20.75 %	1320.00
CRAR	27.99%	26.25%	23.85%	20.76 %	21.59 %	-06.28 %	23.00 %
C/D Ratio	47.99%	49.37%	58.04%	58.99 %	53.41 %	02.71 %	55.00 %
Dividend	15%	15%	15%	15%	15% *	---	15%
Audit Class	"A"	"A"	"A"	"A"	"A"	---	"A"

* Proposed

Directors' Report



To the Members,

We have great pleasure in presenting **32nd Annual Report** of your bank with audited Balance Sheet, Profit & Loss Account for the year ended **31st March, 2012** and welcoming all of you to this General Body Meeting.



1. Macro Economic Banking Environment

CRISIL Research has lowered India's GDP growth forecast for 2011-12 to 7% from its October estimate of 7.6%. The forecast has been scaled down, in view of deterioration in the global economic outlook led by the Eurozone recession, a weaker than anticipated domestic investment climate and limited fiscal space to stimulate the economy. GDP growth is expected to slip further to 6.7% in the second half of 2011-12 from 7.3% in the first half. This will restrict the overall GDP growth for 2011-12 at 7%. As per CRISIL, this would be the second-lowest growth in the past nine years after 6.8% in 2008-09, the peak of global financial crisis.

Industry growth is projected to slow to 4.5% in 2011-12; given industrial GDP grew at a sluggish 4.2% in the first half and a limited upside in growth during the second half. The industry growth will remain constrained by lagged impact of RBI's interest rate hikes, weak exports due to slipping demand, particularly from Europe and growing bottlenecks in the mining sector. Further, service sector growth forecast cut down to 8.9% as slowing industry growth will reduce the demand for services. On a positive note, CRISIL Research has raised its agriculture sector growth forecast to 3.8% from 3.2% earlier on account of the timely and steady progress of the monsoon, which enabled better sowing during the Kharif season and improved prospects for the Rabi crop.

The Finance Minister, Shree Pranav Mukherjee cautioned that if GDP growth slows down, there could be some downstream impact on banks' asset quality. Credit rating agency CRISIL has assessed banks' gross non-performing assets (GNPAs) to have risen to around 3 per cent as on March-end 2012, against 2.3 per cent as on March-end 2011. The GNPAs could increase to 3.2 per cent by March-end 2013.



The Finance Minister said additional capital will have to be raised by banks. This is to meet the requirements of implementing Basel III norms, the needs of a growing economy and the objectives of financial inclusion and to maintain the quality of assets. Banks are required to pay more attention to quality of assets along with maintaining profitability to meet the demands of ever changing bank tech environment.

2. Banking Development

The Indian Banking System faces several new challenges. Finance Minister Shree Pranav Mukherjee stated that India needs to develop an integrated banking delivery model to promote financial inclusion and economic growth. He pointed out that banking industry is not a wealth generating mechanism but a wealth transmission and distribution mechanism, therefore, socially conscious banking system helps us to reduce the glaring inequalities without compromising economic growth. In this context, continuous innovation in delivery and design of financial services targeted at the economically marginalized is of utmost importance.

Another major challenge is to bring the hitherto financially excluded people within the banking fold. To meet this challenge, we need to indigenously develop a workable business model and an integrated delivery model geared to promote financial inclusion, and in turn, sustainable economic growth. In India, the process of leveraging financial services sector as the growth engine for transformation is closely entwined with the progress on financial inclusion.

Financial Inclusion is a key strategy to achieve inclusive development. It is a necessary condition for financial deepening, which will help us to address the basic issue of growth with equity. Shree Pranav Mukherjee pointed out that government and Reserve Bank of India have taken a number of initiatives for furthering financial inclusion.

Further, interest rate deregulation has been an important and integral element of the financial sector reforms. Measures have been undertaken since early 1990's while most of the interest rates have been freed, some segments are still under administered rate regime. As per RBI guidelines, banks have started to pay interest to saving bank depositors on daily product basis further, your bank has also started providing 6% interest on saving deposits.

Urban Co-operative Banks are performing same banking functions as commercial banks and are exposed to similar risks in the operations. To stabilize the whole banking system, capital

adequacy norms were extended to Urban Co-operative Banks in a phased manner. In order to strengthen the capital base of urban banks they were allowed to issue certain hybrid debt instruments and long term deposits to raise funds to comply with capital adequacy norms.

3. Board of Directors

The elections of the Board Directors was held on 31.03.2012. The board Co-opted Shri Bakulbhai Zalawadia and Shri Bipinchandra Shah as professional directors on the Board. Shri Madhusudan Donga is Chairman and Shri Naresh Patel is Vice Chairman of the bank. You will be proud of present team of dedicated selfless workers on the board who consider the bank as a social movement. The bank has fulfilled the criteria of professional directors on the board as per Regulatory norms.

4. Financial Results

Your Bank's performance during the Fiscal 2012 was satisfactory on all fronts as observed below:

[Rs. in Crore]

Performance Parameters	2012	2011	Change in %
Interest Income	105.02	83.49	25.79
Interest Expenses	63.29	46.28	36.75
Net Interest Income	41.73	37.21	12.15
Non Interest Income	7.02	9.25	-24.11
Total Income	112.05	92.74	20.82
Operating Expenses [including Depreciation]	20.69	21.31	-02.91
Profit before Tax & Provisions	28.07	25.15	11.61
Net Profit after Tax	15.40	13.23	16.40
Deposits	1026.50	871.72	17.76
CASA Deposits	408.43	373.97	09.21
Advances	548.24	514.20	06.62
Own Funds	185.78	168.53	10.24
Total Assets	1226.17	1049.76	16.80

Key Financial Ratio are given under **point no. 11** of **Schedule 18** to the Financial Statements.

5. Human Resources

Nowadays, the phrase Talent Management has become very popular in today's world. In this



High Tech - High Touch activity environment, high tech implies high risk while high touch implies close contacts. Globalization opens new opportunities and avenues for high tech ventures. You will be delighted to know that our officers have realized this universal truth and are making efforts to bring in them required attitudinal changes. The staff productivity in the form of business per employee stood at Rs.764.43 lacs as on 31st March, 2012 while profit per employee is Rs.13.63 Lacs and cost per employee is Rs. 4.28 Lacs.

Looking to the bank's and employees' performance, average rise of 5% to 20% is given in salary structure every year. This will definitely help to increase the standard of living of our employees. Further, the bank has made safe investment of retirement benefits of employees. Various welfare activities are also being initiated for the betterment of employees.

6. Risk Management

Managing various types of financial risks are an integral part of the banking business. Your Bank has a robust and integrated Risk Management system to ensure that the risks assumed by it are within the defined risk appetites and are adequately compensated. The Risk Management Architecture in the Bank comprises Risk Management Structure, Risk Management Policies and Risk Management implementation and Monitoring Systems.

A. Credit Risk

In order to mitigate the Credit Risk, your Bank has commenced a study of the portfolio concentration across the various industrial sectors in addition to the usual risk mitigating measures like Loan Review Mechanisms. Continuous attention is also provided to improve quality of the transaction risk management by updating the systems covering the credit appraisal and post approval processes. Accounts showing signs of incipient sickness are continuously followed up to prevent deterioration in the credit quality of asset. Your bank tries to identify the problems at an early stage to put in place appropriate measures for preventing further deterioration in quality.

B. Operational Risk

Operational risk is the risk of loss on account of inadequate or failed internal process, people and systems or external factors. The Bank monitors operational risk by reviewing whether its internal systems and procedures are duly complied with. The Bank collects and analyses

loss and near MIS data on operational risk based on different parameters, wherever, corrective steps are taken.

C. Market Risk

To manage the Liquidity and the interest Rate risk, the asset-liability mismatches are monitored by preparing the Asset Liability Statement on regular basis, which enables the senior management to take appropriate measures. Your Bank places great emphasis on compliance with on-going requirements as per RBI Directives as also meeting the fast changing needs of the economic environment. Your Bank has put in place a set of best practices in risk management appropriate to the size and nature of the Bank's business portfolio and these are being reviewed from time to time by senior management as also the Board of Directors.

7. Other Business Activities

It is always our endeavor to become "One Stop Shop" for all conceivable products at an affordable price. The mission of the bank is to serve the customers to their utmost satisfaction through our prompt and courteous services. Your bank has entered into strategic tie up with ING Vysya Life Insurance Co. Ltd. for promoting Life insurance coverage to the customers and for General Insurance, your bank has tied up with IFFCO TOKIO General Insurance Co. Ltd. You will be pleased to know that your bank has secured very good position in collection of Life Insurance Premium amongst entire Urban Banking Sector of the nation.

For delighting the customers, your bank has applied for one more value added service of Utility Bills Payment Facility for Rajkot branches and later on the same will be commenced at all branches. Further, UTI TSL has offered your bank to tie up for PAN CARD service to the customers.

Your bank is also providing RTGS, NEFT and e-payment facilities for our valuable customers through HDFC and IDBI Bank Ltd. Further, your bank provides the facility of stamp franking at it's 5 branches namely at Panchnath Road - Rajkot, Surendranagar, Naranpura - Ahemedabad, Morvi and Gondal.

Your bank has installed **11 ATMs** at the services of our valued customers.

All these services have not only satisfied but delighted our customer.



8. Audit & Inspection

Your bank is on fast growth trajectory, having branch network of **22 branches** in the state of Gujarat and Maharashtra. The bank has appointed Chartered Accountants for concurrent audit of its branches. The activities performed at each branch are monitored and audited by Concurrent Auditors, internal auditors and statutory auditors. The scope of concurrent and internal audit covers all areas of branch operations including housekeeping.

Auditors are also responsible for independently evaluating the adequacy of all internal controls and adherence to internal processes and procedures as well as to regulatory and legal requirements. The audit function also proactively recommends improvements in operational processes and service quality. To ensure independence, Audit department has reporting line to the Chairman of Board of Directors and the Audit Committee of the Board. To mitigate operational risks, the bank has put in place extensive internal controls including restricted access to the bank's computer systems & appropriate segregation of front and back office operations. Further, information technology is buzz word in today's banking scenario. Today banking cannot be imagined without information and communication technology. Therefore, information system audit is pre requisite and bank has also commenced Information System Audit.

The board is grateful to all concerned auditors for their valuable support and guidance given to us during their audit.

9. Special Reserve

In accordance with **Section 36(1)(viii) of the Income Tax Act, 1961**, Urban Co-operative Banks are eligible for deduction in respect of profit earned from eligible business i.e. profit earned from loans and advances granted to industries, infrastructure, Projects, agriculture and housing. 20% of such profit transferred to Special Reserve will be eligible for deduction from taxable income. Your board has transferred an amount of **Rs. 74.00** lacs to Special Reserve during the year .

10. Information Technology

Information is at the heart of today's business including banking. Rapid degree of product and feature obsolescence in the Information Technology industry is a formidable challenge for banks. Such obsolescence needs to be tackled in a systematic and proactive manner for mutual benefit of the banks and their customers. Your bank has ventured into building up a



strong technological platform named as Enterprise Banking Solution which is a package of total banking solution including CBS, e-channels, net banking, add on modules, BI tools for Strong MIS.

Further, it is worldly recognized and accepted that IT security is optimal if implementation is top driven. Adequate safety and security provisions are pre requisite for banks using full fledge information and communication technology to delight their customers. The speed with which IT based electronic information flows is fastest but also on account of incorrect instructions, proactive action is pre requisite than to be reactive. Your bank is under evaluation process for enterprise banking solutions, data centre and disaster recovery sites.

11. Corporate Social Responsibility

In recent years, CSR has become a fundamental business practice and has gained much attention from management teams of large organizations. We also understand that fulfillment of social responsibility is an essential element in achieving good business practices and effective leadership. One of the reasons behind our strong corporate image is impact of our social responsibility on the economic, social and environmental landscape which directly affects our relationships with stake holders, employees, customers, business partners, governments and communities. An essential component of our corporate social responsibility is to care for the community.

Your bank is committed for Social Development and has contributed to the extent of Rs.1,40,500/- by way of donations to the Educational, Social and Religious Institutions and to the needy people of the society. Further, your bank encourages many social institutions by issuing advertisements in their publications and programs.

One of the best examples of executing our social responsibility is gifting household articles to our members since last 12 years.

12. Directors' Responsibility Statement

The Board of Directors hereby declares and confirm that:-

- ◆ The applicable accounting standards have been followed in preparation of the annual accounts and proper explanations have been furnished, relating to material disclosures.
- ◆ Selected Accounting policies have been applied consistently and reasonably and



prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Bank and of the Profit & Loss of the Bank for the financial year ended 31st March 2012.

- ◆ Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with provisions of statutory requirements, for safeguarding the assets of the Bank for preventing and detecting fraud and other irregularities.
- ◆ The annual accounts have been prepared on a going concern basis.
- ◆ The Bank has in place a system to ensure compliance of all laws applicable to the Bank.

13. Acknowledgement

We take the opportunity to express our gratitude to the Members, Depositors, Borrowers and well wishers for their valued support and for being been the major driving force for us to strive for excellence.

We truly appreciate valuable and timely help, advice, guidance and support given by RBI officials and officers of Co-operative Department of State and Central Registrar.

We are also thankful to the Bank's Legal Advisors, Tax Consultants, Architects, Internal and Concurrent Auditors and Vendors for their co-operation, support and guidance.

The board conveys its sincere thanks to the various authorities, institutions and individuals who have extended their support and helped the Bank to grow from strength to strength. The board also conveys its sincere thanks to the print media for their support in all endeavors and initiatives of the Bank.

Last but not the least, the board conveys its sincere appreciation to its entire staff for putting their heart and soul into the task of delivering good performance and growth year after year to help your bank to attain greater heights.

For **and on behalf of the Board**

Date : 14-05-2012

Place : Rajkot

Naresh Patel

Vice Chairman

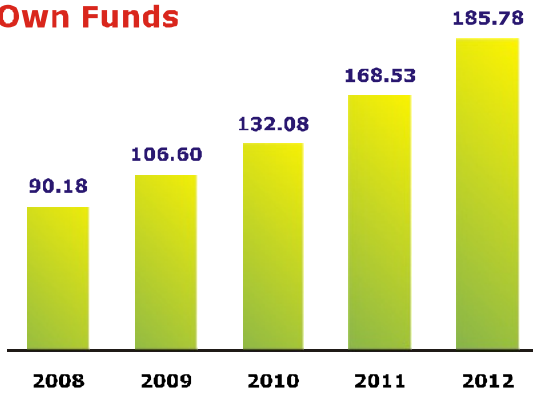
Madhusudan Donga

Chairman

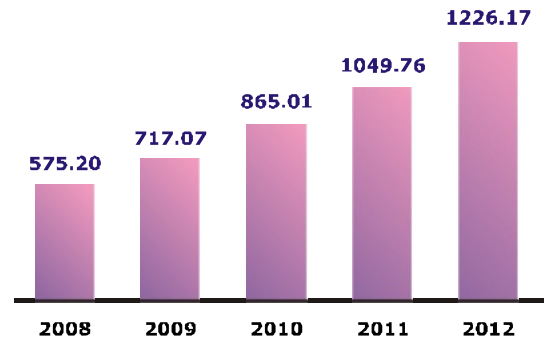


[Rs. in Crore]

Own Funds



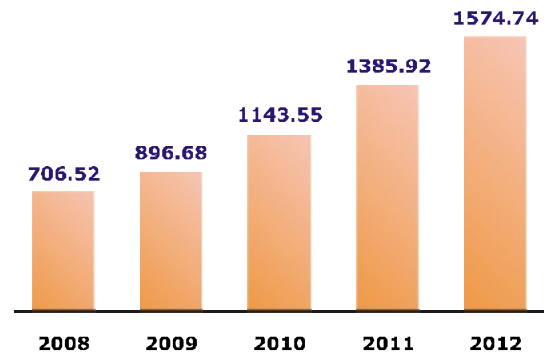
Working Funds



Deposits



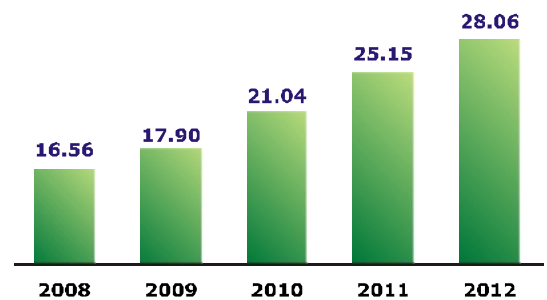
Total Business



Advances



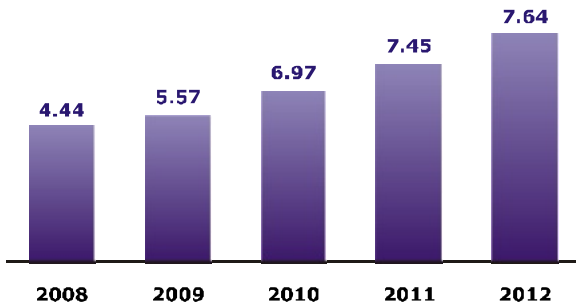
Profit before Exceptional Items, Tax & Provisions



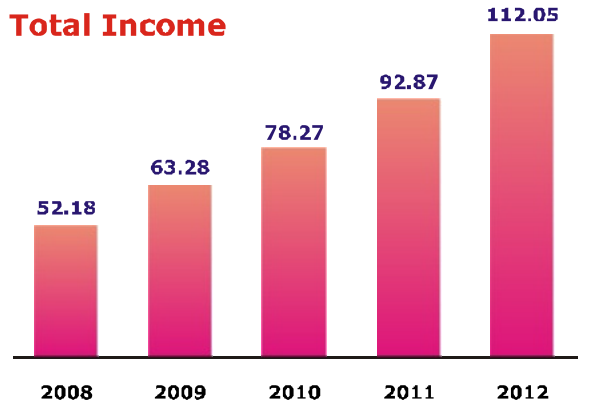


[Rs. in Crore]

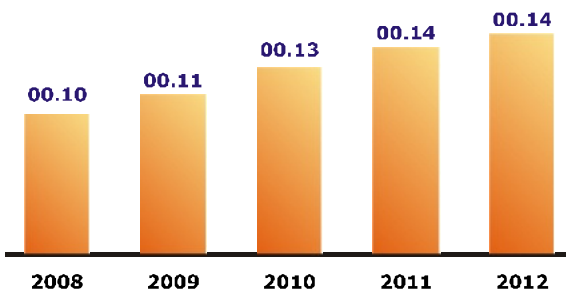
Business per Employee



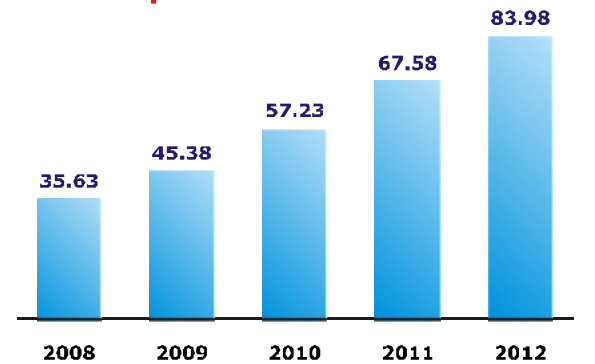
Total Income



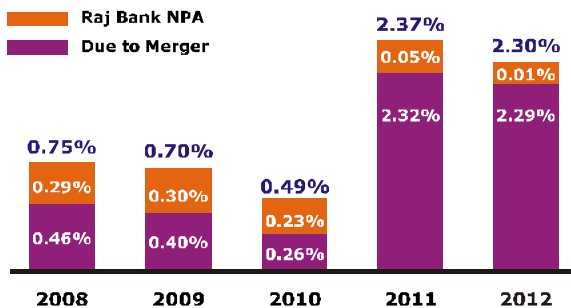
Profit per Employee



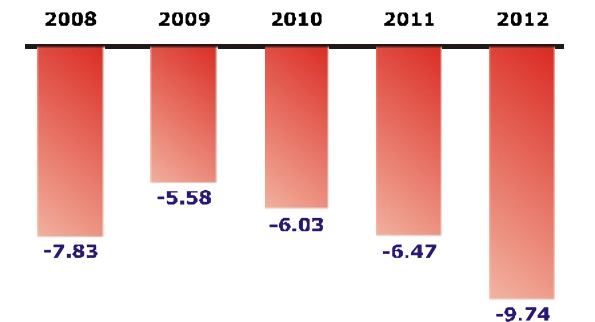
Total Expense



Gross NPAs in %



Net NPAs in %



Report on Corporate Governance

What is Corporate Governance ?

Corporate Governance may be defined as "acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders. It is about **commitment to values**, about **ethical business conduct** and about **making a distinction between personal & public funds** in the management of the organization."

Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the organization is governed. In contemporary business organizations, the main external stakeholder groups are shareholders, debt holders, trade creditors, suppliers, customers and communities affected by the organization's activities. Internal stakeholders are the board of directors, executives, and other employees. **It guarantees that an enterprise is directed and controlled in a responsible, professional, and transparent manner with the purpose of safeguarding its long-term success. It is intended to increase the confidence of shareholders.**

There has been renewed interest in the corporate governance practices of modern corporations since 2001, particularly due to the high-profile collapses of a number of large corporations, most of which involved accounting fraud.

Corporate Governance and Co-operative Banks

Needless to say, for the co-operative banks in India these are challenging times. Never before has the need for restoring customer confidence in the co-operative sector been felt so much. Never before has the issue of good governance in the co-operative banks assumed such criticality. The literature on corporate governance in its wider connotation covers a range of issues such as protection of shareholders' rights, enhancing shareholders' value, Board issues including its composition and role, disclosure requirements, integrity of accounting practices, the control systems, in particular internal control systems. Corporate governance especially in the co-operative sector has come into sharp focus because more and more co-operative banks in India, both in urban and rural areas, have experienced grave problems in recent times which has in a way threatened the profile and identity of the entire co-operative system. These problems include mismanagement, financial impropriety, poor investment decisions and the growing distance between members and their co-operative society.

The purpose and objectives of co-operatives provide the framework for co-operative corporate governance. Co-operatives are organized groups of people and jointly managed and democratically controlled enterprises. They exist to serve their members and depositors and produce benefits for

them. Co-operative corporate governance is therefore about ensuring co-operative relevance and performance by connecting members, management and the employees to the policy, strategy and decision-making processes.

A segment of banks is mostly government owned as statutory corporations or run as co-operatives just like **YOUR BANK**. Banking as a sector has been unique and the interests of other stake holders appear more important to it than in the case of non-banking and non-finance organizations. In the case of traditional manufacturing corporations, the issue has been that of safeguarding and maximizing the shareholders' value. In the case of banking, the risk involved for depositors and the possibility of borrowers' default assumes greater importance than that of consumers of manufactured products. Further, the involvement of government is discernibly higher in banks due to importance of stability of financial system and the larger interests of the public. Since the market control is not sufficient to ensure proper governance in banks, the government see reason in regulating and controlling the nature of activities, the structure of bonds, the ownership pattern, capital adequacy norms, liquidity ratios, etc.

Banks are different from other corporates!!!! in important respects, and that makes corporate governance of banks not only different but also more critical. Banks lubricate the wheels of the real economy, are the channels of monetary policy transmission and constitute the economy's payment and settlement system. By the very nature of their business, banks are highly leveraged. They accept large amounts of uncollateralized public funds as deposits in a fiduciary capacity and further leverage those funds through credit creation. The presence of a large and dispersed base of depositors in the stakeholders group sets banks apart from other corporates.

Banks are interconnected in diverse, complex and oftentimes difficult ways. If a corporate fails, the fallout can be restricted to the stakeholders. If a bank fails, the impact can spread rapidly through to other banks with potentially serious consequences for the entire financial system and the macro economy.

As a rule, compliance with these governance recommendations, for the banks, is not mandated by law. However, they must disclose whether they follow the recommendations in those documents and, where not, they should provide explanations concerning divergent practices.

There are three reasons for need of compliance of corporate governance in this sector:

Firstly, it is believed that the depositors, particularly retail depositors, can not effectively protect themselves as they do not have adequate information, nor are they in a position to co-ordinate with each other.

Secondly, bank assets are usually intangible, and lack transparency as well as liquidity. This condition arises due to the fact that most bank loans, unlike other products and services, are usually customized and privately negotiated.

Thirdly, it is believed that there could be a harmful effect resulting from the instability of one bank, which would affect a class of banks or even the entire financial system and the economy. As one bank becomes unstable, there may be a heightened perception of risk among depositors for the entire class of such banks, resulting in a run on the deposits and putting the entire financial system in jeopardy.

Regulators are external pressure points for good corporate governance. Mere compliance with regulatory requirements is not however an ideal situation in itself. In fact, mere compliance with regulatory pressures is a minimum requirement of good corporate governance and what are required are internal pressures, peer pressures and market pressures to reach higher than minimum standards prescribed by regulatory agencies. RBI's approach to regulation in recent times has some features that would enhance the need for and usefulness of good corporate governance in the co-operative sector. The transparency aspect has been emphasized by expanding the coverage of information and timeliness of such information and analytical content. Importantly, deregulation and operational freedom must go hand in hand with operational transparency. In fact, the RBI has made it clear that with the abolition of minimum lending rates for co-operative banks, it will be incumbent on these banks to make the interest rates charged by them transparent and known to all customers. Banks have therefore been asked to publish the minimum and maximum interest rates charged by them and to display this information. Disclosure and transparency are thus key pillars of a corporate governance framework because they provide all the stakeholders with the information necessary to judge whether their interests are being taken care of. We see transparency and disclosure as an important adjunct to the supervisory process as they facilitate market discipline of banks.

Another area which requires focused attention is greater transparency in the balance sheets of co-operative banks. The banks in India are now required to disclose accounting ratio relating to operating profit, return on assets, business per employee, NPAs, etc. as also maturity profile of loans, advances, investments, borrowings and deposits.

Measures Taken by Banks Towards Implementation of Best Practices

Prudential norms in terms of income recognition, asset classification and capital adequacy have been well assimilated by the Indian banking system.

Capital Adequacy: Banks today are required to maintain / achieve the stipulated benchmark of 9 % and remain in a state of preparedness to achieve the best standards of CRAR.

Income Recognition: There is complete uniformity now in the banking industry and the system therefore ensures responsibility and accountability on the part of the management in proper accounting of income as well as loan impairment.

ALM and Risk Management Practices: At the initiative of the regulators, banks were quickly

required to address the need for Asset Liability Management followed by risk management practices. Both these are critical areas for an effective oversight by the Board and the senior management which are implemented by the Indian banking system on a tight time frame and the implementation review by RBI. These steps have enabled banks to understand, measure and anticipate the impact of the interest rate risk and liquidity risk, which in deregulated environment is gaining importance.

Broadly corporate governance compliance consists of Internal & External Controls

Internal corporate governance controls

Internal corporate governance controls monitor activities and then take corrective action to accomplish organizational goals. Examples include:

- **Monitoring by the board of directors :** The board of directors, with its legal authority to hire, fire and compensate top management, safeguards invested capital. Regular board meetings allow potential problems to be identified, discussed and avoided. Directors possess superior knowledge of the decision-making process and therefore evaluate top management on the basis of the quality of its decisions that lead to financial performance outcomes. It could be argued, therefore, that directors look beyond the financial criteria.
- **Internal control procedures and internal auditors :** Internal control procedures are policies implemented by an entity's board of directors, audit committee, management, and other personnel to provide reasonable assurance of the entity achieving its objectives related to reliable financial reporting, operating efficiency, and compliance with laws and regulations. Internal auditors are personnel within an organization who test the design and implementation of the entity's internal control procedures and the reliability of its financial reporting.
- **Balance of power :** The simplest balance of power is very common; require that the President be a different person from the Treasurer. This application of separation of power is further developed in Banks where separate divisions check and balance each other's actions. One group may propose bank-wide administrative changes, another group review and can veto the changes, and a third group check that the interests of people (customers, shareholders, employees) outside the three groups are being met.
- **Remuneration :** Performance-based remuneration is designed to relate some proportion of salary to individual performance.

External corporate governance controls

External corporate governance includes:

- **Competition** : During the past decades, different types of reforms have been introduced in a different order in various public utilities in India, particularly the Banking System. The present combinations of private banks, nationalised banks, co-operative banks, competitions and regulation reforms are varied across this competitive industry and thus provide an opportunity for comparing the performances of the bank with that of other similar kind of bank.
- **Government regulations** : Regulations can take many forms: legal restrictions promulgated by a government authority, local level compliances, compliance of RBI norms through some requirements, restrictions, guidelines etc.
- **Takeovers** : RBI, today, also focuses on reduction of numbers of the weak banks through take overs. The main aim is to reduce the risk of the depositors by taking over of weak banks by financially strong banks. Also resulting into increase in confidence on the banking system of the people at large.

The Governance Structure

The practice of Corporate Governance in Bank is at three interlinked levels:

Strategic Supervision	By the Board of Directors
Strategic Management	By the Board/Management Committee
Executive Management	By the Departmental Management/Branch Management

The three-tier governance structure ensures that:

- [a] Strategic supervision [on behalf of the shareholders], being free from involvement in the task of strategic management of the Bank, can be conducted by the Board with objectivity, thereby sharpening accountability of management;
- [b] Strategic management of the Bank, uncluttered by the day-to-day tasks of executive management, remains focused and energized
- [c] Executive management of a Branch/ Department, free from collective strategic responsibilities for Bank as a whole, focuses on enhancing the quality, efficiency and effectiveness of the business.

Board of Directors [Board] The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic supervision of Bank. As trustees, the Board ensures that the Bank has clear goals relating to shareholder value and its growth. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also provides direction and exercises appropriate control to ensure that the Bank is managed in a manner that fulfills stakeholders' aspirations and societal expectations. The Board, as a part and parcel of its functioning, also

periodically reviews its role. Board is to provide leadership to the management for realizing Bank's goals in accordance with the charter approved by the Board.

Chairman / Vice Chairman The Board of Directors shall elect a Chairman and Vice Chairman of Bank from among the elected directors. The Chairman shall preside over all meetings of the Board, Sub-Committee meetings in which he is the member and also over the Annual General Body meeting and Special General Meeting when such meetings are called for. In the absence of the Chairman, the Vice Chairman shall preside over the meetings.

Chief Executive Officer [CEO] The CEO, as a member of the Board / Management Committee, contribute to the strategic management of the Bank's businesses within Board approved direction framework. As CEO is accountable to the Board for a business function, he assumes overall responsibility for its strategic management, including its governance processes and top management effectiveness. CEO is accountable to the Board for the custodians of Bank's interests and is responsible for their governance in accordance with the charter approved by the Board.

Board of Directors

Composition

The Board of Directors (2012-2017) comprises **Seventeen** members including the Chairman and the Vice Chairman. All directors, except the Managing Director are paid sitting fees of Rupees Four hundred per meeting on attending the same. The Board consists of eminent persons with practical experience and specialized knowledge in various streams including banking, technology, accountancy, finance and law.

Delegation of Powers

Based on applicable law as well as instruction of RBI, the bank has made various policies and procedures as well formed four committees and delegated powers to the Committee for smooth functioning of the day to day banking business and administration.

Committee of the Board

Currently, there are Four Board Committees - Audit, Asset-Liability, Executive and Staff Committee. The term of reference of the Board Committees are determined by the Board from time to time.

Audit Committee

The Audit Committee of the Board has been constituted by the Bank as per the guidelines of the Reserve Bank of India. The Committee provides direction, oversees the total audit function of the Bank and follows up on the statutory/concurrent/internal/ISA audits of the Bank. It also ensures the strict adherence of RBI's guidelines and directives from time to time.

Staff Committee

The Staff Committee looks into Staff and training issues, formulation and implementation of action plan for sustaining/improving the quality of the Bank's human resources and welfare measures for employees at all levels.

During the year 2011-2012, **24** meetings of the Board of Directors and **22** meetings of the Committee of the Board of Directors were held. The details of attendance are as under:

Name of the Directors up to 31.03.2012	Meeting of the Board of Directors		Meeting of the Committees	
	Total Meetings	Attendance	Total Meetings	Attendance
1. Madhusudan Donga	24	24	21	20
2. Naresh Patel	24	7	16	7
3. Ramnikbhai Sejpal	24	0	0	0
4. Kiritbhai Kamdar	24	21	5	4
5. Manubhai Nasit	24	23	4	3
6. Manharbhai Shah	24	23	4	4
7. Chandubhai Pambhar	24	24	9	8
8. Chandrakantbhai Patel	24	14	5	3
9. Vallabhbhai Hirani	24	24	5	4
10. Gopalbhai Karia	24	22	1	1
11. Shashikantbhai Mehta	24	23	9	8
12. Muljibhai Chauhan	24	19	4	3
13. Nilesh Dhruv	24	24	9	7
14. Leelaben Dhami	24	23	0	0
15. Arunaba Chudsama	24	6	0	0
16. Bakulbhai Zalawadia	24	22	9	7
17. Bipinchandra Shah	24	24	5	5
18. Diwaliben Dharsandia	24	23	0	0

Last Three Annual General Meetings

Date	Day	Time	Year	Venue
May 8, 2011	Sunday	9.00 a.m.	2010-11	'Sahakar Sarita' Panchnath Road, Rajkot-360 001.
June 13, 2010	Sunday	9.00 a.m.	2009-10	
May 3, 2009	Sunday	9.00 a.m.	2008-09	



Bank Code of Conduct

The Bank Code of Conduct, as adopted by the Board of Directors, is applicable to Directors, Senior Management and Employees of the Company. The Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct. The Code covers Bank's commitment to sustainable development, concern for occupational health, safety and environment, a gender friendly workplace, transparency and audit ability, legal compliance, and the philosophy of leading by personal example.

Disclosures

There were no materially significant related party transactions with the directors, the management or relatives of the directors that have a potential conflict with interest of the bank at large.

The bank has complied with applicable Accounting Standards issued by The Institute of Chartered Accountants of India.

The bank has formulated a Risk Management Framework, which lays the procedures for risk assessment and mitigation.

The Board of Directors also reviewed the procedures adopted by the bank to assess risks and their mitigation mechanism.

Member's Helpdesk

Share Transfer, Dividend payments and all other investor related activities are attended to and processed at Bank's Head office. For lodgment of transfer deeds and for any other complaints or grievance, members are kindly welcome to contact our Head Office at "Sahakar Sarita", Panchnath Road, Rajkot-360 001.

Means of Communication

Quarterly financial results of the bank for the year under review were published in all the leading local newspapers of the district of jurisdiction in regional language.

For **and on behalf of the Board of Directors**

Date : 14-05-2012

Place : Rajkot

Ramnikbhai Dhani

Managing Director

Naresh Patel

Vice Chairman

Madhusudan Donga

Chairman



Progress of The Bank At A Glance

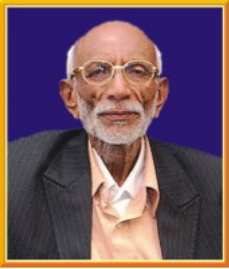
[Rs. in Crore]

Year	Share Capital	Reserves & Surplus	Total Deposits	Total Advances	Investments	Total Income	Total Expenditure	Gross Profit	Total Provisions	Net Profit
1982	0.07	00.01	0.54	0.56	0.10	0.08	0.05	0.03	0.00	0.03
1995	0.55	3.35	23.66	10.00	16.50	3.69	2.36	1.33	0.13	1.20
1996	0.69	4.65	31.30	12.18	22.60	3.46	1.46	2.00	0.34	1.66
1997	0.87	6.46	42.26	16.68	30.16	4.66	2.68	1.98	0.39	1.59
1998	1.17	9.56	56.01	22.90	39.07	7.91	5.27	2.64	1.00	1.64
1999	1.55	12.62	80.51	32.64	57.33	10.80	7.55	3.25	1.45	1.80
2000	2.23	14.35	122.18	52.19	79.45	15.47	11.05	4.42	2.54	1.88
2001	3.22	21.91	152.72	81.32	94.29	21.34	15.30	6.04	4.00	2.04
2002	3.61	26.30	185.53	83.34	129.14	26.57	19.52	7.05	4.83	2.22
2003	3.94	32.26	211.36	91.50	153.29	29.95	22.16	7.79	5.33	2.46
2004	4.75	38.05	261.75	112.04	186.18	31.29	23.24	8.05	5.34	2.71
2005	4.60	42.64	286.41	142.12	184.86	32.66	24.56	8.10	5.33	2.77
2006	5.19	51.17	336.27	166.76	215.38	32.74	24.59	8.15	5.35	2.80
2007	9.77	64.66	389.20	218.19	211.53	39.89	29.23	10.66	7.41	3.25
2008	13.35	76.83	477.41	229.11	278.09	52.18	35.63	16.56	9.40	7.16
2009	18.45	88.15	600.32	296.35	318.33	63.28	45.38	17.90	9.42	8.48
2010	26.35	105.73	723.60	419.95	393.38	78.27	57.23	21.04	11.00	10.04
2011	35.64	132.89	871.72	514.20	457.12	92.87	67.58	25.29	12.06	13.23
2012	41.40	144.37	1026.50	548.24	602.01	112.05	83.98	28.07	18.67	15.40

Year	No. of Members	No. of Shares	No. of Depositors	No. of Borrowers	Working Capital	No. of Branches	C/D Ratio in %	Rate of Dividend	No. of Employees	Business
1982	4959	18665	6339	189	0.81	1	103.30 %	12%	14	1.10
1995	11107	220355	31587	1134	28.89	4	42.29 %	12%	67	33.66
1996	11582	275248	36589	1381	38.73	6	38.92 %	15%	76	43.49
1997	12882	347043	43810	2189	51.76	6	39.48 %	15%	78	58.95
1998	14849	467554	52915	3114	69.35	7	40.88 %	15%	85	78.92
1999	17090	620103	64635	3835	97.25	8	40.55 %	15%	85	113.16
2000	19993	891900	81141	4384	142.38	8	42.72 %	15%	94	174.38
2001	22920	1289628	97189	5477	179.63	8	53.24 %	15%	100	234.03
2002	24696	1443646	110971	5874	219.22	10	44.92 %	15%	107	268.88
2003	25732	1574132	119372	6149	252.71	10	43.29 %	15%	109	302.85
2004	27335	1899589	131098	6465	309.34	11	42.80 %	15%	115	373.79
2005	29060	1840885	139129	6785	339.12	11	49.62 %	15%	118	428.53
2006	30722	1471518	149201	7278	395.48	11	50.32 %	15%	122	503.02
2007	32516	3906920	159325	7210	471.39	11	56.06 %	15%	123	607.39
2008	34851	5341375	186236	7321	576.79	16	47.99 %	15%	155	706.52
2009	37999	7381877	226876	7105	719.24	17	49.37 %	15%	157	896.68
2010	40033	10541541	240023	7121	864.88	17	58.04 %	15%	164	1143.55
2011	43290	14256554	309743	7685	1049.76	20	58.99 %	15%	186	1385.92
2012	47274	16560822	344001	8681	1226.17	22	53.74 %	15%	206	1574.74

(Proposed)

From The Desk of Managing Director



Inspiring 32 years' success story of your bank is marked by long tradition of trust, transparency and teamwork of management and employees giving wings to a million extra ordinary dreams to reach out new horizons of growth and excellent banking. The bank's financial figures has not only grown bigger and better this year but also paved way for a brighter tomorrow. Thanks to transparent management of board of directors, depositors' trust, borrowers' support and employees' efforts.

I am delighted to share with you that your bank is emerging as one of the premier and most preferred co-operative banks in the country by autographing its 32 years' success story with clarity of vision, mission, financial prudence, transparency, good corporate governance, high standards of professionalism and excellence in all areas of banking placing the customer at the center point.

I am glad to inform you that unfinished agenda of the last year has been successfully finished and your bank has **merged** two unit banks namely **Dakor Nagarik Sahakari Bank Ltd., Dakor (Gujarat) w.e.f. 10th October, 2011** and **Yawal Peoples Co-Operative Bank Ltd, Yawal, District Jalgaon (Maharashtra) w.e.f. 09th January, 2012**. Further, I am pleased to announce that your bank has achieved the status of Multi State Co-Operative Bank w.e.f. 31st October, 2011 by acquiring this Maharashtra based unit bank.

Further, so far as agenda of Core Banking Solution is concerned your bank has made complete appraisal of existing Core Banking Solutions available in the market v/s newly emerged Enterprise Banking Solution and decided to go for Enterprise Banking Solution comprising Core Banking Solution, Loan Originate & Collection System, BI Tool, Compliance Manager, Document Management, e-channels, net banking, etc.

Moreover, your bank has maintained its tradition of last 12 years and declared the annual results on 31st March itself and published the same in local newspapers on the 1st April, 2012. Before briefing you about progress report of fiscal year 2011-12, I would like to admit that I am able to present this fabulous performance only because of patronage of more than **47,274** shareholders, resilient trust of **3,44,001** depositors and public at large, transparent and professional management of board of directors and of course dedication of our team of **206** sincere employees.

Let us take brief review of progress report of your bank during the fiscal year 2011-12.

Our goal is to translate response of our valued stakeholders into results.

I am happy to inform you that your bank has achieved owned funds of **Rs.186 Crores** which is more than double of statutory requirement of 9%. Further, bank has registered Deposits amounting to **Rs.1026 Crores**, advances amounting to **Rs.548 Crores** and investments worth **Rs.601 Crores**.

One more remarkable achievement of your bank is that there is **No New NPA Account** during this year as against increase of **51%** of NPAs in public sector banks as per news published in The Times of India dated 21st March, 2012. Moreover, it is also worth noting that **even after merger of two weak banks in this year and total 5 weak banks mergers till date, bank's gross NPA is 2.30% and Net NPA is ZERO since 1990**, thanks to regular repayment of loans and advances by the borrowers as well as excellent performance of recovery department.

Your bank has proposed 15% Dividend to Shareholders amounting to **Rs.5.49 Crores** for the year ended 31st March, 2012. Moreover, tradition of providing Gifts (useful household items) to them since last 11 years has been continued this year also. Bank has announced gift of double bed bed-sheet with two pillow covers for its shareholders.

Apart from the above, I would like to share one of the greatest achievements of the bank is that almost 80% of shareholders are depositors of the bank, which is a unique feature in Co-op. Banking sector.

Your bank has achieved phenomenal growth of deposits amounting to more than **Rs.900 Crores** in the last 11 years and has crossed the figure of **Rs.1026 Crores** on **31st March, 2012** from **Rs.121 Crores** at **31st March, 2001** which proves resilient trust of depositors in your bank.

Further, I can proudly tell that every employee and director understand that they are trustees of bank and not the owner of the bank. Your bank has invested 58 % of the total deposits in trustworthy investments and planned advances of Rs.548 Crores in 18 different segments to diversify the risk. Further, for the better security of the depositors' hard earned money, your bank has secured deposits up to one lac under DICGC by paying regular premium for the same.

I further inform you that your bank has never taken any borrowing and fully complied with CRR and SLR norms of Reserve Bank of India.

Your bank has employed about 75 employees and secured deposits of more than 84,332 depositors

of five weak co-operative banks. The bank has acquired loss of Rs.31 Crores and acquired NPA of more than Rs.16 Crores through mergers and acquisitions. As against this your bank has saved income tax of Rs.8 Crores by these mergers. Further, bank is going to receive financial assistance of Rs.8 Crores from DICGC for the merger of Vaso Co-Operative Bank Ltd., Vaso. The value of acquired premises is worth Rs.10 Crores. Further, it must be noted that bank has recovered more than Rs.4 crores and going to recover Rs.9 Crores more in the next three years therefore, as against loss of Rs.31 Crores your bank is expecting profit of about Rs.10 Crores in the next three years. Significant rise has been found in deposits of acquired banks within the short span of time which proves confidence of public in our bank and its strong and effective corporate image.

Profit is the main parameter to judge the financial performance of the bank. Your bank has achieved growth of Rs.2.78 Crores in profit amounting to Rs.28.07 Crores as on 31st March, 2012 as compared to last year comprising increase in income by Rs.19.31 Crores and increase in interest expended by Rs.17 Crores, increase in staff expense by Rs.13 Lacs and decrease in other operating expense by Rs.75 Lacs.

Performance is not a single action but a continuous process where goals add fuel in the furnace of achievement and that's why it is not only time to finish the unfinished agenda but also time to take up new agenda, set new goals, make fresh starts in newer areas and achieve newer milestones.

Branch expansion at Baroda and Surat by mergers and acquisition, cost effective Enterprise Banking Solution, ATM sharing with private banks, facility of No frill account for rural customers through business correspondents and business facilitators are our future endeavors and that is of course by achieving business of about Rs.1703 Crores and profit of Rs.30 Crores for fiscal year 2012-13 as strong financials are pre platform for every new business endeavor.

Let me conclude by saying that your bank is in good shape, with strong financials and I assure you that our glorious journey of excellence will be continued with lots of expansion dreams and the passion to achieve them at the end of next fiscal year by reengineering the business processes, introducing innovative banking products and latest technology but with the same values, ethos and commitment to all concerned parties with the same passion to delight customers.

Date : 14-05-2012

Place : Rajkot

Ramnikbhai Dhami
Managing Director

From The Desk of CEO



I am privileged to have an opportunity to lead The Co-Operative Bank of Rajkot Ltd. as a General Manager & CEO and glad to inform you that your bank has successfully completed 32 years under the effective leadership of founder chairman and existing Managing Director **Hon. Shri Ramnikbhai Dhami** and under the valuable guidance of existing Chairman **Hon. Shri Madhusudan Donga** as well as Vice Chairman **Hon. Shri Naresh Patel**. I appreciate them for their immense contribution to the growth and success of your bank.

Your bank has autographed its work with excellence. For strengthening Urban Co-operative Banking Sector, your bank has consistently merged three weak co-operative banks and maintained the same tradition by merging two more weak co-operative banks in this year namely Dakor Nagarik Sahakari Bank Ltd., Dakor at Kheda District (Gujarat) and Yawal Peoples Co-Operative Bank Ltd., Yawal in Jalgaon District in Maharashtra State & became a Multi State Co-op. Bank.

Your bank was thinking for Core Banking Solution and evaluated proposals from well reputed vendors and found that rapid degree of product and feature obsolescence in the IT industry is a formidable challenge for banks and such obsolescence needs to be tackled in a systematic and proactive manner for mutual benefit of the bank and their customers. Further it is also observed that a lot still needs to be done particularly in terms of reorienting the existing CBS and other technological solutions available in the banking sector towards more customer centric and yet, well governed technological solutions, improving MIS capability in terms of quality, speed and integrity, harnessing IT for effective CRM, thereby, increasing business and profitability.

Further we noted that Core Banking Solution cannot be viewed in isolation; neither it can be implemented in fits and starts; it requires in depth analysis of so many relating issues like security standards, operational risk at all levels, requirement of ISA, etc. Challenge for the banks would be to ring fence its operations by establishing a sound risk management system that is not only protective but also inclusive and acts as a business enabler.

Therefore, after thorough analysis, your bank has planned for EBS i.e. **Enterprise Banking**



Solution which is latest and comprehensive business solution which not only comprises Core Banking Solution but also deals with above requirements in terms of effective MIS and CRM Dashboard with help of latest BI (Business Intelligent) tool.

Your bank is in evaluation process for EBS as it is one of the strategic decisions and requires huge amount of capital as well as recurring expenses YoY. Though your bank is financially sound and having capital adequacy of 21.51% as against regulatory capital requirement of 9.00%, bank is looking for cost effective premier quality Enterprise Banking Solutions. As our every employee and director understands that they are trustees of the bank and not the owner of the bank so cent percent care is taken by the bank in interest of all concerned parties while taking such a strategic decision.

Further, the five letter word "MONEY" is of immense importance in everybody's life. Therefore, we commit the entire complement of our manpower, intellect and infrastructure for keeping it safe and enhancing its value in the shortest possible time. As custodian of your wealth, I assure you of my dedicated, selfless and sincere efforts to ensure its safety and growth.

Let me reassure you that our path towards the coveted landmarks we have set for ourselves will not be strewn with challenges and we are fully geared up to meet them head on. After all, challenges are what really spur us on towards new frontiers, for scaling greater heights.

I conclude with appreciating all the stakeholders as I believe that they are the equal partners in bank's progress. I urge for backing and blessings of all these stakeholders as i believe that without their consistent co-operation and confidence in us this cannot be visualized.

Last but not the least, I take the opportunity to provide my heartiest gratitude to Registrar of Co-operative Societies, Central Registrar, Reserve Bank of India and their dignitaries and all other legitimate bodies for their timely and consistent support and guidance in all our endeavors and of course, we look forward to the continued support and faith of our stakeholders in our journey of success.

With Best Wishes,

Date : 14-05-2012
Place : Rajkot

Satyaprakash Khokhara
General Manager & CEO



Impact of Merger

Details of Acquisition Cost

[Rs. in Lacs]

Sr. No.	Name of the Merged Banks	Date of Merger	No. of Branches	Gross NPA Rs.	Acquisition Cost Rs.	Written off up to 31.03.12
1	Mahila Utkarsh Bank-Ahmedabad	02-Apr-07	5	137.16	612.95	612.95
2	Amruta Mahila Bank-Su.nagar	18-Aug-08	1	14.75	6.77	6.77
3	Vaso Co-Op. Bank Ltd., Vaso	04-Oct-10	3	1187.02	2,247.12	898.84
4	Dakor Nagrik Bank Ltd., Dakor	10-Oct-11	1	182.32	208.55	208.55
5	Yawal Peoples Bank Ltd., Yawal	09-Jan-12	1	46.55	30.26	30.26
	TOTAL		11	1567.80	3,105.65	1,757.37

Business as on the Cut off Date of Merger

[Rs. in Lacs]

Sr. No.	Name of the Merged Banks	No. of Depositors	Deposits	Advance	Business	No. of Employees
1	Mahila Utkarsh Bank-Ahmedabad	16,812	1,275.10	272.85	1,547.95	32
2	Amruta Mahila Bank-Su.nagar	2,383	245.77	114.95	360.72	7
3	Vaso Co-Op. Bank Ltd., Vaso	49,147	2,660.20	1,211.32	3,871.52	26
4	Dakor Nagrik Bank Ltd., Dakor	13,402	657.65	205.72	863.37	6
5	Yawal Peoples Bank Ltd., Yawal	2,588	56.12	48.34	104.46	4
	TOTAL	84,332	4,894.84	1,853.18	6,748.02	75

Business Position as on 31.03.2012 of the Merged Bank

[Rs. in Lacs]

Sr. No.	Name of the Merged Banks	No. of Depositors	Deposits	Advance	Business	Profit / Loss
1	Mahila Utkarsh Bank-Ahmedabad	20,339	4,198.49	1,827.38	6,025.87	7.11
2	Amruta Mahila Bank-Su.nagar	6,747	1,794.64	5,080.06	6,874.70	147.57
3	Business through Shifted Branch	17,514	6,890.83	4,314.80	11,205.63	250.71
4	Vaso Co-op. Bank Ltd., Vaso	47,541	4,303.86	1,107.44	5,411.30	(102.19)
5	Dakor Nagrik Bank Ltd., Dakor	12,412	601.78	191.25	793.03	(4.65)
6	Yawal Peoples Bank Ltd., Yawal	2,620	61.90	48.00	109.90	(2.37)
	TOTAL	1,07,173	17,851.50	12,568.93	30,420.43	296.18

Deposits up to Rs. 1 Lac & above Rs. 1 Lac as on the date of merger

[Rs. in Lacs]

Sr. No.	Name of the Merged Banks	No. of Depositors	Deposits up to 1 Lac	No. of Depositors	Deposits above 1 Lac	Total Deposits
1	Mahila Utkarsh Bank-Ahmedabad	16,652	945.06	160	330.03	1275.10
2	Amruta Mahila Bank-Su.nagar	2,335	157.63	48	88.14	245.77
3	Vaso Co-op. Bank Ltd., Vaso	49,019	2480.65	128	179.55	2660.20
4	Dakor Nagrik Bank Ltd., Dakor	13,358	586.63	44	71.02	657.65
5	Yawal Peoples Bank Ltd., Yawal	2,586	52.09	2	04.03	56.12
	TOTAL	83,950	4222.06	382	672.77	4894.84



**Statutory Auditor's Report
for the year ended on 31st March, 2012**

To,
The Members

The Co-Operative Bank of Rajkot Ltd.

(Under Section 31 of the Banking Regulation Act, 1949 & Section 73(4) of Multi State Co-operative Societies Act, 2002 & Rule 27 of Multi State Co-operative Societies Rules, 2002)

1. We have audited the attached Balance Sheet of **The Co-Operative Bank of Rajkot Ltd.** Rajkot as on **31st March, 2012**, and the Profit and Loss Account of the Bank for the year ended on that date. These Financial Statements are the responsibility of the Bank's Management. Our responsibility is to express an opinion on these financial Statements based on our audit.
2. In our opinion, the said Balance Sheet and Profit & Loss Account dealt with by the report, comply with accounting standards prescribed by The Institute of Chartered Accountants of India in so far they apply to the bank. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Subject to our comments and observations contained in the Audit Report of even date, we report that :-
 - 1) The schedule giving the particulars referred to in Rule 27(3) (a), (b), (c), (d), (e) and (f) to the extent applicable are attached to this report.
 - 2) (a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of audit.
 - 2) (b) In our opinion, proper books of accounts as required by Rule 27 of the Multi State Co-operative Societies Rules, 2002, the bye laws and the law have



been kept by the Bank, so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the bank not visited by us.

- 2) (c) The Balance Sheet and Profit and Loss account have been drawn up in Form A and B, respectively of the Third Schedule to the Banking Regulation Act, 1949 and they give the information as required to be given under the law and are in conformity with it.
- 2) (d) The transactions of the Bank, which have come to our notice, have generally been within the competence of the Bank and are in compliance with RBI guidelines / directives.
- 2) (e) In our opinion and according to information given to us, there has been no material impropriety or irregularity in the expenditure or in the realization of money due to the Bank.
- 2) (f) Subject to our comments and observations contained in Audit Schedule enclosed herewith, we report that in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Significant Accounting Policies and Notes thereon give all the information required by the Multi-State Co-operative Societies Act, 2002 and rules made there under and by the Banking Regulations Act, 1949 (as applicable to the Co-operative Banks), in the manner so required in conformity with the accounting principles generally accepted in India, give a true and fair view
- (i) In the case of Balance Sheet, of the state of affairs of the Bank as on **31st March, 2012.**
- (ii) In the case of Profit and Loss Account, of the Profit for the year ended on that date.

For **M/s. N. Dedania Associates**
Chartered Accountants

Place : Rajkot
Date : 12-05-2012

N. J. Dedania
Proprietor
Membership No. 043346

Audit Schedule for the year ended on 31st March, 2012

To,
The Members

The Co-Operative Bank of Rajkot Ltd.

(Under Section 31 of the Banking Regulation Act, 1949 & Section 73(4) of Multi State Co-operative Societies Act, 2002 & Rule 27 of Multi State Co-operative Societies Rules, 2002)

As per rule 27 (3) (a to f)

1. During the Course of Audit No such transactions which appear to be contrary to the provisions of the Act, the rules or the bye-laws of the bank have taken place.
2. During the Course of Audit No such transactions which appear to be contrary to the guidelines issued by the Reserve Bank of India have taken place.
3. During the Course of Audit money belonging to the bank which appears to the auditor to be bad or doubtful for recovery have been classified as per IRAC Norms as prescribed by RBI from time to time.
4. During the Course of Audit Bank has granted loans to directors and their relatives to the tune of Rs.29.55 lacs in the form of FDOD / FDR Loan.
5. During the Course of Audit we have examined the XIIth RBI inspection report of the bank and according to this inspection report there are certain action para of guidelines issued by the Reserve Bank of India as per said RBI inspection report.

We have been informed by the management that bank has taken corrective action of action para as stated in the said RBI report and last such correspondence was made by the bank in reply to RBI's letter reference no.7517 dated 16.04.2012.

In reply to above referred letter bank has given further compliance for the remaining two points to RBI vide bank's letter reference no.33/GM/52 dated 01.05.2012.

Further we have not received any certificate from RBI with reference to whether the bank's compliance has been accepted by the RBI except bank's Board's Resolution & CEO's Certificate for compliance made by the bank. We are informed that RBI has never issued such type of certificate regarding compliance accepted by the RBI in previous RBI inspections and has never raised question regarding pending para for earlier compliance.

6. No specific matter has been specified by the Central Registrar in this regard.

For **M/s. N. Dedania Associates**
Chartered Accountants

N. J. Dedania

Proprietor

Membership No. 043346

Place : Rajkot

Date : 12-05-2012

Balance Sheet
as on
31.03.2012

[Amount in Rupees]

CAPITAL AND LIABILITIES	Sch.	As on 31.03.2012	As on 31.03.2011
1. Capital	1	41,40,20,550.00	35,64,13,850.00
2. Reserve Fund And Other Reserves	2	128,97,88,024.09	119,66,26,271.42
3. Principal/Subsidiary/State Partnership Fund Account	---	---	---
4. Deposits And Other Accounts	3	1026,49,69,176.81	871,72,04,667.79
5. Borrowings	4	---	---
6. Bills For Collection Being Bills Receivable (As per Contra)	Note-2	1,08,49,447.23	92,50,328.93
7. Branch Adjustments	5.1	69,19,291.91	88,90,053.03
8. Overdue Interest Reserves			
On Performing Advances	5.2	1,88,49,523.67	1,71,49,093.45
On Non-Performing Advances (As per Contra)	Note-3	31,86,66,794.02	24,06,70,553.52
9. Interest Payable	5.3	1,69,17,359.27	1,66,72,609.20
10. Other Liabilities	5.4	9,62,69,577.15	5,23,75,688.23
11. Profit And Loss			
Profit as per last balance-sheet		13,22,66,960.60	10,03,64,878.11
Less : Appropriations		(13,22,66,960.60)	(10,03,64,878.11)
Add : Profit for the year brought from the Profit and Loss Account		15,39,55,316.20	13,22,66,960.60
TOTAL		1259,12,05,060.35	1074,75,20,076.17
Contingent Liabilities			
(i) Outstanding liabilities for guarantees issued	12.1	5,07,55,555.00	5,24,83,716.00
(ii) Others	12.2	1,02,94,480.00	27,56,030.00

As per our report of even dated

For **M/s. N. Dedania Associates**
Chartered Accountants

For, **The Co-Operative Bank of Rajkot Ltd.**

Ravji Pansuriya
AGM

Satyaprakash Khokhara
General Manager & CEO

N. J. Dedania
Proprietor

Kamal Dhani
Jt. Managing Director

Ramnikbhai Dhani
Managing Director

Place : Rajkot
Date : 12-05-2012

Shashibhai Mehta
Director

Madhusudan Donga
Chairman



Balance Sheet
as on
31.03.2012

[Amount in Rupees]

PROPERTY AND ASSETS	Sch.	As on 31.03.2012	As on 31.03.2011
1. Cash	6	9,33,00,999.01	15,08,33,384.73
2. Balance With Other Banks	7.1&2	299,13,21,753.27	223,64,57,625.94
3. Money At Call And Short Notice	7.3	10,00,00,000.00	---
4. Investment	8	292,87,87,661.10	233,47,11,850.10
5. Investment Out Of The Principal / Subsidiary State Partnership Fund	---	---	---
6. Advances	9	548,24,35,679.12	514,20,41,906.89
7. Interest Receivable			
Overdue Interest on NPA (As per Contra)	Note-3	31,86,66,794.02	24,06,70,553.52
On other Assets	11.1	18,81,29,928.17	13,99,74,402.92
8. Bills Receivable Being Bills For Collection (As per Contra)	Note-2	1,08,49,447.23	92,50,328.93
9. Branch Adjustments	---	---	---
10. Premises Less Depreciation	10	20,93,84,590.73	20,88,55,254.70
11. Furniture And Fixture Less Depreciation	10	5,13,08,577.20	5,32,93,668.99
12. Other Assets	11.2	8,11,18,276.81	5,05,87,294.53
13. Non-banking Assets Acquired In Satisfaction Of Claims	11.3	10,74,000.00	10,74,000.00
14. Profit And Loss	---	---	---
15. Acquisition Costs	11.4	13,48,27,353.69	17,97,69,804.92
TOTAL		1259,12,05,060.35	1074,75,20,076.17

As per our report of even dated

For **M/s. N. Dedania Associates**
Chartered Accountants

For, **The Co-Operative Bank of Rajkot Ltd.**

Ravji Pansuriya
AGM

Satyaprakash Khokhara
General Manager & CEO

N. J. Dedania
Proprietor

Kamal Dhani
Jt. Managing Director

Ramnikbhai Dhani
Managing Director

Place : Rajkot
Date : 12-05-2012

Shashibhai Mehta
Director

Madhusudan Donga
Chairman



**Profit and Loss Account
for the year ended on
31.03.2012**

[Amount in Rupees]

INCOME	Sch.	Amount 31.03.2012	Amount 31.03.2011
1. Interest and discount	13	105,02,27,348.41	83,48,65,008.90
2. Commission, exchange and brokerage	14	47,57,273.30	65,85,476.73
3. Subsidies and donations	---	---	---
4. Income from non-banking assets and profit from sale of or dealing with such assets	---	---	---
5. Other receipts	14	6,54,76,667.91	8,59,32,857.16
6. Loss (if any)	---	---	---
7. Exceptional Items - Excess IFR written back	---	6,00,00,000.00	12,97,029.00
TOTAL		118,04,61,289.62	92,86,80,371.79

As per our report of even dated

For **M/s. N. Dedania Associates**
Chartered Accountants

For, **The Co-Operative Bank of Rajkot Ltd.**

Ravji Pansuriya
AGM

Satyaprakash Khokhara
General Manager & CEO

N. J. Dedania
Proprietor

Kamal Dhami
Jt. Managing Director

Ramnimbhai Dhami
Managing Director

Place : Rajkot

Date : 12-05-2012

Shashibhai Mehta
Director

Madhusudan Donga
Chairman



**Profit and Loss Account
for the year ended on
31.03.2012**

[Amount in Rupees]

EXPENDITURE	Sch.	Amount 31.03.2012	Amount 31.03.2011
1. Interest on deposits, borrowing, etc.	15	63,29,23,348.67	46,27,81,131.07
2. Salaries and allowances and prov. fund	16	8,82,53,816.00	8,69,36,617.91
3. Directors and local committee members' fees and allowances	16	2,13,200.00	1,88,800.00
4. Rent, taxes, insurance, lighting etc.	16	2,49,11,422.99	1,81,46,619.41
5. Law charges	16	2,78,381.00	2,48,997.00
6. Postage, telegrams and telephone charges	16	10,69,165.42	5,38,593.75
7. Auditor's fees	16	20,47,730.00	13,46,630.00
8. Depreciation on and repairs in property	16	2,04,37,488.09	1,79,78,479.88
9. Stationery, Printing and advertisement etc.	16	18,35,750.88	13,35,147.18
10. Loss from sale of or dealing with non-banking asset	---	---	---
11. Other expenditure	16	6,78,05,770.67	8,63,33,655.76
12. Provisions & Contingencies	17	18,67,29,899.70	12,05,78,739.23
13. Balance of profit	---	15,39,55,316.20	13,22,66,960.60
TOTAL		118,04,61,289.62	92,86,80,371.79

As per our report of even dated

For **M/s. N. Dedania Associates**
Chartered Accountants

For, **The Co-Operative Bank of Rajkot Ltd.**

Ravji Pansuriya
AGM

Satyaprakash Khokhara
General Manager & CEO

N. J. Dedania
Proprietor

Kamal Dhami
Jt. Managing Director

Ramnikbhai Dhami
Managing Director

Place : Rajkot
Date : 12-05-2012

Shashibhai Mehta
Director

Madhusudan Donga
Chairman



Balance Sheet as on 31st March, 2012

[Amount in Rupees]

Particulars	Sch.	As on 31.03.2012	As on 31.03.2011
Capital & Liabilities			
Capital	1	41,40,20,550.00	35,64,13,850.00
Reserves & Surplus	2	144,37,43,340.29	132,88,93,232.02
Deposits	3	1026,49,69,176.81	871,72,04,667.79
Borrowings	4	NIL	NIL
Other Liabilities & Provisions	5	13,89,55,752.00	9,50,87,443.91
TOTAL		1226,16,88,819.10	1049,75,99,193.72
Assets & Properties			
Cash & Balances with RBI	6	9,33,00,999.01	15,08,33,384.73
Balances with Banks & Call Money Deposit	7	309,13,21,753.27	223,64,57,625.94
Investments	8	292,87,87,661.10	233,47,11,850.10
Loan & Advances	9	548,24,35,679.12	514,20,41,906.89
Fixed Assets	10	26,06,93,167.93	26,21,48,923.69
Other Assets	11	40,51,49,558.67	37,14,05,502.37
TOTAL		1226,16,88,819.10	1049,75,99,193.72
Contingent Liabilities	12	6,10,50,035.00	5,52,39,746.00
Off Balance Sheet Items	Note	43,66,89,428.25	32,73,02,295.45

The Schedules referred to above forms an integral part of the Balance Sheet.
As per our report of even dated

For **M/s. N. Dedania Associates**
Chartered Accountants

For, **The Co-Operative Bank of Rajkot Ltd.**

Ravji Pansuriya
AGM

Satyaprakash Khokhara
General Manager & CEO

N. J. Dedania
Proprietor

Kamal Dhani
Jt. Managing Director

Ramnimbhai Dhani
Managing Director

Place : Rajkot
Date : 12-05-2012

Shashibhai Mehta
Director

Madhusudan Donga
Chairman



Profit & Loss Account for the year ended on 31st March, 2012

[Amount in Rupees]

Particulars	Sch.	Year Ended 31.03.2012	Year Ended 31.03.2011
I. Income			
Interest & Discount Earned	13	105,02,27,348.41	83,48,65,008.90
Other Incomes	14	7,02,33,941.21	9,25,18,333.89
TOTAL of I		112,04,61,289.62	92,73,83,342.79
II. Expenditure			
Interest Expended	15	63,29,23,348.67	46,27,81,131.07
Operating Expenses	16	20,68,52,725.05	21,30,53,540.89
TOTAL of II		83,97,76,073.72	67,58,34,671.96
III. Profit Before Excep. Item, Provi. & Tax (I-II)		28,06,85,215.90	25,15,48,670.83
IV. Exceptional Item - Excess IFR written back		6,00,00,000.00	12,97,029.00
V. Profit Before Tax & Provisions [III+IV]		34,06,85,215.90	25,28,45,699.83
Less : Provision for Taxation	17	7,03,06,108.00	3,95,99,288.00
Less : Provision & Contingencies	17	11,64,23,791.70	8,09,79,451.23
Total Provisions & Contingencies		18,67,29,899.70	12,05,78,739.23
VI. Net Profit Transferred To Balance Sheet		15,39,55,316.20	13,22,66,960.60
VII. Appropriations Of Profit [Subject to Approval in AGM]			
a. Statutory Reserve Sec 63 (1) (a)	25%	3,84,88,829.05	5,55,87,753.85
b. Co-Operative Education Fund Sec 63 (1) (b)	1%	15,39,553.16	---
c. Reserve for Unforeseen Losses Sec 63 (1) (c)	10%	1,53,95,531.62	---
d. Investment Fluctuation Fund		4,25,00,000.00	39,20,000.00
Balance Net Profit after Statutory Provision		5,60,31,402.37	7,27,59,206.75
e. Proposed Dividend		5,48,79,195.00	4,24,00,000.00
Balance Net Profit after Dividend		11,52,207.37	3,03,59,206.75
f. Building Fund		---	2,87,69,325.44
g. Members' Welfare Fund	10%	1,15,220.74	1,94,462.66
h. Education Fund	10%	1,15,220.74	3,00,000.00
i. Charity Fund	10%	1,15,220.73	64,820.88
j. Credit Equalization Fund		---	76,259.87
k. Bad Debt Reserves Fund		---	7,81,482.20
l. Dividend Equalization Fund		---	1,08,034.81
m. Co-op. Propaganda Fund		---	64,820.89
Balance Net Profit transfer to Statutory Reserve		8,06,545.16	---
TOTAL		15,39,55,316.20	13,22,66,960.60

Notes on Preparation of Financial Statements 18

The Schedules referred to above forms an integral part of the Profit & Loss Account.

As per our report of even dated

For **M/s. N. Dedania Associates**
Chartered Accountants

For, **The Co-Operative Bank of Rajkot Ltd.**

Ravji Pansuriya
AGM

Satyaprakash Khokhara
General Manager & CEO

N. J. Dedania
Proprietor

Kamal Dhani
Jt. Managing Director

Ramnikbhai Dhani
Managing Director

Place : Rajkot

Shashibhai Mehta
Director

Madhusudan Donga
Chairman

Date : 12-05-2012



Schedules to the Balance Sheet as on 31st March, 2012

Schedule - 1

[Amount in Rupees]

Capital	As On 31.03.2012	As On 31.03.2011
Authorised Share Capital [4,00,00,000 Shares of Rs. 25.00 each]	100,00,00,000.00	50,00,00,000.00
Subscribed & Paid up Capital [1,65,60,822 Shares of Rs. 25.00 each] 31.03.2012 [1,42,56,554 Shares of Rs. 25.00 each] 31.03.2011	41,40,20,550.00	35,64,13,850.00
TOTAL	41,40,20,550.00	35,64,13,850.00

Schedule - 2

[Amount in Rupees]

Reserves & Surplus	As On 31.03.2012	As On 31.03.2011
Statutory Reserve	47,55,42,361.90	41,46,54,561.06
Building Fund	19,29,63,002.79	16,12,30,674.56
Dividend Equalization Fund	26,220.00	81,52,374.64
Bad & Doubtful Debt Reserve	19,73,69,940.51	16,16,71,384.15
Investment Depreciation Reserve	11,88,63,510.42	8,60,00,000.00
Investment Fluctuation Reserve	12,01,52,971.00	17,61,82,971.00
Revaluation Reserve	13,06,16,464.43	13,06,16,464.43
Other Funds and Reserves		
Co-Operative Propaganda Fund	---	1,10,048.44
Charity Fund	21,58,152.64	21,91,883.14
Members Welfare Fund	1,60,791.40	2,80,419.93
Jubilee Celebration Fund	---	85,489.69
General Provision against Standard Assets	2,50,10,609.00	2,50,00,000.00
Staff Hospitalization Fund	---	5,00,000.38
Special Reserve	2,58,50,000.00	1,84,50,000.00
Reserve for CRB Capital Investment	---	1,00,00,000.00
Reserve for Charotar Sah. Khand Udyog Ltd. Deposits	---	15,00,000.00
Reserve for Non Banking Assets	10,74,000.00	---
Sub Total	128,97,88,024.09	119,66,26,271.42
Profit & Loss Account		
Profit as per last Balance Sheet 13,22,66,960.60		
Less: Appropriation (13,22,66,960.60)		
Add: Profit for the Current Year 15,39,55,316.20		
Balance in Profit & Loss A/c	15,39,55,316.20	13,22,66,960.60
TOTAL	144,37,43,340.29	132,88,93,232.02



Schedule - 3

[Amount in Rupees]

Deposits [In India]	As On 31.03.2012	As On 31.03.2011
Demand Deposits		
Current Deposits	106,42,06,037.62	102,08,13,013.91
Cash Credit [Credit Balance]	2,72,83,935.97	2,76,86,102.99
Sub Total	109,14,89,973.59	104,84,99,116.90
Savings Deposits		
Savings Bank Deposits	278,40,98,242.73	251,20,99,991.41
Member's Savings Deposits	3,11,38,040.44	3,86,52,768.84
Locker Savings Deposits	9,66,31,380.72	8,62,57,864.62
Special Savings Deposits	8,09,58,383.29	5,42,16,657.17
Sub Total	299,28,26,047.18	269,12,27,282.04
Term Deposits		
Simple Term Deposits	24,54,41,459.60	37,98,17,594.70
Double Term Deposits	1,64,97,782.00	1,56,44,495.00
Reinvestment Deposits	414,98,94,337.37	329,42,22,815.64
Recurring Deposits	2,81,51,947.11	2,19,93,068.83
Locker Deposits	29,62,300.00	---
Monthly Term Deposits	99,00,90,249.00	70,65,88,339.00
Quarterly Term Deposits	68,07,51,215.97	49,37,97,615.69
Member's Share Deposits	---	5,80,72,075.00
Trust Fund Deposits	73,42,264.99	73,42,264.99
Fix Deposit (366 Days)	5,95,21,600.00	---
Sub Total	618,06,53,156.04	497,74,78,268.85
TOTAL	1026,49,69,176.81	871,72,04,667.79

Schedule - 4

[Amount in Rupees]

Borrowings [In India]	As On 31.03.2012	As On 31.03.2011
Borrowings from Reserve Bank of India	NIL	NIL
Borrowings from Other Banks & Institutions	NIL	NIL
TOTAL	NIL	NIL



Schedule - 5

[Amount in Rupees]

Other Liabilities & Provisions	As On 31.03.2012	As On 31.03.2011
1. Inter Branch Adjustments [Net]	69,19,291.91	88,90,053.03
Sub Total	69,19,291.91	88,90,053.03
2. Overdue Interest Reserves		
On PA accounts	1,88,49,523.67	1,71,49,093.45
Sub Total	1,88,49,523.67	1,71,49,093.45
3. Interest Payable on Deposits		
On Savings Deposits	22,00,000.00	18,00,000.00
On Recurring Deposits	28,28,610.00	24,48,524.00
On Matured Deposits	71,67,279.00	38,66,417.00
On Member Share Deposits	52,264.35	77,46,847.35
On Trust Fund Deposits	---	8,10,820.85
On 366 Days Fix Deposits	46,69,205.92	---
Sub Total	1,69,17,359.27	1,66,72,609.20
4. Other Liabilities		
Share Capital Reserves	48,96,225.00	34,14,375.00
Entrance Fees Reserves	18,725.00	17,875.00
OSTC	1,500.00	---
Pay Slips Payable	1,08,36,765.85	39,35,470.19
Personal Loanee Benefit Fund	12,47,677.90	11,38,702.90
Audit Fees Payable	3,30,900.00	3,00,000.00
Insurance Premium (DICGC) Payable	50,00,000.00	---
Nominal member fees Reserves	1,550.00	120.00
Dividend Payable	69,71,336.40	52,27,252.10
Expense Payable [Provision]	9,17,455.00	14,99,437.00
Provident Fund Payable	90,442.00	---
Sundry Creditors	4,57,000.00	4,60,550.00
Provision for Income Tax	6,55,00,000.00	3,55,00,000.00
Bills Payable	---	3,92,340.00
Members Share Deposit Reserves	---	24,750.00
Other Liabilities (Credit Balances in Loan A/c)	---	4,64,816.04
Sub Total	9,62,69,577.15	5,23,75,688.23
TOTAL	13,89,55,752.00	9,50,87,443.91

Schedule - 6

[Amount in Rupees]

Cash & Balances with Reserve Bank of India	As On 31.03.2012	As On 31.03.2011
Cash on Hand	6,36,12,542.06	11,68,31,175.81
Cash in ATM	98,91,700.00	84,02,700.00
Balance with R.B.I.	1,97,96,756.95	2,55,99,508.92
TOTAL	9,33,00,999.01	15,08,33,384.73



Schedule - 7

[Amount in Rupees]

Balances with Banks & Money at Call & Short Notice	As On 31.03.2012	As On 31.03.2011
1. Balances in Curr. A/c with Other Banks [In India]		
a. Balances with SCB & CCB of the District		
Rajkot District Co-operative Bank Ltd.	18,30,50,720.96	14,66,28,726.38
Gujarat State Co-operative Bank Ltd.	9,43,334.00	28,953.00
Kaira Dist. Central Co-operative Bank Ltd.	78,87,027.51	1,03,78,880.07
Jalgaon District Central Co-operative Bank Ltd.	26,01,857.97	---
Jalgaon DCCB Ltd.	42,822.17	---
Maharashtra State Co-op. Bank Ltd.	58,406.59	---
Ahmedabad District Co-operative Bank Ltd.	1,42,60,132.63	6,91,75,992.63
Sub Total [1a]	20,88,44,301.83	22,62,12,552.08
b. Balances with SBI & Other Notified Banks		
State Bank of India	6,33,05,080.58	4,32,97,609.52
UCO Bank	1,04,00,000.00	1,04,14,684.00
Bank of Baroda	9,65,08,648.82	6,36,08,959.62
Union Bank of India	1,17,75,184.40	63,49,071.59
Bank of Baroda Clg. Adjustment A/c	1,000.00	1,000.00
Central Bank of India	43,58,448.44	3,96,934.04
Sub Total [1b]	18,63,48,362.24	12,40,68,258.77
c. Balances with Private & Co-operative Banks		
AXIS Bank	2,00,29,374.03	1,29,20,998.63
ICICI Bank	67,05,607.00	5,19,77,301.69
HDFC Bank	4,21,41,168.69	5,47,00,503.89
Yes Bank	1,46,18,478.00	---
IDBI Bank	2,07,62,591.48	12,67,45,256.54
Kotak Mahindra Bank	2,12,85,266.00	3,93,32,754.34
Sub Total [1c]	12,55,42,485.20	28,56,76,815.09
TOTAL [1a + 1b + 1c]	52,07,35,149.27	63,59,57,625.94
2. Balances in F.D. A/c with Other Banks [In India]		
a. FDRs with SCB & CCB of the District - SLR		
Rajkot Dist. Co-operative Bank Ltd.	70,00,00,000.00	54,00,00,000.00
Gujarat State Co-operative Bank Ltd.	10,00,00,000.00	54,00,000.00
Ahmedabad District Co-operative Bank Ltd.	35,00,00,000.00	10,00,00,000.00
Kaira Dist. Central Co-operative Bank Ltd.	3,19,60,705.00	65,00,000.00
Jalgaon District Central Co-operative Bank Ltd.	15,51,669.00	---
Sub Total [2a]	118,35,12,374.00	65,19,00,000.00
b. FDRs with SBI & Other Notified Banks		
State Bank of India	7,00,00,000.00	12,61,00,000.00
Bank of Baroda	20,00,00,000.00	25,00,00,000.00

Continue on next page...



Schedule - 7 [Continued]

[Amount in Rupees]

Balances with Banks & Money at Call & Short Notice	As On 31.03.2012	As On 31.03.2011
Union Bank of India	1,00,00,000.00	9,00,00,000.00
UCO Bank	10,02,00,000.00	5,00,00,000.00
Dena Bank	10,00,00,000.00	---
Sub Total [2b]	48,02,00,000.00	51,61,00,000.00
c. FDRs with Private & Co-operative Banks		
HDFC Bank	13,20,00,000.00	12,00,00,000.00
ICICI Bank	26,20,00,000.00	16,00,00,000.00
IDBI Bank	5,28,74,230.00	5,25,00,000.00
Kotak Mahindra Bank Ltd.	20,00,00,000.00	10,00,00,000.00
Axis Bank	15,00,00,000.00	---
The Cosmos Co-operative Bank Ltd.	1,00,00,000.00	---
Sub Total [2c]	80,68,74,230.00	43,25,00,000.00
TOTAL [2a +2b +2c]	247,05,86,604.00	160,05,00,000.00
TOTAL [1 + 2]	299,13,21,753.27	223,64,57,625.94
3. Money at Call & Short Notice [In India]		
With HDFC Bank Ltd.	10,00,00,000.00	---
TOTAL [1+2+3]	309,13,21,753.27	223,64,57,625.94

Schedule - 8

[Amount in Rupees]

Investments [In India]	As On 31.03.2012	As On 31.03.2011
Investments in Government Securities		
Central Government Securities	273,39,09,079.00	224,56,89,410.00
State Government Securities	7,45,12,405.00	5,61,00,463.00
Treasury Bills	9,89,31,700.00	---
Sub Total	290,73,53,184.00	230,17,89,873.00
Investments in Shares of Other Co-Op. Institutions		
Shares of Rajkot District Co-op. Bank Ltd.	11,74,000.00	11,74,000.00
Shares of Gujarat State Co-op. Bank Ltd.	20,75,000.00	20,75,000.00
Shares of Jalgaon District Co-operative Bank Ltd.	5,000.00	---
Shares of Maharashtra State Co-operative Bank Ltd.	10,000.00	---
Shares of KRIBHCO	5,00,000.00	5,00,000.00
Shares of IFFCO	10,00,000.00	10,00,000.00
Shares of Kaira District Central Co-op. Bank Ltd.	---	2,500.00
Sub Total	47,64,000.00	47,51,500.00
Other Investments [Non-SLR]		
Units of UTI Mutual Fund	1,66,70,477.10	1,66,70,477.10

Continue on next page...



Schedule - 8 [Continued]

[Amount in Rupees]

Investments [In India]	As On 31.03.2012	As On 31.03.2011
CRB Capital Market Ltd. FDR	---	1,00,00,000.00
Charotar Sahakari Khand Udyog Mandli Ltd. FDR	---	15,00,000.00
Sub Total	1,66,70,477.10	2,81,70,477.10
TOTAL	292,87,87,661.10	233,47,11,850.10

Schedule - 9

[Amount in Rupees]

Loans & Advances [In India]	As On 31.03.2012	As On 31.03.2011
Short Term Loans, CC, OD & Bills Discounted		
Cash Credits	171,47,43,630.96	163,90,27,243.73
Pledged Finance (Erstwhile Vaso Co-op. Bank)	2,90,09,059.00	2,90,09,059.00
Clean Overdraft	32,06,577.20	---
Secured Overdraft	59,50,91,616.78	52,36,15,501.88
Overdraft Against Fixed Deposit	20,00,54,561.73	22,72,88,230.96
Temporary Overdraft (Erstwhile Mahila Utkarsh Bank)	40,72,427.26	41,42,427.26
Loans Against Fixed Deposits	6,99,78,943.92	5,74,85,178.13
Loans Against NSC / KVP / Policies	53,83,433.60	84,09,357.33
Sub-Total	262,15,40,250.45	248,89,76,998.29
Medium & Long Term Loans		
Personal Loan	6,52,52,478.77	6,63,44,892.07
Machinery Loan	72,96,84,899.75	78,23,45,511.33
Vehicle Loan	15,18,63,816.69	14,22,41,188.87
Building Loan	3,80,088.00	8,35,230.70
Staff Housing Loan	6,24,62,974.00	5,44,87,094.00
Home Loan	45,88,41,026.81	42,28,66,493.09
Mortgage Loan	3,19,38,089.50	4,43,76,199.50
Industrial Loan	41,55,73,546.54	40,40,95,794.30
Business Loan	90,56,45,476.61	71,22,24,502.74
Medical Equipment Loan	99,76,405.00	1,03,99,516.00
Staff Car Loan & Advances	39,75,310.00	32,88,322.00
Staff Secured Loan	7,32,071.00	12,54,475.00
Gold Loan	2,22,68,158.00	83,05,689.00
Agriculture Loan (Erstwhile Yawal Bank)	29,961.00	---
Awarded Loan (Erstwhile Yawal Bank)	22,71,127.00	---
Sub-Total	286,08,95,428.67	265,30,64,908.60
TOTAL	548,24,35,679.12	514,20,41,906.89
ADVANCES ARE SECURED AGAINST		
Secured by Other Tangible Securities & Assets	538,08,95,136.89	504,25,45,528.56
Unsecured Advances	10,15,40,542.23	9,94,96,378.33
TOTAL	548,24,35,679.12	514,20,41,906.89

Schedule - 10

Fixed Assets

[Amount in Rupees]

Sr. No.	DETAILS OF FIXED ASSETS	Rate of Depreciation	GROSS BLOCK						CLOSING BALANCE		
			OPENING BALANCE		ADDITION		DEDUCTION / TRANSFER		31.03.2012 [excluding Revaluation Res.]	Revaluation Reserve 31.03.2012	
			01.04.2011 [Excluding Revaluation Res.]	Revaluation Reserve 01.04.2011	First Half Year 01.04.2011 to 30.09.2011	Second Half Year 01.10.2011 to 31.03.2012	Revaluation during the year	Sales / Scrap			Transfer-Out
1.	Land	---	2,96,05,354.51	6,40,30,645.49	---	---	---	---	---	2,96,05,354.51	6,40,30,645.49
2.	Capital Work in Progress	---	76,87,475.72	---	15,72,452.32	62,17,259.50	---	---	90,77,647.54	63,99,540.00	---
3.	Building	10.00%	6,78,44,181.41	6,65,85,818.94	---	2,73,32,431.67	---	---	2,05,78,121.57	7,45,98,491.71	6,65,85,818.94
4.	Computer & Peripherals	33.33%	2,02,79,947.05	---	3,19,858.00	7,54,941.00	---	---	1,13,451.00	1,81,86,675.05	---
5.	Other Equipments	25.00%	91,36,770.07	---	74,505.00	7,51,640.75	---	---	7,47,524.75	86,36,943.32	---
6.	Electric Equipments	15.00%	2,31,34,847.66	---	6,91,690.00	35,74,709.00	---	---	4,73,653.00	2,53,40,612.63	---
7.	Furniture & Fixtures	10.00%	4,54,78,717.48	---	30,75,113.32	77,98,102.39	---	---	62,33,883.43	4,83,63,598.58	---
8.	Vehicles	15.00%	75,52,472.00	---	53,109.00	---	---	---	14,79,042.00	61,26,539.00	---
	TOTAL		21,07,19,765.92	13,06,16,464.43	57,86,727.64	4,64,29,084.51	---	---	3,72,24,281.29	21,72,57,754.80	13,06,16,464.43

[Amount in Rupees]

Sr. No.	DETAILS OF FIXED ASSETS	Rate of Depreciation	DEPRECIATION FUND				NET BLOCK / W.D.V.	
			Opening Balance on 01.04.2011	Addition / Transfer In	Deduction / Transfer Out	Depreciation for the current Year	Opening Balance on 01.04.2011	Closing Balance on 31.03.2012
1.	Land	---	---	---	---	9,36,36,000.00	9,36,36,000.00	
2.	Capital Work in Progress	---	---	---	---	63,99,540.00	63,99,540.00	
3.	Building	10.00%	2,68,98,221.37	85,53,954.47	78,30,974.47	2,14,058.55	10,75,31,778.98	10,93,49,050.73
4.	Computer & Peripherals	33.33%	1,61,74,515.16	1,13,451.00	30,77,402.83	22,77,903.44	41,05,431.89	26,98,208.28
5.	Other Equipments	25.00%	61,08,665.79	4,80,065.69	11,23,698.59	7,61,334.19	30,28,104.28	24,10,576.24
6.	Electric Equipments	15.00%	88,19,007.19	5,69,653.64	15,67,757.70	24,08,474.58	1,43,15,840.49	1,51,11,234.92
7.	Furniture & Fixtures	10.00%	1,83,97,052.59	44,02,208.43	50,07,395.14	30,13,879.02	2,08,05,744.90	2,75,57,853.68
8.	Vehicles	15.00%	27,89,844.56	---	8,17,075.07	6,23,065.43	47,62,627.44	35,30,704.08
	TOTAL		7,91,87,306.66	1,41,19,333.23	1,94,24,303.80	1,32,98,715.21	8,71,81,051.30	26,06,93,167.93

Summary as on 31.03.2012

1.	Land	9,36,36,000.00
2.	Capital Work in Progress	63,99,540.00
3.	Building (Net)	10,93,49,050.73
	Total Premises	20,93,84,590.73
4.	Furniture and Fixture (Net)	5,73,08,577.20
	Total Fixed Assets	26,06,93,167.93



Schedule - 11

[Amount in Rupees]

Other Assets	As On 31.03.2012	As On 31.03.2011
1. Interest Receivable		
On Other Bank Deposits	12,29,00,260.00	9,02,42,692.92
On SGL accounts (Central + State)	5,42,29,668.17	3,80,31,710.00
On Advances	1,10,00,000.00	1,17,00,000.00
Sub Total	18,81,29,928.17	13,99,74,402.92
2. Other Assets		
a. Stocks		
Adhesive Stamp Stock	1,20,300.00	1,20,300.00
Adhesive Stamp (Franking Machine)	92,41,468.00	84,73,970.00
Pan Card Coupon (UTI-TSL)	7,650.00	12,155.00
b. Deposits		
Telephone / OYT / Cellular Deposit	16,000.00	---
Electricity Deposit	6,21,291.00	6,51,248.72
CBLO Cash Margin Deposit With CCIL	1,00,000.00	1,00,000.00
Security Deposit for Rented Premises	---	30,00,000.00
SRO Deposits	---	2,242.00
c. Sundry Assets		
Tax Deducted at Source [TDS] Receivable	4,08,294.66	4,68,828.66
Advance Tax Paid A.Y. 2008-2009-erstwhile Vaso Bank	7,156.15	7,156.15
Advance Tax Paid A.Y. 2009-2010-erstwhile Vaso Bank	6,236.00	6,236.00
Advance Tax Paid A.Y. 2011-2012	---	3,50,00,000.00
Advance Tax Paid A.Y. 2012-2013	6,75,00,000.00	---
Income Tax Refund Receivable A.Y. 2007-2008	---	18,49,300.00
Income Tax Refund Receivable A.Y. 2009-2010	---	6,43,256.00
Income Tax Refund Receivable A.Y. 2010-2011	7,94,210.00	---
Income Tax Refund Receivable A.Y. 2011-2012	15,72,540.00	---
Government of India (Agri DWDR Scheme)	2,48,944.00	---
Income Receivable	4,74,187.00	2,52,602.00
Sub Total [2a+2b+2c]	8,11,18,276.81	5,05,87,294.53
3. Non Banking Assets (erstwhile Vaso Bank)	10,74,000.00	10,74,000.00
4. Acquisition Costs		
The Vaso Co-operative Bank Ltd.	13,48,27,353.69	17,97,69,804.92
TOTAL [1+2+3+4]	40,51,49,558.67	37,14,05,502.37



Schedule - 12

[Amount in Rupees]

Contingent Liabilities	As On 31.03.2012	As On 31.03.2011
1. Outstanding liabilities for guarantes Issued		
Guarantees given on behalf of constituents [In India]	9,26,000.00	19,68,000.00
Guarantees given through HDFC Bank	4,98,29,555.00	5,05,15,716.00
Sub Total	5,07,55,555.00	5,24,83,716.00
2. Others		
Claims against the bank not acknowledged as debts	1,02,94,480.00	27,56,030.00
TOTAL	6,10,50,035.00	5,52,39,746.00

[Amount in Rupees]

Note : Off Balance Sheet Items	As On 31.03.2012	As On 31.03.2011
1. Employee Retirement Benefits		
Investment under LIC GGCA Gratuity Scheme	2,60,68,383.00	2,60,69,694.00
Investment under LIC Leave Encashment Scheme	1,43,91,283.00	70,75,300.00
Sub Total-1	4,04,59,666.00	3,31,44,994.00
2. Bills for Collection		
Inward Bills for Collection (IBC)	8,69,220.58	10,86,593.14
Outward Bills for Collection (OBC)	99,80,226.65	81,63,735.79
Sub Total-2	1,08,49,447.23	92,50,328.93
3. OIR (NPA)		
Overdue Interest on NPA Account	31,86,66,794.02	24,06,70,553.52
Sub Total-3	31,86,66,794.02	24,06,70,553.52
4. MMC Bank Deposits Written off (NPI)		
MMC Bank Deposits of - The Co-op. Bank of Rajkot (Cur. A/c)	12,97,029.00	12,97,029.00
MMC Bank Deposits of - Erstwhile Mahila Utkarsh Bank (TDR)	2,59,40,146.00	2,59,40,146.00
MMC Bank Deposits of - Erstwhile Vaso Bank (TDR)	1,69,99,244.00	1,69,99,244.00
MMC Bank Deposits of - Erstwhile Dakor Bank (Cur. A/c)	9,77,102.00	---
Sub Total-4	4,52,13,521.00	4,42,36,419.00
5. Other Non Performing Investments Written off		
CRB Capital Investment of - Erstwhile Vaso Bank	1,00,00,000.00	---
Charotar Sah. Khand Udhyog Deposit of-erstwhile Vaso Bank	15,00,000.00	---
Bank of Baroda (Surat) FDR of - Erstwhile Dakor Bank	1,00,00,000.00	---
Sub Total-5	2,15,00,000.00	---
TOTAL [1+2+3+4+5]	43,66,89,428.25	32,73,02,295.45



Schedules to the Profit & Loss Account ended on 31st March, 2012

Schedule - 13

[Amount in Rupees]

Interest Earned	As On 31.03.2012	As On 31.03.2011
Interest Earned on Advances	62,71,02,386.75	55,44,66,498.08
Sub Total	62,71,02,386.75	55,44,66,498.08
Interest Earned on Deposits		
On Deposits With Other Co-Operative Banks	---	51,377.00
On Deposits With Other Banks	20,16,30,146.14	11,39,84,024.91
On Call Money Deposits	1,89,90,159.31	73,51,336.08
Sub Total	22,06,20,305.45	12,13,86,737.99
Interest Earned on Investments		
Interest earned on State Govt. Sec. (GSDL)	42,83,499.50	35,54,515.00
Interest earned on Central Govt. Sec. (SGL)	19,78,87,089.84	15,54,55,006.83
Interest earned on T-Bills	3,34,066.87	---
Interest earned on Bonds, etc.	---	2,251.00
Sub Total	20,25,04,656.21	15,90,11,772.83
Interest Earned on Balance with RBI	---	---
TOTAL	105,02,27,348.41	83,48,65,008.90

Schedule - 14

[Amount in Rupees]

Other Income	As On 31.03.2012	As On 31.03.2011
Commission, Exchange & Brokerage	47,57,273.30	65,85,476.73
Profit on Sale of Investments	9,00,000.00	---
Dividend from Units of UTI Mutual Funds	2,15,360.88	6,70,514.62
Dividend from Shares of other Co-op. Institutions	7,86,681.00	6,42,175.00
Dividend Income Non-SLR Mutual Funds	---	3,26,921.92
Documents Charges	3,04,84,571.54	3,07,56,866.50
Share Transfer / Duplicate Certificate Fees	75.00	13,485.00
Locker Rent	26,38,080.00	23,40,014.00
Insurance Commission Income	39,91,580.00	40,60,157.18
Income Tax Provision Written Back	16,11,442.00	---
MNCB Provision Written Back	---	4,29,39,390.00
Reserve for CRB Capital Investment Written Back	1,00,00,000.00	---
Reserve for Charotar Sah. Khand Udhog Written Back	15,00,000.00	---
Reserve for Bank of Baroda Surat (FDR) Written Back	1,00,00,000.00	---
Other Income [Annexure-1]	33,48,877.49	41,83,332.94
TOTAL	7,02,33,941.21	9,25,18,333.89



Schedule - 15

[Amount in Rupees]

Interest Expenditure	As On 31.03.2012	As On 31.03.2011
Interest Expended on Deposits	63,29,23,348.67	46,27,81,131.07
TOTAL	63,29,23,348.67	46,27,81,131.07

Schedule - 16

[Amount in Rupees]

Operating Expenditure	As On 31.03.2012	As On 31.03.2011
Payments to & Provisions for Employees [Annexure -2]	8,82,53,816.00	8,69,36,617.91
Rent, Taxes and Lighting [Annexure -2]	1,10,76,859.99	1,06,63,864.41
Repairs and Maintenance [Annexure -2]	71,38,772.88	55,23,449.47
Government Taxes Paid [Annexure -2]	42,05,952.00	47,65,172.59
Other Expenditure [Annexure -3]	33,70,703.11	37,81,297.56
Advertisement and Business Development	2,14,54,988.00	1,70,60,631.00
Depreciation on Fixed Assets	1,32,98,715.21	1,24,55,030.41
Amortization of Premium of Govt. Securities	1,09,71,040.00	1,11,46,927.00
DICGC Insurance Premium Expenses	1,38,34,563.00	74,82,755.00
Function Expenses	11,06,942.00	18,85,676.76
Auditor's Fees and Expenses	20,47,730.00	13,46,630.00
Printing and Stationery	18,35,750.88	13,35,147.18
MICR CP Centre Charges	12,94,094.00	10,06,188.07
Security Guard Expenses	16,10,805.00	10,34,556.34
Loss From Sale of Furniture & Fixture	10,26,647.59	8,10,670.44
Postage, Telegrams, Telephones, etc.	10,69,165.42	5,38,593.75
Insurance Premium on Assets	9,37,732.49	4,21,452.00
Law Charges	2,78,381.00	2,48,997.00
Director's Sitting Fees, Allowances & Expenses	2,13,200.00	1,88,800.00
Clearing House Rent	3,26,866.48	1,84,665.00
MNCB Deposits (NPI) Written off	---	4,42,36,419.00
CRB Capital Investment Written off	1,00,00,000.00	---
Charotar Sah. Khand Udyog Investment Written off	15,00,000.00	---
Bank of Baroda (Surat) FDR Written off	1,00,00,000.00	---
TOTAL	20,68,52,725.05	21,30,53,540.89

Schedule - 17

[Amount in Rupees]

Provisions & Contingencies	As On 31.03.2012	As On 31.03.2011
Provision for Taxation		
Provision for Income Tax	7,03,06,108.00	3,95,99,288.00
Sub Total	7,03,06,108.00	3,95,99,288.00
Provision against Bad & Doubtful Debts	1,72,00,000.00	1,00,00,000.00
Provision for Investment Depreciation Fund	2,30,00,000.00	2,16,37,000.00
Provision for Special Reserve u/s 36 (1) (viii) of Income Tax Act	74,00,000.00	44,00,000.00
1/5 th Acquisition Cost of Vaso Bank Written off	4,49,42,451.23	4,49,42,451.23
Acquisition Cost of Dakor Bank Written off	2,08,55,126.46	---
Acquisition Cost of Yawal Bank Written off	30,26,214.01	---
Sub Total	11,64,23,791.70	8,09,79,451.23
TOTAL	18,67,29,899.70	12,05,78,739.23



Annexure - 1

[Amount in Rupees]

Other Income	As On 31.03.2012	As On 31.03.2011
Cheque Return Charges	9,24,277.97	9,82,281.88
Incidental Charges	1,19,918.75	5,206.00
Cash Handling Charges	14,82,391.00	18,10,230.00
Other Misc Income	7,51,796.19	8,00,488.53
Surplus on Sale of Fixed Assets	60,537.58	28,056.11
Excess Depreciation written back	---	5,57,070.42
Penal Charges	9,956.00	---
TOTAL	33,48,877.49	41,83,332.94

Annexure - 2

[Amount in Rupees]

Operating Expenditure	As On 31.03.2012	As On 31.03.2011
Payments to & Provisions for Employees		
Salary & Allowances	7,18,42,575.00	6,73,79,682.33
Contribution to Provident Fund	55,71,642.00	52,13,073.00
PF Administration Charges Expenses	5,08,602.00	---
Insurance Premium for Group Gratuity Scheme	15,29,159.00	1,35,17,486.00
Insurance Premium for Leave Encashment Scheme	83,53,731.00	2,59,753.00
Medical Reimbursement	2,96,500.00	87,400.00
Insurance Premium for EDLI Scheme	95,307.00	54,333.58
Retrenchment Compensation Expenses	---	3,85,290.00
Training Seminar Participation Fees	56,300.00	39,600.00
TOTAL	8,82,53,816.00	8,69,36,617.91
Rent, Taxes and Lighting		
Rent Expenses	52,20,284.00	54,35,560.00
Municipal Taxes	10,93,517.00	10,04,547.00
Electricity Charges	47,63,058.99	42,23,757.41
TOTAL	1,10,76,859.99	1,06,63,864.41
Repairs and Maintenance		
Maintenance Service Charges	54,10,469.00	45,75,417.50
Building & Furniture Repairing	12,97,237.30	4,73,258.75
Repair & Maintenance of Motor Car	4,31,066.58	4,74,773.22
TOTAL	71,38,772.88	55,23,449.47
Government Taxes Paid		
Service Tax & Education Cess Expenses	41,71,817.00	47,16,902.59
Professional Tax	34,135.00	48,270.00
TOTAL	42,05,952.00	47,65,172.59

Annexure - 3

[Amount in Rupees]

Other Expenditure	As On 31.03.2012	As On 31.03.2011
Miscellaneous Expenses	3,07,432.50	3,53,206.20
Hospitality Expenses	10,56,015.00	7,10,291.50
Conveyance, Tours & Travel Expenses	10,85,795.50	6,00,246.73
Remittance Expenses	71,344.00	43,050.00
Books, Periodicals and Newspaper	34,080.50	36,326.50
Membership Fees	1,02,050.00	79,750.00
Vehicle Expenses For Two Wheelers	1,00,675.60	65,989.08
SGL A/c Operating Charges	19,895.93	5,723.50
Lease Line Rent Charges	4,40,987.00	4,31,232.00
ATM Card Expenses	59,712.00	25,364.00
Commission Expenses	92,715.08	96,618.05
Other Expenses [Provision]	---	13,00,000.00
Website Development & Designing	---	33,500.00
TOTAL	33,70,703.11	37,81,297.56

Schedule : 18

Notes on Preparation of Financial Statements

A. Significant Accounting Policies

1. Basis of Preparation

The financial statements are prepared under historical cost convention and comply, in all material aspects, with applicable Accounting Standards issued by The Institute of Chartered Accountants of India and Generally Accepted Accounting Principles (GAAP) in India which includes applicable Statutory Provisions, Regulatory Norms prescribed by Reserve bank of India and prevailing practices in Banking industry with the exception where a separate and distinct base has been mandated by RBI or any other statutory bodies e.g. in case of valuation of investments. The financial statements are presented in Indian Rupees



2. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities as at the date of the financial statements. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from estimates.

3. Revenue Recognition

All Incomes and Expenses are recognized on accrual basis subject to the following:

- 3.1 Interest income is accrued except in the case of non performing assets & non performing investments where it is recognized upon realisation as per the prudential norms of RBI.
- 3.2 Insurance Commission income.
- 3.3 Property tax expenses.
- 3.4 Dividend income is accounted for on realization basis.

4. Investments

Classification and valuation of the Bank's investments is carried out in accordance with RBI Master Circular dated 1, July 2011 and amendments thereto.

Classification

Investments are classified as 'Held to Maturity' ['HTM'], 'Held for Trading' ['HFT'] or Available for Sale' ['AFS'] at the time of its purchase as well as acquisition through Merger Investments acquired with the intention of holding up to maturity are classified as HTM. Investments acquired by the Bank with the intention to trade by taking advantage of the short-term price / interest rate movements are classified as HFT. All other investments are classified as AFS. For disclosure in the financial statements, investments are disclosed under various categories as given in Schedule : 8 - Investments.

Valuation

Investments classified as HTM are taken at acquisition cost. Any premium on acquisition is amortized over the remaining period till maturity on the basis of a constant yield to maturity.

Investments classified as AFS are marked to market on yearly basis. Net depreciation for each classification in respect of any category mentioned in 'Schedule : 8 - Investments' is recognized in the Profit and Loss account. Net appreciation is ignored.

The mark to market value of investments classified as HFT and AFS is determined using Yield to Maturity ['YTM'] rate as notified by Fixed Income Money Market and Derivatives Association

['FIMMDA'] jointly with Primary Dealers Association of India ['PDAI'].

Transfer of securities from one category to another is accounted for at the least of acquisition cost / book value / market value on the date of transfer. The Depreciation, if any, on such transfer is fully provided for.

5. Advances

Classification and provisioning of advances of the Bank are carried out in accordance with the Prudential Norms prescribed by the Reserve Bank of India.

The Bank adopts a '90 days overdue norms' for identification of Non Performing Assets ['NPAs'], unless the events warrant an earlier recognition of NPA. Specific Loan loss provisions in respect of Non Performing Advances are made based on management's assessment of the degree of impairment of the advances subject to the minimum provisioning levels prescribed by RBI guidelines.

The Bank also maintains a general provision to cover potential credit losses, which are inherent in any loan portfolio but not yet identified, in accordance with RBI Master Circular, dated 1, July 2011.

6. Fixed Assets and Depreciation

Fixed assets are taken at historical cost less accumulated depreciation till date except in cases of assets which have been revalued. The appreciation on revaluation, if any, is credited to the 'Revaluation Reserve' Account.

Depreciation is provided according to Written Down Value [WDV] method on all the assets except on Computer & Peripherals on which depreciation is provided according to Straight Line Method [SLM] @ 33.33% as per RBI guidelines. The rates used for providing depreciation are as under:

Fixed Asset	Depreciation Method used	Rate of Depreciation
Land	-	-
Building	WDV	10.00 %
Computer & Peripherals	SLM	33.33 %
Other Equipments	WDV	25.00 %
Electric Equipments	WDV	15.00 %
Furniture & Fixtures	WDV	10.00 %
Vehicles	WDV	15.00 %

No depreciation is provided on the fixed assets sold or discarded during the year.



7. Employee Benefits

7.1 Provident Fund

Retirement benefit in the form of Provident Fund is a Defined Contribution Plan & contributions for the year in that respect to Regional Provident Fund (PF) Commissioner are charged to Profit & Loss account.

7.2 Employee Leave Benefits

Employee leave benefits in the form of privilege leave is a defined benefit scheme. In terms of Accounting Standard - 15 (Revised), interest cost, current service cost and net actuarial gain / loss is charged to the profit & loss account and net assets / liability is recognised in Balance Sheet based on actuarial valuation done by an independent actuary as at the year end, using the Projected Unit Credit Method.

7.3 Gratuity

Retirement benefit in the form of Gratuity is a defined benefit plan. The bank has gratuity fund for its employees under the group gratuity scheme managed by Life Insurance Corporation of India (LIC). In terms of Accounting Standard - 15 (Revised), interest cost, current service cost and net actuarial gain / loss is charged to the Profit & Loss account and Net Assets / Liability is recognised in Balance Sheet based on actuarial valuation done by an independent actuary as at the year end, using the Projected Unit Credit Method.

8. Taxation

Provision for Income Tax is made using applicable tax rates and tax laws under the provisions of Income Tax Act, 1961 for the year.

Total Advance Tax payment during the year was **Rs. 6,75,00,000.00** and the total TDS on various incomes of the current year was **Rs. 4,08,294.66** to which the Bank is entitled to take the credit at the time of final payment of tax liability on returned income of the current year under the Income Tax Act, 1961.

9. Net Profit

The Net Profit is arrived at after accounting for the following "Provisions and Contingencies":

- a. Provision for taxes in accordance with statutory requirements.
- b. Provision for Non Performing Assets.
- c. Provision for Special Reserve under section 36(1)(viii) of the Income Tax Act, 1961.
- d. Provision for Investment Depreciation.
- e. Writing off 1/5th Acquisition Cost of Vaso Bank (2nd year).



- f. Writing off full Acquisition Cost of Dakor Bank & Yawal Bank.
- g. Other necessary provisions.

10. Reserves & Other Funds

10.1 As per the requirements of the Multi State Co-op Societies Act, 2002, Net Profit after tax is appropriated towards

- 1. Statutory Reserve Fund (Minimum 25%)
- 2. Reserve for unforeseen losses (10% of net profit)
- 3. Co-Operative Education Fund maintained by NCUI (1% of net profit)

10.2 Dividend remaining unclaimed over 3 years, entrance fees & nominal membership fees outstanding at the year end are transferred to Statutory Reserve Fund.

B. Notes on Accounts

1. Previous year's figures have been regrouped/rearranged/reclassified wherever necessary.

2. Balancing of Books of Accounts

Books of accounts have been balanced and are in tallied condition up to 31st March, 2012. The accounts with other banks have been reconciled up to 31st March, 2012. Efforts are going on to eliminate the outstanding items.

3. Premises & Revaluation

During the financial year 2011-12, the Bank has not revalued any of its properties.

4. Investments

Bank had applied for value free transfer of securities of the erstwhile Dakor Nagarik Sahakari Bank Ltd. held with CSGL account with ICICI Bank to our CSGL account with HDFC Bank Ltd. The same had been transferred in March 2012 and the CSGL account was suitably reconciled for the same.

Also, Bank had applied for value free transfer of securities of the erstwhile Yawal People's Co-operative Bank Ltd. held with CSGL account with Maharashtra State Co-operative Bank to our CSGL account with HDFC Bank Ltd.

During the year under audit Bank had written off the following Non Performing Investments (NPI) of **Rs. 2,24,77,102.00** subject to permission of AGM.

MMC Bank Deposits of - Erstwhile Dakor Bank	Rs. 9,77,102.00
Bank of Baroda Surat (FDR) - Erstwhile Dakor Bank	Rs. 1,00,00,000.00

Deposit with CRB Capital Investment Ltd. FD Rs. 1,00,00,000.00

Deposit with Charotar Sahakari Khand Udyog Mandali FD Rs. 15,00,000.00

NON SLR investments of the Bank remain same as per last year except increase due to merger of erstwhile Dakor Nagrik Sahakari Bank Ltd. & Yawal Peoples Co-operative Bank Ltd.

5. Provisioning on Advances

A provision of **Rs.1,72,00,000.00** is made out of the current year's profit for Bad & Doubtful Debts. The details of provisions held and required against NPA are given in the following chart:

[Rs. in Lacs]

Particulars	Bad & Doubtful Debt Reserve	General Provision on Std. Assets	Total
Balance as on 31.03.2012	1973.70	250.11	2223.81
Less: Provision required	1257.38	238.40	1495.78
Excess Provision held	716.32	11.71	728.03
Unrealized Interest on NPA accounts as on 31.03.2012	---	---	3186.67

6. Provisioning

Total provisions made during the year amounts to **Rs. 18,67,29,899.70**. This comprises of the following provisions from the amount of Gross Profit:

1. Provision against Bad & Doubtful Debts of **Rs. 1,72,00,000.00**
2. Provision for Investment Depreciation Fund of **Rs. 2,30,00,000.00**
3. Provision for Special Reserve under section 36(1)(viii) of the Income Tax Act, 1961 of **Rs. 74,00,000.00**
4. Provision for Income Tax of **Rs. 7,03,06,108.00**
5. 1/5th of Acquisition Cost of The Vaso Co-operative Bank Ltd. Written off **Rs. 4,49,42,451.23**
6. Full Acquisition Cost of The Dakor Nagrik Sahakari Bank Ltd. Written off **Rs. 2,08,55,126.46**
7. Full Acquisition Cost of The Yawal Peoples Co-operative Bank Ltd. Written off **Rs. 30,26,214.01**

7. Claims against Bank not acknowledged as debts

Claims against Bank not acknowledged as debts amounts to **Rs. 102.94 lacs** that comprise of Income tax claims in disputed cases. The Bank has filed appeals against the disputes before

various Appellate authorities and it is confident to get a favourable judgement in respect of the cases involved. The status of disputed issues and the amount involved is given below :

[Amount in Rupees]

A.Y.	Disputed Issues	Dispute Laying before	Appellant	Disputed Amount Involved	Amount of Tax Demand raised	Demand already paid
2007-2008	Allowability of Amortized Premium on HTM Investments	ITAT, Rajkot	Our Bank	68,25,000.00	27,56,030.00	27,56,030.00
	Allowability of Interest on MSD	ITAT, Rajkot	D.C.I.T.	27,74,965.00	NIL	N.A.
2008-2009	Allowability of Amortized Premium on HTM Investments	ITAT, Rajkot	Our Bank	68,98,000.00	29,87,660.00	29,87,660.00
2009-2010	Allowability of Amortized Premium on HTM Investments	CIT(A), Rajkot	Our Bank	80,75,000.00	NIL	NIL
	Allowability of Interest on NPA			58,31,100.00	45,50,790.00	31,43,260.00
	Allowability of VRS Expenses			3,62,942.00	NIL	NIL
TOTAL					102,94,480.00	88,86,950.00

8. Break up of Reserves & Surplus

Following is the break up of various accounts shown under the head "Reserves & Surplus" in Schedule - 2 to the Financial Statements:

[Amount in Rupees]

Sr.	Reserves & Surplus	Opening Balance	Debit	Credit	Closing Balance
1	Statutory Reserve	41,46,54,561.06	4,14,60,788.16	10,23,48,589.00	47,55,42,361.90
2	Revaluation Reserve	13,06,16,464.43	2,17,57,500.00	2,17,57,500.00	13,06,16,464.43
3	Building Fund	16,12,30,674.56	2,14,36,930.30	5,31,69,258.53	19,29,63,002.79
4	Dividend Equalization Fund	81,52,374.64	88,68,440.81	7,42,286.17	26,220.00
5	Bad & Doubtful Debt Reserve	16,16,71,384.15	12,13,64,890.29	15,70,63,446.65	19,73,69,940.51
6	Investment Depreciation Reserve	8,60,00,000.00	1,42,56,791.38	4,71,20,301.80	11,88,63,510.42
7	Investment fluctuation Reserve	17,61,82,971.00	6,00,00,000.00	39,70,000.00	12,01,52,971.00
8	Co-Operative Propaganda Fund	1,10,048.44	1,74,869.33	64,820.89	---
9	Charity Fund	21,91,883.14	4,06,817.00	3,73,086.50	21,58,152.64
10	Member Welfare Fund	2,80,419.93	5,19,890.13	4,00,261.60	1,60,791.40
11	Reserve for CRB Capital	1,00,00,000.00	1,00,00,000.00	---	---
12	Reserve for BOB Surat (FDR)	---	1,00,00,000.00	1,00,00,000.00	---
13	Jubilee Celebration Fund	85,489.69	85,489.69	---	---
14	General Provision against Std. Assets	2,50,00,000.00	1,84,609.00	1,95,218.00	2,50,10,609.00
15	Staff Hospitalization fund	5,00,000.38	5,07,789.76	7,789.38	---
16	Special Reserve	1,84,50,000.00	---	74,00,000.00	2,58,50,000.00
17	Reserve for Charotar Sahakari Khand	15,00,000.00	15,00,000.00	---	---
18	Credit Equilization Fund	---	76,259.87	76,259.87	---
19	Reserve for Non Banking Assets	---	---	10,74,000.00	10,74,000.00
Total Reserve & Other Funds		119,66,26,271.42	31,26,01,065.72	40,57,62,818.39	128,97,88,024.09



During the year under audit bank has made following inter transfer of reserve funds.

Sr.	Particulars	Amount in Rs.
1.	Dividend Equalisation Fund to IDR	84,61,913.43
2.	Co-op. Propaganda Fund to IDR	1,74,869.33
3.	Jubilee Celebration Fund to IDR	85,489.69
4.	Staff Hospitalisation Fund to IDR	5,00,000.38
5.	Member Welfare Fund to IDR	4,74,882.59
6.	IFR to Profit & Loss A/c	6,00,00,000.00
7.	BDDR to Reserve for Non Banking Assets	10,74,000.00

Since various funds have been created as per provisions of the bye law at relevant time out of profit of the bank, necessary approval of AGM is required to be taken. Issue may be put before the next AGM and decision of BOD is required to be ratified by AGM in this respect.

9. Asset Liability Management (as on last reporting Friday of the year i.e. 23.03.2012)

[Rs. in Crores]

Outstanding	1 to 14 Days	15 to 28 Days	29 Days to 3 Months	Over 3 Months & up to 6 Months	Over 6 Months & up to 3 Year	Over 1 Year & up to 3 Years	Over 3 Years & up to 5 Years	Over 5 Years	Total
Deposits	69.58	08.20	47.27	49.83	62.74	691.32	72.49	01.08	1002.50
Advances	00.22	07.10	14.10	20.96	41.10	316.47	89.79	28.10	517.84
Investments	---	---	112.10	---	---	05.03	34.21	133.52	284.86
Borrowings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

10. Exposure to Sensitive Sector

[Rs. in Lacs]

Category	31.03.2012	31.03.2011
Advances against Housing		
Housing Loans to individuals	4588.41	4228.66
Staff Housing Loans	624.63	544.87
Mortgage Loans	319.38	443.76
Loans to Builders & Contractors [Commercial Real Estate]	4024.08	2535.42
Total Exposure to Real Estate	11017.37	7752.71
Real Estate Advances to Total Advances in %	07.34	04.93
Advances against Housing to Total Advances in %	10.09	10.15
Advances against Shares & Debentures in %	---	---



11. Additional Disclosures

(Rs. In lacs)

Sr. No.	PARTICULARS (Additional Disclosures)	Unit	31.03.2012	31.03.2011
1	Movement of CRAR			
	(a) Tier - I Capital	%	17.36 %	15.32%
	(b) Tier - II Capital	%	04.15 %	05.44%
2	Capital Adequacy Ratio (Total)	%	21.51 %	20.76%
3	Classification of Investments			
	(a) Held to Maturity (HTM)	Rs.	16874.11	12298.02
	(b) Held for Trading (HFT)	Rs.	---	---
	(c) Available for Sale (AFS)	Rs.	12413.77	11049.10
	(d) Total Investment	Rs.	29287.88	23347.12
4	Composition of Investments			
	(a) SLR Investments			
	i Central Govt. Securities	Rs.	27339.09	22456.89
	ii State Govt. Securities	Rs.	745.12	561.00
	(b) NON - SLR Investments			
	i Shares of Co. op Institutions	Rs.	47.64	47.52
	ii Units of UTI	Rs.	166.70	166.70
	iii CRB Capital Market Ltd. FDR	Rs.	---	100.00
	iv Charotar Sahakari Khand Udyog Mandli Ltd.	Rs.	---	15.00
5	Valuation of Investments			
	(a) Book value of Investments	Rs.	29287.88	23347.12
	(b) Face value of Investments	Rs.	28001.58	21772.91
	(c) Market value of Investments	Rs.	26938.43	21296.26
	(d) Erosion in Value of Investments	Rs.	2349.45	2050.86
6	Advances to Sensitive Sector			
	(a) Advances ag. Real Estate, Construction Business (Percentage to Total Advances)	Rs. %	4024.08 07.34 %	2535.42 04.93%
	(b) Advances against Housing (Percentage to Total Advances)	Rs. %	5532.42 10.09 %	5217.29 10.15%
7	Advances against Shares & Debentures	Rs.	---	---
8	Advances to directors/their relatives, comp./firms			
	(a) Fund Based	Rs.	29.55	02.25
	(b) Non Fund based (Guarantees, L/C, etc.)	Rs.	---	---
9	Average Cost of Deposits	%	06.72 %	05.89%
10	Non Performing Assets (NPAs)			
	(a) Gross NPAs	Rs.	1260.95	1219.48
	(b) Gross NPAs (% to Gross Advances)	%	02.30 %	02.37%
	(c) Net NPAs	Rs.	ZERO	ZERO
	(d) Net NPAs (% to Net Advances)	%	ZERO	ZERO

Continue on next page...



Sr. No.	PARTICULARS (Additional Disclosures)	Unit	(Rs. In lacs)	
			31.03.2012	31.03.2011
11	Movement in NPAs			
	(a) Opening Balance of NPAs	Rs.	1219.48	205.69
	(b) Additional NPAs discovered	Rs.	311.33	1266.86
	(c) Recovery Made during the Year	Rs.	269.86	253.07
	(d) Closing Balance of NPAs (a+c-b)	Rs.	1260.95	1219.48
12	Profitability			
	(a) Interest income as a % of working funds	%	09.22 %	08.86%
	(b) Non-interest income as a % of working funds	%	00.62 %	01.00%
	(c) Operating profit as a % of working funds	%	02.70 %	03.15%
	(d) Return on Assets	%	02.70 %	03.15%
	(e) Business (Deposits + Advances) per employee	Rs.	764.44	745.12
	(f) Profit per employee	Rs.	13.63	13.59
13	Issuer composition of Non SLR Invest. (Unlisted)			
	(a) PSUs	Rs.	---	---
	(b) FIs-Mutual Funds (UTI Mutual fund)	Rs.	166.70	166.70
	(c) Nationalised Banks	Rs.	---	---
	(d) Others (Shares of Co-op Institutions)	Rs.	47.64	47.52
	(e) Provision held towards depreciation	Rs.	---	---
14	Movement of provisions for NPAs [excluding provisions on standard assets]			
	[a] Opening balance	Rs.	1616.71	633.22
	[b] Provisions made during the year	Rs.	1570.64	1074.76
	[c] Write-off / Transfer of excess provisions	Rs.	1213.65	91.27
	[d] Closing balance	Rs.	1973.70	1616.71
15	Provision towards Standard Assets	Rs.	250.11	250.00
16	Non Performing Non SLR Investment [as per notes to the Account Point No. 4 Sch. 18]	Rs.	---	115.00
17	Provisions for Depreciation in Value of Investments			
	[i] Held in Books (IFR+IDR)	Rs.	2390.16	2621.83
	(ii) Erosion in Value of Investments (HTM+AFS)	Rs.	2349.45	2050.86
	[iii] Excess/[Short] Provision	Rs.	40.71	570.97
18	Net Value of Investments [Book Value - Provision for depreciation held in books]	Rs.	26847.72	20725.29
19	Movement of Provi. held towards dep. on Investment			
	[i] Opening balance	Rs.	2621.83	2472.20
	[ii] Add: Provisions made during the year	Rs.	510.90	726.68
	[iii] Less: Write-off/ write-back of excess	Rs.	742.57	577.05
	[iv] Closing balance	Rs.	2390.16	2621.83
20	Foreign currency assets & liabilities (if applicable)	Rs.	N.A.	N.A.

Continue on next page...



(Rs. In lacs)

Sr. No.	PARTICULARS (Additional Disclosures)	Unit	31.03.2012	31.03.2011
21	Any Penalty Imposed by RBI	Rs.	---	---
22	Insurance Premium paid to DICGC during the year	Rs.	88.35	74.83
23	Arrears of Insurance Premium to DICGC	Rs.	50.00	---
24	Arrears in Reconciliation of Inter Bank Transactions	Rs.	662.47 (Cr.)	522.56 (Cr.)
25	Arrears in Reconciliation of Inter Branch Transactions	Rs.	69.19 (Cr.)	88.90 (Cr.)
26	Bancassurance Business			
	(a) ING Vysya Life Insurance Company Ltd.	Rs.	35.82	35.65
	(b) Iffco Tokio General Insurance Company Ltd.	Rs.	00.04	04.95
	(c) Future Generali India Insurance Company Ltd.	Rs.	04.06	---
27	Bad & doubtful debts written off	Rs.	---	16.27

Signatures to Schedule 1 to 18

As per Our Separate Report

For, **The Co-Operative Bank of Rajkot Ltd.**

For **M/s. N. Dedania Associates**
Chartered Accountants

Ravji Pansuriya
AGM

Satyaprakash Khokhara
General Manager & CEO

N. J. Dedania
Proprietor

Kamal Dhami
Jt. Managing Director

Ramnikbhai Dhami
Managing Director

Place : Rajkot
Date : 12-05-2012

Shashibhai Mehta
Director

Madhusudan Donga
Chairman



Business Ratios

No.	Particulars	31.03.2012	31.03.2011
1.	Capital Adequacy Ratio	21.51 %	20.76 %
2.	Ratio of Tier I to Tier II Capital (In Times)	04.18	02.82
3.	Growth in Capital Funds (Tier - I + Tier - II)	13.95 %	00.49 %
4.	Ratio of Debt (including Deposits) to Equity (In Times)	08.11	07.88
5.	Growth in Risk Weighted Assets (RWAs)	09.98 %	15.48 %
6.	Off-Balance Sheet Exposure (RWAs of OBS to Total RWAs)	00.82 %	00.94 %
7.	Growth in Gross NPAs	03.40 %	492.87 %
8.	Gross NPA to Total Advances	02.30 %	02.37 %
9.	Recovery upgradation of NPAs during the year	22.13 %	67.08 %
10.	Quality of NPAs (Sub Standard Advances to Gross NPAs)	00.26 %	01.45 %
11.	Coverage Ratio	09.71 %	09.04 %
12.	Return on Average Total Assets	01.96 %	01.82 %
13.	Return on Average Earning Assets	02.18 %	01.99 %
14.	Return on Average Risk Weighted Assets	03.81 %	03.28 %
15.	Return on Equity	19.48 %	16.25 %
16.	% Growth in Net Profit	16.40 %	31.78 %
17.	Net Margin (Net Profit to Total Income)	13.05 %	14.25 %
18.	Ratio of Non-interest Incomes to Non-interest Expenses	70.10 %	55.35 %
19.	Ratio of Retained Earnings to Net Profit	63.13 %	66.74 %
20.	Operating Profit to Average Total Assets	03.14 %	03.12 %
21.	Cost Income Ratio	69.29 %	67.98 %
22.	Net Interest Margin to Average Earning Assets	04.05 %	04.30 %
23.	Risk Adjusted Net Interest Margin	03.66 %	03.94 %

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Business Ratios [Continued]

No.	Particulars	31.03.2012	31.03.2011
24.	Staff Cost to Total Income	07.48 %	09.37 %
25.	Other Overheads to Total Income	08.15 %	08.74 %
26.	Customer deposits and Networth to Total Assets	95.68 %	95.01 %
27.	Ratio of Net Loans to Customer Deposits	51.30 %	56.94 %
28.	Ratio of Bulk Deposits to Total Deposits	---	---
29.	Ratio of Liquid Assets to Short Term Liabilities	90.86 %	104.36 %
30.	Funding Volatility Ratio (Liquid Assets to Liquid Deposits)	30.84 %	36.98 %
31.	Market Liabilities Ratio (Money Market Liab. to Total Assets)	---	---
32.	Deposits maturing within one year to Total Deposits	18.75 %	24.91 %
33.	Yield on Advances	12.24 %	12.14 %
34.	Net Interest Spread	03.53 %	03.81 %
35.	Yield on average Earning Assets	10.25 %	09.70 %
36.	Core Spread	05.52 %	06.25 %
37.	Customer Deposits to Total Deposits	60.21 %	57.10 %
38.	Number of Employees	206	186
39.	Number of Branches	22	20
40.	Number of Regular Share holders	47274	43290
41.	Nominal Share Holders	824	538
42.	Provision made towards NPAs (Rs. in Lacs)	172.00	100.00
43.	Provision made towards Standard Assets (Rs. in Lacs)	---	---
44.	Provision made towards dep. on investments (Rs. in Lacs)	230.00	216.37
45.	Advances to directors, their relatives, etc. (Rs. in Lacs) FD/OD	29.55	---



Cash Flow Statement as per Accounting Standard - 3

[Amount in Rupees]

Particulars	Rs.	Rs.
Cash Flow from Operating Activities		
Retained Earnings	15,39,55,316.00	
Add : Transfer to reserves / Provision		
Provision against Bad & Doubtful Debts	1,72,00,000.00	
Investment Depreciation Fund	2,30,00,000.00	
Special Reserve u/s 36 (1) (viii) of Income Tax Act	74,00,000.00	
Income Tax Provision	6,86,94,666.00	
Provision for DICGC Premium Payable	50,00,000.00	12,12,94,666.00
Add : Miscellenous expenses w/o		
Acquisition cost of The Vaso Co-operative Bank Ltd.	4,49,42,451.00	
Acquisition cost of Dakor Nagarik Sahakari Bank Ltd.	2,08,55,127.00	
Acquisition cost of Yawal People's Co-op. Bank Ltd.	30,26,214.00	6,88,23,792.00
Add : Non Cash Expenses		
Depreciation	1,32,98,715.00	
Amortization of G-Sec	1,09,71,040.00	
Loss on sale of Other Fixed Assets	10,26,648.00	
Charotar Sah. Khand Udyog Mandli Ltd. - Invest. w/o	15,00,000.00	
CRB Capital Market Ltd. - Investment w/o	1,00,00,000.00	
BOB (Surat) - FD w/o	1,00,00,000.00	4,67,96,403.00
Add : Considered in expenses but not involving cash outflow		9,39,754.00
Less : Transfer from Reserves / Provisions		
Investment Fluctuation Reserve	(6,00,00,000.00)	
Reserve for Charotar Sah. Khand Udyog Mandli Ltd. - Investment	(15,00,000.00)	
Reserve for CRB Capital Market Ltd. - Investment	(1,00,00,000.00)	
Reserve for BOB (Surat) - FD	(1,00,00,000.00)	(8,15,00,000.00)
Less : Incomes Considered under other Activities		
Interest on other Bank's FD	(20,16,30,146.00)	
Interest on call money deposits	(1,89,90,159.00)	

[Amount in Rupees]

Particulars	Rs.	Rs.
Interest on Investments	(20,25,04,656.00)	
Dividend from UTI Units	(2,15,361.00)	
Dividend from Shares of other Institutions	(7,86,681.00)	
Share Transfer Fees	(75.00)	(42,41,27,079.00)
Less : Non Cash incomes		
Profit on sale on Investment	(9,00,000.00)	
Profit on sale on Other Fixed Assets	(60,538.00)	(9,60,538.00)
Less : Charity Fund Payment		(1,40,500.00)
Advance Tax for AY 2012-13	(6,75,00,000.00)	
Demand Paid for AY 2009-10	(25,00,000.00)	
TDS Receivable	(27,65,538.00)	(7,27,65,538.00)
Add : Changes in Working Capital Items (Net)		
Deposits from Customers	147,63,62,721.00	
Advances to Customers	(31,49,87,007.00)	
Other Items	(4,68,68,125.00)	111,45,07,589.00
Cash Flow from Operating Activities (A)...		92,68,23,866.00
Cash Flow from Investment Activities		
Inflow		
Interest on other Bank's FD	20,16,30,146.00	
Interest on Call money Deposits	1,89,90,159.00	
Interest on Investments	20,25,04,656.00	
Dividend from UTI Units	2,15,361.00	
Dividend from Shares of other Institutions	7,86,681.00	42,41,27,004.00
OutFlow		
FD placed with other Banks (Net)	(83,96,99,342.00)	
Investments purchased during the year (Net)	(59,10,87,740.00)	
Land & Building purchased during the year (Net)	(77,86,934.00)	
Other Fixed Assets purchased during the year (Net)	(42,30,308.00)	(144,28,04,323.00)
Cash Flow from Investment Activities (B)...		(101,86,77,320.00)



[Amount in Rupees]

Particulars	Rs.	Rs.
Cash Flow from Financial Activities		
Inflow		
Share Transfer Fees	75.00	
Share Capital Reserve	9,80,29,325.00	
Entrance Fees Reserve	1,09,675.00	
Nominal Fees Reserve	16,110.00	9,81,55,185.00
Outflow		
Share Capital Allotment	(4,24,00,175.00)	
Share Capital Reserve Refunded	(5,02,750.00)	
Dividend Paid during the year	(3,97,63,825.00)	(8,26,66,750.00)
Cash Flow from Financial Activities (C)...		1,54,88,435.00
Add : Cash and Cash Equivalent Flow due to Mergers		
Dakor Nagarik Sahakari Bank Ltd.	30,57,463.00	
Yawal People's Co-operative Bank Ltd.	5,52,692.00	
Cash Flow due to Mergers (D)...		36,10,156.00
Total Cash Flow During the year (A)+(B)+(C)+(D)...		(7,27,54,863.00)
Add : Opening Cash and Cash Equivalent		
Cash on hand + ATM + Balance with RBI and other Banks (CAC+CALL)		78,67,91,011.00
Closing Cash and Cash Equivalent		
Cash on hand + ATM + Balance with RBI and other Banks (CAC+CALL)		71,40,36,148.00

Note :

1. All the figures have been rounded off to the nearest rupee.
2. The impact of merger has been given effects accordingly, wherever applicable.



Branch Wise Comparative Statement of Deposits, Advances & Credit / Deposit Ratio

[Rs. in lacs]

Name of Branch	Deposits			Advances			Credit / Deposit Ratio		
	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Panchnath	22143.50	25647.15	28980.57	12230.41	15517.08	15832.12	55.23%	60.50 %	54.63%
Gandhigram	2666.82	3546.37	3678.98	961.61	1495.50	1707.88	36.06%	42.17 %	46.42%
University	16169.83	17956.96	21621.40	4863.53	5273.06	6846.39	30.08%	29.36 %	31.66%
Jasdan	1944.23	1974.11	1838.76	1191.37	1341.85	1213.72	61.28%	67.97 %	66.01%
Morvi	3274.80	3553.22	3764.98	2868.31	4049.38	3111.87	87.59%	113.96 %	82.65%
Jetpur	2946.91	3308.24	3606.38	1405.29	976.01	993.57	47.69%	29.50 %	27.55%
Upleta	2797.00	2960.59	3408.08	2910.54	3298.47	2400.63	104.06%	111.41 %	70.44%
Gondal	2448.35	2965.71	3480.84	3935.46	3558.62	3958.04	160.74%	119.99 %	113.71%
Sahakar Soc.	5762.16	6830.45	8200.14	1849.42	2187.80	2991.05	32.10%	32.03 %	36.48%
Raiya Road	3472.56	4017.21	4751.86	871.56	912.65	959.97	25.10%	22.72 %	20.20%
Junagadh	1352.55	1197.05	1466.20	2249.31	2237.16	2240.20	166.30%	186.89 %	152.79%
Naranpura	1286.67	1479.03	1986.96	960.46	947.86	1361.33	74.65%	64.09 %	68.51%
Maninagar	595.76	684.33	819.07	383.65	353.87	327.40	64.40%	51.71 %	39.97%
K K Nagar	840.71	1120.97	1392.46	315.22	259.47	138.64	37.49%	23.15 %	9.96%
Jamnagar	448.13	876.23	1473.20	726.28	1271.88	1592.91	162.20%	145.15 %	108.13%
Mavdi	3090.52	4598.52	5417.63	2227.66	3638.03	2721.89	72.08%	79.11 %	50.24%
Su.nagar	1119.46	1457.77	1794.64	2045.23	2967.68	5080.06	182.70%	203.58 %	283.07%
Vaso	---	1959.36	2705.77	---	67.07	124.46	---	03.42 %	04.60%
Nadiad	---	889.08	1284.10	---	291.28	272.13	---	32.76 %	21.19%
Anand	---	149.69	313.99	---	775.70	710.85	---	518.20 %	226.39%
Dakor	---	---	601.78	---	---	191.25	---	---	31.78%
Yawal	---	---	61.90	---	---	48.00	---	---	77.54%
TOTAL	72359.96	87172.04	102649.69	41995.31	51420.42	54824.36	58.04%	58.99 %	53.41%
% Change	20.54%	20.47 %	17.76 %	41.71%	22.44 %	06.62 %	08.67%	00.95 %	-05.58 %

Branch Wise Comparative Statement of Income, Expenditure & Gross Profit

[Rs. in Lacs]

Branch	Income			Expenditure			Gross Profit		
	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
Panchnath	4614.89	4931.12	6532.23	4146.20	4636.45	5821.70	468.69	294.67	710.53
Gandhigram	234.95	275.97	356.53	180.69	203.60	264.38	54.26	72.37	92.15
University	1213.76	1496.35	1868.61	857.99	939.97	1290.71	355.77	556.38	577.90
Jasdan	180.92	200.41	207.86	155.01	152.89	163.01	25.91	47.52	44.85
Morvi	388.79	530.98	547.66	183.20	249.83	264.47	205.59	281.15	283.19
Jetpur	298.56	302.65	323.70	171.80	185.31	223.19	126.76	117.34	100.51
Upleta	379.25	380.44	415.29	214.00	224.36	254.56	165.25	156.08	160.73
Gondal	393.83	522.75	463.92	199.07	261.64	249.22	194.76	261.11	214.70
Sahakar Soc.	487.19	564.02	701.98	332.05	360.14	484.47	155.14	203.88	217.51
Raiya Road	276.46	311.89	373.42	265.02	285.32	368.62	11.44	26.57	04.80
Junagadh	333.11	326.59	276.33	191.99	190.92	172.54	141.12	135.67	103.79
Naranpura	276.91	650.85	180.04	230.24	608.47	178.48	46.67	42.38	01.56
Maninagar	43.48	56.04	69.03	38.29	32.96	66.88	05.19	23.08	02.15
K K Nagar	62.22	83.25	100.73	60.96	62.23	97.34	01.26	21.02	03.39
Jamnagar	05.58	179.31	187.46	03.49	107.92	133.16	02.09	71.39	54.30
Mavdi Chokdi	280.71	431.46	543.56	177.51	228.95	347.15	103.20	202.51	196.41
Surendranagar	199.99	313.15	470.62	159.57	219.52	323.05	40.42	93.63	147.57
Vaso	---	201.68	214.37	---	271.34	294.24	---	-69.66	(79.87)
Nadiad	---	42.88	93.69	---	38.09	93.37	---	04.79	00.32
Anand	---	13.47	39.55	---	26.90	62.19	---	-13.43	(22.64)
Dakor	---	---	118.18	---	---	122.83	---	---	(04.65)
Yawal	---	---	00.62	---	---	02.99	---	---	(02.37)
Branch Total	9675.09	11815.26	14085.39	7570.94	9286.81	11278.55	2104.15	2528.45	2806.85
Less: IBT Int.	1847.71	2528.46	2880.78	1847.71	2528.46	2880.78	00.00	00.00	00.00
BANK TOTAL	7827.38	9286.80	11204.61	5723.23	6758.35	8397.77	2104.15	2528.45	2806.85
% Change	23.69%	18.64 %	20.65 %	26.12%	18.08 %	24.26 %	17.53%	20.16 %	11.01 %

Size Wise Depositors and Amount of Deposits as on 31st March, 2012

Size of Deposits in Rs.	No. of Depositors	Deposit Amount	% of Deposits
1 to 1,000	95,717	4,75,50,679.15	00.46 %
1,001 to 2,000	48,415	7,05,55,047.66	00.69 %
2,001 to 5,000	47,188	15,68,51,778.76	01.53 %
5,001 to 10,000	27,824	19,13,18,194.20	01.86 %
10,001 to 25,000	39,481	64,38,27,361.99	06.27 %
25,001 to 50,000	35,054	131,55,80,977.03	12.82 %
50,001 to 1,00,000	30,418	209,11,90,466.54	20.37 %
1,00,001 and Above	19,904	574,80,94,671.48	56.00 %
TOTAL	3,44,001	1026,49,69,176.81	100.00 %

Average Deposit Amount per Depositor is Rs. 29,839.94

Segment Wise Credit Portfolio as at 31st March, 2012 [Rs. in Lacs]

Sr. No.	Segments of Borrowers	Advances Outstanding	% of Total Advances
1	Engineering Tools & Products	1,876.64	03.42 %
2	Electronics & Electricals	1,292.15	02.36 %
3	Textile	3,337.96	06.09 %
4	Jute Textile	831.23	01.52 %
5	Paper, Paper Products & Printing	1,084.04	01.98 %
6	Rubber & Rubber Products	413.68	00.75 %
7	Cement	601.57	01.10 %
8	Iron & Steel	418.38	00.76 %
9	Chemical, Dyes, Paints, etc.	347.17	00.63 %
11	Metal & Metal Products	6,033.06	11.00 %
12	Vegetables	326.33	00.60 %
13	Tobacco & Tobacco Products	02.82	00.01 %
14	Leather & Leather Products	117.11	00.21 %
15	Gems & Jewellery	377.15	00.69 %
16	Food Processing & Manufacturing	4,044.94	07.38 %
17	Vehicle, Vehicle Parts & Transport Equipments	946.51	01.73 %
18	SME, Retail Trade & Miscellaneous Advances	32,773.62	59.78 %
TOTAL ADVANCES		54,824.36	100.00 %

Branch Wise Comparative Depositors, Borrowers & Employees

NAME OF BRANCH	DEPOSITORS			BORROWERS			EMPLOYEES		
	09-10	10-11	11-12	09-10	10-11	11-12	09-10	10-11	11-12
Panchnath Road	89522	95373	100074	2128	2149	2262	48	48	47
Gandhigram	9772	11040	12279	446	395	409	06	06	05
University Road	32118	34205	37735	846	855	888	10	10	12
Jasdan	6727	6794	6687	311	248	217	06	06	06
Morvi	11314	11999	12294	333	321	337	07	05	06
Jetpur	10160	10501	10812	214	223	245	09	09	08
Upleta	7183	7651	7842	392	408	438	08	08	08
Gondal	9284	10438	11157	242	345	356	10	10	09
Sahakar Society	17979	19638	21632	701	771	814	07	07	09
Raiya Road	8732	9274	10087	377	428	471	05	06	05
Junagadh	5933	6062	6229	161	185	220	07	07	07
Naranpura	8657	9304	9703	232	219	265	14	13	15
Maninagar	3850	4253	4268	81	90	109	05	05	07
K K Nagar	5628	6076	6368	72	77	101	05	05	08
Jamnagar	830	2586	4212	17	126	196	05	04	04
Mavdi Chokdi	7930	10780	13302	401	513	565	07	07	07
Surendranagar	4113	5616	6747	167	159	161	05	05	07
Vaso	---	30895	30227	---	34	218	---	11	11
Nadiad	---	13542	13632	---	58	90	---	08	08
Anand	---	3716	3682	---	81	87	---	06	07
Dakor	---	---	12412	---	---	174	---	---	06
Yawal	---	---	2620	---	---	58	---	---	04
TOTAL	240023	309743	344001	7121	7685	8681	164	186	206

Cost Wise Deposits as on 31st March, 2012

[Rs. in Lacs]

RATE OF INTEREST WISE DEPOSITS		% of Total Deposits	No. of Depositors	Balance Outstanding
Low Cost Deposits	Current Account Balances	10.63 %	23646	10,914.90
	Savings Bank Deposits	29.82 %	181684	30,601.71
	Low Cost Term Deposits up to 6.00%	00.01 %	79	14.35
	Sub Total	40.46 %	205409	41,530.96
Term Deposits	Between 6.50% to 8.50%	12.55 %	66638	12,885.58
	Between 9.00% to 11.00%	46.89 %	71279	48,126.35
	Between 11.25% to 13.00%	00.09 %	535	94.86
	Above 13.00%	00.01 %	140	11.94
	Sub Total	59.54 %	138592	61,118.73
	TOTAL	100.00 %	344001	1,02,649.69

Yield Wise Advances as on 31st March, 2012

[Rs. in Lacs]

RATE OF INTEREST WISE ADVANCES		% of Total Advances	No. of Borrowers	Balance Outstanding
Low Yielding Advances	Up to 5%	00.96 %	161	523.86
Medium & High Yielding Advances	Up to 12.50%	51.04 %	5368	27,984.18
High Yielding Advances	Above 12.50%	48.00 %	3152	26,316.32
	Total	100.00 %	8681	54,824.36

Classification of Performing & Non Performing Advances

[Rs. in Lacs]

Sr. No.	CLASSIFICATION OF ADVANCES	As On 31.03.2012			As On 31.03.2011		
		No. of A/cs.	Outstanding Advance	% of Total Advance	No. of A/cs.	Outstanding Advance	% of Total Advance
1.	TOTAL LOANS & ADVANCES	8681	54,824.36	100 %	7685	51420.42	100
	1. PERFORMING / STANDARD ADVANCES	8313	53,563.40	97.70 %	7500	50200.94	97.63
	2. NON PERFORMING ASSETS						
	1. Sub Standard Assets	01	03.23	00.01 %	10	17.72	00.03
	2. Doubtful Assets						
	Upto 1 Year						
	[a] Secured	---	---	---	01	09.61	00.02
	[b] Unsecured	---	---	---	---	---	---
	Above 1 & Upto 3 Years						
	[a] Secured	01	00.96	---	02	16.08	00.03
	[b] Unsecured	01	00.50	---	02	03.35	00.01
	Above 3 Years						
	[a] Secured	---	---	---	---	---	---
	[b] Unsecured	06	19.14	00.03 %	07	19.34	00.04
	Total Doubtful Assets						
	[a] Secured	01	00.96	---	03	25.69	00.05
	[b] Unsecured	07	19.65	00.04 %	09	22.69	00.05
	3. Loss Assets	359	1237.12	02.26 %	163	1153.38	02.24
	TOTAL GROSS NPA	368	1260.95	02.30 %	185	1219.48	02.37

Branch Wise NPA Movement Statement for the year 2011 - 2012

[Rs. in Lacs]

No.	Branch	Opening NPA		New NPA Addition During the Year		NPA Recovery During the Year		Closing NPA	
		Amount	No. of A/c.	Amount	No. of A/c.	Amount	No. of A/c.	Amount	No. of A/c.
The Co-Operative Bank of Rajkot Ltd.									
01	Panchnath	12.59	06	00.23	00	11.86	05	00.96	01
02	University	---	---	00.30	01	00.30	01	---	---
03	Gondal	14.84	03	15.88	03	26.99	04	03.73	02
	Sub Total	27.43	09	16.41	04	39.15	10	04.69	03
The Mahila Utkarsh Nagrik Sahakari Bank Ltd. - Ahmedabad Date of Merger 02, April-2007									
04	Naranpura	59.93	10	---	---	00.70*	---	59.23	10
	Sub Total	59.93	10	---	---	00.70*	---	59.23	10
The Amruta Mahila Co-Operative Bank Ltd. - Surendranagar Date of Merger 18, August-2008									
05	Surendranagar	03.74	04	00.69*	---	03.79	03	00.64	01
	Sub Total	03.74	04	00.69*	---	03.79	03	00.64	01
The Vaso Co-Operative Bank Ltd. - Vaso Date of Merger 4, October-2010									
06	Vaso	62.77	26	07.70*	---	37.32	05	33.15	21
07	Nadiad	289.91	55	22.47*	---	68.97	08	243.41	47
08	Anand	775.70	81	29.41*	---	111.46	09	693.65	72
	Sub Total	1128.38	162	59.58*	---	217.75	22	970.21	140
The Dakor Nagarik Sahakari Bank Ltd. - Dakor Date of Merger 10, October-2011									
09	Dakor	---	---	188.09	180	08.29	22	179.80	158
	Sub Total	---	---	188.09	180	08.29	22	179.80	158
Yawal People's Co-Operative Bank Ltd. - Yawal, Maharashtra Date of Merger 9, January-2012									
10	Yawal	---	---	46.55	56	00.17*	---	46.38	56
	Sub Total	---	---	46.55	56	00.17*	---	46.38	56
	GRAND TOTAL	1219.48	185	311.32	240	269.85	57	1260.95	368

* New NPA Addition during the year relates to Interest debited on account of recovery made by the Bank.

* NPA Recovery during the year relates to part of Recovery in existing NPA Accounts.

Gross NPA only 02.30%

[Rs. in Lacs]

PARTICULARS	Advances [%]	Advances Assets	Provisions required	Provisions Held
Performing Assets [Standard]	97.70 %	53563.41	238.40	250.11
Non Performing Assets	02.30 %	1260.95	1257.38	1973.70
TOTAL	100.00 %	54824.36	1495.78	2223.81



બેંકના પરિવારનું સ્નેહ મિલન તા. ૨૨-૧-૨૦૧૨



ભારત સ્કાઉટ જીક્ષા રેલીનાં વિજેતાઓને શીલ્ડ અર્પણ કરી રહેલ બેંકના જોઈન્ટ એમ.ડી. શ્રી કમલભાઈ ધામી તા. ૧૫-૨-૨૦૧૨



બેંક આયોજીત પ્રેસ કોન્ફરન્સને સંબોધી રહેલ CEO શ્રી સત્યપ્રકાશ ખોખરા તા. ૩૧-૩-૨૦૧૨



બેંક આયોજીત પ્રેસ કોન્ફરન્સ પ્રસંગે ઉપસ્થિત રહેલ પત્રકાર મિત્રો તા. ૩૧-૩-૨૦૧૨



હેમી ગઢવી હોલ ખાતે ચોજેલ મીટીંગને સંબોધી રહેલ બેંકના ચેરમેનશ્રી મધુસુદનભાઈ ઠોંગા તા. ૩૧-૩-૨૦૧૨



હેમુ ગઢવી હોલ ખાતે ૩૧, માર્ચ-૨૦૧૨ ના રોજ ચોજેલ મીટીંગમાં ઉપસ્થિત ગ્રાહકો



પ વર્ષમાં ૫ સહકારી બેંકોના મર્જર કર્યા પછી
Gross NPA 02.30%

NPA ખાતાની વિગતો

બેંકનું નામ	ખાતાની સંખ્યા	NPA ની રકમ (₹. લાખમાં)	NPA ની ટકાવારી
ધી કો-ઓપ. બેંક ઓફ રાજકોટ લી. રાજબેંક	03	04.69	00.01 %
ધી મહિલા ઉત્કર્ષ નાગરીક સહ. બેંક લી. - અમદાવાદ (મર્જર-૧)	10	59.23	00.11 %
ધી અમૃતા મહિલા કો-ઓપ. બેંક લી. - સુરેન્દ્રનગર (મર્જર-૨)	01	00.64	00.00 %
ધી વસો કો-ઓપ. બેંક લી. - વસો (મર્જર-૩)	140	970.21	01.77 %
ધી ડાકોર નાગરિક સહકારી બેંક લી. - ડાકોર (મર્જર-૪)	158	179.80	00.33 %
યાવલ પિપલ્સ કો-ઓ. બેંક લી.-યાવલ -(મહારાષ્ટ્ર)(મર્જર-૫)	56	46.38	00.08 %
કુલ ગ્રોસ NPA	368	1260.95	02.30 %

Details of NPA & Overdue Accounts

[Rs. in Lacs]

YEAR	GROSS LOAN		GROSS NPA		% of Gross NPA to Gross Loan	NET NPA		PROVISIONS		OVERDUE		% of Overdue to Gross Loan	% of Recovery Ratio
	No. of A/c	Rs.	No. of A/c	Rs.		Rs.	%	Required	Actually Held	No. of A/c	Rs.		
2001	5477	8,131.43	06	11.26	00.14%	0	0%	02.69	200.00	57	12.66	00.16%	99.84%
2002	5874	8,334.25	09	14.69	00.18%	0	0%	04.68	300.00	128	24.48	00.29%	99.71%
2003	6149	9,149.74	15	22.89	00.25%	0	0%	06.20	500.00	100	22.46	00.25%	99.75%
2004	6465	11,203.90	23	29.19	00.26%	0	0%	04.47	1,200.00	63	04.58	00.04%	99.96%
2005	6785	14,211.77	29	48.35	00.34%	0	0%	07.26	1,200.00	44	21.25	00.15%	99.85%
2006	7278	16,675.92	14	21.51	00.13%	0	0%	15.55	1,400.00	37	02.09	00.01%	99.99%
2007	7210	21,819.47	13	23.63	00.11%	0	0%	07.63	850.00	14	01.89	00.01%	99.99%
2008	7321	22,911.16	61	172.50	00.75%	0	0%	101.44	955.00	36	02.11	00.01%	99.99%
2009	7105	29,635.38	59	209.09	00.70%	0	0%	90.37	767.00	80	34.69	00.12%	99.88%
2010	7121	41,995.31	54	205.69	00.49%	0	0%	144.21	633.22	11	00.96	00.01%	99.99%
2011	7685	51,420.42	185	1219.48	02.37%	0	0%	1184.66	1616.71	NIL	NIL	NIL	100.00%
2012	8681	54,824.36	368	1260.95	02.30 %	0	0%	1297.38	1984.44	02	14.64	00.03 %	99.97 %

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