

40th Annual Report 2019-2020

You must LOOK WITHIN for value,
but must look beyond for perspective.



Estd. 24.11.1980
Raj Bank

The Co-Operative Bank of Rajkot Ltd.

Multi State Co-Operative Bank

Registered Office : 'Sahakar Sarita', Panchnath Road, Rajkot - 360 001 (Gujarat)
Ph. : 0281 - 2234454/2224120 ♦ Fax : 0281 - 2236682 Email : info@rajbank.in ♦ website : rajbank.net



તા. ૨૨, ફેબ્રુઆરી-૨૦૨૦ ના રોજ સયાજી હોટલ ખાતે યોજાયેલ સ્ટાફ મીટીંગ, ટ્રેનીંગ સેમિનારમાં તમામ શાખાના ઉપસ્થિત રહેલ કર્મચારી ભાઈઓ તથા બહેનો દ્વારા બેંકીંગ ઓપરેશનને લગતા સ્ટાફના તમામ પ્રશ્નો અને તેના ઉત્તરો આપી રહેલા બેંકના વિવિધ અધિકારીગણ.



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Know Your Bank

| | |
|---|-------------------------------------|
| Date of Establishment | Bank Code |
| 24.11.1980 | 213 |
| RBI Licence No. & Date | |
| ACD. GJ. 219.P - Date : 12.08.1980 | |
| M.S.C.S. Registration No. & Date | |
| MSCS/CR/450/2011 - Date : 31.10.2011 | |
| Multistate Status | OSS Code |
| 31.10.2011 | 08672901 |
| PAN No. | TAN No. |
| AAAAT2423R | RKTT00213D |
| GST No. (Gujarat) | GST No. (Other than Gujarat) |
| 24AAAAT2423R1ZB | 27AAAAT2423R1Z5 |
| ● Area of Operation ● | |
| Entire State of Gujarat & Jalgaon District in the State of Maharashtra | |

Board of Directors

w.e.f. 15.07.2020

| No. | Name | Present Designation | Associated with the bank w.e.f. |
|-----|---|-----------------------|---------------------------------|
| 01. | Jagdishchandra Kotadia Director from 22.04.2012 to 14.07.2020 & Chairman w.e.f 15.07.2020 | Chairman | 22.04.2012 |
| 02. | Manubhai Nasit | Director | 30.08.1980 |
| 03. | Chandrakantbhai Patel Chairman from 23.04.2017 to 14.07.2020 & Director w.e.f. 15.07.2020 | Director | 13.10.1999 |
| 04. | Muljibhai Chauhan | Director | 18.08.2000 |
| 05. | Nilesh Dhruv | Director | 01.04.2008 |
| 06. | Sachin Sachde | Director | 22.04.2012 |
| 07. | Nimit Kamdar | Director | 23.04.2017 |
| 08. | Harindra Donga | Director | 23.04.2017 |
| 09. | Pragjibhai Patel | Director | 23.04.2017 |
| 10. | Narendrasinh Jadeja | Director | 23.04.2017 |
| 11. | Minakshiben Dhami | Woman Director | 23.04.2017 |
| 12. | Kiranben Sejpal | Woman Director | 23.04.2017 |
| 13. | Harshadbhai Malani | Director | 08.03.2020 |
| 14. | Jayantilal Vasoya | Director | 08.03.2020 |
| 15. | Anand Patel | Director | 08.03.2020 |
| 16. | Pranay Virani | Director | 08.03.2020 |
| 17. | Gopalbhai Rupapara | Director | 08.03.2020 |

General Manager & CEO

| | | | |
|-----|------------------------------|---------------------|-------------------|
| 18. | Satyaprakash Khokhara | GM & CEO | 01.03.1999 |
|-----|------------------------------|---------------------|-------------------|

Adviser

| | | | |
|-----|--------------------------|----------------|-------------------|
| 19. | Ketanbhai Marwadi | Adviser | 14.10.2019 |
|-----|--------------------------|----------------|-------------------|

Invitee

| | | | |
|-----|----------------------------|----------------|-------------------|
| 20. | Rajendra Raval - CA | Invitee | 04.12.2019 |
|-----|----------------------------|----------------|-------------------|

●
Registered Office
●

The Co-Operative Bank of Rajkot Ltd.
Multi State Co-Operative Bank
'Sahakar Sarita', Panchnath Road, Rajkot - 360 001 (Gujarat)
Ph. : 0281 - 2234454/2224120 ♦ Fax : 0281 - 2236682
Email : info@rajbank.in ♦ website : rajbank.net



Estd. 24.11.1980
Raj Bank

Multi State Co-Operative Bank

અજ્ઞાન બરાબ છે તે બરૂ, પણ જાણવાની ઇચ્છા જ ન કરવી
એ એથી પણ વધુ બરાબ છે.
- નાઈજીરીયન કહેવત

27 Branches

Branch Network

16 ATMs

| Sr. No. | Branch Name & Address | Std Code + Phone | At Your Service From | RBI Licence No. | Premises | | A | L | F |
|---------|--|----------------------------|------------------------------------|----------------------------------|----------|------|---|---|---|
| | | | | | Own | Rent | | | |
| 1 | Panchnath Road 'Sahakar Sarita', Panchnath Road, Rajkot-360 001. | 0281 2234454 2224120 | 24-11-1980 | ACD.GJ.219. P. Dt. 12-08-1980 | ✓ | | ✓ | ✓ | ✓ |
| 2 | Gandhigram 'Sahakar Dhara', Dharamnagar Main Road, 150 Ft. Ring Road, Rajkot-360 007. | 0281 2575261 | 10-04-1989 | UBD.BL 1937 Dt. 26-10-1987 | ✓ | | ✓ | ✓ | |
| 3 | Saurashtra University Road 'Sahakar Saurabh', Saurashtra Uni. Road, Rajkot-360 005. | 0281 2573600 2573601 | 05-04-1993 | UBD. AH-4 Dt. 12-08-1992 | ✓ | | ✓ | ✓ | |
| 4 | Jasdan Chitalia Kuva Road, Jasdan - 360 050. | 02821 220830 | 16-01-1995 | UBD. AH/95 Dt. 09-08-1994 | | ✓ | | ✓ | |
| 5 | Morvi 'Sahakar Sadan', Ravapar Road, Morvi-363 641. | 02822 230920 | 05-06-1995 | UBD. AH/96 Dt. 09-08-1994 | ✓ | | ✓ | ✓ | ✓ |
| 6 | Jetpur 'Sahakar Deep', Kanakia Plot, Jetpur-360 370. | 02823 223151 | 16-01-1996 | UBD. AH/94 Dt. 09-08-1994 | ✓ | | | ✓ | |
| 7 | Upleta Raj Marg, Upleta-360 490 | 02826 222955 225955 | 24-03-1998 | UBD. AH/334 Dt. 19-06-1997 | | ✓ | ✓ | ✓ | |
| 8 | Gondal Opp. Circuit House, Gondal-360 311. | 02825 223143 225143 | 15-01-1999 | UBD. AH/348 Dt. 25-09-1997 | ✓ | | ✓ | ✓ | ✓ |
| 9 | Sahakar Society Area 'Sahakar Jyot', Hasanwadi Main Road, Nr. Trishul Chowk, Rajkot-360 002. | 0281 2363536 | 26-01-2002 | UBD. AH/610 Dt. 10-08-2001 | ✓ | | ✓ | ✓ | |
| 10 | Ranchhod Nagar (Shifted from Raiya Road) D. K. Complex, Near Balak Hanuman, Opp. Water Tank, Pedak Road, Rajkot-7. | 0281 2457063 | 26-05-2014 Shifting Date | UBD. AH/608 Dt. 28-05-2001 | | ✓ | ✓ | ✓ | |
| 11 | Junagadh 'Sardar Bhavan, Maharshi Arvind Marg, Junagadh-362 001. | 0285 2621313 | 31-10-2003 | UBD. AH/642 Dt. 28-05-2003 | | ✓ | ✓ | ✓ | |
| 12 | Naranpura 2, Amarnath Society, Naranpura Char Rasta, Ahmedabad-380 013 | 079 27681234 | 02-04-2007 | UBD. AH/661 Dt. 02-04-2007 | ✓ | | ✓ | ✓ | ✓ |
| 13 | Maninagar 2, Mihir Tower, Uttam Nagar, Opp. Bus Stop, Ahmedabad-380 008. | 079 25462566 | 02-04-2007 | UBD. AH/662 Dt. 02-04-2007 | ✓ | | | ✓ | |

| Sr. No. | Branch Name & Address | Std Code + Phone | At Your Service From | RBI Licence No. | Premises | | A | L | F |
|---------|--|----------------------------|----------------------|-------------------------------|----------|------|---|---|---|
| | | | | | Own | Rent | | | |
| 14 | K K Nagar 31, Vidhata Society, Opp. K K Nagar, Ghatlodiya Road, Ahmedabad-380 061 | 079 27601987 | 02-04-2007 | UBD. AH/663 Dt. 02-04-2007 | ✓ | | | ✓ | |
| 15 | Jamnagar Shwetketu, Summair Club Road, Near S.T.Depo, Jamnagar-361 005 | 0288 2661622 2661633 | 18-01-2010 | UBD. AH/728 Dt. 10-9-2009 | ✓ | | ✓ | ✓ | |
| 16 | Mavdi Chowkdi Mavdi Chowkdi, Opp. Jithariya Hanuman Temple, 150 Ft.Ring Road, Rajkot-360 004. | 0281 2364300 | 05-04-2008 | UBD. AH/665 Dt. 02-04-2007 | ✓ | | ✓ | ✓ | |
| 17 | Surendranagar Mega Mall, Bus Stand Road, Surendranagar-363 002 | 02752 230401 238401 | 18-08-2008 | UBD. AH/695 Dt. 13-08-2008 | ✓ | | ✓ | ✓ | ✓ |
| 18 | Vaso Main Bazar, Vaso (Kheda)-388 245 | 0268 2585427 | 04-10-2010 | UBD.AH/753 Dt. 04-10-2010 | ✓ | | ✓ | ✓ | |
| 19 | Nadiad Santram Road, Near Glob Cinema, Nadiad-387 001 | 0268 2568294 | 04-10-2010 | UBD.AH/754 Dt. 04-10-2010 | ✓ | | | ✓ | |
| 20 | Anand Nagindas Chambers, M. G. Road, Near Gamdivad, Anand-388 001 | 02692 242770 244870 | 04-10-2010 | UBD.AH/755 Dt. 04-10-2010 | ✓ | | | ✓ | |
| 21 | Dakor Laxmiji Road, Near Temple, Dist. Kheda Dakor-388 225 | 02699 244234 | 10-10-2011 | UBD.AH/774 Dt. 10-10-2011 | ✓ | | | ✓ | |
| 22 | Yawal Yawal Main Road, Near Chawdi, Yawal-425 301 Dist. Jalgaon (Maharashtra) | 02585 261692 | 09-01-2012 | UBD.AH/783 Dt. 02-03-2012 | ✓ | | ✓ | ✓ | |
| 23 | Kothariya Road - Rajkot Govindnagar, Ahead Nanda Hall, Kothariya Main Road, Rajkot-360 003 | 0281 2366111 2365212 | 26-05-2014 | UBD.AH/825 Dt. 12-08-2013 | ✓ | | ✓ | ✓ | |
| 24 | Keshod Chovatiya Wadi, Near Astha Hospital, Junagadh Veraval Highway Road, Keshod | 02871 233155 233156 | 22-09-2014 | UBD.AH/837 Dt. 27-09-2013 | ✓ | | | ✓ | |
| 25 | Makarpura - Baroda Sun Plaza-2, Near Vadsar Overbridge, 40 Mt. Road, Makarpura, Baroda-390 010 | 0265 2641500 2642500 | 25-09-2014 | UBD.AH/838 Dt. 27-09-2013 | ✓ | | | ✓ | |
| 26 | Alkapuri - Baroda Offtel Towers, Alkapuri, R. C. Dutt Road, Baroda-390 007 | 0265 2341086 2331871 | 04-10-2014 | UBD.AH/896 Dt. 26-11-2014 | ✓ | | | ✓ | |
| 27 | Dandiya Bazar - Baroda G/F, Ajanta Appartment, Near Lakdi Pul, Dandiya Bazar, Baroda-390 001 | 0265 2439172 | 04-10-2014 | UBD.AH/897 Dt. 26-11-2014 | ✓ | | | ✓ | |

A = ATM, L = Locker Facility, F = Franking Machine Facility

Board of Director's Report



Dear Members,

Your Directors have great pleasure in presenting the bank's **40th Annual Report** along with the audited accounts for the financial year ended **31st March 2020** as well as the report of activities done by your bank during the year under review.

1. Global Economy

Before outbreak of COVID-19, Global Growth was projected to rise from an estimated 2.9 % in 2019 to 3.3% in 2020 and 3.4% for 2021 —a downward revision of 0.1 percentage point for 2019 and 2020 and 0.2 for 2021 compared to those in the October World Economic Outlook (WEO). The downward revision primarily reflects negative surprises to economic activity in a few emerging market economies, notably India, which led to a reassessment of growth prospects over the next two years. Rising geopolitical tensions, notably between the United States and Iran, could disrupt global oil supply, hurt sentiment, and weaken already tentative business investment. (Source: World Economic Outlook update - January 2020.) Expected CPI inflation to ease from 6.6 per cent in February 2020 to 5.3 per cent in Q1:2020-21 and 3.2 per cent by Q4:2020-21. (Source- RBI Monetary Policy Report- APRIL 2020). The global macroeconomic outlook is overcast with the COVID-19 pandemic, with massive dislocations in global production, supply chains, trade and tourism. Financial markets across the world are experiencing extreme volatility; global commodity prices, especially of crude oil, have declined sharply. COVID-19 would impact economic activity in India directly due to lockdowns, and through second round effects operating through global trade and growth.

2. India's Economic Scenario

Financial markets have become highly volatile from January onwards due to the outbreak of COVID-19. Domestic financial markets were overwhelmingly influenced by evolving domestic and global developments and the outbreak of COVID-19 in India in end-January 2020. Prior to the outbreak of COVID-19, the outlook for growth for 2020-21 was looking up. Professional forecasters polled in the March 2020 round of the Reserve Bank's survey (conducted during March 6-19 before the announcement of the nation-wide lockdown) expected real GDP growth to recover from 4.6 per cent in Q4:2019-20 to 6.1 per cent in Q4:2020-21. Professional forecasters surveyed by the Reserve Bank in March 2020 expected CPI inflation to ease from 6.6 per cent in February 2020 to 5.3 per cent in Q1:2020-21 and 3.2 per cent by Q4:2020-21.

RBI has reduced the policy repo rate by 75 basis points to 4.40 percent from 5.15 percent. (Source- RBI Monetary Policy Report- APRIL 2020).

3. Performance highlights

The bank's key performance highlights for the financial year ended on 31st March-2020 along with previous year's figures are:

[₹ in Crore]

| Sr. No. | Performance Parameters | 2020 | 2019 | Change in Amt. | Change in % |
|---------|--|----------|----------|----------------|-------------|
| 1. | Own Funds | 473.75 | 451.09 | 22.66 | 05.02 % |
| 2. | Deposits | 2,301.35 | 2,235.26 | 66.09 | 02.96 % |
| 3. | CASA Deposits | 861.47 | 902.94 | - 41.47 | - 04.59 % |
| 4. | Advances | 1,553.92 | 1,387.99 | 165.93 | 11.95 % |
| 5. | Total Business | 3,855.27 | 3,623.25 | 232.02 | 06.40 % |
| 6. | Investment in Government Securities | 591.28 | 794.27 | - 202.99 | - 34.33 % |
| 7. | Interest Income | 224.68 | 220.35 | 04.33 | 01.97 % |
| 8. | Non Interest Income | 25.63 | 13.04 | 12.59 | 96.47 % |
| 9. | Total Income | 250.31 | 233.39 | 16.92 | 07.25 % |
| 10. | Interest Expenses | 130.12 | 129.40 | 00.72 | 00.56 % |
| 11. | Operating Expenses | 39.19 | 33.88 | 05.31 | 15.67 % |
| 12. | Profit before Income Tax & Provisions | 81.00 | 70.11 | 10.89 | 15.53 % |
| 13. | Net Profit after Income Tax & Provisions | 30.86 | 30.36 | 00.50 | 01.65 % |
| 14. | Net Interest Income | 94.56 | 90.95 | 03.61 | 03.97 % |
| 15. | Total Assets | 2,817.58 | 2,724.50 | 93.08 | 03.42 % |

4. Appropriation of Net Profit

In accordance with RBI guidelines and the provision of Section 63 of the Multi State Co-Operative Societies Act, 2002, your Board of Directors recommended and proposed the following appropriations of net distributable profit as under to the General Body for its approval at 40th AGM of the bank.

| Sr. No. | Particulars | Amount (in Rs.)* |
|---------|--|------------------------|
| 1. | Statutory Reserve Fund [Under Section 63 (1) (a)] | 11,32,13,747.82 |
| 2. | Co-Operative Education fund [Under Section 63 (1) (b)] | 30,86,028.00 |
| 3. | Reserve for Unforeseen Losses [Under Section 63 (1) (c)] | 3,08,60,284.00 |
| 4. | Proposed Dividend @ 10.00%* [Subject to approval of AGM] | 13,85,78,506.00* |
| 5. | Members Gift Expenses [Subject to approval of AGM] | 2,25,00,000.00 |
| 6. | Charity Fund | 3,64,273.00 |
| | Proposed Total Appropriation of Net Profit | 30,86,02,838.82 |

(* Subject to approval from RBI's circular to all commercial banks & all Co-Operative Banks dated April 17, 2020 & after RBI's permission subject to approval of 40th AGM.)

5. Dividend

Bank has a consistent Dividend payment history. Your Board of Directors pleased to recommend a dividend of **10% p.a.** for the fiscal year 2019-2020, a total amount of **₹ 13.86 crores**. Subject to RBI circular reference No. RBI / 2019-20 / 218 DOR.BP.BC. No. 64 / 21.02.067 / 2019-20 dated April 17, 2020 issued to all commercial banks and all co-operative banks regarding declaration of dividends by banks (Revised).

6. State of affairs of the bank

Affairs of our bank are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

7. Provision for Income tax

Provision for tax in the year 2019-2020 has been computed, after considering allowable/inadmissible items as per the Income Tax Act, 1969. The estimated Tax outflow for the current year is **₹ 24.89 crores** which is fully provided for.

8. Reserve & Surplus

Bank's Total Reserves stood at **₹ 336.45 Crores**. After appropriations of net profit of 2018-2019 and provisions made during the F.Y. 2019-2020 and transfer of the amount as statutory required, Reserves of the bank registering growth of **09.72 %**.

9. Membership

During the year under review, the numbers of regular members of the bank as on 31st March 2020 are stood at **78,663** and Nominal Members stood at **151**.

10. Share Capital

Bank's authorized share capital is **₹ 200.00 crores**. Bank's paid-up share capital declined by **04.95 %** and reached at **₹ 137.30 crores** as on F.Y. 2019-2020 in comparison of previous year's share capital of **₹ 144.45 Crores**.

11. Capital to Risk Assets (CRAR)

Under the prudential regulatory regime, capital adequacy has assumed utmost importance. The CRAR of our bank stood at **21.79 %** as on 31st March 2020 for the F.Y. 2019-2020 which was 24.91% in the corresponding previous financial year 2018-2019. This decline is mainly due to decrease in the paid-up Share capital & Increase in Loans & Advances of the bank. This can be considered quite satisfactory as compared to 9% benchmark prescribed by RBI.

12. Deposits

Bank's deposits stood at **₹ 2,301.35 crores** as on 31st March 2020 which is marginally increased from the growth registered during the previous year by 02.96%. This increase is due to increase in term deposits. Marginally increased in overall deposits of the bank is as a reason that depositors shifted their investment

from deposits to Postal Deposits, Mutual Funds, Insurance, alternate avenues of investment to earn more income from their investments. Bank lays immense importance to Excellent customer service.

During the year 2019-20, Bank's CASA deposits stood at **₹ 861.47 crores** which is **37.43%** of total deposits. Bank's **Cost of Deposit is 5.75%**, which is nearest to the ideal Cost of deposit in the banking sector.

Bank has continued to focus on mobilizing its CASA and term deposits to increase profitability of bank. This will help the bank to reduce its cost of deposit.

13. DICGC

The Deposit of customers continue to be insured in terms of Deposit Insurance and Credit Guarantee Corporation (DICGC) Act, 1961 as amended from time to time. Our bank is regular and prompt in payment of DICGC insurance premium to DICGC. A total amount of **₹ 2.47 crores** is paid by the bank towards Insurance premium to DICGC up to 31st March 2020 and there are no arrears payable to DICGC. Insurance Coverage for Depositors has been increase from 1 lac to 5 lacs w.e.f. 04.02.2020.

14. Growth in Advances

Despite of the challenging and stressed market conditions from last few years, bank could growth in advances with the help of hard work of the entire team of the Bank by consisting reviewing the business needs of our customers and prevailing economic situations, under the able leadership of GM & CEO - Satyapraksh Khokhara.

Due to simple, fast and co-operative working culture in advances process, our Bank's gross advances portfolio reached at the high of **₹ 1,553.92 Crores** as on March 31, 2020 from total Advances of **₹ 1,387.99 crores** in the corresponding previous F.Y. ended on March 31, 2019 and thereby registering a **growth of 11.95 %**. Bank's **Credit – Deposit Ratio stood at 67.52%**.

15. Priority sector Advances

Your Bank continues to pursue priority sector advances including those related to Micro, Small and Medium Enterprises (weaker sections). Your bank is planning to fulfill the criteria of Priority Sector advances in Coming years as per Latest RBI circular issued in March, 2020.

16. Management of stressed Asset (NPA)

From last few years, the entire banking sector faces stressed situations due to growth in Non-performing Assets (NPAs). The rise in slippages attributed mainly due to Stress in major sectors of the country.

As stated earlier, this year under review the economic condition of our country was not up to the mark as a result thereof there was considerable increase in NPAs in banking industry as a whole. Asset quality is one of the most critical areas in determining the overall condition of a bank. Your Bank endeavors to maintain a good asset quality ratio. As per the current banking scenario which is facing serious challenge to maintain the asset quality, your Bank has done reasonably well in controlling the slippages of accounts into NPAs as well as in the recovery of the old NPA accounts.

As the banking industry has witnessed a sharp increase in the NPAs in banking industry, our bank's Gross NPA was **₹ 76.59 Crores** which forms **04.93%** of total advances of **₹ 1553.92 Crores** during the year under

review. **Net NPA** of the bank is stood at **00.78%** as on 31st March 2020 which is declined from **1.90%** as registered on 31st March 2019. These amounts substantially secured by Prime as well as collateral securities. In this respect, as a preventive measures Bank has made strategy for curtailing the addition also.

Bank has assessed its requirements for the BDDR and is of the opinion that bank should have excess amount in BDDR, to meet contingencies and to strengthen the Bad and Doubtful Debt Reserve Account of the bank. Therefore, Bank is Proposed to transfer an amount of **₹ 12.50 Crores to BDDR** account from operating profit of the bank in F.Y. 2019-2020 & As per RBI Circular - RBI/2019-20/220 DOR No. BP.BC.63/21.04.048/2019-20 Dt. April-17, 2020, as on 31.03.2020 bank has also created general provision for **COVID-19 of Rs. 6 Crores.**

17. Para Banking Facilities

In this competitive era in Banking industry, Bank is focusing on maximization of profit and so, it is very necessary to earn income from sources other than banking also to increase profit of the bank. Our bank, also earns a good amount of income from various para banking services such as Life Insurance, General Insurance, Health Insurance, Stamp franking, etc. We request our customers to get benefit of such services.

Your Bank is a Corporate Agent of Exide Life Insurance Co. Ltd, Reliance Nippon Life Insurance Co. Ltd., Bajaj Alliance General Insurance Co. Ltd. and Future Generali India Life Insurance Co. Ltd. Bank offers various kinds of life as well as general insurance policies at various branches of the bank.

During F.Y. 2019-20, Bank has earned commission income of **₹ 46.78 Lacs** from the sale of third-party insurance products as under:

| (₹ in Lacs) | | | |
|--------------|---|---------------------------|-----------------------|
| Segments | Name of the Company | Products | Revenue Generated (₹) |
| Life | Exide Life Insurance Co. Ltd. | Individual Life Insurance | 41.09 |
| General | Future Generali India Life Insurance Co. Ltd. | General Insurance | 04.53 |
| General | Bajaj Alliance General Insurance Co. Ltd. | General Insurance | 00.26 |
| Other | Pradhan Mantri Bima Yojana | PMJJBY / PMSBY | 00.90 |
| Total | | | 46.78 |

18. Pradhan Mantri Bima Yojana

Your Bank has extended Pradhan Mantri Bima Yojana facility to its customers through tie-up with M/s. Life Insurance Corporation of India for Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY). We have also tied up with M/s. The Oriental Insurance Company Ltd. for providing services under Pradhan Mantri Suraksha Bima Yojana (PMSBY).

19. Branch Network

The Branch strength of the bank as on March 31, 2020 stood at **27 branches.** Further Our delegates at their Meeting approved proposal of merger of 2 other Co-Operative Banks and after completion of regulatory procedure bank's branch network will be **increased by 31 branches in coming years.**

20. ATMs

Our ATMs extend **24x7** hour service. Bank is now rendering services through total **16 On-site ATM** centers. ATMs Centers are provided with security guards and equipped with CCTV cameras. All our ATMs machines are upgraded with latest technology as per the requirement of Regulatory Authorities from time to time.

21. Core Banking Development

During the year, your Bank's key developments in CBS software are as under:

- 21.1 Changes for regulatory compliance like GST, FATCA/CRS, Aadhar Linking to accounts, PAN verification, etc.;
- 21.2 CKYC introduced to reduce efforts and paperless banking.

22. Rupay Debit Card

Our Bank provides RuPay Platinum Debit Card and RuPay Classic Debit Card in association with National Payments Corporation of India (NPCI). RuPay Debit Card is accepted at over **2.42 Lakhs ATMs, 27.46 Lakhs POS Machines** across India. Further, RuPay Platinum Debit Card which provides various other facilities such as Cash back offers etc. RuPay Debit Card can be used for availing various services. Cardholders can use this card at Shopping Malls or can swipe that at POS machines.

23. Locker Service

Our bank is the first bank in the Saurashtra Region to introduce **Digital Locker card** for locker holders of the bank. At present Our bank extends locker service at various branches of the bank on charging of very reasonable locker rent amount within the purview of applicable rules & regulations as amended from time to time.

24. Stamp Franking Service

Bank extends **Stamp franking service at 5 branches** of the bank to the members and public also. Branches provide franking facility for any amount.

25. Office365

Bank is using applications Office365 for the employees of the bank. Office365 provides a productivity suite of applications for the employees of our Bank. This has enabled employees to access the Banks email and other services like one Drive, Skype and others from anywhere, reducing the dependency on office desktop. The Office365 suite of application has replaced the old email solution in our Bank.

26. IT Initiatives

In this digital era, to compete with various banks, our bank had successfully Implemented core banking solution so that customer can do banking from any of the branch of the bank. Our Bank extends SMS Alerts facility, POS machine facility, RTGS/NEFT facility free of cost, ECS, NACH as well as **Missed Call Alert Balance Inquiry (Inquiry No. – 70434 70435)** etc.



Estd. 24.11.1980
Raj Bank

Multi State Co-Operative Bank

ઇચ્છા, ક્રોધ અને લોભ નર્કના ડ્વાર છે,
કારણ કે તેઓ આત્માનો વિનાશ કરે છે.

- શ્રીમદ્ ભગવદ્ ગીતા

Bank is committed to provide its customers continued services without any interruptions. Therefore, when the Yes Bank's Crisis was happened, our bank had immediately obtained CTS & CPS Sub-membership with IDBI Bank Limited and bank has also made necessary arrangement with HDFC Bank for alternate option. Meanwhile bank is also planning for making application to RBI to obtain direct membership of RBI for Centralized Payment System for RTGS/NEFT.

Moreover, Your Bank is also planning to cater to its customers by providing digital banking services like Mobile banking, Internet Banking (View Only Facility) etc. in upcoming year.

27. Audit and Inspection

Bank has a sound and effective risk-focused audit mechanism in place for its operations which plays an important role in maintenance, assessment and effectiveness of bank's internal control system and procedures. All Audit activities are guided by well-defined Audit Policy of the bank. Bank's Audits are being carried out by the external as well as in-house Auditors also.

27.1 Concurrent Audit System

The Bank is having Concurrent Audit Department for all Branches for better control on the working of the Bank and has made an arrangement for auditors to check and verify branch Profit and Loss A/c & Balance Sheet and NPA position from one central location. During the year under review, all the branches of the bank were covered under the Concurrent Audit system of the bank.

27.2 Internal Audit

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business including adherence to the bank's Policies, the safeguarding of its assets, the prevention and detection of Frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. Our Banks' internal audit function evaluates effectiveness of controls and the adherence to internal processes and procedures. The internal audit function undertakes a comprehensive risk-based audit of all operations of the bank in line with regulatory guidelines. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. It also reviews the half yearly Internal Audit Reports.

27.3 Statutory Audit

M/s. ASKV & Associates, Chartered Accountant, which was appointed during the previous year, carried out Statutory Audit of the bank for the F.Y. 2019-2020. The Statutory Auditors have completed their audit assignment and submitted their report.

27.4 Information Technology and System Audit

The Systems Audit of all information Technology related activities at Data Centre and 27 Branches of the bank were conducted by ISO 24001 certified company of Qualified Chartered Accountants & ISA Auditors to assess the IT related risks, as a part of the periodic audit. IS Audit of centralized IT establishments is

also carried out. In line with the RBI guidelines on ensuring Cyber Security of the IT System of the Bank, we have appointed a firm to conduct Cyber Security audit for the year 2019-20. Various IS audit and Cyber Security policies are in placed & prepared according to RBI guidelines as amended from time to time and their proper implementation is ensured across all segments of our Bank.

27.5 RBI inspection

Reserve Bank of India conducted inspection of the Bank as per Section 35 of the Banking Regulation Act, 1949 (AACs) with reference to the financial position as on March 31, 2019.

28. Human Resource Management

Human capital is a back bone for any organization to achieve desired goals. Our Bank's staff related Policies are being constantly reviewed to align with business goals of the bank. The key to long-term success is talent management. Your Bank considers its employees as its core strength and is proud of its performance-oriented culture. The recruitment of employees, developing of existing employees, devising new HR processes & procedures, devising differential pay packages, motivation and retention of skilled employees through job rotation, job enrichment, training and empowerment, open communication, are regularly undertaken by the Human Resource Department (HRD). **The summarized HR Profile as on 31st March 2020 is as under:**

Utilised Staff Setup as on 31.03.2020

| No. | Particulars | CEO | DGM | AGM | CA | CS | M | DM | AM | CLK | Ty. | CLA | Assi | Trainee | Total |
|-----|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| 01. | Raj Bank | 01 | 02 | 22 | 05 | 01 | 15 | 18 | 50 | 63 | 01 | 08 | 12 | --- | 198 |
| 02. | Mahila Utkarsh Merger | --- | --- | --- | --- | --- | 01 | 02 | 13 | --- | --- | --- | 07 | --- | 23 |
| 03. | Amruta Mahila Merger | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 03 | --- | 03 |
| 04. | Vaso Merger | --- | --- | --- | --- | --- | --- | --- | 01 | 03 | --- | --- | 07 | --- | 11 |
| 05. | Dakor Merger | --- | --- | --- | --- | --- | --- | --- | 01 | 01 | --- | --- | 01 | --- | 03 |
| 06. | Yawal Merger | --- | --- | --- | --- | --- | --- | --- | 01 | 02 | --- | --- | 01 | --- | 04 |
| 07. | Baroda Merger | --- | --- | --- | --- | --- | 01 | 01 | 03 | 08 | --- | --- | 01 | --- | 14 |
| | Total Staff | 01 | 02 | 22 | 05 | 01 | 17 | 21 | 69 | 77 | 01 | 08 | 32 | --- | 256 |

| No. | Particulars | CEO | DGM | AGM | CA | CS | M | DM | AM | CLK | Ty. | CLA | Assi | Tra. | Total |
|-----|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| 01. | Men | 01 | 02 | 16 | 02 | --- | 10 | 14 | 35 | 52 | 01 | 07 | 29 | --- | 169 |
| 02. | Women | --- | --- | 06 | 03 | 01 | 07 | 07 | 34 | 25 | --- | 01 | 03 | --- | 87 |
| | Total Staff | 01 | 02 | 22 | 05 | 01 | 17 | 21 | 69 | 77 | 01 | 08 | 32 | --- | 256 |

Employee Strength

Overall, our Bank's employee strength reduced by 13 during F.Y. 2019-2020 due to reasons like retirement, death, resignation, dismissal, etc.:

| | |
|---|------------|
| 1. Number of Employees as on 31.03.2019 | 269 |
| 2. Number of Employees recruited during the year 2019-2020 | --- |
| 3. Sub Total | 269 |
| 4. Less the number of Employees who exited during the year 2019-2020 due to | |
| 4.1. Natural Death / Accidental Death | 01 |
| 4.2. Retirement | 08 |
| 4.3. Termination | --- |
| 4.4. Dismissals | --- |
| 4.5. Resignations including VRS | 04 |
| 5. Total Employees Turnover during the year 2019-2020 | 13 |
| 6. Number of Employees as on 31.03.2020 | 256 |

29. Risk Management

The primary goal of risk management is to identify, assess and monitor risks associated with the banking business and take adequate measures to manage and control these risks on a timely basis. Our Bank's aim is to achieve an appropriate equilibrium between risk and return and to minimize potential adverse effects on Bank's financial performance.

In order to minimize the various credit risks, The Board of Directors keeps an overview on our Bank risk management framework and formulate from time to time risk management strategies and mechanism for the Bank. Bank had evolved various risk minimization mechanism. Further, Board of Directors had taken adequate care in its implementation by identifying various elements of risks which may cause serious threat to the existence of the Bank. This will help in achieving sustainable business growth, financial and non-financial targets with better protection and soundness.

30. Material Changes and Commitments

There have been no material changes in the accounting policy during the year under review and Commitment affecting the financial position of the bank which have occurred between the end of the financial year of the bank to which the financial statements relate and date of the Report.

31. Advances to Directors

Bank had granted finance to the Directors relatives by bonafide man mad mistake. The same had been repaid by concerned directors relative during the month of July 2020.

32. Corporate Social Responsibility (CSR)

Our Bank always places the interest of the common man, at its core. Bank believes in extending help to less fortunate and underprivileged members of the society. CSR is a continue part of commitment of our Bank for developing the quality of life of the community and society as a whole. So, Bank continuously contributes to the needy by extending help encouraging several activities for the benefit of society/people, which includes donations to organizations engaged in social activities, assistance to the kin of deceased members, etc. The members of Board of Directors support such activities by remaining present in the various functions.

33. Whistle Blower/ Vigilance Mechanism Policy

Our Bank had adopted Whistle Blower Policy in year 2019 so as to provide a channel to various stakeholders, viz., employees, customers, suppliers, shareholders, etc., to undertaken. Bank's Vigilance Mechanism is taking initiatives for awareness of the concept of Whistleblower. Whistle Blower concept is another effective tool for Preventive Vigilance. Vigilance Mechanism in our Bank acts as a deterrent for the employees to keep themselves away from malicious activities.

At the bank, we keep the secrecy of the whistleblower and give protection to them so that they continue to be an effective tool against wrongdoings without fear. Branches, where certain lapses of grave nature are observed, identified and suo-motu investigations are conducted so that possible fraudulent activities could be checked, and remedial measures are undertaken. Implementation of the policies is ensured by the senior functionaries which are compliant with laws and regulations of the regime. Further, for streamlining / standardizing the day-to-day functioning of the Bank, standard procedures are laid down in line with regulatory guidelines. Adherence to the policies, guidelines, procedures is monitored by Board who help in ensuring the compliance culture and becoming the best-in-class customer service-oriented Bank.

34. Awards and Accolades

During the year under review, bank has won and received the following awards and accolades:

1. Avies Publication had awarded our bank prestigious **BANCO BLUE RIBBON 2019** Award for the best performance for financial year 2018-2019 under the All India Urban Banks Category.

During the year under review, Our **Bank's CEO Satyaprakash Khokhara** has also won and received the following awards and accolades:

2. Leadership Award - **Best CEO Under large Urban Co-Op. Banks** under the Frontiers in Co-Operative Banking Awards [FCBA] – 2019.

35. Obituary

We deeply mourn the passing away of some of our members & employee(s) of the Bank during F.Y. 2019-2020. We pray that the departed souls rest in peace and that the Almighty grants fortitude and strength to their family members to bear the irreparable loss.

36. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace

The Bank has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Policy aims to provide protection to women employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with an objective of providing a safe working environment.

37. Directors Responsibility Statement

The Board of Directors hereby submits its responsibility Statement and confirm that:

- 37.1 In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;



- 37.2 The directors had selected such accounting policies and applied them consistently and made reasonable and prudent judgments and estimates so as to give true and fair view of the state of affairs of the bank at the end of the financial year and of the profit and loss of the bank for that period;
- 37.3 The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of applicable Act and Rules and ICAI guidelines for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 37.4 The Directors had prepared the annual accounts on a going concern basis; and
- 37.5 The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- 37.6 The directors hereby informed that during the audit of current year, auditor found that there are overstatement of profit of Rs. 22,56,800/- has been found due to wrong entry of NFS charges. As well As understatement of profit of Rs. 21,09,330/- has been found for interest received on advances for 3 borrower's account.

38. Acknowledgements

- 38.1 Your Board of directors wishes to place on record a sincere thanks and gratitude to all the members, customers, well-wishers, stakeholders of the Bank for their support, trust and confidence that they have reposed in us and in the Bank. We also express thanks to print and electronic media for their co-operation from time to time.
- 38.2 Your Board of directors also places on record our sincere thanks and gratitude to the authorities of the RBI & all other regulatory authorities and our bankers for their valuable guidance, support and co-operation throughout the year.
- 38.3 Your Board of Directors also convey sincere thanks to entire staff members, Concurrent, Internal Auditors & Statutory Auditors, ISA Auditors, valuers, Legal Advisors, Lawyers and Tax Consultants, other Consultants, Architects and Vendors for their Co-operation and guidance during the year.
- 38.4 A sincere thanks to all the members of Board of Directors for their continued support. Our particular thanks also due to **Shri Madhusudanbhai Donga Former - Chairman, Former Vice-Chairman Shri Nareshbhai Patel, Shri Jagjivanbhai Sakhiya and Rameshbhai Tilara** for their guidance and support throught out the year.
- 38.5 A sincere thanks to **GM & CEO – Shri Satyaprakash Khokhara** for his valuable guidance, loyalty, dedication, hardwork, devotee services and wholehearted involvement in achieving banks' desired goals and achivement of vision and mission in true sense including providing excellent services to the customers of the Bank through out the year.
- 38.6 We earnestly desire to make rapid progress making our services more and more efficient and customer centric. We solicit your co-operation in our task ahead.

Thank you all, once again.

For **and on behalf of the Board**

Jagdishchandra Kotadia
Chairman

Date : 25.08.2020

Place : Rajkot

Corporate Governance

◆ Our Vision

To provide best services in the industry to cater various financial requirements of our customers and creating long lasting value for all stakeholders.

◆ Our Mission

To be the preferred bank for our customers through operational excellence and best service quality and of our employees with the highest level of ethical and moral values.

◆ Our Core Values

Core Values of the bank that defines the working style of the bank are:

- 1. One Team** : We display energy to work together as a **Team RAJBANK** and provide excellent banking services to our customers;
- 2. Customer Centric** : Customers' interest lies at the core of our bank at all the time;
- 3. Trustworthy** : We show enthusiasm and commitment and strive to resilient adversity and having faith and respect in our beliefs, reliability & transparency in services provided by the bank;
- 4. Integrity** : We behave with integrity and in an ethical manner in everything we do and say and thereby maintaining a trust of all our stakeholders.
- 5. Excellence** : We strive for continuous improvement in our policies, systems and processes. Our Commitment is to demonstrate excellence in all spheres of our work and committed to exercise professionalism self-discipline, perseverance and team spirit.

With these values, Bank strives to enrich its stakeholders.

1. Bank's Philosophy on Code of Governance

At **The Co-Operative Bank of Rajkot Limited**, Corporate Governance philosophy encompasses regulatory & legal requirements which aims at a level of effective supervision & enhancement of value for all stakeholders of the bank. The cardinal principles of the Corporate Governance philosophy of the bank is scripted in the following words:

"To adopt and adhere to best and recognized Corporate Governance practices through fairness, transparency, professionalism and accountability with ultimate aim of building confidence and value creation in various stakeholders thereby paving the way for long-term success for the bank."

Corporate Governance is a process that aims to meet Stakeholder's need, aspirations and expectations. Corporate Governance is beyond the realm of Law. It is not just a discipline imposed by a Regulator. It is a culture that guides the Board, Management and Employees to function towards best interest of Stakeholders.

Our Bank believes that adherence to the best corporate governance practices is an integral part of Bank's operations. By this, Our Bank strongly believes in ethical values and self-discipline to achieve higher standard of Corporate Governance and continues to strive for excellence in business operations through



Estd. 24.11.1980
Raj Bank

Multi State Co-Operative Bank

‘ગુ’ શબ્દનો અર્થ છે - ‘અંધકાર’ અને ‘રૂ’ શબ્દનો અર્થ છે - ‘તેનો નાશ કરનાર’.
આમ, અજ્ઞાનરૂપી અંધકારનો નાશ કરનારને ‘ગુરૂ’ કહેવાય છે.
- સ્કંદપુરાણ

Transparency, professionalism and accountability to its stakeholders, including members, customers, employees, Government and others who deal with the Bank. The Bank constantly strives towards betterment of such aspects and thereby generating long term economic values for all our stakeholders.

Bank believes that the framework of corporate governance provides the empowerment to the management of the bank. Simultaneously, it creates a mechanism to ensure that the decision-making powers vested in the Management should not be misused but it is used with care and responsibility to meet stakeholder' aspirations and societal expectations.

Our corporate structure, operations and disclosure practices have been strictly aligned to our corporate Governance Philosophy. Our actions are governed by our values and principles which are reinforced at all levels of the bank. These principles have been and will continue to be our guiding force in the future. The Bank believes in ensuring transparency in financial statements and protecting shareholder's interest as the key attributes of Good Corporate governance. We also believe in system driven performance and performance-oriented systems. We accord highest priority to these systems and protect the interests of all our stakeholders.

2. Corporate Governance Guidelines

The Board has adopted Corporate governance guidelines approved by its board of directors in duly convened board meeting on board effectiveness to help fulfill its corporate governance responsibility towards its stakeholders. These Guidelines ensures that the board meet regularly, provide effective leadership, provide free access to the board to all relevant resources, advices that are necessary to enable to carry out its role effectively, to ensure that management is responsible in respect of compliance with all applicable acts, rules and regulations, guidelines/circulars and instructions as may be issued from time to time to the bank by RBI/other regulatory authorities, to formulate procedures and policies and strictly adhere to such policies and procedures and that the board will have the necessary authority and processes in place to review and evaluate the bank's performance, their roles and responsibilities etc. Further, these guidelines allow board of directors to make decisions that are independent of management i.e. free from any bias, favor and pressure.

It is very imperative to follow principles of Corporate Governance therefore, our bank lays importance to corporate governance in its administration. Being a co-operative bank with large volume of business, it is very necessary to follow the principles of co-operative governance along with the principles of corporate governance. Our bank protects the interest of depositors and members of merged co-operative banks also.

Our Board of Directors, guided by the Corporate Governance framework and Our Corporate Governance framework is based on the following principles:

- 1. Trusteeship** : Board of directors of the bank are only trustees of the bank;
- 2. Structure** : Bank should have effective Corporate Governance Structure;
- 3. Compliance** : Board is accountable for Compliance;
- 4. Leadership** : Board are Responsible to provide effective Leadership;
- 5. Fairness** : Board should maintain Fairness and Excellence in its decisions;
- 6. Transparency** : Board should maintain transparency in its processes;
- 7. Accountability** : Board are responsible for their decision-making process at their level.

3. Board of Directors

3.1 Composition of Board

The Board comprised of appropriate mix of eminent persons with considerable professional experience and expertise in various fields like banking, business Development & Management, finance, law, economics, Accountancy and other fields as well. Composition of Board of Directors of our bank is broad based and is governed by the provisions of the Multi State Co-operative Societies Act, 2002 & Rules framed there under, the Byelaws of the bank as well as RBI guidelines, issued in this regard from time to time. A brief Details of the board of directors are furnished in this Annual Report.

3.2 Role and responsibilities of Board of Directors

The Directors are expected to attend and actively participate in Board Meetings and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities, to establish policy framework, to take significant and strategic decisions, to oversee the pursuit of objectives, profit maximization and to protect and maximize the interest of stakeholders and oversee risks to the bank. In doing so, it must act honestly, in good faith and in the best interest of the Bank to enhance the reputation and public image of the bank at large without any personal interest or agenda.

The Bank's Board carry out its functions in compliance with the provisions of the MSCS Act, and rules frame thereunder and RBI Guidelines/ Circulars and instructions, issued from time to time. The Board is responsible to act in the best interest of the Bank and its members & stakeholders. In discharging their duties, The Directors shall comply with the Code of Conduct as adopted by the Bank, amended from time to time and Do's and Don'ts of the board of Directors as issued by the RBI vide master circular on board of directors.

3.3 Board Procedure

The Agenda for the Board Meeting is circulated in advance to all the Board members through e-mail & WhatsApp. The items in the Agenda are supported by comprehensive background information at the board meeting to enable the members to take appropriate decisions. The Board is also kept informed of major events/ items and approvals are taken wherever necessary of top Management of the bank. The Minutes of each Board / Committee Meeting are recorded in separate Spiral form. The Minutes of Board Meetings of every meetings are tabled in next Board Meeting and approved after inviting suggestions from all the board of directors of the bank. Most of the decisions of the Board meeting are taken unanimously.

3.4 Board Meetings

The Board meets regularly at least once in a month and holds additional meetings as and when the board thinks appropriate. During the year 2019-2020, there were total **21 Board meetings** were held. Out of which one board meeting was postponed. The annual calendar of meetings is broadly determined at the beginning of each year and circulated to all the board members and concerned departments of the bank for pre-planning.

Agenda of each board meeting is given to all the directors for the regular board meetings. Draft agenda for board meetings is prepared by the company secretary and submitted to the CEO for its finalization and after finalization are circulated to all the board members. Directors are given an opportunity to provide in the prescribed form of the bank and include any other matters in the

agenda as a part of corporate governance guidelines as adopted by the bank. The agenda, together with board papers are put before the board for their consideration and notes of the decisions at the board meeting are taken.

A draft minutes are prepared by the company secretary with details of decisions reached and concerns raised and dissenting views expressed at board meeting and submitted to the CEO and to the chairman for their comments, perusal and approval, within a reasonable time after each meeting before being formally signed by the chairman of the meeting. Final minutes printed, spiral form placed and read out before the board in the next board meeting to get approved by all the board of directors of the bank before formally signed by the Chairman. Copies of final version of minutes of the board meetings are kept in safe custody of the bank.

3.5 Attendance of Directors at 21 Board Meetings and at 2 General Meetings up to 31.03.2020

| Sr. No. | Name of the Directors | Present Designation | In Directorship Since | Board Meetings | | 39 th AGM Attended | 17 th SGM Attended |
|---------|----------------------------|---------------------|-----------------------|----------------|----------|-------------------------------|-------------------------------|
| | | | | Total Meetings | Attended | | |
| 1. | Chandrakantbhai P. Patel | Chairman | 13.10.1999 | 21* | 20 | YES | YES |
| 2. | Manubhai P. Nasit | Director | 30.08.1980 | 21* | 20 | YES | YES |
| 3. | Muljibhai V. Chauhan | Director | 18.08.2000 | 21* | 14 | YES | YES |
| 4. | Nileshbhai S. Dhruv | Director | 01.04.2008 | 21* | 20 | YES | YES |
| 5. | Jagdishchandra R. Kotadiya | Director | 22.04.2012 | 21* | 13 | YES | YES |
| 6. | Sachinbhai D. Sachade | Director | 22.04.2012 | 21* | 14 | YES | YES |
| 7. | Nimit K. Kamdar | Director | 23.04.2017 | 21* | 15 | YES | YES |
| 8. | Harindra M. Donga | Director | 23.04.2017 | 21* | 17 | YES | YES |
| 9. | Pragajibhai M. Patel | Director | 23.04.2017 | 21* | 20 | YES | YES |
| 10. | Narendrasinh P. Jadeja | Director | 23.04.2017 | 21* | 11 | YES | YES |
| 11. | Minakshi K. Dhani | Woman Director | 23.04.2017 | 21* | 17 | YES | YES |
| 12. | Kiran J. Sejpal | Woman Director | 23.04.2017 | 21* | 16 | YES | YES |
| 13. | Harshadbhai P. Malani** | Director | 08.03.2020 | --- | --- | N.A. | YES |
| 14. | Gopalbhai A. Rupapara** | Director | 08.03.2020 | --- | --- | N.A. | YES |
| 15. | Jayantilal S. Vasoya** | Director | 08.03.2020 | --- | --- | N.A. | YES |
| 16. | Anandbhai M. Patel** | Director | 08.03.2020 | --- | --- | N.A. | YES |
| 17. | Pranaybhai C. Virani** | Director | 08.03.2020 | --- | --- | N.A. | YES |

* One Meeting of board was postponed on 05.11.2019.

** All such Directors were appointed on 08.03.2020 & there after no Board Meetings were arranged due to COVID-19.
N.A. - As well as in 39th AGM they were not in a directorship of the bank.

3.6 Changes in the Board of Directors during the year 2019-2020

The year 2019-2020 saw the following changes in the composition of the Board of Directors of the bank.

Resignations : During the year, Seven Directors were resigned from the directorship of the bank.

Appointment : In place of resignation placed by Seven Directors, **Five New Directors** were appointed.

3.7 Disqualification/Conflicts of interest

The bank has a well-designed policy on '**Conflict of Interest and disclosure of certain interests**' in place. All the board members/top management and senior personnel of the bank are required to maintain highest level of professionalism and personal integrity to avoid situations where personal interest of individual may conflict or appear to be conflict with the interest(s) of the bank or its stakeholders in any manner.

The Bank had proper system in place where if any director involves or is likely to be involve actual or potential conflicts of interest shall promptly inform the bank in its prescribed form when such situation or question is first considered. Such directors or senior personnel shall be refrained from participating in a discussion on such situation or matter.

When, a director, whether directly or indirectly, interested in any matter or involve in a matter or proposed matter or arrangement with the bank which have conflicts of interest, shall declare the nature of his/her interest to the bank in the prescribed form at which the question of such situation is first considered. Furthermore, a director shall not vote at such matter at board meetings in respect of any such matter or proposal or situation in which he or she or any of his/her relative/ associate(s) is to his/her knowledge materially interested.

Matters, to be decided at Board meetings are decided unanimously from directors allowed to vote. These guidelines are strictly observed throughout the Financial Year.

4 Committees

Board has constituted various committees of Directors and/or Executives to look in to different areas of strategic importance. The important committees are as under :

4.1 Audit Committee of the Board

The Audit Committee of the Board (ACB) has been constituted by the bank as per the guidelines of Reserve Bank of India in this regard for extending support to the Board and provides direction to the audit function which comprises of concurrent audits, stock audits, internal Audits and statutory audits.

It monitors the quality of internal, statutory and concurrent audits, as well as the internal control system, and overall status of the advances portfolio of the Bank. The Committee now also overlooks and monitors stressed & NPA status of loans and advances. The Committee is headed by the Chairman, and other members of the board. **There are total 4 ACB meetings were held during the Financial Year.**

4.2 Asset Liability Management Committee

Based on RBI circulars, Asset Liability Management Committee (ALCO) of the bank comprises of 9 Senior Executives headed by the GM & CEO of the Bank. ALCO committee is a taking review of

asset management of the bank for optimal results from a risk-return perspective. The responsibility of the ALCO is to make balance between resources mobilization and deployment and meet the core objectives of attaining profitability and ensuring appropriate management of the liquidity risk and interest rate risk in the banking business. Liquidity risk of the Bank is assessed through gap analysis for any maturity mismatch based on residual maturity in different time buckets and the management of the same is done within the prudential limits fixed for the purpose. Further, ALCO reviews Interest Rate Sensitivity statement on a monthly basis to assess interest rate risk.

5. Sitting Fees

Newly elected Board of directors vide Board Resolution No. 21.2 dated 10.05.2017 had taken a unanimous decision to discontinue sitting fees for attending meetings of board, committee(s) and general meeting(s). During the year under review all the board of directors has provided their services to the bank voluntarily and on honorary basis.

6. General Body Meetings

Special General meeting of the delegates of the bank is scheduled as per the need. During the year under review no special General body meeting was scheduled and details of last three annual general body meeting of delegates of the bank are as follows:

| No. | Date | Day | Time | Year | Venue |
|-----|----------------|--------|-----------|-----------|-------------------------------|
| 1. | July, 07, 2019 | Sunday | 6.00 9.m. | 2018-2019 | Hotel RPJ, Rajkot |
| 2. | May, 27, 2018 | Sunday | 6.00 p.m. | 2017-2018 | Hotel Imperial Palace, Rajkot |
| 3. | May, 28, 2017 | Sunday | 6.00 p.m. | 2016-2017 | Hotel Imperial Palace, Rajkot |

7. Code of Corporate Governance

Keeping in view the best practices, since 2013, the Board by passing a **Board resolution No. 15 dated 15.09.2013**, framed as per the RBI circular Do's and Don'ts for the board of directors which are also circulated to all the board members vide ref. no. 38/GM/26 dated 08.05.2017. Bank has also a well-defined code of corporate governance. As a part of good governance practices, a list of Do's and Don'ts to be followed by the Board of Directors in practice, reproduced here in below in simplified manner.

| Sr. No. | Do's by Director | Don'ts by Director |
|---------|--|--|
| 1 | Attend the board meetings regularly and effectively. Work in the spirit of co-operation. | Should not interfere in the day-to-day functioning of the bank. |
| 2 | Study the board papers thoroughly and use the good offices of the chief executive officer for eliciting any information at the Board Meetings. | Should not involve themselves in the routine or every day business and in the management functions. |
| 3 | Ask the Chairman to furnish the board papers and follow up reports on a definite time schedule. | Should not send direct/indirect instructions /directions to any individual officer/ employee of the bank in any manner. |

| Sr. No. | Do's by Director | Don'ts by Director |
|---------|--|--|
| 4 | Be familiar with the broad objectives of the bank and the policy laid down by the Government and the Reserve Bank of India. | Should not sponsor any loan proposal, buildings and sites for bank's premises, enlistment or empanelment of contractors, architects, doctors, lawyers, etc. |
| 5 | Involve themselves thoroughly in the matter of formulation of general policy and also ensure that performance of the bank is monitored adequately at board level. | Should not approach or influence for sanction of any kind of facility. |
| 6 | Welcome all constructive ideas for better management of the bank and for making valuable contributions. | Should not participate in the Board discussion, if a proposal in which they are directly or indirectly interested, comes up for discussion. They should disclose their interest, well in advance, to the Chief Executive Officer and the Board. |
| 7 | Try to give as much of their wisdom, guidance and knowledge as possible to the management. | Should not sponsor any candidate for recruitment or promotion or interfere in the process of selection/appointment or in transfers of staff. |
| 8 | Try to analyze the trends of economy, assist in the discharge of management's responsibility to public and formulation of measures to improve customer service and be generally of constructive assistance to the bank management. | Should not do anything which will interfere with and/or be subversive of maintenance of discipline, good conduct and integrity of the staff. |
| 9 | Work as a team and not sponsor or be prejudiced against individual proposals. Management on its part is supposed to furnish full facts and complete papers in advance. | Should not involve themselves in any matter relating to personnel administration –whether it is appointment, transfer, posting or promotion or Redressal of individual grievance of any employee. |
| 10 | Compliance with monetary and credit policies of RBI/Government | Should not encourage the individual officer/employee or unions approaching them in any matter. |
| 11 | Observance of cash reserve ratio and statutory liquidity ratio | Should not reveal any information relating to any constituent of the bank to anyone as, he is under oath of secrecy and fidelity. |
| 12 | Efficient management of funds and improving profitability. | The directors are expected to ensure confidentiality of the bank's agenda papers/ notes. The board papers may ordinarily be returned to the bank after the meeting. |



| Sr. No. | Do's by Director | Don'ts Director |
|---------|---|--|
| 13 | Compliance with guidelines on income recognition, asset classification, provisioning towards non-performing assets. | Should not directly call for papers / files/ notes recorded by various departments for scrutiny etc. in respect of agenda items to be discussed in the meetings. All information/clarification that they may require for taking a decision should be made available by the executive. |
| 14 | Deployment of funds to priority / weaker sections. | A director may indicate his directorship of the bank on his visiting card or letter head, but the logos of distinctive design of the bank should not be displayed on the visiting card/letter head. |
| 15 | Overdue and recovery-ensure that recoveries are made promptly and overdue reduced to the minimum. | The directors should ensure that the bank's funds are utilized in a proper and judicious manner for the benefit of general members. |

Other Items covered under Do's of RBI Circular Criteria

1. Review of action taken on RBI inspection / statutory audit reports.
2. Vigilance, frauds and misappropriation
3. Strengthening of internal control system and housekeeping viz. proper maintenance of books of accounts and periodical reconciliation.
4. Reviews on several items as prescribed by RBI/Government.
5. Customer Service
6. Development of a good management information system
7. Computerization
8. Should ensure that proper loan policies are adopted and followed.
9. Ensure that all circulars and other material relating to policies issued by RBI / Government are seen by every member of the Board and also placed before the Board for suitable action.

8. Code of Conduct

The bank has also its own code of conduct to be followed by all the board members/top management and senior personnel of the bank vide board resolution no. 11 dated 20.09.2014 which are circulated to all the newly elected board of directors vide ref. no. 38/GM/27 dated 08.05.2017. Board members/ top management have affirmed compliance with the code of conduct w.e.f. 23.04.2017. The Code of Conduct is placed at each Annual General Meeting of the bank. The same had been reproduced as under.

38 / GM / 27

Copy of Letter submitted to Directors as a part of
Point No. 8 of this Corporate Governance Report

Date : 08.05.2017

To Implement Code of Conduct for Member of Board of Director u/s 39 of MSCS Act 2002.

CEO informed the board that You may be kindly aware of the fact that in compliance with the provisions of clause (n) of sub section (1) of section 39 of the Multi state co-operative Societies act,2002 read with bye law 26 (o) of **The Co-operative bank of Rajkot Limited [Raj Bank]'s**, the general body of the bank in its meeting held on 11.05.2014 authorized the board of directors of the bank to adopt the "**Code of Conduct**" for the members of the board and its officers, and the same is to be implemented w.e.f. 01.10.2014.

"Code of Conduct" for Board of Directors

1. Obligation to the bank and to cooperative principles

- 1.1 As a Member of the board of the bank, he/she will have unquestionable loyalty to the bank in all matter Pertaining to bank's Business
- 1.2 As a Member of the board, he/she will follow the doctrine of Cooperative, cooperative principles and cooperative values of self-help, self-responsibility, democracy, equality, equity and solidarity. He/she will handle the affairs of bank with honesty, transparency and with the social responsibility.
- 1.3 As a Member of the board, he/she will always be alive towards the "objects of the bank" and shall not do any such act directly or indirectly which may adversely affect the functioning of the bank.
- 1.4 Being the trustee and Custodian to the bank, He/she shall ensure avoiding misuse or damage to the bank's property or not allow it to be misused by the any one either director or employee of the bank.
- 1.5 As a Member of the board, he/she must follow the cardinal principle of democracy and should strive and contribute towards timely elections of the Board and the General Body of the bank as an when become due.
- 1.6 Towards the growth of the bank and enhancing human resource, he/she would not like to dominate the managements of the bank.
- 1.7 As a Member of the Board, he/she shall not make any statements or become privy to any act, practice or unfair competition which is likely to be harmful to the interests of the bank.
- 1.8 As a Member of the Board, he/she shall ensure that he/she claims only one traveling allowance for attending more than one meeting of different committee if convened on the same day.
- 1.9 It is the obligation of every Director of the bank to uphold the Bye-laws of the bank and act in accordance with its needs, in consonance with the Multi State Cooperative Societies Act. He / she should exercise and maintain the highest standards of probity and integrity.



2. Conflict of Interest and Peer Pressure

- 2.1 Directors should maintain their independence, dignity and impartiality by not approaching politicians and outsiders in respect of service matters or for private benefit. They should also exercise peer pressure to dissuade those who do so within the bank. They should also resist peer pressure when such pressure is against the bank, or when it is desired to benefit a particular person or group at the expense of the bank or the interest of members in general. Where there is a conflict between public and private interest or between the interest of the bank and other interests, he/she shall bring the same to the notice of other Members of the board also.

3. Accountability and Responsiveness

- 3.1 He/She will not indulge in any unlawful activity and will follow the provisions of the Multi State Cooperative Societies Act, Rules framed there under and bank's Bye laws.
- 3.2 The Members of the Board shall be accountable to the Members of the bank in terms of desired services of quality and standard.
- 3.3 The members of the Board, in exercise of their duties, shall consider the interests of other stakeholders such as employees, creditors and bank at a large.

4. Dignity and Decorum

- 4.1 As a Member of the Board of bank, he/she must conduct him/her self in such a manner that he/she becomes the role model for others in other cooperatives as well.
- 4.2 Every Director shall behave in a manner that enhances the reputation and professional standing of the bank. He/she shall perform his/her duties with due care and diligence. He/she shall promote and exhibit public and private conduct in keeping with the appropriate behavior and standards of excellence and integrity. He/she shall also treat his/her colleagues and members of the Public with courtesy, and be sensitive to their rights, duties and aspirations. His/her conduct as a Director should be ethical and value based.

5. Non-abuse of official position

- 5.1 They shall not abuse their position to influence any person to enter into financial or other arrangements to gain personal benefit or to any particular individual or any party.
- 5.2 As a member of the Board, he/she will take due care to ensure that he/she does not unduly use his/her position to give undeserved benefits to his/her relatives and employees if they are in employment of bank or concerns promoted by the bank.
- 5.3 In case any of his/her relatives, as defined and accepted by bank's Board, applies for any position/job in bank, the Board member will inform to the CEO in advance, and will not associate him/her self or influence the selection process /proceedings for awarding job.

- 5.4 The members of the Board shall disclose their interest direct/indirect in any contract, If any, executed by the bank.
- 5.5 The Member of the Board will ensure that he / she is not individually involved in the profits of any contract executed with by the bank, as envisaged under the provisions of Section 43(1)(b) of the Multi-State cooperative Societies Act, 2002.
- 5.6 The Member of the board shall not use the resources of the bank of any nature, Men/Material/Machinery/Money for contesting elections or defending election petitions in the law courts. This process of professionalism will be facilitated by the bank through information, education, orientation and studies.
- 5.7 Directors are in a position of trust and have a responsibility to make decisions on the basis of merits only. They must not use or abuse their official position to enter into financial or other arrangements to influence any person or accomplish other objectives by virtues of their position as Directors.
- 5.8 The Member of the Board shall not be associated with competitions of bank in any manner prejudicial to the interests of bank.

6. Progress of the bank through Professionalism and Team Work

- 6.1 While considering the matters in the board placed before him/her he/she will give his/her free and frank advice without any fears or favors and the decisions taken by the Members of the Board shall be objective, transparent and in the overall interest of the bank and shall not promote any personal gains or benefits to any particular individual or Party.
- 6.2 While considering the matter placed before him/her in the board, he/she will give due importance and weightage to 'merit' considering the professional advice/report available on the subject; and in no way allow any other interest to influence the decision.
- 6.3 The members of the Board shall exercise reasonable diligence on representations/information received by him/her before relying on them for their decision making.
- 6.4 Members of the Board shall ensure that all the decisions be taken in a professional and prudent manner based on the information provided and material placed before them which are beneficial to and in the interest of the bank.
- 6.5 It will be the duty of every Director, as a Member of the Board, to make him/her self fully familiar with the process and technologies used in the banking services so as to effectively contribute to the decision making process. He/she shall strive to acquire and maintain the required level of professional competence and participate in setting standards for appropriate levels of competence in the bank.

7. Non-affiliation to Political Parties

- 7.1 While deciding the matter in the meetings of the Board, he /she will have no consideration for the political party to which he/she belongs nor he/she will consider the matters under the



Esttd. 24.11.1980
Raj Bank

Multi State Co-Operative Bank

વ્યર્થ બોલવા કરતા મૌન રહેવું એ વાણીની પ્રથમ વિશેષતા છે. સત્ય બોલવું એ વાણીની બીજી વિશેષતા છે.
પ્રિય બોલવું એ વાણીની ત્રીજી વિશેષતા છે અને ધર્મગત બોલવું એ વાણીની ચોથી વિશેષતા છે.
આ ચારેય ક્રમશઃ એકબીજાથી ચઢીયાતા છે. - મહાભારત

pressure of any political computations. All decisions in the Board Meeting and also in public pertaining to bank will be above his/her political affiliations and alliances.

7.2 Director should also desist from making inappropriate public comments on matters relating to bank's policies or programme which may hurt the interests of the bank.

8. Fairness in decision making

8.1 The Members of the Board shall avoid any kind of interference / influence / intervention in day-to-day administration /management of the bank. However, any suggestion for improvement of administration or Management of the bank is welcome in written form.

8.2 As a Member of the Board, he/she will understand his/her role of policy making and monitoring various decisions of the Board.

8.3 Every Director shall take decisions with impartiality, transparency and that are in keeping with fairness and the principles of equal justice. He/She shall be sensitive to different religions and cultures, but at the same time his/her political affiliations/allegations shall not discriminate on the basis of race, caste or community, sex, religion, age, disability, statehood and other such factors, and they should not affect his decision making.

9. Confidentiality of Information

9.1 The Principle of honesty extends to issues of confidentiality of information. As a member of the Board, he/She shall maintain confidentiality of the information presented/decisions made in the board meetings and shall especially not interact with the press or media, unless authorized to do so. He/She shall not use the information of the bank for personal gain.

10. Acceptance of Gifts and / or hospitality

10.1 Directors, during the discharge of their duties, will come into contact with organizations and member of the public who may be party to the normal private sector practice of offering gifts and hospitality to business contacts. While it is important to maintain contacts with various groups, it is vital that bank's Directors are seen to be free from any form of bribery or corruption. The receiving of gifts and /or other benefits may be seen as an attempt to influence a decision and therefore must be avoided. However, inexpensive gifts / mementos / souvenirs may be accepted when given in the spirit of harmonious business relations or on special occasions.

10.2 After due discussion the following resolution was passed unanimously

10.3 Resolved that the above mentioned Code of Conduct is hereby approved and General Manager & CEO be and is hereby authorized to provide true copy of this resolution to all the board of directors.

Sd/-

Date : 08.05.2017

Place : Rajkot

Satyaprakash Khokhara
General Manager & CEO

9. Declaration on compliance with the code of corporate governance

All the board of directors / Top Management and senior personnel hereby established and affirmed compliance with the bank's code of corporate governance and code of conduct through out the F.Y. 2019-2020. A Declaration on compliance with the Code of Conduct/code of Corporate Governance signed by all the directors are taken by the bank. Moreover, Senior employee(s) and Top Management/board of directors, who are directly or indirectly deals with the sensitive matters, are bound by the policy on Conflict of Interest of the bank, inter alia, to keep confidential and refrain from dealing in the bank if they are in possession of such information.

10. Violation of the Code of Conduct as well as Do's and Don'ts

Board of directors have powers to take necessary actions against violation of Code of Conduct and Do's and Don'ts as adopted by the bank. Board delegates its powers to CEO of the bank, if so required.

11. General Standard of Conduct

All the board members/top management and senior personnel are engaged in and promote an ethical conduct of business operations in professional manner to promote bank's reputation and public image and they must discharge their duties in transparent and discipline manner. At the Raj Bank, we are expecting an amount of care and prudence which an ordinary person is expected from its own business.

12. Details of non-compliance

During the year under review Board of Directors take all amount of care not to violate any guidelines, rules, regulations or statutes applicable to the bank. Board of Directors strives to adhere to all guidelines, circulars, instructions, etc. of RBI/other regulatory authorities & all applicable acts, rules and regulations.

13. Disclosure of information

The bank's directors acknowledge their responsibilities to prepare accounts for each quarter, half and full financial year which give a true and fair view of the state of affairs of the bank. The directors consider that in preparing financial statements, the bank ensures statutory requirements are met and applies appropriate accounting policies that are consistently adopted and that are reasonable and prudent in accordance with the applicable accounting standards.

The directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the bank and to prevent and detect fraud and other irregularities within the bank. They consider that the bank has adequate resources to continue operational existence for the foreseeable future and are not aware of material uncertainties in relation to events or conditions that may cast significant doubt upon the bank's ability to continue as a going concern. The bank's financial statements have accordingly been prepared on a going concern basis.

The Board is aware about the requirements of timely and proper disclosure of and announcements and financial disclosures and authorizes their publication as and when required.

14. Means of Communication

Bank strongly believes that all stakeholders should have access to full and complete information on its performance and product initiatives. Annual, Half-yearly and quarterly results of the bank for the Fiscal year 2019-2020 were published in the leading English newspapers as well as regional language



Estd. 24.11.1980
Raj Bank

Multi State Co-Operative Bank

વિવાહ કરીને કોઈએ કાંઈ મેળવ્યું નથી. વિવાહમાં કોઈ હત્યુ નથી.
વિવાહમાં એ જ જીતે છે જે વિવાહમાં પડતા નથી.

- વિકટર હુગો

newspapers of the Gujarat as well as Maharashtra State. Annual Report is sent to all the delegates of the bank and is also displayed on the bank's website (www.rajbank.in). The bank's website also displays, inter alia, officially news, product description, various product offerings and services of the bank.

The annual financial results are promptly published in one English and more than one Gujarati (Regional Language) newspaper(s), within 48 hours of the conclusion of the Board Meeting. The Annual Report as well as Financial performance of the bank are simultaneously displayed on the Bank's website. Every year, after the annual results are declared, a Press- meet is held on the same day, in which the CEO makes a presentation and answers the queries of the media. Details of the Bank's performance are discussed with the Board of Directors in its meeting before declaring annual results and press notifications are issued. **But, due to pandemic of COVID-19, Press meet & Board Meeting on the last day of financial year was not arranged.**

15. Green Initiative

As a responsible corporate citizen, the bank welcomes and supports the 'Green Initiative' undertaken by the Government of India, enabling electronic delivery of documents including the Annual Report, etc. to stakeholders at their e-mail address registered with the bank on their request. Stakeholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the bank.

16. Disclosures

16.1 The Bank has not entered into any materially significant related party transactions with its Director(s) or Management, their relatives, etc., that may have potential conflict with the interest of the Bank at large.

16.2 The Bank has complied with applicable acts, rules and regulations guidelines, prescribed by RBI or any other statutory authority/ies relating to the bank during the last 19 years. No penalties or strictures have been imposed by them on the Bank.

Our bank is a co-operative bank, so we believe that corporate governance and co-operative governance should co-exist in our bank at all level. We, therefore, strive to manage our bank ensuring observance of co-operative and corporate values simultaneously. We are managing our bank to enhance values of our stakeholders in a transparent manner.

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

Jagdishchandra Kotadia
Chairman

Date : 25.08.2020

Place : Rajkot



**Statutory Auditor's Report
for the year ended on March 31st, 2020**

To,
The Members

The Co-Operative Bank of Rajkot Ltd.

Report on the Financial Statements

1. We have audited the accompanying financial statements of **The Co-Operative Bank of Rajkot Ltd.** as at March 31st, 2020 which comprise the **Balance Sheet as at March 31st, 2020** and also the **Profit and Loss Account** for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with Banking Regulation Act 1949 & MSCS Act 2002 of India in accordance with the Accounting Standards/Principles issued by the Institute of Chartered Accountants of India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that We comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting



policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the significant accounting policies and Notes on Accounts forming part of aforesaid accounts and our comments and observations contained in Audit Schedule enclosed herewith, give the information required by Banking Regulation act, 1949 as well as Multi-State Co-operative Societies Act, 2002 and Rules made there under in the manner so required for the Urban Co-operative Banks and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the **Balance Sheet** of the **state of affairs** of the Bank as at **March 31st, 2020 :**
- (b) In the case of the **Profit and Loss Account** of the **profit** for the year ended on that date: and
- (c) The bank is awarded '**A**' Audit class for the year **2019-2020.**

Report on other Legal and Regulatory Requirements

7. The Balance Sheet and the Profit and Loss Account have been drawn up in Form "A" and "B" respectively of the Third Schedule of the provisions of section 29 of Banking Regulation Act, 1949 (aacs) and Multi-State Co-Operative Societies Act, 2002 and rules made there under.
8. As required by section 73 (4) of Multi State Co-operative Societies Act, 2002 and Subject to the limitations of the audit indicated in paragraph above and subject to the limitation of disclosure required therein,

We report that

- i. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory.
- ii. In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
- iii. The transaction of the Bank which came to our notice have been within the powers of the Bank.
- iv. The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account and returns.



- v. In our opinion, the Balance Sheet and Profit and Loss Account comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.
- vi. To the best of our belief and according to information and explanation given to us, the transactions of the Bank, which have come to our notice, have been within the competence of the Bank and are in compliance with RBI guideline as applicable to the bank.
- vii. To the best of our knowledge and belief and according to information and explanation given to us, there has been no material impropriety or irregularity in the expenditure or in the realization of money due to the bank.
9. As per the information and explanations given to us and based on our examination of the books of account and other records, we have not come across material instances which need to be Rules 27(3) of Multi State Co-operative Societies Rules, 2002.

As per rule 27(3)(a-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 the RBI from time to time subject to notes to the accounts.
4. During the course of audit Bank has granted loans to directors and their relatives in the form of FDOD/ FD Loan in tune with the RBI guidelines issued from time to time.
5. During the course of audit we have examined compliance of the XVIIth RBI Inspection report of the bank w.r.t 31.03.2019 submitted to RBI on 28.07.2020.
6. No specific matter has been specified by the Central Registrar in this regard during the year under audit. Bank had asked certain guidance from CRCS No. reply from CRCS found during the course of our Audit.

For **M/s. A S K V & Associates**
Chartered Accountants

Ashish Sorathiya
Partner
Membership No. 140837
FRN No. 136612W

Place : Rajkot
Date : 25.08.2020



Balance Sheet
as on
31.03.2020

[Amount in ₹]

| Capital and Liabilities | | | | As on 31.03.2020 | As on 31.03.2019 |
|--|-----------------------|----------------------|-----------------------|-----------------------------|-----------------------------|
| 1. Capital | | | | | |
| (i) Authorised Capital [8,00,00,000 Shares of Rs. 25.00 each] | | | | 200,00,00,000.00 | 200,00,00,000.00 |
| (ii) Subscribed Capital* | | | | 137,30,22,000.00 | 144,45,00,000.00 |
| (iii) Amount Called up* | | | | 137,30,22,000.00 | 144,45,00,000.00 |
| 1. Less : Calls unpaid | | | | --- | --- |
| * Breakup of (ii) Subscribed Capital & (iii) Amount Called up | | | | | |
| 31.03.2020 | | 31.03.2019 | | | |
| No. of Shares | Face Value Rs. | No. of Shares | Face Value Rs. | | |
| 9,00,850 | 12.50 | 9,14,540 | 12.50 | 1,12,60,625.00 | 1,14,31,750.00 |
| 5,43,35,935 | 25.00 | 5,71,88,158 | 25.00 | 135,83,98,375.00 | 142,97,03,950.00 |
| 34,540 | 50.00 | 34,566 | 50.00 | 17,27,000.00 | 17,28,300.00 |
| 16,360 | 100.00 | 16,360 | 100.00 | 16,36,000.00 | 16,36,000.00 |
| Total of [1 (iii)] | | | | 137,30,22,000.00 | 144,45,00,000.00 |
| Of 1 (iii) above held by | | | | | |
| (a) Individuals | | | | 137,30,22,000.00 | 144,45,00,000.00 |
| (b) Co-Operative Institutions | | | | --- | --- |
| (c) State Government | | | | --- | --- |
| 2. Reserve Fund and Other Reserves | | | | | |
| (i) Statutory Reserve | | | | 125,80,26,408.91 | 117,83,42,639.81 |
| (ii) Agricultural Credit Stabilisation Fund | | | | --- | --- |
| (iii) Building Fund | | | | 20,10,20,042.77 | 20,10,20,042.77 |
| (iv) Dividend Equalization Fund | | | | --- | --- |
| (v) Special Bad Debts Reserve | | | | --- | --- |
| (vi) Bad and Doubtful Debts Reserve | | | | 62,50,00,000.00 | 50,00,00,000.00 |
| (vii) Investment Depreciation Reserve | | | | 1,59,15,000.00 | 2,76,40,000.00 |
| (viii) Other Funds and Reserves | | | | | |
| 1. Investment Fluctuation Reserve | | | | 16,12,60,000.00 | 13,82,45,204.00 |
| 2. Revaluation Reserve | | | | 35,46,90,680.33 | 37,81,51,740.33 |
| 3. Charity Fund | | | | 35,30,252.99 | 35,98,392.99 |
| 4. General Provision for BDR on standard assets | | | | 7,50,00,000.00 | 6,50,00,000.00 |
| 5. Special Reserve | | | | 7,00,04,000.00 | 7,00,04,000.00 |
| 6. Reserve for Unforeseen Losses | | | | 21,66,95,936.62 | 18,63,36,801.62 |
| 7. Reserve for Income Tax (Contingent Liability) | | | | 1,47,50,000.00 | 1,45,00,000.00 |
| 8. General Provision for BDR due to COVID-19 | | | | 6,00,00,000.00 | --- |
| Total of [2] | | | | 305,58,92,321.62 | 276,28,38,821.52 |

Continue on next page...



Balance Sheet
as on
31.03.2020

[Amount in ₹]

| Property and Assets | | As on 31.03.2020 | As on 31.03.2019 |
|---------------------|--|-------------------------|-------------------------|
| 1 | Cash | | |
| 1.1 | Cash in Hand | 32,01,99,458.00 | 21,56,16,399.00 |
| 1.2 | Cash in ATM | 2,38,09,600.00 | 2,02,21,600.00 |
| | Total of 1.1 to 1.2 | 34,40,09,058.00 | 23,58,37,999.00 |
| 1.3 | Current Account Balance With Reserve Bank of India | 3,26,63,386.99 | 3,26,61,790.70 |
| 1.4 | Current Deposits | | |
| | (a) Balances with State Bank Of India | | |
| | 1. State Bank of India | 2,51,14,604.09 | 1,32,20,719.98 |
| | Total of 1.4 (a) | 2,51,14,604.09 | 1,32,20,719.98 |
| | (b) Balances with SCB & CCB of the District | | |
| | 1. Gujarat State Co-Operative Bank Ltd. | 4,00,000.00 | 4,00,000.00 |
| | 2. Rajkot District Co-Operative Bank Ltd. | 5,54,92,910.00 | 7,90,34,970.00 |
| | 3. Ahmedabad District Co-Operative Bank Ltd. | 35,00,000.00 | 1,00,00,000.00 |
| | 4. Kaira District Central Co-Operative Bank Ltd. | 9,57,521.59 | 14,05,709.38 |
| | 5. Jalgaon District Central Co-Operative Bank Ltd. | 32,408.94 | 27,065.14 |
| | Total of 1.4 (b) | 6,03,82,840.53 | 9,08,67,744.52 |
| | Total of 1 [1.1 to 1.4] | 46,21,69,889.61 | 37,25,88,254.20 |
| 2. | Balance with Other Banks | | |
| | (i) Current Deposits | | |
| | 1. AXIS Bank | 88,52,081.49 | 4,72,46,481.49 |
| | 2. ICICI Bank | 10,32,86,383.00 | 17,01,00,000.00 |
| | 3. UCO Bank | 3,40,00,000.00 | 6,25,00,000.00 |
| | 4. Bank of Baroda | 39,09,64,640.35 | 35,20,09,164.18 |
| | 5. Union Bank of India | 59,03,967.92 | 3,99,24,016.43 |
| | 6. Central Bank of India | 10,15,545.90 | 12,42,224.84 |
| | 7. HDFC Bank | 5,64,87,202.22 | 11,02,42,925.83 |
| | 8. Yes Bank | 5,45,48,029.22 | 32,92,72,723.74 |
| | 9. IDBI Bank | 36,19,16,472.78 | 34,67,09,833.32 |
| | 10. Kotak Mahindra Bank | 1,03,10,297.20 | 1,18,45,697.20 |
| | 11. IndusInd Bank Ltd. | 3,95,15,132.45 | 8,21,86,331.00 |
| | 12. Bank of India | 5,05,00,000.00 | 5,59,00,000.00 |
| | 13. DCB Bank | 3,03,00,000.00 | 1,00,000.00 |
| | 14. Bandhan Bank | 3,51,31,644.00 | 6,06,70,000.00 |
| | 15. AU Small Finance Bank Ltd. | 5,00,000.00 | 4,01,00,000.00 |
| | 16. Suryoday Small Finance Bank Ltd. | 1,00,000.00 | --- |
| | Total of [2 (I)] | 118,33,31,396.53 | 171,00,49,398.03 |

Continue on next page...



[Amount in ₹]

| Capital and Liabilities | As on 31.03.2020 | As on 31.03.2019 |
|---|-----------------------------|-----------------------------|
| 3. Principal / Subsidiary / State Partnership Fund Account | | |
| For Share Capital of | | |
| (i) Central Co-Operative Banks | --- | --- |
| (ii) Primary Agricultural Credit Societies | --- | --- |
| (iii) Other Societies | --- | --- |
| Total of 3 [i+ii+iii] | --- | --- |
| 4. Deposits and Other Accounts | | |
| (i) Fixed Deposits | | |
| (a) Individuals | 1073,57,75,744.70 | 994,99,83,822.70 |
| (b) Central Co-Operative Banks | --- | --- |
| (c) Other Societies | 366,31,17,337.80 | 337,32,53,261.99 |
| Total of 4 (i) | 1439,88,93,082.50 | 1332,32,37,084.69 |
| (ii) Savings Bank Deposits | | |
| (a) Individuals | 649,23,72,651.20 | 672,12,32,732.43 |
| (b) Central Co-Operative Banks | --- | --- |
| (c) Other Societies | 32,23,09,029.23 | 33,64,93,679.26 |
| Total of 4 (ii) | 681,46,81,680.43 | 705,77,26,411.69 |
| (iii) Current Deposits | | |
| (a) Individuals | 20,10,40,715.35 | 20,50,75,401.92 |
| (b) Central Co-Operative Banks | --- | --- |
| (c) Other Societies | 159,89,23,262.35 | 176,65,51,955.23 |
| Total of 4 (iii) | 179,99,63,977.70 | 197,16,27,357.15 |
| (iv) Money at call and short notice | --- | --- |
| Note : Detail Break-up of deposit (Annexure-1) Total of 4 [i+ii+iii+iv] | 2301,35,38,740.63 | 2235,25,90,853.53 |
| 5. Borrowings | | |
| (i) From the Reserve Bank of India / National Bank State / Central Co-Operative Bank | | |
| (a) Short-term loans, cash credits & overdrafts | --- | --- |
| Of which secured against, | | |
| (A) Government & other approved securities | | |
| (B) Other tangible securities | | |
| (b) Medium-term loans | --- | --- |
| Of which secured against, | | |
| (A) Government & other approved securities | | |
| (B) Other tangible securities | | |

Continue on next page...



[Amount in ₹]

| Property and Assets | As on 31.03.2020 | As on 31.03.2019 |
|---|-------------------------|---------------------|
| (ii) Savings Bank Deposits | --- | --- |
| (iii) Fixed Deposits | | |
| (a) FDR with State Bank of India | --- | --- |
| Total of 2 (iii) (a) | --- | --- |
| (b) FDR with SCB & CCB of the District | --- | --- |
| Total of 2 (iii) (b) | --- | --- |
| (c) 1. Bank of Baroda | 25,20,00,000.00 | 25,25,00,000.00 |
| 2. HDFC Bank | 36,50,00,000.00 | 40,00,00,000.00 |
| 3. IndusInd Bank Ltd. | 51,84,00,000.00 | 50,00,00,000.00 |
| 4. DCB Bank | 20,00,00,000.00 | 25,00,00,000.00 |
| 5. YES Bank | 50,00,000.00 | 50,00,000.00 |
| 6. AU Small Finance Bank Ltd. | 50,00,00,000.00 | 25,00,00,000.00 |
| 7. Bandhan Bank | 40,00,00,000.00 | --- |
| 8. Suryoday Small Finance Bank Ltd. | 20,00,00,000.00 | --- |
| Total of 2 (iii) (c) | 244,04,00,000.00 | 165,75,00,000.00 |
| Total of [2 (iii)a+b+c] | 244,04,00,000.00 | 165,75,00,000.00 |
| Total of 2 [i+ii+iii] | 362,37,31,396.53 | 336,75,49,398.03 |
| 3. Money at Call and Short Notice | | |
| 1. Term Money with STCI Primary Dealer Ltd. | 30,00,00,000.00 | 10,00,00,000.00 |
| 2. With IDBI Bank Ltd. | --- | 10,00,00,000.00 |
| 3. STCI Primary Dealer Ltd. | 10,00,00,000.00 | 25,00,00,000.00 |
| Total of [3] | 40,00,00,000.00 | 45,00,00,000.00 |
| 4. Investments | | |
| (i) In Central and State Government Securities (at book value) | | |
| 1. Investments in Central Government Securities | 216,86,23,402.00 | 297,36,28,817.00 |
| 2. Investments in State Government Securities | 374,41,27,935.00 | 430,23,22,783.00 |
| 3. Treasury Bills | --- | 66,67,36,200.00 |
| Face value Rs. 588,54,60,000.00 | | |
| Market Value Rs. 620,25,06,892.00 | | |
| Total of [4 (I)] | 591,27,51,337.00 | 794,26,87,800.00 |

Continue on next page...



[Amount in ₹]

| Capital and Liabilities | As on 31.03.2020 | As on 31.03.2019 |
|---|---------------------|---------------------|
| (c) Long-term loans | --- | --- |
| Of which secured against, | | |
| (A) Government & other approved securities | | |
| (B) Other tangible securities | | |
| (ii) From the State Bank of India | | |
| (a) Short-term loans, cash credits and overdrafts | --- | --- |
| Of which secured against, | | |
| (A) Government & other approved securities | | |
| (B) Other tangible securities | | |
| (b) Medium-term loans | --- | --- |
| Of which secured against, | | |
| (A) Government & other approved securities | | |
| (B) Other tangible securities | | |
| (c) Long-term loans | --- | --- |
| Of which secured against, | | |
| (A) Government & other approved securities | | |
| (B) Other tangible securities | | |
| (iii) From the State Government | | |
| (a) Short-term loans | --- | --- |
| Of which secured against, | | |
| (A) Government & other approved securities | | |
| (B) Other tangible securities | | |
| (b) Medium-term loans | --- | --- |
| Of which secured against, | | |
| (A) Government & other approved securities | | |
| (B) Other tangible securities | | |
| (c) Long-term loans | --- | --- |
| Of which secured against, | | |
| (A) Government & other approved securities | | |
| (B) Other tangible securities | | |
| (iv) Loans from other sources | --- | --- |
| (source and security to be specified) | | |
| Total of 5 [i+ii+iii+iv] | --- | --- |
| 6. Bills For Collection Being Bills Receivable (As per Contra) | | |
| 6.1 Inward Bills for Collection (IBC) | --- | --- |
| 6.2 Outward Bills for Collection (OBC) | 3,35,166.00 | 2,98,206.00 |
| Total of [6] | 3,35,166.00 | 2,98,206.00 |

Continue on next page...



[Amount in ₹]

| Property and Assets | As on 31.03.2020 | As on 31.03.2019 |
|---|-------------------------|---------------------|
| (ii) Other Trustee Securities Total of [4 (ii)] | --- | --- |
| (iii) Shares in Co-Operative institutions other than in item No. (5) below Total of [4 (iii)] | --- | --- |
| (iv) Other Investments Total of [4 (iv)] | 100,00,00,000.00 | --- |
| Total of 4 [i+ii+iii+iv] | 691,27,51,337.00 | 794,26,87,800.00 |
| 5. Investments Out of The Principal / Subsidiary / State Partnership Fund | | |
| In Shares of | | |
| (i) Central Co-Operative Banks | --- | --- |
| (ii) Primary Agricultural Credit Societies | --- | --- |
| (iii) Other Societies | --- | --- |
| Total of 5 [i+ii+iii] | --- | --- |
| 6. Advances | | |
| (i) Short Term Loans, CC, OD & Bills Discounted | | |
| Of which secured against, | | |
| (a) Government and other approved securities | 32,62,778.00 | 28,79,573.00 |
| (b) Other tangible securities | 819,81,94,580.62 | 748,72,24,058.49 |
| (c) Unsecured advances | 8,14,207.77 | 8,14,207.77 |
| Total of [6 (I)] | 820,22,71,566.39 | 749,09,17,839.26 |
| Of the advances above | | |
| Amount Due from individuals | 820,22,71,566.39 | 749,09,17,839.26 |
| Amount Overdue | 3,13,81,989.00 | 11,38,545.00 |
| Amount Considered bad & doubtful of recovery | 53,70,08,471.48 | 48,79,00,827.96 |
| (ii) Medium Term Loans | | |
| Of which secured against, | | |
| (a) Government and other approved securities | --- | --- |
| (b) Other tangible securities | 710,59,88,929.69 | 616,12,32,101.89 |
| (c) Unsecured advances | 5,79,76,714.00 | 6,65,15,404.20 |
| Total of [6 (ii)] | 716,39,65,643.69 | 622,77,47,506.09 |
| Of the advances above | | |
| Amount Due from individuals | 716,39,65,643.69 | 622,77,47,506.09 |
| Amount Overdue | 4,15,91,776.00 | 1,20,11,014.00 |
| Amount Considered bad & doubtful of recovery | 22,89,22,871.59 | 28,71,74,538.59 |

Continue on next page...



[Amount in ₹]

| Capital and Liabilities | As on 31.03.2020 | As on 31.03.2019 |
|---|------------------------|------------------------|
| 7. Branch Adjustments | --- | --- |
| Total of [7] | --- | --- |
| 8. Overdue Interest Reserves | | |
| 8.1 On Performing Advances | 2,40,48,091.00 | 2,09,90,098.50 |
| 8.2 On Non-Performing Advances | 72,29,91,108.63 | 61,66,40,136.13 |
| Total of [8] | 74,70,39,199.63 | 63,76,30,234.63 |
| 9. Interest Payable | | |
| 9.1 On Savings Deposits | 82,00,000.00 | 54,13,275.56 |
| 9.2 On Matured Deposits | 85,50,219.00 | 79,41,375.28 |
| Total of [9] | 1,67,50,219.00 | 1,33,54,650.84 |
| 10. Other Liabilities | | |
| (i) Bills Payable | --- | --- |
| (ii) Unclaimed Dividends | --- | --- |
| (iii) Suspense | --- | --- |
| (iv) Sundries | | |
| 1. Share Capital Reserves | 3,000.00 | 275.00 |
| 2. Nominal Member Fee Reserve | --- | 200.00 |
| 3. Pay Slips Payable | 81,14,375.98 | 1,45,55,866.88 |
| 4. Personal Loanee Benefit Fund | 10,42,929.90 | 10,62,929.90 |
| 5. Dividend Payable | 1,06,16,472.00 | 1,20,84,594.50 |
| 6. Expense Payable [Provision] | 10,85,680.00 | 25,00,319.00 |
| 7. Sundry Creditors | 10,47,768.07 | 10,95,117.07 |
| 8. Provision for Income Tax | 24,89,18,463.00 | 21,10,39,487.00 |
| 9. DICGC Claim Received (Vaso Co-Operative Bank Ltd.) | 4,33,10,547.45 | 4,34,65,475.45 |
| 10. Advance Locker Rent | 1,076.00 | 1,307.00 |
| 11. TDS Payable | 4,72,007.00 | --- |
| 12. Statutory Audit Fees Provision | 6,00,000.00 | 6,00,000.00 |
| 13. Entrance Fees Reserve | --- | 275.00 |
| 14. Deferred Tax Liability | 2,42,62,994.40 | 2,42,62,994.40 |
| 15. Incentive Payable | 44,36,000.00 | --- |
| 16. NFS ATM Payable | 9,55,009.68 | 28,45,142.90 |
| 17. Provision for output GST Expense | 13,54,296.92 | 9,70,802.00 |
| 18. Provision for IBT | 26,07,251.08 | 26,07,251.08 |
| 19. Provision for Govt. of India (Agri. DWDR Scheme) | 2,48,944.00 | 2,48,944.00 |
| 20. Provision for Clearing Adjustment | 2,00,000.00 | 2,00,000.00 |
| 21. Provision for GGCA | 2,18,00,000.00 | 2,80,00,000.00 |
| 22. Provision for GLES | 1,00,00,000.00 | 15,00,000.00 |
| 23. NFS Charge back & Adjusted | 677.70 | 35,724.01 |
| 24. POS Machine Rent Payable | --- | 25,606.00 |
| 25. Professional Tax Payable | 1,600.00 | --- |
| 26. Bank Output GST Payable | 58,457.10 | --- |

Continue on next page...



[Amount in ₹]

| Property and Assets | As on 31.03.2020 | As on 31.03.2019 |
|--|--------------------------|--------------------------|
| (iii) Long Term Loans | | |
| Of which secured against, | | |
| (a) Government and other approved securities | --- | --- |
| (b) Other tangible securities | 17,29,43,992.00 | 16,11,88,159.00 |
| (c) Unsecured advances | --- | --- |
| Total of [6 (iii)] | 17,29,43,992.00 | 16,11,88,159.00 |
| Of the advances above | | |
| Amount Due from individuals | 17,29,43,992.00 | 16,11,88,159.00 |
| Amount Overdue | --- | --- |
| Amount Considered bad & doubtful of recovery | --- | --- |
| Note : Detail Break-up of advances (Annexure-2) Total of 6 [i+ii+iii] | 1553,91,81,202.08 | 1387,98,53,504.35 |
| 7. Interest Receivable | | |
| 7.1 Overdue Interest on NPA (as per contra) | 72,29,91,108.63 | 61,66,40,136.13 |
| 7.2 On other Assets | | |
| 7.2.1 On Other Bank Deposits | 32,88,39,718.00 | 25,44,22,095.00 |
| 7.2.2 On SGL accounts (Central) | 1,46,54,264.00 | 2,77,45,613.00 |
| 7.2.3 On SGL accounts (State) | 7,46,81,834.89 | 8,39,63,566.00 |
| 7.2.4 On Advances | 42,67,249.00 | 75,80,271.00 |
| 7.2.5 On T Bills | --- | 2,68,66,875.00 |
| Of the Interest Receivable above | | |
| Amount Overdue | --- | --- |
| Amount Considered bad & doubtful of recovery | 72,29,91,108.63 | 61,66,40,136.13 |
| Total of [7] | 114,54,34,174.52 | 101,72,18,556.13 |
| 8. Bills Receivable Being Bills For Collection (As per Contra) | | |
| 8.1 Inward Bills Receivable (IBR) | --- | --- |
| 8.2 Outward Bills Receivable (OBR) | 3,35,166.00 | 2,98,206.00 |
| Total of [8] | 3,35,166.00 | 2,98,206.00 |
| 9. Branch Adjustments | 26,07,251.08 | 26,07,251.08 |
| 10. Premises Less Depreciation | 40,72,43,179.00 | 43,32,53,920.00 |
| 11. Furniture and Fixture Less Depreciation | 6,90,17,471.57 | 8,34,75,714.17 |
| 12. Other Assets | | |
| a. Stocks | | |
| 1. Adhesive Stamp Stock | 25,350.00 | 13,015.00 |
| 2. Adhesive Stamp (Franking Machine) | 58,45,289.00 | 2,24,01,034.00 |
| 3. Stock of Silver Coins | 2,31,081.94 | 2,31,081.94 |

Continue on next page...



[Amount in ₹]

| Capital and Liabilities | As on 31.03.2020 | As on 31.03.2019 |
|--|-----------------------------|-----------------------------|
| 27. Provident Fund Payable | 27,88,280.00 | --- |
| Total of [10] | 38,39,25,830.28 | 34,71,02,311.19 |
| 11. Profit And Loss | | |
| 11.1 Profit as per last balance-sheet | 30,35,91,350.60 | 32,77,93,177.04 |
| Less : Appropriations | - 30,35,91,350.60 | - 32,77,93,177.04 |
| Add : Profit for the year brought from the Profit and Loss Account | + 30,86,02,838.82 | + 30,35,91,350.60 |
| Total of [11] | 30,86,02,838.82 | 30,35,91,350.60 |
| Balance Sheet Total | 2889,91,06,315.98 | 2786,19,06,428.31 |
| Contingent Liabilities | | |
| (i) Outstanding liabilities for guarantees issued | | |
| 1. Guarantees given on behalf of constituents [In India] | 6,00,83,590.00 | 98,24,125.00 |
| 2. Guarantees given through Other Bank | 20,22,72,088.00 | 15,37,80,849.00 |
| 3. Letter of Credit Issued through Ohter Bank | 91,60,000.00 | --- |
| Total of [i] | 27,15,15,678.00 | 16,36,04,974.00 |
| (ii) Others | | |
| 1. Claims against the bank not acknowledged as debts | 1,47,17,638.22 | 1,43,92,629.22 |
| Total of [ii] | 1,47,17,638.22 | 1,43,92,629.22 |
| Total of Contingent Liabilities | 28,62,33,316.22 | 17,79,97,603.22 |

As per our report of even dated

For **M/s. A S K V & Associates**
Chartered Accountants

CA Ashish Sorathiya

Partner

Membership No. 140837

FRN No. 136612W

Place : Rajkot

Date : 25.08.2020

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

Vinod Sudani
DGM

Nilesh Dhruv
Director

Sanjiv Virparia
DGM

Chandrakantbhai Patel
Director

Satyaprakash Khokhara
General Manager & CEO

Jagdishchandra Kotadia
Chairman



[Amount in ₹]

| Property and Assets | As on 31.03.2020 | As on 31.03.2019 |
|--|--------------------------|--------------------------|
| b. Deposits | | |
| 1. Electricity Deposit | 15,51,179.00 | 15,51,179.00 |
| 2. CBLO Cash Margin Deposit With CCIL | 1,00,000.00 | 1,00,000.00 |
| 3. CERSAI Deposit (including Service Tax) | 1,613.52 | 1,686.52 |
| 4. Clearing Adjustment A/c | 2,33,227.50 | 2,04,237.50 |
| c. Sundry Assets | | |
| 1. Tax Deducted at Source [TDS] | 6,21,082.20 | 6,30,696.80 |
| 2. Advance Tax Paid A.Y. 2019-2020 | --- | 23,25,00,000.00 |
| 3. Advance Tax Paid A.Y. 2020-2021 | 26,00,00,000.00 | --- |
| 4. Income Tax Refund Receivable A.Y. 2019-2020 | 1,83,96,830.00 | --- |
| 5. Income Tax Refund Receivable A.Y. 2018-2019 | 1,86,52,170.00 | 1,86,52,170.00 |
| 6. Income Tax Refund Receivable A.Y. 2017-2018 | 1,71,00,631.00 | 1,74,25,730.00 |
| 7. Income Tax Refund Receivable A.Y. 2016-2017 | --- | 1,127.00 |
| 8. Income Tax Refund Receivable A.Y. 2015-2016 | --- | 71,73,190.00 |
| 9. Government of India (Agri DWDR Scheme) | 2,48,944.00 | 2,48,944.00 |
| 10. DEAF Fund Receivable | 2,18,165.80 | 92,421.61 |
| 11. Income Receivable | 13,84,000.00 | 12,41,600.00 |
| 12. Deferred Tax Asset | 83,23,084.03 | 75,89,657.98 |
| 13. NFS ATM Receivable | 29,93,056.40 | 21,22,200.00 |
| 14. Centralised CLearing | 2,10,601.00 | (31,470.00) |
| 15. Cersai Service Tax | 282.20 | 295.00 |
| 16. GST Receivable | 4,28,661.00 | 2,25,028.00 |
| 17. EBS Project Advance | 70,000.00 | --- |
| Total of [12] | 33,66,35,248.59 | 31,23,73,824.35 |
| 13. Non Banking Assets Acquired In Satisfaction of Claims | --- | --- |
| Total of [13] | --- | --- |
| 14. Profit And Loss | --- | --- |
| Balance Sheet Total | 2889,91,06,315.98 | 2786,19,06,428.31 |

As per our report of even dated

For **M/s. A S K V & Associates**
Chartered Accountants

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

CA Ashish Sorathiya

Partner
Membership No. 140837
FRN No. 136612W

Place : Rajkot
Date : 25.08.2020

Vinod Sudani
DGM

Sanjiv Virparia
DGM

Satyaprakash Khokhara
General Manager & CEO

Nilesh Dhruv
Director

Chandrakantbhai Patel
Director

Jagdishchandra Kotadia
Chairman



Profit and Loss Account for the year ended on 31.03.2020

[Amount in ₹]

| Expenditure | Amount 31.03.2020 | Amount 31.03.2019 |
|--|-------------------------|----------------------|
| 1. Interest On Deposits, Borrowing, Etc. | 130,11,80,919.91 | 129,40,20,488.85 |
| 2. Salaries and Allowances and Provident Fund | | |
| 2.1 Salary and Allowances | 21,53,97,630.00 | 17,42,81,929.00 |
| 2.2 Contribution to Provident Fund | 1,64,16,289.00 | 1,37,45,553.00 |
| 2.3 PF Administration Charges Expenses | 6,25,922.00 | 6,01,345.00 |
| 2.4 Insurance Premium for Group Gratuity Scheme | 2,26,851.00 | 2,08,795.00 |
| 2.5 Insurance Premium for Leave Encashment Scheme | 6,580.00 | 2,06,700.00 |
| 2.6 Medical Reimbursement to employees | 12,37,634.00 | 29,04,783.00 |
| 2.7 Insurance Premium for EDLI Scheme | 1,93,838.00 | 2,86,704.00 |
| 2.8 Training Seminar Participation Fees | 29,750.00 | 51,188.00 |
| Total of [2] | 23,41,34,494.00 | 19,22,86,997.00 |
| 3. Directors and Local Committee Members' Fees and Allowances | --- | --- |
| 4. Rent, Taxes, Insurance, Lighting Etc. | | |
| 4.1 Rent Expenses | 1,61,12,556.00 | 1,55,21,194.00 |
| 4.2 Clearing House Rent | 5,051.50 | 1,08,476.00 |
| 4.3 Municipal Taxes | 30,76,194.00 | 34,39,483.00 |
| 4.4 Service Tax Expenses | --- | 1,39,256.00 |
| 4.5 Professional Tax | 44,824.00 | 43,045.00 |
| 4.6 Electricity Charges | 69,15,194.05 | 67,37,232.80 |
| 4.7 DICGC Insurance Premium Expenses | 2,47,55,143.00 | 2,47,90,758.00 |
| 4.8 Insurance Premium Expenses | 45,12,079.00 | 30,31,000.00 |
| 4.9 GST Expenses | 98,87,717.20 | 1,48,33,817.17 |
| 4.10 Education Cess Expenses | --- | 36.00 |
| Total of [4] | 6,53,08,758.75 | 6,86,44,297.97 |
| 5. Law Charges | | |
| 5.1 Legal & Professional Fees | 11,27,334.00 | 4,68,060.00 |
| 5.2 Advocate Fees | 52,500.00 | 4,500.00 |
| Total of [5] | 11,79,834.00 | 4,72,560.00 |
| 6. Postage, Telegrams and Telephone Charges | | |
| 6.1 Postage, Telegrams and Telephone Charges | 34,68,140.53 | 21,48,053.82 |
| 6.2 Lease Line Rent Charges | 70,37,741.12 | 53,91,967.12 |
| Total of [6] | 1,05,05,881.65 | 75,40,020.94 |

Continue on next page...



Profit and Loss Account for the year ended on 31.03.2020

[Amount in ₹]

| Income | Amount 31.03.2020 | Amount 31.03.2019 |
|--|-------------------------|----------------------|
| 1. Interest and Discount | | |
| a. Interest Earned on Advances | 150,00,09,309.24 | 128,02,85,552.59 |
| Total of [a] | 150,00,09,309.24 | 128,02,85,552.59 |
| b. Interest Earned on Deposits | | |
| 1. On Deposits With Other Banks | 21,17,42,329.00 | 16,71,19,230.13 |
| 2. On Call Money Deposits | 2,08,61,860.00 | 3,92,36,350.00 |
| Total of [b] | 23,26,04,189.00 | 20,63,55,580.13 |
| c. Interest Earned on Investments | | |
| 1. On State Government Sec. (SGL) | 33,09,90,542.48 | 35,03,73,643.45 |
| 2. On Central Government Sec. (SGL) | 17,17,31,091.55 | 27,39,16,887.37 |
| 3. On T-Bills (SGL) | 1,14,97,733.00 | 9,25,89,011.00 |
| Total of [c] | 51,42,19,367.03 | 71,68,79,541.82 |
| d. Interest Earned on Balance with RBI | --- | --- |
| Total of [1 (a+b+c+d)] | 224,68,32,865.27 | 220,35,20,674.54 |
| 2. Commission, Exchange and Brokerage | 1,42,49,562.25 | 32,15,275.60 |
| 3. Subsidies and Donations | --- | --- |
| 4. Income From Non-banking Assets and Profit From Sale of or Dealing With Such Assets | --- | --- |
| 5. Other Receipts | | |
| 5.1 Documents Charges | 6,80,55,345.55 | 6,63,46,377.55 |
| 5.2 Locker Rent | 1,38,53,805.92 | 1,33,18,551.00 |
| 5.3 Insurance Commission Income | 35,78,861.58 | 59,98,727.51 |
| 5.4 Loan prepayment charges | 17,00,662.80 | --- |
| 5.5 DICGC Claim on Bad Debt Written off | --- | 2,76,120.00 |
| 5.6 Profit on Sale of Investments | 14,58,67,438.06 | 3,06,40,728.00 |
| 5.7 Recovery of Bad Debts written off earlier year | 2,26,450.00 | 17,59,000.00 |

Continue on next page...



| [Amount in ₹] | | |
|---|-------------------------|-------------------------|
| Expenditure | Amount 31.03.2020 | Amount 31.03.2019 |
| 7. Auditor's Fees | 13,94,450.00 | 34,90,145.00 |
| 8. Depreciation on and Repairs to Property | | |
| 8.1 Maintenance Service Charges | 2,58,72,755.40 | 1,33,77,925.10 |
| 8.2 Building, Furniture Repairing & Renovation | 35,96,113.01 | 35,43,707.00 |
| 8.3 Depreciation on Fixed Assets | 2,17,49,264.00 | 2,25,44,609.00 |
| 8.4 Vehicle Expenses | 2,64,871.00 | 2,58,630.00 |
| Total of [8] | 5,14,83,003.41 | 3,97,24,871.10 |
| 9. Stationery, Printing and Advertisement Etc. | | |
| 9.1 Stationery, Printing etc. | 48,47,702.70 | 50,85,763.60 |
| 9.2 Advertisement and Business Development Expenses | 66,97,388.68 | 20,44,530.00 |
| Total of [9] | 1,15,45,091.38 | 71,30,293.60 |
| 10. Loss From Sale of or Dealing With Non-banking Assets | --- | --- |
| 11. Other Expenditure (Annexure 3) | 1,63,15,434.86 | 1,94,68,456.28 |
| 12. Provisions and Contingencies (Annexure 4) | 50,21,62,258.80 | 41,22,91,428.78 |
| 13. Balance of Profit | 30,86,02,838.82 | 30,35,91,350.60 |
| Total of Profit & Loss Account | 250,38,12,965.58 | 234,86,60,910.12 |

As per our report of even dated

For **M/s. A S K V & Associates**
Chartered Accountants

CA Ashish Sorathiya

Partner
Membership No. 140837
FRN No. 136612W

Place : Rajkot

Date : 25.08.2020

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

Vinod Sudani
DGM

Nilesh Dhruv
Director

Sanjiv Virparia
DGM

Chandrakantbhai Patel
Director

Satyaprakash Khokhara
General Manager & CEO

Jagdishchandra Kotadia
Chairman



[Amount in ₹]

| Income | Amount 31.03.2020 | Amount 31.03.2019 |
|---|-------------------------|-------------------------|
| Other Income | | |
| 5.8 Cheque Return Charges | 31,63,797.00 | 23,15,214.05 |
| 5.9 Incidental Charges | 26,565.75 | 32,140.43 |
| 5.10 Cash Handling Charges | 13,11,118.58 | 4,56,233.00 |
| 5.11 Other Misc Income | 62,126.60 | 16,18,870.63 |
| 5.12 Surplus on Sale of Fixed Assets | 1,00,000.00 | 60,884.00 |
| 5.13 Stationery Charges | 10,79,354.57 | 17,89,385.98 |
| 5.14 ATM Charges Income | 43,790.00 | 41,160.00 |
| 5.15 Rent Income of P2F Center | 13,20,400.00 | 16,19,120.00 |
| 5.16 Locker Card Charge Income | 1,88,418.60 | 7,500.00 |
| 5.17 Share Transfer Fees / Duplicate Certificate Fees | 3,830.00 | 3,570.00 |
| 5.18 MNCB Deposit Written Back | --- | 2,00,000.00 |
| 5.19 Franking Income | 12,95,000.00 | 3,15,000.00 |
| 5.20 Income Received from old record destroyed | --- | 3,56,880.00 |
| 5.21 Income Received from Electricity Deposit | 35,989.00 | 22,474.00 |
| 5.22 Recover of legal expense | 53,000.00 | --- |
| 5.23 POS Machine charge recover | 31,158.00 | --- |
| 5.24 Deferred Tax Income | 7,33,426.05 | 1,10,519.83 |
| 5.25 Excess IFR Written Back | --- | 1,46,36,504.00 |
| Total of [5] | 24,27,30,538.06 | 14,19,24,959.98 |
| 6. Loss (if any) | --- | --- |
| Total of Profit & Loss Account | 250,38,12,965.58 | 234,86,60,910.12 |

As per our report of even dated

For **M/s. A S K V & Associates**
Chartered Accountants

CA Ashish Sorathiya

Partner
Membership No. 140837
FRN No. 136612W

Place : Rajkot

Date : 25.08.2020

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

Vinod Sudani
DGM

Sanjiv Virparia
DGM

Satyaprakash Khokhara
General Manager & CEO

Nilesh Dhruv
Director

Chandrakantbhai Patel
Director

Jagdishchandra Kotadia
Chairman



Annexure 1 [Forming part of Balance Sheet]
Detail Breakup of Deposits

[Amount in ₹]

| Deposits [In India] | As On 31.03.2020 | As On 31.03.2019 |
|------------------------------------|--------------------------|--------------------------|
| Current Deposits | | |
| Current Deposits | 169,23,85,477.32 | 185,04,36,062.92 |
| Secured Overdraft [Credit Balance] | 1,42,70,603.56 | 1,96,76,303.06 |
| Fixed Overdraft [Credit Balance] | 4,05,27,440.21 | 5,13,04,309.06 |
| Cash Credit [Credit Balance] | 4,85,22,521.01 | 4,65,88,632.22 |
| Staff SOD [Credit Balance] | 42,57,935.60 | 36,22,049.89 |
| Sub Total | 179,99,63,977.70 | 197,16,27,357.15 |
| Savings Deposits | | |
| Savings Bank Deposits | 638,04,75,113.50 | 664,76,05,536.70 |
| Member's Savings Deposits | 2,89,98,715.54 | 2,80,57,690.86 |
| Locker Savings Deposits | 37,96,59,894.24 | 35,04,48,234.48 |
| Special Savings Deposits | 2,51,64,758.71 | 3,12,45,842.21 |
| Trust Fund Deposits | 3,83,198.44 | 3,69,107.44 |
| Sub Total | 681,46,81,680.43 | 705,77,26,411.69 |
| Term Deposits | | |
| Simple Term Deposits | 15,82,59,728.00 | 13,78,74,328.00 |
| Double Term Deposits | 38,09,090.00 | 1,05,42,253.00 |
| Reinvestment Deposits | 982,72,05,602.70 | 913,90,75,722.70 |
| Recurring Deposits | 6,11,58,378.00 | 6,67,03,086.00 |
| Locker Deposits | 3,69,200.00 | 3,96,600.00 |
| Monthly Term Deposits | 284,77,07,027.00 | 260,32,69,831.00 |
| Quarterly Term Deposits | 149,91,71,541.80 | 136,41,05,442.99 |
| Fix Deposit (366 Days) | 12,12,515.00 | 12,69,821.00 |
| Sub Total | 1439,88,93,082.50 | 1332,32,37,084.69 |
| Total | 2301,35,38,740.63 | 2235,25,90,853.53 |



Annexure 2 [Forming part of Balance Sheet]
Details Breakup of Advances

[Amount in ₹]

| Loans & Advances [In India] | As On 31.03.2020 | As On 31.03.2019 |
|--|--------------------------|--------------------------|
| Short Term Loans, CC, OD & Bills Discounted | | |
| Cash Credits | 411,13,94,982.61 | 406,86,89,559.60 |
| Secured Overdraft | 341,61,44,375.54 | 271,83,17,633.59 |
| Fixed Overdraft | 54,17,91,140.11 | 54,85,11,907.60 |
| Temporary Overdraft | 8,14,207.77 | 8,14,207.77 |
| Loans Against Fixed Deposits | 9,68,05,132.00 | 11,97,58,127.80 |
| Loans Against NSC / KVP / LIC Policies | 32,62,778.00 | 28,79,573.00 |
| Staff Secured Overdraft | 3,20,58,950.36 | 3,19,46,829.90 |
| Sub-Total | 820,22,71,566.39 | 749,09,17,839.26 |
| Medium & Long Term Loans | | |
| Personal Loan | 5,72,64,529.00 | 6,58,03,219.20 |
| Machinery Loan | 315,05,48,095.07 | 256,98,21,566.57 |
| Vehicle Loan | 4,53,30,582.74 | 4,15,51,933.51 |
| Staff Housing Loan | 16,41,38,677.00 | 15,34,48,296.00 |
| Home Loan | 45,30,95,180.51 | 48,39,74,005.61 |
| Mortgage Loan | 5,58,29,470.50 | 6,66,58,006.75 |
| Industrial Loan | 91,60,93,093.98 | 77,07,41,682.41 |
| Business Loan | 241,02,25,846.89 | 212,04,74,826.29 |
| Medical Equipment Loan | 6,06,44,119.00 | 9,31,29,843.75 |
| Staff Car Loan & Advances | 88,05,315.00 | 77,39,863.00 |
| Gold Loan | 1,42,22,541.00 | 1,48,80,237.00 |
| Agriculture Loan (Erstwhile Yawal Bank) | 6,82,224.00 | 6,82,224.00 |
| Awarded Loan (Erstwhile Yawal Bank) | 29,961.00 | 29,961.00 |
| Sub-Total | 733,69,09,635.69 | 638,89,35,665.09 |
| Total | 1553,91,81,202.08 | 1387,98,53,504.35 |



Annexure 3 [Forming part of Expenditure]

[Amount in ₹]

| Other Expenditure | | Amount 31.03.2020 | Amount 31.03.2019 |
|-------------------|--|-----------------------|-----------------------|
| 1 | Amortization of Premium of Government Securities | 70,94,596.00 | 76,24,690.00 |
| 2 | Function Expenses | 13,54,501.00 | 2,27,351.74 |
| 3 | Security Guard Expenses | 50,53,413.00 | 51,26,849.74 |
| 4 | Loss From Sale of other Fixed Assets | --- | 13,76,690.73 |
| 5 | Miscellaneous Expenses | 6,10,069.55 | 10,12,271.75 |
| 6 | Hospitality Expenses | 24,29,467.60 | 21,11,402.40 |
| 7 | Conveyance, Tours & Travel Expenses | 7,17,588.00 | 4,84,287.00 |
| 8 | Remittance Expenses | 1,53,617.00 | 2,35,992.00 |
| 9 | Books, Periodicals and Newspaper | 70,319.00 | 50,845.00 |
| 10 | Membership Fees | 69,060.00 | 2,85,410.00 |
| 11 | SGL A/c Operating Charges | 47,003.50 | 40,235.32 |
| 12 | ATM Card Expenses | 4,86,279.00 | 5,72,506.00 |
| 13 | Commission Expenses | 76,843.64 | 14,091.64 |
| 14 | Swachh Bharat Cess | --- | 1,092.00 |
| 15 | Digital Document Verification | 10,900.00 | --- |
| 16 | Krishi Kalyan Cess | --- | 163.00 |
| 17 | Cash Handling Charges | 870.13 | 8,527.76 |
| 18 | NFS Charges | (35,58,086.11) | (10,17,300.02) |
| 19 | PAN Bulk Verification Expense | 13,080.00 | 1,74,420.00 |
| 20 | Credit Information Report Charge | 19,752.40 | 2,730.00 |
| 21 | Petrol & Diesel Expense | 2,03,441.00 | 2,71,250.00 |
| 22 | Switching Service Expense | 5,47,080.00 | 76,300.00 |
| 23 | Cersai - CKYC Charge | 1,09,000.00 | --- |
| 24 | Legal Expenses related to NPA Accounts | 7,60,824.00 | 7,88,650.00 |
| 25 | Rounding off | 00.15 | 00.22 |
| 26 | POS machine Charges | 45,816.00 | --- |
| Total | | 1,63,15,434.86 | 1,94,68,456.28 |

Annexure 4 [Forming part of Expenditure]

[Amount in ₹]

| Provisions and Contingencies | | Amount 31.03.2020 | Amount 31.03.2019 |
|------------------------------|--|------------------------|------------------------|
| 1 | Provision for Income Tax - For Current Year | 24,89,18,463.00 | 21,10,39,487.00 |
| 2 | Less Income Tax Provision for Previous Financial Years | 1,11,93,795.80 | 1,20,08,067.00 |
| 3 | Provision against Bad & Doubtful Debts | 12,50,00,000.00 | 13,50,00,000.00 |
| 4 | General Provision for BDR on standard assets | 1,00,00,000.00 | 1,00,00,000.00 |
| 5 | General Provision for BDR due to COVID-19 | 6,00,00,000.00 | --- |
| 6 | Provision for GGCA (Group Gratuity Scheme) | 2,18,00,000.00 | 2,80,00,000.00 |
| 7 | Provision for GLES (Group Leave Encashment Scheme) | 1,00,00,000.00 | 15,00,000.00 |
| 8 | Reserve for Contigent Liability Income Tax | 2,50,000.00 | 1,07,370.78 |
| 9 | Provision for Investment Depreciation Fund | 1,50,00,000.00 | 1,46,36,504.00 |
| Total | | 50,21,62,258.80 | 41,22,91,428.78 |



Significant accounting policies and notes forming part of the accounts for the year ended 31st March, 2020.

I. 1. Background

The Co-Operative Bank of Rajkot Ltd. was established on **24th November, 1980**. The bank is a Multi-State Non-Scheduled Co-Operative Bank having **27 branches** in 2 states as on 31st March, 2020.

2. Basis of Preparation

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

3. Use of Estimates

The preparation of the financial statements, in conformity with generally accepted accounting principles ('GAAP'), requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision in the accounting estimates is recognized prospectively in the current and future periods.

II. Significant Accounting Policies

1. Investments

i. Categorization of Investment

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

- a. **'Held to Maturity'** - Securities acquired by the Bank with the intention to hold till maturity.
- b. **'Held for Trading'** - Securities acquired by the Bank with the intention to trade.
- c. **'Available for Sale'** - Securities which do not fall within the above two categories are classified as 'Available for sale'.



ii. *Classification of Investments*

For the purpose of disclosure in the Balance Sheet, investments have been classified under four groups as required under the RBI guidelines- Government Securities, Other trustee Securities, Shares in Co-operative institutions and Other investments.

iii. *Valuation of Investments*

- a. **'Held to Maturity'** - These investments are carried at their acquisition cost. Any premium on acquisition is amortized over the balance period to maturity, with a debit to Profit & Loss Account. The book value of security is reduced to the extent of amount amortized during the relevant accounting period.
- b. **'Held for Trading'** - The individual script in the HFT category is marked to market at the year end. The net resultant depreciation in each classification is recognized in the Profit and Loss Account. Net Appreciation, if any, is ignored.
- c. **'Available for Sale'** - The individual script in the AFS category is marked to market at the year end. The net resultant depreciation in each classification is recognized in the Profit and Loss Account. Net Appreciation, if any, is ignored.

In case of shares, bonds & other investments, the script wise appreciation is ignored. Market value of government securities (excluding treasury bills) is determined on the basis of the price list published by the RBI or the prices periodically declared by PDAI jointly with FBIL for valuation at year-end. In case of unquoted government securities, market price or fair value is determined as per the rates published by FBIL.

Market value of other approved securities is determined based on the yield curve and spreads provided by FBIL.

Treasury bills are valued at carrying cost, which includes discount amortized over the period to maturity.

- d. Broken period interest on debt instruments is treated as a revenue item. Brokerage commission etc. pertaining to investments paid at the time of acquisition is to be capitalized.
- e. Profit in respect of investments sold/redeemed from 'AFS' category is included in Profit on Sale of Investments.

2. *Advances*

The classification of advances into Standard, Sub-standard, Doubtful and Loss assets as well as provision on non-performing advances has been arrived at in accordance with the guidelines issued by the RBI from time to time. In addition to this, a general provision on standard assets has been made as per the RBI guidelines from time to time.



The overdue interest in respect of non-performing advances are provided separately under 'Overdue Interest Reserve' as per the directives issued by the RBI.

3. **Fixed Assets and Depreciation**

Fixed assets are stated at cost (except in the case of premises which were re-valued based on values determined by approved valuer) less accumulated depreciation and impairment, if any. Cost includes incidental expenditure incurred on the assets before they are ready for intended use.

The depreciation on assets acquired till September 30th, is provided for the whole year otherwise the same are depreciated at 50% of the normal rates.

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

Depreciation is charged over the estimated useful life of the fixed asset on written down value (wdv) except on Computer & Peripherals including software on which depreciation is charged according to straight line method (slm) @ 33.33% as per RBI guidelines.

The depreciation on fixed assets is calculated on the basis of methods and rates as mentioned below:

| 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 % |

4. **Revenue Recognition (AS 9)**

- Interest and discount income on performing assets is recognized on accrual basis. Interest and discount income on non-performing assets is recognized on realization.
- Interest on Government securities, debentures and other fixed income securities is recognized on a period proportional basis. Income on discounted instruments is recognized over the tenor of the instrument on a straight line basis.
- Commission, Fees, Exchange, Guarantee Commission, Commission on Letter of Credit and Annual Locker Rent Fees are accounted on receipt basis.
- Loan processing fee is accounted for upfront when it becomes due.



- v. Income from distribution of various insurance products is recognized on accrual basis.

5. *Deposit For Services*

The Deposit for Services like Telephone, Telex etc. except Electricity Deposit paid to the concerned authorities are written off as expenditure in the year in which relevant service connection is installed.

6. *Accounting For Amalgamation (AS 14)*

Accounting for Amalgamation is not applicable for the current year as no such amalgamation was done during the year.

7. *Employee Benefits (AS 15)*

i. *Provident Fund*

Retirement benefit in the form of provident fund is a defined benefit plan wherein the contributions are charged to the Profit and Loss Account of the year when the contributions to the fund are due and when services are rendered by the employees. The Bank's contribution to provident fund is accounted for on the basis of contribution to the scheme. Provident Fund contributions are made to the separately established for the purpose and the scheme administered by Regional Provident Fund Commissioner (RPFC), as applicable. The rate which the annual interest is payable to the beneficiaries by the trusts is being administered by the government.

ii. *Gratuity*

The bank operates defined benefit plan for its employees, viz. gratuity liability. The cost of providing benefits under these plans is determined on the basis of actuarial valuation at each year-end. The bank has obtained a Unit Linked Insurance policy and maintaining fund under trust deed with Life Insurance Corporation of India (LIC) for gratuity payments to employees. The shortfall, if any, between the present value of the benefit obligation and the fair value of plan assets as on 31st March is paid /provided for and recognized as expenses in the profit and loss account.

iii. *Leave Encashment on Retirement*

The bank operates defined benefit plan for its employees, viz. leave encashment liability. The cost of providing benefits under these plans is determined on the basis of actuarial valuation at each year-end. The bank has obtained a Unit Linked Insurance policy and maintaining fund under trust deed with Life Insurance Corporation of India (LIC) for gratuity payments to employees. The bank has also obtained a policy with India First Life Insurance Co. The shortfall, if any, between the



present value of the benefit obligation and the fair value of plan assets as on 31st March is paid /provided for and recognized as expenses in the profit and loss account.

iv. Superannuation

Retirement benefit in the form of LIC Superannuation plus Plan is a unit linked defined contribution plan for management of Superannuation Fund. Superannuation plus Plan is suitable for bank with employees desiring to have flexibility of choice of investment. The value of units in respect of the member shall be the number of units held under the chosen fund type multiplied by the corresponding NAV. The annual contribution is treated as a deductible business expenses in term of Section 36 (1) (iv) of the Income Tax Act, 1961. Employees have option to join the scheme.

v. National Pension Scheme (NPS)

Retirement benefit in the form of National Pension Scheme (NPS) has been introduced by the Central Government to appoint the regulatory body, Pension Fund Regulatory and Development Authority (PFRDA) for NPS. The bank contributing to the NPS on behalf of an employee will get deduction from his income (i.e. employer's income) an amount equivalent to the amount contributed or 10% of BASIC SALARY + DA of the employee, whichever is less (Section 36 (1) (iv a) of the Income Tax Act, 1961). Employees have option to join the scheme.

8. Operating Leases (AS 19)

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

9. Income Tax (AS 22)

- i. Provision for current tax is made on the basis of estimated taxable income for the year.
- ii. Deferred tax is recognized, subject to consideration of prudence, on timing difference, representing the difference between taxable incomes and accounting income that originated in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

10. Impairment of Assets (AS 28)

The bank assesses at each balance sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the Statement of Profit and



Loss to the extent the carrying amount of assets exceeds their estimated recoverable amount.

11. Provisions, Contingent Liabilities and Contingent Asset (AS 29)

- i. A provision is recognized when there is an obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- ii. A disclosure of contingent liability is made when there is:
 - a. A possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the bank; or
 - b. A present obligation arising from a past event which is not recognized as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- iii. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- iv. Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

III. Notes to Accounts

1. Restructured Accounts

The bank has not made any restructuring of accounts during the year.

2. Revaluation Reserve

The bank has not revalued its land and premises during the year.

3. Impairment of Assets

Since the bank has ascertained that there is no material impairment of any of its assets, no provision on account of impairment of assets is required to be made.

4. Overstatement of Profit by Rs. 22,56,800/-

NFS charges has been wrongly credited for Rs. 22,56,800/-. The same has also been rectified on 04.04.2020.



5. Understatement of Profit by Rs. 21,09,330/-

Interest earned on advances has not been credited for Rs. 21,09,330/- for interest related to 3 borrower's account. The same has also been rectified on 08.04.2020.

6. DICGC

DICGC claims have been received of **Rs. 722.19 Lacs** vide letter Ref. No. DICGC/CSD/5855/05.02.369/2011-12 dated 05.02.2013 for Vaso Co-operative Bank Ltd merged with The Co-Operative Bank of Rajkot Ltd. Status of DICGC Account as on 31.03.2020

| Date | Particulars | Debit (Rs.) | Credit (Rs.) | Balance (Rs.) |
|---|--|----------------|----------------|-----------------------|
| 27.03.2014 | Received from DICGC | --- | 7,22,19,380.45 | 7,22,19,380.45 |
| Up to 31.03.2020 | Paid to DICGC through RTGS | 1,99,89,699.00 | --- | 5,22,29,681.45 |
| | Write off from the date of Merger to 31.03.2020 (33.33% of DICGC part) | 89,19,134.00 | --- | 4,33,10,547.45 |
| Balance outstanding as on 31.03.2020 | | | | 4,33,10,547.45 |

7. Amortization

The bank has charged to its Profit and Loss Account, a sum of **Rs. 70.95 Lacs** out of Deferred Amortization of Investments.

8. Accounting For Amalgamation

The bank had not merged any bank during the year under audit.

9. Provision on Advances and Bad Debts Written off

i. The details of provisions held and required against NPA are given in the followings:

[₹ in Lacs]

| Particulars | Bad & Doubtful Debt Reserve | General Provision on Std. Assets | General Provision For COVID-19 | Total |
|--|-----------------------------|----------------------------------|--------------------------------|-----------------|
| Balance as on 31.03.2020 | 6,250.00 | 750.00 | 600.00 | 7,600.00 |
| Less: Provision required | 2,767.98 | 714.81 | 300.55 | 3,783.34 |
| Excess Provision held | 3,482.02 | 35.19 | 299.45 | 3,816.66 |
| Unrealized Interest on NPA accounts as on 31.03.2020 | 7,229.91 | 00.00 | 00.00 | 7,229.91 |

ii. The bank had not **written off any amount** towards Bad Debts this year.

10. Employee Benefits

i. Bank's Contribution to Provident Fund - **Rs. 164.16 Lacs** (Previous Year - **Rs. 137.46 Lacs**)



ii. Details for Gratuity and Leave Encashment :

| Sr. No. | Particulars | Gratuity | | Leave Encashment | |
|---------|--|--------------------|-------------|--------------------|-------------|
| | | 31.03.2020 | 31.03.2019 | 31.03.2020 | 31.03.2019 |
| I | Discount Rate | 7.00 % | 7.50 % | 7.00 % | 7.50 % |
| II | Expected return on plan asset | 7.50 % | 8.00 % | 7.50 % | 8.00 % |
| III | Salary Escalation rate | 7.00 % | 7.00 % | 7.00 % | 7.00 % |
| IV | Change in Benefit Obligation | | | | |
| | Opening Present value of obligation | 5,82,06,779 | 6,14,81,270 | 4,56,38,532 | 4,60,02,632 |
| | Interest Cost | 40,74,475 | 46,11,095 | 30,79,045 | 34,50,197 |
| | Current service cost (net off opening diff by Actuaries) | 6,11,868 | 9,21,925 | 2,47,097 | 4,17,414 |
| | Benefit paid | (62,32,991) | (72,78,444) | (28,34,249) | (29,49,440) |
| | Actuarial gain (loss) on obligations | 2,84,31,556 | 29,22,843 | 12,97,320 | 25,460 |
| | Closing Present value of obligation | 8,50,91,687 | 6,26,58,689 | 4,74,27,745 | 4,69,46,263 |
| V | Fair Value of Plan Assets | | | | |
| | Opening Fair value of plan assets | 5,82,06,779 | 6,14,81,270 | 4,56,38,532 | 4,60,02,632 |
| | Expected return on plan assets | 48,91,048 | 49,18,502 | 31,16,882 | 36,80,211 |
| | Contributions | 2,82,26,851 | 35,37,361 | 15,06,580 | 2,12,860 |
| | Benefit paid | (62,32,991) | (72,78,444) | (28,34,249) | (29,49,440) |
| | Actuarial gain /(loss) on plan assets | --- | --- | --- | --- |
| | Closing Fair value of plan assets | 8,50,91,687 | 6,26,58,689 | 4,74,27,745 | 4,69,46,263 |
| VI | Amount recognized in Balance Sheet | | | | |
| | Present value of obligation as at | 8,50,91,687 | 6,26,58,689 | 4,74,27,745 | 4,69,46,263 |
| | Fair value of plan assets as at | 8,50,91,687 | 6,26,58,689 | 4,74,27,745 | 4,69,46,263 |
| | (Assets)/liability as at | --- | --- | --- | --- |
| VII | Expenses recognized in profit and loss account | | | | |
| | Current Service cost | 6,11,868 | 9,21,925 | 2,47,097 | 4,17,414 |
| | Interest cost | 40,74,475 | 46,11,095 | 30,79,045 | 34,50,197 |
| | Expected Return of Plan Assets (net off expected cost) | (48,91,048) | (49,18,502) | 31,16,882 | (36,80,211) |
| | Net actuarial (gain)/loss | 2,84,31,556 | 29,22,843 | 12,97,320 | 25,460 |
| | Expenses recognized in P & L account | 2,82,26,851 | 35,37,361 | 15,06,580 | 2,12,860 |

Details of Gratuity and Leave Encashment on 31.03.2019 has been prepared on estimate and assumption basis.

Details of Gratuity and Leave Encashment on 31.03.2020 has been taken as per statement of LIC and India First Life Ins. Co. Ltd. except interest coas and Net Actuaries (gain) loss on estimate and assumption basis.



11. Income as a commission received for Bank Assurance Business, for the period from April 2019 to March 2020 are as under.

| [₹ in Lacs] | | |
|-------------|---|--------------|
| No. | Particular | Amount |
| 1 | Exide Life Insurance | 41.09 |
| 2 | Pradhan Mantri Jivan Jyot Bima Yojna (PMJJBY) | 00.90 |
| 3 | Future Generali India Insurance | 04.53 |
| 4 | Bajaj Alliance General Insurance Co. Ltd. | 00.26 |
| | Total | 46.78 |

12. Related Party Disclosure (as 18)

Since **Satyaprakash Khokhara, General Manager & CEO** of the Bank is single party under the category of Key Management Personnel, no further details need to be disclosed in terms of RBI circular dated March 29th, 2003.

13 Deferred Tax

Major components of Deferred Tax

| [₹ in Lacs] | | |
|-------------|---|--------------|
| No. | Deferred Tax Asset | 31.03.2020 |
| 1 | Nominal & Entrance Fees | --- |
| 2 | VRS Expenses for the year 2015-2016 | (-) 01.76 |
| 3 | Goodwill of Co-Operative Bank of Baroda | (-) 05.63 |
| 4 | Difference in W.D.V. | 14.72 |
| | Sub - Total (A) | 07.33 |
| | Deferred Tax Liability | --- |
| 1 | Bad debts written off | --- |
| 2 | Special Reserve till date | --- |
| | Sub - Total (B) | --- |
| | Total (A-B) | 07.33 |

Deferred tax asset has been recognized to the extent management is reasonably certain of its realization. Necessary effect has been given in the book of accounts.



14. Contingent Liabilities

i. Contingent liabilities in respect of Bank guarantees, Letter of credit, Forward contracts etc.

[₹ in Lacs]

| No. | Particulars | 31.03.2020 | 31.03.2019 |
|-----|---|-----------------|-----------------|
| 1 | Bank Guarantees | 2,623.56 | 1,636.05 |
| 2 | Letter of Credit | 91.60 | --- |
| 3 | Forward Exchange contracts Purchase/Sales | N.A. | N.A. |
| | Total | 2,715.16 | 1,636.05 |

ii. Claims not acknowledged as debts :

Claims against Bank not acknowledged as debts amount to **Rs. 147.18 Lacs** that comprise of Income Tax claims disputed cases. Though the bank has made sufficient contingency reserve as the department has moved to higher authority for the disputed issues. The status of disputed issues and amount involved is given below:

[Amount in ₹]

| A.Y. | Disputed Issues | Dispute Laying Before | Appellant | Disputed Amount Involved | Original Tax Demand Raised | Tax Demand to be reduced with effect of ITAT Order | Tax Demand payable after Tax effect of ITAT Order | Tax Demand Already paid/ Refund Adjusted from beginning | Contingency Reserve Required |
|---------|--|------------------------------|------------|--------------------------|----------------------------|--|---|---|------------------------------|
| 2008-09 | Allowability of Interest on NPA | High Court | Department | 17,34,322.00 | 14,80,747.00 | --- | 14,80,747.00 | --- | 14,80,747.00 |
| 2009-10 | Allowability of Interest on NPA | High Court | Department | 58,31,100.00 | 39,07,530.00 | 27,45,890.00 | 11,61,640.00 | --- | 11,61,640.00 |
| 2010-11 | Allowability of Interest on NPA | High Court | Department | 50,70,382.00 | 60,79,300.00 | 36,25,035.00 | 24,54,265.00 | --- | 24,54,265.00 |
| 2011-12 | Allowability of Interest on NPA | High Court | Department | 1,91,35,903.00 | 1,20,83,670.00 | 52,18,312.00 | 68,65,358.00 | --- | 68,65,358.00 |
| 2012-13 | Allowability of Loss of Merged Bank incurred during applicability of Section 80P | Remit back to C.I.T. Appeals | Department | 40,69,123.00 | 3,74,58,280.00 | 3,55,19,711.00 | 19,38,569.00 | --- | 19,38,569.00 |
| 2015-16 | Addition of Interest on IT Refund mentioned in Form 26AS | C.I.T. Appeals | Bank | 9,95,559.00` | 4,92,050.00 | --- | --- | 4,92,050.00 | 4,92,050.00 |
| 2017-18 | Addition due to late deposit of Employees' PF contr. | C.I.T. Appeals | Bank | 9,39,373.00` | 3,25,09.00 | --- | --- | 3,25,009.00 | 3,25,009.00 |
| | TOTAL | | | 3,77,75,762.00 | 6,18,26,586.00 | 4,71,08,948.00 | 1,39,00,579.00 | 8,17,059.00 | 1,47,17,638.00 |



Notes for Claims not acknowledged as debts :

The difference between **Amount of Tax Demand Raised and Contingency Reserve** is due to amount of Tax paid / Refund adjusted as under:

1. For **A.Y. 2008-09**, original Demand calculated and raised was Rs. 14,80,747.00 (Rs. 12,15,870.00 + Rs. 2,64,877.00) out of which Rs. 2,64,877.00 has been set off against Refund of another Assessment Year and order has been passed with net demand of Rs. 12,15,870.00 but we have kept total Rs. 14,80,747.00 amount as Contingency Reserve.
2. For **A.Y. 2009-10**, As per the recent Income Tax Appellate Tribunal order, the issue of Allowability of Amortised Premium on HTM securities has been decided in the favor of the bank and the consequent Tax effect thereon has been derived as Rs. 27,45,890.00. Therefore, the Tax demand payable has been reduced to Rs. 11,61,640.00 after reducing the tax effect of the same. Now, the bank has already paid the Tax Demand of Rs. 38,07,663.00 (25,00,000.00 + 13,07,663.00). The bank is not required to make any further reserve for this year. But giving respect to the Department as well as practice of sufficient reserve against unexpected losses, bank has made the reserve at Tax Rate applicable to bank, on the disputed amount involved.
3. For **A.Y. 2010-11**, original Demand calculated and raised (Assessment U/s. 143(3)) was Rs. 60,79,300.00 (for all the issues combinedly). Now, As per the recent Income Tax Appellate Tribunal order, the issue of Allowability of Amortised Premium on HTM securities has been decided in the favor of the bank and the consequent Tax effect thereon has been derived as Rs. 36,25,035.00. Therefore, the Tax demand payable has been reduced to Rs. 24,54,265.00 after reducing the tax effect of the same. The bank has made the reserve at Tax Rate applicable to bank, on the disputed amount involved.
4. For **A.Y. 2011-12**, original Demand calculated and raised (Assessment U/s. 143(3)) was Rs. 1,20,83,670.00 (for all the issues combinedly) the same demand was revised to Rs. 53,34,300.00, against which the refund of A.Y. 2013-14 was adjusted. Now, As per the recent Income Tax Appellate Tribunal order, the issue of Allowability of Amortised Premium on HTM securities has been decided in the favor of the bank and the consequent Tax effect thereon has been derived as Rs. 52,18,318.00. Therefore, the Tax demand payable has been reduced to Rs. 68,65,358.00 after reducing the tax effect of the same. The bank has made the reserve at Tax Rate applicable to bank, on the disputed amount involved.
5. For **A.Y. 2012-13**, original Demand calculated and raised (Assessment U/s. 143(3)) was Rs. 3,74,58,280.00 (for all the issues combinedly), against which Rs. 1,24,07,140.00 refund of A.Y. 2011-12 and Rs. 20,99,640.00 refund of A.Y. 2013-14 had been adjusted. Now, As per the recent Income Tax Appellate Tribunal order, the issue of Allowability of Amortised Premium on HTM securities and Allowability of NPA Interest have been decided in the favor of the bank and the consequent Tax effect thereon has been derived as Rs. 3,55,19,711.00. The issue of Allowability of expenditure for earning Exempted Income was decided in favor of Income Tax Department and the Bank agreed on the same respectfully. Therefore, the Tax demand payable has been reduced to Rs. 19,38,569.00 after reducing the tax effect of the same. The bank has made the reserve at Tax Rate applicable to bank, on the disputed amount involved.
6. For **A.Y. 2015-16**, original Demand calculated and raised was Rs. 4,92,050.00 against which Rs. 1,00,000.00 has been paid by bank. And the Bank has made the Application in Commissioner of Income Tax (Appeals) for the deletion of the same demand.
7. For **A.Y. 2017-18**, original Demand calculated and raised was Rs. 3,25,099.00 against which Rs. 3,25,099.00 has been adjusted against the refund of the said Assessment year. And the Bank has made the Application in Commissioner of Income Tax (Appeals) for the deletion of the same demand.



IV. Disclosure of Information

Disclosure of Information as per circular dated March 25th, 2014 has been issued by the RBI.

[₹ in Lacs]

| Sr. No. | Particulars | 31.03.2020 | 31.03.2019 |
|----------|--|---------------------------------|-------------|
| 1 | Capital to Risk Weighted Assets Ratio (CRAR) | 21.79 % | 24.91 % |
| 2 | Movement of CRAR | | |
| a | Capital Tier 1 | 32,440.07 | 32,095.60 |
| b | Capital Tier 2 | 5,377.66 | 4,943.12 |
| c | Total of Tier 1 and Tier 2 Capital | 37,817.73 | 37,038.72 |
| d | Total Risk Weighted Assets | 1,73,515.75 | 1,48,719.48 |
| 3 | Investments | | |
| a | (i) Book Value | 69,127.51 | 79,426.88 |
| | (ii) Face Value | 68,854.60 | 79,412.50 |
| b | Market Value | 71,981.01 | 72,883.71 |
| c | Issuer Composition of Non SLR Investments and Non-performing Non SLR Investment | As per para 3 (a) to (c) | |
| 4 | Advance against (as per report) | | |
| a | Real Estate, Construction Business etc. | 19,757.12 | 15,213.93 |
| b | Housing | 889.03 | 897.16 |
| 5 | Advances against shares & debentures | ZERO | ZERO |
| 6 | Advances to directors, their relatives, companies (firms in which they are interested) | | |
| a | Fund based | 259.22 | 928.27 |
| b | Non Fund based (Guarantees, L/C etc.) | --- | --- |
| 7 | Average cost of deposits | 05.75 % | 05.81 % |
| 8 | NPAs | | |
| a | Gross NPAs (in Amount) | 7,659.31 | 7,750.75 |
| b | Gross NPA (in %) | 04.93 % | 05.58 % |
| c | Net NPAs (in Amount) | 1,168.83 | 2,540.85 |
| d | Net NPA (in %) | 00.78 % | 01.90 % |



[₹ in Lacs]

| Sr. No. | Particulars | 31.03.2020 | 31.03.2019 |
|-----------|---|---------------------|--------------|
| 9 | Movement in NPAs | | |
| a | Gross NPAs | | |
| | At the beginning of the year | 7,750.75 | 6,922.73 |
| | Add: Addition during the year | 6,421.42 | 3,190.21 |
| | Less: Reduction during the year | (6,512.86) | (2,362.19) |
| | At the end of the year | 7,659.31 | 7,750.75 |
| b | Net NPAs | | |
| | At the beginning of the year | 2,540.85 | 3,075.88 |
| | Add: Addition during the year | --- | --- |
| | Less: Reduction during the year | (1,372.02) | (535.03) |
| | At the end of the year | 1,168.83 | 2,540.85 |
| 10 | Profitability | | |
| a | Interest income as a percentage of working funds | 08.01 % | 08.03 % |
| b | Non-interest income as a percentage of working funds | 00.92 % | 00.53 % |
| c | Operating profit as a percentage of Average working funds | 02.37 % | 02.45 % |
| d | Return on Average Total Assets | 02.89 % | 02.55 % |
| e | Business (Deposits + Advances) per employee | 1,505.97 | 1,346.93 |
| f | Profit per employee | 31.64 | 26.61 |
| 11 | Provision made towards | | |
| a | NPA | 6,250.00 | 5,000.00 |
| b | Standard Assets | 750.00 | 650.00 |
| c | COVID-19 | 600.00 | --- |
| d | Depreciation on Investments | 1,771.75 | 1,658.85 |
| 12 | Movement in Provisions | | |
| a | Towards NPAs | | |
| | Opening Balance | 5,000.00 | 3,650.00 |
| | Add: Addition during the year | (+) 1,250.00 | (+) 1,350.00 |
| | Less: Reduction during the year | --- | --- |
| | Closing Balance | 6,250.00 | 5,000.00 |
| b | Towards Depreciation on Investments | | |
| | Opening Balance | 1,658.85 | 2,062.79 |
| | Add: Addition during the year | (+) 380.15 | (+) 146.36 |
| | Less: Reduction during the year | (-) 267.25 | (-) 550.30 |
| | Closing Balance | 1,771.75 | 1,658.85 |



[₹ in Lacs]

| Sr. No. | Particulars | 31.03.2020 | 31.03.2019 |
|-----------|---|---------------------------|------------|
| c | Towards Standard Assets | | |
| | Opening Balance | 650.00 | 550.00 |
| | Add: Addition during the year | 100.00 | 100.00 |
| | Less: Reduction during the year | --- | --- |
| | Closing Balance | 750.00 | 650.00 |
| d | Towards General Provision for COVID-19 | | |
| | Opening Balance | --- | --- |
| | Add: Addition during the year | 600.00 | --- |
| | Less: Reduction during the year | --- | --- |
| | Closing Balance | 600.00 | --- |
| 13 | Foreign Currency Asset and Liabilities (if applicable) | | |
| a | Foreign Currency Assets | N.A. | N.A. |
| b | Foreign Liabilities | N.A. | N.A. |
| 14 | a Payment of DICGC Insurance premium | 247.55 | 247.91 |
| | b Arrears in payment of DICGC premium if any | --- | --- |
| 15 | Penalty imposed by RBI | --- | --- |
| 16 | Restructured Accounts | --- | --- |
| 17 | Fixed Assets Revaluation | --- | --- |
| 18 | The amounts transferred to DEAF | As per para 18 (a) | |

3 (a) Issuer Composition of Non SLR Investments Forming Pat of IV 3 (c)

[₹ in Lacs]

| No. | Issuer | Amount | Extent of Below Investment Grade Securities | Extent of Unrated Securities | Extent of Unlisted Securities |
|-----|-------------------------------------|-----------|---|------------------------------|-------------------------------|
| 1. | PSUs | --- | --- | --- | --- |
| 2. | FIs | --- | --- | --- | --- |
| 3. | Public Sector Banks | --- | --- | --- | --- |
| 4. | Mutual Funds | 10,000.00 | --- | --- | --- |
| 5. | Others | --- | --- | --- | --- |
| 6. | Provision Held Towards Depreciation | --- | --- | --- | --- |



3 (b) Non-performing Non SLR Investment Forming part of IV 3 (c)

[₹ in Lacs]

| No. | Particulars | Amount |
|-----|---|--------|
| 1. | Opening Balance | --- |
| 2. | Additional During the Year Since 1st April | --- |
| 3. | Reduction During the Above Period (written off) | --- |
| 4. | Closing Balance | --- |
| 5. | Total Provisions Held | --- |

3 (c) Additional Information of Investments Forming part of IV 3 (c)

[₹ in Lacs]

| Sr. No. | Particular | 31.03.2020 | 31.03.2019 |
|----------|--|--------------------|-------------|
| 1 | Classification of Investments | | |
| | i Held to Maturity (HTM) | 55,090.36 | 48,417.34 |
| | ii Held for Trading (HFT) | --- | --- |
| | iii Available for Sale (AFS) | 14,037.15 | 31,009.54 |
| | iv Total Investment | 69,127.51 | 79,426.88 |
| 2 | Composition of Investments | | |
| | i SLR Investments | | |
| | a. Central Govt. Securities | 21,686.23 | 29,736.29 |
| | b. State Govt. Securities | 37,441.28 | 43,023.23 |
| | c. Treasury Bills | --- | 6,667.36 |
| | ii NON - SLR Investments | 10,000.00 | --- |
| 3 | Provisions for Depreciation in Value of Investments | | |
| | i Held in Books (IFR+IDR) | 1,771.75 | 1,658.85 |
| | ii Erosion in Value of Investments (HTM+AFS) | --- | --- |
| | iii Excess/[Short] Provision | 1,771.75 | 1,658.85 |
| 4 | Net Value of Investments [Book Value - Provision for depreciation held in books] | 67,355.76 | 77,768.03 |
| 5 | Arrears in Reconciliation of Inter Branch Transactions | 26.07 (Dr.) | 26.07 (Dr.) |

18 (a) Amount Transferred to DEAF

[₹ in Lacs]

| Particulars | 31.03.2020 | 31.03.2019 |
|---|---------------|------------|
| Opening Balance of Amount Transferred to DEAF | 508.42 | 463.84 |
| Add : Amount Transferred to DEAF during the year | 60.89 | 50.75 |
| Less : Amount Reimbursed by DEAF towards claims | 09.57 | 06.17 |
| Closing Balance of amount transferred to DEAF | 559.74 | 508.42 |



V. Additional Information

- During the year under audit bank has not made any inter transfer of reserve funds.**
- Break up of Reserves & Surplus**

Following is the breakup of various accounts shown under the head "Reserves & Surplus" in the Financial Statements:

[Amount in ₹]

| Sr. | Reserves & Surplus | Opening Balance | Debit | Credit | Closing Balance |
|-----|--|-------------------------|----------------------|------------------------|-------------------------|
| 1 | Statutory Reserve | 117,83,42,639.81 | --- | 7,96,83,769.10 | 125,80,26,408.91 |
| 2 | Building Fund | 20,10,20,042.77 | --- | --- | 20,10,20,042.77 |
| 3 | Bad & Doubtful Debt Reserve | 50,00,00,000.00 | --- | 12,50,00,000.00 | 62,50,00,000.00 |
| 4 | Investment Depreciation Reserve | 2,76,40,000.00 | 2,67,25,000.00 | 1,50,00,000.00 | 1,59,15,000.00 |
| 5 | Investment fluctuation Reserve | 13,82,45,204.00 | --- | 2,30,14,796.00 | 16,12,60,000.00 |
| 6 | Revaluation Reserve | 37,81,51,740.33 | 2,34,61,060.00 | --- | 35,46,90,680.33 |
| 7 | Charity Fund | 35,98,392.99 | 77,500.00 | 9,360.00 | 35,30,252.99 |
| 8 | General Provision against Std. Assets | 6,50,00,000.00 | --- | 1,00,00,000.00 | 7,50,00,000.00 |
| 9 | Special Reserve | 7,00,04,000.00 | --- | --- | 7,00,04,000.00 |
| 10 | Reserve for Unforeseen Losses | 18,63,36,801.62 | --- | 3,03,59,135.00 | 21,66,95,936.62 |
| 11 | Co-Operative Education Fund | --- | 30,35,914.00 | 30,35,914.00 | --- |
| 12 | Reserve for IT Liability (Cont. Liab.) | 1,45,00,000.00 | --- | 2,50,000.00 | 1,47,50,000.00 |
| 13 | Gen. Pro. for BDR due to COVID-19 | --- | --- | 6,00,00,000.00 | 6,00,00,000.00 |
| | Total Reserves & Surplus | 276,28,38,821.52 | 532,99,474.00 | 34,63,52,974.10 | 305,58,92,321.62 |

3. Exposure to Sensitive Sector

[₹ in Lacs]

| Category | 31.03.2020 | 31.03.2019 |
|---|------------------|------------|
| Advances against Housing | | |
| Housing Loans to individuals | 889.03 | 897.16 |
| Total Advances against Housing | 889.03 | 897.16 |
| Loans to Builders & Contractors [Commercial Real Estate] | 19,757.12 | 15,213.93 |
| Total Exposure to Real Estate including Housing Loan | 20,646.15 | 16,111.09 |
| Commercial Real Estate Advances to Total Advances in % | 12.71 | 10.96 |
| Advances against Housing to Total Advances in % | 00.57 | 00.65 |
| Advances against Shares & Debentures in % | 00.00 | 00.00 |



4. *Reserves and Other Funds*

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

- 4.1 Statutory Reserve Fund (Minimum 25%) **Sec. 63 (1) (a)**
- 4.2 Co-Operative Education Fund maintained by NCUI (1% of net profit) **Sec. 63 (1) (b)**
- 4.3 Reserve for unforeseen losses (10% of net profit) **Sec. 63 (1) (C)**
- 4.4 Dividend remaining unclaimed over 3 years, entrance fees & nominal membership fees outstanding at the year end are transferred to Statutory Reserve Fund.

5. *Previous period's figures have been regrouped where necessary to confirm to current year classification.*

For **M/s. A S K V & Associates**
Chartered Accountants

CA Ashish Sorathiya

Partner

Membership No. 140837

FRN No. 136612W

Place : Rajkot

Date : 25.08.2020

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

Vinod Sudani
DGM

Sanjiv Virparia
DGM

Satyaprakash Khokhara
General Manager & CEO

Nilesh Dhruv
Director

Chandrakantbhai Patel
Director

Jagdishchandra Kotadia
Chairman



Branch Wise NPA Movement Statement for the year 2019-2020

[₹ in Lacs]

| No. | Branch | Opening 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. |
| 01 | Panchnath | 2,157.53 | 17 | 4092.93 | 07 | 3979.78 | 05 | 2270.68 | 19 |
| 02 | Gandhigram | 11.13 | 08 | 00.65 | 03 | 00.05 | --- | 11.73 | 11 |
| 03 | University Road | 161.27 | 12 | 111.26 | 05 | 168.57 | 05 | 103.96 | 12 |
| 04 | Jasdan | 28.86 | 02 | --- | --- | 00.26 | --- | 28.60 | 02 |
| 05 | Morbi | 489.49 | 06 | 978.12 | 05 | 489.49 | 06 | 978.12 | 05 |
| 06 | Upleta | 13.34 | 01 | --- | --- | --- | --- | 13.34 | 01 |
| 07 | Gondal | 2,918.63 | 18 | 07.13 | 01 | 688.47 | 03 | 2237.29 | 16 |
| 08 | Sahakar | 428.43 | 04 | 14.43 | 02 | 418.45 | 03 | 24.41 | 03 |
| 09 | Ranchhodnagar | --- | --- | 00.30 | 01 | --- | --- | 00.30 | 01 |
| 10 | Junagadh | 164.16 | 01 | --- | --- | --- | --- | 164.16 | 01 |
| 11 | Naranpura | 135.08 | 07 | 480.72 | 03 | 26.36 | --- | 589.44 | 10 |
| 12 | Jamnagar | 48.30 | 02 | --- | --- | 00.03 | --- | 48.27 | 02 |
| 13 | Mavdi Chowkdi | --- | --- | 537.19 | 05 | 536.47 | 04 | 00.72 | 01 |
| 14 | Surendranagar | 599.73 | 02 | 197.24 | 04 | 197.24 | 04 | 599.73 | 02 |
| 15 | Vaso | 02.54 | 02 | --- | --- | --- | --- | 02.54 | 02 |
| 16 | Nadiad | 124.57 | 13 | 00.63 | 02 | 04.50 | --- | 120.70 | 15 |
| 17 | Anand | 376.62 | 36 | --- | --- | 03.10 | 04 | 373.52 | 32 |
| 18 | Dakor | 79.47 | 04 | --- | --- | --- | --- | 79.47 | 04 |
| 19 | Yawal | 11.60 | 17 | --- | --- | --- | --- | 11.60 | 17 |
| 20 | Kothariya Road | --- | --- | 00.82 | 03 | 00.09 | --- | 00.73 | 03 |
| 21 | Alkapuri | 00.00 | 03 | --- | --- | --- | --- | 00.00 | 03 |
| GRAND Total | | 7,750.75 | 155 | 6421.42 | 41 | 6512.86 | 34 | 7659.31 | 162 |

* NPA recovery includes recovery towards Principal & PA Interest and also regularised accounts during the year.

Gross NPA 04.93%

Classification of Performing & Non Performing Advances

[₹ in Lacs]

| Sr. No. | CLASSIFICATION OF ADVANCES | As On 31.03.2020 | | | As On 31.03.2019 | | |
|---------|--|------------------|---------------------|--------------------|------------------|---------------------|--------------------|
| | | No. of A/cs. | Outstanding Advance | % of Total Advance | No. of A/cs. | Outstanding Advance | % of Total Advance |
| 1. | TOTAL LOANS & ADVANCES | 6369 | 155391.81 | 100 % | 6845 | 1,38,798.54 | 100.00 % |
| | 1. PERFORMING / STANDARD ADVANCES | 6207 | 147732.50 | 95.07 % | 6690 | 1,31,047.79 | 94.42 % |
| | 2. NON PERFORMING ASSETS | | | | | | |
| | 1. Sub Standard Assets | 28 | 2587.11 | 01.66 % | 34 | 3,116.67 | 02.25 % |
| | 2. Doubtful Assets | | | | | | |
| | Upto 1 Year | | | | | | |
| | [a] Secured | 17 | 1404.17 | 00.91 % | 16 | 1,246.03 | 00.90 % |
| | [b] Unsecured | --- | --- | --- | --- | --- | --- |
| | Above 1 & Upto 3 Years | | | | | | |
| | [a] Secured | 27 | 1905.48 | 01.23 % | 31 | 2,941.45 | 02.56 % |
| | [b] Unsecured | --- | --- | --- | --- | --- | --- |
| | Above 3 Years | | | | | | |
| | [a] Secured | 16 | 1322.52 | 00.85 % | --- | --- | --- |
| | [b] Unsecured | --- | --- | --- | --- | --- | --- |
| | Total Doubtful Assets | | | | | | |
| | [a] Secured | 60 | 4632.17 | 02.99 % | 47 | 4,187.48 | 03.46 % |
| | [b] Unsecured | --- | --- | --- | --- | --- | --- |
| | 3. Loss Assets | 74 | 440.03 | 00.28 % | 74 | 446.60 | 00.32 % |
| | Total GROSS NPA | 162 | 7659.31 | 04.93 % | 155 | 7,750.75 | 05.58 % |

Details of 20 Years NPA & Overdue Accounts

[₹ in Lacs]

| YEAR | GROSS LOAN | | GROSS NPA | | % of Gross NPA to Gross Loan | NET NPA | | PROVISIONS | | OVERDUE | | % of Recovery Ratio |
|-------------|-------------|--------------------|------------|-----------------|------------------------------|-----------------|----------------|-----------------|-----------------|------------|---------------|---------------------|
| | No. of A/c | Amount ₹ | No. of A/c | Amount ₹ | | ₹ | % | Required | Actually Held | No. of A/c | Amount ₹ | |
| 2001 | 5477 | 8,131.43 | 06 | 11.26 | 00.14 % | ZERO | ZERO | 02.69 | 200.00 | 57 | 12.66 | 99.84 % |
| 2002 | 5874 | 8,334.25 | 09 | 14.69 | 00.18 % | ZERO | ZERO | 04.68 | 300.00 | 128 | 24.48 | 99.71 % |
| 2003 | 6149 | 9,149.74 | 15 | 22.89 | 00.25 % | ZERO | ZERO | 06.20 | 500.00 | 100 | 22.46 | 99.75 % |
| 2004 | 6465 | 11,203.90 | 23 | 29.19 | 00.26 % | ZERO | ZERO | 04.47 | 1,200.00 | 63 | 04.58 | 99.96 % |
| 2005 | 6785 | 14,211.77 | 29 | 48.35 | 00.34 % | ZERO | ZERO | 07.26 | 1,200.00 | 44 | 21.25 | 99.85 % |
| 2006 | 7278 | 16,675.92 | 14 | 21.51 | 00.13 % | ZERO | ZERO | 15.55 | 1,400.00 | 37 | 02.09 | 99.99 % |
| 2007 | 7210 | 21,819.47 | 13 | 23.63 | 00.11 % | ZERO | ZERO | 07.63 | 850.00 | 14 | 01.89 | 99.99 % |
| 2008 | 7321 | 22,911.15 | 61 | 172.50 | 00.75 % | ZERO | ZERO | 101.44 | 955.00 | 36 | 02.11 | 99.99 % |
| 2009 | 7105 | 29,635.38 | 59 | 209.09 | 00.70 % | ZERO | ZERO | 90.37 | 767.00 | 80 | 34.69 | 99.88 % |
| 2010 | 7121 | 41,995.31 | 54 | 205.69 | 00.49 % | ZERO | ZERO | 144.21 | 633.22 | 11 | 00.96 | 99.99 % |
| 2011 | 7685 | 51,420.42 | 185 | 1,219.48 | 02.37 % | ZERO | ZERO | 1,184.66 | 1,616.71 | NIL | NIL | 100.00 % |
| 2012 | 8681 | 54,824.36 | 368 | 1,260.95 | 02.30 % | ZERO | ZERO | 1,257.38 | 1,973.70 | 02 | 14.64 | 99.97 % |
| 2013 | 9402 | 68,816.20 | 300 | 1,118.00 | 01.62 % | ZERO | ZERO | 1,118.00 | 1,800.00 | 07 | 00.21 | 99.99 % |
| 2014 | 10033 | 81,625.07 | 193 | 883.54 | 01.08 % | ZERO | ZERO | 883.54 | 1,900.00 | 03 | 00.62 | 99.99 % |
| 2015 | 10498 | 1,01,206.89 | 161 | 668.52 | 00.66 % | ZERO | ZERO | 668.52 | 2,203.10 | 25 | 38.18 | 99.97 % |
| 2016 | 9411 | 1,02,895.60 | 116 | 2,655.58 | 02.58 % | ZERO | ZERO | 1,283.37 | 3,100.00 | 34 | 65.36 | 99.94 % |
| 2017 | 8232 | 1,11,124.57 | 135 | 4,412.11 | 03.97 % | 1,706.61 | 01.57 % | 1,717.29 | 3,100.00 | 52 | 206.22 | 99.81 % |
| 2018 | 7752 | 1,11,870.52 | 136 | 6,922.73 | 06.19 % | 3,075.88 | 02.85 % | 1,702.20 | 3,650.00 | 82 | 94.32 | 99.92 % |
| 2019 | 6845 | 1,38,798.54 | 155 | 7,750.75 | 05.58 % | 2,540.85 | 01.90 % | 2,018.41 | 5,000.00 | 318 | 131.50 | 99.91 % |
| 2020 | 6369 | 1,55,391.81 | 162 | 7,659.31 | 04.93 % | 1,168.83 | 00.78 % | 2,767.98 | 6,250.00 | 377 | 729.74 | 99.53 % |

After Merger of 6 Co-Operative Banks Details of Bank's NPA Accounts

[₹ in Lacs]

| Name of Bank | No. of A/cs. | Gross NPA Amount | Gross NPA In % |
|--|--------------|------------------|----------------|
| The Co-Operative Bank of Rajkot Ltd. - Raj Bank | 99 | 7,223.08 | 04.65 % |
| Mahila Utkarsh Bank - Ahmedabad (Merger-1) | 04 | 19.14 | 00.01 % |
| Amruta Mahila Bank - Surendranagar (Merger-2) | NIL | NIL | NIL |
| Vaso Co-Operative Bank Ltd. - Vaso (Merger-3) | 36 | 332.23 | 00.21 % |
| Dakor Nagarik Bank Ltd. - Dakor (Merger-4) | 03 | 73.26 | 00.05 % |
| Yawal Peoples Co-Op. Bank Ltd. - Yawal (Merger-5) | 17 | 11.60 | 00.01 % |
| Co-Operative Bank of Baroda Ltd. - Baroda (Merger-6) | 03 | NIL | NIL |
| Total Gross NPA (Including Merged Banks) | 162 | 7,659.31 | 04.93 % |



**સ્થાપના તા. ૨૪.૧૧.૧૯૮૦ થી તા. ૩૧.૦૩.૨૦૦૦ સુધીના
શરૂઆતના ૨૦ વર્ષના સમયગાળા દરમિયાન બેંકની નાણાકીય પ્રગતિ દર્શાવતું પત્રક**

| ક્રમ | નાણાકીય વર્ષ | શેર મુડી | રીઝર્વ (કમાયેલો નફો) | ડીપોઝીટ | ધિરાણ | બિઝનેસ | ઇન્કમેટેક્સ પહેલાનો નફો | ડીવીડન્ડની રકમ |
|--------------------------------------|--------------|-------------------|-------------------------|--------------------|-------|--------|----------------------------|-------------------|
| | | રકમ રૂપિયા લાખમાં | | રકમ રૂપિયા કરોડમાં | | | રકમ રૂપિયા લાખમાં | |
| ૦૧ | ૧૯૮૦-૮૧ | ૦૪.૬૭ | ૦૦.૩૮ | ૦૦.૩૦ | ૦૦.૨૪ | ૦૦.૫૪ | ૦૦.૧૭ | ZERO |
| ૦૨ | ૧૯૮૧-૮૨ | ૦૬.૬૨ | ૦૦.૬૭ | ૦૦.૫૪ | ૦૦.૫૬ | ૦૧.૧૦ | ૦૩.૪૭ | ૦૦.૭૪ |
| ૦૩ | ૧૯૮૨-૮૩ | ૦૮.૩૦ | ૦૪.૦૭ | ૦૦.૭૬ | ૦૦.૭૬ | ૦૧.૫૨ | ૦૩.૬૭ | ૦૧.૩૦ |
| ૦૪ | ૧૯૮૩-૮૪ | ૦૯.૫૦ | ૦૭.૫૯ | ૦૦.૯૨ | ૦૦.૭૬ | ૦૧.૬૮ | ૦૪.૭૩ | ૦૧.૦૭ |
| ૦૫ | ૧૯૮૪-૮૫ | ૧૧.૫૭ | ૧૩.૦૪ | ૦૧.૨૮ | ૦૧.૨૮ | ૦૨.૫૬ | ૦૬.૫૦ | ૦૧.૨૬ |
| ૦૬ | ૧૯૮૫-૮૬ | ૧૪.૨૪ | ૧૯.૫૮ | ૦૨.૧૪ | ૦૧.૭૩ | ૦૩.૮૭ | ૧૨.૦૫ | ૦૧.૫૫ |
| ૦૭ | ૧૯૮૬-૮૭ | ૧૫.૫૩ | ૩૦.૯૫ | ૦૨.૬૮ | ૦૧.૮૭ | ૦૪.૫૫ | ૧૫.૧૯ | ૦૧.૭૯ |
| ૦૮ | ૧૯૮૭-૮૮ | ૧૭.૩૦ | ૪૫.૪૯ | ૦૩.૪૦ | ૦૨.૧૫ | ૦૫.૫૫ | ૧૬.૭૦ | ૦૧.૯૮ |
| ૦૯ | ૧૯૮૮-૮૯ | ૧૮.૯૧ | ૬૨.૬૪ | ૦૪.૩૪ | ૦૨.૨૬ | ૦૬.૬૦ | ૧૯.૪૫ | ૦૨.૨૦ |
| ૧૦ | ૧૯૮૯-૯૦ | ૨૧.૮૭ | ૮૨.૧૧ | ૦૫.૩૭ | ૦૨.૮૨ | ૦૮.૧૯ | ૨૨.૬૦ | ૦૨.૪૬ |
| ૧૧ | ૧૯૯૦-૯૧ | ૨૫.૫૬ | ૧૦૪.૮૨ | ૦૭.૩૧ | ૦૩.૭૬ | ૧૧.૦૭ | ૨૩.૮૨ | ૦૨.૮૯ |
| ૧૨ | ૧૯૯૧-૯૨ | ૨૯.૭૫ | ૧૩૬.૧૫ | ૦૮.૯૧ | ૦૪.૬૨ | ૧૩.૫૩ | ૩૯.૬૩ | ૦૨.૫૦ |
| ૧૩ | ૧૯૯૨-૯૩ | ૩૪.૬૯ | ૧૮૬.૧૬ | ૧૨.૭૫ | ૦૫.૩૫ | ૧૮.૧૦ | ૬૨.૦૦ | ૦૩.૭૪ |
| ૧૪ | ૧૯૯૩-૯૪ | ૪૧.૮૦ | ૨૩૬.૭૦ | ૧૭.૬૦ | ૦૬.૭૨ | ૨૪.૩૨ | ૬૯.૮૦ | ૦૪.૪૮ |
| ૧૫ | ૧૯૯૪-૯૫ | ૫૫.૦૯ | ૩૩૫.૧૬ | ૨૩.૬૬ | ૧૦.૦૦ | ૩૩.૬૬ | ૧૨૦.૦૫ | ૦૫.૫૨ |
| ૧૬ | ૧૯૯૫-૯૬ | ૬૮.૮૧ | ૪૬૪.૭૯ | ૩૧.૩૦ | ૧૨.૧૮ | ૪૩.૪૮ | ૧૬૬.૦૮ | ૦૯.૨૧ |
| ૧૭ | ૧૯૯૬-૯૭ | ૮૬.૭૬ | ૬૪૫.૯૪ | ૪૨.૨૬ | ૧૬.૬૮ | ૫૮.૯૪ | ૧૫૮.૯૫ | ૧૧.૪૮ |
| ૧૮ | ૧૯૯૭-૯૮ | ૧૧૬.૮૯ | ૯૫૬.૪૬ | ૫૬.૦૨ | ૨૨.૯૦ | ૭૮.૯૨ | ૧૬૩.૫૫ | ૧૪.૭૬ |
| ૧૯ | ૧૯૯૮-૯૯ | ૧૫૫.૦૩ | ૧,૨૬૫.૨૭ | ૮૦.૫૧ | ૩૨.૬૪ | ૧૧૩.૧૫ | ૧૮૦.૩૪ | ૨૦.૧૯ |
| ૨૦ | ૧૯૯૯-૦૦ | ૨૨૨.૯૮ | ૧,૬૩૪.૮૭ | ૧૨૨.૧૮ | ૫૨.૧૯ | ૧૭૪.૩૭ | ૧૮૭.૬૨ | ૨૭.૭૪ |
| શરૂઆતના ૨૦ વર્ષની કુલ રકમ રૂ. | | | | | | | ૧૨૭૬.૩૭ | ૧૧૬.૮૬ |

બેંકની સ્થાપનાથી શરૂઆતના ૨૦ વર્ષમાં કુલ નફો રૂ. ૧૨.૭૬ કરોડ અને ચુકવેલ ડીવીડન્ડ રૂ. ૧.૧૭ કરોડ છે.

Historical Financial Position for 40 Years

(રકમ રૂ. કરોડમાં) (Rs. in Crores)

| Sr. No. | Particulars - વિગત | જુદા જુદા સમયગાળામાં વધારો (+)/ઘટાડો (-) દર્શાવતું પત્રક Position for Increase (+) / Decrease (-) during Past | | | Cumulative Position for 40 Years |
|---------|---|--|-------------------------------|-------------------------------|----------------------------------|
| | | શરુઆતના 20 Years | પડકારજનક 13 Years | બેંકીંગ સમયના 7 Years | |
| | | From 24.11.1980 To 31.03.2000 | From 01.04.2000 To 31.03.2013 | From 01.04.2013 To 31.03.2020 | |
| 1 | 2 | 3 | 4 | 5 | 6 |
| 01 | Share Capital - શેર મુડી | + 02.23 | + 47.89 | + 87.18 | = 137.30 |
| 02 | Reserve Funds - રીઝર્વ | + 14.93 | + 136.30 | + 185.22 | = 336.45 |
| 03 | Own Fund - માલીકીના ભંડોળો | + 17.16 | + 184.19 | + 272.40 | = 473.75 |
| 04 | CASA Deposits - ચાલુ + બચત ખાતાની થાપણ | + 43.34 | + 387.36 | + 430.77 | = 861.47 |
| 05 | Fixed Deposits - મુદતી થાપણો | + 78.84 | + 672.16 | + 688.88 | = 1,439.88 |
| 06 | Total Deposits - કુલ થાપણ | + 122.18 | + 1,059.52 | + 1,119.66 | = 2,301.35 |
| 07 | Investment - રોકડ+બેંક બેલે.+રોકાણો | + 87.30 | + 575.45 | + 477.12 | = 1,139.87 |
| 08 | Loans & Advances - લોન અને ધિરાણ | + 52.19 | + 635.97 | + 865.76 | = 1,553.92 |
| 09 | Total Business - કુલ બિઝનેસ | + 174.37 | + 1,695.49 | + 1,985.42 | = 3,855.27 |
| 10 | Interest Earned - વ્યાજ આવક | + 51.73 | + 685.55 | + 1,420.17 | = 2,157.45 |
| 11 | Documents Charges - લોન ડોક્યુમેન્ટ ચાર્જ | + 00.09 | + 18.36 | + 38.49 | = 56.94 |
| 12 | Int. Paid on Deposits - વ્યાજનો ખર્ચ | + 27.70 | + 415.84 | + 875.42 | = 1,318.96 |
| 13 | Staff Cost - સ્ટાફ પગાર ખર્ચ | + 04.09 | + 58.01 | + 126.45 | = 188.55 |
| 14 | Profit Before Tax & Pro.- ઈન્કમેટેક્સ પહેલાનો નફો | + 12.76 | + 200.26 | + 415.39 | = 628.41 |
| 15 | Dividend Amount Paid - ચુકવેલ ડીવીડન્ડની રકમ | + 01.17 | + 27.25 | + 108.63 | = 137.05 |
| 16 | Gross NPA Amount - ગ્રોસ એન.પી.એ.ની રકમ | + 00.09 | + 11.09 | + 65.41 | = 76.59 |
| 17 | Net NPA in % - નેટ એન.પી.એ.ની ટકાવારી | ZERO | ZERO | + 00.78 % | = 00.78 % |
| 18 | No. of Employees - કર્મચારીઓની સંખ્યા | + 95 | + 113 | + 48 | = 256 |



ડીરેક્ટરની ખાલી પડેલ જગ્યા માટે ચૂંટાયેલ ડીરેક્ટરશ્રી હર્ષદભાઈ માલાણીને આવકારતા ચેરમેન શ્રી ચંદ્રકાંત પટેલ.



ડીરેક્ટરની ખાલી પડેલ જગ્યા માટે ચૂંટાયેલ ડીરેક્ટરશ્રી જયંતિલાલ વસોયાને આવકારતા ડીરેક્ટરશ્રી મનુભાઈ નસીત.



ડીરેક્ટરની ખાલી પડેલ જગ્યા માટે ચૂંટાયેલ ડીરેક્ટરશ્રી પ્રણય વિરાણીને આવકારતા ડીરેક્ટરશ્રી જગદીશભાઈ કોટડીયા.



ડીરેક્ટરની ખાલી પડેલ જગ્યા માટે ચૂંટાયેલ ડીરેક્ટરશ્રી આનંદ પટેલને આવકારતા ડીરેક્ટરશ્રી નિલેશભાઈ ધ્રુવ.



ડીરેક્ટરની ખાલી પડેલ જગ્યા માટે ચૂંટાયેલ ડીરેક્ટરશ્રી ગોપાલભાઈ રુપાપરાને આવકારતા ડીરેક્ટરશ્રી મુળજીભાઈ ચૌહાણ.



તા. ૮, માર્ચ-૨૦૨૦ ના રોજ હોટલ સયાજીમાં યોજાયેલ બેંકની ૧૭મી ખાસ સાધારણ સભામાં ઉપસ્થિત ડેલીગેટશ્રીઓ, ખાસ આમંત્રિતોને માહિતગાર કરી રહેલ છે. સીઈઓ શ્રી સત્યપ્રકાશ ખોબરા તથા ૮-માર્ચ વુમન્સ ડે નાં દિવસને ખરા અર્થમાં સાર્થક કરી સમગ્ર ખાસ સાધારણ સભાને વિગતવાર માહિતી આપતા સીએ શ્રી ભૂમિકા કામદાર, સીએસ શ્રી જુલી ગઢીયા, સભાનું સંચાલન શ્રી દિસી પારેખ-એજીએમ, વિશેષ અભિપ્રાય ભૂતપૂર્વ ચેરમેનશ્રી મધુભાઈ દોંગા