



Estd. 1984

ARIHANT BANK

SHRI ARIHANT CO-OP. BANK LTD.

36th ANNUAL REPORT

2018 - 2019

A graphic featuring a large, detailed eye with a blue iris, overlaid with a digital interface. The text 'VISION 2020' is prominently displayed in red with a white outline. The background includes faint text like 'SHOW BUSINESS', 'THE TOP', 'NEWS', 'BUSINESS FINANCE', and 'WORLD NEWS' along with various icons and data points.

VISION
2020

Head Office: GB-10 A & B, Karma Stambh, L.B.S. Marg, Vikhroli (W) Mumbai - 400083

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BOARD OF DIRECTORS

(2016-2021)



Shri. Hirachand Damji Dand
Chairman



Shri. Mukesh Damji Maisheri
Vice Chairman



Shri. Dollar Pratap Shah
Director



Shri. Gulab Dungarshi Shah
Director



Shri. Hanskumar L. Chheda
Director



Shri. Jaykumar Harish Dagha
Director



Shri. Kirankumar N. Momaya
Director



Shri. Kishor Khimji Khona
Director



Shri. Yashodhan Raichand Karani
Director



Smt. Jalpa Uttin Lodaya
Director



Ms. Manisha Manikant Poladia
Director



Shri. Manikant Visanji Nagda
Prof. Director



Shri. Ratilal Shamji Shah
Prof. Director



Shri. Mahesh Padave
Workmen Director



Shri. Keshav More
Workmen Director



*Gnyati Shiromani
Sheth Shri Narshi Natha*

MANAGEMENT TEAM



Shri. Kiran Lalji Patel
Chief Executive Officer

MANAGERS / BRANCH HEADS



Mr. Ramesh Khatri
(Loans & Advances - H.O.)



Mr. Narendra Dharamshi
(Investments - H.O.)



Mr. Ashok Darshane
(Audit & Compliances - H.O.)



Mrs. Lata Soni
(Legal - H.O.)



Mr. Anant Shenoy
(Admin - H.O.)



Manisha Shah
(EDP Head - H.O.)



Mrs. Manali Matkar
(Bhandup Branch)



Mrs. Ranjana Patil
(APMC, Vashi Branch)



Mr. Nilesh Momaya
(Ghatkopar Branch)



Mr. Mahesh Padave
(Chinchbunder Branch)



Mrs. Kalpana Mota
(Mohili Village Branch)



Mrs. Hema Dalal
(Dombivli Branch)



Mr. Subodh Chodankar
(Matunga Branch)



Mrs. Jigna Mange
(Thane Branch)



Mrs. Sarla Momaya
(Mulund Branch)



Mr. Pravin Gala
(Borivali Branch)

ABOUT US

• Our Vision •

To become a best quality bank in Co-operative Sector

Bank is committed to its long term vision of serving the society keeping in view objectives of a Co-operative Bank movement through utmost dedication, passion and commitment.

• Our Mission •

1. Business Growth:

Constant innovation and up-gradation of banking products and services, We have also started IMPS (Debit), Mobile banking, ATM at Ghatkopar, Mulund, Borivali & Matunga Branches.

Foreseeing and adopting the changes in the economic and technological fronts to meet the growing expectations of the customers and society as a whole.

Bank is presently offering almost all types of innovative products and services that are being offered by DCB's.

2. Social Responsibility:

Committed to help lower strata of society with more stress on women empowerment, education, shelter and uplifting common man of the society.

3. Corporate Ethics:

Trust, Transparency and Responsible Banking. Bank considers transparency and accountability of paramount importance.

4. Human Capital:

For efficient customer service, as per changing Banking Scenario, our Staff is adequately trained by various institutes like Reserve Bank of India, Brihan Mumbai Nagarik Sahakari Banks Association Ltd., Dr. Vitthalrao Vikhe Patil Institute of Co-operative Management - Pune, etc.

• Our Motto •

Contributing to customer's growth is the ultimate parameter of our success.

Proposed Suggestions for amendment in Bye-Laws.

Sr. No.	Bye-Laws Sr.No	Page No.	Text of present Bye-Law	Amendment proposed	Reason for Amendment
1	3	1	The area of operation of the Bank shall be confined to Greater Mumbai Region, Thane including Navi Mumbai & Raigad District, from Maharashtra State. For any revision in this regard, the prior approval in writing from the Reserve Bank of India and also the Registering authority shall be necessary.	The area of operation of the Bank shall be confined to Greater Mumbai Region, Navi Mumbai, Thane District, Palghar District (part of erstwhile Thane District) & Raigad District, from Maharashtra State. For any revision in this regard, the prior approval in writing from the Reserve Bank of India and also the Registering authority shall be necessary.	Government of Maharashtra vide its Gazette Notification dated 31st July 2014 bifurcated the Thane District (constituting of 15 Tahsils/Talukas) into two Districts viz. Thane District (covering 7 Tahsils/Talukas) and Palghar District (covering 8 Tahsils / Talukas). To cover the bifurcated area, we need to include newly formed Palghar District (which was part of erstwhile Thane District) in our area of operation.
2	8	6	The authorized share capital of the Bank is Rs. 15,00,00,000/- (Rs. Fifteen Crores only) divided into 60,00,000 shares of Rs. 25/- each.	The authorized share capital of the Bank is Rs. 50,00,00,000/- (Rs. Fifty Crores only) divided into 2,00,00,000 shares of Rs. 25/- each.	The Bank wishes to enhance its Net worth viz. a viz its business by offering Internet banking with transactional facility as well as expand the area of operation and would like to go for inter-state operations as well.

NOTICE OF 36th ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of the Members of **Shri Arihant Co-operative Bank Ltd. will be held on Monday, 12th August 2019, at 9.30 am at Mahakavi Kalidas Natya Mandir, P. K. Road, Mulund (W), Mumbai - 400080** to transact the following business.

1. To read and confirm the minutes of last Annual General Body Meeting held on 25th August, 2018.
2. Adoption of Annual Report with Audited Balance Sheet as at 31st March 2019 and the Profit and Loss Account for the year ended 31st March 2019.
3. Declaration of Dividend and Allocation of Profits for the financial year 2018-19 as recommended by the Board as per Act, Rules & Bye-Laws.
4. To consider and adopt Statutory Audit Report from M/s. Sanjay Rane & Associates.(Chartered Accountants).
5. To consider and adopt rectification report of earlier Statutory Audit for FY 2017-18.
6. To take note of Annual Budget and Development plan for current Financial Year 2019-20.
7. To consider and approve the proposed amendments to the Bye-Laws of the Bank (Bye-Law No. 3 & 8) as recommended by the Board of Directors.
8. To consider and approve the appointment of Statutory & Internal Auditors for the financial year 2019-20 and to authorize the Board of Directors to fix their remuneration. The Board of Directors recommends M/s. Sanjay Rane & Associates (Chartered Accountant) as statutory Auditor and M/s. R. Devendrakumar & Associates (Chartered Accountant) as Internal Auditor.
9. To consider and approve the proposal for write-off of loss assets as recommended by the Board of Directors.
10. To grant leave of absence to those members of the Bank who have not attended this Annual General Meeting and requested for leave of absence.
11. Undertaking and disposal of any other business that may be brought before the house and answering of Members' questions, relating to the working of the Bank for the financial year 2018-19, permissible under the Bank's Bye-laws and Rules and about which at least 8 days notice, in writing, has been furnished to the Chairman at the Banks' Head Office.
12. Any other matter with the permission of the Chairman of the Meeting.

Place: Mumbai

Date : 15th July, 2019

By order of the Board of Directors,

sd/-

(Kiran L. Patel)

Chief Executive Officer

Notes:

1. If quorum is not formed at the time appointed for the meeting, i.e. at 9.30 am., the meeting shall stand adjourned. The adjourned meeting will be held on the same date and place at 10.00 am for which separate notice or quorum will not be necessary. No business shall be transacted at adjourned meeting other than the business on the agenda of the adjourned meeting.
2. Bank's Audited Financial Statements including Audit Report for the FY 2018-19 along with compliance report is available to members for inspection at Head Office during working hours.
3. If any member desires any clarification or information on accounts, he/she is requested to submit the query in writing on or before 2nd August 2019, addressed to Chairman to reach Head Office of the Bank or by e-mail chairman@arihantbank.com so that the required information may be made available at the Annual General Meeting.
4. Members are requested to bring with them their Member's Identity Card/share folio No. along with any other photo ID for easy entry & convenience.
5. Members are requested to download Annual Report from Bank's web site (www.arihantbank.com). The Annual Report may be collected from any Branch/Head Office from 29th July, 2019.
6. Members who have not collected and en-cashed their dividend for the financial year ended 31st March, 2016, are requested to do so immediately. Please note if dividend for the FY 2015-16 is not en-cashed on or before 31st December, 2019, it will be forfeited and credited to Reserve Fund in terms of Bye-law No. 58D.
7. With a view to ensure that only bonafide members attend the AGM, Bank has introduced a system of obtaining "Attendance Slip" from every member who attends the meeting, which is on the back side of this notice.

Director's Report

Dear Members,

The Board of Directors of your Bank have immense pleasure in presenting the “36th Annual Report” of the business and operations of the Bank together with the audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2019.

Economic Overview:

The Indian economy started the fiscal year 2018-19 with a healthy 8.2 percent growth in the first quarter on the back of domestic resilience. Growth eased to 7.0 percent in the subsequent quarters due to rising global financial volatility. Further, the USD/INR ranged between Rs. 65.04 to Rs. 72.55 during the year and Brent Crude prices remained volatile between US\$ 50.60 to US\$ 81.61. Despite softer growth, the Indian economy remains one of the fastest growing and possibly the least affected by global turmoil. India's macroeconomic fundamentals and policy changes including amendments to the policy/code related to insolvency and bankruptcy, bank recapitalisation, streamlines GST collections and foreign direct investment helped to withstand pressure. The fiscal deficit was at 3.4 percent for FY 2018-19. Inflation is hovering around 3.00 to 4.00 per cent range. GDP growth is around 7.00% due to slowing global demand and lower private investment activity.

Bond Market:

The Bond Market remained bearish for most part of FY 2018-19. The ten year benchmark Security Yield was at 7.33% in April, 2018 and went up to 8.03% in December, 2018 and towards the end of the year on 31.03.2019 was 7.46%. The market sentiment was affected by tight liquidity conditions, hike in repo rates twice, concerns on higher fiscal deficit as compared to target of 3.00% and increase in US Fed rate from 1.50% to 2.50%. State Governments also borrowed heavily and offered yields above 8.00%.

Monetary Policy and Outlook:

The Monetary Policy Committee (MPC) of the Reserve Bank of India increased key policy repo rate by 25 basis points on 06.06.2018 and 01.08.2018 i.e. from 6.00% to 6.25% and 6.50% during FY 2018-19. It kept policy stance at neutral. However, it affected debt market adversely and yields went up. But things changed in February, 2018 when MPC reduced policy repo rate by 25 basis points to 6.00% as inflation came down. The RBI also made gradual reduction of SLR from 19.25% in January, 2019 to 18.00% by April, 2020 to infuse liquidity in the banking system. An 25 basis points reductions have been given in April and June 2019 policies which have improved market sentiment and ten year benchmark yields have fallen below 6.75%.

India Growth Story:

The World Bank in its report projected 7.5 per cent growth per annum in GDP of India over the next three years and maintain its fastest growing major economy in the world. Further, India is likely to be among the top 5 large global economies, Consumer spending in India is expected to grow exponentially to \$6 trillion from \$1.5 trillion to-day. India has set target to become \$1.5 trillion economy in recent Budget.

Conclusion:

In view of what is stated above, the bank is expected to make steady growth with improved economic environment. In journey of 35 years the bank has made calibrated growth and have ambition to grow further in every segment of business that we operate in and create enduring value for our shareholders. Bank shall pursue growth strategies with new technology and digitisation that will be responsibly competitive and sustainable.

YOUR BANK'S PERFORMANCE

1) Business & Financial performance as on 31.03.2019 is as under:

(Amount in Lakhs)

Sr. No.	Performance Indicators	2017-2018	2018-2019
1	Paid up Capital	838.73	824.67
2	Reserves (including Revaluation Reserve of Rs. 152.16 lakhs as on 31 st March 2018 & Rs. 136.94 lakhs as on 31 st March 2019)	2946.04	2931.12
3	Average Working Capital	39955.02	38881.52
4	Deposits	35436.26	35073.21
5	Advances	16161.07	17477.09
6	Gross Income	3677.48	3427.51
7	Profit (after Tax & Provision)	85.70	144.58
8	CRAR Ratio (Required minimum 9%)	21.79%	20.44%
9	Gross NPA	3.18%	2.13%
10	Net NPA	1.68%	0.64%
11	Investment	18011.38	17128.93
12	Income from Purchase/Sale of G.Sec	79.39	0.42

2) Deposits:

- Total deposits have decreased by 1.02% during the year as compared to decreased of 4.87% in previous year.
- Our CASA deposit is at 40.30% of the total deposits of Rs. 35073.21 lacs.
- Average cost of deposit is at 6.00%.

3) (a) Advances:

Advances of the Bank has increased by 8.14% as compared to previous year. Bank continued to maintained cautious approach for maintaining sound asset quality, in view of mounting NPA's of banking industry and prevailing economic condition.

- Average Yield on Advance is 10.87%
- Exposure to Priority Sector is 41.31%
- Non funded facilities i.e. issue of our Bank guarantees and also through Bank of Baroda with margin having outstanding of Rs. 173.04 lacs.

(b) Non Performing Assets:

Percentage of Gross NPA to total Advances of the Bank stands at 2.13% while percentage of Net NPA stands at 0.64%.

NPA Movement

(Amount in Lakhs)

Opening Balance as on 01 st April 2018	Rs. 514.51
Add : During the Year	Rs. 191.95
Less : Recovery	Rs. 332.24
Less : Write Off	1.86
Closing Balance as on 31 st March 2019	Rs. 372.36

4) Investments:

The Bank has an investment portfolio of Rs. 171.29 crores as on 31st March 2019, out of which

a) Investment in Government Securities	124.27 crores
b) Inter Bank Deposits	47.02 crores
c) Shares in Co-op Institutions	0.01 crores

5) Profit:

(Amount in Lakhs)

Particulars	March 2018#	March 2019
Total Interest Income	3299.53	3163.34
Total Interest Expenditure	2084.76	2033.18
Net Interest Margin	1214.77	1130.16
Profit on Sale of Government Security	79.39	0.42
Other Income	191.62	211.73
Other Expenditure	1117.58	1157.07
Operating Profit before Prov. & Tax	368.20	185.24
Less: Provisions		
- NPA & Standard Assets	6.90	24.24
- Other Provisions	355.54	(12.81)
Add : Non Operating Income	106.94	52.01
Less : Non Operating Expenditure	0.00	0.00
Profit After Provision but before Tax	112.70	225.82
Provision for Income Tax	27.00	81.24
Net Profit	85.70	144.58

Figures are regrouped wherever necessary.

- Interest income shows decrease of 4.13% so as interest expenditure of 2.47%.
- Interest earned on credit exposure represent 54.21%, while interest on investment portfolio contributed 38.09% of total income.

Appropriation of Profit:

Your Directors propose to allocate the profit in the following manner:

(Amount in Lakhs)

Particulars	2017-2018	2018-2019
Reserve Fund (25%)	21.43	36.15
Additional Reserve Fund (10%)	8.57	14.46
Dividend	63.17 (62.84)#	82.81
Next Election Expenses	--	4.00
Technological Development Fund	--	--
Building Fund	--	--
Investment Fluctuation Fund	--	7.16
Less: To be Transferred from Dividend Equalisation Fund	(-)7.47 ((-)7.14)#	--
Total	85.70	144.58

Actual amount required for payment of Dividend for the year 2017- 2018 was Rs. 62.84 Lacs as against Rs. 63.17 Lacs approved. As such, amount of Rs. 7.14 Lacs was transferred from Dividend Equalisation fund as against Rs. 7.47 Lacs shown last year.

6) Audit & Inspection:

- a) **RBI Audit** - RBI Inspectors Mr. Naveen Shakya, Assistant General Manager and Mr. M. G. Khadgi, Asstt. Manager, DCBS, MRO, RBI inspected our Bank for the period 01st April, 2016 to 31st March, 2018. We are thankful to them for giving valuable suggestions for the improvement of the Bank's working.
- b) **Statutory Audit** - M/s. Sanjay Rane & Associates., Chartered Accountants, Mumbai, were appointed as the Statutory Auditor to conduct financial audit of the Bank for the year 2018-19. Observations of the Statutory Auditors on the operations of the Bank during the year under audit, are stated separately. Bank continues to maintain "A-Grade" under Audit Classification.
The rectification / compliance report of Statutory Audit for the financial Year 2017-2018 was duly complied and verified by Statutory Auditor M/s. Sanjay Rane & Associates on 30.03.2019.
- c) **Internal Audit** - M/s. Bhavesh Mehta & Co., Internal Auditors, conducted full fledged audit of all Branches & Head Office as well as Investment Portfolio of the Bank and they submitted the reports at quarterly intervals & same were placed in Audit Committee and to the Board.
- d) **Tax Audit** - Tax Audit of the Bank for the A.Y. 2018-2019 was conducted by M/s. F. R. Gosher & Co., Chartered Accountants. The Income Tax return for the F.Y. 2017-2018 was filled on 31st October, 2018. The Income Tax Assessment of the Bank has been completed up to A.Y. 2016-2017.
- e) **TDS and GST Compliance** - M/s. Aarpee Consultancy Services Pvt Ltd was appointed as consultant for filling TDS returns and M/s. Sanjay Rane & Associates was appointed as consultant for filing GST returns.

7) Foreign Exchange Business :

The Bank continues to hold AD Category II License by RBI. Our Bank is authorised to provide remittance facilities, and foreign currencies.

8) Human Resource Development :

Our staff strength as on 31st March, 2019 was 120, Out of which 45 were officers and 75 were other staff members. The operating profit per employee is Rs.1.54 lacs.

The Bank is deputing staff to various training programmes conducted by Reserve Bank of India - Pune, Vaikunth Mehta National Institute of Co-operative Management - Pune, Dr. Vitthalrao Vikhe Patil Institute of Co-operative Management- Pune, The Maharashtra Urban Co-operative Bank's Federation Ltd. - Mumbai and The Brihan Mumbai Nagri Sahakari Banks Association Ltd.- Mumbai.

9) Banking Technologies:

The Bank has adopted policy of implementing and improving Banking Technology for providing efficient and better customer service. In the month of February 2019, we have migrated our Core Banking Solution (CBS) application on new improved version 'WINGS'.

- a) **SMS Alerts:** This facility provides advice of any transactions that hits in the account, balance enquiry & short balance, if any, for inward clearing cheques.
- b) **Tax Collection:** All types of Government Taxes can be paid through any of our branches.
- c) **PAN Card Service:** Bank Provides hassle free service to customers to obtain PAN Card.
- d) **Technological Services to Customers:** The Beneficiaries of various services provided by the Bank are as under:

ATM Card Customers	SMS Alert Customers	Mobile Banking (IMPS) Customers	Arihant Arya Digital Banking Customers	APBS Availed by Customers
8337	23147	3327	1432	416

ATM card issued by our bank is also used as debit card for POS as well as E- Commerce transactions. This service provides cashless purchase facility at almost all shops having POS terminal. ATM Card is operational for cash withdrawal and non financial transactions at all leading Banks ATM all over India. The card is issued free of cost to the customers for first time. Those Members who have not availed the ATM Card are requested to acquire the same from their parent Branch.

Our Bank has launched **Arihant Arya Digital Banking App** through which customer can download statement, place cheque book request & make stop payment request 24x7x365 days at their convenience. This App is available on Google Play-store as well as on Apple Store.

- We offer 3 free financial or non financial transactions on ATM card at other Banks ATM per month.
- All transactions done through Arihant Rupay Debit Card at Arihant Bank's ATMs are free, irrespective of number of transactions. Our own on-site ATMs are located at Mulund (W), Ghatkopar (E), Matunga & Borivali (W) branches.
- Our Bank offers Arihant Mobile Banking App through which customer can make instant fund transfer within Arihant Bank accounts and from Arihant Bank accounts to other bank accounts as well through IMPS.
- Our Bank also offers NEFT/RTGS, IMPS Credit / Debit, NACH (National Automated Clearing House), APBS (Aadhar Payment Bridge System) & Arihant Arya Digital Banking (Net Viewing) facility.
- Our Bank offers periodical 0.50% Cash Back on E-Commerce and POS transactions and other attractive offers from time to time.

10) Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) & Pradhan Mantri Suraksha Bima Yojana (PMSBY) :

Our Bank has also implemented PMJJBY & PMSBY in tie up with LIC & UIIC.

11) Board of Directors Meetings & attendance:

Details of the meetings attended by the Directors in the year 2018-19 is given below:

Sr. No.	Name of the Director	No. of Meetings Held	No. of Meetings Attended
1	Hirachand D. Dand	20	20
2	Mukesh D. Maisheri	20	15
3	Dollar P. Shah	20	17
4	Gulab D. Shah	20	20
5	Hanskumar L. Chheda	20	19
6	Jaykumar H. Dagha	20	15
7	Kishor K. Khona	20	07
8	Kirankumar N. Momaya	20	19
9	Yashodhan R. Karani	20	14
10	Jalpa U. Lodaya	20	12
11	Manisha M. Poladia	20	18
12	Ratilal S. Shah	20	17

Acknowledgment:

1. The Board appreciates for the continued co-operation and ever growing support from valued customers, depositors, shareholders & well wishers.
2. Your Directors take the opportunity to express their sincere appreciation for the dedicated efforts and total commitment by the Bank's staff members at all levels.
3. Board thanks all our service providers and Bankers for their continued co-operation and support.

The Board of Directors also thanks:

1. Reserve Bank of India.
2. Commissioner for Co-operation, Registrar of Co-op Societies, Pune, The Divisional Joint Registrar, Dist. Deputy Registrar & Asst. Registrar (S Ward)
3. The Directors & Officers of MDCC Bank Ltd.
4. The Maharashtra Urban Co-operative Banks' Federation Ltd.
5. Honorable Shri Anandrao Adsul, President, Shri Sunil Salvi, Executive President & Shri Narendrakumar Sawant, General Secretary of the Co-op. Banks' Employees Union, Mumbai.
6. The Maharashtra Urban Co-operative Banks' Association.
7. Brihan Mumbai Nagari Sahakari Banks' Association Ltd.
8. Indian Banks' Association.
9. Statutory Auditors
10. Internal Auditors.
11. Tax Auditors.
12. Panel Advocates.

Place : Mumbai**Date : 15/07/2019****For & on Behalf of the Board of Directors,**

Sd/-

(Hirachand D. Dand)

Chairman

INDEPENDENT BANK AUDITOR'S REPORT

To,
The Members,
Shri Arihant Co-operative Bank Ltd.
Mumbai -400 083

Report on Financial Statements

1. We have audited the accompanying Financial Statements of “**SHRI ARIHANT CO-OPERATIVE BANK LIMITED**”, Mumbai as at 31st March 2019, which comprise the Balance Sheet as at 31st March 2019 and Profit and Loss Account, and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. The returns of Head Office and 5 branches audited by us and the returns of other branches audited by the concurrent/internal auditors of the respective branches are incorporated in these financial statements.

Management's Responsibility for the Financial Statements:

2. Management is responsible for the preparation of these Financial Statements that give true and fair view of the financial position and financial performance and cash flow of the Bank in accordance with the Banking Regulation Act, 1949 (as applicable to Co-operative Societies) the guidelines issued by the Reserve Bank of India and the Registrar of Cooperative Societies, Maharashtra, the Maharashtra Co-operative Societies Act, 1960, and the Maharashtra Co-operative Societies Rules, 1961, (as applicable) and generally accepted accounting principles in India so far as applicable to the Bank. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

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

Opinion

6. In our opinion and to the best of our information and according to the explanation given to us, subject to our observations in Audit Memorandum, the aforesaid financial statements together with the Notes thereon give the information required by the Banking Regulation Act, 1949 (as

applicable to co-operative societies), the Maharashtra Cooperative Societies Act, 1960, the Maharashtra Co-operative Societies Rules, 1961 and guidelines issued by Reserve Bank of India and Registrar of Co-operative societies, Maharashtra in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Bank as at 31st March 2019;
- (b) in the case of Profit and Loss Account, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949 and provisions of the Maharashtra Co-operative Societies Act, 1960 and the Maharashtra Co-operative Societies Rules 1961.
8. We report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found to be satisfactory;
 - b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches/offices;
 - c) The transactions of the Bank which have come to our notice are within the powers of the Bank;
 - d) The Balance Sheet and the Profit and Loss Account dealt with by this report, are in agreement with the books of account and the returns;
 - e) The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to Banks subject to disclosure in notes to accounts;
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 in respect of the details mentioned in the Rule 69(6) of Maharashtra Cooperative Societies Rules 1961.
10. We further report that for the year 2018-19 under audit, the Bank has been awarded "A" classification.

M/s Sanjay Rane & Associates

Chartered Accountants

Firm Reg. No.121089W

sd/-

(CA Vishal Bane)

Partner

M. No.146521

UDIN :19146521AAAANU5504

Place : Mumbai

Date : 09/07/2019

Balance Sheet as at 31st March, 2019

(Amount in Rupees)

31.03.2018	Capital & Liabilities	SCH	31.03.2019	31.03.2018	Property & Assets	SCH	31.03.2019
83872925.00	Share Capital	A	82467475.00	26565181.00	Cash In Hand		27619363.00
294604166.84	Reserve Fund & Other Reserves	B	293112149.37	396486639.96	Balances with other banks	F	319862913.57
3543625798.83	Deposits & Other Accounts	C	3507320693.35	1801137838.00	Investments	G	1712893306.00
0.00	Borrowings		0.00	1616106751.20	Loans & Advances	H	1747709309.79
0.00	Bills For Collection		6393164.00	72832761.75	Interest Receivable		76072854.21
112059263.69	Other Liabilities & Provisions	D	69510123.81	0.00	Bills Receivable		6393164.00
16377699.52	Overdue Interest Reserve A/c.		14991315.43	98384339.99	Other Assets	I	54542709.14
0.00	Branch Accounting		0.00	47542981.58	Fixed Assets	J	42349116.61
8570304.03	Profit & Loss Account	E	14458403.74	53664.43	Branch Accounting		810588.38
4059110157.91	Total Rs.		3989253324.70	4059110157.91	Total Rs.		3989253324.70
20874676.90	Contingent Liabilities		23829576.55				

AS PER OUR REPORT OF EVEN DATE
For M/s Sanjay Rane & Associates
 Chartered Accountants

CA. Vishal Bane
 Partner

Mem.No. : 146521
 FRN No. : 121089W
 Statutory Auditors

Place : Mumbai
Date : 09/07/2019

Hirachand D Dand
 Chairman

Dollar P Shah

Jaykumar H Dagha

Yashodhan R Karani

Ratilal S Shah

Maresh M Padave

Mukesh D Maisheri
 Vice-Chairman

Gulab D Shah

Kishor K Khona

Jalpa U Lodaya

Manikant V Nagda

Keshav N More

• **DIRECTORS** •

Kiran L Patel
 Chief Executive Officer

Hanskumar L Chheda

Kirankumar N Momaya

Manisha M Poladia

Profit & Loss Account for the year ended 31st March 2019

(Amount: in Rupees)

2017-2018	Expenditure	SCH	2018-2019	2017-2018	Income	SCH	2018-2019
208475863.96	Interest paid on Deposits/Borrowings		203318112.12		Interest & Discount Received		185793367.72
60893180.60	Salaries, Allowances & Provident Fund		68163079.00	179061669.90	Interest on Loans		130540981.31
4888750.00	Contribution to Staff PF & Other Funds		5611002.00	150891599.20	Interest on Investments		0.00
96004.00	Directors Fees & Allowances		71450.00	4331.00	Dividend		1992325.72
13655409.07	Rent, Taxes, Insurance, Electricity etc.		13811295.49	1493316.10	Commission, Exchange & Brokerage		
505360.00	Professional & Legal Charges		515421.00	3249.74	Share Transfer Fees		1377.00
590509.28	Postage, Telegram & Telephone Charges		972848.35	1864190.65	Sundry Income		3005007.53
1244036.18	Printing & Stationery		1036456.38	5712287.11	Processing Fees		4551706.02
1115525.00	Audit Fees		1178889.00	5393852.06	Incidental Charges		6219743.44
5522671.49	Depreciation on Fixed Assets		5189662.86	7939435.00	Profit on sale of GOI Securities		42500.00
	Other Items :			635849.20	Inspection Charges		563909.72
913733.72	Repairs & Maintenance		665285.69	3061553.00	Rent for Lockers		3245924.34
638547.44	Advertisement		88306.22	3881.88	Duplicate Share Certificate Charges		3607.00
15415.75	Loss on Sale of Assets		750.00	556895.58	ATM Charges		617631.49
83619.00	Board Meeting Expenses		94425.00	192115.92	SMS Banking Charges		801777.80
20886313.66	Other Expenditure	K	17638130.88	0.00	Excess IDR Provision		5201000.00
709202.00	Premium on GOI Securities Amortised		670481.00	202960.00	Rent Income		0.00
	Provisions :			36621.00	Income from POS Business		0.00
0.00	Reserve for Bad & Doubtful Debts		1754000.00	10574399.00	Provision for BDDR Written Back		0.00
690000.00	Contingent Prov. Against Standard Assets		670000.00	120000.00	Provision for Education Fund Written Back		0.00
32056360.00	Provisions for Investments Depreciation Reserve		0.00	0.00	IMPS Debit Charges		145636.64
	Income Tax :			0.00	Profit on sale of Assets		24637.00
2700067.00	Provision for Current Year		8124496.00				
3452191.00	Deferred Tax Assets		(1281354.00)				
0.00	Deficit / (Excess) provision for Income Tax		(8.00)				
	Transfers:						
45143.16	Special Reserve u/s 36(i)(viii)		0.00				
8570304.03	Net Profit Carried to Balance Sheet		14458403.74				
367748206.34	Total Rs.		342751132.73	367748206.34	Total Rs.		342751132.73

AS PER OUR REPORT OF EVEN DATE
For **M/s. Sanjay Rane & Associates**
Chartered Accountants

CA. Vishal Bane
Partner
Mem.No. : 146521
FRN No. : 121089W
Statutory Auditors

Hirachand D Dand
Chairman

Mukesh D Maisheri
Vice-Chairman

Kiran L Patel
Chief Executive Officer

• DIRECTORS •

Dollar P Shah	Gulab D Shah	Hansukumar L Chheda	Jaykumar H Dagha
Kishor K Khona	Kirankumar N Momaya	Yashodhan R Karani	Jalpa U Lodaya
Manisha M Poladia	Ratilal S Shah	Manikant V Nagda	
	Mahesh M Padave	Keshav N More	

Place : Mumbai
Date : 09/07/2019

SCHEDULES TO BALANCE SHEET

(Amount in Rupees)

31.03.2018	SCHEDULE A Share Capital	31.03.2019
150000000.00	A. Authorised Capital : 60,00,000 shares of Rs. 25.00 each	150000000.00
63958750.00	B. Subscribed & Paid Up Capital Individual	62353275.00
19914175.00	Others	20114200.00
83872925.00	3298699 Shares of Rs. 25.00 each fully paid (Previous year 3354917 Shares of Rs. 25.00 each)	82467475.00

31.03.2018	SCHEDULE B Reserve Fund & Other Reserves	31.03.2019
116247849.35	RESERVE FUND: Balance as per last balance sheet	120467805.17
25400.00	Add : Entrance Fees	17700.00
129800.00	Add : Nominal Membership Fees	307100.00
103797.00	Add : Transfer Unpaid Dividend for the year 2014-15	379013.50
3960958.82	Add : Transfer from Profit & Loss Account	2142576.01
120467805.17		123314194.68
51416132.12	BUILDING FUND : Balance as per last balance sheet	53963736.04
2547603.92	Add : Transfer from Profit & Loss Account	0.00
53963736.04		53963736.04
35291589.79	RESERVE FOR BAD & DOUBTFUL DEBTS : Balance as per last balance sheet	24717190.79
0.00	Less : Write off	182305.00
10574399.00	Less : Excess provision Written Back	0.00
0.00	Add : Provision made during the year	1754000.00
24717190.79		26288885.79
6300000.00	CONTINGENT PROVISION AGAINST STANDARD ASSETS : Balance as per last balance sheet	6990000.00
690000.00	Add : Addition during the year	670000.00
6990000.00		7660000.00
15373000.00	INVESTMENT FLUCTUATION RESERVE : Balance as per last balance sheet	16725104.00
1352104.00	Add : Addition during the year	0.00
0.00	Less : Transfer during the year	0.00
16725104.00		16725104.00

(Amount in Rupees)

31.03.2018	SCHEDULE B Reserve Fund & Other Reserves	31.03.2019
	CONTINGENT PROVISION AGAINST DEPRECIATION IN INVESTMENT:	
1695191.00	Balance as per last balance sheet	33748551.00
32053360.00	Add : During the year	0.00
0.00	Less : Transfer during the year	5201000.00
33748551.00		28547551.00
	REVALUATION RESERVE :	
16906554.00	Balance as per last balance sheet	15215899.00
1690655.00	Less : Depreciation on Revaluation Reserve	1521590.00
15215899.00		13694309.00
	SPECIAL RESERVE U/S. 36(1)(VIII) OF IT Act :	
2085235.00	Balance as per last balance sheet	2130378.16
45143.16	Add : During the year	0.00
2130378.16		2130378.16
	GENERAL RESERVE :	
8887615.00		8887615.00
8887615.00		8887615.00
	DIVIDEND EQUALISATION FUND :	
4224439.05	Balance as per last balance sheet	4224439.05
0.00	Less : Transfer during the year	713942.38
4224439.05		3510496.67
	SCHOLARSHIP FUND :	
168922.09	Balance as per last balance sheet	168922.09
168922.09		168922.09
	PROVISION FOR NEXT ELECTION EXPENSES :	
200000.00	Balance as per last balance sheet	200000.00
200000.00		200000.00
	ADDITIONAL RESERVE FUND :	
4462343.01	Balance as per last balance sheet	6046726.54
1584383.53	Add : Addition during the year	857030.40
6046726.54		6903756.94
	TECHNOLOGICAL DEVELOPMENT FUND :	
1100000.00	Balance as per last balance sheet	1100000.00
0.00	Add : Addition during the year	0.00
1100000.00		1100000.00
	NOMINAL MEMBERSHIP FEES :	
18400.00	Balance as per last balance sheet	17800.00
129200.00	Add : Addition during the year	306500.00
129800.00	Less : Transfer to Reserve Fund	307100.00
17800.00		17200.00
294604166.84	Total Reserve Fund & Other Reserves	293112149.37

(Amount in Rupees)

31.03.2018	SCHEDULE C Deposits & Other Accounts	31.03.2019
	FIXED DEPOSITS :	
2026216018.63	A) Individual	2065174965.28
29351777.00	B) Other Societies	28832054.00
2055567795.63		2094007019.28
	SAVINGS DEPOSITS :	
950826781.74	A) Individual	890993492.65
11953827.76	B) Other Societies	16648200.87
962780609.50		907641693.52
	CURRENT DEPOSITS :	
524651529.56	A) Individual	505668224.11
54074.00	B) Other Societies	3756.44
524705603.56		505671980.55
571790.14	UNCLAIMED DEPOSITS :	0.00
3543625798.83	Total Deposits	3507320693.35

31.03.2018	SCHEDULE D Other Liabilities	31.03.2019
3909658.47	Bills Payable	2279381.32
6833144.00	Provision for interest on Deposits	8406696.00
18259304.50	Provision for Expenses	13978955.23
83057156.72	Others	44845091.26
112059263.69	Total Other Liabilities	69510123.81

31.03.2018	SCHEDULE E Profit & Loss Account	31.03.2019
15843835.27	Balance as per last balance sheet	8570304.03
	Less : Transferred to	
3960958.82	Reserve Fund	2142576.01
1584383.53	Additional Reserve Fund	857030.40
2547603.92	Building Fund	0.00
1352104.00	Investment Fluctuation Fund	0.00
6398785.00	Dividend Payment for the year 2017-18	6284640.00
0.00	Add : Transfer from Dividend Equilisation Fund	713942.38
8570304.03	Add : Net Profit as per Profit & Loss Account	14458403.74
8570304.03	Profit & Loss Account	14458403.74

(Amount in Rupees)

31.03.2018	SCHEDULE F Balances with Other Banks	31.03.2019
17909703.95	MDCC Bank Ltd., Fort	14895307.71
21603.60	Punjab & Sind Bank, Bhandup	61030.60
27687.00	State Bank of India, Ghatkopar	34110.00
125588.00	State Bank of Hyderabad, Mandvi	0.00
10635.50	State Bank of India (BCP Clg Operations)	14986.50
7783280.75	Bank of Baroda , Bhandup	15096155.83
100038.25	Bank of Baroda, Dombivli	0.00
0.00	Bank of Baroda, Matunga	339595.25
2013160.00	Bank of Baroda, Mandvi	202710.00
47019482.28	HDFC Bank Ltd., OBC A/c.	6328482.53
1109319.99	HDFC Bank Ltd., DD A/c.	1162896.99
6403.50	HDFC Bank Ltd., SGL A/c.	9463887.70
136203.32	HDFC Bank Ltd., APMC, Vashi	136403.32
1000.00	HDFC Bank Ltd., Fort (BCP Clg Operations)	1000.00
173911.00	ICICI Bank Ltd.- CA, Vashi	129111.00
56081986.06	ICICI Bank Ltd.- Vikhroli	63787966.64
14218925.80	ICICI Bank Ltd.- ATM	15987984.28
222675.00	ICICI Bank Ltd.- Thane	222675.00
246986.30	IDBI Bank – Thane	246986.30
101018.00	IDBI Bank – Dombivli	200982.60
1104411.60	IDBI Bank – Mulund	12327.90
15180.75	Axis Bank CA, Bhandup	15180.75
59850.00	The Shamrao Vithal Co-op Bank Ltd. - CA , Vikhroli	59850.00
247997589.31	Reserve Bank of India	191463282.67
396486639.96	Total Balance With Other Banks	319862913.57

31.03.2018	SCHEDULE G Investments	31.03.2019
	Government Securities :	
655213152.00	Held to Maturity (FV Rs. 62,23,00,000.00 MV Rs. 59,83,70,210.00) (Earmarked against Reserve Fund Rs. 13,54,40,826.00)	626026109.00
596992551.00	Available for Sale (FV Rs. 61,00,00,000.00 MV Rs. 58,80,99,000.00)	616646551.00
0.00	Held for Trading (FV Rs. 0.00 MV Rs. 0.00)	0.00
1252205703.00		1242672660.00

(Amount in Rupees)

31.03.2018	Fixed Deposits with Banks :	31.03.2019
11561135.00	FDR with Bank of Baroda, Bhandup (W)	12947396.00
16100000.00	FDR with MDCC Bank Ltd., Fort (Earmarked Against Reserve Fund Rs. 1,11,00,000.00)	16100000.00
35000000.00	FDR with Union Bank Of India, Bhandup (W)	0.00
20000000.00	FDR with The Bharat Co-op. Bank (Mumbai) Ltd., Bhandup (W)	20000000.00
3000000.00	FDR with The Saraswat Co-op. Bank Ltd., Ghatkopar (W)	0.00
10000000.00	FDR with The Saraswat Co-op. Bank Ltd., Ghatkopar (E)	0.00
30000000.00	FDR with The Saraswat Co-op. Bank Ltd., Vikhroli (W)	0.00
15000000.00	FDR with The Shamrao Vithal Co-op. Bank, Vikhroli (W)	15000000.00
20000000.00	FDR with The Mahanager Co-op Bank Ltd., Bhandup (W)	0.00
50000000.00	FDR with Thane Bharat Sahakari Bank Ltd., Ghatkopar (W)	0.00
30000000.00	FDR with The Thane Janata Sahakari Bank Ltd., Mulund (W)	0.00
10000000.00	FDR with Punjab & Maharashtra Co-op. Bank Ltd., Kurla (W)	0.00
0.00	FDR with Punjab & Maharashtra Co-op. Bank Ltd., Ghatkopar (W)	10000000.00
20000000.00	FDR with Janata Sahakari Bank Ltd, Pune , Ghatkopar (E)	10000000.00
40000000.00	FDR with Dombivli Nagri Sahakari Bank Ltd., Ghatkopar (W)	15000000.00
28900000.00	FDR with RBL Bank Ltd., Vartak, Thane (W)	28900000.00
19800000.00	FDR with RBL Bank Ltd., Ghatkopar (E)	19800000.00
50000000.00	FDR with Bassein Catholic Co-op Bank Ltd., Thane (W)	50000000.00
15000000.00	FDR with AU Small Finance Bank Ltd., Thane (W)	15000000.00
50000000.00	FDR with Utkarsh Small Finance Bank Ltd., Chembur	50000000.00
50000000.00	FDR with Ujjivan Small Finance Bank Ltd., Chembur	42900000.00
19500000.00	FDR with G P Parsik Sahakari Bank Ltd, Mahape	19500000.00
5000000.00	FDR with Suryoday Small Finance Bank Ltd., CBD Belapur	50000000.00
0.00	FDR with Fincare Small Finance Bank Ltd., Andheri (E)	50000000.00
0.00	FDR with Jana Small Finance Bank Ltd., Powai	45000000.00
548861135.00		470147396.00
	Shares in Co-op. Institutions :	
71000.00	Shares of MDCC Bank Ltd.,Fort	71000.00
0.00	Shares of Co-op Housing Societies	2250.00
71000.00		73250.00
1801137838.00	Total Investments	1712893306.00

(Amount in Rupees)

31.03.2018	SCHEDULE H Loans and Advances	31.03.2019
	Short Term Loans (Cash Credit, Overdrafts, Bills Discounted):	
	Of which secured against	
356230846.49	A) Govt. & Other Approved Securities	320213776.37
713363895.12	B) Other Tangible Securities	680929362.44
1097699.01	C) Personal Sureties	1354865.18
54059853.54	Of the advances, Amount Overdue	185655980.18
37726683.43	Amount considered Bad & Doubtful of Recovery	30442781.03
1070692440.62		1002498003.99
	Medium Term Loans : Of Which Secured against	
37564480.09	A) Govt. & Other Approved Securities	52294006.16
505998322.82	B) Other Tangible Securities	690512195.36
1851507.67	C) Personal Sureties	2405104.28
14533933.12	Of the advances, Amount Overdue	9148105.47
13724536.12	Amount considered Bad & Doubtful of Recovery	6793066.47
545414310.58		745211305.80
1616106751.20	Total Loans & Advances	1747709309.79

31.03.2018	SCHEDULE I Other Assets	31.03.2019
934912.91	Stock of Stationery	806882.95
10414.00	Stamps on Hand	21975.00
3816554.00	Security Deposits (Assets)	3822374.00
6488502.00	Deferred Tax Assets	7769856.00
87133957.08	Others	42121621.19
98384339.99	Total Other Assets	54542709.14

SCHEDULE J
Fixed Assets

(Amount in Rupees)

Sr. No.	Particulars	% of Dep.	Gross Block			Depreciation			Net Block			
			Opening Bal. as on 01/04/18	Addition During the Year	Deletion in the Year	Total as on 31/03/19 (4+5-6)	Opening Bal. as on 01/04/18	Addition During the Year	Deletion / Sale / WO Trf	Total as on 31/03/19 (8+9-10)	Closing Bal as on 31/03/18 as on 31/03/18	
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Premises (#) (*)	10.00%	97286944.16	184250.00	142000.00	97329194.16	66916022.73	3044221.90	121160.00	69839084.63	27490109.53	30370921.43
2	Furniture & Fixtures	10.00%	18689952.25	261423.68	7000.00	18944375.93	9367937.46	945980.45	4287.31	10309630.61	8634745.32	9322014.79
3	Office Equipment	15.00%	5799899.83	155000.00	175003.00	5779896.83	4416875.15	216806.92	82346.00	4551336.07	1228560.76	1383024.68
4	Air Conditioners	15.00%	2839047.92	63639.91	83917.00	2818770.83	1985649.92	131176.44	61364.57	2055461.79	763309.04	853398.00
5	Electrical Installation	10.00%	3362172.00	0.00	0.00	3362172.00	1276002.91	208618.07	0.00	1484620.98	1877551.02	2086169.09
6	Computer & Printers	33.33%	21744113.66	1067618.41	564716.00	22247016.07	18478639.07	2125152.07	488934.01	20114857.13	2132158.94	3265474.59
7	Motor Vehicle	15.00%	750954.00	0.00	0.00	750954.00	488975.00	39297.00	0.00	528272.00	222682.00	261979.00
	TOTAL		150473083.82	1731932.00	972636.00	151232379.82	102930102.24	6711252.86	758091.89	108883263.21	42349116.61	47542981.58

Includes figure of Revaluation Reserve for Rs. 13694309.00

* Includes figure of Depreciation on Revaluation Reserve for Rs. 1521590.00

Figures are regrouped wherever necessary

(Amount in Rupees)

SCHEDULE K		2017-2018	2018-2019
Other Expenditures			
	Conveyance Charges	586507.27	554569.29
	Expenditure A/C Security Guard	2003668.00	2291508.00
	Sundry Charges	986744.01	887904.29
	Clearing House Charges	923805.00	891336.00
	Others	16385589.38	13012813.30
	Total Other Expenditures	20886313.66	17638130.88

ANNEXURE – 'A'

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2019 & PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2019.

I BACK GROUND:

SHRI ARIHANT CO-OPERATIVE BANK LTD., was incorporated on 04.05.1984 and provides services through 10 Branches and Head Office. The area of operation is restricted to Greater Mumbai, Thane including Navi Mumbai & Raigad Districts.

II BASIS OF PREPARATION:

The financial statements have been prepared under the historical cost convention and on the accrual basis of accounting unless otherwise stated, and in accordance with generally accepted accounting principles and conform to the statutory requirements prescribed under the Banking Regulation Act, 1949, circulars issued by the Reserve Bank of India (RBI) from time to time and practices prevailing in co-operative banks within the banking industry in India.

The presentation of the financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

III SIGNIFICANT ACCOUNTING POLICIES:

1. Accounting Convention:

The financial statements are drawn up in accordance with the historical cost convention (as modified by revaluation of premises) and on the ongoing concern basis. They are in conformity with generally accepted principles and practices prevailing in India, Statutory provisions and guidelines issued by RBI except where otherwise stated.

2. Revenue and Expense Recognition:

- a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the bank and the revenue can be reliably measured.
- b) Income and Expenditure are accounted on accrual basis except as otherwise stated.
- c) Interest income is recognized in the profit and loss account on an accrual basis, except in the case of non-performing assets where it is recognized upon realisation as per RBI norms.
- d) Dividend on investment, commission, incidental charges, services charges are accounted on cash basis.
- e) Income from interest on refund of income tax is accounted for in the year the order is passed by the income tax authority.
- f) Expenses arising out of claims in respect of employee matters under dispute / negotiation are accounted during the year of final settlement / determination.
- g) Interest on Saving Bank Account is accounted bi-annually and credited to respective Savings Bank Accounts.
- h) Interest on matured term deposits is not taken into cognizance. Interest is paid in respect of term deposits renewed within 14 days of the maturity.
- l) Interest on unpaid and unclaimed matured term deposits are accounted for at saving bank rate.

3. Investments:

- (I) In accordance with the RBI directives, the bank has classified its investments portfolio into the following categories as on 31st March, 2019
 - a) Held to Maturity (HTM)
 - b) Available for sale (AFS)
 - c) Held for Trading (HFT)
- (II) The valuation of investments in the above categories has been done as follows :-
 - a) **Held to Maturity (HTM):** Investments in HTM category are carried at cost of acquisition. The premium if any, paid on acquisition is amortized over the balance period of maturity.
 - b) **Available for sale (AFS):** Investments made under this category are valued at market rate and net depreciation in each category, if any, is provided for and net appreciation in each category is ignored.
 - c) **Held for Trading (HFT):** Investments made under this category are valued at market rate and net depreciation in each category, if any, is provided for and net appreciation in each category is ignored.
Securities are valued scrip-wise and depreciation/appreciation is aggregated for each category. Net appreciation in each category, if any, being unrealised, is ignored, while net depreciation is provided for. Non-performing investments are identified based on the RBI guidelines.
- (III) **Amortization:** Premium on acquisition of Government Securities under HTM category has been amortized over the balance period of maturity.
- (IV) The valuation of investments in Government Securities is determined as per the rates quoted in FBIL valuation.
- (V) Broken period interest (the amount of interest from the previous interest payment date till the date of purchase/sale of instruments) on debt instruments is treated as a revenue item.
- (VI) Profit/loss on sale of investments in 'Available for Sale' and 'Held for Trading' categories is recognised in the profit and loss account.
- (VII) Reclassification of investments from one category to another, is done in accordance with RBI guidelines and any such transfer is accounted for at the acquisition cost / book value /market value, whichever is lower, as at the date of transfer. Depreciation, if any, on such transfer is fully provided for.
- (VIII) Costs including brokerage and commission pertaining to investments, paid at the time of acquisition, are charged to the profit and loss account.

4. Advances:

- a) Advances are classified into standard, sub-standard, doubtful and loss assets in accordance with the Income Recognition, Asset classification and provisioning norms prescribed by the Reserve Bank of India.
- b) Provision on advances categories under Sub-Standard, Doubtful and Loss Assets is made in accordance with the guidelines issued by the RBI. In addition, a general provision has been made on all standard assets as per RBI directives.
- c) Overdue interest in respect of NPA is accounted separately under 'Overdue Interest Reserve' as per guidelines of RBI.

5. Foreign Exchange Transaction:

Bank has been granted Category II Foreign Exchange License by RBI.

6. Fixed Assets:

- a) Land and Premises stated at revalued cost less depreciation.
- b) Other Fixed Assets are stated at their written down value.
- c) Profit/ Loss on sale of assets is recognized in the year of sale / disposal.
- d) Depreciation on Fixed Assets is charged on written down value (WDV) basis as per the rates determined by the Income Tax Act, 1961 except in case of computer (including computer software) where the depreciation is charged at the rate of 33.33% on Straight Line Method as stipulated in RBI circular.
- e) Depreciation on fixed assets purchased and put to use during the year is charged for entire year if the asset is purchased and retained for 180 days or more, otherwise it is charged at 50 % of the normal rate.
- f) As per Accounting Standard AS 10 (revised 2016) 'Property, Plant and Equipment' issued by ICAI , depreciation on original cost as well as revalued amount should be debited to the Profit & Loss Account and an amount equivalent to the depreciation on such revalued amount of fixed asset should be transferred from Revaluation Reserve to Profit & Loss Appropriation account (revenue reserve). Whereas, the Bank has charged depreciation on the revalued amount of premises to Revaluation Reserve as per past practice. The treatment followed by bank will have no impact on profitability, Capital Adequacy Ratio as well as cash flow of the bank.

7. Staff Retirements Benefits:

- a) Provident Fund contributions are made to Government Provident Fund on accrual basis.
- b) Bank had covered all employees under group gratuity scheme with LIC of India. The liability towards staff gratuity assessed by LIC was Rs. 23.13 Lakh and the same was fully provided during the year 2018-19.
- c) The accounting of leave encashment on cash basis is not in accordance with the Accounting Standard-15(AS-15) and Accounting Standard-9(AS-9) issued by the Institute of Chartered Accountants of India. Since the figure of amount payable to employees on account of leave encashment is not made available, the extent of the same on the profit of the bank is not quantifiable. The bank has provided adhoc amount of Rs. 5.00 Lakhs during the year and accumulative provision for leave encashment till 31-03-2019 was Rs. 55.00 Lakhs.

8. Taxation:

- a) Tax expenses comprises of both Deferred & current taxes. Current tax is provided in accordance with the applicable provisions of Income Tax Act, 1961 and Rules framed there under.
- b) Deferred tax is measured based on tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

9. Accounting for Provisions, Contingent Liabilities:

A provision is recognized when the Bank has a present obligation as a result of past event where it is probable that an outflow of resources will be required to settle the obligation, in respect of

which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

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

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 asset and related income are recognized in the period in which the change occurs.

Contingent liability is disclosed when there is 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 any present obligation arising from past event which is not recognized since it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of such obligation cannot be made.

IV NOTES ON ACCOUNTS:

- 1) Certain items of Income & Expenditure as stated in para 'III' above of the significant accounting policies are accounted on cash basis. These are some deviations from the generally accepted practice and as laid down by Accounting Standard-9 on 'Revenue Recognition' issued by The Institute of Chartered Accountants of India, which specifies such items to be accounted for on accrual basis of accounting. This has resulted in such items being accounted for only in the year of realization / payment instead of splitting the same over two or more accounting periods due to the nature of the transactions. Consequently the Income/Profit of the Bank is understated / overstated to that extent. Further in the absence of information, we are unable to quantify the effect of the same on the profit of the bank.
- 2) a) Contingent Liability towards Guarantees issued by the Bank on behalf of customers is Rs. 1,73,04,461=00 and other Contingent Liability towards The Depositors Education and Awareness Fund (DEAF) is Rs. 65,25,115=55.
- b) Guarantees issued by the other banks on our behalf against pledge of our Fixed deposits is as under:

I) Mohili Village Branch	Rs. 20.00 lakhs
--------------------------	-----------------
- c) **The Depositor Education and Awareness Fund (DEAF):**
 In terms of DBOD Circulars No. DEAF Cell.BC.114/30.01.002/2013-14 dated 27th May, 2014 the Bank created Depositor Education and Awareness Fund on June 30, 2014 and transferred all credit balance mentioned in sub clause i) to viii) in Clause 3 of DEAF Scheme 2014 maintained with the Bank which have not been in operation for 10 years or more. Subsequently, Bank is transferring to the said Fund, amount becoming due in each calendar month (i.e. proceeds of inoperative accounts and balances remaining unpaid for 10 years or more) as specified in the scheme and the interest accrued thereon on the last working day of the subsequent month.

In case of demand from customer/depositors whose unclaimed amount/deposit had been transferred to the fund, the Bank repays the customer/depositor, along with interest, if applicable, and lodges a claim for refund from the Fund for an equivalent amount paid to the customer/depositor. All such unclaimed liabilities (where amount due has been transferred to DEAF) are reflected as "Contingent Liability – Others, items for which the Bank is contingently liable" under Schedule of Contingent Liability in the Annual Financial Statements.

(Amount in Lakhs)

	FY 2018-2019	FY 2017-2018
Opening balance of amounts transferred to DEAF	54.99	54.81
Add : Amounts transferred to DEAF during the year	11.18	8.69
Less : Amounts reimbursed by DEAF towards claims**	0.92	8.51
Closing balance of amounts transferred to DEAF	65.25	54.99
** The bank has paid Rs. 0.20 Lakhs (Rs. 0.59 Lakhs) to customers/ depositors towards the said deposit which have remained unclaimed for 10 years or more and also claimed refund of said amount from RBI in terms of the said scheme.		

- d) Bank had received notice from the Shri Anantnathji Maharaj Jain Temple and its Sadharan Funds Trust in respect of Chinch bunder branch (ownership) premises relating to Repair cess demand made by BMC for the period of October 2000 till March 2014 amounting to Rs 28.79 Lakhs. The demand had been disputed by the management. The management is hopeful of contesting this demand and accordingly the amount is not provided for.

3. Segment Reporting:

The disclosure under AS-17 on segment reporting issued by ICAI is as follows:

(Amount in Rupees)

Business Segment	Treasury		Other Banking Operation		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Revenue						
Segment Revenue	135784481	158835365	206957560	208912841	342742041	367748206
Result	39080814	11996176	-17779276	2771529	21301538	14767705
Unallocated Expenses	-----	-----	-----	-----	-1281362	3497334
Operating Profit	-----	-----	-----	-----	22582900	11270371
Income Tax	-----	-----	-----	-----	(8124496)	(2700067)
Extra Ordinary Profit/Loss	-----	-----	-----	-----	0	0
Net Profit	-----	-----	-----	-----	14458404	8570304
Other Information						
Segment Assets	1773974845	1857592900	2179879369	2134520630	3953854214	3992113530
Unallocated Assets					34399111	66996628
Total Assets	1773974845	1857592900	2179879369	2134520630	3988253325	4059110158
Segment Liabilities						
Liabilities	1533408389	1858623039	2024900771	1742328054	3558309161	3600951093
Own Fund	272045653	247172538	109104760	130987243	381150413	378159781
Unallocated Liabilities					48793751	79999284
Total Liabilities	1805454042	2105795576	2134005531	1873315298	3988253325	4059110158

- i) The bank is organized into two main business segments mainly -
 - a. Treasury, primarily comprising of trading/investments in Government Securities.
 - b. Other Banking operations primarily comprising of loans & advances to corporate, retails loans and advances to customers.
 - ii) The above segments are based on the currently identified segments taking into the nature of services provided, the risks and returns and overall organisation structure of the bank and internal financial reporting system.
 - iii) Segment revenues, results, assets & liabilities include the respective amounts identifiable to each of the segment and amounts apportioned/allocated on a reasonable basis.
 - iv) Secondary segment information: the Bank caters mainly to the needs of Indian customers and hence separate information regarding secondary segment i.e.; Geographical segment is not given.
4. The Bank has ascertained that there is no material impairment of any of its assets except unsecured portion of NPA advance, against which necessary provision is made in line with the RBI guidelines. Hence, in the opinion of the Bank no separate provision under accounting standard - 28 on impairment of Assets (AS-28) issued by the ICAI is required.
 5. Related parties required a disclosure under Accounting Standard-18 issued by ICAI. The Bank is a co-operative society under the Maharashtra Co-operatives Societies Act, 1960 and there are no related parties requiring disclosure under Accounting Standard 18 issued by ICAI other than Key Management Personnel i.e. Mr. Kiran L. Patel, the Chief Executive Officer of the bank. However, in terms of RBI Circular dated 29th March, 2003, he being a single party coming under this category, no further details thereon needs to be disclosed.
 6. Leases: The Bank has cancellable operating leases and the disclosure under AS-19 on "Leases" issued by ICAI are as follows:
 - a) Leases where the lessor effectively retails substantially all risks and benefits of ownership are classified as operating leases.
 - b) Operating Lease rent expensed in the profit and loss account in the current year amounts to Rs. 61.60 Lakhs.
 7. Accounting Standard 20: Earning per share (EPS) :
Basic earning per share is calculated by dividing the net profit for the period by the weighted average number of shares outstanding during the year. The weighted average number of shares is calculated on monthly basis.

(Amount in Rupees)

PARTICULARS	31.03.2019	31.03.2018
1) Basic E.P.S.	4.37	2.62
2) Diluted E.P.S.	N.A.	N.A.
Calculation of Basic E.P.S.		
a) Net Profit after Tax available for Equity Shareholders	14458403	8570304
b) Weighted Average number of Equity Shares (No.)	3309860	3271949
c) Basic Earning per share (a / b)	4.37	2.62
d) Nominal Value per Share	Rs 25	Rs 25

8. **Deferred Tax :** Deferred tax has been recognized on account of timing differences between the book profits and the taxable profits. The tax asset of timing differences between the book profits and the taxable profits are reflected through Deferred Tax Assets (DTA)/ Deferred Tax Liability (DTL). DTA has been recognized only to the extent that there is reasonable certainty that the asset would be realized in near future.

(Amount in Rupees)

Particulars	31-03-2019	31-03-2018
Deferred Tax Assets:		
- On account of timing difference towards provisions	5358002	4738473
- Provision for standard assets	2676404	2159910
- Provision for expenses	NIL	NIL
- Others	NIL	NIL
Total	8034406	6898383
Deferred Tax liability:		
- Depreciation on Fixed assets	4,79,803	248405
- Special Reserve U/s.36 (1)(viii)	(7,44,354)	(658287)
Total	(2,64,551)	(409882)
Net Deferred Tax Asset	77,69,855	6488501

9. Taxation: The bank has provided for income tax liability of Rs. 81,24,496/- for the current financial year.
The Income Tax assessment has been completed up to A.Y. 2016-17 except for A.Y. 2014-15 and there is no disputed / undisputed liabilities outstanding till above assessment year.
10. Cash flow statement as required by Accounting Standard – 3 issued by ICAI is enclosed.
11. Investments include fixed deposits pledged as follows:
- Rs. 20,00,000/- pledged with Bank of Baroda for bank guarantees issued by them to Reliance Infrastructure Limited on our behalf for collection of electricity bills.
 - Rs. 50,00,000/- pledged with Mumbai District Central Co-operative Bank Ltd. against overdraft limit sanctioned to the Bank. The balance outstanding against the said facility as on 31.03.2019 was Rs. Nil.
 - Rs. 1,09,47,396/- pledged with Bank of Baroda, Bhandup against overdraft limit sanctioned to the Bank. The balance outstanding against the said facility as on 31.03.2019 was Rs. Nil.
12. Figures for previous year have been re-grouped / re-arranged wherever necessary to make them comparable with the current year.

V. ADDITIONAL DISCLOSURE AS PER RBI CIRCULAR NO. UBD.CO.BP.PCB.20/ 16.45.00/ 2002-03., BDT. 30.10.02. Ref. No. B.P.38/16.45.00/2002-03 dtd. 06.03.2003.

(Amount in Lakhs)

S.No.	PARTICULARS	As on 31.03.19	As on 31.03.18
i)	Capital to Risk Asset Ratio	20.44%	21.79%
ii)	Movement of CRAR		
	a) Total Capital Funds	3101.14	3046.21
	b) Total Risk Weighted Assets	15172.23	13979.74
iii)	Investments		
	a) Face Value	12323.00	12423.00
	b) Book Value	12426.73	12522.06
	c) Market Value	11864.69	11866.10
	Bonds of Public Sector Undertaking	0.00	0.00
	Other Trustee Securities		
	Fixed Deposits in Co-op. banks, Dist. Central and State co-op banks and Other banks	4701.47	5488.61
	Shares of co-operative institution / approved financial institutions	0.73	0.71
	Total Face Value	17025.20	17912.32
	Total Book Value	17128.93	18011.38
	Total Market Value	16566.89	17355.42
iv)	Advances against		
	Real Estate	501.84	332.43
	Construction Business	18.31	20.23
	Housing	1460.66	1637.60
v)	Advances against shares & debentures	0.00	0.00
vi)	Advances to Directors, their relatives, companies/firms in which they are interested.		
	a) Fund Based	16.82	4.42
	b) Non-Fund Based (Guarantees L/C, etc)	0.00	0.00
vii)	Cost of Deposits (Average Cost of Deposits)	6.00%	5.98%
viii)	NPA's		
	a) Gross NPA's	372.36	514.51
	b) Net NPA's	109.47	267.34
ix)	Movement Of NPA's		
	a) Gross NPA's		
	Opening Balance	514.51	347.90
	Add: Additions during the year	191.95	354.78
	Less: Closed/Recovered/Written Off during the year	(334.10)	(188.17)
	Closing Balance	372.36	514.51
	b) Net NPA's		
	Opening Balance	267.34	(5.02)
	Add: Additions during the year	176.23	272.36
	Less: Closed/Recovered/Written Off during the year	334.10	0.00
	Closing Balance	109.47	267.34
x)	Profitability :		
	a) Interest income as a percentage of working funds	8.14%	8.26%
	b) Non-interest income as a percentage of working funds	0.71%	0.68%
	c) Operating profit as a percentage of working funds	0.48%	0.92%
	d) Return on Assets	0.37%	0.21%
	e) Business (Deposits + Advances) per employee	437.92	452.61
	f) Profit per employee	1.54	3.23

(Amount in Lakhs)

S.No.	PARTICULARS		As on 31.03.19	As on 31.03.18	
xi)	Provision made towards NPA's:				
	NPA		17.54	0.00	
	Depreciation on Investment		0.00	320.53	
xii)	Movement in provisions:				
	a) Towards NPA's				
	Opening Balance		247.17	352.92	
	Add: Additions during the year		17.54	0.00	
	Less: Closed/Recovered/Written Off during the year		1.82	105.75	
	Closing Balance		262.89	247.17	
	b) Towards Depreciation on investments				
	Opening Balance		337.49	16.95	
	Add: Additions during the year		0.00	320.54	
	Less: Closed/Recovered/Written Off during the year		52.01	0.00	
	Closing Balance		285.48	337.49	
	c) Towards Investment Fluctuation Fund				
	Opening Balance		167.25	153.73	
	Add: Additions during the year		0.00	13.52	
	Less: Closed/Recovered/Written Off during the year		0.00	0.00	
	Closing Balance		167.25	167.25	
	c) Towards Standard Assets				
	Opening Balance		69.90	63.00	
	Add: Additions during the year		6.70	6.90	
	Less: Closed/Recovered/Written Off during the year		0.00	0.00	
	Closing Balance		76.60	69.90	
xiii)	Foreign Currency Assets & Liabilities		-	-	
xiv)	DICGC Insurance Premium paid Period upto Sept 2019				
xv)	I) ISSUER COMPOSITION OF NON-SLR INVESTMENTS (Amount in lakhs)				
No.	Issuer	Amount	Extent of 'below invt. Grade' Securities	Extent of unrated Securities	Extent of unlisted Securities
1	PSU's	NIL	NIL	NIL	NIL
2	FI's	NIL	NIL	NIL	NIL
3	Nationalised Banks	NIL	NIL	NIL	NIL
4	Others	NIL	NIL	NIL	NIL
5	Provisions held for depreciation	NIL	NIL	NIL	NIL
	II) NON-PERFORMING NON-SLR INVESTMENTS :			NIL	
	Particulars			(Amount in lakhs)	
a)	Opening Balance			NIL	
b)	Additions during the year			NIL	
c)	Reductions during the year			NIL	
d)	Closing Balance			NIL	
e)	Total Provisions held			NIL	
III) Statement of securities sold/ purchased under REPO transactions during the year 2018-19					
Particulars	Minimum Outstanding during the year	Maximum outstanding during the year	Daily average during the year	As on 31.03.2019	
Securities sold under REPO	NIL	NIL	NIL	NIL	
Securities under Reverse REPO	NIL	NIL	NIL	NIL	

IV) Particulars of Account Restructured during the year ended 31/03/2019

		Housing Loans	SME Debt Restructuring	Others (Rs. in Lakhs)
Standard advances restructured	No. of Borrowers Amount outstanding Sacrifice (Diminution in the fair value)	NIL	NIL	NIL
Sub-Standard advances restructured	No. of Borrowers Amount outstanding Sacrifice (Diminution in the fair value)	NIL	NIL	NIL
Doubtful advances restructured	No. of Borrowers Amount outstanding Sacrifice (Diminution in the fair value)	NIL	NIL	No. - 1 O/S - 4.84 Sacrifice - Nil
Total	No. of Borrowers Amount outstanding Sacrifice (Diminution in the fair value)	NIL	NIL	No. - 1 O/S - 4.84 Sacrifice - Nil

Note: Above statement has been compiled in accordance with the information submitted to Reserve Bank of India annually and definitions of various terms have also been considered in consistent with statement No. II of RBI Inspection format submitted to RBI.

Signatures to Schedule A to K and Annexure A

AS PER OUR REPORT OF EVEN DATE
For **M/s. Sanjay Rane & Associates**
Chartered Accountants

Hirachand D Dand
Chairman

Mukesh D Maisheri
Vice-Chairman

Kiran L Patel
Chief Executive Officer

• DIRECTORS •

CA. Vishal Bane
Partner

Dollar P Shah

Gulab D Shah

Hanskumar L Chheda

Mem. No. : 146521
FRN No. : 121089W
Statutory Auditors

Jaykumar H Dagha

Kishor K Khona

Kirankumar N Momaya

Yashodhan R Karani

Jalpa U Lodaya

Manisha M Poladia

Ratilal S Shah

Manikant V Nagda

Place : Mumbai

Date : 09/07/2019

Mahesh M Padave

Keshav N More

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rupees)

PARTICULARS	31.03.2019		31.03.2018	
	Rs.	Rs.	Rs.	Rs.
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit as per P/L account		1,44,58,403.74		85,70,304.03
Add: Adjustments for:				
Depreciation on Assets	51,89,662.86		55,22,671.49	
Amortisation	6,70,481.00		7,09,202.00	
Provision for Taxation	81,24,496.00		27,00,067.00	
Provision for BDDR	17,54,000.00		-	
Provision for Standard Assets	6,70,000.00		6,90,000.00	
Provision for Gratuity	23,25,000.00		-	
Provision for Leave Encashment	5,00,000.00		-	
Provision for Election Expenses	-		-	
Transfer to Special Reserve U/s.36(1)(viii)	-		45,143.16	
Loss on Sale of Assets	750.00		15,415.75	
Interest on Earmarked Investment	-		-	
Under provision of Taxation	-		-	
Software Expenses	-		-	
Depreciation on Investment	-		3,20,56,360.00	
Furniture & Fixture Written Off	1,14,096.69		32,69,484.04	
Deferred Tax Assets	-		34,52,191.00	
Depreciation while shifting of Investment	12,28,362.00		-	
Education Fund Contribution	-	2,05,76,848.55	-	4,84,60,534.44
		35035252.29		57030838.47
Less:				
Share Transfer Fee	1377.00		3249.74	
Profit on Sale of Securities	42500.00		7939435.00	
Dividend Received	0.00		4331.00	
Excess Provision for Income Tax	8.00		0.00	
Excess IDR Provision trf to PL	5201000.00		0.00	
Excess BDDR Provision Written Back	0.00		10574399.00	
Deferred Tax Assets	1281354.00		0.00	
Provision for Education Fund Written Back	0.00		120000.00	
Rent Income	0.00		202960.00	
Profit on Sale of Fixed Assets	24637.00	(6550876.00)	0.00	(18844374.74)
Cash Profit Generated Before Working Capital Changes		28484376.29		38186463.73
(Increase) / Decrease in Investments	86388189.00		(67801350.00)	
(Increase) / Decrease in Advances	(131784863.59)		(238145939.29)	
(Increase) / Decrease in Other Assets	12038991.77		13524373.29	
(Increase) / Decrease in Accrued Interest on Investment	(4626476.55)		7866492.53	
Increase / (Decrease) in Deposits	(36305105.48)		(181404088.34)	
Increase / (Decrease) in Other Liabilities	(12335633.38)		(25558790.35)	
Increase / (Decrease) in branch adjustment	(756923.95)		(551196.46)	
Increase / (Decrease) in Borrowings	0.00		0.00	
Less: Scholarship paid during the year	0.00		0.00	
Less: Income tax paid	(7527381.92)		(7953060.00)	
		(94909204.10)		(500023558.62)
NET CASH GENERATED FROM OPERATING ACTIVITIES(A)		(66424827.81)		(461837094.89)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rupees)

PARTICULARS	31.03.2019		31.03.2018	
	Rs.	Rs.	Rs.	Rs.
CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(1623157.78)		(15778835.71)	
Sale of Fixed Assets	15560.20		1200.00	
Dividend Received	0.00		4331.00	
NET CASH USED IN INVESTING ACTIVITIES (B)		(1607597.58)		(15773304.71)
CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of Share Capital	(1405450.00)		2323025.00	
Entrance Fees	17700.00		25400.00	
Nominal Membership Fees	306500.00		129200.00	
Transfer Fee	1377.00		3249.74	
Earlier Period Dividend				
Dividend Paid	(6457246.00)		(6109651.50)	
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)		(7537119.00)		(3628776.76)
NET INCREASE IN CASH & CASH EQUIVALENTS (A + B + C)		(75569544.39)		(481239176.36)
Cash & Cash Equivalents at the beginning of the year		423051820.96		904290997.32
Cash & Cash Equivalents at the end of the year		347482276.57		423051820.96
		0.00		0.00
Cash & Cash Equivalents		31.03.2019		31.03.2018
Cash & Cash Equivalents		27619363.00		26565181.00
Balances with other Banks		319862913.57		396486639.96
Money at call & short notice		0.00		0.00
Cash & Cash Equivalents as re-stated		347482276.57		423051820.96

The Above Cash Flow Statement has been prepared under 'Indirect Method' as set out in the Accounting Standard - 3 on Cashflow Statements

AS PER OUR REPORT OF EVEN DATE
For **M/s. Sanjay Rane & Associates**
Chartered Accountants

Hirachand D Dand
Chairman

Mukesh D Maisheri
Vice-Chairman

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Chief Executive Officer

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Manisha M Poladia

Ratilal S Shah

Manikant V Nagda

Place : Mumbai
Date : 09/07/2019

Mahesh M Padave

Keshav N More

ANNEXURE – A

In terms of Circular No. UBD/D.74/AR/Inform/92, Dated 30th May, 1992, from the Commissioner for Co-operation and Registrar of Co-op. Societies Maharashtra State, Pune – 1.

Name of the Bank	: Shri Arihant Co-operative Bank Limited.
Head Office Address	: GB 10A & B, Karma Stambh, Opp. Kailash Commercial Complex, L.B.S. Marg, Vikhroli (W), Mumbai – 400 083.
Date of Registration	: BOM/BNK/175 of 1984 DATED 25.01.1984.
Date & No. of RBI License	: 04.05.1984 License No. UBD MH-390 P.
Jurisdiction	: Greater Mumbai Region, Thane Including Navi Mumbai & Raigad District.

(Amount in Lakhs)

Items	As on 31.03.2019	As on 31.03.2018	As on 31.03.2017
No. of Branches including HO	Eleven	Eleven	Nine
Membership	Regular Nos.	11055	11156
	Nominal Nos.	5910	3019
Paid up Capital	824.67	838.73	815.50
Total Reserves & Funds	2931.12	2946.04	2643.77
Deposits	Savings	9076.42	9627.81
	Current	5056.72	5252.77
	Fixed Deposit	20940.07	20555.68
Advances	Secured	17317.44	16127.63
	Unsecured	159.65	33.44
	Priority Sector %	41.31	41.57
	Weaker Section %	17.97	7.67
Borrowings	Nil	Nil	Nil
Investments	17128.93	18011.38	17261.09
Overdue %	10.19	4.24	3.55
Audit Classification	A	A	A
Profit for the year	144.58	85.70	158.44
Total Staff	Sub Staff	21	25
	Other Staff	99	89
Average Working Capital	38881.52	39955.02	38963.44

PROGRESS AT A GLANCE

(Amount in Rupees)

Particulars	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Share Capital	7,49,28,125	7,94,80,650	8,24,71,025	8,15,49,900	8,38,72,925	8,24,67,475
Reserves (Incl. Rev. Res.)	24,61,01,879	25,47,79,967	24,68,56,879	26,43,77,270	29,46,04,166	29,31,12,149
Deposits	266,71,18,704	286,10,73,964	321,96,77,804	372,50,29,887	354,36,25,798	350,73,20,693
Borrowings	--	--	--	--	--	--
Investment	124,06,29,184	133,65,14,757	119,70,89,126	172,61,09,255	180,11,37,838	171,28,93,306
Advances	154,79,00,259	156,58,13,925	150,68,44,710	137,79,60,812	161,61,06,751	174,77,09,309
Gross Income	28,83,37,617	31,91,88,806	35,12,24,794	36,10,34,854	36,77,48,206	34,27,51,132
Net Profit (*After Tax)	1,16,98,290	1,77,35,708	2,68,87,723	158,43,835	85,70,304	144,58,403
Dividend Declared	12%	12%	12%	8%	8%	To be Declared
Audit Class	A	A	A	A	A	A

Loans & Advances to Directors and their relatives:

Position of Loans & Advances to Directors of the Bank & their relatives, Companies/Firms in which they are interested as on 31.03.2019 is given as under:

(Amount in Lakhs)

Nature of Facility	No. of Directors & their relatives		Amount Outstanding as on 31.03.2019		Overdue as on 31.03.2019	
			Principal	Interest	Principal	Interest
Fund Based	Directors	2*	13.09	2.22	0.00	0.00
	Relatives of Directors	1#	0.00	1.51	0.00	0.00
Non Fund Based	Directors	0	0.00	0.00	0.00	0.00
	Relatives of Directors	0	0.00	0.00	0.00	0.00

* Workmen Directors (Under Staff Loan Scheme as per Union Agreement)

Under Staff Loan Scheme as per Union Agreement

BRANCHES

HEAD OFFICE

GB 10A & 10B, Karma Stambh, L.B.S Marg, Vikhroli (W), Mumbai - 400 083.
Tel.: 2579 9326 | Fax: 2579 9323 | Mobile: 96194 86622

BHANDUP BRANCH

A, Anant Siddhi, 107, L.B.S. Marg,
Bhandup (W), Mumbai - 400 078.
Tel.: 2595 4422 / 96194 86616
Fax: 2595 4635
Mobile: 86526 30381

MULUND BRANCH

51, Safalya, Dr. Ambedkar Road,
Mulund (W), Mumbai - 400 080.
Tel.: 2564 7157/ 2590 2294
Fax: 2567 1018 | Mobile: 86526 30382
• ATM Facility •

GHATKOPAR (E) BRANCH

5/6, Laxmi Palace, R. B. Mehta Marg,
Ghatkopar (E), Mumbai - 400 077.
Tel.: 2501 5820
Fax: 2501 5594 | Mobile: 86526 30383
• ATM Facility •

CHINCHBUNDER BRANCH

G-1, Anant Niwas, 262/70, Narshi Nath Street,
Chinch Bunder, Mumbai - 400 009.
Tel.: 2347 8134
Telefax: 2347 8134
Mobile: 86526 30384

MOHILI VILLAGE BRANCH

C/2, Dhanlaxmi Co-op. Hsg. Soc. Ltd.,
Ghatkopar-Andheri Link Road, Mohili Village,
Asalfa, Ghatkopar (W), Mumbai - 400 072.
Tel.: 80970 70775
Mobile: 86526 30385

DOMBIVLI BRANCH

Shop No. 6, 7 & 8, Vinayak Chhaya Building,
Ground Floor, Baba Saheb Joshi Marg,
Dombivli (E), Thane - 421 201.
Tel.: 0251-244 5809
Mobile: 96194 86621 / 86526 30386

APMC (Vashi) BRANCH

H101, F-1, Vyapar Bhavan, Market -2,
Phase -II, Sector -19, APMC Vashi,
Navi Mumbai - 400 703.
Tel.: 96198 46623 | Telefax : 2784 9430
Mobile: 86526 30387

THANE BRANCH

Shop No. 2 & 3, Ground Floor, Shree Datta Prasad Building,
Ram Maruti Cross Road, Opp New English School,
Naupada, Thane (W) - 400 602.
Tel.: 9819086624 | Telefax: 2543 7977
Mobile: 86526 30388

MATUNGA BRANCH

9 & 10, Ground Floor, Nishant Building,
Dadar Matunga Estate, Matunga Division,
Bhau Daji Road, Matunga, Mumbai - 400 019.
Telefax: 2401 0427 | Mobile: 86526 30389
• ATM Facility •

BORIVALI BRANCH

Shop No. 001, Ground Floor, A Wing,
Shreyans Kesar Baug C.H.S., Lokmanya Tilak Road,
Borivali (West), Mumbai- 400 092.
Tel.: 2899 0850 | Mobile: 86526 30390
• ATM Facility •

****Reliance Energy Collection Centre – Mohili Village Branch****

LOCKERS FACILITY AVAILABLE IN BRANCHES AT:

Bhandup | Mulund | Chinch Bunder | Mohili Village | Dombivli | APMC (Vashi) | Borivali

Important Note to Members

1. Members who have not collected their share certificates are requested to collect the same from the Bank on any working day at the earliest.
2. Members having less than 40 shares may apply for additional shares to make their share holding to minimum of 100 shares to reduce the administrative cost.
3. Members who have not collected & encashed dividend for the F.Y. 2015-2016 are requested to do so immediately. Dividend not encashed after 3 years shall be credited to Reserve Fund of the Bank.
4. Members are requested to open SB/CA account with our Bank & to intimate their account number to share department / nearest Branch to deposit their Dividend in their respective account.
5. Dividend will be paid to those shareholders whose names appear on the Bank's record as on 31.03.2019 & who are entitled to receive the dividend proportionately.
6. Members are requested to intimate any change in Nomination, Address, Status etc. so as to update our records. Those members who have not yet availed of nomination facility are requested to submit their nomination in the prescribed form.
7. All Branches of the Bank are inter-connected. Customers / Members are requested to take benefit of the facility.
8. Members who have not returned the Identity Cards with details & photographs are required to do so immediately to complete the Identity Card Issuance process.

We Offer

- Bank Guarantees & Inland Letter of Credit.
- RTGS / NEFT facility.
- E - Tax Remittance.
- PAN Card Service.
- SMS Alert Service.
- General Insurance Business.
- Forex Services.
- Standing instruction facilities at no extra cost.
- Safe Deposit Vaults are available at Bhandup, Mulund, Chinch Bunder, Mohili Village, Dombivli, APMC (Vashi) & Borivali Branch.
- Arihant Rupay ATM Debit Card.
- IMPS (Credit / Debit).
- E- Commerce
- Net Viewing Facility.
- Mobile Banking Facility.
- POS Machines.
- ABPS/ NACH Facility

Investors Meet



VISION 2020



Customers Meet



ATM Inauguration at Ghatkopar Branch



Staff Meet



IPEX INDIA 2019



Glimpses of 35th AGM

