



CITIZENCREDIT
CO-OPERATIVE BANK LTD
(A Scheduled Multi-State Bank)

21st
**Annual
Report**
2017- 2018

years

SERVING YOU SINCE 1920

Vision

Helping customers achieve economic success and financial security thereby building vibrant and prosperous communities, sustained by values of integrity and good governance.

Mission

- To be a financially strong and vibrant Bank.
- To work to improve the quality of life to the communities we serve.
- To earn the respect of employees and customers.
- To conduct our operations with integrity and transparency.
- To demonstrate character that always recognizes that the financial well being of the customers is the reason we are here.
- To promote the spirit of co-operation and build long term shareholder value.

BOARD OF DIRECTORS



Mr. Anthony D'Souza
CHAIRMAN



Mr. Donald L. Creado
VICE-CHAIRMAN



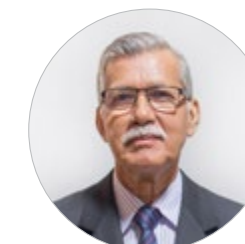
Mrs. Priscilla W. Buthello
DIRECTOR



Mr. Frederick F. Castelino
DIRECTOR



Mr. Malcolm D. Correa
DIRECTOR



Dr. Frederick J. De Souza
DIRECTOR



Mr. Edwin J. Gonsalves
DIRECTOR



Mr. Leslie J. H. Lobo
DIRECTOR



Mr. Joseph M. B. Mascarenhas
DIRECTOR



Mr. Leslie Mascarenhas
DIRECTOR



Mr. James S. Pereira
DIRECTOR



Mr. Roger C. B. Pereira
DIRECTOR



Adv. Royston J. Pereira
DIRECTOR



Adv. Arvind Pinto
DIRECTOR



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

PROFILE

DATE/OFFICIAL ADVICE OF REGISTRATION

Regn. No. 2905 of May 08, 1920 with the Registrar of Co-operative Societies as the erstwhile Bombay Catholic Urban Co-operative Credit Society.

CONVERSION INTO CO-OPERATIVE BANK

Order No. BOM/URB/BOMBAY CATHOLIC R-WARD of 84 dated October 20, 1984 by the Registrar of Co-operative Societies, New Delhi.

RBI BANKING LICENCE

MH 1016 p dated December 27, 1989.

SCHEDULED BANK STATUS

October 26, 1996

MULTI-STATE CO-OPERATIVE BANK

Regn. No. MSCS/CR/75/98 dated January 20, 1998 by the Central Registrar of Co-operative Societies, New Delhi.

BOARD OF DIRECTORS

Chairman

Mr. Anthony D'Souza

Vice-Chairman

Mr. Donald L. Creado

Directors

Mrs. Priscilla W. Buthello
Mr. Frederick F. Castelino
Mr. Malcolm D. Correa
Dr. Frederick J. De Souza
Mr. Edwin J. Gonsalves
Mr. Leslie J. H. Lobo
Mr. Joseph M. B. Mascarenhas
Mr. Leslie Mascarenhas
Mr. James Pereira
Mr. Roger C.B. Pereira
Adv. Mr. Royston Pereira
Adv. Mr. Arvind Pinto

Managing Director & CEO

Mrs. Geeta C. Andrades

EXECUTIVE MANAGEMENT TEAM

General Manager

Mr. Christopher Mendoza

Officer on Special Duty

Mr. Samir Majumdar

Deputy General Managers

Mrs. Shoba Saldanha
Mr. John Pereira

Assistant General Managers

Mrs. Suzan Cardoso
Mr. Vincent D'Cunha
Mrs. Premila D'souza
Mr. Errol D'souza
Mrs. Fatima Jacinto
Mrs. Francisca Quinny

Statutory Auditor

M/s. Borkar & Muzumdar

Legal Advisors

M/s. Kanga & Co
M/s. Manilal Kher Ambalal & Co
M/s. PRS Legal
Dr. Dhanyakumar Talankar

Chartered Accountants

Advocates Solicitors & Notary
Advocates & Solicitors
Advocates & Legal Consultants
Arbitrator & Legal Consultants

Registered Office / Central Administrative Office

Helena Apartments, 57, Mount Carmel Road, Bandra (West), Mumbai 400050
Telephone Nos: 26401126, 26442829 / 30 / 31 / 32, 26455108, 26456018
Fax Nos: 26403128, 26430131 Toll Free Number No. 1800 123 0209

Website

www.citizencreditbank.com

Email

ccbl@citizencreditbank.com

NOTICE TO MEMBERS

NOTICE is hereby given that the **TWENTY FIRST ANNUAL GENERAL MEETING** of the members of **CITIZENCREDIT CO-OPERATIVE BANK LTD.** as a Multi-State Co-operative Bank under the Multi-State Co-operative Societies Act, 2002, will be held on **Saturday, September 15, 2018 at 4.30 pm at Dr. Antonio Da Silva Hall, S K Bole Road, Dadar, Mumbai-400 028**, to transact the business as follows:

1. To record the Minutes of the Annual General Meeting of the Bank held on September 24, 2017 which are circulated herewith.
2. To consider the Board of Directors' Report for the year ended March 31, 2018 on the performance of the Bank and future perspectives.
3. To consider and adopt the Audited Statements of Accounts including the Balance Sheet as at March 31, 2018 and the Profit & Loss Account for the year ended March 31, 2018 and the Statutory Auditor's Report.
4. To approve the Appropriation of net Profit and declaration of dividend.
5. To appoint Statutory Auditors for the financial year 2018-19.
6. To consider and adopt amendments to the Bye-laws as notified separately in the report.
7. To consider any other subject of which proper notice has been given.

By Order
Geeta C. Andrades
*Managing Director &
 Chief Executive Officer*

DATE: July 7, 2018

In the absence of a quorum at the time fixed for the Meeting, it shall stand adjourned for half an hour. Thereafter, at the Adjourned Meeting, the members present shall constitute the quorum.

IMPORTANT NOTES

1. Minutes of the Annual General Body Meeting held on September 24, 2017 are enclosed.
2. Members are requested to intimate any change of address, name of nominee, etc., to enable the Bank to keep its records up-to-date.
3. The Register of Members shall be closed 30 days before the Annual General Body Meeting; i.e. by August 14, 2018.
4. Members desirous of raising any queries relating to the Annual Report, Balance Sheet and Profit & Loss Account at the Annual General Body Meeting must send them to the Registered & Central Administrative Office, at least 10 working days prior to the Annual General Body Meeting; i.e. by Wednesday, September 5, 2018 before 2 p.m.
5. The Bank's Identity Card is a requisite for attendance at all official meetings. However, a member not possessing the Identity Card should bring the envelope containing the Annual Report to the Annual General Body Meeting as alternate proof of identity.
6. All unclaimed dividends from the Financial Year 2014-15 may be claimed on submission of Form V available at all branches of the Bank. Dividend amounts for the Financial Year 2013-14 lying unclaimed as on March 31, 2018 will be transferred to the Statutory Reserve Fund
7. Members are requested to give instructions to the Bank for direct credit of the dividend to their Savings Bank /Current Account with Citizencredit Co-operative Bank Ltd /any other Bank.
8. Members are kindly requested to update their KYC details, if not already done, with any of the Branches of the Bank. In terms of RBI Directive No. DBR.AML.BC No.81/14.31.001/2015-16 dated February 25, 2016 updated on July 08, 2016, all Urban Co-operative Banks are instructed to freeze the accounts if not KYC compliant.
9. Members are requested to introduce the Bank to their friends and relatives, to avail of the products & services offered by the Bank.

DIRECTORS' REPORT

DEAR MEMBERS,

The Board of Directors have pleasure in presenting the Twenty-first (21st) Annual Report of the Bank as a Multi-State Co-operative Bank, along with the Audited Accounts for the financial year ended March 31, 2018.

INTRODUCTION

The Banking Industry in India has experienced a difficult and challenging year in terms of business growth, managing stressed assets, in some cases, failure of systems, financial disruption and disintermediation. The stress and pressures in the Indian Economy also contributed to the challenges that Banks were subjected to. On the positive side, there were visible signs that the Economy was poised for all round growth and that the Banking sector was now in a better position to manage and extricate itself from the bad loans currently in their books. The overriding positive was that the India growth story was definitely in place and given the Governments determination to focus on infrastructure and on facilitating business growth and on the ease of doing business, the prospect for the Banking sector over the next 12/24 months appear to be cautiously optimistic. This year has been a challenging year for the Bank. It has also been a challenging year in terms of managing our Treasury book given the situation in the bond market.

The Bank, early in the Financial Year, decided to focus on recovering the bad loans of the past years and in managing the stressed assets in order to prevent slippages and to a large extent, the strategy worked. In a year, when most banks reported an increase in both Gross and Net Non-Performing Assets in absolute terms, the Bank was able to manage this and reduce the Gross NPA's of the Bank. The endeavor, as we move forward, is to further reduce the GNPA, systematically grow the asset book and manage the challenges of pricing pressure to grow the profitability of the Bank. Added to this is the Banks determination to improve the Credit Deposit ratio, cost to income ratio, Return on Assets and to maintain/protect our margins both in the Loan book as well as on the Treasury Portfolio.

The Cooperative Banking sector is also faced with an additional recent development. This is challenge of

retaining our MSME business in the face of aggressive and pricing driven marketing by the Banks in the private sector space. The Bank is determined to face this development by offering products and services at prices that are competitive, with excellent personalized service and without compromising on the quality of our Assets. The challenges are manifold, the road ahead is difficult, but with our unique ability to adapt, to focus and given the quality of our people and the robust risk systems that have been put in place, the Bank is quiet confident that it will be in a position to deliver better results in the year ahead.

1 THE GLOBAL ECONOMIC SCENE

Global economic activity gathered momentum in the second half of 2017 and continues to grow during 2018. World GDP growth recovered to an estimated 3.80% in 2017 compared to 3.20% in the previous year. Both the developed and the developing countries performed well, growing at 2.30% and 4.80% respectively. The US economy grew more than expected against the backdrop of abatement of past exchange rate appreciation impact and oil price movement coupled with support from good consumption growth and rebound in investment. Euro area also surprised positively witnessing its fastest pace of growth in a decade and surpassing the US growth in 2017. Economic activity also continued to expand in major Emerging market economies (EMEs').

As per IMF projections the world economy is poised to grow at 3.90% in 2018 as well as 2019. However, trade wars, rising protectionism, increase in tariffs by the US, retaliatory action by China, elections in several European countries and escalation of sanction issue in Iran could dampen trade and global growth.

Another major development having an impact on global economy is the oil price which surged on account

of strong demand and geo-political tensions in the middle-east.

The Monetary Policy stance has remained accommodative in many countries, with the Fed's Policy normalization progressing along expected lines. The US Fed raised its policy rates by 25 bps each in December 2017 and March 2018. The Monetary Policy stance in EME's remained diverse with many Central banks reducing policy rates.

2 INDIAN ECONOMIC SCENE

In fiscal year 2018, the Indian economy witnessed important developments:

- The implementation of Goods & Services Tax (GST) helped in increasing the tax base of the economy and discipline in tax payment culture.
- Digital India programme will significantly contribute towards formalization of the economy.
- India's GDP is estimated to have increased to 6.60% in 2017-18 and is expected to grow to 7.30% in 2018-19 on account of improved credit off-take, recapitalization of Public Sector Banks (PSB), resolution of distressed assets under the Insolvency and Bankruptcy Code, acceleration of global trade growth, emphasis on rural and infrastructure sectors in the Union Budget 2018-19.
- India emerged as the fastest growing major economy in the world as per the International Monetary Fund (IMF) and Central Statistics Organization (CSO).
- Consumer Price Index (CPI) increased from 3.81% in March 2017 to 4.28% in March 2018. The upside risks to the inflation outlook are increasing fuel prices, rising input costs, fiscal slippage, volatile global financial markets, impact of housing rent allowance and revisions to minimum support prices (MSPs).
- India ranked 100 among 190 countries in the World Bank's Doing Business Report 2018.
- Moody's upgraded the sovereign rating to Baa2 with a stable economic outlook.
- Current Account Deficit (CAD) increased to 2% of GDP in Q3 Financial Year 2018 from 1.4% of GDP a year ago.
- Rupee depreciated from ₹ 64.91 per U.S. dollar as on March 31, 2017 to ₹ 65.17 per U.S. dollar as on March 31, 2018.

3 INDIAN BANKING SCENARIO

The important developments impacting the Banking Sector during the Financial Year 2017-18 are:

- Asset quality, resolution of stressed assets and muted credit growth posed as major challenges for most Public Sector Banks and private banks. Higher NPAs impacted interest income adversely and led to elevated provisions, thus putting pressure on the profitability of banks. Consequently all such Banks have shown losses at the year end.
- Placement of some PSBs under the Prompt Corrective Action (PCA) framework of RBI, puts restrictions on key areas viz. dividend payment, branch expansion, credit expansion etc.
- RBI's ban on Letter of Undertaking (LOU) as a trade finance instrument due to frauds in some PSBs caused break on import export business
- Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017 Bill passed by Rajya Sabha on January 3, 2018 will help the banking sector in time bound debt recovery mechanisms in future.
- Recapitalization plan of ₹ 2.11 lakh crore for major Public Sector Banks (PSBs) announced on October 24, 2017 is aimed at strengthening the balance sheets through meeting the capital adequacy requirement under Basel III norms.
- Under the Union Budget 2018-19, the government has allocated ₹ 3 lakh crore towards the Mudra Scheme and ₹ 3,790 crore towards credit support, capital and interest subsidy to MSMEs.
- A new portal named 'Udyami Mitra' has been launched by Small Industries Development Bank of India (SIDBI) with the aim of improving credit availability to Micro, Small and Medium Enterprises' (MSMEs).
- Urban Co-operative Banks (UCBs) will face stiff competition from the new generation Payment and Small Finance Banks as both cater to similar customer segments. To face this competition UCBs will have to focus on two important aspects viz technology up gradation and competitive rates to advances.
- Fintech companies with disruptive technologies and having capabilities to address specific points

of financial customers, such as remittance, credit and savings, have emerged as a challenge to the banking system.

- In the post-demonetization period, banks invested a huge amount of money in Government bonds due to tepid credit growth. With bond yields hardening, banks have reported higher provisioning as well as depreciation against the mark-to-market losses on investments in Government bonds. To ease the pressure, RBI recently has permitted commercial banks to spread the mark-to-market loss provisioning in the next four quarters. UCBs await instructions in this regard.

4 MONETARY POLICY STANCE (MPC)

During the Financial Year 2017-18, RBI kept Cash Reserve Ratio unchanged at 4.00%. In April 2017, RBI kept the policy Repo rate unchanged and raised the Reverse repo rate by 25 basis points (bps). In August 2017, RBI reduced Repo rate by 25 bps. Further, SLR was reduced by 25 bps each in June and October 2017 respectively. The MPC continued with neutral stance reiterating its commitment to keep inflation close to 4.00% on a medium term basis while supporting growth.

5 PERFORMANCE OF THE BANK

The Bank has consistently been getting 'A' Audit rating and even during the year 2017-18 the newly appointed Statutory Auditors, M/s. Borkar & Muzumdar have given audit rating of "A".

Bank's total deposit stood at ₹ 3069.28 crores has grown by ₹ 145.26 crores with a growth rate of 4.97% which was slightly lower than Industry standard of 8.33%. Deposits to the tune of over ₹ 6 crores being diverted to investment in Mutual Funds through the Bank's Agency arrangements.

Bank's total credit portfolio stands at ₹ 1353.81 crores as of March 31, 2018.

The Bank witnessed a moderate increase of ₹ 66.62 crores in core advances in the financial year 2017-18.

At the outset, it appears that the portfolio decreased from ₹ 1486.46 crores to ₹ 1353.81 crores as of March 31, 2018. The fact is that the bank had invested ₹ 249.01 crores under CBLO term lending last year

which is included under short term advances, as per RBI/CCIL circular. As a result, the advances portfolio got inflated to ₹ 1486.46 crores though the core advances were ₹ 1237.45 crores. Despite Bank witnessing heavy prepayment and closure of large borrowal accounts, the Bank consciously decreased the CBLO exposures from ₹ 249.01 crores in previous year to only ₹ 49.73 crores during the year under report, as promised at last AGM.

The Bank's lending to Priority Sector was 41.21% during the year and to Weaker Sections was 20.32%, of Adjusted Net Bank Credit. Bank has met both the regulatory norms.

The private banks have entered aggressively in the retail loans market. Moreover these banks are liberal on interest rates and also mortgage security. RBI focus throughout the year was on reduction of repo rate demanding reduction in the interest rates of loans. The UCBs were compelled to offer lower rates of interest to retain some of the good customers/borrowers leading to lower income from advances and hence lower profit. The yield on advances has reduced to 10.37% from 11.25% last year. Besides due to market conditions and economic instability majority banks have suffered losses in treasury/ investment portfolio and have reported reduction in profits this year.

There were many challenges faced by the banks in the year 2017-18 to maintain their bottom line. Main challenges were of deteriorating asset quality, reduction in rate of interest of loans, pre closure of loans and continuous rising yields on government bonds. There was a negative impact on the income of the bank on one side and other side was depreciation and mark to market provisioning requirement under treasury. This year the bank is required to debit to the P/L account by ₹ 7.26 crores due to depreciation in the treasury portfolio although the trading profit is posted at ₹ 8.46 crores. Thus the net profit from treasury is ₹ 1.2 crores as against ₹ 12.15 crores last year. Also pre closure of loans amounting to ₹ 126 crores has reduced the interest income of the Bank sizably. Moreover, as per the Accounting Standard 10, for the first time the bank has provided ₹ 1.27 crores additionally towards depreciation on

revalued fixed assets and also additional provision of ₹ 1.97 crores due to reduction in value of the Non Banking Asset at Karjat. Though the operating income has gone up by ₹ 10.87 crores which could have crossed the profit targeted for the financial year 2017-18, it remained at ₹ 18.06 crores.

The Bank has opened 3 new branches this financial year at Boisar, Virar, and Nashik. Branches at Panvel and Dahisar were opened subsequently. The Bank has now entered Nashik city as well increasing it's network to 45 branches. Mahakali branch is shifted to new premises. The Board aims at 50 branches in the centenary year, 2020.

All policies are reviewed and revised every year. Accordingly Credit policy, Recovery/restructuring and write off policy, Investment policy, Operations and planning policy, Information Technology policy, Human resources policy, Risk and Compliance policy, KYC and PML policy were reviewed and updated based on the latest circulars issued by the regulators. Similarly some new policies like Cyber security policy, Customer Protection policy etc are under preparation and will be implemented shortly.

The Bank has revised its organization chart thereby depicting proper reporting matrix and the same is duly approved by the Board. It also covers the provision of succession plan at important levels.

The Board is pleased to inform that during the financial year 2017-18, the Bank has fulfilled all the necessary criteria laid down by the RBI, to be considered as a Financially Sound and Well Managed (FSWM) Bank. It may also be noted that the Bank has not made any investment under CBLO in March 2018, as was suggested by the members in the General Body Meeting, except 50 crores, which was made in earlier months and remained outstanding as of March 31, 2018.

6. CAPITAL

6.1 Capital Adequacy

The Capital to Risk Weighted Assets of the Bank (CRAR) stood at 20.24% as against the minimum prescribed 9% specified by RBI and 12% for Financially Sound & Well Managed Banks. The Bank, exercising due diligence, especially towards large loan exposures had perforce to build up more than adequate Capital buffer to meet any contingency on market forces or Regulatory requirements in its Risk Weighted Assets. The total Capital Funds have increased by 4.32% over the previous year. The ratio of Tier I to Tier II Capital stood at 3.66, in excess of the prescribed level of 1.5.

High percentage of CRAR indicates capital strength of our bank which is in line before hand, in compliance with Basel II or III recommendations, if and when applied to Urban Coop Banks.

6.2 Share Capital & Reserves

The Paid-up Capital of the Bank stood at ₹ 15.22 crores. There are 46 members who have been allotted 2300 shares to fulfill the criteria of minimum holding of 100 shares.

However, there are still members who are holding less than 100 shares.

There are 101 members (46 borrowers and 55 investors) who have applied for additional shares within the limit of 100/500 shares respectively. Since KYC compliance has become very critical, some members particularly NRIs, have surrendered their shares and hence the share capital is affected. The borrowers are required to surrender their shares once the loan account is closed.

The accumulated Reserves were ₹ 351.03 crores and covered the Paid-up Share Capital over twenty three times, indicating sustained internal accruals for strengthening the financial position of the Bank. The Capital & Reserves of the Bank have increased by 4.27% over the previous year.

All members are requested to ensure that they hold minimum 100 shares. The Bank has 14,542 regular members as on March 31, 2018.

7 ASSET QUALITY

7.1 Asset Growth and Risk Profile

The Total Assets have increased by 3.24% and the Risk Weighted Assets decreased by 3.74%. There has been accretion to the Net Owned Funds. The Capital to Risk Weighted Assets of the Bank (CRAR) has increased from 18.68% to 20.24% as on March

31, 2018. It is mainly on account of decrease in Risk Weighted Assets. It may however be noted that the Bank is maintaining the CRAR in excess of the prescribed requirement of the RBI of minimum @9% and @12% for FSWM Banks.

Comparative Snapshot of the Bank's financial performance during the last two Financial Years 2016-17 & 2017-18:

(₹ in Crores)

Performance Highlights	2017-2018	2016-2017	% change
No. of Branches	45	42	7.14%
Membership (Regular)	14542	14469	0.50%
Paid up Share Capital	15.22	15.25	-0.26%
Total Reserves & Funds	351.03	335.99	15.04%
Working Capital	3,522.03	3,354.58	4.99%
Business Mix	4,423.09	4,410.48	0.29%
Gross NPAs	84.78	87.37	-2.96%
Gross NPAs ratio	6.26%	5.88%	6.46%
Net NPAs	34.36	32.82	-4.69%
Net NPAs ratio	2.64%	2.29%	15.28%
Provision Coverage Ratio	59.43%	62.39%	-4.75%
Return on Assets	0.52%	0.67%	-22.79%

Business Growth

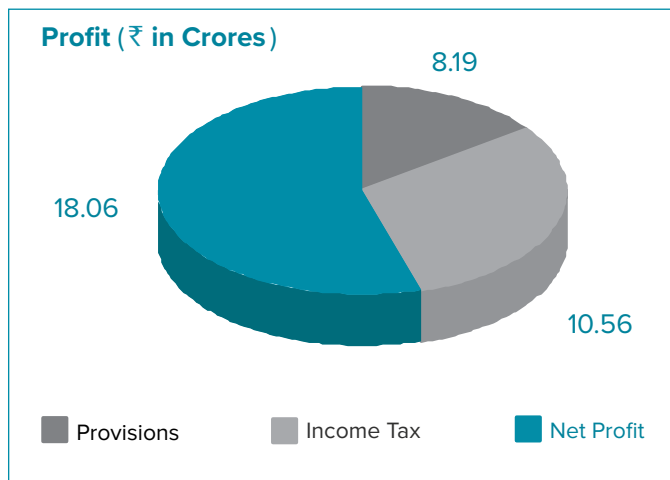
(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017	% change
Deposit (i+ii = A)	3,069.28	2,924.02	4.97%
(i) Low Cost Deposits (a+b) (CASA)	1,097.96	1,058.70	3.71%
(a) Current	75.26	75.88	-0.81%
(b) Savings	1,022.70	982.82	4.06%
(ii) Term Deposits	1,971.32	1,865.32	5.68%
Advances (a+b)	1,353.81	1,486.46	-8.92%
(a) Core advances	1,304.08	1,237.45	5.38%
(b) CBLO term investment	49.73	249.01	-80%
Total Business Turnover (A+B)	4,423.09	4,410.48	0.29%
Investments	1,268.71	843.99	50.32%

Operating Results

(₹ in Crores)

Particulars	March 31, 2018	March 31, 2017	% change
Interest Income	275.07	270.34	1.75%
Interest Expenses	182.79	186.44	-1.96%
Net Interest Income	92.28	83.89	10.01%
Non-Interest Income	26.02	23.54	10.54%
Total Operating Income	118.30	107.43	10.12%
Operating Expenses	81.49	67.31	21.06%
Provisions	8.19	6.01	36.40%
Profit before Tax	28.62	34.11	-16.09%
Income Tax / Deferred Tax	10.56	12.12	-12.88%
Net Profit after Tax	18.06	21.99	-17.86%
Audit Classification	A	A	
Total Staff	505	502	0.60%



7.2 Loans & Advances

During the first quarter itself, (April-June 2017) there were preclosures amounting to ₹ 54 crores by a large borrower and by March 2018, this has increased to ₹ 126 crores mainly due to severe adverse economic trends, having stunted credit growth during the year. The economy is now booming out of the disruption caused by GST implementation and post effect of demonetization and will need some more time to fully recover. Although the bank was focusing on credit growth, the bank was diligent and very conscious of the asset quality and the risk factor associated to maintain the standard asset quality.

However, in view of the economic conditions with the backdrop of post effects of demonetization and introduction of GST last year and also the deterioration of assets quality in the Indian banking industry to the extent of 8.82 trillion, it was prudent to exercise due precautions and ensure risk free assets mobilization to avoid future increase in NPAs or stressed assets. Obviously the targets of loans and advances could not be achieved though the bank has maintained a steady growth of 6% in advances

The financial year 2017-18 could however be considered as one wherein the health of the advances portfolio has been exponentially strengthened, wherein the Bank has successfully recovered overdues and closed large chronic NPA accounts. The Bank has also made prudent structural and operational changes in the Credit Department so as to ensure better credit appraisal methods, adherence to strict risk parameters and enhancement in credit operation skills, including documentation and monitoring, without impacting turnaround time and customer service. The bank has also introduced a comprehensive Credit rating Model that significantly assists in credit pricing and 'sanction related' decision making. Further all credit proposals of ₹ 1 crore and above are independently assessed by the Bank's 'Risk Management' department specifically analyzing the risk parameters of these proposals.

The Bank also has a dedicated team that monitors the credit portfolio particularly Corporate and SME a/cs, thus ensuring timely, immediate and necessary action is initiated in accounts which may indicate signs of weakness/stressed accounts.

The Bank has also during the last financial year, extended its banking relations with other co-operative Banks and participated in consortium credits with four other Banks, thus ensuring symmetrical growth in the corporate and retail segments. Bank has also offered multiple banking facilities to the corporate customers.

It may be noted that the total interest earned on loans and advances during 2017-18 has witnessed a decline from ₹ 130.18 crores as of March 31, 2017 to ₹ 127.87 crores as of March 31, 2018 due to the decline in the average interest rate on advances. It was inevitable due to increased competition and sluggish credit off take across the industry.

With a view to meet the complex and consistently evolving needs of our borrowers, the Bank has, in 2017-18, introduced a bouquet of loan products such as Doctor Care, Pragati Scheme and Super Bike Scheme at competitive Rates of Interest. The Bank has also introduced a Pre-Approved Loan product with sanctions up to ₹ 5.00 lakh (Based on eligibility) to all employees of Educational Institutions / Hospitals and Limited Companies (Private / Public) who are banking with us. Existing loan products like Overdraft against gold were re-introduced with modifications to better meet the requirements of borrowers. Similar modifications were made to the Boat Loan Scheme, Reverse Mortgage Loan-Aashraya and the Repairs & Renovation Loan Product.

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

- Corporate Credit comprise of all credit facilities availed by borrowers which aggregate ₹ 5 crores and above.
- SME Credit pertains to all types of business loans availed by Borrowers which is less than ₹ 5 crores.
- Retail Credit consist of all types of personal loans such as Housing, Education, Gold, Mortgage, Vehicle, Consumer / Personal, Reverse Mortgage and generally small value loans.

The statistics of the advances available through CBS is as follows

	2017-18	2016-17	% change
Sanctions	655.61	606.80	8%
Disbursement	449.67	315.99	42%
% of sanctions to disbursements	69%	52%	33%
Recovery	300.28	281.16	7%

7.3a) Non-Performing Assets

One of the major challenges of the Indian banking system is to address the non-performing assets (NPA) issue. It affects the profitability of banks besides coming in the way of future bank lending. Indian banking sector, particularly the Public Sector Banks and the Private Banks, is grappling with mounting NPAs and host of scams and frauds. Gross NPAs in the banking system stood at 11.2% in FY 2018 with the bulk of these NPAs stockpiled by Public Sector Banks.

The Bank's Gross NPAs stood at 6.26% and the net NPAs at 2.64% as of March 2018. Total NPAs of the Bank has reduced when the overall banking industry is struggling with escalating NPAs. Bank has adequate provision held for loans classified as NPAs and for any possible value erosion in the loan exposure, investment and other assets of the Bank.

The Bank has been proactive in early identification of stressed assets with continuous monitoring of the same to ensure effective management of stressed assets / NPAs so as to improve the Asset Quality & maintain strong financials of the Bank. Provision Coverage Ratio of the Bank at 59.43% provides strong cushion and is in consonance with the guidelines of the RBI.

Gross NPAs (₹ in Crores)		
As on March 31, 2017	87.37	
Additions during the year	27.34	
Reduction during the year	29.93	

Gross NPAs (₹ in Crores)		
As on March 31, 2018		84.78
Provisions		
As on March 31, 2017	54.51	
Additions during the year	2.51	
Reduction during the year	6.64	
As on March 31, 2018		50.38
NET NPAs		
As on March 31, 2017	32.82	2.29%
As on March 31, 2018	34.36	2.64%

Restructuring of Accounts :

The details of loans restructured during the year 2017-18 are as follows-

(₹ in Crores)			
Sr. No.	Particulars		Corporate SME /Retail
1.	Standard Advances Restructured	No. of Borrowers	3
		Amount Outstanding as on 31.03.2018	17.87
		Diminution in the fair value	0.49
2.	Sub-Standard Advances Restructured	No. of Borrowers	-
		Amount Outstanding	
		Diminution in the fair value	
3.	Doubtful Advances Restructured	No. of Borrowers	-
		Amount Outstanding as on 31.03.2018	
		Diminution in the fair value	
	Total	No. of Borrowers	3
		Amount Outstanding as on 31.03.2018	17.87
		Sacrifice (Diminution in the fair value)	0.49

7.3b) Legal Action against persistent Defaulting Borrowers:

The Bank has intensified and accelerated the legal proceedings against Defaulters with several / multiple actions initiated under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) and under the Recovery of Debts due to Banks and Financial Institutions Act, (RDDB&FI Act 1993). Matters are also referred to the Arbitrator appointed by the Bank under Section 84 of the Multi-state Co-operative Societies Act 2002. In addition the Bank also defends cases which have been filed against the Bank in various courts.

The Government's stringent measures to address the growing stressed assets in the banking sector with Insolvency & Bankruptcy Code 2016, being the latest one has resulted in larger NPAs being identified for speedy resolution. The outcome would be known in course of time mainly because new laws take some time to mature in practice. Under the Insolvency & Bankruptcy Code 2016, the Bank also initiated action against borrower companies and has been successful in major recoveries on account of multiple actions initiated in those accounts. Resolution of stressed NPAs has progressed satisfactorily and the final outcome will take some more time to reflect in the profit and loss (P&L) which is due to the inherent delays in the judicial system.

Statistics of current legal actions initiated & against the Bank for recovery of the dues are as under:

Recovery Cases filed by the Bank against defaulters/borrowers under:	No of group accounts	Principal Amount involved (₹ in Crores)
RDDB&FI Act, 1993	14	65.40
SARFAESI Act, 2002 (includes overlapping of accounts due to multiple actions initiated)	11	12.27
Under Arbitration	2	0.11
Recovery cases against the Bank	No of cases	
RDDB Act, 1993	15	Counter claims against the bank's action

The Bank's thrust is to ensure recovery of loans by sale of mortgaged properties/ assets and initiating action against borrowers and guarantors through legal process. During 2017-18, the Bank was successful in obtaining 13 orders in its favor under the SARFAESI Act, 2002, RDDB&FI Act and Arbitration Act which have been executed / under execution / stay / further legal process. The Bank has been successful in recovering total ₹ 28 crores through the legal process & sale of assets and write offs in few Loss accounts.

7.3c) Write - Offs

Concerned over mounting bad loans, RBI in consultation with the government considers revising methodologies to clean up the balance sheet / write off of the bad debts of state-owned banks. Write-offs are basically technical in nature and are done within the framework of RBI guidelines regarding provisions for bad loans. 'Writing off' of non-performing assets is a regular exercise conducted by banks to clean up their balance sheets. It is primarily intended at cleansing the balance sheet and achieving taxation efficiency. In 'Technically Written Off' accounts, loans are written off from the books at the Head Office, without foregoing the right to recovery. Further, write offs are generally carried out against accumulated provisions made for such loans, thereby releasing additional funds for further deployment of profit. During the financial year 2017-18 the Board has approved write-offs of 34 loss accounts, after granting relief in principal amount, interest, penal interest, other expenses as per the 'recovery policy' after pursuing all efforts for recovery in such accounts. The total amount written off is ₹ 4.64 crores. The Board requests this house/General body to ratify the action of the Board. The Board also requests to give permission to the Board to write off such non performing assets/ accounts during the year 2018-19. The recovery procedure will continue and will be separately reported next year onwards.

7.4 Investments

The Bank adopts a prudent Risk based Investment Policy duly approved by the Board. The Bank has continuously maintained the mandated minimum

balance of the prescribed Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) as stipulated by RBI during the financial year 2017-18. The Bank has also maintained all other investments, including Non-SLR investments, within the prescribed norms of the RBI.

The Investment portfolio of the Bank (excluding Inter-bank and Lending) as on March 31, 2018 is ₹ 1,268.71 crores at cost with a face value of ₹ 1,140.00 crores and market value of ₹ 1,274.14 crores respectively. In 2017-18 the Bank realized net profit of ₹ 8.46 crores on sale of investments as against ₹ 12.15 crores in 2016-17.

The year 2017-18 has proven to be challenging for bond markets due to rise in the yields across the curve since August 2017 on account of geo-political tensions, rise in crude oil prices, rate hike by the US Fed, rise in US Treasury yields, depreciation in the domestic currency, increase in CPI inflation, higher fiscal deficit target for Financial Year 2019 announced in the Union Budget and issue of recapitalization bonds with Non-SLR status.

The 10-year benchmark (6.97% GOI 2026) traded in the range of 6.55% to 7.97% and closed at 7.69% as on March 31, 2018. The new 10-year benchmark (6.79% GOI 2027) introduced in May 2017 traded in the range of 6.40% to 7.98% and closed at 7.55% as on March 31, 2018. Further, RBI introduced a new 10-year benchmark (7.17% GOI 2018) in January 2018 which traded in the range of 7.08% to 7.87% and closed at 7.40% as on March 2018.

Due to this sharp rise in yields, the Bank was required to provide ₹7.26 crores depreciation on shifting of securities from AFS to HTM category.

8 MANAGEMENT

8.1 Centenary celebration

Citizencredit Co-operative Bank Ltd (CCBL), as we see it today, was established as Bombay Urban Catholic Credit Society Ltd by our visionary founding fathers under the able leadership of Mr. F.A.C Rebello and was registered vide Regn. No. 2904 on May 8, 1920. Thereafter this institution was converted into Citizen Co-operative Bank Ltd by the Registrar of Co-operative Societies under the Maharashtra State Co-operative

Societies Act 1960 vide his Order No. BOM/URB/ BOMBAY CATHOLIC R-WARD OF 84 dated October 20, 1984. Thereafter Banking Licence was granted as a full fledged bank by the Reserve Bank of India vide their Order No. MH-1016 p dated 27, 1989 and subsequently the name was changed to Citizencredit Co-operative bank Ltd. on January 20, 2000.

The Bank obtained Scheduled Bank Status on October 26, 1996 and thereafter successfully managed to get Multi-State Co-operative Bank status, under the Multi-State Co-operative Societies Act 2002 (as amended) vide Regn. No. MSCS/CR/75/98 dated January 20, 1998 by the Central Registrar, Department of Agriculture and Co-operation, Ministry of Agriculture and Co-operation, Govt. of India.

The Bank provides various banking products and services to cater to the needs of both Corporate and Retail customers vide its branch network of 45 branches.

The Bank will be celebrating 100 years of service to the Community at large in the year 2020. There will be a series of programmes arranged for the members, the customers and for the staff as well.

It is therefore, suggested to create a centenary fund of ₹ 1 cr which can be used for centenary celebrations in the year 2020. As per Bye law no. 44B (ii), balance of net profit, after mandatory appropriation, may be utilized for constitution of or contribution to such special funds. The Board requests the house/General Body to approve the constitution of new fund as 'centenary fund.'

8.2 Corporate Governance

Good Corporate Governance is a way of life in the Bank and is enshrined as a part of our way of working. The Bank is focused on enhancement of long-term value creation for all members without compromising on integrity. The Bank has a strong sense of values and commitment. Our actions are governed by our values and principles which are reinforced at all levels of the organisation. 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.

8.3 Board of Directors

The composition of the Board of Directors is broad-based, comprising 14 Directors and the MD & CEO as ex-officio member of the Board and is governed by the Multi-State Co-operative Societies Act, 2002 the Byelaws of the Bank as well as RBI guidelines. The Board of Directors is composed of experienced Bankers and several highly qualified persons from the fields of Academic, Banking, Legal and Business.

Last year, the RBI inspection team advised the Board that though the intention of creating sub committees is appreciated to focus on various issues, there is a restriction under MSCS Act 2002 to constitute only 3 committees besides Directors Executive Committee. The Board has, therefore, merged the subcommittees to the respective main committees and now there are only 4 committees as prescribed. The Special Fraud Monitoring Committee is formed as per the RBI circular. Normally each of the committees and the Board meet once in a month. However, extra/special meetings are scheduled as per the need.

The Committees take informed decisions based on the notes/data provided/recommended by the management, in the best interest of the Bank. There were 24 meetings of the Board of Directors held during last financial year.

Finance to Directors of the Bank

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

8.4 COMMITTEES OF THE BOARD

Executive Committee

The functions of the Committee are to approve expenditure, consider loans & advances proposals for sanction/decline/renew or review, which are beyond the delegated authority of the Executive Management Head Office Committee. The Executive Committee

provides direction and guidance on monitoring & supervision of the advances portfolio, considers application forms of membership & approves/confirms investment of the Bank's funds. The Committee now also oversees the implementation of technology in the Bank and reviews the investment portfolio and investment strategies of the Bank. The Committee comprises of the Chairman, Vice-Chairman, two Directors and MD and CEO. General Manager and Officer on Special Duty are special invitees. The Committee held twenty five meetings during the year 2017-18.

Personnel and Human Resource Management Committee

The Committee oversees the Human Resources Administration and Development of the Bank and sets Goals and objectives for Manpower Planning Recruitment, Career Progression & Human Resources Management, Development & Training requirements. This Committee comprises the Chairman, six Directors and the MD and CEO. General Manager and a Director are special invitees. The Committee held sixteen meetings during the year 2017-18.

Planning, Business Development, Communications and Marketing Committee

The Committee oversees business development policies of the Bank and sets goals and objectives for the Business Plan for the financial year and monitors progress thereof.

The Committee monitors and supervises the monthly performance vis a vis targets set on the Business performance. This Committee organizes customer meets and also looks into the renovation/relocation of the branch premises. This Committee comprises the Chairman, five Directors and the MD and CEO. General Manager is a special invitee. This Committee held fifteen meetings during the year 2017-18.

Audit Committee

The Committee provides direction to the audit function of the Bank which comprises of concurrent audits, stock audits, special audits of departments of the Bank, IT audits, internal inspection audits and also the

statutory audit as well as RBI inspection report and their respective compliance. It monitors the quality of internal, statutory and other requisite audits, as well as the internal control system, and overall status of the advances portfolio of the Bank and examines technical and other issues in regards to acquisition of premises. The Committee now also overlooks and monitors stressed & NPA status of loans and advances, and handles all matters relating to the Bank's Malad Project and acquisition of new premises for Branches to be opened. The Committee is headed by the Vice chairman, being the ex-CGM of NABARD having banking experience and the committee consists of the six Directors and the MD and CEO. General Manager is a special invitee. The Committee held fourteen meetings during the year 2017-18.

Fraud Monitoring Special Committee

As per the directives given in the RBI circular, the Committee monitors and reviews all frauds involving amounts of ₹ 1 crore and above with the objective of identifying systemic lacunae, if any, that facilitated perpetration of the fraud and action taken to rectify deficiencies and possible methods to mitigate frauds. The progress of investigation and recovery in fraud cases is also monitored by the Committee. A fraud classification and reporting policy of the Bank has been drawn up in terms of RBI guidelines. Presently, the Committee consists of the Chairman, Vice Chairman, Managing Director & Chief Executive Officer and four directors; two of them being members of the Audit Committee. General Manager is a special invitee. The Committee held five meetings during the year 2017-18.

8.5 HUMAN RESOURCES, INDUSTRIAL RELATIONS AND TRAINING

Human Resources

As on March 31, 2018 the staff strength of the Bank stood at 505. The productivity per staff member was ₹ 8.59 crores and profitability per staff ₹3.58 lakh.

During the year 2017-18, the Bank developed and implemented policies, standards and best banking practices in management of its employees. These policies were implemented through proper

communication and feedback as well as discussion, guidance, procedures, processes and circulars to establish a work culture of security and trust and loyalty for employees of the Bank as a sign of efficiency and effectiveness and reduction in workplace hazard. Policies circulated and implemented after due refinement, revision and newly introduced during the financial year 2017-18 were Leave Policy, Conditions of Work Policy, Staff Housing Loan Policy, Code of Conduct Policy, Corrective Guidance & Grievance Policy, Prevention & procedure to prevent sexual harassment at workplace, Staff Accountability Policy, Whistle Blowers Policy, Learning & Development Policy, Talent Management Policy, Release from Service Policy, Allowances and Benefits Policy and Clean Desk Policy,

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

Staff Industrial Relations

The Bank believes in the ideology of staff empowerment and motivates its employees in the management of the Bank. The Bank has cordial and healthy industrial relations with entire Union and Management Staff and their representatives. The Board of Directors places on record its sincere appreciation for the dedicated efforts and proactive approach of all its employees of the Bank.

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

“The Bank has a policy in place to ensure Prevention of Sexual Harassment at the Workplace since 2005. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 was the basis of the formation of the Internal Complaints Committee (ICC). In FY 2017-2018, the ICC was re-constituted to include Ms. Sonia Rodrigues, an NGO faculty member of Nirmala Niketan- College of Social Work in lieu of Ms. Tejaswini Uzgare, Counselor & Faculty member who retired from Nirmala Niketan”. During the year, no cases were reported.

Staff Training

The Learning Centre of the Bank conducts regular training programmes with both Internal and External expert faculty. Suitable Induction & Orientation training programmes are conducted for newly recruited staff.

During the year, the staffs at various levels have attended functional / skill based and self development soft skills training programmes conducted in house or at external institution like RBI-CAB, NIBM, IDRBT, IIBF, CRISIL, NAFCUB, NPCI, FIU- IND, Bombay Chambers of Commerce, Dr. Vitthalrao Vikhe Patil Institute of Cooperative Management, VAMNICON, Pune etc.

The internal and external training programmes have covered a majority of the Staff. The training programme arranged were for 225 Managerial Staff and 380 other staff, cumulatively.

Newsletter of the bank

The Bank has circulated its first edition of the Newsletter in November 2017, with the latest news to make all the staff aware of the happenings in the Bank. The same will be made public in near future.

9 EARNINGS

9.1 Profit

As against all the odds, Bank has maintained the profit at par with earlier years.

Net Profit for the year ended March 31, 2018 amounted to ₹ 18.06 crores after making all the necessary and adequate provisions as required.

The net profit available for appropriation is as follows:

	Amount (₹)
Net Profit for the year	18,06,26,746
Depreciation on revaluation reserve	1,26,85,480
Profit brought forward from the previous year 2017-18	1,29,222
Net Profit Available for Appropriation	19,34,41,447

9.2 Appropriations

As per the MSCS Act 2002, the cooperative banks are mandatorily required to transfer certain percentage of it's net profit to statutory reserves, sp contingency reserve and to coop Education fund. Balance, if any, can be transferred to other reserves, dividend distribution and may be for ex-gratia and the Board of Directors has rights to transfer as they find fit.

This year, the Board of Directors recommend the following appropriation:

Appropriations	
Statutory Reserve Fund @25% of Net Profit	45,200,000
Contingency Reserve Fund @10% of Net Profit	18,100,000
Education Fund @1% of Net Profit	1,800,000
Centenary Fund	10,000,000
General Reserve	18,900,000
Investment Fluctuation Reserve	75,000,000
Proposed Dividend @ 16% p.a. (pro-rata)	24,400,000
Balance carried forward	41,447
Total	193,441,447

9.3 Dividend

Bank has been following a policy which balances dual objective of rewarding shareholders through dividends and retaining capital in order to maintain a healthy CRAR/reserves so as to support future growth. Our bank has a consistent track record of steady dividend distribution pay out @ 16% over the past several years. The board is pleased to recommend dividend @16% for the financial year ended March 31, 2018 on pro rata basis. The Board seeks approval of the members accordingly. Members having Savings Bank and Current Deposit accounts in the Bank will have their dividends credited immediately in the respective accounts after due approval by the AGM, and for other members, the dividend will be credited to their accounts by NEFT or Dividend warrants.

10 LIQUIDITY

10.1 Asset Liability Management (ALCO)

Asset Liability Management Committee (ALCO) which comprises of senior executives and headed by the Managing Director & CEO is a decision making unit responsible for balance sheet planning, for Liability and Asset Management for optimal results from a risk-return perspective, including the strategic management of interest rate and liquidity risks. The responsibility of the ALCO is to strike a right 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.

11 SYSTEMS AND CONTROLS

The Bank has a proper and adequate system of internal controls and system supported checks and balances for automated processes to ensure that all assets are safeguarded and protected against loss.

11.1 Risk Management

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

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

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

11.2 Compliance

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

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

Banking Codes and Standards

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

FATCA Compliance

The Government of India signed the Inter Governmental Agreement (IGA) with the United States of America, to combat offshore tax evasion and stashing of unaccounted money overseas, to implement the Foreign Account Tax Compliance Act (FATCA) thus promoting transparency on tax matters. RBI has made

it mandatory for banks and financial institutions to seek supplementary KYC and self certification forms from investors in this regard. The Bank is registered as a Reporting Financial institution with the US Internal Revenue service (IRS), obtained the GIIN number and filed the requisite compliances. The bank has ensured that the necessary reporting under FATCA was made prior to the deadline of March 31, 2018.

11.3 Technology Absorption, Adaptation and Innovation

Information Technology revolution is changing the entire Banking scenario, the way financial business is done and has considerably widened the range of products and increased the expected demands of the customers. Financial sector reforms and banking sector reforms are the part and parcel of economic reforms, which strengthen the economic reforms. IT Act of 2000 gave new dimension to the Indian financial sector. IT has created transformation in banking sector, banking structure, business process, work culture and human resource development. It affected the productivity, profitability and efficiency of the banks to a large extent.

Technology implementation in Banking has reached next phase after completing implementation of CBS in majority of UCBs. Effective use of technology makes the financial system less costly, much faster, more customized, more flexible and more efficient. The bank has already made the latest techno facilities like Rupay ATMs, RTGS/NEFT, CTS, E tax payments, card swiping, IMPS, mobile banking, bills payment, AML/PMA, EZee will online etc implemented and are available to the customers. The Board has always promoted latest technology implementation which leads us to cash less economy irrespective of huge investments considering the need of the hour and the competition in the Banking industry. The investment in technology is viable only if utilization by customers is very high. The technology based transaction cost is very low as compared to manual transaction.

Digital banking is the move to online banking where banking services are delivered over the internet. It involves high levels of process automation and web-based services and may include APIs (Application

Program Interface) enabling cross-institutional service composition to deliver banking products and provide transactions.

11.4 Audit & Inspection

The Audit and Inspection Department of the Bank is instrumental in undertaking inspection across branches and departments on an annual basis.

All branches are covered under concurrent audit by external empanelled auditors on monthly/bimonthly basis as well as internal inspection is done by the bank's own staff. The audit process is evaluated every year to ensure that all new RBI guidelines and statutory requirements as also technological enhancements taking place in the banking industry are taken care of by incorporating the requisite changes in the audit and inspection process. A risk based Audit policy is in place and is reviewed and updated every year. RBI conducted the Inspection of the Bank under Section 35 of the Banking Regulation Act, (AACS) 1949 with respect to the financial year ended March 31, 2017 in August 2017. The Bank has submitted its compliance to the Inspection report to RBI on time. Statutory Audit of the Bank for the year 2017-18 is undertaken by M/s. Borkar & Muzumdar, Chartered Accountants who were appointed by the Members at the last Annual General Meeting held on September 24, 2017. M/s. Borkar & Muzumdar is a reputed firm of Chartered Accountants carrying total 70 years of experience in Audit, taxation and financial consultancy services.

The Bank's Demat operations were inspected by NSDL in June 2017 and have been found satisfactory. M/s. R.A. Moraes & Associates, Chartered Accountants, M/s. Gonsalves & Associates, Chartered Accountants M/s. Ganesh Daivajna, M/s.Ramanand& Associates, Chartered Accountants, M/s.Shinde& Associates, Chartered Accountants, M/s. Simethy and Gramopadhye, Chartered Accountants, M/s.Bansilal Shah & Co, Chartered Accountants carried out the Concurrent Audit of the Bank during the year 2017-18.

Special Audits during the year 2017-18 were conducted of Human Resources Department by M/s.Simethy and Gramopadhye, Chartered Accountants; Operations and Premises Departments by M/s. R Devendra Kumar

& Associates, Chartered Accountants; Information Systems Audit and Structured Financial Messaging System (SFMS) Audit, ATM and Electronic Channel Audit of the Bank by M/s R Devendra Kumar & Associates, Chartered Accountants, Revenue Audit of the Bank by M/s Ramanand & Associates, Chartered Accountants. Bank has also undertaken special audits like IT audit and system audit as well. Bank has also appointed Chief Security Officer who is CISA qualified is in Service since January 2017.

M/s. Borkar and Muzumdar have completed their 1st year as statutory auditors of the Bank for the financial year 2017-18. The Board of Directors recommend that the same firm continues as Statutory Auditor for the next year i.e. 2018-19. Confirmation of the General Body is solicited.

Status of Proceedings initiated by the Bank In continuation of the Criminal Complaints lodged with the Mumbai Police Economic Offences Wing (EOW) on December 24, 2014 pertaining to 7 NPA accounts, the investigation is in progress by EOW.

Arbitration : A member has submitted petition to the State Registrar Pune, under sec 84(4) of MSCS Act 2002, challenging one of the Directors on contesting the election of the Board of Directors held in December 2016.The arbitration procedure is in progress.

11.5 KYC, AML and CFT

The Bank has revised its KYC policy which is in tune with the guidelines issued by RBI from time to time. The process of opening of new accounts is such that the accounts are opened only if the KYC compliant documents are provided. Also all active accounts which are non compliant are debit freezed. The bank has furnished all the requisite cash transaction reports (CTR), counterfeit currency reports (CCR), Nonprofit organization transaction report (NTR) and suspicious transaction report (STR) to FIU-IND, New Delhi in time during the financial year.

The Bank has assigned risk category to the customers including borrowers at the time of opening of accounts. The bank has classified around 76.50% of customer accounts as low risk category, 4.39% as medium risk and 19.10% as high risk.

The Bank has already implemented software for unification of customer ID and have completed multiple rounds/iterations to select a golden / best record having maximum data amongst multiple records of a customer. The bank has now a single customer nu/mber even if he maintains account at different branches.

The Bank has a proper and adequate system of internal controls and system supported checks and balances for automated processes to ensure that all assets are safeguarded and protected against loss.

11.6 CERSAI

The Bank continues its association with CERSAI (Central Registry of Securitization Asset Reconstruction and Security Interest of India) for the purpose of registering charges in relation to mortgage by deposit of title deeds created in favour of the Bank.

11.7 Membership of Credit Information Companies (CICs)

As per RBI instruction /2014-15/435-DCBR.BPD. (PCB/RCB).Cir no.13/16.74.000/2014-15 dated January 29, 2015, all credit Institutions have been directed to become members of all CICs in operation. Presently, four CICs viz. Credit Information Bureau India Ltd (CIBIL), Equifax Credit Information Services P Ltd, Experian Credit Information Company of India Ltd and CRIF High Mark Credit Information Services have been granted Certificate of Registration by RBI.

The Bank is a member of all four CICs to help improve quality of the advances portfolio as a credit risk mitigant and to increase credit penetration, profitability and growth.

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

The Ministry of Small Scale Industries (SSI) is operating a scheme for technology up gradation for SSIs called the Credit Linked Capital Subsidy Scheme (CLCSS) since September 2005 which aims at facilitating technology up gradation by providing upfront capital subsidy to SSI units, on institutional finance (credit) availed by them for modernization of their production equipment (plant and machinery) and techniques in selected sub sectors/products approved under the scheme.

The Bank continues its tie up with Small Industries Development Bank of India (SIDBI) which is the Nodal Agency for CLCSS) for release of capital subsidy under the scheme for sole proprietors, partnerships, co-operative societies / companies (MSME) in the SSI sector.

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

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

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

- Economically Weaker section (EWS)-(Annual Household Income upto ₹ 3.00 lakhs)
- Low Income Group (LIG)-(Annual Household Income above ₹ 3.00 lakhs to ₹ 6.00 lakhs)
- Middle Income Group-I (MIG-I)- (Annual Household Income above ₹ 6.00 lakhs to ₹ 12.00 lakhs)
- Middle Income Group-II (MIG-II)-(Annual Household Income above ₹ 12.00 lakhs to ₹ 18.00 lakhs)

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

12 VALUE ADDED SERVICES

12.1 Foreign Exchange Business under AD Category-II

As Authorized Dealer Category II, the Foreign Exchange services offered at our sixteen branches have achieved a total turnover of ₹ 79.70 crores during the year The dedicated foreign exchange counter of the Bank are located at Hill Road, Vakola, Colaba, Borivali, Malad, Dadar, Kalina, Byculla, Moti Daman, Sahar, Mira Road, Panaji, Fatima Nagar, Camp, Mapusa, Margao branches.

12.2 Depository Services – NSDL

The Bank continues to offer Demat Services to its clients as a Depository Participant of the National Securities Depository Ltd. (NSDL) since October 1999. As of March 31, 2018 the portfolio covered 7719 Demat accounts. SPEED-e was introduced to our clients in April 2012.

SPEED-e is a secured Internet website set-up by NSDL for clients to submit delivery instructions to their Depository Participants. SPEED-e enables the Demat holders, registered for this facility to directly execute their Delivery Instructions (DI's) electronically online on the NSDL website without submitting Delivery Instruction Slips physically to the branch.

12.3 Stamp Duty Franking Services

The Bank is a sub-agent to IDBI Bank offering e-SBTR service to the General public. e-SBTR service is available at all our Branches in Mumbai and Thane Division (excluding the Pune Branches).Goa Branches continue to provide the Stamp Duty Franking services and the same are being utilized by the general public in a large measure. Bank also offers franking services of smaller values at Borivli branch which is for the benefit of general public.

12.4 Mutual Fund Distribution Services

The Bank is registered with The Association of Mutual Funds in India (AMFI) under registration number ARN-120472.

The Bank has tied up with five Asset Management Companies (AMCs) i.e M/s ICICI Prudential Asset Management Company Limited, M/s. HDFC Asset Management Company Ltd, M/s SBI Funds Management Private Ltd, M/s.Aditya Birla Sun Life Asset Management Company Limited and M/s. DSP Blackrock Investment Managers Pvt Ltd for distribution of Mutual Fund Services. The distribution of Mutual Funds is purely a referral service which was introduced to our members and customers w.e.f May 2017. We are in the process of implementing a very user friendly and user operable app on the mobiles of the customers which can guide them on investments under mutual fund.

12.5 Advisory Services

The Bank in association with M/s. NSDL e-Governance Infrastructure Limited and M/s. Warmond Trustees and Executors Pvt Ltd offers online service of data submission for 'Will Preparation' through computerized platform namely EzeeWill System for the benefit of members and customers.

13 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

- That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures;
- That such Accounting Policies have been applied consistently; and such judgments and estimates have been made that are reasonable and prudent, so as to present a true and fair view of the state of affairs of the Bank as at the end of the financial year, and of the profit of the Bank for the same period;
- That proper and sufficient care has been taken for maintenance of adequate accounting records, in accordance with the provisions of the Banking Regulation Act, 1949, as applicable to Co-operative Societies and the Multi-State Cooperative Societies Act, 2002 for safeguarding the assets of the Bank and for detecting and preventing fraud and other irregularities; and
- That the annual accounts have been prepared on going-concern basis.

14 BRANCH NETWORK

The Bank has a network of total 45 branches as on March 31, 2018 spread over the States of Maharashtra, Goa, Union Territory of Daman and Karnataka. 3 Branches were opened in the year under review and 2 more branches are proposed to be opened in the current financial year for which necessary permissions have been obtained from Reserve Bank of India.

Further the Bank shifted its Mahakali Branch located at Shop No.5, Ground Floor, Sai Ashish CHSL, Near Bindra Complex, Mahakali Caves Road, Andheri (E) Mumbai - 400 093 to Shop No 2, Ambika Apartments CHSL,

next to Domino's Pizza, Mahakali Caves Road, Andheri East- 400 093 which is more spacious and has better frontage, providing a greater visibility to the Branch.

15 MALAD PROPERTY DEVELOPMENT

The project on construction of own administrative building was undertaken in 2009 and is now almost completed. Some of the Administrative departments are already shifted to the new building and some are in the process. Bank has acquired occupation certificate upto 4th floor. As per the latest Development procedure, the bank is planning to get the advantage of extra FSI and construct 6th and 7th floor. Hence it was advised to keep the file open and apply for OC upto 4th floor only.

16 SEMINARS

During the financial year on January 19, 2018, the Bank conducted an Interactive session on "Career Opportunities in Armed / Civil Services" which was coupled with the presentation of the Awards for Academic Excellence. The symposium was arranged with a view to disseminate expert information to the Bank's members, customers and other members of the public and was very well attended.

17 AWARDS FOR ACADEMIC EXCELLENCE

Every year the Bank recognizes members /members' children for achieving meritorious ranking in their respective academic examinations ranging from SSC to Post-Graduation and other specialized Professional Courses. This year 295 meritorious students were presented Awards for Academic Excellence. The total number of students recognized for Academic Excellence over the years stands at 4749.

18 CUSTOMER MEET

During the financial year 2017-18, the Bank conducted two investment meets on the theme "Make your Money Work Hard For You" and "Make Your Money Work Harder For You" with the launch of its Mutual Fund Services. The objective of the meets was to educate customers on the different types of investments available in the market taking into account the risk associated with the investments. Subsequently, investment meets were also held at Goa.

On introduction of new Technology products, the Bank arranged for a technology meet at its Malad Center, Kurla and other branches to give hands on experience on the usage of these services to the customers. Most of our senior citizens were present.

Bank celebrated International Women's Day by inviting all its women customers on March 08, 2018 with the theme "Woman Achievers".It was a grand success and was attended by over 300 women.

All the meets were well attended and appreciated.

19 ACKNOWLEDGEMENTS

The Board of Directors sincerely place on record its appreciation for the support which the Board and the Bank has received from all our members and other stakeholders and thanks them whole heartedly for their confidence and trust reposed in the Board and the Bank during all these years.

The Board of Directors would also like to place on record the deep sense of gratitude to the authorities of the RBI, especially the Urban Banks Department, the Central Registrar of Co-operative Societies, Government of India, New Delhi, the Commissioner for Co-operation and Registrar of Co-operative Societies, Maharashtra State, Pune for their valuable guidance, support and advice. The Board is also grateful to the Registrar of Co-operative Societies of the State of Goa and Statutory / Concurrent / and other Auditors for their encouragement, support and auditing work.

The Board of Directors records its appreciation to all the employees for their loyalty, dedication and wholehearted involvement in achieving the goals and mission of the Bank, especially in providing excellent and courteous service to its customers and the excellent team work by the Staff. The Board of Directors places on record its deep appreciation of the unfailing commitment, dedication and hard work of all its versatile management and dedicated Staff.

The Board of Directors, in particular, expresses deep gratitude for the co-operation extended to the Bank / Management by the Employees' Union of the Bank.

The Board of Directors also recognizes that the Bank's growth over the years has been attributed to the unstinted support of members and customers and thanks the members, depositors and customers for their unwavering confidence reposed in the Bank. The Board wishes to assure all the members that

the Bank will continue to strive towards attaining even better results and excellence through continued professional commitment to achieve and exceed the ambitious organizational goals that have been set for the Bank.

20 AMENDMENTS TO BYE-LAWS:

There are many changes/additions/deletions required to be undertaken and hence a separate special AGM was proposed. However, the 97th amendment is not yet approved by all the states and hence not incorporated under the constitution. Bank has referred the revised MODEL Byelaws and accordingly changes/additions are recommended.

Following are a few important amendments required to be done immediately :

Byelaw No	Existing	Amendment recommended	Remarks
2. Definitions (addition)	Definition of 'minimum level of services' is missing in the existing Bye laws	2(xxiii)Definition of Minimum level of services : To have any deposit or Loan a/c and maintain Regular basic conditions as required by the Bank	Definition is Missing and is required to be added as it is referred under Bye-Law no. 7(v)
4(B) Regular Member (addition)	The condition not specified under existing bye-law no.4 and to be included under 4B(j) and 4B(k)	4B (j) Member must be KYC Compliant as per RBI Definition. 4B(k):Must hold minimum number of shares, at present it is 100 shares	Conditions missing
6(A) Correction	Provided that no member shall be entitled to subscribe to more than 1/5th of the share capital of the Bank	Provided that no member shall be entitled to subscribe more than 5% of the share capital of the Bank	As per RBI circular on Capital Adequacy Norms
Addition	Introducing 'Board of Management(BOM)' besides Board of Directors, is a new concept recommended by the Malegam committee and High power committee of UCBs. It is under consideration of RBI.	53.Board Of Management: To set up a Board of Management as per the directives/ instructions of the RBI.	RBI has indicated that UCBs , if desire to get permissions for any business growth or area of operation, they must accept BOM concept.

The Board has recommended the above amendments / additions to the existing Bye laws and placed before the General Body for approval.

July 07, 2018

Anthony D'Souza
Chairman



MAKE YOUR
MONEY
WORK
HARDER
FOR YOU



REPORT OF THE INDEPENDENT AUDITORS

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AUDITORS REPORT

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

Report On the Financial Statements

1. We have audited the accompanying financial statements of CITIZENCREDIT Co-Op. Bank Ltd. ("the Bank") as at 31 March 2018, which comprise the Balance Sheet as at 31 March 2018, and the Profit and Loss Account, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The returns of Head Office and its departments audited by us and returns of all 45 branches certified by the Concurrent Auditors/Internal Auditors are consolidated in these financial statements. As informed by the management, the Bank has not received any specific guidelines from the Central Registrar of Cooperative Societies with respect to selection of branches to be covered under audit. During the course of our audit we performed select relevant procedures at 18 branches. Since the Bank considers its key operations to be automated, with the key applications largely integrated to the core banking systems it does not require its branches, to submit any financial returns. Accordingly, our audit is carried out centrally at the Head Office and Central Processing Units, based on the necessary records and data required for the purposes of the audit being made available to us and further the matter of percentages of advances, deposits, interest income and of interest expenses is not applicable to the Bank.

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 provisions of the Banking Regulations Act, 1949, the guidelines issued by the Reserve Bank of India and the guidelines issued by the Central Registrar of Cooperative Societies, the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002 (as applicable) and accounting principles generally accepted in India so far as applicable to Banks. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation 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 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 misstatements.
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 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 unqualified audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon and our observation and comments given in Audit Memorandum, give the information required thereon by the Banking Regulation Act, 1949 as well as Multi State Co-operative Societies Act, 2002 and rules made thereunder, in the manner so required, for the urban co-operative banks, guidelines issued by Reserve Bank of India and the Central Registrar of Cooperative Societies, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- In the case of the Balance Sheet, of state of affairs of the Bank as at 31st March 2018;
 - In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - 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 the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002.
8. As required by Section 73(4) of the Multi State Co-operative Societies Act, 2002, we report that:
- 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;
 - In our opinion, proper books of accounts as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches/offices;
 - The transactions of the Bank which came to our notice have been within the powers of the Bank;
 - The Balance Sheet and the Profit and Loss Account dealt with by this report, are in the agreement with the books of account and the returns;
 - The reports on the accounts of the branches/offices audited by the branch auditors have been forwarded to us and have been properly dealt with by us in preparing this Report;
 - The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to Banks;
 - In our opinion and according to information and explanations given to us, we have not noticed any material impropriety or irregularity in the expenditure or in the realization of money due to the Bank.
9. As required by the Rule 27 (3) of the Multi–State Co-operative Societies Rules, 2002, we report on the matters specified in clauses (a) to (f) of the said Rule to the extent applicable to the Bank.
- During the course of our audit, we have generally not come across transactions which appear to be contrary to the provisions of the Act, the Rules or the Bye-Laws of the Bank.
 - During the course of our audit, we have not come across material and significant transactions which appear to be contrary to the guidelines issued by RBI.
 - Following monies due to the Bank appear to be doubtful of recovery against which a provision of Rs. 4497.62 Lakhs is made in the accounts. (Advances categorized as doubtful and loss assets as per Prudential Norms are considered as doubtful of recovery:-

(₹ in Lakhs)	
Category	Outstanding on 31.03.2018
Doubtful Assets	6501.19
Loss Assets	87.77

- As per the information provided to us and to the best of our knowledge, no credit facilities have been sanctioned by the Bank to the members of the Board or their relatives;
- We have generally not come across any violations of guidelines, instructions etc. issued by the RBI.
- To the best of our knowledge, no other matters have been specified by the Central Registrar, which require reporting under this Rule.

For and on behalf of
Borkar & Muzumdar
Chartered Accountants
Firm Registration No: 101569 W
[Supriya D. Bhat]
Partner
Membership No. 048592

Place: Mumbai
Date: July 07, 2018

CERTIFICATE

We have audited the Balance Sheet of Citizencredit Co-operative Bank Limited: Mumbai as on 31st March, 2018 and the Profit and Loss Account annexed thereto for the year then ended and we report that audit class “A” has been given to the Bank for the year 2017-18, as per norms prescribed for audit classification of Urban Co-operative Banks by Registrar of Co-operative Societies, Maharashtra State

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No: 101569 W
[Supriya D. Bhat]
Partner
Membership No. 048592

Place: Mumbai
Date: July 07, 2018

BALANCE SHEET AS AT MARCH 31, 2018

As at 31.03.2017 ₹	CAPITAL AND LIABILITIES	Sch. No.	As at 31.03.2018 ₹
15,25,47,290	1. SHARE CAPITAL	1	15,21,54,660
3,35,99,00,957	2. RESERVE FUND AND OTHER RESERVES	2	3,51,02,98,040
-	3. PRINCIPAL / SUBSIDIARY STATE PARTNERSHIP FUND ACCOUNT		-
-	4. BORROWINGS		-
29,24,02,01,799	5. DEPOSITS AND OTHER ACCOUNTS	3	30,69,27,79,117
12,54,789	6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE (As per Contra)		18,81,227
2,24,97,55,275	7. SECURITIES PURCHASED UNDER RBI-REVERSE REPO / REVERSE REPO		1,68,98,99,436
32,53,16,024	8. OVERDUE INTEREST RESERVE (Contra)		38,18,25,124
27,00,14,371	9. INTEREST PAYABLE		24,14,67,416
29,24,01,578	10. OTHER LIABILITIES	4	41,93,54,512
23,07,28,308	11. PROFIT AND LOSS ACCOUNT	5	20,42,53,447
36,12,21,20,391	GRAND TOTAL		37,29,39,12,979
75,92,81,188	CONTINGENT LIABILITIES: Refer Schedule 16(25)	16	64,27,77,808

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

For Borkar & Muzumdar
Chartered Accountants
FRN 101569 W

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

Place: Mumbai
Date: July 07, 2018

FOR AND ON BEHALF OF BOARD
OF DIRECTORS

**For: CITIZENCREDIT CO-OPERATIVE
BANK LIMITED**

Geeta Andrades
Managing Director &
Chief Executive Officer

BALANCE SHEET AS AT MARCH 31, 2018

As at 31.03.2017 ₹	PROPERTY AND ASSETS	Sch. No.	As at 31.03.2018 ₹
1,45,06,53,466	1. CASH, BALANCES WITH RBI, SBI, STATE CO-OPERATIVE BANK AND CENTRAL CO- OPERATIVE BANK	6	1,38,97,94,970
5,03,43,47,667	2. BALANCES WITH OTHER BANKS	7	4,30,33,81,885
-	3. INVESTMENT OUT OF THE PRINCIPAL SUBSIDIARY STATE PARTNERSHIP FUNDS		-
-	4. MONEY AT CALL AND SHORT NOTICE		-
2,24,97,55,275	5. LENDING UNDER RBI-REVERSE REPO / REVERSE REPO	8	1,68,98,99,436
8,43,98,99,208	6. INVESTMENTS	9	12,68,71,01,144
14,86,46,42,360	7. ADVANCES	10	13,53,80,89,054
	8. INTEREST RECEIVABLE		
39,48,65,740	a) On Investments		39,50,36,736
51,48,787	b) On Advances		24,52,861
32,53,16,024	c) On Non Performing Assets (Contra)		38,18,25,124
12,54,789	9. BILLS RECEIVABLE BEING BILLS FOR COLLECTION (As per Contra)		18,81,227
2,24,97,55,275	10. SECURITIES PURCHASED UNDER RBI-REVERSE REPO / REVERSE REPO		1,68,98,99,436
32,036	11. BRANCH ADJUSTMENTS (NET)		54,280
80,35,75,908	12. FIXED ASSETS	11	80,78,37,904
23,35,77,856	13. OTHER ASSETS	12	34,97,51,922
6,92,96,000	14. DEFERRED TAX ASSET (NET)		5,69,07,000
36,12,21,20,391	GRAND TOTAL		37,29,39,12,979

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

Anthony D'Souza
Chairman

Donald L. Creado
Vice-Chairman

DIRECTORS

Priscilla Buthello
Frederick J. De Souza
Joseph M. B. Mascarenhas
Roger C. B. Pereira

Frederick F. Castelino
Edwin J. Gonsalves
Leslie Mascarenhas
Royston J. Pereira

Malcolm D. Correa
Leslie J.H. Lobo
James S. Pereira
Arvind Pinto

Place: Mumbai
Date: July 07, 2018

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

PREVIOUS YEAR ₹		EXPENDITURE	Sch. No.	CURRENT YEAR ₹
	1	INTEREST ON DEPOSITS AND BORROWINGS		
1,85,47,76,490		a) On Deposits		1,81,85,93,248
96,34,351		b) On Borrowings (Repo / Call / CBLO / NHB)		92,55,992
40,68,51,465	2	Salaries, Allowances, PF, Gratuity etc.		40,91,26,486
16,39,129	3	Directors Sitting Fees, Allowances and Other Exp		15,94,553
8,16,95,982	4	Rent, Rate, Taxes, Insurance and Lighting		9,65,80,071
61,51,332	5	Legal and Professional Charges		40,86,814
49,81,540	6	Audit Fees		46,46,750
1,90,47,250	7	Postage, Telegram and Telephone		2,17,22,830
2,64,77,739	8	Depreciation		4,44,02,335
67,60,526	9	Staff Welfare		53,25,570
97,58,609	10	Printing and Stationery		85,91,053
52,47,100	11	Advertisement		48,02,810
1,88,25,157	12	Repairs and Maintenance		2,43,02,431
40,83,412	13	Travelling and Conveyance		38,61,573
30,80,262	14	Bank Charges		24,03,285
2,06,61,722	15	Security Charges		2,39,54,040
60,78,486	16	Software Expenses		72,01,559
10,78,390	17	Election Expenditure		-
1,66,41,238	18	Sundry Expenses	13	1,71,77,912
-	19	Bad Debts written off		4,63,77,548
-	20	Depreciation on Shifting of Investmens		7,26,17,500
6,87,509	21	Loss on Sale of Assets		1,31,049
3,31,45,336	22	Loss on Sale of Investments		1,59,77,105
	23	Provisions for and Amortisations of		
80,65,286	a	Earned Leave		64,11,995
58,52,968	b	Gratuity		89,10,555
42,21,918	c	Leave Travel Allowance		16,34,084
54,42,239	d	Amortisation of Premium on Investments		1,01,33,874
53,27,000	e	Standard Assets		43,14,000
6,00,000	f	Restructured Advances		49,00,000
-	g	Non Banking Asset		1,97,11,000
2,85,82,000	h	Bad and Doubtful Debts		2,50,88,000
20,00,000	i	Special Reserve U/s 36 (1)(viii) of Income Tax Act, 1961		8,35,000
2,59,73,94,435				2,72,46,71,022
34,10,62,005		PROFIT BEFORE TAX		28,61,89,746
2,93,84,56,440		TOTAL		3,01,08,60,768

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

PREVIOUS YEAR		INCOME	Sch.	CURRENT YEAR
₹			No.	₹
	1	INTEREST AND DISCOUNT		
1,30,18,43,532	a)	On Advances		1,27,87,27,446
91,31,57,750	b)	On Investments		94,21,01,639
91,85,638	c)	On Certificate of Deposits		2,76,08,048
40,24,19,507	d)	On Fixed Deposits		38,08,80,502
7,67,46,316	e)	On Rev.Repo / Call / CBLO Lending		12,13,66,165
5,16,20,835	2	Commission and Exchange		5,85,01,456
87,83,757	3	Bancassurance Commission		1,21,32,534
24,43,476	4	Locker Rent		30,48,884
1,64,82,559	5	Franking Discount and Commission		1,87,05,381
9,89,260	6	Sundry Income	14	7,10,573
15,46,63,526	7	Profit on Sale of Investments		10,05,91,869
1,20,284	8	Profit on Sale of Assets		1,08,723
-	9	Provision for Bad & Doubtful Debts written back		6,63,77,548
2,93,84,56,440		TOTAL		3,01,08,60,768

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

PREVIOUS YEAR ₹	EXPENDITURE	Sch. No.	CURRENT YEAR ₹
	TAX EXPENSES		
12,15,00,000	Income Tax		9,31,74,000
(7,63,000)	Deferred Tax		1,23,89,000
(9,31,292)	Excess tax provision of earlier years		-
13,41,875	Short tax provision of earlier years		-
12,11,47,583			10,55,63,000
21,99,14,422	NET PROFIT AFTER TAX		18,06,26,746
34,10,62,005			28,61,89,746

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

For Borkar & Muzumdar
Chartered Accountants
 FRN 101569 W
[Supriya D. Bhat]
 Partner
 M. No. 048592

Place: Mumbai
 Date: July 07, 2018

**FOR AND ON BEHALF OF BOARD
OF DIRECTORS**

**For: CITIZENCREDIT CO-OPERATIVE
BANK LIMITED**

Geeta Andrades
 Managing Director &
 Chief Executive Officer

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

PREVIOUS YEAR ₹	INCOME	Sch. No.	CURRENT YEAR ₹
34,10,62,005	PROFIT BEFORE TAX		28,61,89,746
34,10,62,005			28,61,89,746

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

Anthony D'Souza
 Chairman

Donald L. Creado
 Vice-Chairman

DIRECTORS

Priscilla Buthello
 Frederick J. De Souza
 Joseph M. B. Mascarenhas
 Roger C. B. Pereira

Frederick F. Castelino
 Edwin J. Gonsalves
 Leslie Mascarenhas
 Royston J. Pereira

Malcolm D. Correa
 Leslie J.H. Lobo
 James S. Pereira
 Arvind Pinto

Place: Mumbai
 Date: July 07, 2018

SCHEDULES TO BALANCE SHEET 31ST MARCH 2018

As at 31.03.2017 Amount ₹		PARTICULARS		As at 31.03.2018 Amount ₹
		SCHEDULE - 1		
		SHARE CAPITAL		
	A)	Authorised Capital		
500,000,000		5,00,00,000 (PY 5,00,00,000) Shares of ₹10/- each		500,000,000
	B)	Issued, Subscribed and Paid-up		
		1,52,15,466 (PY 1,52,54,729) Shares of ₹10/- each		
15,10,69,920	a)	Individuals:	15,06,70,290	
14,77,370	b)	Others:	14,84,370	15,21,54,660
15,25,47,290				15,21,54,660
		SCHEDULE - 2		
		RESERVE FUND AND OTHER RESERVES		
62,79,12,482	a)	Statutory Reserve Fund	68,39,48,593	
20,37,09,000	b)	Special Contingency Fund	22,57,09,000	
71,64,34,288	c)	Building Fund	71,64,34,288	
30,31,26,975	d)	General Reserve	41,94,13,975	
54,51,14,000	e)	Provision for Bad and Doubtful Debts	50,38,24,452	
42,45,101	f)	Provision for Restructured Advances	91,45,101	
4,59,99,953	g)	Contingent Provisions against Standard assets	5,03,13,953	
37,96,23,670	h)	Investment Fluctuation Reserve	37,96,23,670	
44,03,65,488	i)	Revaluation Reserves	42,76,80,008	
9,33,70,000	j)	Special Reserve Long Term Finance U/s 36(1)(viii) of Income tax Act, 1961	9,42,05,000	
3,35,99,00,957				3,51,02,98,040
		SCHEDULE - 3		
		DEPOSITS AND OTHER ACCOUNTS		
	(i)	TERM DEPOSITS		
17,89,26,42,708	a)	From Individuals and Others	18,73,81,32,814	
75,40,27,851	b)	From Other Societies	96,70,22,531	
18,64,66,70,559				19,70,51,55,345
	(ii)	SAVINGS BANK DEPOSITS		
9,52,76,33,948	a)	From Individuals and Others	9,91,00,29,201	
30,05,19,572	b)	From Other Societies	31,69,51,464	
982,81,53,520				10,22,69,80,665

SCHEDULES TO BALANCE SHEET 31ST MARCH 2018

As at 31.03.2017 Amount ₹		PARTICULARS		As at 31.03.2018 Amount ₹
	(iii)	CURRENT DEPOSITS		
75,77,43,524	a)	From Individuals and Others	75,11,32,016	
10,37,360	b)	From Other Societies	14,87,795	
75,87,80,884				75,26,19,811
	(iv)	MATURED DEPOSITS		
65,96,836	a)	From Individuals and Others	80,23,296	
–	b)	From Other Societies	-	
65,96,836				80,23,296
29,24,02,01,799				30,69,27,79,117
		SCHEDULE - 4		
		OTHER LIABILITIES		
2,40,36,323	a)	Pay orders Issued	5,23,55,130	
19,26,037	b)	Unclaimed Dividends	21,13,121	
44,91,939	c)	Sundry Creditors	24,34,566	
39,72,219	d)	Deposit on Capital Linked Subsidy Scheme from SIDBI	26,44,631	
26,82,325	e)	Audit Fees Payable	20,29,500	
12,15,00,000	f)	Provision for Tax	21,46,74,000	
5,61,57,594	g)	Leave Encashment	5,91,11,898	
48,52,968	h)	Gratuity	79,08,662	
58,17,293	i)	Leave Travel Allowance	16,34,084	
42,43,150	j)	Rent on Lockers Received in Advance	45,79,723	
41,20,800	k)	Key Deposit	57,27,800	
87,66,002	l)	Outstanding Expenses	1,27,80,023	
2,36,34,850	m)	TDS Payable	1,89,48,201	
4,94,628	n)	General Suspense Account	6,86,091	
57,18,784	o)	Cheques under Clearing for Franking	62,05,048	
1,99,86,666	p)	Miscellaneous other liabilities	2,55,22,034	
29,24,01,578				41,93,54,512

SCHEDULES TO BALANCE SHEET 31ST MARCH 2018

As at 31.03.2017 Amount ₹		PARTICULARS		As at 31.03.2018 Amount ₹
		SCHEDULE - 5		
		PROFIT AND LOSS ACCOUNT		
21,30,23,289		Profit as per last Balance Sheet	23,07,28,308	
		Less: Appropriation for 2016-2017		
5,05,00,000	a)	Statutory Reserve Fund @ 25% of Profit	5,50,00,000	
2,02,00,000	b)	Contingency Fund @10%	2,20,00,000	
15,21,000	c)	Education Fund @ 1%.	21,99,000	
2,42,03,403	d)	Dividend @16%	2,43,01,087	
5,00,00,000	e)	Investment Fluctuation Reserve	—	
5,57,85,000	f)	General Reserve	11,62,87,000	
1,08,13,886			1,09,41,221	
—		Add: Depreciation on Revaluation Reserve	1,26,85,480	
21,99,14,422		Add: Net Profit for the year as per Profit and Loss A/c.	18,06,26,746	
23,07,28,308				20,42,53,447
		SCHEDULE - 6		
		CASH, BALANCES WITH RBI, SBI, STATE CO-OPERATIVE BANK AND CENTRAL CO-OPERATIVE BANK		
8,78,73,702	I.	Cash In Hand	9,16,76,952	
	II.	Reserve Bank of India		
1,23,28,95,226	a)	In Current Accounts	1,29,80,27,220	
-	b)	In Other Accounts	-	
	III.	Balances with State Bank of India and Subsidiaries		
1,35,336	a)	In Current Accountnts	43,245	
12,97,00,000	b)	In Other Accounts	-	
	IV.	Balances with State and Central Co-operative Banks		
		In Current Accounts		
30,402	i.	State Co-op. Bank Ltd.	28,692	
18,800	ii.	Dist. Central Co-op. Bank Ltd.	18,861	
1,45,06,53,466				1,38,97,94,970

SCHEDULES TO BALANCE SHEET 31ST MARCH 2018

As at 31.03.2017 Amount ₹		PARTICULARS		As at 31.03.2018 Amount ₹
		SCHEDULE - 7		
		BALANCES WITH OTHER BANKS		
	a)	Current Deposits with		
15,36,903	(i)	Nationalised Banks	11,86,981	
7,39,86,254	(ii)	Other Banks	2,63,27,379	
	b)	Fixed Deposits with		
1,27,44,00,000	(i)	Nationalised Banks	5,94,00,000	
3,68,44,24,510	(ii)	Other Banks	4,21,64,67,525	
5,03,43,47,667				4,30,33,81,885
		SCHEDULE - 8		
		LENDING UNDER RBI REVERSE REPO / REVERSE REPO		
75,00,00,000	(i)	Reverse Repo under RBI LAF	1,13,00,00,000	
1,49,97,55,275	(ii)	Reverse Repo	55,98,99,436	
2,24,97,55,275				1,68,98,99,436
		SCHEDULE - 9		
		INVESTMENTS		
5,89,15,12,014	(i)	In Central and State Government Securities Face Value ₹ 9,50,00,00,000 (PY ₹ 5,85,00,00,000) Market Value ₹ 9,50,71,29,937 (PY ₹ 5,89,80,03,665)	9,45,81,84,900	
2,000	(ii)	Shares in co-operative institutions Face Value ₹ 2,000 (PY ₹ 2,000) Market Value ₹ 2,000 (PY ₹ 2,000)	2,000	
90,02,81,700	(iii)	P.S.U. Bonds and Bonds of all India Financial Institutions Face Value ₹ 70,00,00,000 (PY ₹ 90,00,00,000) Market Value ₹ 70,57,05,600 (PY ₹ 91,84,30,136)	70,03,52,900	
—	(iv)	Certificate of Deposits Face Value ₹ 1,500,000,000 (PY ₹ Nil) Market Value ₹ 1,397,264,000(PY ₹ Nil)	1,397,264,000	
1,64,81,03,494	(v)	Others Face Value ₹ 120,00,00,330 (PY ₹ 1,750,000,330) Market Value ₹ 1,131,293,664 (PY ₹ 1,648,100,832)	1,13,12,97,344	
8,43,98,99,208				12,68,71,01,144

SCHEDULES TO BALANCE SHEET 31ST MARCH 2018

As at 31.03.2017 Amount ₹		PARTICULARS		As at 31.03.2018 Amount ₹
		SCHEDULE - 10		
		ADVANCES		
	1)	Short Term Loan, Cash Credit, Overdraft and Bill Discounted of which secured against:		
2,49,01,38,369	a)	Term Lending CBLO	49,72,53,645	
11,47,749	b)	Government and Other approved securities	12,82,077	
3,75,12,22,291	c)	Other Tangible Securities	4,33,96,44,758	
2,52,354	d)	Personal Sureties	2,31,336	
6,24,27,60,763				4,83,84,11,816
		i) Amount overdue ₹ 444,118,880 (P.Y. ₹ 46,98,54,209)		
		ii) Amount considered as Bad and Doubtful of recovery provided as per RBI norms ₹ 357,420,913 (P.Y. ₹ 333,504,368)		
	2)	Medium Term Loan of which Secured against:		
5,27,751	a)	Government and Other approved Securities	6,81,604	
1,02,95,73,587	b)	Other Tangible Securities	1,34,61,73,729	
15,48,63,002	c)	Personal Sureties	13,16,00,856	
1,18,49,64,340				1,47,84,56,189
		i) Amount overdue ₹ 433,25,698 (P.Y. ₹ 39,877,264)		
		ii) Amount considered as Bad & Doubtful of recovery provided as per RBI norms ₹ 30,181,535 (P.Y. ₹ 34,047,515)		
	3)	Long Term Loans of which Secured against:		
—	a)	Government and Other approved Securities	—	
7,43,57,05,226	b)	Other Tangible Securities	7,21,63,60,376	
12,12,031	c)	Personal Sureties	48,60,673	
7,43,69,17,257				7,22,12,21,049
		i) Amount overdue ₹252,666,188 (P.Y. ₹176,032,876)		
		ii) Amount considered as Bad & Doubtful of recovery provided as per RBI norms ₹460,198,250 (P.Y. ₹506,127,792)		
14,86,46,42,360				13,53,80,89,054

SCHEDULES TO BALANCE SHEET 31ST MARCH 2018

As at 31.03.2017 Amount ₹		PARTICULARS		As at 31.03.2018 Amount ₹
		SCHEDULE - 11		
		FIXED ASSETS		
	I)	FREEHOLD LAND		
		Gross Block		
15,09,20,800		At Original Cost / Revalued Cost	15,09,20,800	
15,09,20,800		Total		15,09,20,800
	II)	PREMISES		
		Gross Block		
69,81,22,335		At Original Cost / Revalued Cost	73,15,04,959	
3,33,82,624		Add: Additions during the year	1,23,74,033	
73,15,04,959		Total (A)	74,38,78,992	
		Accumulated Depreciation		
26,44,36,558		Opening Balance	29,01,72,062	
2,57,35,504		Add: Depreciation for the year **	2,56,21,024	
29,01,72,062		Total Accumulated Depreciation (B)	31,57,93,086	
44,13,32,897		Net Block (C) [(A) – (B)] ** (includes ₹12685480 (PY ₹12685480) on account of Revaluation adjusted to Revaluation Reserve		42,80,85,906
	III)	FURNITURE AND FIXTURES		
		Gross Block		
9,12,12,397		At Original Cost	10,21,44,463	
1,37,64,634		Add: Additions during the year	2,48,11,152	
28,32,568		Less: Deductions	10,06,207	
10,21,44,463		Total (A)	12,59,49,408	
		Accumulated Depreciation		
4,02,53,010		Opening Balance	4,44,11,595	
62,35,301		Add: Depreciation for the year	77,37,024	
20,76,716		Less: Deductions	8,16,006	
4,44,11,595		Total Accumulated Depreciation (B)	5,13,32,613	

SCHEDULES TO BALANCE SHEET 31ST MARCH 2018

As at 31.03.2017 Amount ₹		PARTICULARS		As at 31.03.2018 Amount ₹
5,77,32,868		Net Block (C) [(A) – (B)]		7,46,16,795
	IV)	COMPUTERS		
		Gross Block		
14,56,58,525		At Original Cost	15,41,29,682	
1,15,46,141		Add: Additions during the year	1,66,31,049	
30,74,984		Less: Deductions	20,28,680	
15,41,29,682		Total (A)	16,87,32,051	
		Accumulated Depreciation		
13,84,84,434		Opening Balance	14,22,37,355	
68,27,869		Add: Depreciation for the year	1,05,47,385	
30,74,948		Less: Deductions	20,18,061	
14,22,37,355		Total Accumulated Depreciation (B)	15,07,66,679	
1,18,92,327		Net Block (C) [(A) – (B)]		1,79,65,372
	V)	VEHICLES		
		Gross Block		
38,36,016		At Original Cost	38,35,955	
–		Add: Additions during the year	13,71,264	
61		Less: Deductions	55,534	
38,35,955		Total (A)	51,51,685	
		Accumulated Depreciation		
14,05,707		Opening Balance	17,70,203	
3,64,544		Add: Depreciation for the year	4,96,902	
48		Less: Deductions	28,719	
17,70,203		Total Accumulated Depreciation (B)	22,38,386	
20,65,752		Net Block (C) [(A) – (B)]		29,13,299
13,96,31,264	VI)	CAPITAL WORK IN PROGRESS		13,33,35,732
80,35,75,908		TOTAL (I+II+III+IV+V+VI)		80,78,37,904

SCHEDULES TO BALANCE SHEET 31ST MARCH 2018

As at 31.03.2017 Amount ₹		PARTICULARS		As at 31.03.2018 Amount ₹
		SCHEDULE - 12		
		OTHER ASSETS		
5,33,755	a)	Sundry Debtors	7,27,448	
4,100	b)	Stamps in Hand	9,440	
61,000	c)	Pan Coupon Stock	12,400	
1,03,03,106	d)	Deposits for Premises	1,49,15,308	
1,43,93,938	e)	Deposits for Services	1,44,89,797	
20,86,934	f)	Stock of Stationery	16,46,653	
14,05,566	g)	Commission Receivable	16,35,836	
13,80,88,485	h)	Income Tax	23,65,67,105	
16,29,240	i)	Advance for Expenses	95,02,547	
8,004	j)	Clearing Account	8,013	
2,70,22,686	k)	Stamp Imprest/ Advance Account	5,12,50,557	
74,29,501	l)	Prepaid Expenses	42,29,432	
6,22,490	m)	Amount Claimed From RBI DEAF	1,01,446	
2,52,15,464	n)	Non Banking Asset acquired in satisfaction of claim	55,04,464	
47,73,587	o)	Miscellaneous other assets	91,51,476	
23,35,77,856				34,97,51,922

SCHEDULES TO PROFIT AND LOSS ACCOUNT

PREVIOUS YEAR (₹)		PARTICULARS		CURRENT YEAR (₹)
		SCHEDULE - 13		
		SUNDRY EXPENSES		
88,428	i)	Brokerage	26,950	
32,26,450	ii)	CCIL Transaction Charges	28,50,272	
16,32,946	iii)	Electronic Channel Division Expenses	15,73,404	
30,56,871	iv)	ATM Transaction Paid	50,83,238	
3,80,234	v)	SMS Alert Expenses	6,37,227	
56,450	vi)	Rupay Transaction Paid	2,13,912	
2,560	vii)	IMPS Fees Paid	46,051	
5,578	viii)	Cersai-CKYC-CPD Expenses	13,966	
18,21,587	ix)	Membership & Subscription	21,82,843	
5,20,376	x)	Recruitment Expenses	3,87,054	
3,63,516	xi)	AGM Expenditure	2,94,628	
4,51,977	xii)	Members Welfare Expenses	6,00,073	
24,17,538	xiii)	Business Development Expenses	14,17,410	
26,16,727	xiv)	Other Expenses	18,50,884	
1,66,41,238				1,71,77,912
		SCHEDULE - 14		
		SUNDRY INCOME		
8,03,400	i)	Miscellaneous Receipts	7,10,573	
1,85,860	ii)	Tax Refund of earlier years	-	
9,89,260				7,10,573

SCHEDULE - 15

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

I. BACKGROUND

CITIZENCREDIT Cooperative Bank Ltd (CCCB) was incorporated on May 8, 1920 as a primary cooperative credit society. The society was licensed to undertake Banking business by the Reserve Bank of India vide its licence no. MH 1016 p dated December 27, 1989. The Bank is registered under the Multi-State Cooperative Societies Act by the Central Registrar vide their order dated January 20, 1998. The area of operation of the Bank extends to the entire State of Maharashtra, Union Territory of Daman, States of Goa, Karnataka and New Delhi. The Bank has a network of 45 branches. 3 new Branches were opened in the current year. 2 Branches are proposed to be opened for which necessary RBI permission have been received.

II. SIGNIFICANT ACCOUNTING POLICIES

1 Accounting Conventions:

The accompanying Financial statements have been prepared and presented under the historical cost convention as a going concern on accrual basis of accounting, unless otherwise stated, and comply with the Generally Accepted Accounting Principles, statutory requirements prescribed under the Banking Regulation Act, 1949 – As applicable to Co-operative Societies (AACS), and the Multi State Co-operative Societies Act, 2002, circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time, the applicable Accounting Standards ('AS') issued by the Institute of Chartered Accountants of India ('ICAI') and the current practices prevailing amongst the co-operative banks in India.

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

2 Use of Estimates:

The presentation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimated. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revisions to the accounting estimates are recognised prospectively in the current and future periods.

3 Investments:

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

3.1 Classification

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

3.2 Valuation and Accounting of Investments

- Investments under HTM category are valued at acquisition cost unless it is more than the face value in which case the premium (if any) paid on the investments under this category is amortised over the period remaining to maturity as per RBI guidelines and policy adopted by the Bank. Discount on securities held under HTM category is not accounted and such securities are held at acquisition cost till maturity.
- Investments under AFS and HFT categories are valued scrip-wise at lower of Book Value and Market Value and depreciation/appreciation is aggregated for each classification. Net depreciation, if any, is provided for, while net appreciation, if any, is ignored. Net Depreciation for the year under these categories is charged to the Profit and Loss Account.
- Treasury Bills, Commercial Paper and Certificate of Deposits under all categories/classifications are valued at carrying cost.
- Shares of Co-operative Institutions and Financial Corporations are valued at cost unless there is a diminution in the value thereof in which case the diminution is fully provided for.
- Market Value of Debt Securities is determined in terms of Yield to Maturity (YTM) method indicated by Fixed Income Money Market and Derivatives Association of India (FIMMDA).
- Broken period interest, Brokerage, Commission paid if any, in respect of investments purchased is treated as an item of expenditure under the Profit and Loss account.
- Investments in other securities include shares of a joint stock company carried over from the erstwhile Bombay Catholic Urban Credit Co-operative Society Limited, being carried at cost.
- Repo / Reverse repo transactions if any, are accounted for as collateralized lending and collateralized borrowing transactions in accordance with RBI guidelines and correspondingly the expense and income thereon are treated as interest and recognized in the Profit and Loss Account.
- In respect of Repo transactions under LAF with RBI, amount borrowed from RBI is credited to investment account and reversed on maturity of transaction. Cost thereon is accounted for as interest expenses. In respect of Reverse Repo transactions under LAF with RBI, amount lent to RBI is debited to investment account and reversed on maturity of transaction. Revenue thereon is accounted for as interest income.

3.3 Transfer between categories :

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

4 Advances:

- The classification of advances into Standard, Sub Standard, Doubtful and Loss assets as well as provisioning on Standard Advances, Restructured Advances and Non Performing Advances is arrived at in accordance with the Income Recognition, Assets Classification and Provisioning Norms prescribed by the RBI for Primary UCBs. Certain advances have been kept outstanding at nominal amounts to continue the charge on securities in respect of other standard facilities enjoyed by them with the Bank. Accordingly, these advances are classified as Standard Assets.
- Any lending under the Collateralised Borrowing and Lending Obligations (CBLO) facility which is repayable beyond 15 days is classified under Advances (Short Term) Secured against Government and Other Approved Securities. Other CBLO lending repayable within 15 days is classified under "Money at Call and Short Notice".

- The Bank also makes provision for diminution in fair value of Restructured Advances as per norms issued by RBI.
- In addition to provisioning on Non- Performing Advances, general provisions are made on the following categories of standard asset as per RBI guidelines as under:

Category	Provisions (%)
Direct Advances to agricultural and SME sectors	0.25
Commercial and Real Estate Loans	1.00
Commercial & real estate loans- residential housing	0.75
Other Standard Advances	0.40

5 Fixed Assets and Depreciation:

- Fixed Assets, other than those that have been revalued, are carried at historical cost less depreciation accumulated thereon in accordance with AS 10. Cost includes incidental stamp duty, taxes, registration charges and civil work in case of ownership premises, and in case of other fixed assets, amounts incurred to put the asset in a working condition.
- In the absence of any provisions in the related co-operative laws recommending rates of depreciation to be followed, the bank has adopted the rates of depreciation on Written down value method as laid down in the Income Tax Rules, 1961 for all assets (except computers) owned by the Bank. Depreciation on computers has been charged @ 33 1/3 percent on Straight Line Method (SLM) in accordance with Reserve Bank of India guidelines.

Type Of Fixed Asset	Depreciation Method	Depreciation rate %
Freehold Premises	Written Down Value	10
Furniture and Fixtures	Written Down Value	10
Computers (H/W & S/W)	Straight Line	33 1/3
Vehicles	Written Down Value	15

- The depreciation on fixed assets acquired prior to October 3rd, is provided for the whole year otherwise the same are depreciated at 50% of the normal rates. No depreciation is charged on fixed asset sold/ disposed off during the year.
- Gains or losses arising from derecognition of fixed asset are measured as difference between the net proceeds on disposal and carrying amount of the assets and are recognized in the Profit and Loss account when the asset is derecognized.
- No depreciation is provided on Freehold Land.
- Capital work-in-progress includes cost of fixed assets that are not ready for their intended use. As on 31st March 2018, the Bank has one project in hand viz- proposed Malad Building where the Bank has commenced construction of its own five storied premises at Orlem-Malad. As on 31st March 2018, only ground floor and 1st floor is capitalized as the same is being used for branch operations.
- The premises and freehold land of the Bank were last revalued as on 31st March 2010 by professionally qualified independent valuers empanelled by the Bank in accordance with the policy formulated by the Bank based on RBI guidelines. The surplus arising on revaluation of Freehold Land amounting to Rs. 963.28 lakh is credited to Revaluation Reserve. The surplus arising on revaluation of Freehold Premises amounting to Rs.3179.10 lakhs is credited to Revaluation Reserve and is being used to adjust depreciation on revaluation over the remaining useful life of the premises. Total revaluation reserve stands at Rs.4276.80 lakhs as on March 31, 2018.
- Fixed Assets which have been fully depreciated but are still in use, are carried in the books at Re.1/- each.

- i) Assets individually costing less than Rs. 5,000/- is depreciated at 100% and is carried in books of account as Re.1/- each.
- j) From F.Y. 2017-18, Depreciation on the revalued portion of assets is included in Depreciation expenses and the same amount is directly reversed from revaluation reserves through the Profit and Loss Appropriation Account (hitherto routed through the profit and loss account). The same is in conformity with revised AS-10 issued by the ICAI and applicable to non-corporate assesses from 01.04.2017.

6. Reserve Funds and other Reserves:

- I) As per the requirement of Multi–State Co-op. Soc. Act. 2002,
 - a) The Statutory Reserve Fund has been bifurcated into 2 Categories viz. :
 - i) Statutory Reserve Fund (Comprising 25% of Net Profit of each year transferred)
 - ii) Contingency Reserve Fund (Comprising 10% of Net Profit of each year transferred)
 - b) Co-operative Education Fund maintained by National Co-operative Union of India (Comprising 1% of Net Profit of each year transferred).
- II) Entrance fees and Nominal membership fees received from the members on admission during the year and dividends remaining unclaimed for over 3 years are credited to Statutory Reserve.
- III) Surplus arising on account of revaluing of fixed assets over their book value is transferred to Revaluation Reserve.

7. Revenue Recognition:

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

8. Expenses:

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

9 Recovery from NPAs:

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

- a) In cases of normal recovery other than loss accounts, first towards other charges, penal interest, interest and principal in that order.

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

10 Foreign Exchange Transactions:

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

11 Employee Benefits:

a) Gratuity

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

b) Leave Encashment

The employees of the Bank are entitled to compensated absence as per the leave rules. The Bank measures the long term expected cost of compensated absence as a result of the unused entitlement that has accumulated at the balance sheet date based on actuarial valuation under AS-15 on Employee Benefits as issued by ICAI and this cost is recognised in the Profit & Loss account.

c) Provident Fund contribution

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

12 Segment Reporting:

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

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

13. Operating Leases:

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

14. Earning Per Share (EPS):

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

15. Income Tax:

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

16. Accounting of Goods and Service Tax:

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

In case of fixed asset, eligible input tax credit of GST paid to the vendor is utilised against the amount of GST collected from the customers and disallowed portion of Input Tax credit is expensed out.

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

17. Intangible Assets:

Software is amortised equally over a period of 3 financial years.

18. Provisions, Contingent, Assets and Liabilities:

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

Contingent assets are not recognized in the Financial Statements.

Contingent liabilities of the Bank in respect of guarantees, acceptances, and letters of credit with customers under approved limits and the liability thereon is dependent upon terms of contractual obligations, devolvment and raising of demand by the concerned parties. These amounts are partly collateralised by margins/guarantees/secured charges. A disclosure of Contingent Liability is made when there is a possible obligation, arising from a past event(s), the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain

future events not within the control of the Bank or any present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation cannot be made.

19. Impairment of Assets:

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

SCHEDULE - 16

NOTES FORMING PART OF ACCOUNTS

1. Appropriation of Profits:

The Bank has proposed the following appropriations of profits for the year ended March 31, 2018 which are subject to shareholders approval in the Annual General Meeting.

(₹ in Lakhs)	
Particulars	Amount
Net Profit for F.Y. 2017-2018	1,806.27
Add: Depreciation on Revaluation Reserve	126.85
Add: Opening Balance in Profit and Loss Account	1.29
Total Profit available for appropriation	1934.41
Appropriations :	
Statutory Reserve Fund @25% of Net Profit	452.00
Contingency Reserve Fund @10% of Net Profit	181.00
Education Fund @1% of Net Profit	18.00
Building Fund	0.00
Centenary Fund	100.00
General Reserve	189.00
Investment Fluctuation Reserve	750.00
Proposed Dividend @ 16% p.a. (pro-rata)	244.00
Balance carried forward	0.41
Total	1934.41

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

3. Prior Period Expenses:

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

Particulars	(₹ in Lakhs) Amount
Lease Line Expenses	16.99
Repairs and Maintenance expenses	0.70

4. As per the RBI guidelines, Banks may shift investments to/from HTM category with the approval of the Board of Directors once in a year. Such shifting will normally be allowed at the beginning of the accounting year. The Bank has shifted securities from HTM category to AFS category and vice versa on 8th March 2018 vide Board approval dated 03rd March 2018.

The Bank has shifted securities having book value of ₹ 31055.48 lakhs from HTM to AFS category (Previous Year ₹ 13456.03 Lakhs) and securities having book value of ₹ 14973.43 lakhs from AFS to HTM category (Previous Year NIL). On shifting of these securities, from AFS to HTM, there was depreciation of ₹ 726.17 Lakhs.

5. Income from sale of securities comprised of ₹ 846.15 lakhs (Previous Year ₹ 1215.18 Lakhs) on sale of securities under AFS category.

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

Amounts outstanding in Pay Orders and Sundry Liability Account, which are unclaimed for 10 years amounting to ₹ 11.29 lakhs (P.Y. ₹ 21.39 lakhs) have been transferred during the year to RBI.

7. During the year 2017-18 the Bank has debited the Depreciation on the revalued portion of the Fixed Assets to Profit & Loss account in conformity with the revised AS 10. There is an impact of ₹ 126.85 lakhs on the profit and loss in respect of such revalued assets during the current year.
8. Commission and Exchange Income include Income from Forex Business ₹ 65.92 Lakhs (P.Y. ₹ 71.25 Lakhs).
9. The Bank has earned an Income of ₹ 5.24 Lakhs (P.Y. NIL) on account of Corporate Agency of Mutual Fund business with Birla Sun life Asset Management Co. Ltd. & DSP Blackrock, ICICI Prudential, SBI and HDFC. The same is disclosed under Sundry Income in the Profit and Loss Account.
10. The Details of fees/remuneration received with respect to bancassurance business undertaken by the Bank is disclosed in the table given below:

(₹ in Lakhs)			
Sr. No.	Nature of Income	31.03.2018	31.03.2017
1	For selling life insurance policies	109.90	72.13
2	For selling non-life insurance policies	3.80	14.87
3	For selling PMJBY policies	0.90	0.84
4	For selling Bajaj policies	6.72	NIL

11. The Foreign Currency balance held by the Bank amounted to ₹ 14.43 lakhs (PY ₹ 33.94 lakhs) as on March 31, 2018. Foreign currency in hand has been valued at the rate prevailing on that date. Any profit / loss has accordingly been taken into account and there was no depreciation in the foreign exchange assets held by the Bank in terms of AS-11 on "Accounting for Effects of Changes in Foreign Currency" issued by the Institute of Chartered Accountants of India.

12. Disclosure under AS - 15 “Employee Benefits” Provident Fund:

Salaries and Allowances include an amount of ₹ 291.57 lakhs (P. Y. ₹ 278.12 Lakhs) contributed by Bank on account of contribution towards Provident Fund. Actuarial assessment of Gratuity Fund & Leave Encashment.

(₹ in Lakhs)

Sr. No.	Particulars	Leave Encashment		Gratuity (Funded)	
		Current Year	Previous Year	Current Year	Previous Year
1	Discount rate	7.75% p.a.	7.50% p.a.	7.75% p.a.	8.00% p.a.
2	Expected Return on plan assets	N.A.	N.A.	59.22	56.42
3	Salary escalation rate	4.75% p.a.	5.00% p.a.	4.75% p.a.	5.00% p.a.
4	Reconciliation of opening and closing balance of the present value of the defined benefit obligation				
I	Present value of obligation as at beginning of the year	561.58	501.59	915.90	836.85
II	Interest cost	42.12	40.13	73.27	77.04
III	Current service cost	44.64	19.38	69.47	40.23
IV	Liability transfer in	NIL	NIL	NIL	NIL
V	Benefits paid	(34.58)	(20.66)	(72.38)	(35.90)
VI	Actuarial gains / (loss) on obligations.	(22.64)	21.14	5.58	(2.32)
VII	Present value of obligation as at the year end	591.12	561.58	991.84	915.90
5	Reconciliation of opening and closing balance of fair value of fair plan assets.				
I	Fair value of plan assets as at the beginning of the year	NIL	NIL	867.32	774.06
II	Expected return on plan assets.	NIL	NIL	59.22	66.36
III	Contributions.	NIL	NIL	58.55	62.79
IV	Transfer from other entities.	NIL	NIL	NIL	NIL
V	Benefits paid	NIL	NIL	(72.38)	(35.89)
VI	Actuarial gain/ (loss) on plan assets.	NIL	NIL	NIL	NIL
VII	Fair value of plan assets as at the year end	NIL	NIL	912.75	867.32
6	Amount recognized in Balance Sheet.				
I	Present value of obligations as at the year end	591.12	561.58	991.84	915.90
II	Fair value of plan assets as at the year end	NIL	NIL	(912.75)	(867.32)
III	(Assets) / liability as at the end of the year	591.12	561.58	79.09	48.58
7	Expenses recognized in Profit and Loss Account.				
I	Current service cost	44.64	19.38	69.47	40.23
II	Interest cost	42.12	40.13	73.27	77.04
III	Expected Return on planned Assets	NIL	NIL	(59.22)	(66.36)
IV	Net actuarial gain / (loss).	(22.64)	21.14	5.58	(2.32)
8	Expenses recognized in Profit and Loss Account.	64.12	80.65	89.11	48.58

13. Disclosure under AS - 17 on “Segment Reporting”:

Information about Primary Business Segments:

(₹ in Lakhs)

Particulars	Treasury	Other Banking Operations	Total
			31.03.2018 (31.03.2017)
Revenue	15,725.48 (15,561.73)	14,383.13 (13,823.59)	30,108.61 (29,385.32)
Segment Cost	12,993.59 (12,157.94)	13,535.07 (13,331.40)	26,528.66 (25,489.34)
Result	2,731.89 (3,403.79)	848.06 (492.19)	3,579.95 (3,895.98)
Less: Extraordinary Items	–	–	–
Net Result	2,731.89 (3,403.79)	848.06 (492.19)	3,579.95 (3,895.98)
Less: Unallocated Provisions and Contingencies			718.05 (487.22)
Profit Before Tax			2,861.90 (3,408.76)
Income Tax/ Deferred Tax Asset			1,055.63 (1,209.62)
Net Profit			1,806.27 (2,199.14)
Other Information			
Segment Assets	2,20,358.79 (1,96,557.44)	1,49,616.47 (1,62,589.91)	3,69,975.26 (3,59,147.35)
Unallocated Assets			2,963.87 (2,073.85)
Total Assets			3,72,939.13 (3,61,221.20)
Segment Liabilities	20,695.23 (26,293.79)	3,15,226.34 (3,00,076.89)	3,35,921.57 (3,26,370.68)
Unallocated Liabilities			2146.74 (1,215.00)
Capital Employed			34,870.82 (30,870.83)
Total Liabilities			3,72,939.13 (3,61,221.20)

Notes:

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

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

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

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

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

There being only one Managing Director Mrs Geeta Andrades for the financial year 2017-18, in terms of RBI circular dated 29th March, 2003, she being a single party coming under the category, no further details thereon are required to be disclosed.

15. Disclosure under AS - 19 “Leases”:

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

- Lease payments of Rs. 302.02 Lakhs (P.Y Rs.240.31 Lakhs) have been recognised during the year in the Profit and Loss Account.
- The lease agreements entered into pertain to use of premises at the branches. The lease agreements do not have any undue restrictive or onerous clauses other than those normally prevalent in similar agreements regarding use of assets, lease escalations, renewals and a restriction on sub-leases.

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

(₹ in Lakhs)

Particulars	31.03.2018	31.03.2017
Future lease rental payable as at the end of the year :		
- Not later than one year	338.77	240.27
- Later than one year and not later than five years	810.26	548.53
- Later than five years	-	28.57
Total of minimum lease payments recognized in the Profit and Loss Account for the year	302.02	240.31

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

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

Particulars	31.03.2018	31.03.2017
Opening Balance of amounts transferred to DEAF	542.40	512.10
Add : Amounts transferred to DEAF during the year	73.71	51.10
Less : Amounts reimbursed by DEAF towards claims*	20.42	20.80
Closing Balance of amounts transferred to DEAF	595.69	542.40

*does not include an amount of ₹ 1.01 Lakhs (P.Y. ₹ 6.22 Lakhs) that has already been paid by the Bank to the eligible depositors, claim for which has been lodged with the RBI and reimbursement of which is expected. This amount is shown as receivable under Other Assets- Schedule 12.

17. Earnings Per Share (EPS)

(₹ in Lakhs)

Particulars	2017-18	2016-17
Net Profit/(loss) after income tax	1806.27	2199.14
Weighted average numbers of shares	152.11	151.99
Nominal Value of Shares (Rs.)	10	10
EPS (Rs.)	11.87	14.47

18. Accounting for Taxes on Income:

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

(₹ in Lakhs)

Particulars	Balance as on 01.04.2017	During the year	Balance as on 31.03.2018
Deferred Tax Liability			
Special Reserve u/s 36(i)(viii) of the Income Tax Act, 1961	(323.14)	(6.06)	(329.20)
TOTAL	(323.14)	(6.06)	(329.20)
Deferred Tax Asset			
Depreciation	0.35	6.27	6.62
Provision for earned leave	194.33	12.21	206.54
Provision u/s 36(1)(vii)(a) of the Income Tax Act, 1961	821.42	(136.31)	685.11
TOTAL	1016.10	(117.83)	898.27
Total Deferred Tax Asset / (Liability)	692.96	(123.89)	569.07

19. Intangible Assets:

Details of Computer Software Expenses disclosed under Schedule 11 - Fixed Assets, are as under:

(₹ in Lakhs)

Particulars	2017-18	2016-17
Carrying Amount at the Beginning of the Year	61.65	25.17
Additions during the Year	29.91	62.95
Amortisation during the Year	35.59	26.47
Carrying Amount at the End of the Year	55.97	61.65

20. Impairment of Assets:

The Bank has ascertained that there is impairment in the Non-Banking Asset and as such provision of ₹ 197.11 Lakhs is made under Accounting Standard 28 issued by ICAI.

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

22. Contingent Liabilities:

Guarantees are disclosed at face value and are fully secured and hence no evaluation of the risks involved is undertaken. Foreign Letters of Credit are disclosed at rupee equivalent rates prevailing at the time of opening the LCs and are fully secured, hence no evaluation of the risks involved is undertaken.

No provision other than those made, have been considered necessary by the management in respect of disputed tax liabilities in view of the opinion obtained / judgment's in favour of the Bank.

Contingent Liabilities on account of Bank Guarantees, Letters of Credit and other claims are as follows:

(₹ in Lakhs)

Particulars	31.03.2018	31.03.2017
(i) Guarantees issued on behalf of constituents	2947.05	2815.66
(ii) Letters of Credit opened on behalf of constituents	2421.26	4234.75
(iii) Advance Under Collection Account (AUCA)	463.78	-
(vi) Unclaimed Deposits transferred to DEAF*	595.69	542.40
Total	6427.78	7592.81

* DEAF (Depositor Education and Awareness Fund Scheme) : As per RBI circular No RBI /2013-14 /614 DBOD.No.DEAF Cell.BC.114/30.01.002/2013-14

21. Pending cases relating to Service Tax

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

(₹ in Lakhs)

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

The Bank has paid ₹ 20.87 lakhs and ₹ 8.75 lakhs under protest and has appealed before the CESTAT against the said orders.

The Bank has attended the personal hearing against the 3rd SCN and is awaiting the order. Of the amount of ₹ 31.09 lakhs, ₹ 9.60 lakhs has been utilised and ₹ 21.49 lakhs has been availed but not utilised.

22. Information Under MSME (Development) Act, 2006:

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

23. Priority Sector Lending Certificates

As per RBI Circular RBI/2015-16/366 FIDD.CO.Plan.BC.23/ 04.09.01/2015-16 dated April 7, 2016 both seller and buyer shall report the amount of PSLCs (category-wise) sold and purchased during the year in the 'Disclosures to the Balance sheet.

Amount of PSLCs (category-wise) purchased/sold during the year:

PSLC Category	PURCHASED AMOUNT	SOLD AMOUNT
PSLC-Small & Marginal farmers (SFMF)	Nil	Nil
PSLC-Agriculture	Nil	Nil
PSLC-General	5000	Nil
PSLC-Micro Enterprises	Nil	Nil
Total	5000	Nil

24. Non-Banking Asset

Non-Banking Asset acquired in satisfaction of the claim reflected in 'Other Assets' are as follows:

- A property acquired through auction process during the course of recovery proceeding of one of the borrowers amounting to ₹ 2,52,03,501/-. The bank holds title of this property and is in process of selling the same. The market value of the property is ₹ 54,92,500/-, hence a reduction has been made in the value of the asset of ₹ 1,97,11,000/- which has resulted in decrease in net profit of the Bank.
- The bank holds 11963 shares valued at ₹ 1 per share of M/s Ventura Fabrications Pvt. Ltd. (VFPL). It appears that the shares of VFPL were taken over by the ex-officers on behalf of the bank in 2003. The First Information Report (FIR) with regard to the same against the erstwhile officers of the bank has been registered at Bandra Police Station, Mumbai. The matter is presently being investigated by Economic Offences Wing, (EoW) Mumbai.

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

SCHEDULE - 17

DISCLOSURES AS PER RESERVE BANK OF INDIA GUIDELINES:

(₹ in Crores)

Sr. No.	Particulars	31.03.2018	31.03.2017
1	Capital to Risk Asset Ratio (CRAR)	20.24%	18.68%
	a. Tier I Ratio	15.90%	14.16%
	b. Tier II Ratio	4.34%	4.52%
	Increase / (Decrease) in CRAR	1.56%	(0.29%)
2	Movement of CRAR		
	a. Tier I Capital	241.31	223.19
	b. Tier II Capital	65.89	71.27
	Total	307.20	294.46
	c. Risk Weighted Assets	1517.84	1576.76
3	Values of Investments are as under :		
	Face Value	1279.73	850.00
	Book Value	1268.71	843.99
	Market Value	1274.14	846.45
4	Advances against :		
	a. Housing	339.29	303.56
	b. Construction business	85.92	39.98
	c. Other real estates	33.20	105.99
	d. Shares & debentures	1.68	1.41
5	Advances of ₹1353.81 crores (P. Y. ₹1486.46 crores) shown in the Balance Sheet includes advances to directors, their relatives, companies/firms in which they are interested:		
	a. Fund Based	Nil	Nil
	b. Non Fund Based	Nil	Nil
6	Average cost of deposits	6.11%	6.69%
7	NPAs		
	a. Gross NPAs	84.78	87.37
	b. Gross NPA %	6.26%	5.88%
	c. Net NPAs	34.36	32.82
	d. Net NPA %	2.64%	2.29%

(₹ in Crores)

Sr. No.	Particulars	31.03.2018	31.03.2017
8	Movement in NPAs (Gross)		
	Opening Balance	87.37	79.92
	Additions during the year	27.34	15.44
	Less : Closed / Recovered	29.93	7.99
	Closing Balance	84.78	87.37
9	Profitability		
	a. Interest income as a percentage of working funds	7.81%	8.06%
	b. Non-interest income as a percentage of working funds	0.74%	0.70%
	c. Operating profit as a percentage of working funds	0.89%	1.11%
	d. Return on Assets (Net Profit / Average of working funds)	0.52%	0.67%
	e. Business (Deposits + Advances - NPA) per employee	8.59	8.61
	f. Profit per employee (₹ in Lakhs)	3.58	4.38
10	Provision for NPAs		
	a. Provisions on NPAs required to be made	47.64	46.04
	b. Provisions on Non-Performing Advances actually made	50.38	54.51
	c. Provisions on Non-Performing Investments made	Nil	Nil
11	Provisions made towards Standard Assets	5.03	4.60
12	Provisions made towards depreciation in investments during the year	Nil	Nil
13	Movement in Provisions		
	A. Towards Bad & Doubtful Debts		
	Opening Balance	54.51	51.65
	(+) Additions during the year	2.51	2.86
	(-) Written back during the year	6.64	-
	Closing Balance	50.38	54.51
	B. Towards standard assets		
	Opening Balance	4.60	4.07
	(+) Additions during the year	0.43	0.53
	Closing Balance	5.03	4.60
14	a. Movements in Investment Fluctuation Reserve		
	Opening Balance	37.96	32.96

(₹ in Crores)

Sr. No.	Particulars	31.03.2018	31.03.2017
	(+) Appropriated during the year	-	5.00
	Closing Balance	37.96	37.96
	b. % of Investment Fluctuation Reserve to (AFS + HFT) Portfolio	5.06%	12.23%
	c. Movements in Investment Depreciation Reserve		
	Opening Balance	-	-
	Provisions made during the year	-	-
	(-) Transferred during the year	-	-
	Closing Balance	-	-
15	Movement in Overdue Interest Reserve		
	Opening Balance	32.53	20.96
	(+) Additions during the year	17.41	15.51
	(-) Reversal during the year	11.76	3.94
	Closing Balance	38.18	32.53
16	Foreign Exchange Assets		
	Amount held in foreign currency	0.14	0.34
17	Payment towards insurance premium to the DICGC, including arrears, if any	3.01	2.71
18	Penalty imposed by RBI	NIL	NIL
19	Movement in DEAF Account		
	Opening balance of amounts transferred to DEAF	5.42	5.12
	Add: Amounts transferred to DEAF during the year	0.74	0.51
	Less: Amounts reimbursed by DEAF towards claims	0.20	0.21
	Closing balance of amounts transferred to DEAF	5.96	5.42
20	Non Performing Non SLR investments		
	Opening balance	-	-
	Additions during the year since 1st April	-	-
	Reductions during the above period	-	-
	Closing Balance	-	-
	Total Provision held	-	-

Disclosure regarding Non SLR Investments in Bonds as on 31.03.2018.

i) Issuer composition of Non SLR Investments

(₹ in Crores)

Sr. No.	Issuer	Amount	Extent of below investment grade securities	Extent of unrated securities	Extent of unlisted securities
(1)	(2)	(3)	(4)	(5)	(6)
1	PSUs	35.04 (45.04)	NIL	NIL	NIL
2	FIs	124.08 (44.99)	NIL	NIL	NIL
3	Nationalised Banks	NIL	NIL	NIL	NIL
4	Others	24.05 (164.81)	NIL	NIL	NIL
	TOTAL	183.17 (254.84)	NIL	NIL	NIL
5	Provision held towards depreciation	NIL	NIL	NIL	NIL

Non Performing Investments: -NIL (For F.Y. 2017-18 and F.Y. 2016-17). Hence movement not disclosed.

(ii) Repo Transactions

	Securities sold / purchased under repo / reverse repo	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31, 2018
a	Securities sold under repo				
	(i) Government Securities	-	116.41	10.86	-
	(ii) Corporate debt securities	-	-	-	-
b	Securities purchased under reverse repo				
	(iii) Government Securities	-	520.00	196.15	168.99
	(iv) Corporate debt securities	-	-	-	-

(iii) Restructured Loans:

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

iv) No penalty has been charged by the RBI for the current financial year.

AS PER OUR REPORT OF EVEN DATE

For Borkar & Muzumdar
Chartered Accountants
 FRN 101569 W
[Supriya D. Bhat]
 Partner
 M. No. 048592

Place: Mumbai
 Date: July 07, 2018

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

Geeta C. Andrades Anthony D'Souza Donald L. Creado
 Managing Director & Chairman Vice-Chairman
 Chief Executive Officer

DIRECTORS

Priscilla Buthello Frederick F. Castelino Malcolm D. Correa
 Frederick J. De Souza Edwin J. Gonsalves Leslie J.H. Lobo
 Joseph M. B. Mascarenhas Leslie Mascarenhas James S. Pereira
 Roger C. B. Pereira Royston J. Pereira Arvind Pinto

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

		(₹) 31.03.2018	(₹) 31.03.2017
1.	CASH FLOWS FROM OPERATING ACTIVITIES		
(A)	Net Profit as per Profit and Loss A/c	18,06,26,746	21,99,14,422
	Add : Non-Cash Expenses / Provisions		
	Depreciation on Fixed assets	4,44,02,335	2,64,77,739
	Bad debts written off	4,63,77,548	-
	Depreciation on shifting of investments	7,26,17,500	-
	Loss on sale of assets	1,31,049	6,87,509
	Loss on sale of investments	1,59,77,105	3,31,45,336
	Earned Leave	64,11,995	80,65,286
	Gratuity	89,10,555	58,52,968
	Leave Travel Allowance	16,34,084	42,21,918
	Amortisation of Premium on Investments	1,01,33,874	54,42,239
	Standard Assets	43,14,000	53,27,000
	Restructured Advances	49,00,000	6,00,000
	Non Banking Asset	1,97,11,000	-
	Bad & Doubtful Debts	2,50,88,000	2,85,82,000
	Special Reserve U/s 36(1)(viii) of Income Tax Act, 1961	8,35,000	20,00,000
	Provision for taxation	9,31,74,000	12,15,00,000
	Tax adjustment of earlier years	-	4,10,583
	Deferred Tax	1,23,89,000	(7,63,000)
	Less : Non-Cash Incomes		
	Profit on Sale of Investments	(10,05,91,869)	(15,46,63,526)
	Profit on Sale of Assets	(1,08,723)	(1,20,284)
	Bad Debts written back	(6,63,77,548)	-
	Operating profit before changes in operating assets	38,05,55,651	30,66,80,190
(B)	(Increase) / Decrease in Operating Assets:-		
	(Increase) / Decrease in Operating Investments	(424,53,38,546)	1,49,07,30,758
	(Increase) / Decrease in Advances	128,01,75,758	(1,650,937,174)
	(Increase) / Decrease in Interest Receivable	(5,39,84,170)	(5,06,63,080)
	(Increase) / Decrease in Branch Adjustments	(22,244)	32,939
	(Increase) / Decrease in Other Assets	(3,74,06,446)	(1,17,06,943)
	(Decrease) / Increase in Deposits	1,45,25,77,318	3,02,40,44,724
	(Decrease) / Increase in Overdue Interest Reserve	5,65,09,100	11,57,12,091
	(Decrease) / Increase in Interest Payable	(2,85,46,955)	(57,60,694)
	(Decrease) / Increase in Other Liabilities	2,44,80,913	(22,36,21,577)
(C)	Gratuity paid	(58,54,861)	(72,78,681)
	Leave encashment paid	(34,57,691)	(20,66,440)
	Income tax paid	(9,84,78,620)	(12,62,80,262)

		(₹) 31.03.2018	(₹) 31.03.2017
	NET CASH FROM OPERATING ACTIVITIES (i)	(1,27,87,90,793)	2,85,88,85,850
2.	CASH FLOW FROM INVESTING ACTIVITY		
	Purchase of Fixed Assets	(4,88,91,966)	(5,33,80,441)
	Proceeds from sale of Fixed Assets	2,05,309	1,88,676
	NET CASH FROM INVESTING ACTIVITIES (ii)	(4,86,86,657)	(5,31,91,765)
3.	CASH FLOW FROM FINANCING ACTIVITY		
	Proceeds from issue / (redemption) of shares	(3,92,630)	5,47,240
	Entrance fees received	4,91,050	5,71,490
	Dividends paid	(2,43,01,087)	(2,42,03,403)
	(Decrease) / Increase in Borrowings	-	-
	NET CASH FROM FINANCING ACTIVITIES (iii)	(2,42,02,667)	(2,30,84,673)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (i+ii+iii)	(1,35,16,80,117)	2,78,26,09,412
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8,73,47,56,408	5,95,21,46,996
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7,38,30,76,291	8,73,47,56,408
	NOTES TO THE CASH FLOW STATEMENT:		
(i)	Cash and Cash Equivalents	31.03.2018	31.03.2017
	Cash	1,38,97,94,970	1,45,06,53,466
	Balances with other Banks	4,30,33,81,885	5,03,43,47,667
	Money at call and short notice	-	-
	Lending under CBLO / Reverse Repo	1,68,98,99,436	2,24,97,55,275
	Cash and Cash Equivalents	7,38,30,76,291	8,73,47,56,408
(ii)	As per Accounting Standard (AS-3) (revised 1997) the following terms are used in this Statement with the meanings specified:		
a)	Cash comprises cash on hand and demand deposits with banks.		
b)	Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.		
c)	Cash flows are inflows and outflows of cash and cash equivalents.		
d)	Operating activities are the principal revenue-producing activities of the enterprise and other activities that are not investing or financing activities.		
e)	Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.		
f)	Financing activities are activities that result in changes in the size and composition of the owners' capital and borrowings of the Bank.		

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

For Borkar & Muzumdar
Chartered Accountants
FRN 101569 W

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

Place: Mumbai
Date: July 07, 2018

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

Geeta C. Andrades Managing Director & Chief Executive Officer	Anthony D'Souza Chairman	Donald L. Creado Vice-Chairman
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DIRECTORS

Priscilla Buthello Frederick J. De Souza Joseph M. B. Mascarenhas Roger C. B. Pereira	Frederick F. Castelino Edwin J. Gonsalves Leslie Mascarenhas Royston J. Pereira	Malcolm D. Correa Leslie J.H. Lobo James S. Pereira Arvind Pinto
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Registered Office & Central Administrative Office:

Helena Apt., 57, Mount Carmel Road, Bandra (W), Mumbai 400050
 Tel: 26401126, 26442829/30/31/32, 26455108, 26456018; Fax: 26403128, 26430131

Toll Free No. 1800 123 0209

Name Of The Branch	Address of the Branch	Telephone No.	Fax No.
MUMBAI			
Amboli	Creado Co-op. Hsg. Soc., Caeser Road, Amboli, Andheri (W), Mumbai 400058	26771280 / 26771523	26771035
Bandra (Mt.Carmel)	Sunbeam Co-op. Hsg. Soc., 64, Mount Carmel Road, Bandra (W), Mumbai 400050	26408717 / 26428293 / 26443765 / 26456012	26438709
Bandra (Hill Road)	Salsette Catholic Co-operative Housing Society Limited, Plot no. 29, Hill Road, Bandra (W), Mumbai 400050	26437089 / 26401764	26437089
Bandra (Turner Road)	Shop no.5/6, Darvesh Royale, Opp.Kotak Mahindra Bank, Perry Road, Bandra (W), Mumbai 400050	26430709 / 26430802	26432240
Borivali	Rosario Apts. I. C. Colony Road, Borivali (W), Mumbai 400103	28931145 / 28937776 / 28940873	28935539
Byculla	St. Mary's Extension, Nesbit Road, Mazgaon, Mumbai 400010	23719862 / 23726815	23730019
Chembur	Eric House, Near Ambedkar Garden, Central Avenue, Chembur, Mumbai 400071	25218157	25213059
Colaba	Sind Chambers Co-op. Hsg. Soc. Ltd., S. B. Singh Road, Colaba, Mumbai 400005	22047753 / 22850783 /	22850782
Dadar	Dr. Antonio Da Silva School Annexe, S. K. Bole Road, Dadar, Mumbai 400028	24374948 / 24380988	24300629
Dhobitalao	St. Xavier's High School, 289, L. T. Marg, Mumbai 400001	22610112 / 32	22610132
Four Bungalows	Shop No.3, Rameshwar Darshan CHSL, N. Dutta Marg, Four Bungalows, Andheri (W), Mumbai 400053	26374415 / 16	26374417
Gorai	Church Road, Gorai, Borivali P. O. Mumbai 400091	28452650	28452589

Name Of The Branch	Address of the Branch	Telephone No.	Fax No.
Goregaon	Shop No.5, Ground Floor, Shreeniketan Building, Flower House CHSL, Pandurangwadi, Goregaon (E), Mumbai 400063	29275801 / 29275802	29275803
Kalina	Domingo's Court, Church Road, Kalina, Santacruz (E), Mumbai 400029	26660052	26662051
Kurla	Sai Dham Co-op. Hsg. Soc. Ltd., Premier Road, Kurla (W), Mumbai 400070	25041370 / 25041913	25040831
Madh	St. Bonaventure School, Madh Island, Malad West, Mumbai 400061	28889975	28889975
Mahakali	Shop No. 2, Ambika Apartments CHSL, Next to Domino's Pizza Mahakali Caves Road, Andheri (East) 400 093,	28303141 / 28303142	28303143
Mahim	Shop No. 1/3, Mahim Garden View CHSL, Plot No. 482, M. M. Chotani Road, Mahim (W), Mumbai 400016	24474480	24475308
Malad	CITIZENCREDIT CENTRE, Ground Floor, Opposite Our Lady of Lourdes Church, Orlem-CTS, No. 236, Malad (West), Mumbai 400064	28074643 / 28622159	28012127
Manori	Manori Church Compound, Manori, P. O. Kharodi, Mumbai 400095	2845 2741 / 2845 2128	28452741
Marol	St. John the Evangelist High School, Marol, Andheri (E), Mumbai 400059	28215286 / 28261232	28261232
Mulund	Sai Dham Complex CHS, P. K. Extension, Mulund (W), Mumbai 400080	25641710 / 29	25913570
Sahar	Our Lady of Good Health High School, Sahar, Andheri (E), Mumbai 400099	26829285 / 26817448	26817448
Santacruz	154, Fida Mansion, S. V. Road, Santacruz (W), Mumbai 400052	26047470 / 26047976	26047770
Vakola	S. Nabibux House, P. J. Nehru Road, Vakola Bridge, Santacruz (E), Mumbai 400055	26685077 / 78	26685079
Vikhroli	St. Joseph's High School, Station Road, Vikhroli (W), Mumbai 400079	25779750	25779751
Wadala	1st Floor, Our Lady of Dolours Church, David Barretto Road, Wadala (West), Mumbai 400031	24104551/52	24104553

Name Of The Branch	Address of the Branch	Telephone No.	Fax No.
THANE			
Bhayandar	Shop No.6, Ground Floor, Next to Popular Auto, Vineet Apartment CHSL, Chatrapati Shivaji Road, Bhayander (W), Dist Thane, Pin 401101	28170131	28170132
Mira Road	Geeta Arcade, Station Road, Opp. Holy Cross School, Mira Road (E), Dist: Thane, Pin 401107	28118323	28118324
Thane	Shop no. 2 & 3, Angel's Paradise, Near Dagadi Shala, Veer Savarkar Marg, Thane (W), Pin 401602	25425447	25458560
PALGHAR			
Boisar	Harshgeet, Ground floor, Bhimnagar, Boisar Tarapur Road, Boisar (W), Mumbai- 401501	(02525) 270922/33	
Naigaon	Citizencredit Bank Building, Citizen Housing Society, Naigaon (E), Dist – Palghar, Pin – 401 202	(0250) 2200715 2200716 / 3215646	(0250)2200715
Virar	Sugandhi Heights, Ground Floor, Village Bolinj, Kharodi Naka, Virar (W), Mumbai- 401303.	0250) 2551954/55	
Vasai	Ground Floor, Richmond Town, Phase-II Bldg. No.3 CHSL, Vasai (W), Dist-Palghar. Pin 401202	(0250) 2382922/ 8080640930	(0250) 2382923
NAVI MUMBAI			
Vashi	Shop No. 7, Building F-1/7, Sector – 5, Opp. Sacred Heart Church, Vashi, Navi Mumbai – 400 703	27825113	27825114
PUNE			
Fatima Nagar	Shop 11, Ground Floor, Building 'C', CTP Tain Square, Fatima Nagar, Pune 411040	(020) 26860327 / (020) 26860328	(020) 26860328
Camp	Shop no. 15, Kumar Corner, Convent Street, Camp, Pune 411001	(020) 26331122 / (020) 26352233	(020) 26352233
NASHIK			
Nashik	Shop No.5, 'Bosco Centre' Gr. Flr, Thatte Nagar, Near Prasad Circle, Gangapur Road, Nashik - 422 005	(0253) 2313380/81	

Name Of The Branch	Address of the Branch	Telephone No.	Fax No.
UNION TERRITORY OF DAMAN			
Nani Daman	Shop No.8-152, Shop No. 5& 6, Ground Floor, Damania Heights, Kavi Khabardar Road, Nani Daman 396210	(0260) 2250152	(0260) 2250153
Moti Daman	House No. 7/382, Ground Floor, Main Road, Near Hathi Baug, Moti Daman, Union Territory of Daman & Diu, Daman 396220	(0260) 2230397	(0260) 2230398
GOA			
Margao	Shop No. 6, Ground Floor, Building A-1, Sapana Barrier CHSL, St. Joaquim Rd, Borda, Margao, Goa 403602	(0832) 2700096	(0832) 2700097
Mapusa	Shop No. G-1, Ground Floor, Block D-1, Boshan Homes, Near Navtara Hotel, Mapusa, Goa 403507	(0832) 2254078 / (0832) 2254079	(0832) 2254080
Panaji	H. No. E – 320, Rua de Ourem, Panaji, Goa 403001	(0832) 2432995 / 996 / 2422513	(0832) 2432996
Porvorim	Plot No. 158, Survey No. 125/2, Alto–Porvorim, Penha–de-Franca, Bardez, Goa 403521	(0832) 2412371 / (0832) 2412372	(0832) 2412370
Vasco–da-Gama	Shop no. 1 & 16, Sapana Terraces CHSL, Swatantra Path, Vasco–da–Gama, Goa 403802	(0832) 2501870 / (0832) 2501871	(0832) 2501872

FULL FLEDGED MONEY CHANGING CENTRES

Bandra (Hill Road)	:	Tel: 2645 6059 / 2645 7593 (Forex Department)
Borivali	:	Tel: 2893 1145/7776, 2894 0873; Fax: 2893 5539
Byculla	:	Tel: 2371 9862, 2372 6815; Fax: 2373 0019
Colaba	:	Tel: 2204 7753, 2285 0783; Fax: 2285 0782
Dadar	:	Tel: 2432 0792, 2437 4948, 2438 0988; Fax: 2430 0629
Daman	:	Tel: (0260) 223 0397, 223 0398
Kalina	:	Tel: 2666 0052; Fax: 2666 2051.
Malad	:	Tel: 2807 4643, 2862 2159; Fax: 2801 2127
Mira Road	:	Tel: 2811 8323; Fax: 2811 8324
Goa-Margao	:	Tel: (0832) 2700096; Fax: (0832) 2700097
Goa-Mapusa	:	Tel: (0832) 2254078/2254079; Fax: (0832) 2254080
Goa-Panaji	:	Tel: (0832) 2432995; Fax: (0832) 2432996
Pune-Camp	:	Tel: (020)26331122/52233; Fax: (020)26352233
Pune-Fatima Nagar	:	Tel: (020) 26860327/328; Fax: (020) 26860328
Sahar	:	Tel: 2682 9285; Tele-Fax: 2681 7448
Vakola	:	Tel: 2668 6187; Fax: 2668 5079

STAMP FRANKING SERVICES

Borivali	:	Tel: 2893 1145/7776, 2894 0873; Fax: 2893 5539
Margao	:	Tel: (0832) 270 0096; Fax: (0832) 270 0097
Mapusa	:	Tel: (0832) 2254078/2254079; Fax: (0832) 2254080
Panaji	:	Tel: (0832) 2432995; Fax: (0832) 243 2996
Porvorim	:	Tel: (0832) 241 2371 / 72; Fax: (0832) 241 2370
Vasco	:	Tel: (0832) 250 1870 / 71; Fax: (0832) 250 1872

e-SBTR - FRANKING SERVICES

All Branches located in Mumbai

BANCASSURANCE

Malad: CITIZENCREDIT CENTRE, 1st Floor,
Opposite Our Lady of Lourdes Church, Orlam- CTS, No. 236,
Malad (West), Mumbai- 400064
Tel: 26401126, 26442829/30/31/32, 26455108, 26456018

SERVICE BRANCH

St. Xavier’s High School, L. T. Marg, Mumbai 400001
Tel: 2265 8969/ 70, 2267 1635, 2270 5553; Fax: 2267 1632

FINANCIAL HIGHLIGHTS (₹ in Lakhs)													
Year ended	31.03.04	31.03.05	31.03.06	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11	31.03.12	31.03.13	31.03.14	31.03.15	31.03.16
31.03.17	31.03.18	31.03.19	31.03.20	31.03.21	31.03.22	31.03.23	31.03.24	31.03.25	31.03.26	31.03.27	31.03.28	31.03.29	31.03.30
Total Assets	80,803	83,048	88,997	92,175	1,14,335	1,32,409	1,78,632	1,96,657	2,24,672	2,43,949	2,57,320	2,81,370	3,12,112
Issued Capital	985	1,188	1,305	1,470	1,462	1,463	1,488	1,498	1,501	1,500	1,501	1,509	1,520
Shareholders Fund	6,390	7817	8,402	10,034	11,073	12,863	19,173	20,582	22,381	24,597	27,826	30,270	33,106
Total Deposits	67,435	68,653	74,264	77,120	92,589	1,04,339	1,43,227	1,59,441	1,82,404	2,04,310	2,15,986	2,33,944	2,62,162
Current Deposits	3,054	2,989	3,932	4,724	7,471	5,500	5,396	8,188	7,397	5,627	5,642	6,257	6,861
Savings Deposits	25,579	29,023	33,319	36,129	39,416	41,212	50,018	57,836	59,409	64,452	70,671	75,296	82,481
Fixed Deposits	38,803	36,641	37,013	36,267	45,702	57,627	87,812	93,418	1,15,598	1,34,231	1,39,673	1,52,391	1,72,820
Total Advances	21,868	25,502	27,418	32,838	47,715	60,694	70,076	79,512	1,00,028	1,01,893	1,04,513	1,20,966	1,32,137
Investments	34,717	29,489	24,113	24,696	31,128	41,459	61,072	60,393	65,071	76,143	80,503	76,803	98,146
Provision for Income tax & FBT	-	-	6	476	586	908	496	772	894	1,085	1,409	1,142	1,119
Net Profit before appropriation	771	822	1,275	1,044	1,148	2,048	1,280	1,672	1,911	2,068	2,088	2,210	2,021

ACADEMIC EXCELLENCE AWARDS



ANNUAL GENERAL MEET



WOMAN'S DAY MEET



TECHNOLOGY MEET



OUR BRANCHES

BOISAR | VIRAR | NASHIK | MAHAKALI



NASHIK



NASHIK



BOISAR



MAHAKALI



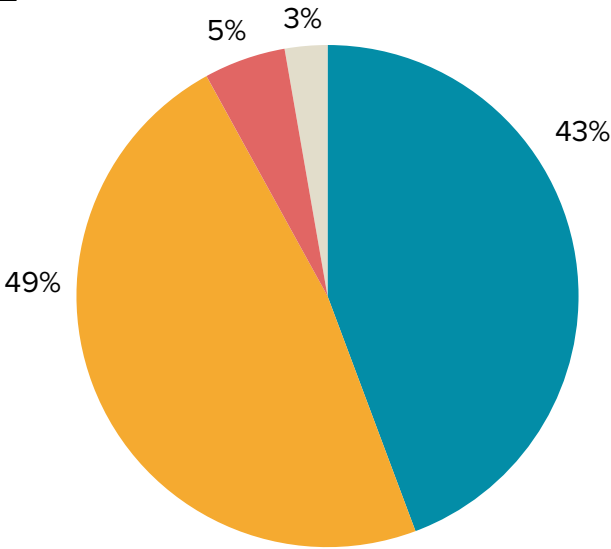
VIRAR



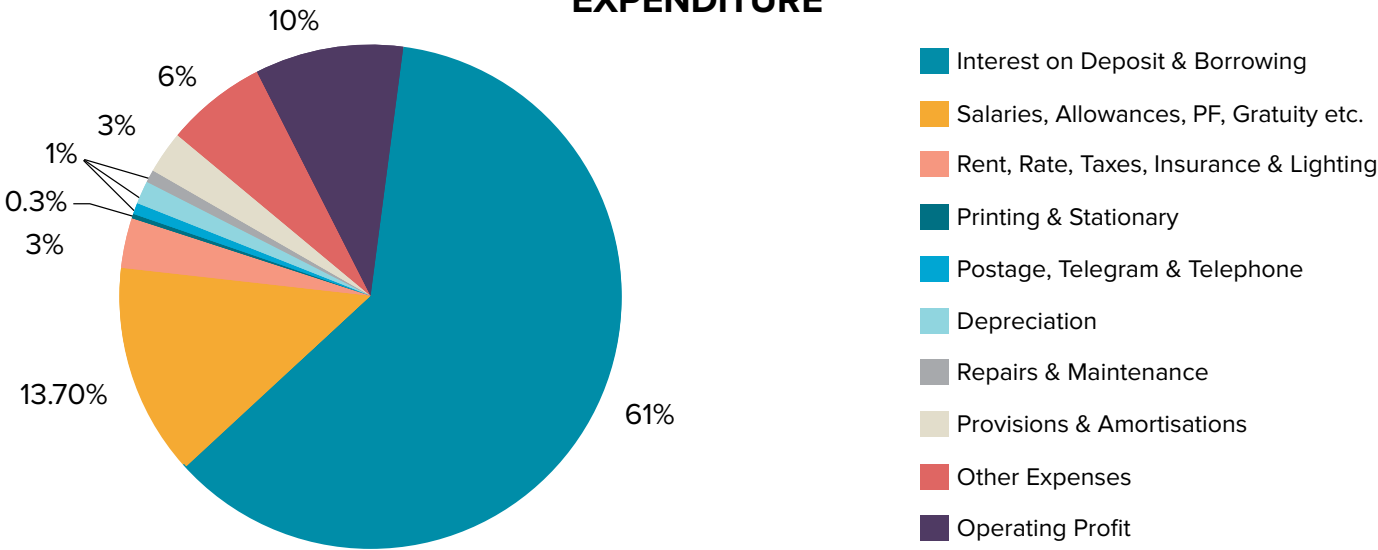
VIRAR

INCOME

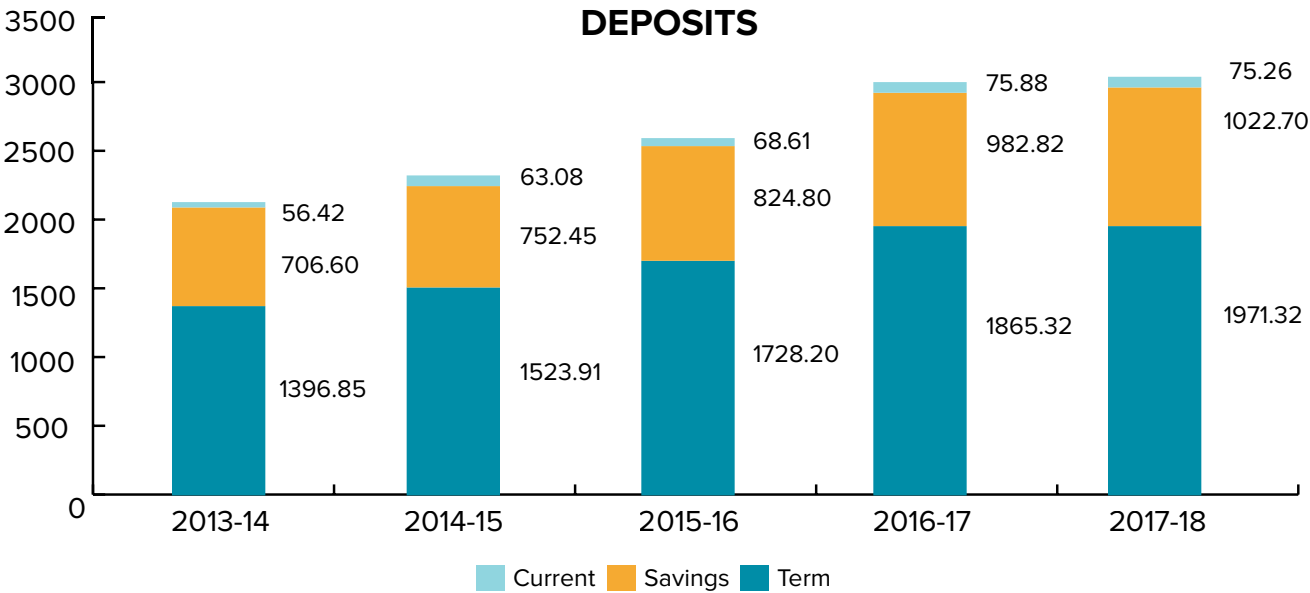
- Interest on Loans and Advances
- Interest on Investments
- Commission, Exchange, Brokerage and Miscellaneous Receipts
- Profit on sale of Securities



EXPENDITURE



DEPOSITS



Toll Free No.
1800 123 0209
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MUMBAI: Amboli | Bandra - Hill Road, Mt. Carmel, Turner Rd. | Borivli | Byculla | Chembur | Colaba | Dadar | Dhobitalao | Four Bungalows | Gorai | Goregaon | Kalina | Kurla | Madh | Mahakali | Mahim | Malad | Manori | Dahisar | Marol | Mulund | Sahar | Santacruz | Vakola | Vikhroli | Wadala |
NAVI MUMBAI: Vashi | Panvel | **THANE:** Bhayander | Mira Road | Thane | **PALGHAR:** Naigaon | Vasai | Virar | Boisar | Nashik | **UNION TERRITORY OF DAMAN:** Nani Daman | **PUNE:** Fatima Nagar | Camp |
GOA: Mapusa | Margao | Panaji | Porvorim | Vasco