



### NOTICE TO MEMBERS

Notice is hereby given that the Thirty Sixth Annual General Meeting of the Members (Shareholders) of THE BHARAT CO-OPERATIVE BANK (MUMBAI) LIMITED will be held on Saturday, the 9<sup>th</sup> June, 2012 at 4.00 p.m. at Brijwasi Palace Hall, Brijwasi Estate, Sonawala Road, Goregaon (East), Mumbai 400 063 to transact the following business :

1. To receive and adopt the Report of the Board of Directors, Audited Statement of Accounts and the Audit Report thereon for the year ended 31<sup>st</sup> March, 2012.
2. To consider and adopt the appropriation of the Net Profit for the year ended 31<sup>st</sup> March, 2012.
3. To appoint M/s. U. G. Devi & Company, Chartered Accountants, as Statutory Auditors for the financial year 2012-13.
4. To consider and approve the proposed amendments to the Bye-laws of the Bank, with or without modification.
5. To transact any other business with the permission of the Chair.

By order of the Board of Directors

Mumbai,  
Dated : 18<sup>th</sup> April, 2012

( C. R. MULKY )  
Managing Director & CEO

**Note :** In the absence of a quorum within half an hour after the appointed time, the meeting shall stand adjourned and the adjourned meeting will be conducted immediately thereafter at the same venue irrespective of the rule of quorum in terms of Bye-law No. 30.

### IMPORTANT NOTE TO MEMBERS

1. Members desiring to offer any suggestion at the Annual General Meeting or put any question pertaining to the Annual Report & Accounts are requested to write to the Bank at least 7 days before the meeting i.e., on or before 2<sup>nd</sup> June, 2012.
2. Members who have not collected their Share Certificates are requested to collect the same from the Bank on any working day during working hours at the earliest.
3. Members who have not collected their dividends for the previous three years are requested to collect the same immediately to avoid its forfeiture.
4. Members are requested to intimate any change in name of nominee, office and residential address, status etc., so as to keep our records up-to-date.
5. Members are requested to introduce the Bank to their friends, relatives and near and dear ones so that they also can avail of the various services rendered by the Bank.
6. Members are requested to note that only one copy of Annual Report has been posted to those shareholders who are residing at same place of residence at their request.
7. Members are requested to give instructions for crediting the dividend directly to their Saving Bank / Current Account with any of the Branches of the Bank.
8. Annual Report shall not be distributed at the Annual General Meeting in view of high cost of paper and printing. Members are therefore requested to bring their copies of Annual Report to the meeting.

## SAGA OF SUCCESSFUL GROWTH

(₹ in Lac)

Particulars	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Share Capital	1,701.94	2,239.57	2,759.41	3,339.57	3,884.72	4,662.39	5,659.68	6,643.97	7,173.56	7,158.57
Reserve Funds	9,301.42	10,884.50	12,669.55	14,079.34	15,628.47	17,551.46	19,867.45	21,079.10	23,792.22	27,979.59
<b>DEPOSITS</b>										
Fixed Deposits	50,834.06	57,517.80	63,078.29	69,513.36	84,525.04	1,07,221.87	1,48,547.30	1,72,118.78	2,13,974.75	2,87,359.28
Saving Bank Deposits	18,017.73	22,647.36	25,239.21	30,737.86	33,759.81	40,649.04	41,432.37	51,949.17	60,224.58	64,546.71
Current Deposits	9,580.29	10,986.64	13,581.17	17,080.34	20,437.61	22,885.09	23,311.40	28,436.99	34,333.16	35,664.83
Recurring Deposits	2,888.73	3,393.93	3,534.11	3,601.54	3,342.26	3,786.98	5,060.01	7,050.58	5,703.11	6,667.53
Bharat Daily Deposits	3,428.01	3,581.20	3,642.03	4,157.68	4,200.06	4,435.99	4,312.93	4,862.48	5,378.72	5,840.89
<b>TOTAL</b>	<b>84,748.82</b>	<b>98,126.93</b>	<b>1,09,074.81</b>	<b>1,25,090.78</b>	<b>1,46,264.78</b>	<b>1,78,978.97</b>	<b>2,22,664.01</b>	<b>2,64,418.00</b>	<b>3,19,614.32</b>	<b>4,00,079.24</b>
Loans and Advances	55,617.49	62,693.07	70,920.36	81,751.23	1,01,454.59	1,26,838.90	1,49,790.26	1,83,429.27	2,31,299.19	2,82,446.84
Gross Income	11,402.36	12,213.43	12,186.62	13,368.18	15,464.80	19,964.63	26,093.20	30,643.38	35,614.91	47,176.81
Net Profit	985.09	1,204.16	1,407.48	1,764.01	2,151.39	2,614.92	3,052.04	2,755.26	4,799.29	6,518.23
Working Capital	98,067.35	1,15,050.73	1,28,449.92	1,47,844.26	1,73,369.87	2,09,245.81	2,60,373.37	3,08,209.51	3,75,545.70	4,64,216.63
Total Staff Strength	675	674	663	660	662	662	691	749	769	842
Dividend	25%	17%	17%	15%	15%	15%	15%	15%	15%	15% (Proposed)
Audit classification	'A'	'A'	'A'	'A'	'A'	'A'	'A'	'A'	'A'	'A'

## DIRECTORS' REPORT

Dear Members,

The Board of Directors is pleased to present the thirty sixth Annual Report on business and banking operations of the Bank together with the audited statement of accounts for the financial year ended 31<sup>st</sup> March, 2012. The Audit Report for the said financial year from the Statutory Auditors, M/s. U. G. Devi & Company, Chartered Accountants, Mumbai who were appointed by the Shareholder Members at the Thirty-fifth Annual General Meeting held on 20<sup>th</sup> August, 2011, is annexed hereto.

### ECONOMIC SCENARIO

While the year began on an optimistic note, concerns on sustainability of the high growth phase had surfaced by the end of F.Y.2010-11 itself. During previous Financial Year there were many challenges staring at Indian economy coupled with a hope of improvement in world economy. But reality turned out to be different. The sovereign debt crisis in the Euro zone intensified, political turmoil in Middle East infused extensive uncertainty coupled by earthquake in Japan resulting in overall worldwide gloomy scenario.

Despite improvement in the overall optimism about the economy, the financial markets continued to witness high volatility primarily driven by the direction and magnitude of foreign capital flows, movement in industrial production and inflation. Inflation remained elevated throughout the year owing to factors like surge in prices of vegetables and fruits and unexpected rise in international crude oil. Despite improved global economic prospects and recovery of the Indian economy, the FDI inflows have largely remained sluggish.

India's fiscal balance has also deteriorated in F.Y.2011-12 due to slippage in direct tax revenue and increased subsidies.

In spite of successfully containing the adverse impact of global slowdown on Indian economy, the year was disappointing to a certain extent. But it is also a fact that India still remains among the front-runners in economic growth in cross-country comparison.

As per 3Q review of monetary policy 2011-12 by RBI, the growth in Industrial production moderated to 4.0% during 2011-12 from 8.30% in the corresponding period a year ago.

Indian Economy grew at just 6.90% in the F.Y.2011-12. Growth in industrial production slowed down mainly due to slowdown of manufacturing & mining sectors. Capital inflows to India have slowed down on account of widening of current account deficit besides significant pressure on exchange rate, which added to inflationary pressures.

For F.Y.2012-13 the RBI anticipates that the economy will exhibit a modest recovery, with growth being slightly faster than that of during F.Y.2011-12.

During the year, the RBI reduced CRR on two occasions i.e. during end of 3<sup>rd</sup> and 4<sup>th</sup> quarters to facilitate availability of more funds into the system to tide over the tight liquidity position. Due to this, credit off take was more during last quarter of the year as compared to previous 3 quarters.

During the year, the RBI increased repo rate on 5 occasions to contain spiraling inflation.

On banking front, there were some important reforms such as deregulation of interest rates on Savings Bank Deposits and NRE Deposits. Banks have been proactive in adapting to the changes, which are coming their way in emerging banking space, both in domestic and international fronts.

Projections of deposits in Banks made by RBI for F.Y.2011-12 ended amid an acute liquidity crunch as customers withdrew funds to cope with high inflation. During the year under report deposits of Banking Industry grew at 17.40%, which is below the RBI projections, despite upward trend in interest rates across the banks based on provisional data.

However, credit of banking industry grew at 19.30% higher than the 16% projected by RBI.

In spite of the downtrend in the economy, the bank continued to offer competitive rate of interest on deposits and advances during the year.

Due to this your bank could mobilize substantial amount of deposits with a healthy growth rate of 25.18% and was able to deploy funds judiciously. Credit offtake increased by 22.11% during the year. We are happy to mention that your Bank has registered growth rates both in deposits and advances well above the industry growth rates.

#### PERFORMANCE HIGHLIGHTS 2011-12

- Total business of the bank increased from ₹ 5509.13 crore to ₹ 6825.26 crore reflecting a growth of 23.89%.
- Deposits grew from ₹ 3196.14 crore to ₹ 4000.79 crore with a rise of 25.18% while advances increased from ₹ 2312.99 crore to ₹ 2824.47 crore, an increase of 22.11%.
- Net Profit increased from ₹ 47.99 crore to ₹ 65.18 crore with a growth of 35.82%.
- Gross NPA reduced from 1.52% ( ₹ 35.06 crore) of gross advances to 0.70% ( ₹ 19.69 crore) of Gross advances at the end of the year. The Bank continued to maintain Zero Net NPA.
- The bank has added 10 new branches, 14 on-site ATMs and 4 branches were shifted to new premises during the year.
- The business per employee grew from ₹ 7.16 crore to ₹ 8.11 crore and net profit per employee grew from ₹ 6.24 lac to ₹ 7.74 lac, inspite of addition of 73 employees during the year.

#### APPROPRIATION

A sum of ₹ 65,19,03,139.45 inclusive of carried forward profit of ₹ 79,992.35 of the previous year is available for appropriation.

The Board of Directors in accordance with the guidelines of Reserve Bank of India and the provisions of Section 63 of the Multi-State Co-operative Societies Act, 2002 recommend appropriation of the Net Profit as under:



	(₹)
Statutory Reserve	16,50,00,000.00
Contribution to Education Fund of NCUI	65,18,300.00
Special Reserve	6,60,00,000.00
Building Fund	15,00,00,000.00
Dividend to Shareholders	10,65,39,205.00
Investment Fluctuation Reserve	15,53,00,000.00
Net Open Foreign Currency Position Reserve	25,00,000.00
Balance carried forward to the next year	45,634.45
	<u>65,19,03,139.45</u>

Subject to the approval of the Members to the recommendation as made above, the Bank's Reserve and other Funds as on 31<sup>st</sup> March, 2012 would appear as under: -

	(₹)
Statutory Reserve	90,51,63,965.00
Building Fund	100,57,80,000.00
Dividend Equalization Fund	1,85,00,000.00
Bad and Doubtful Debts Reserve	45,11,06,798.37
Contingent provision against Standard Assets	11,70,00,000.00
Charity Fund	10,00,000.00
Special Reserve	27,61,00,000.00
Contingent Provision against Depreciation in Investment	18,74,50,443.00
Investment Fluctuation Reserve	36,51,57,750.00
Education Fund	10,00,000.00
Special Reserve for Restructured Assets	10,00,000.00
General Reserve	50,00,000.00
General Reserve (Deferred Tax)	9,11,30,000.00
Net Open Foreign Currency Position Reserve	25,00,000.00
	<u>342,78,88,956.37</u>

#### CAPITAL TO RISK ASSETS RATIO

The Bank has always given importance to the Capital to Risk Assets Ratio (CRAR) as per Reserve Bank of India guidelines. The Capital to Risk Assets Ratio of the Bank stood at a healthy 12.80% as on 31<sup>st</sup> March, 2012, which is well above the minimum regulatory requirement of 9%.

#### PROVISION FOR TAXES

The provision for tax for the year has been worked out as under after giving effect to the Deferred Tax arising out of the timing differences and provisioning in accordance with Accounting Standard. The Bank has estimated tax outflow for the current year to be ₹ 2840 lac and has provided for the same including provision of ₹ 81.77 lac to be made for Deferred

Tax.	(₹ in lac)
Net Tax Liability for the year	2840.00
Add: Deferred Tax	81.77
Provision made in Profit & Loss Account	2921.77

#### DIVIDEND

The Board of Directors is pleased to recommend a Dividend of 15% for the year ended 31<sup>st</sup> March, 2012. The same is payable proportionate to the amount paid up on shares and the period in whole months for which the share amount stands to the credit of the shareholders. While recommending dividend of 15%, which is the maximum limit as per the Bye-laws, the Board has kept in mind the need to balance multiple objectives of appropriately rewarding the shareholders as well as augmenting capital to meet Bank's investment needs and to maintain a healthy Capital to Risk Assets Ratio, to strengthen the capital base and to support future growth.

#### BRANCH EXPANSION PROGRAMME

During the year the Bank has expanded its operations by opening record number of 10 branches in any year at Bhaindar (East), Ghansoli, Jogeshwari (East), Kalyan (West), Puttur - (D. K.), Kandivali (East), Ghodbunder Road - Thane, Chinchwad - Pune, Peenya - Bengaluru and Moodbidri - Mangalore. All these branches have received a good response from the Members and the Customers. Four more branches are proposed to be opened before August 2012 at Kalwa in Maharashtra State and Karkala, Kundapura & Bantwal in Karnataka State.

The Bank has applied to the Reserve Bank of India for Branch licences for opening 5 more new Branches during the year 2012-13 at Mulky in Karnataka State and Kurla-Bail Bazar, Mulund (West), Dharavi - Sion (West) & Nashik in Maharashtra State.

During the year under report, the Bank has shifted the banking activities of its Govandi branch, Kandivali (West) branch, Thane (West) branch and Dadar (West) branch to new premises in view of increased banking opportunities.

#### MEMBERSHIP

The number of members of the Bank as on 31<sup>st</sup> March 2012 stood as under:-

Type of Membership	As on 31st March 2011	Deletion of members due to death, resignation and transfer of shares	Admission of new members during the year	As on 31st March 2012
Regular Membership	119820	1640	9175	127355
Nominal Membership	30200	584	3024	32640

The Membership of the Bank as on 31<sup>st</sup> March, 2012 stood at 127355 after deleting 1640 members from the roll who ceased to be the members of the Bank due to death, resignation, transfer and forfeiture of shares. The Nominal Membership of the Bank stood at 32640 as at the end of the financial year under report, out of which 10803 are borrowing members forming 33.10% of total Nominal Membership.

#### DEPOSIT INSURANCE

The Deposits of the customers continued to be insured in terms of Deposit Insurance and Credit Guarantee Corporation Act, 1961. The Bank has been regular and prompt in payment of insurance premium to the Deposit Insurance and Credit Guarantee Corporation (DICGC).

#### INVESTMENT PORTFOLIO

The Bank has an investment portfolio of ₹ 1386.74 crore as on 31<sup>st</sup> March, 2012 out of which an amount of ₹ 1140.07 crore has been invested in Government and other approved securities. The Bank's total investments in Government and other approved securities as on 31<sup>st</sup> March, 2012 works out to 28.91% of the Net Demand and Time Liabilities (NDTL) of the Bank, which is well above the limit stipulated by the Reserve Bank of India.

The Reserve Bank of India has made it mandatory for Urban Co-operative Banks having AD Category I licence to assign the duration based "capital charge" for the Market Risk with effect from 1<sup>st</sup> April, 2010. Pursuant to this, Bank has been able to successfully manage investment portfolio and market risk during the year 2011-12.

Bank is a direct member of the NDS for settlement of Government securities for Treasury operations and the Clearing Corporation of India for Collateralized Borrowing and Lending Operations segment (CBLO). The Bank is borrowing and lending under CBLO as per the guidelines of the Reserve Bank of India and rules and regulations of the Clearing Corporation of India Ltd., (CCIL). The Bank is using CBLO segment as an effective tool for liquidity and fund management.

#### LOANS AND ADVANCES

As on the year-end under Report, Loans and Advances of the Bank have increased from ₹ 2312.99 crore to ₹ 2824.47 crore showing an increase in Credit portfolio by ₹ 511.48 crore over the previous year due to good credit demand. The Credit-Deposit Ratio of 70.60% as on year-end indicates optimum deployment of Bank's resources.

#### CREDIT MANAGEMENT

Considering the changes taking place in banking sector particularly in credit portfolio, the Board of Directors carried out annual review and revised the Credit Policy of the Bank for the Financial Year 2011-12 in tune with the guidelines from the Reserve Bank of India, to grant loans and advances to meet credit needs of the members and to deploy funds towards productive activities, which are viable and profitable.

#### TECHNOLOGY UPGRADATION FUND SCHEME (TUFS)

The Bank continued to be included as an eligible institution by the Small Industries Development Bank of India (SIDBI) under Technology Upgradation Funds Scheme (TUFS). Under this scheme, the eligible Textile Industrial borrowers can continue to claim interest reimbursement upto 5% of interest paid on term loans availed by them and Credit Linked Capital Subsidy (CLCS) against machinery for eligible sectors.

#### FINANCING TO PRIORITY SECTORS

In tune with the national objective of distributive justice, the Bank is continuing to emphasize channeling of credit to productive and infrastructural activities towards priority sector and weaker sections to meet socio-economic objectives of the Government of India.

Bank's advances to priority sectors as on 31st March, 2012 stood at ₹ 1865.35 crore forming 66.04% of the total advances. This includes a sum of ₹ 248.69 crore sanctioned to weaker sections as per the guidelines of the Reserve Bank of India. The break-up of advances to priority sectors is given in the graph forming part of this report.

#### RECOVERY OF LOANS & ADVANCES

The recovery of Loans and Advances during the year under report has been very good. The amount of overdues in Loans and advances were ₹ 24.52 crore as on 31<sup>st</sup> March, 2012 as compared to ₹ 29.16 crore as on 31<sup>st</sup> March, 2011, despite increase in volume of Loans and advances by ₹ 511.48 crore. In terms of percentage the overdues to the total amount of Loans and advances were 0.87 as on 31<sup>st</sup> March, 2012 as compared to 1.26 as on 31<sup>st</sup> March, 2011. Thus bank has successfully improved its recovery position despite tight liquidity position in market impairing repaying capacity of the borrowers.

Further Bank has referred the disputes arising with defaulted borrowers to Justice Rajan Jodharaj Kochar, Retired High Court Judge - Mumbai, Shri Arvind Baburao Narode, Retired Judge of Co-operative Court - Mumbai, Shri A.H. Naik, Retired District and Session Judge, Karnataka, Bengaluru who have been appointed as the Arbitrators by the Commissioner for Co-operation and Registrar of Co-operative Societies, Pune and the Central Registrar and Registrar of Co-operative Societies in Karnataka, Bengaluru under subsection 4 of the section 84 of the Multi-State Co-operative Societies Act, 2002 for adjudication of disputes

Bank was judicious in timely use of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 thereby recovering substantial amounts from defaulter borrowers.

#### COMPUTATION OF NON-PERFORMING ASSETS (NPAs)

NPAs of the Bank were ₹ 19.69 crore as on 31<sup>st</sup> March, 2012 as compared to ₹ 35.06 crore as on 31<sup>st</sup> March, 2011. In percentage terms the Gross NPAs were at 0.70 of Gross Advances as on 31<sup>st</sup> March, 2012 as compared to 1.52 of Gross Advances as on 31<sup>st</sup> March, 2011. Net NPA continued to be NIL as on 31<sup>st</sup> March, 2012.

The reduction of NPA in terms of amounts in non-conductive situations is the testimony of Bank's robust recovery mechanism. This also indicates good health of Credit portfolio of the Bank.

Due to persistent follow up with the defaulter borrowers throughout the year, Bank could contain the NPAs to the minimum possible level.

The detailed classification of assets and provisioning made as on 31<sup>st</sup> March 2012 is given below. It may be observed that Bank has made provisions of ₹ 45.11 crore as against ₹13.37 crore as per the guidelines of Reserve Bank of India.

**Classification of Assets and Provisioning made against Non-Performing Assets as on 31st March, 2012**  
(₹ In lac)

Classification of Assets	No. of A/Cs	Amount Outstanding	% of Col.3 to total Loans outstanding	Provision required to be made		Existing provision at the beginning of the year	Provisioning made during the year under Report	Total provisions as at the end of the year	Remarks
				%	Amount				
1.	2.	3.	4.	5.		6.	7.	8.	9.
<b>Total loans and Advances of which :</b>	<b>29112</b>	<b>282446.84</b>							
<b>A. Standard Assets</b>	<b>28457</b>	<b>280477.91</b>	<b>99.30</b>	<b>0.40</b>	<b>1167.22</b>	<b>955.00</b>	<b>215.00</b>	<b>1170.00</b>	
<b>B. Non-Performing Assets</b>						<b>4291.80</b>	<b>350.00</b>	<b>4511.07</b>	
1. Sub-Standard	105	118.72	0.05	10	11.87		*(130.73)		
2. Doubtful									
(i) Upto 1 year									
a) Secured	12	156.37	0.06	20	31.27				
b) Unsecured	65	30.91	0.01	100	30.91				
(ii) Above 1 year and upto 3 years.									
a) Secured	12	572.06	0.20	30	171.62				
b) Unsecured	181	346.95	0.12	100	346.95				
(iii) Above 3 years									
a) Secured	24	267.16	0.09	100	267.16				
b) Unsecured	239	384.84	0.14	100	384.84				
<b>Total doubtful Assets (i + ii + iii)</b>	<b>533</b>	<b>1758.29</b>	<b>0.62</b>		<b>1232.75</b>				
a) Secured	48	995.59	0.35		470.05				
b) Unsecured	485	762.70	0.27		762.70				
3. Loss Assets	17	91.92	0.03	100	91.92				
<b>Gross NPA's (B1+B2+B3)</b>	<b>655</b>	<b>1968.93</b>	<b>0.70</b>		<b>1336.54</b>	<b>4291.80</b>	<b>219.27</b>	<b>4511.07</b>	

Sr. No.	Particulars	31.03.2012	31.03.2011
1	Gross Advances	282446.84	231299.19
2	Gross NPAs	1968.93	3505.80
3	Gross NPAs as percentage to Gross Advances	0.70	1.52
4	Deductions	---	---
	- Balance in interest suspense account/ OIR	---	---
	- DICGC/ ECGC claims received and held pending adjustment	---	---
	- Part payment on NPA account received and kept in suspense account	---	---
5	Total NPA provisions held (BDDR Special BDDR Balance after appropriation)	4511.07	4291.80
6	Net advances (1-4-5)	277935.77	227007.39
7	Net NPA (2-4-5)	Nil	Nil
8	Net NPAs as percentage of net advances	Nil	Nil

\* Bad Debts written off against respective provisions.

## AUDIT AND INSPECTION

### (a) RESERVE BANK OF INDIA INSPECTION

The Officials of the Reserve Bank of India had carried out inspection of the Bank covering the period upto 31<sup>st</sup> March, 2011 under Section 35 of the Banking Regulation Act, 1949 (as applicable to Co-operative Societies). Inspecting Officials of the Reserve Bank of India have appreciated the working of the Bank as well as progress made by the Bank in the areas of Share Capital, Reserves, Deposit Mobilization, Deployment of Funds, Investments, Profitability, Management and Control over Non-Performing Assets.

### (b) STATUTORY AUDIT

The Statutory Audit of the Bank was carried out by M/s. U. G. Devi & Company, Chartered Accountants, Mumbai, who were appointed by the Shareholder Members at the thirty-fifth Annual General Meeting held on 20<sup>th</sup> August, 2011. The Statutory Auditors have awarded 'A' Audit Classification to the Bank. Their Audit Report is appended herewith. M/s. U. G. Devi & Company, Chartered Accountants are eligible for re-appointment as Statutory Auditors under Section 70(4) of the Multi-State Co-operative Societies Act, 2002.

### (c) INTERNAL AUDIT

The Internal Audit of the Bank was carried out by M/s. Ashwajit Associates, Chartered Accountants, appointed by the Board of Directors.

### (d) CONCURRENT AUDIT

As per guidelines of the Reserve Bank of India, 20 branches having large volume of business turnover were put under concurrent audit in addition to internal audit. M/s. Divakar Hari & Associates, M/s. Shetty Naik & Associates, M/s. Yashwant & Co., M/s. Nanjunda & Co., M/s. Dev Anand & Co. and M/s. Yardi Prabhu & Associates, Chartered Accountants have been appointed as Concurrent Auditors by the Board of Directors.

### (e) INFORMATION SYSTEM AUDIT

The Information System Audit of the Bank was carried out by M/s. BDO Consulting Pvt. Ltd. during the financial year as per the guidelines issued by the Reserve Bank of India.

Besides, the Statutory Audit, Internal Audit and Concurrent Audit, the audit & inspection of the Bank's various branches are also continued to be carried out by the Bank's in-house Internal Audit and Inspection Department comprising of Senior Executives, on a regular basis.

## AMENDMENT TO BYE-LAWS

The Board of Directors had proposed amendments to some bye-laws of the Bank to extend the



area of operation of the Bank to the areas permitted by the Reserve Bank of India as well as to make the bye-laws to be in line with various instructions and guidelines issued by the Reserve Bank of India from time to time and also to make the bye-laws more practical. The said amendments proposed by the Board of Directors were approved at the Annual General Meeting held on 20<sup>th</sup> August, 2011. Consequently the proposal for said amendments were forwarded to the Office of the Joint Secretary to the Government of India and Central Registrar of Co-op. Societies, New Delhi for their approval. The Office of the Joint Secretary to the Government of India and Central Registrar of Co-op. Societies, New Delhi vide their order bearing No.L-11016/8/96-L&M dated 23<sup>rd</sup> December, 2011 has approved and registered the proposed amendments to bye-law Nos. 2 (i), 31 (i) (a) and 32 (i). However the proposed amendment to Bye-law No.1 (iv) has been registered partially thereby permitting the Bank to extend the area of operation to the entire State of Maharashtra and the extension of area of operation to eight districts in the State of Gujarat has not been approved. Further, the proposed amendment to bye-law No.37 has also not been approved for the reason that the proposed amendment to bye-law No. 37 is not consistent with the provisions of section 45 of the Multi State Co-operative Societies Act, 2002. The Bank filed an appeal against the rejection of amendments proposed to Bye-law Nos.1 (iv) and 37 before the Appellate Authority under the Multi-State Co-operative Societies Act, 2002. The decision of the Appellate Authority in this regard is awaited.

Now, the Board of Directors of the Bank has felt it necessary to amend bye-law No.4 (B) (ii) (b) concerning eligibility for ordinary membership and bye-law No.23 concerning Capital and Funds to be in consonance with the Banking Regulation Act, 1949 (as applicable to co-operative societies) and to facilitate augmentation of Capital Funds of the Bank respectively.

The proposed amendments are reproduced on page 44 for deliberation and members' approval.

In the meanwhile members are informed that a writ petition filed by the Bank before the Hon'ble Bombay High Court with regard to rejection of amendments proposed to bye-laws Nos.24 and 47 (b) and (c) against the Office of the Joint Secretary to the Government of India & Central Registrar of Co-op. Societies, New Delhi and the Appellate Authority has been admitted by the Hon'ble Bombay High Court and the same is pending for hearing and final decision.

#### **FOREX BUSINESS**

The Board of Directors is pleased to inform that your Bank has completed successful journey of three years as Authorized Category I Bank offering full fledged forex services to the esteemed customers of the Bank. It gives immense satisfaction that your Bank is one of the youngest Co-operative Banks to conduct forex business independently. Two Forex centres at Goregaon (E) Branch and Fort Branch are catering to the needs of importers and exporters offering all types of facilities. The staff members are adequately trained at various reputed training institutes such as FEDAI, NIBM, Bank of India Training College etc. and are equipped with adequate working knowledge to offer all types of services to meet the requirements of the esteemed customers. Your Bank is offering wide range of products and services such as

opening of import LC, collection of export documents, discount, negotiation, purchase of export documents, pre and post shipment finance both in rupee and foreign currency, issue of foreign DDs, remittances, buyers credit for import payment, booking of Forward Contracts etc. Bank has correspondent relationship with various Overseas Banks and Overseas branches of Indian Banks to carry out the business and services all over the world.

Despite global slowdown witnessed during the year under report, your Bank posted a growth of 76% from the previous year in merchant transactions i.e. from ₹ 375.30 crore to ₹ 663.15 crore.

Sub Agency relationship arrangement established last year through Weizman Forex Ltd. for “Western Union Money Transfer” service and “UAE Exchange and Financial service” enabling non-resident Indians / Nationals to remit the funds to Indian residents faster, has shown better progress in this year also. Through these two globally established money transfer companies, customers of the Bank, members and general public can speedily receive money from their relatives, friends and business partners overseas to the extent of USD 2500/- or its equivalent through Western Union Money Transfer Services and Money Gram which has global presence and upto ₹ 50000/- from Express Money which predominantly has presence in gulf countries.

#### CLEARING CORPORATION OF INDIA LIMITED - SETTLEMENT OF FOREX TRANSACTIONS

Bank continued to be a member of Fx Clear (Clear Corp) Dealing System and Fx Swap Dealing System of Clearing Corporation of India Limited for interbank settlements of both spot and swap (forward) forex transactions.

#### NEW SERVICES / PRODUCTS

The Bank in its endeavour to be a “**ONE STOP SHOP**” for all financial needs of its large base of customers is offering value added services and making all efforts to enter into tie-up arrangements with various financial intermediaries / banks for introduction of new products and services for the benefit of customers of the Bank.

The Bank has launched VISA International debit cards. With VISA International debit card, customers will have the convenience to transact from their account from almost anywhere in the world - besides India. Customers will be able to withdraw cash from any VISA ATM in foreign currency abroad as well as shop in foreign currency abroad using the Bharat Bank VISA International Debit card. From June/July 2012 onwards, customers would be able to use cards over the internet for e-commerce transactions like booking railway/airline tickets, shopping on websites etc.

Bank will launch PRE-PAID / GIFT cards on VISA platform by the end of the year. Bank also has plans to provide BILL-PAYMENT facility to customers in this financial year.

Bank has added 14 more on-site ATMs during this Financial year, thereby providing 37 on-site ATMs for the convenience of customers. Currently, more than 1500 payments per day (cash withdrawals) are processed on Bharat Bank ATMs. An amount of ₹ 224.47 crore was dispensed by Bharat Bank ATMs in this financial year.

Bank has become a member of NPCI (National Payments Corporation of India) & will be introducing RUPAY cards soon. Rupay cards will provide Bharat Bank customers access to over 91,000 ATMs of 63 member banks in India. This includes ATMs of Banks which are not part of VISA network.

SMS Alerts on debits/credits happening in the account, has been greatly appreciated by the customers. The customer remains in touch with his account through this useful service. During the year, Bank has seen 139% increase in transaction SMS generated, up from 1.39 lac SMS p.m. to 3.33 Lac SMS p.m. Customers also have option to send keywords like BAL, LST3 through SMS and get Balance & details of last 3 transactions as a return SMS. Additionally, customers can also get details like Address of branch, Timings, Telephone Nos., Rate of Interest on FD etc by sending Keywords in SMS. Customer can also SMS MENU to 9664 000000 to know the list of keywords available.

#### INSURANCE BUSINESS

The Board of Directors is pleased to inform the Members that the Insurance Business of both Life Insurance and General Insurance undertaken by the Bank through all the 46 branches is receiving encouraging response. Professionalism in sales activities and enhancement in customer satisfaction has been achieved during the year by engaging the services of an expert in the field. The Board of Directors seeks co-operation from the Members to strengthen the insurance business with a view to broaden customer services and to augment commission income of the Bank.

During the year under report 19 branches viz., Bhandup (W), Chembur, Vasai (W), Mulund (E), Thane (W), Fort (Main), Udipi, Vashi, Vile Parle (E), Kalina-Santacruz, Hampankatta-Mangalore, Bhiwandi, Govandi, Lamington Road, Goregaon (E), Kandivli (W), Mira Road (E), Bhandup Village Road and Malad (W) Branches had earned the distinction of 'Bima Bank' by,

- Mobilizing First Premium Income of ₹ 30 lac and above,  
or
- Selling more than 50 policies for First Premium Income of over ₹ 20 lac,  
or
- Selling 100 policies for First Premium Income of ₹ 10 lac,

Many branches earned awards under various New Business Competitions floated by Life Insurance Corporation of India from time to time. The growth rates in terms of number of policies and Commission income were 13.22% and 18.25% respectively.

#### MEMBERSHIP OF BANKING CODES AND STANDARDS BOARD OF INDIA (BCSBI)

The Board of Directors is pleased to inform the members that your Bank continued to be a member of the Banking Codes and Standards Board of India (BCSBI) with a view to improving the quality of Customer Service. As a member of BCSBI, the Bank has formally adopted the Code of Commitment to Customers and the Code of Bank's Commitment to Micro and Small Enterprises for implementation and shall always observe the same in letter and in spirit. The Bank also adheres to voluntary codes of BCSBI, which set minimum standards for fair and

transparent treatment of consumers of banking services.

#### STAFF WELFARE ACTIVITIES

The Board of Directors continue to have effective role in improving work environments by pursuing staff welfare measures under the aegis of Staff Welfare Club. The Welfare Club arranges Sports, Quiz Competitions, Educational/Career guidance to employees' children, Yoga classes and Annual Day gathering to encourage cordial relations through cultural activities amongst the staff members and their families. The Welfare Club has also organized Health Check-up for the employees and their family members, which was very well received. The Board of Directors believe that the family happiness and healthiness will have better cohesiveness amongst the employees which will yield better results. The Board of Directors is pleased to inform the members that the Bank has continued to make the funding under the Group Gratuity Scheme and Group Leave Encashment Scheme with the Life Insurance Corporation of India and HDFC Standard Life Insurance Co. Ltd. to provide for payment of its liabilities towards employees gratuity and leave encashment. The Bank continues to have provision for contributing an amount equivalent to one day's salary of all employees in the Bank in case of death of an employee while in service to the next of kin of such employee. This is in addition to a contribution of ₹10 lac per employee by all the surviving employees.

Besides this the Bank has in place the following schemes as a part of its employees welfare activities.

- i) Superannuation Scheme with an option to the employees to invest in Superannuation Scheme of Life Insurance Corporation of India and /or HDFC Standard Life Insurance Co. Ltd.
- ii) Group Mediciclaim Policy with Cashless Hospitalization Facility for the benefit of all permanent employees, their parents and other dependent family members.
- iii) Group Insurance Scheme with Life Insurance Corporation of India in lieu of Employees' Deposit Linked Insurance scheme with Provident Fund office.

#### STAFF TRAINING

The Board of Directors has been giving greater emphasis on training of employees at all levels. Bank's training centre known as 'Bharat Bank Learning Centre' is located in Bank's own building 'Shivgiri', 2<sup>nd</sup> floor, Goregaon (East), Mumbai. The 'Bharat Bank Learning Centre' has acoustically designed training halls with all modern infrastructure required for imparting training to employees. The Bank has been delivering effective training programs not only in the area of Banking but also emphasizing on interpersonal skills, Quality Management Approach to Work, Developing High level Customer Employee Interface, LIC Business etc. to the employees of the Bank as well as to the employees of other co-operative Banks by using the vast in-house knowledge and talent base of its Expert Directors, Managerial Personnel & External Faculty support provided by IFBI, Interactive Skills, NIIT, Funda Advisers and Trinity Academy. Training on particularly motivational facet has also been imparted to employees in subordinate level.

Besides, Bank also deutes the Managerial and other Personnel to various training courses conducted by other well established training institutions including the Reserve Bank of India's College of Agricultural Banking, Pune, National Institute of Bank Management, Pune, VAMNICOM, Pune and IDBRT, Hyderabad etc.

#### STAFF RELATIONS

The Board of Directors is pleased to record its appreciation of the sincere and dedicated services rendered by Managerial Personnel and employees at all levels. Relations between the Management and Employees continued to be cordial.

#### DISCLOSURES ON CONCENTRATION OF DEPOSITS, ADVANCES & NPAs

Concentration of Deposits	(₹ in Crore)
Total Deposits of twenty largest depositors	167.17
Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank	4.18
Concentration of Advances	(₹ in Crore)
Total Advances of twenty largest borrowers	355.52
Percentage of Advances to twenty largest borrowers to Total Advances of the Bank	12.59
Concentration of NPA	(₹ in Crore)
Total Exposure to top four NPA accounts	11.59

#### CORPORATE GOVERNANCE

The Executive Committee and other Committees constituted during the previous financial year continued upto 8<sup>th</sup> September, 2011 and in consonance with the provisions of Section 53 of the Multi-State Co-operative Societies Act, 2002, the Board at its meeting held on 8<sup>th</sup> September, 2011 re-constituted Executive Committee and other Committees as under:-

#### EXECUTIVE COMMITTEE

Shri Vasudeva R. Kotian	Chairman
Miss Rohini J. Salian	Member
Shri Jaya C. Suvarna	Member
Shri M. B. Kuckian	Member
Smt. Pushpalatha N. Salian	Member
Shri Raja V. Salian	Member
Shri K. N. Suvarna	Member
Shri Jaya A. Kotian	Member
Managing Director & Chief Executive Officer	

#### LOAN COMMITTEE

Shri Jyoti K. Suvarna	Chairman
Shri M. B. Sanil	Member
Shri K. N. Suvarna	Member
Shri JayaA. Kotian	Member
Managing Director & Chief Executive Officer	

#### AUDIT & INSPECTION COMMITTEE

Shri L. V. Amin	Chairman
Shri M. B. Sanil	Member
Shri Y. Nagesh	Member
Shri Mohan G. Poojary	Member
shri J. V. Kotian	Member
Shri Ratan Umesh Sanil	Member
Shri Rohit M. Suvarna	Member
Managing Director & Chief Executive Officer	

#### LEGAL & DEBT RECOVERY COMMITTEE

Shri Raja V. Salian	Chairman
Shri Jyoti K. Suvarna	Member
Shri Shankar D.Poojary	Member
Shri Chandrashekar S. Poojari	Member
Shri Bhaskar M. Salian	Member
Shri N. Nityanand	Member
Managing Director & Chief Executive Officer	

The Executive Committee and other Committees met from time to time to carry out the responsibilities entrusted to them for expeditious disposal of the business of the Bank.

Your bank has been practicing the principles of good corporate governance over the years laying strong emphasis on the business ethics, effective supervision, transparency, accountability and integrity. The bank has also been responsive to the growing customer needs.

As part of good corporate governance, meetings of the board and its various committees held during the year are as under:

	No. of meetings held
Board Meeting	24
Executive Committee Meeting	14
Loan Committee Meeting	25
Audit & Inspection Committee Meeting	8
Debt & Legal Recovery Committee Meeting	8

#### Other Staff Executive Committees consisting Of Senior Executives of the Bank are:

- Asset Liability Committee
- Investment Committee
- Executives Loans Committee

The Committees met from time to time to discharge the tasks entrusted to them



#### AWARDS/RECOGNITIONS

Bank continued to receive awards and recognitions for meritorious performances in various fields.

- i) The Maharashtra Urban Co-operative Banks' Federation Ltd., Mumbai awarded the Bank 2<sup>nd</sup> Prize for the overall performance of the Bank during the year 2010-11 in the category of Banks having deposits of ₹ 500 crore and above.
- ii) The Bank has won Runner Up award for “Excellence in HRD and Innovations in HR Policies” at the “Frontiers in Co-operative Banking Awards, 2011” organized by “Banking Frontiers” a Banking Magazine in category of Large Sized Banks.

#### ACKNOWLEDGEMENTS

The Board of Directors express gratitude to **The Billawar Association, Mumbai**, the sponsors of the Bank for extending their support from time to time.

The Board of Directors sincerely thank all the Members, Customers, Service Providers, Well Wishers and Institutions for extending their whole hearted support and co-operation directly or indirectly in the growth and development of the Bank.

The Board of Directors is pleased to recall the efforts put in by the Senior Managerial Personnel, Officers and Employees at all levels in furthering the growth and strengthening the development of the Bank. The Board of Directors also recall and place on record the assistance, guidance and co-operation extended by the following Institutions, Banks and other Authorities:

1. Reserve Bank of India.
2. Central Registrar of Co-operative Societies, Government of India, New Delhi.
3. Commissioner for Co-operation and Registrar of Co-operative Societies, Maharashtra State, Pune.
4. Registrar of Co-operative Societies, Karnataka State.
5. Officials of Revenue Department at all level in Maharashtra & Karnataka States.
6. Statutory Auditors, Internal Auditors, Concurrent Auditors, Information Systems Auditors, Legal Advisors & Valuers.
7. National Federation of Urban Co-operative Banks and Credit Societies Ltd., New Delhi.
8. Maharashtra Urban Co-operative Banks Federation Ltd.
9. Brihan Mumbai Nagari Sahakari Banks Association, Mumbai.
10. Indian Banks' Association.
11. Press, T.V. and other Media.
12. All the valued Members, Clients, Shareholders and Well-Wishers.

For and on behalf of the Board of Directors

Mumbai  
Dated: 18<sup>th</sup> April, 2012

sd/-  
**VASUDEVA R. KOTIAN**  
Chairman

## PROFILE

NAME OF THE BANK : THE BHARAT CO-OP. BANK (MUMBAI) LIMITED  
 CENTRAL OFFICE ADDRESS : 'Marutagiri', Samant Estate, Sonawala Road,  
 Goregaon (East), Mumbai - 400 063.  
 DATE OF REGISTRATION : 09.06.1977  
 DATE & NO. OF RBI LICENSE : ACD.MH.108-P dated 08.06.1978  
 JURISDICTION : Maharashtra State & Karnataka State.

ITEMS	31.03.2012	( ₹ in Crore)
No. of Branches including Regd. Office & Central Office	48	
Membership		
Regular	127355	
Nominal	32640	
Paid-up Share Capital		71.59
Total Reserves & Funds		279.80
Deposits		
Savings		645.47
Current		356.64
Fixed		2998.68
Advances		
Secured		2813.39
Unsecured		11.08
Total % of Priority Sector	66.04%	
Total % of weaker Section	13.33%	
Borrowings		
National Housing Bank		84.38
Investments		1386.75
Overdues Percentage	0.87%	
Audit Classification	'A'	
Profit for the year		65.18
Total Staff:	842	
Working Capital		4642.17
<b>SIGNIFICANT RATIOS</b>		
1. Deposits & Advances Per Employee		8.11
2. Net Profit Per Employee		0.08
3. Return on Average Assets	1.53%	
4. Capital Adequacy Ratio	12.80%	
5. Interest Income as Percentage to Working Capital	9.44%	
6. Non-interest income as Percentage to Working Capital	0.73%	
7. Operating Profit as Percentage to Working Capital	2.16%	

## STATUTORY AUDITORS' REPORT

(under section 31 of the Banking Regulation Act, 1949 & Section 73(4) of the Multi State Co-op Societies Act, 2002-as applicable to Co-operative Societies)

1. We have audited the attached Balance Sheet of THE BHARAT CO-OPERATIVE BANK (MUMBAI) LIMITED, as at 31<sup>st</sup> March 2012, the Profit and Loss Account annexed thereto and also the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the management. Our responsibility is to express our opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We further report that:
  - i. 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.
  - ii. In our opinion, proper books of account as required by law have been kept by the Bank so far, as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
  - iii. In our opinion and according to the information and explanations given to us, there is no material impropriety or irregularity in the expenditure or in the realization of money due to the Bank.
  - iv. The Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account.
  - v. The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
  - vi. 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 give the information as required by the Multi-State Co-operative Societies Act, 2002 and Rules made there under, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
    - a) In the case of the Balance Sheet, of the state of the affairs of the Bank as at 31<sup>st</sup> March, 2012.
    - b) In case of the Profit and Loss Account of the Profit for the year ended on that date. &
    - c) In the case of the Cash Flow Statement of the cash flows for the year ended on that date.

For **M/S U. G. DEVI & COMPANY**

Chartered Accountants.

FRN: 102427W

Sd/-

**(V. U. Devi)**

Partner

M. No. : 38973

Place : Mumbai.  
Dated : 20<sup>th</sup> April, 2012.

**BALANCE SHEET AS AT**

Previous Year 2010-11 ₹	CAPITAL AND LIABILITIES	₹	Current Year 2011-12 ₹
100,00,00,000.00	<b>I. CAPITAL</b>		100,00,00,000.00
	i) Authorised Capital (10,00,00,000 shares of ₹ 10/- each)		
	ii) Subscribed Capital 7,15,85,651 shares (Previous year 7,17,35,610 shares) of ₹ 10/- each fully paid up ; of which held by		
71,73,56,100.00	a) Individuals & others	71,58,56,510.00	
---	b) Co-operative Institutions	---	71,58,56,510.00
	<b>II. RESERVE FUND AND OTHER RESERVES</b>		
61,71,53,949.28	i) Statutory Reserve	74,01,63,965.00	
70,57,80,000.00	ii) Building Fund	85,57,80,000.00	
1,75,00,000.00	iii) Dividend Equalisation Fund	1,85,00,000.00	
42,91,80,222.37	iv) Bad & Doubtful Debts Reserve	45,11,06,798.37	
9,55,00,000.00	v) Contingent Provision against Standard Assets	11,70,00,000.00	
10,00,000.00	vi) Charity Fund	10,00,000.00	
16,21,00,000.00	vii) Special Reserve	21,01,00,000.00	
13,12,99,806.00	viii) Contingent Provision against Dep. in Investment	18,74,50,443.00	
21,27,08,387.00	ix) Investment Fluctuation Reserve	20,98,57,750.00	
10,00,000.00	x) Education Fund	10,00,000.00	
9,11,30,000.00	xi) Deferred Tax Credit (Trans. effect)	9,11,30,000.00	
50,00,000.00	xii) General Reserve Fund	50,00,000.00	
10,00,000.00	xiii) Special Reserve for Restructured Assets	10,00,000.00	288,90,88,956.37
---	<b>III. PRINCIPAL/SUBSIDIARY STATE PARTNERSHIP FUND ACCOUNTS</b>		---
	<b>IV. DEPOSITS AND OTHER ACCOUNTS</b>		
2250,56,57,962.83	i) Fixed Deposits:		
	a) Individuals ₹ 2852,84,20,856.98		
	b) Other Societies ₹ 145,83,49,217.76	2998,67,70,074.74	
602,24,58,107.64	ii) Saving Bank Deposits:		
	a) Individuals ₹ 621,58,14,649.31		
	b) Other Societies ₹ 23,88,56,462.54	645,46,71,111.85	
280,96,57,567.59	iii) Current Deposits:		
	a) Individuals ₹ 299,89,71,013.40		
	b) Other Societies ₹ 90,48,321.50	300,80,19,334.90	
62,36,58,573.90	iv) Matured Deposits	55,84,63,837.16	4000,79,24,358.65
3514,91,40,676.61	Carried Forward		4361,28,69,825.02

31ST MARCH, 2012

Previous Year 2010-11 ₹	PROPERTY AND ASSETS	₹	Current Year 2011-12 ₹
207,71,72,815.84	<b>I. CASH</b> In hand and with Reserve Bank of India, State Bank of India, Maharashtra State Co-op. Bank Ltd., Mumbai District Central Co-op. Bank Ltd., South Canara District Central Co-operative Bank Ltd. (Including Foreign Currency Notes of ₹. Nil )		202,73,65,678.82
10,28,45,956.76	<b>II. BALANCE WITH OTHER BANKS</b> i) Current Deposits (Including ₹ 74,83,354/- with banks in Foreign Countries)	10,30,53,934.24	
114,42,07,381.78	ii) Fixed Deposits (Including ₹ 5,75,56,809.41 Pledged for securing funded/non funded facilities & Treasury operation)	176,76,56,809.41	187,07,10,743.65
40,00,00,000.00	<b>III. MONEY AT CALL AND SHORT NOTICE</b>		69,90,79,294.82
906,33,83,923.66	<b>IV. INVESTMENTS</b> i) In Central & State Government Securities	1140,06,76,653.13	
2,000.00	ii) Shares in Co-operative Institutions (Includes value of Securities of ₹ 73,00,00,000 Pledged as collateral with CCIL towards Security Guarantee Fund for Treasury operations)	2,000.00	1140,06,78,653.13
---	<b>V. INVESTMENTS OUT OF THE PRINCIPAL SUBSIDIARY STATE PARTNERSHIP FUND</b>		---
726,87,69,191.81	<b>VI. ADVANCES</b> i) Short term Loans, Cash Credits, Overdrafts and Bills Discounted Of which secured against a) Govt. and other approved securities ₹ 3,49,69,727.77 b) Other Tangible Securities ₹ 958,56,03,715.80 c) Personal sureties with or without Collateral securities ₹ 41,45,101.95	962,47,18,545.52	
2005,63,81,269.85	Carried Forward	962,47,18,545.52	1599,78,34,370.42

**BALANCE SHEET AS AT**

Previous Year 2010-11 ₹	CAPITAL AND LIABILITIES	₹	Current Year 2011-12 ₹
3514,91,40,676.61	Brought Forward		4361,28,69,825.02
107,62,00,000.00	<b>V. BORROWINGS</b> Refinance from National Housing Bank		84,38,00,000.00
36,34,48,605.00	<b>VI. BILLS FOR COLLECTION</b> (Being Bills Receivable as per Contra)		115,66,94,388.38
---	<b>VII BRANCH ADJUSTMENTS</b>		---
25,28,39,988.61	<b>VIII. OVERDUE INTEREST RESERVE</b> (As per Contra)		23,06,25,528.70
10,51,42,884.84	<b>IX. INTEREST PAYABLE</b>		12,60,27,425.99
28,88,81,029.98	<b>X. OTHER LIABILITIES</b>		
81,79,296.00	i) Pay Orders/Gift Cheques	42,46,62,488.70	
12,95,404.94	ii) Unclaimed Dividend	79,13,404.00	
6,06,23,327.12	iii) Suspense Account	12,38,276.97	
1,19,63,464.42	iv) Sundries	7,11,69,162.77	
31,64,00,000.00	v) Provision for Expenses	1,73,88,500.40	
5,67,89,831.00	vi) Provision for Taxation	60,04,00,000.00	
	vii) Bonus/Ex-gratia to Staff	6,42,90,765.00	118,70,62,597.84
47,99,54,179.35	<b>XI. PROFIT AND LOSS ACCOUNT</b> Profit as per last Balance Sheet	47,99,54,179.35	
	Less : Appropriation		
	i) Statutory Reserve ₹ 12,00,00,000.00		
	ii) Dividend ₹ 10,37,75,187.00		
	iii) Education Fund of NCUI ₹ 47,99,000.00		
	iv) Building Fund ₹ 15,00,00,000.00		
	v) Special Reserve ₹ 4,80,00,000.00		
	vi) Investment Fluctuation Reserve ₹ 5,33,00,000.00	47,98,74,187.00	
	Balance of Profit	79,992.35	
	Add : Net Profit for the year as per Profit & Loss Account	65,18,23,147.10	65,19,03,139.45
3817,08,58,687.87	Carried Forward		4780,89,82,905.38



### 31ST MARCH, 2012

Previous Year 2010-11 ₹	PROPERTY AND ASSETS	₹	Current Year 2011-12 ₹
2005,63,81,269.85	Brought Forward	962,47,18,545.52	1599,78,34,370.42
	Of the Advances amount due from individuals ₹ 962,47,18,545.52		
	Of the Advances amount overdue ₹ 6,07,33,462.15		
	Considered Bad and Doubtful of Recovery ₹ 4,20,06,000.00 (Provision made as per RBI guidelines)		
374,87,03,092.18	<b>ii) Medium Term Loans</b> <b>Of which secured against</b>	438,97,76,430.71	
	a) Govt. and other approved securities ₹ 1,99,89,045.00		
	b) Other Tangible securities ₹ 426,31,24,148.76		
	c) Personal sureties with or without collateral securities ₹ 10,66,63,236.95		
	Of the Advances amount due from individuals ₹ 438,97,76,430.71		
	Of the Advances amount overdue ₹ 6,01,66,542.11		
	Considered Bad and Doubtful of Recovery ₹ 7,18,09,000.00 (Provision made as per RBI guidelines)		
1211,24,46,912.88	<b>iii) Long Term Loans</b> <b>Of which secured against</b>	1423,01,88,726.49	2824,46,83,702.72
	a) Govt. and other approved securities ₹ --		
	b) Other Tangible securities ₹ 1423,01,88,726.49		
	Of the Advances amount due from individuals ₹ 1423,01,88,726.49		
	Of the Advances amount overdue ₹ 12,43,42,789.93		
	Considered Bad and Doubtful of Recovery ₹ 7,12,06,000.00 (Provision made as per RBI guidelines)		
<b>3591,75,31,274.91</b>	<b>Carried Forward</b>		<b>4424,25,18,073.14</b>

**BALANCE SHEET AS AT**

Previous Year 2010-11 ₹	CAPITAL AND LIABILITIES	₹	Current Year 2011-12 ₹
3817,08,58,687.87	Brought Forward		4780,89,82,905.38
	<b>XII. CONTINGENT LIABILITIES</b>		
	Bank's liabilities for :		
	i) Guarantees given on behalf of constituents ₹ 99,33,48,865.34 (Previous year ₹ 89,14,64,623.40)		
	ii) Letters of Credit etc. ₹ 23,26,87,890.35 (Previous year ₹ 21,81,58,260.00) (Fully Secured by Fixed Deposits, Government Securities and other Tangible Securities)		
	iii) Forward Sale/Purchase ₹ 76,74,98,738.00 (Previous year ₹ 22,24,19,739.00)		
3817,08,58,687.87	Carried Forward		4780,89,82,905.38

31ST MARCH, 2012

Previous Year 2010-11 ₹	PROPERTY AND ASSETS	₹	Current Year 2011-12 ₹
3591,75,31,274.91	Brought Forward		4424,25,18,073.14
	<b>VII. INTEREST RECEIVABLE</b>		
17,48,53,562.00	i) Interest Receivable on Investments	21,73,11,101.59	
21,35,85,495.50	ii) Interest Receivable on Loans and Advances	28,04,17,237.00	
1,68,895.00	iii) Rupee Interest Receivable	5,48,193.00	49,82,76,531.59
25,28,39,988.61	<b>VIII. INTEREST RECEIVABLE ON N. P. A.</b> (As per contra)		23,06,25,528.70
36,34,48,605.00	<b>IX. BILLS RECEIVABLE</b> (Being Bills for collection as per Contra)		115,66,94,388.38
---	<b>X. BRANCH ADJUSTMENTS</b>		24,332.00
62,42,24,677.00	<b>XI. PREMISES</b>		
	Opening Balance at cost	84,62,69,909.06	
	Add : Additions during the year	12,27,20,518.79	
		96,89,90,427.85	
	Less : Sold during the year	56,94,680.00	
	Less : Accumulated depreciation upto 31.03.2011 ₹ 22,20,45,232.06	96,32,95,747.85	
	Adjustment on Sales ₹ (41,28,133.00)		
	Depreciation for the year ₹ 4,51,82,888.79	26,30,99,987.85	70,01,95,760.00
13,84,690.00	<b>XII. VEHICLES</b>		
	Opening Balance at cost	91,64,286.72	
	Add : Additions during the year	41,22,856.00	
		1,32,87,142.72	
	Less : Sold during the year	5,85,097.00	
		1,27,02,045.72	
	Less : Accumulated depreciation upto 31.03.2011 ₹ 77,79,596.72		
	Adjustment on Sales ₹ (5,85,096.00)		
	Depreciation for the year ₹ 11,62,281.00	83,56,781.72	43,45,264.00
8,013.00	<b>XIII. LIBRARY ACCOUNT</b>		
	Balance as per last Balance Sheet (W.D.V.)	8,013.00	
	Add : Additions during the year	3,306.00	
		11,319.00	
	Less : Depreciation	4,076.00	7,243.00
<b>3754,80,45,201.02</b>	<b>Carried Forward</b>		<b>4683,26,87,120.81</b>

**BALANCE SHEET AS AT**

Previous Year 2010-11 ₹	CAPITAL AND LIABILITIES	₹	Current Year 2011-12 ₹
3817,08,58,687.87	Brought Forward		4780,89,82,905.38
<b>3817,08,58,687.87</b>	<b>Total Rupees</b>		<b>4780,89,82,905.38</b>

Notes forming part of Accounts and  
Significant Accounting Policies - Schedule 1

For U. G. DEVI & COMPANY,  
CHARTERED ACCOUNTANTS  
FRN : 102427W

sd/-

(V. U. DEVI)  
PARTNER  
M. No. : 38973

MUMBAI  
DATED : 20<sup>th</sup> APRIL 2012

31ST MARCH, 2012

Previous Year 2010-11 ₹	PROPERTY AND ASSETS	₹	Current Year 2011-12 ₹
3754,80,45,201.02	Brought Forward		4683,26,87,120.81
11,03,85,807.00	<b>XIV. FURNITURE &amp; FIXTURES</b> (INCLUDING COMPUTERS)		
	Balance as per last Balance Sheet (W.D.V.)	11,03,85,807.00	
	Add: Additions during the year	7,92,85,985.89	
		18,96,71,792.89	
	Less : Sales / Adjustment during the year	₹ 20,75,478.00	
	Less : Depreciation	₹ 4,03,59,509.78	14,72,36,805.11
35,64,795.00	<b>XV. COMPUTER SOFTWARE</b>		
	Opening Balance at cost	80,08,398.36	
	Add : Additions during the year	64,32,695.59	
		1,44,41,093.95	
	Less : Accumulated Amortisation upto 31.03.2011	₹ 44,43,603.36	
	Amortisation for the year	₹ 39,67,988.59	60,29,502.00
	<b>XVI. OTHER ASSETS</b>		
40,16,350.83	i) Stock of Stationery	42,00,684.44	
32,48,878.00	ii) Deposit with BEST, MTNL, BMC etc	40,69,436.00	
2,42,160.50	iii) Stamps on hand	2,10,585.00	
2,39,35,184.20	iv) Security Deposit with Landlords	3,04,51,616.60	
58,05,416.50	v) Sundries Receivable	1,03,60,075.00	
20,50,973.24	vi) Prepaid Expenses	27,63,171.71	
7,88,31,000.00	vii) Deferred Tax Assets (Net)	7,06,54,000.00	
44,24,080.00	viii) Advance to Staff	49,28,850.00	
1,05,60,000.00	ix) Deposit with Clearing Corporation of India	1,23,07,000.00	
3,20,328.00	x) Service Tax and Education Cess Input Credit	-	
4,73,20,736.00	xi) Stamps on Hand (Franking)	4,55,34,314.00	
52,32,567.78	xii) Other Receivables	90,52,494.67	
32,28,75,209.80	xiii) Advance Income Tax (Including FBT)	62,84,97,250.04	82,30,29,477.46
<b>3817,08,58,687.87</b>	<b>Total Rupees</b>		<b>4780,89,82,905.38</b>

Sd/-  
(VASUDEVAR. KOTIAN)  
Chairman

Sd/-  
(ROHINI J. SALIAN)  
Vice-Chairperson

Sd/-  
(C. R. MULKY)  
MD & CEO

**Directors**

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J. V. KOTIAN  
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L. V. AMIN  
JYOTI K. SUVARNA  
Y. NAGESH  
MOHAN G. POOJARY  
SHANKAR D. POOJARY  
N. NITYANAND  
RATAN UMESH SANIL  
K. N. SUVARNA

Mumbai,  
Dated : 18<sup>th</sup> April, 2012

## PROFIT AND LOSS ACCOUNT

Previous Year 2010-11 ₹	EXPENDITURE	₹	Current Year 2011-12 ₹
191,09,82,617.22	Interest on Deposits & Borrowings		277,57,18,842.98
43,78,51,977.84	Salaries and Allowances, Provident Fund Contribution, Gratuity and Bonus etc.		48,69,33,302.10
12,53,336.00	Directors' and Local committee Members' Fees and Allowances		6,94,815.00
12,22,79,623.62	Rent, Taxes, Insurance & Lighting		14,28,02,694.53
7,50,978.00	Legal Charges and Expenses		14,21,718.00
67,28,458.51	Postage, Telegram & Telephone charges		76,84,224.63
57,32,000.00	Audit Fees (Statutory, Internal & Concurrent Auditors)		83,15,524.00
8,21,38,852.51	Depreciation / Amortisation on Assets		9,06,76,744.16
2,04,89,062.83	Repairs & Maintenance		2,21,96,682.45
1,63,56,163.64	Printing, Stationery & Advertisement		2,02,33,297.53
7,47,67,545.82	Other Expenditure		10,84,61,836.99
2,69,72,951.27	Amortisation of Investment		2,22,49,860.18
1,61,40,165.00	Depreciation on Shifting of Investments		1,57,17,399.35
---	Bad Debts Written-Off		1,30,73,424.00
	<u>Provisions :</u>		
3,77,53,288.00	Prov. For Depreciation on Investments	5,61,50,637.00	
10,00,000.00	Dividend Equalisation Fund	10,00,000.00	
2,00,00,000.00	Contingent provision against Standard Assets	2,15,00,000.00	
6,50,00,000.00	Bad & Doubtful Debt Reserve	3,50,00,000.00	11,36,50,637.00
67,75,41,292.89	<b>Profit Before Tax</b>		<b>88,78,49,510.10</b>
23,53,65,297.00	Less : Provision for Tax		29,21,77,000.00
44,21,75,995.89	<b>Net Profit after Tax</b>		<b>59,56,72,510.10</b>
352,37,38,313.15			471,76,80,513.00
47,99,29,283.89	Balance of Profit carried to Balance Sheet		65,18,23,147.10
47,99,29,283.89	<b>Total Rupees</b>		<b>65,18,23,147.10</b>

Notes forming part of Accounts and  
Significant Accounting Policies - Schedule 1

For U. G. DEVI & COMPANY,  
CHARTERED ACCOUNTANTS  
FRN : 102427W

sd/-

(V. U. DEVI)  
PARTNER  
M. No. : 38973

MUMBAI  
DATED : 20<sup>th</sup> APRIL 2012



**FOR THE YEAR ENDED 31 ST MARCH, 2012**

Previous Year 2010-11 ₹	INCOME	₹	Current Year 2011-12 ₹
255,67,06,583.78	<b>Interest and Discount</b>		
	Interest earned on Loans and Advances	346,72,43,223.20	
71,93,15,041.61	Interest earned on Investments	91,30,61,047.96	438,03,04,271.16
9,78,89,503.01	Commission, Exchange & Brokerage		14,11,50,914.69
99,12,070.00	Rent on Safe Deposit Lockers		1,22,92,233.00
4,43,12,933.51	Profit on Sale of Securities (Net)		4,99,71,985.70
	<b>Other Receipts :</b>		
1,02,037.00	Miscellaneous Receipts	12,89,950.45	
2,28,182.00	Profit on Sale of Assets	79,60,997.00	
9,32,04,951.24	Incidental and Processing charges	11,12,85,269.00	12,05,36,216.45
---	Provision for BDDR Written back		1,30,73,424.00
20,67,011.00	Bad debts earlier written off now recovered		3,51,468.00
352,37,38,313.15			471,76,80,513.00
44,21,75,995.89	Balance of Profit brought forward		59,56,72,510.10
3,77,53,288.00	Transfer from Investment Fluctuation Reserve		5,61,50,637.00
47,99,29,283.89	<b>Total Rupees</b>		<b>65,18,23,147.10</b>

Sd/-  
**(VASUDEVAR. KOTIAN)**  
Chairman

Sd/-  
**(ROHINI J. SALIAN)**  
Vice-Chairperson

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RATAN UMESH SANIL  
K. N. SUVARNA

Mumbai,  
Dated : 18<sup>th</sup> April, 2012

## SCHEDULE - 1

### ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012

- I. (a) **Overview :**  
The Bharat Co-operative Bank (Mumbai) Limited, was registered in 1977 and is engaged in providing a wide range of banking and financial services.
- (b) **Basis of preparation :**  
The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with generally accepted accounting principles, statutory requirements prescribed under the Banking Regulation Act 1949, The Multi State Co-operative Societies Act, 2002 circulars and guidelines issued by the Reserve Bank of India (RBI), Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) and current practices prevailing within the banking industry in India.
- (c) **Use of Estimates**  
The preparation of the financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expense for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision in the accounting estimates is recognized prospectively.
- II. **Significant Accounting Policies:**
1. **Accounting Convention:**  
The accompanying financial statements have been prepared in accordance with the historical cost convention and on the going concern concept.
2. **Investments and Valuation thereof:**
- (a) **Categorization**  
In accordance with the Reserve Bank of India guidelines, the Bank has classified its investment portfolio into the following three categories:  
i) Held to Maturity - Securities acquired by the bank with the intention to be held till maturity.  
ii) Available for sale - Securities not classified either as "Held to Maturity" or as "Held for Trading".  
iii) Held for Trading - Securities acquired by the bank with the intention to trade within 90 days of purchase.  
With sub-classification under each category vis. (i) Government Securities (ii) Other approved securities (iii) Shares (iv) Debentures (v) Subsidiaries (vi) Others.
- (b) **Valuation**  
Valuation of investments held in above categories has been done as follows:  
i) Held to Maturity: Investments under this class are carried at their acquisition cost. Premium, if any, paid on acquisition is amortized over the balance period to maturity.

- ii) Available for Sale / Held for trading: Investments under this class are marked to market as per RBI guidelines and are valued scrip wise. Appreciation / depreciation is aggregated for each category of securities and the net depreciation is provided for. Net appreciation in each category is ignored.
- (c) Broken period interest on debt instruments is treated as a revenue item. Brokerage, Commission, etc. paid at the time of acquisition, is charged to revenue.

**3. Advances:**

- (a) Advances are classified as “Performing” or “Non-Performing” based on recovery of principal / interest and are further classified under four categories, that is a) Standard Assets, b) Sub-Standard Assets, c) Doubtful Assets and d) Loss Assets in accordance with the guidelines issued by the Reserve Bank of India.
- (b) Provision on advances has been arrived at, on the basis of prudential norms laid down by the Reserve Bank of India on outstanding balances as under: -
 

Standard Assets	:	at 0.40% to 1.00%
Sub-standard Assets	:	at 10%
Doubtful Assets	:	at 20%, 30%, 100% of the secured portion based on the number of years the account remained 'Doubtful' (i.e. up to one year, one to three years and more than three years respectively) and @100% of the unsecured portion of the outstanding.
Loss Assets	:	at 100%
- (c) Advances against security of Bank's own Fixed Deposits, National Savings Certificates, Life Insurance Corporation Policies, Indira Vikas Patra, Kisan Vikas Patra are not considered as Non-Performing Assets in accordance with the guidelines issued by the Reserve Bank of India.
- (d) In arriving at the provisioning, for determining the value of securities, the value as per the latest valuation reports, wherever obtained, of the assets mortgaged is considered. In case of stock the value as per last stock statement submitted by the borrowers is taken into consideration and in case of fixed assets, the depreciated value of the assets is generally considered.
- (e) Overdue interest in respect of non-performing advances is provided for separately under “Overdue Interest Reserve” and is not recognized in the Profit and Loss Account until received as per the directives issued by RBI.
- (f) Restructured /Rescheduled accounts:  
In case of restructured /rescheduled accounts provision is made for the sacrifice against erosion / diminution in fair value of restructured loans, in accordance with general framework of restructuring of advances issued by RBI. The erosion in fair value of the advances is computed as difference between fair value of the loan before and after restructuring.

Fair Value of the loan before restructuring is computed as the present value of cash flows representing the interest at the existing rate charged on the advance before restructuring and the principal, discounted at a rate equal to the Bank's BPLR as on the date of restructuring plus the appropriate term premium and credit risk premium for the borrower category on the date of restructuring. Fair Value of the loan after restructuring is computed as the present value of cash flows representing the interest at the rate charged on the advance on restructuring and the principal, discounted at a rate equal to the Bank's BPLR as on the date of restructuring plus the

appropriate term premium and credit risk premium for the borrower category on the date of restructuring.

**4. Fixed Assets and Depreciation :**

- (a) Premises and Vehicles are stated at historical cost less accumulated depreciation. Furniture & Fixtures, Computers and Other Fixed Assets are stated at their written down values.
- (b) Assets are depreciated on a straight line method at the rates considered appropriate by the management, as given below:
- |  |   |        |
|--|---|--------|
| Premises                                       | - | 5%     |
| Furniture & Fixtures                           | - | 10%    |
| Steel Items                                    | - | 15%    |
| Office Equipments/Civil Work @ Leased Premises | - | 20%    |
| Computers                                      | - | 33.33% |
| Vehicles                                       | - | 20%    |
| Computer Software (Intangible Assets)          | - | 33.33% |
- (c) Depreciation on assets purchased and put to use before 30th September is provided for the entire year, Assets purchased and put to use after 30<sup>th</sup> September are depreciated at 50% of the normal rate. No depreciation is charged on assets sold during the year.

**5. Revenue and Expenses Recognition :**

- (a) Items of Income and Expenditure are accounted for on an accrual basis.
- (b) Income on Non-Performing Assets is recognised to the extent realised, as per the guidelines issued by the Reserve Bank of India.
- (c) Interest on securities which is due and not received for a period of more than 90 days is recognized on realization basis as per Reserve Bank of India guidelines.
- (d) Expenses arising out of claims in respect of employee matters under dispute / negotiation is accounted during the year of final settlement / determination.
- (e) Recoveries in suit-filed accounts, accounts under securitization & arbitration are appropriated first towards principal and thereafter towards recorded interest and other dues.
- (f) Commission, exchange and brokerage is recognized on realisation, except for guarantee commission which is recognized on a straight-line basis over the period of contract.
- (g) Income from distribution of insurance products is recognized on the basis of business booked.

**6. Employee Benefits:**

- (a) **Defined Contribution Plan**  
Contribution to defined contribution plan - Employees Provident Fund Scheme, is recognized as expense in the Profit and Loss Account, as it is incurred.
- (b) **Defined Benefit Plan-Gratuity**  
The Bank provides for gratuity to all employees. The benefit is in the form of lumpsum payments to vested employees on resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Bank makes contributions to funds

administered by trustees and managed by insurance companies for amounts notified by the said insurance companies. The defined gratuity benefit plans are valued by an independent actuary as at the balance sheet date using the projected unit credit method to determine the present value of the defined benefit obligation and the related service costs. Under this method, the determination is based on actuarial calculations, which include assumptions about demographics, early retirement, salary increases and interest rates. Actuarial gain or loss is recognized in the profit / loss account.

- (c) Short Term Employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- (d) Leave Encashment  
Provision for encashment of accumulated leave payable on retirement or otherwise is made on actuarial valuation at the year end, in compliance with Accounting Standard 15

**7. Taxes on Income:**

This comprises of current tax provision and deferred tax charge or credit as determined in accordance with Accounting Standard 22 of ICAI (Accounting for taxes on Income)

- (a) Provision for current tax is made on the basis of estimated taxable income for the year.
- (b) Deferred tax (reflecting the tax effects of timing differences between accounting income and taxable income for the period) is recognised subject to consideration of prudence in respect of items of income and expenses those arise at one point of time and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the enacted or substantially enacted tax rates at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future.

**8. Deferred Revenue Expenditure**

Expenditure incurred against which benefit is expected to flow into future periods is treated as Deferred Revenue Expenditure and charged to Revenue Account over the expected duration of benefit.

**9. Foreign Currency Transactions**

Transactions denominated in foreign currencies are accounted for at the rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated at the balance sheet date at rates notified by Foreign Exchange Dealers Association of India ('FEDAI'). All profits/losses resulting from year-end revaluations are recognized in the profit and loss account. Outstanding forward exchange contracts and spot exchange contracts are revalued at year end exchange rates notified by FEDAI. The resulting gains or losses on revaluation are included in the profit and loss account in accordance with RBI/FEDAI guidelines.

Contingent liabilities on account of foreign exchange contracts, guarantees, acceptances, endorsements and other obligations denominated in foreign currencies are disclosed at closing rates of exchange notified by FEDAI.

**10. Lease Accounting**

Lease payments for assets taken on operating lease are recognized in the Profit and Loss Account over the lease term in accordance with the AS - 19, Leases, issued by the Institute of Chartered Accountants of India.

**11. Segment Information - Basis of preparation**

The classification of exposures to the respective segments conforms to the guidelines issued by RBI . Business Segments have been identified and reported taking into account, the target customer profile, the nature of products and services, the differing risks and returns, the organization structure, the internal business reporting system and the guidelines prescribed by RBI. The Bank operates in the following segments:

- (a) Treasury  
The treasury segment primarily consists of net interest earnings on investments portfolio of the bank and gains or losses on investment operations.
- (b) Other banking operations  
Includes all other operations not covered under Treasury Operations.
- (c) Geographic Segment  
Since the Bank does not have any earnings emanating outside India, the Bank is considered to operate in only the domestic segment.

**12. Accounting for Provisions, Contingent Liabilities and Contingent Assets**

In accordance with AS - 29, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Bank recognises provisions where it has a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements. Contingent Assets, if any, are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

**13. Impairment of Assets**

The Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided in the Profit and Loss Account to the extent the carrying amount of assets exceeds their estimated recoverable amount.

**III. Notes to the Accounts**

- (1) In terms of guidelines issued by the Reserve Bank of India the following disclosures are made.



		(₹ in lac)	
		Current Year	Previous Year
		31.03.2012	31.03.2011
i	Capital to Risk Assets Ratio	12.80%	13.26%
ii	Movement of CRAR		
	a) Total Capital Funds	33865.03	28834.13
	b) Risk Weighted Assets	264501.01	217526.71
iii	Investments:		
	a) Face value	112953.37	89164.38
	b) Book value	114006.79	90633.84
	c) Market Value	108265.31	86638.49
iv	<u>Advances against:</u>		
	a) Real Estate	7553.19	6561.18
	b) Construction business	NIL	NIL
	c) Housing	45979.96	37789.56
v.	Advances against shares & debentures	NIL	NIL
vi	Advances to Directors, their relatives, Companies / Firms in which they are interested		
	a) Fund Based	90.83	112.60
	b) Non-Fund based (Guarantee, L.C. etc.)	NIL	NIL
vii	NPAs		
	a) Gross NPAs	1968.93	3505.80
	b) Net NPAs	NIL	NIL
viii	Movement in Gross NPAs		
	a) Opening balance	3505.80	2872.68
	b) Additions during the year	162.18	1574.35
	c) Reductions during the year	1699.05	941.23
	d) Balance at the end of the year	1968.93	3505.80
	e) Net NPAs	NIL	NIL
ix	Profitability		
	a) Interest income as a percentage of working funds	9.44%	8.72%
	b) Non interest income as a percentage of working funds	0.73%	0.66%
	c) Operating profit as a percentage of working funds	2.16%	2.13%
	d) Return on Average Assets	1.53%	1.40%
	e) Business (Deposits + Advances) per employee	810.60	716.40
	f) Profit per employee	7.74	6.24
x	Average cost of deposits	7.55%	6.47%
xi	Provisions made towards:		
	a) NPAs	350.00	650.00
	b) Depreciation on Investment	561.50	377.53
	c) Standard Assets	215.00	200.00
xii	a) Foreign Currency Assets	954.90	133.97
	b) Foreign Currency Liabilities	229.92	139.96
xiii	Insurance Premium paid to DICGC	329.78	275.39



xiv Bancassurance Business :

(₹. In Lac)

Sr No.	Nature of Income	Current Year	Previous Year
1.	For selling life insurance policies	76.92	63.38
2.	For selling non life insurance policies	26.21	23.83
3.	For selling mutual fund products	-	-
4.	Others	-	-

xv Movement in Provisions towards

(₹. In Lac)

		Opening Balance	Additions during the year	Reduction during the year	Closing Balance
a)	NPAs	4291.80	350.00	130.73	4511.07
b)	Standard Assets	955.00	215.00	-	1170.00
c)	Investment Depreciation Reserve	1313.00	561.50	-	1874.50
d)	Investment Fluctuation Reserve	2127.08	533.00	561.50	2098.58
e)	Provision for taxes	3164.00	2840.00	-	6004.00

xvi Market risk in trading book

a)	The bank has determined the market risk i.e. the risk of losses in on-balance sheet and off-balance sheet positions arising out of movement in market prices in respect of securities included under the Held for Trading category, Available for Sale category and Open foreign exchange position limits. The market risk positions subject to Capital Charge is as under :	
(b)	Capital requirement for :	(₹.In Lac)
	Interest rate risk	1101.76
	Equity position risk	-
	Foreign exchange risk	500.00

2) Management of the Non-SLR Investment portfolio :

i. Issuer Composition of Non-SLR Investments

(₹. In Lac)

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	Nil	-	-	-
2.	FIs	Nil	-	-	-
3.	Nationalised Banks	Nil	-	-	-
4.	Others	0.02	-	-	0.02
5.	Provision held towards depreciation	Nil	-	-	-
	Total	0.02	-	-	0.02

ii. Non performing Non-SLR investments

Particulars	Amount 2011-2012	Amount 2010-11
Opening Balance	Nil	Nil
Additions during the year	Nil	Nil
Reductions during the above period	Nil	Nil
Closing Balance	Nil	Nil
Total provisions held	Nil	Nil

3. In connection with Repo /Reverse Repo transactions :

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	As on 31.03.2012
Security sold under Repos	-	-	-	-
Security purchased under Reverse Repos	-	-	-	-

4) Details of loans subjected to restructuring during year ended 31st March, 2012 is as under.  
(₹. in lac)

		Housing Loans	SME Debt Restructuring	Others
Standard advances restructured	No. of Borrowers	- (4)	2 (34)	- (10)
	Amount outstanding	- (51.67)	33.56 (3209.86)	- (3106.76)
	Sacrifice (diminution in the fair value)	- (0.38)	0.06 (5.23)	- (1.50)
Sub - Standard advance restructured	No. of Borrowers	-	-	-
	Amount outstanding	-	-	-
	Sacrifice(diminution in the fair value)	-	-	-
Doubtful advances restructured	No. of Borrowers	-	1	-
	Amount outstanding	-	169.00	-
	Sacrifice (diminution in the fair value)	-	-	-

Total	No. of Borrowers	-	3	-
		(4)	(34)	(10)
	Amount outstanding	-	202.56	-
		(51.67)	(3209.86)	(3106.76)
	Sacrifice (diminution in the fair value)	-	0.06	-
		(0.38)	(5.23)	(1.50)

Amount held in Reserves ₹. 10.00 Lac (Previous year ₹. 10.00 lac)

5) Intangible Assets -details of Computer Software-Other than Internally generated. (AS- 26)

(₹. in lac)

Particulars	Current Year	Previous Year
Opening balance (at cost) as on 1 <sup>st</sup> April, 2011	35.65	35.48
Add: Additions during the year	64.33	26.86
<b>Total</b>	<b>99.98</b>	<b>62.34</b>
Less: Amortisation during the year	(39.68)	(26.69)
Net Carrying amount as on 31 <sup>st</sup> March, 2012	60.30	35.65

Amount of commitments (net of advance for the acquisition of Computer Software ₹ Nil (Previous year ₹ Nil)

6) Segment Reporting- Information about Business and Geographical segments: (AS -17)

Primary Segment Reporting (by Business Segments)

(₹. in lac)

Business Segments	Treasury		Other Banking Operations		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue	9630.33	7636.28	37412.23	27978.64	47042.56	35614.92
Result	603.22	1157.69	8836.78	5995.25	9440.00	7152.94
Unallocated Expenses	-	-	-	-	-	-
Operating Profit	-	-	-	-	-	-
Income Taxes	-	-	-	-	2921.77	2353.65
Extraordinary profit /loss	-	-	-	-	-	-
Net Profit	-	-	-	-	6518.23	4799.29
<b>Other Information</b>	-	-	-	-	-	-
Segment Assets	140970.33	107930.07	337119.50	273778.52	478089.83	381708.59
Unallocated Assets	-	-	-	-	-	-
<b>Total Assets</b>	-	-	-	-	<b>478089.83</b>	<b>381708.59</b>
Segment Liabilities	3973.08	3440.08	467597.72	373468.97	471570.80	376909.05
Unallocated Liabilities	-	-	-	-	6519.03	4799.54
<b>Total Liabilities</b>	-	-	-	-	<b>478089.83</b>	<b>381708.59</b>

**Notes :**

- Segments are reported considering the nature of products or services, class of customers for the products/services, different risks and returns attributable to them, organisation structure and internal management information system.
- The Bank reports its operations in the following segments :
  - Treasury : Dealing operations in Forex /Money Market instruments
  - Other Banking Operations : Comprising of corporate and retail banking business & allied services.

- c) The business operations are concentrated in India hence information about secondary segment i.e. geographical segment is not given.
- d) Segment liabilities exclude Capital and Reserves other than those specifically identifiable with a segment.
- 7) **Employee Benefits (AS-15).**
- a. Defined contribution Plans viz Provident fund and other similar funds. The amount recognized as expense towards contributions to provident fund is ₹. 308.82 lac (previous year ₹. 272.72 lac).
- b. Defined Benefit Plans.

**Gratuity Plan:-**

The bank has set up a Group Gratuity Scheme and makes an annual contribution to the Employee's Group Gratuity Assurance Scheme, administered by the Life Insurance Corporation of India (LIC), and HDFC Standard Life Insurance Company Limited a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment based on completed year of service or partly thereof in excess of six months. Vesting occurs on completion of five years of service. Present value of plan assets represents the balance available with the LIC & HDFC as at the end of the period. Defined benefit asset is recognized subject to the consideration of prudence and materiality.

The following table sets out the status of funded gratuity plan for the year ended March 31, 2012 as required under AS 15 (₹. in lac)

	Current Year	Previous Year
<b>Change in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	1181.82	1052.96
Current service Cost	62.67	61.64
Interest Cost	100.46	86.87
Actuarial (Gain)/Loss	174.87	29.96
Benefits Paid	(48.65)	(49.60)
<b>Closing Defined Benefit Obligation</b>	<b>1471.17</b>	<b>1181.82</b>
<b>Change in the Fair Value of Assets</b>		
Opening in Fair Value of Assets	1189.94	1052.96
Expected Return on Plan Assets	95.20	84.82
Actuarial Gain/(Loss)	12.77	21.27
Contribution by Employer	263.56	80.49
Benefits Paid	(48.65)	(49.60)
<b>Closing Fair Value of Plan Assets</b>	<b>1512.82</b>	<b>1189.94</b>
<b>Net Asset /(Liability) recognized in the Balance Sheet</b>	<b>41.65</b>	<b>8.12</b>

Expenses for the year	Current Year	Previous Year
Current Service Cost	62.67	61.64
Interest on Defined Benefit Obligation	100.46	86.87
Expected Return on Plan Assets	(95.20)	(84.82)
Net Actuarial (Gain)/Loss	162.10	8.71
Total Included in Employment Expenses	230.03	72.38
Actual Return on Plan Assets	107.96	106.09
Category of Assets	Insurer Managed Funds	Insurer Managed Funds

The Assumptions used in accounting for the gratuity are set out below

	Current Year	Previous Year
Discount rate	8.75%	8.50%
Turnover Rate	1 %	2 %
Mortality	Published rates of LIC 94-96	Published rates of LIC94-96
Salary Escalation Rate	5.00%	4.00%
Retirement Age	58 - 60 years	58 - 60 years
Expected Rate of return on plan assets (*)	8.60%	8%

Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation. The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotions and other relevant factors.

**Assets allocation :**

Since the investments are held in the form of deposit with LIC/HDFC, these are not volatile and the market value of assets is the cost value of assets and has been accordingly considered for the above disclosures.

- 8) Operating lease comprises of leasing of office premises .Disclosures as per AS-19 is as under.

	(₹. in lac)	
	Current Year	Previous Year
Future lease rental payable as at the end of the year :	-	-
Not later than one year	614.67	489.76
-Later than one year and not later than five years	1728.92	1947.16
-Later than five years	909.71	609.32

Total minimum lease payments recognized in the profit and loss account for the year	576.10	532.61
Total of future minimum sub-lease payment expected to be received under non-cancelable sub-lease	-	-
Sub-lease payments recognized in the profit and loss account for the year	-	-

9) The major components of Deferred Tax Assets/ (Liabilities) is as under (AS-22)

(₹. in lac)

Sr. No.	Particulars	Current Year	Previous Year
1	On account of timing difference towards provision	262.54	297.90
2	On account of timing difference between book and Income Tax depreciation	(256.31)	(228.51)
3	On account of amortisation / depreciation on securities	700.31	718.92
		<b>706.54</b>	<b>788.31</b>

**10) Investments :**

- i) As per RBI guidelines, the excess of acquisition cost over face value of securities held under the category "Held to Maturity" is amortised over the residual life of securities. The amount amortised during the year is ₹. 222.50 lac (previous year ₹.269.73 lac)
  - ii) Provision for depreciation on Investments under Available for sale category as on March 31, 2012 is ₹. 1874.50 lac (previous year ₹. 1313.00 lac)
  - iii) In terms of RBI Guidelines the bank has, during the year, transferred a portion of Government Securities (SLR) kept in "Available for Sale" category to "Held to Maturity" category. The resultant depreciation of ₹.157.17 lac (previous year ₹. 161.40 lac) has been charged to the Profit & Loss Account.
- 11) The Bank has written off an amount of ₹ 130.73 lac towards bad debts identified by the management as irrecoverable duly approved by the Board of Directors and certified by the Statutory Auditors. This amount had been fully provided for in the earlier years.
  - 12) Claims against the Bank not acknowledged as debts - The income tax authorities have raised a demand of ₹. 156.56 lac (Previous year ₹.193.36 lac) for an assessment year which is contested by the Bank in Appeal against which the bank has paid ₹ 156.56 (Previous year ₹.126.09 lac). No provision is considered necessary in respect of this demand as in the Bank's opinion the disallowance made is not sustainable.
  - 13) There are no material prior period item's, except as disclosed elsewhere, included in Profit and Loss account required to be disclosed as per Accounting Standard 5 read with the Reserve Bank of India guidelines. Therefore these have been charged/accounted for/to their respective head of accounts.
  - 14) Sundries is inclusive of ₹. Nil (Previous year ₹ 104.03 lac) being credit balance with banks in Foreign countries.

- 15) Accounting Standard AS-9 - Revenue Recognition. Certain items of income are recognized on cash basis as per Accounting Policy No. 5, however the said income is not material.
- 16) There are no related parties requiring disclosure under Accounting Standard 18 i.e. Related Party Disclosures issued by the Institute of Chartered Accountants of India other than the Key Management Personnel i.e. Mr. B. K. Amin, Managing Director & Chief Executive Officer of the Bank (upto 31.01.2012) and Mr. C. R. Mulky, Managing Director & Chief Executive Officer of the Bank (from 01.02.2012). In terms of RBI Circular dated 29th March, 2003 they being a single party coming under this category, no further details need to be disclosed.
- 17) Impairment of Assets (AS-28). No material impairment of Assets has been identified by the Bank and as such no provision is required.
- 18) Suppliers/Service Providers covered under the Micro, Small and Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of the same, information relating to cases of delays in payments to Micro, Small and Medium enterprises or of interest payments due to delays in such payments cannot be given.

**19) Provision for Taxes :**

The break up of provision for Taxes appearing in the Profit & Loss Account is as under :  
(₹. in lac)

	Current Year	Previous Year
Current Income Tax	2840.00	2422.00
Deferred Tax	81.77	(67.86)
Fringe Benefit Tax	Nil	Nil
Tax paid for earlier years	Nil	(0.49)
	<b>2921.77</b>	<b>2353.65</b>

- 20) Previous year's figures have been regrouped / rearranged wherever necessary to conform to those of the current year.

For **THE BHARAT CO-OPERATIVE BANK (MUMBAI) LTD.**

Sd/-  
**(VASUDEVAR. KOTIAN)**  
Chairman

Sd/-  
**(ROHINI J. SALIAN)**  
Vice-Chairperson

Sd/-  
**(C. R. MULKY)**  
MD & CEO

**Directors**

JAYA C. SUVARNA  
PUSHPALATHA N. SALIAN  
RAJA V. SALIAN  
M. B. SANIL  
SHEKAR M. KOTIAN  
CHANDRASHEKAR S. POOJARI  
J. V. KOTIAN  
BHASKAR M. SALIAN  
ROHIT M. SUVARNA  
JAYA A. KOTIAN

M. B. KUCKIAN  
L. V. AMIN  
JYOTI K. SUVARNA  
Y. NAGESH  
MOHAN G. POOJARY  
SHANKAR D. POOJARY  
N. NITYANAND  
RATAN UMESH SANIL  
K. N. SUVARNA

Mumbai,  
Dated : 18<sup>th</sup> April, 2012



**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2012**

( ₹ in Lac)

	31.03.2012		31.03.2011	
<b>Cash Flow From Operating Activities</b>				
Interest Received During The Year		43,803.04		32,760.22
Recovery From Debts Written Off		3.51		20.67
Other Income		3,269.61		2,489.64
		47,076.16		35,270.53
<b>Less:</b>				
Interest Paid During The Year On Deposits, borrowings etc.	27,757.19		19,109.83	
Operating Expenses	8,942.19		7,711.03	
Profit On Sale Of Assets (net)	59.22		2.28	
Provisions & Contingencies	1,136.50	37,895.10	1,237.53	28,060.67
		<b>9,181.06</b>		<b>7,209.86</b>
<b>Add:</b>				
Depreciation/amortisation On Fixed Assets	906.76		821.39	
Provisions & Contingencies	1,136.50	2,043.26	1,237.53	2,058.92
Less: Taxes Paid (net)		3,056.22		2,309.21
<b>I. Cash Profit Generated From Operations</b> (Prior To Changes In Operating Assets & Liabilities)		<b>8,168.10</b>		<b>6,959.57</b>
<b>ii. Cash Flow From Operating Assets &amp; Liabilities</b>				
<b>Increase/ (decrease) In Liabilities</b>				
Deposits		80,464.92		55,196.32
Other Liabilities & Provisions		1,798.14		(6,330.47)
<b>(increase)/decrease In Assets</b>				
Advances		(51,278.36)		(47,869.93)
Investments		(23,752.59)		(11,011.22)
Other Assets		(1,264.14)		1,746.78
<b>Total Of II</b>		5,967.97		(8,268.52)
<b>A. Net Cash Flow From Operating Activities</b>		<b>14,136.07</b>		<b>(1,308.95)</b>
<b>Cash Flow From Investing Activities</b>				
Sale/disposal Of Fixed Assets		95.63		2.28
Purchase Of Fixed Assets		(2,125.65)		(1,530.28)
<b>B. Net Cash Flow From Investing Activities</b>		<b>(2,030.02)</b>		<b>(1,528.00)</b>
<b>Cash Flow From Financing Activities</b>				
Share Capital		(15.00)		529.59
Dividends Paid		(1,037.75)		(907.63)
Borrowings		(2,324.00)		10,762.00
<b>C. Net Cash Flow From Financing Activities</b>		<b>(3,376.75)</b>		<b>10,383.96</b>
<b>Total Cash Flow During The Year (a+b+c)</b>		<b>8,729.30</b>		<b>7,547.01</b>
<b>Increase/(decrease) In Cash Flow &amp; Cash Equivalents At The Beginning Of The Year</b>				
A) Cash And Balances With R.B.I.		20,771.73		17,697.93
B) Balances With Banks And Money At Call & Short Notice		16,470.53		11,997.32
<b>Total - I</b>		<b>37,242.26</b>		<b>29,695.25</b>
<b>Cash &amp; Cash Equivalents At The End Of The Year</b>				
A) Cash And Balances With R.B.I.		20,273.66		20,771.73
B) Balances With Banks And Money At Call & Short Notice		25,697.90		16,470.53
<b>Total - II</b>		<b>45,971.56</b>		<b>37,242.26</b>
<b>Total Net Cash Flow During The Year Increase/(Decrease) In Cash Flow-I-II</b>		<b>8,729.30</b>		<b>7,547.01</b>

## PROPOSED AMENDMENTS TO BYE-LAWS

Bye-law No.	Existing Bye-law	Bye-law No.	Proposed amended Bye-law will read as	Reason / Purpose of proposed amendment
4 (B) (ii)	No person shall be admitted as a member of the Bank except the following namely :- b) Any Multi-State Co-operative Society or any Co-operative Society;	4 (B) (ii)	No person shall be admitted as a member of the Bank except the following namely: - b) To be deleted	In order to comply with section 5 (ccv) of the Banking Regulation Act, 1949 (As applicable to Co-operative Societies). (Bye-law No.4 (B) (ii) (b) should be deleted).
14	<b>Authorized Share Capital</b> The Authorized share capital of the Bank shall be Rs.100,00,00,000/- (Rupees One hundred crores only) which shall comprise of 10,00,00,000 (Ten crores only) shares of face value of Rs. 10/- each.	14 (a) (b) (i) (ii) (iii) (iv)	<b>Authorized Share Capital</b> The Authorized share capital of the Bank shall be Rs.100,00,00,000/- (Rupees One hundred crore only) which shall comprise of 10,00,00,000 (Ten crore only) shares of face value of Rs.10/- each. <b>The Authorized Capital in respect of Preference Shares</b> Rupees Twenty Five crore divided into 25 lac Perpetual Non-Cumulative Preference Shares (PNCPS) of Rs.100 each. Rupees Twenty Five crore divided into 25 lac Perpetual Cumulative Preference Shares (PCPS) of Rs.100 each. Rupees Twenty Five crore divided into 25 lac Redeemable Non-Cumulative Preference Shares (RNCPS) of Rs.100 each. Rupees Twenty Five crore divided into 25 lac Redeemable Cumulative Preference Shares (RCPS) of Rs.100 each.	RBI Circular No. UBD/PCB/ Cir.No.4/09.18.201/08-09 dated 15 <sup>th</sup> July, 2008 has permitted UCBs to issue these financial instruments.
23 (a)	<b>Capital and Funds:</b> The Bank may receive funds from any or all the following sources : (i) Admission fee; (ii) Share Capital; (iii) Deposits; (iv) Loans, overdrafts and advances; (v) Grants-in-aid; (vi) Donations; (vii) Contributions; (viii) Subscriptions; (ix) Profit; (x) Dividend; (xi) Subsidy, etc.	23 (a)  1) 2) 3) 4) xiii	<b>Capital and Funds:</b> The Bank may receive funds from any or all the following sources: (i) Admission fee; (ii) Share Capital; (iii) Deposits; (iv) Loans, overdrafts and advances; (v) Grants-in-aid; (vi) Donations; (vii) Contributions; (viii) Subscriptions; (ix) Profit; (x) Dividend; (xi) Subsidy, (xii) Preference Shares Perpetual Non-Cumulative Preference Shares (PNCPS) Perpetual Cumulative Preference Shares (PCPS) Redeemable Non-Cumulative Preference Shares (RNCPS) Redeemable Cumulative Preference Shares (RCPS) Long Term Deposits, etc.	To facilitate augmentation of the Capital Funds of the Bank as permitted by RBI vide circular Ref.UBD/PCB/Cir.No.4/09.18.201/08-09 dated 15 <sup>th</sup> July, 2008.

**Statement showing particulars of Loans & Advances to  
Directors & their Relatives as on 31.03.2012.**

*(Amount in ₹)*

Sr. No.	No. of Directors & their relatives who have borrowed from the Bank.	Secured Loans & Advances as on 31.03.2011	Addition to Loans & Advances due to Election during the year	Amount of Loans & Advances recovered during the year	Amount of Loans & Advances outstanding as on 31.03.2012	Overdues if any out of amount in Column No. 5
	1	2	3	4	5	6
a)	Directors 2	81,36,762.00	0.00	17,60,169.00	63,76,593.00	NIL
b)	Relatives of Directors 3	31,24,020.00	0.00	4,17,795.00	27,06,225.00	NIL
	<b>Total 5</b>	<b>1,12,60,782.00</b>	<b>0.00</b>	<b>21,77,964.00</b>	<b>90,82,818.00</b>	<b>NIL</b>

**CORPORATE OFFICE & SENIOR MANAGERIAL PERSONNEL**

REGISTERED OFFICE : Mohan Terrace, 64/72, Mody Street, Fort, Mumbai - 400 001.  
& SERVICE BRANCH : Tel: 2261 0592, 2261 6174, Fax: 2263 1658, email : service@bharatbank.co.in

CENTRAL OFFICE : 'MARUTAGIRI', Samant Estate, Sonawala Road, Goregaon (East), Mumbai - 400 063.  
Tel: 6189 0000, Fax 6189 0296

<b>C. R. Mulky</b> MD & CEO		<b>Anilkumar R. Amin</b> Chief General Manager	
<b>Shekar Poojari</b> General Manager	<b>V. S. Shanbhag</b> Dy. General Manager	<b>Raghu Poojary</b> Dy. General Manager	<b>Suresh S. Salian</b> Dy. General Manager
<b>Shobha Dayanand</b> Dy. General Manager	<b>Nityanand D. Kotian</b> Dy. General Manager	<b>Prabhakar G. Suvarna</b> Asst. General Manager	<b>Vasudev M. Salian</b> Asst. General Manager
<b>Naveenchandra S. Bangera</b> Asst. General Manager	<b>Nityanand S. Kirodian</b> Asst. General Manager	<b>Sadanand Poojary</b> Senior Manager	<b>Satish M. Bangera</b> Senior Manager
<b>Raju N. Poojary</b> Senior Manager	<b>U. Dhananjaya Kumar</b> Senior Manager	<b>Gopal Kotian</b> Senior Manager	<b>Balakrishna S. Karkera</b> Senior Manager
<b>Dayanand Poojary</b> Senior Manager	<b>Madhukar K. Kotian</b> Manager	<b>Ganesh M. Billava</b> Manager	<b>Udaykumar A. Poojary</b> Manager

**BRANCHES IN MAHARASHTRA STATE [MUMBAI, THANE, RAIGAD & PUNE DISTRICT]**

BRANCH & BRANCH HEAD	Banking Hours	ADDRESS	Contact Numbers & Email address	
ANDHERI (E) Dinesh B. Salian	Mon to Fri 10:00 a.m. to 3:30 p.m. Sat 10:00 a.m. to 1:00 p.m.	Town Centre, Near Mittal Industrial Estate, Andheri Kurla Road, Marol, Andheri (E), Mumbai 400 059.	6189 07777 / 6189 0703 Telefax: 6189 0700 andheri.east@bharatbank.co.in	ATM
ANDHERI (W) Jagdish Narayan	Mon to Fri 9:30 a.m. to 2:30 p.m. 5:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	Shalimar Morya Premises Co-op. Soc. Ltd., Swastik Industrial Estate, New Link Road, Andheri (W), Mumbai 400 053.	2674 2234 / 2674 2235 Telefax: 2674 2221 andheri.west@bharatbank.co.in	ATM
BANDRA (E) Dinesh K. Kuckian	Mon to Fri 9:30 a.m. to 1:00 p.m. 4:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	'Nadabrahma Mandir', Madhusudan Kalelkar Marg, Kalanagar, Bandra (E), Mumbai 400 051.	2659 0742 Telefax: 2659 0741 bandra@bharatbank.co.in	
BHAINDAR (E) Pravin M. Bangera	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	Shop No. 5 & 11, Anil Niwas, B. P. Road, Goddev Naka, Bhaindar (E), Dist Thane 401 105.	2815 2265 Telefax: 2815 2275 bhayander.east@bharatbank.co.in	ATM
BHANDUP (W) Vidyanand S. Karkera	Mon to Fri 9:00 a.m. to 12:30 p.m. 4:30 p.m. to 07:00 p.m. Sat 9:00 a.m. to 12:30 p.m.	Gautam Udyog Bhavan, L.B.S Marg, Bhandup (W), Mumbai 400 078.	2594 7345 / 2594 7427 Telefax: 2594 7901 bhandup@bharatbank.co.in	ATM
BHANDUP VILLAGE ROAD Naveen S. Amin	Mon to Fri 9:00 a.m. to 12:00 noon 4:30 p.m. to 07:00 p.m. Sat 9:00 a.m. to 12:30 p.m.	'SAI ASHISH', Bhandup Village Road, Bhandup (W), Mumbai 400 078.	2566 1386 Telefax: 2566 7480 bhandup.villageroad@bharatbank.co.in	ATM
BHIWANDI Suresh S. Bangera	Mon to Fri 10:00 a.m. to 2:00 p.m. 04:30 p.m. to 6:00 p.m. Sat 10:00 a.m. to 1:30 p.m.	R.K.Business Centre, Old Mumbai Agra Road, Bhiwandi, Dist.Thane, 421302	02522-220444 Telefax: 02522-221555 bhiwandi@bharatbank.co.in	ATM
BORIVLI (W) Janardhan M. Poojary	Mon to Fri 9:00 a.m. to 03:45 p.m. Sat & Sun 9:00 a.m. to 12:45 p.m.	Mandapeshwar Indl. Premises Co-op. Society Ltd., S.V.P. Road, Borivli (W), Mumbai 400 092.	2892 6300/2890 6679 Telefax: 2891 6702 borivli@bharatbank.co.in	ATM
CHEMBUR Ramesh H. poojary	Mon to Fri 9:00 a.m. to 12:30 p.m. 4:30 p.m. to 06:30 p.m. Sat & Sun 9:00 a.m. to 12:30 p.m.	Gagangiri Complex, 18th Road, Near Ambedkar Garden, Chembur, Mumbai 400 071.	6189 0501 / 6189 0505 Telefax: 6189 0500 chembur@bharatbank.co.in	ATM
CHINCHWAD (PUNE) Karunakar B. Suvarna	Mon to Fri 10:00 a.m. to 1:30 p.m. 04:30 p.m. to 7:00 p.m. Sat 10:00 a.m. to 1:45 p.m.	Shop No. B/17 & 18, Empire Estate, Chinchwad, Pune 411 019	020-2744 3535 Telefax: 020-2744 3536 chinchwad@bharatbank.co.in	ATM
DADAR (W) Ratnakar R. Salian	Mon to Fri 10:00 a.m. to 4:30 p.m. Sat 10:00 a.m. to 1:30 p.m.	Shop No. 4 & 5, Swapna Bhoomi, Ground Floor, S. K. Bole Road, Near Portuguese Church, Dadar (West), Mumbai - 400 028.	2438 5155 /2422 8166 Telefax: 2438 6794 dadar@bharatbank.co.in	ATM
DAHISAR (E) Kishore D. Kotian	Mon to Fri 9:00 a.m. to 02:30 p.m. Sat 9:00 a.m. to 12:30 p.m.	SARITA, Prabhat Indl. Estate, Opp. Toll Plaza, W.E. Highway, Dahisar (East), Mumbai 400 068.	2896 3793 / 2896 1930 Telefax: 2896 0837 dahisar@bharatbank.co.in	ATM
DHANKAWADI (PUNE) Hareesh R. Kunder	Mon to Fri 10:00 a.m. to 1:30 p.m. 04:30 p.m. to 7.00 p.m. Sat 10:00 a.m. to 1:45 p.m.	Pancharatna Heights, Chaitanya Nagar, Pune – Satara Road, Dhankawadi, Pune 411 043.	020 – 2436 2698 Telefax: 020 - 2436 2699 dhankawadi.pune@bharatbank.co.in	ATM
DOMBIVLI (E) Prakash R. Amin	Mon to Fri 9:00 a.m. to 12:30 p.m. 5:00 p.m. to 07:30 p.m. Sun 9:00 a.m. to 12:45 p.m.	Neelkanth CHS Ltd, Fateh Ali Road, Behind KDMC Office, Dombivli (E), Dist Thane 421 201	0251-2443151 Telefax: 0251-2443152 dombivli@bharatbank.co.in	ATM
FORT (MAIN) Mahesh B. Kotian	Mon to Fri 9:45 a.m. to 4:00 p.m. Sat 9:45 a.m. to 1:30 p.m.	Mint Chambers, 45/47, Mint Road, Fort, Mumbai 400 001	6189 0813 / 6189 0803 Telefax: 6189 0801 fort.main@bharatbank.co.in	
GHANSOLI Ravindranath K. Kotian	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	Shiv Complex, Plot No.14/15, Sector-3, Ghansoli, Navi Mumbai 400 701.	2754 8341 Telefax: 2754 8342 ghansoli@bharatbank.co.in	ATM

**BRANCHES IN MAHARASHTRA STATE [MUMBAI, THANE, RAIGAD & PUNE DISTRICT]**

BRANCH & BRANCH HEAD	Banking Hours	ADDRESS	Contact Numbers & Email address	
GHATKOPAR (W) Ravi S. Kotian	Mon to Fri 9:30 a.m. to 1:00 p.m. 4:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	Jyoti Chambers, Junction of J.V.Road & Hirachand Desai Rd., Ghatkopar (W), Mumbai - 400 086.	2515 5347/2516 6908 Telefax: 2515 5348 ghatkopar@bharatbank.co.in	
GHODBUNDER ROAD (THANE) Nalinakshi Sudhakar	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:00 p.m. to 6:00 p.m. Sat & Sun 9:30 a.m. to 1:00 p.m.	Solitaire Towers, Chitalsar, Manpada, Ghodbunder Road, Thane 400607	2589 2531 Telefax: 2589 2541 ghodbunder@bharatbank.co.in	ATM
GOREGAON (E) Mohandas Hejmady	Mon to Fri 9:00 a.m. to 01:00 p.m. 4:45 p.m. to 06:30 p.m. Sat & Sun 9:00 a.m. to 12:30 p.m.	'SHIVGIRI', Samant Estate, Goregaon (East), Mumbai - 400 063.	6189 0301 / 6189 0307 Telefax: 6189 0306 goregaon@bharatbank.co.in	ATM
GOREGAON (W) Naveenkumar J. Karkera	Mon to Fri 9:00 a.m. to 01:00 p.m. 4:00 p.m. to 06:00 p.m. Sat 9:00 a.m. to 12:45 p.m.	Shree Chintamani CHS Ltd, M. G. Road, Goregaon (W), Mumbai 400062	2871 2565 Telefax: 2871 2645 goregaon.west@bharatbank.co.in	ATM
GOVANDI Manjula N. Suvarna	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	Unit No. 3 & 5, Ground floor, Vikrant Industrial Estate, Govandi (E), Mumbai 400 088	2557 9505/2557 8505 Telefax: 2557 9485 govandi@bharatbank.co.in	ATM
JOGESHWARI (E) Vasant S. Salian	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	Dinbai CHS Ltd., Caves Road, Jogeshwari (E), Mumbai 400 060.	2831 0527 Telefax: 2831 0547 jogeshwari.east@bharatbank.co.in	ATM
KALINA, SANTACRUZ Jayant N. Poojary	Mon to Fri 9:00 a.m. to 01:00 p.m. 4:30 p.m. to 06:00 p.m. Sat 9:00 a.m. to 12:30 p.m.	Geesee CHS Ltd., Opp. Vidyanagari University Complex, Kalina, Santacruz (E), Mumbai 400 098.	2665 2258/2667 0822 Telefax: 2667 0824 kalina@bharatbank.co.in	ATM
KALWA THANE Chitralekha D. Suvarna	Mon to Fri 9:00 a.m. to 01:30 p.m. 5:00 p.m. to 06:30 p.m. Sat 9:00 a.m. to 12:45 p.m.	Kaveri Heights, Opp. Kharegaon Talao, Old Mumbai-Pune Road, Kharegaon, Kalwa (West), 400 605.	2536 6238 Telefax: 2536 6239 kalwa.west@bharatbank.co.in	ATM
KALYAN, Rathnakar B. Poojary	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:30 p.m. to 6:30 p.m. Sat 9:30 a.m. to 1:00 p.m.	Suchak Hospital Building, Shivaji Chowk, Near Mahavir Shopping Center, Agra Road, Kalyan (West) 421301.	025-12310021 Telefax: 025-12310011 kalyan.west@bharatbank.co.in	ATM
KANDIVLI (E) Harinakshi R. Kotian	Mon to Fri 9:15 a.m. to 1:30 p.m. 4:45 p.m. to 6:30 p.m. Sat 9:15 a.m. to 1:00 p.m.	Svittland, Near Saidham, Near Western Express Highway, Kandivli (E.)Mumbai - 400 101.	2854 3356 Telefax: 2854 2250 kandivli.east@bharatbank.co.in	ATM
KANDIVLI (W) Mohan N. Salian	Mon to Fri 9:15 a.m. to 1:30 p.m. 4:45 p.m. to 6:30 p.m. Sat 9:15 a.m. to 1:00 p.m.	Nand Dham, Near Kala Hanuman Mandir, M. G. Cross Road No.,1 Kandivli (West), Mumbai - 400 067.	2863 7020/2863 7059 Telefax: 2861 8703 kandivli@bharatbank.co.in	ATM
LAMINGTON ROAD Kiran Bantval	Mon to Fri 10:30 a.m. to 5:00 p.m. Sat 10:30 a.m. to 2:00 p.m.	Apsara Multiplex Dr. D.B. Marg, Grant Road (E), Mumbai 400 007	2309 0374/2300 4695 Telefax: 2309 0235 lamington.road@bharatbank.co.in	ATM
MALAD (W) Dharmanath R. Poojary	Mon to Fri 9:00 a.m. to 01:00 p.m. 4:45 p.m. to 06:30 p.m. Sat 9:00 a.m. to 12:30 p.m.	Monalisa Apartment, Kasturba Road, Malad (W), Mumbai 400 064.	2880 3811/2880 0619 Telefax: 2880 5050 malad@bharatbank.co.in	
MIRA ROAD (E) Kalavathi M. Poojary	Mon to Fri 8:30 a.m. to 12:30 p.m. 5:00 p.m. to 06:30 p.m. Sun 9:00 a.m. to 12:30 p.m.	A-Wing, Shanti Commercial Complex, Mira Road (E), Dist.Thane, 401 107	2810 6192 Telefax: 2810 6193 mira.road@bharatbank.co.in	
MULUND (E) Vishwanath G. Suvarna	Mon to Fri 9:00 a.m. to 12:00 p.m. 4:30 p.m. to 07:00 p.m. Sat & Sun 9:00 a.m. to 12:00 p.m.	Neelam Nagar, Bldg. No.7, Gavanpada, Mulund (E), Mumbai 400 081.	2163 5597/2163 6558 Telefax: 2163 1645 mulund@bharatbank.co.in	ATM
PANVEL Mohandas Poojary	Mon to Fri 10:00 a.m. to 2:00 p.m. 04:00 p.m. to 6:00 p.m. Sat 10:00 a.m. to 1:45 p.m.	Shree Sahay Galaxy, Opp. MTNL Exchange office, Plot No. 205/74, PANVEL 410206.	2749 2101 Telefax: 2749 2102 panvel@bharatbank.co.in	

**BRANCHES IN MAHARASHTRA STATE [MUMBAI, THANE, RAIGAD & PUNE DISTRICT]**

BRANCH & BRANCH HEAD	Banking Hours	ADDRESS	Contact Numbers & Email address	
SANTACRUZ (W) Prasad N. Thonse	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:30 p.m. to 6:30 p.m. Sat 9:30 a.m. to 1:00 p.m.	Rizvi Park, S. V. Road, Santacruz (W), Mumbai 400 054.	2661 4980/2660 4465 Telefax: 2661 6334 santacruz.west@bharatbank.co.in	
THANE (W) Prabhakar G. Poojary	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	Panama Planet, Gokhale Road, Naupada, Thane (West), 400 602.	2537 6552/2539 9425 Telefax: 2537 6551 thane@bharatbank.co.in	ATM
VASAI (W) Dayanand R. Amin	Mon to Fri 9:00 a.m. to 12:30 p.m. 5:00 p.m. to 07:00 p.m. Sun 9:00 a.m. to 12:30 p.m.	'VARUN', Plot No. 8, Ambadi Main Road, Vasai (W) Dist. Thane. 401202	0250-2330300 Telefax:250-2330308 vasai@bharatbank.co.in	
VASHI Pravinkumar S. Suvarna	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	2, 'F' Type Building, Sector 6, Vashi, Navi Mumbai 400 703	2782 4386 Telefax: 2782 4385 vashi@bharatbank.co.in	ATM
VILE PARLE (E) Harish K.	Mon to Fri 9:30 a.m. to 1:30 p.m. 4:00 p.m. to 6:00 p.m. Sat 9:30 a.m. to 1:00 p.m.	"Suncity Theatres", Opp. Shaan Talkies, Vile Parle (E), Mumbai 400 057.	2613 6783/2616 9814 Telefax: 2616 9818 vileparle@bharatbank.co.in	ATM

**BRANCHES IN KARNATAKA STATE**

INDIRA NAGAR (BENGALURU) Shashi N. Bangera	Mon to Fri 10:00 a.m. to 2:00 p.m. 03:30 p.m. to 5:30 p.m. Sat 10:00 a.m. to 1:45 p.m.	623, 11th main, HAL, II stage, 80 feet Road, Indira Nagar, Bengaluru 560 038.	080-25281785 Telefax: 080-25281827 indira.nagar@bharatbank.co.in	ATM
JAYANAGAR (BENGALURU) Satish P. Poojary	Mon to Fri 10:00 a.m. to 2:00 p.m. 04:00 p.m. to 6:00 p.m. Sat 10:00 a.m. to 1:45 p.m.	'Shiva Sadan', Site No.4, 9th Main Road, 5th Block, Jayanagar, Bengaluru 560 041	080-22446030 Telefax: 080-22446040 jayanagar@bharatbank.co.in	
K. H. ROAD (BENGALURU) Sandhya S. Kotian	Mon to Fri 10:00 a.m. to 2:00 p.m. 04:00 p.m. to 6:00 p.m. Sat 10:00 a.m. to 1:45 p.m.	'Money Terrace', K.H.Road (Double Road), Bengaluru - 560 027.	080-22121066/080-22291942 Telefax: 080-22291941 k.h.road@bharatbank.co.in	ATM
MALLESWARAM (BENGALURU) Arunn S. Suvarna	Mon to Fri 10:00 a.m. to 2:00 p.m. 04:00 p.m. to 6:00 p.m. Sat 10:00 a.m. to 1:45 p.m.	16, Sri Nanjundeswara Complex, 10th Cross Sampige Road, Malleshwaram, Bengaluru 560 003.	080-23347755 Telefax: 080-23347722 malleshwaram@bharatbank.co.in	
PEENYA (BENGALURU) Udaya M. Haleangadi	Mon to Fri 10:00 a.m. to 2:00 p.m. 04:00 p.m. to 6:00 p.m. Sat 10:00 a.m. to 1:45 p.m.	1st Cross, 1st Stage, Peenya Industrial Estate, Bengaluru, Peenya - 560 058.	080-2839 1995 Telefax: 080 - 2839 1996 peenya@bharatbank.co.in	ATM
HAMPANKATTA (MANGALORE) N. Raghava Bangera	Mon to Fri 10:00 a.m. to 4:30 p.m. Sat 10:00 a.m. to 1:30 p.m.	Classique Arcade, K. S. Rao Road, Hampankatta, Mangalore 575 001.	0824-2421076 Telefax: 0824-2421084 hampankatta@bharatbank.co.in	ATM
MOODBIDRI (MANGALORE) Arunkumar G. Kotian	Mon to Fri 10:00 a.m. to 2:00 p.m. 03:45 p.m. to 5:45 p.m. Sat 10:00 a.m. to 2:00 p.m.	Veenu Sky Plaza, Moodbidri, Karkala Road, Moodbidri, Karnataka State 574227	08258-238700 Telefax: 08258-238701 moodbidri@bharatbank.co.in	ATM
PUTTUR (D.K.) Surajkumar M. Poojary	Mon to Fri 10:00 a.m. to 2:00 p.m. 03:45 p.m. to 5:45 p.m. Sat 10:00 a.m. to 2:00 p.m.	Om Arcade, 1-659A, Near Mayura Talkies, Behind Arvind Motors, Bolvar, Puttur, D. K. 574201	08251-233241 Telefax: 08251-233242 puttur@bharatbank.co.in	ATM
SURATKAL (MANGALORE) Sudhir Hattiangadi	Mon to Fri 10:00 a.m. to 2:00 p.m. 03:45 p.m. to 5:45 p.m. Sat 10:00 a.m. to 2:00 p.m.	Veenu Complex, National Highway, Next to Natraj Theatre, Suratkal, Mangalore 574158.	0824-2477076 Telefax: 0824-2476084 suratkal@bharatbank.co.in	ATM
UDUPI Laxminarayana C. Salian	Mon to Fri 10:00 a.m. to 4:45 p.m. Sat 10:00 a.m. to 1:45 p.m.	Vasuki Tower, Next to Vishwas Commercial, Bldg., Near Taluk Office, Opp. District Court, Udupi-576 101	0820 -2525620 Telefax: 0820 -2525621 udupi@bharatbank.co.in	ATM