

56TH

ANNUAL REPORT
2020-2021

Multi State Scheduled Bank with
a wide Network of 34 BRANCHES
across Ahmedabad, Vadodara,
Surat, Mumbai and so on...



Multi State Scheduled Bank

THE AHMEDABAD MERCANTILE CO-OPERATIVE BANK LTD.

Co-operative to Customers Since 1966

Regd. No. : S/1056/1966. Dt. 28-2-1966 • Reserve Bank Licence No. : UBD GJ. 1062 P. Dt. 25-1-1994



BOARD OF DIRECTORS & EXECUTIVES (Audit Class 'A' - 2020-2021)

: CHAIRMAN :
Shri Narendra M. Patel

: VICE CHAIRMAN :
Shri Himanshubhai T. Patel

: DIRECTORS :

Shri Babubhai H. Patel	Shri Sureshbhai S. Shah
Shri Indubhai S. Amin	Shri Amratbhai C. Patel
Shri Harshadbhai N. Doshi	Shri Dineshbhai D. Bhalavat
Shri Sanjivbhai N. Sheth	Shri Sharadbhai P. Shah

I/C CHIEF EXECUTIVE : Shri Vasudev S. Peswani

NOTICE OF THE 56th ANNUAL GENERAL MEETING

THE AHMEDABAD MERCANTILE CO-OPERATIVE BANK LTD.

(Multi State Scheduled Bank)

H.O. : "AMCO HOUSE", Nr.Stadium Circle, Navrangpura, Ahmedabad - 380 009.

Dear Member,

Notice is hereby given that the 56th Annual General Meeting of shareholders of our Bank will be held on **Tuesday, 20th July, 2021, at 05.00 p.m.** at J.B.Auditorium, Ground Floor, Ahmedabad Management Association, Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380015 to transact the following business. We request you to make it convenient to attend the meeting.

AGENDA

1. To approve minutes of the previous Annual General Meeting held on 9th November, 2020.
2. To approve the Annual Report of the Bank for the year 2020-21, Audited Accounts, Balance sheet and Profit & Loss Account for the year ended 31.03.2021.
3. To declare the dividend and to approve appropriation of the Profit for the financial year 2020-21 as recommended by the Board of Directors.
4. To write off Bad-debt accounts as recommended by the Board of Directors.
5. To appoint Statutory Auditor of the Bank for the year 2021-22 as recommended by the Board of Directors and to fix the remuneration, thereof subject to approval of RBI.
6. To approve resolution of Board of Directors about the selection of the Chief Executive Officer and send it to the Reserve Bank of India for approval.
7. To take up any other matter with the permission of the Chair and decide thereupon.
8. To declare the results of the Election-2021 of the Board of Directors.

Ahmedabad
Date: 08.06.2021

Vasudev S. Peswani
(I/C Chief Executive)

IMPORTANT NOTES:

1. Member is requested to bring the copy of the Annual Report at the time of the meeting.
2. Any member desirous of seeking any information about the Balance sheet and Profit & Loss Account should give a written request to the Secretary of the Bank at Head Office at least seven days before the date of the meeting so that the necessary information could be provided in the meeting.
3. A member attending the meeting will have to furnish his/her share holder number.
4. In case, meeting is held up for want of quorum, the meeting will be held on the same day after half an hour.

Provision, Appropriation of Profit & Dividend

માનવંતા સભાસદ મિત્રો,

બેંકની ૫૬ મી વાર્ષિક સાધારણ સભામાં આપ સૌને આવકારતા આનંદ અનુભવું છું. વિશ્વભરમાં ચાલી રહેલ કોરોના મહામારી દરમ્યાન કઠિન સમયમાં તમામ પ્રકારની તકલીફો સહન કરવાની આવી છે. દેશભરમાં ઘણા બધાએ પોતાના સ્વજન ગુમાવ્યા છે. આવા સંજોગોમાં પ્રભુની કૃપાથી આપણે સહુ સ્વસ્થ રહ્યા છીએ.

બેંકની તા.૩૧.૦૩.૨૦૨૧ ના પૂર્ણ થયેલ વર્ષમાં બેંકે કુલ નફો રૂ.૬૨.૩૭ કરોડ (ગત વર્ષ રૂ.૫૪.૭૪ કરોડ) કરેલ છે. ઇન્કમેટેક્સ તથા નીચે પ્રમાણેના પ્રોવિઝનો બોદ થતાં ચોખ્ખો નફો રૂ. ૪૦.૪૬ કરોડ (ગત વર્ષ રૂ. ૨૯.૧૪ કરોડ) કરેલ છે.

ક્રમ	વિગત	રકમ રૂ.
૧	શકમંદ લેણાં અનામત (૮.૫૦%)	૫,૩૦,૬૪,૮૮૭.૦૦
૨	ઇન્કમેટેક્સ પ્રોવિઝન	૧૩,૨૦,૦૦,૦૦૦.૦૦
૩	ડિફર્ડ ટેક્સ પ્રોવિઝન	૯૫,૮૫૧.૦૦
૪	સ્ટાન્ડર્ડ એસેટ રિઝર્વ	૨,૩૬,૦૦૦.૦૦
૫	જી.ઓ.આઈ. એક્સ-ગ્રેશ્યા ઇન્ટરેસ્ટ ડિફરન્સ પેમેન્ટ	૭૩,૧૭,૫૭૯.૦૦
૬	SMA /ઓવરડયુ (કોવિડ-૧૯) પ્રોવિઝન	૨,૬૪,૦૩,૨૩૦.૦૦
૭	ફોરેન એક્સચેન્જ ફલક્યુએશન	(-) ૨૫,૧૨૨.૦૦
	કુલ.....	૨૧,૯૦,૯૨,૪૨૫.૦૦

ઉપરોક્ત જોગવાઈઓ બાદ ચોખ્ખો નફો રૂ. ૪૦.૪૬ કરોડ રહ્યો છે ગત વર્ષનો બિનફાળવણીવાળો નફો રૂ. ૧૧૦.૮૩ લાખ છે. બેંકના બોર્ડ ઓફ ડિરેક્ટર્સશ્રીએ તેની નીચે પ્રમાણે વહેંચણી કરવા ભલામણ કરી છે, જેને મંજૂર રાખવા ભલામણ કરું છું.

ક્રમ	ચોખ્ખા નફાની વહેંચણી	રકમ રૂ.
૧	સ્ટેચ્યુટરી રિઝર્વ (ગત વર્ષનો બિનફાળવણી નફો રૂ. ૧,૧૦,૮૩,૦૦૦.૦૦ સહિત)	૨૭,૮૪,૭૪,૮૩૫.૦૦
૨	શિક્ષણ ફંડમાં ફાળો	૪૦,૪૬,૨૨૭.૦૦
૩	ડિવિડન્ડ (૧૨% of F.V.)	૧,૦૭,૪૫,૦૦૦.૦૦
૪	શેર હોલ્ડર બેનિફિટ ફંડ	૧,૨૫,૦૦,૦૦૦.૦૦
૫	અનફોરસીન લોસીસ રિઝર્વ	૪,૦૪,૬૨,૨૬૯.૦૦
૬	ચેરીટી-ડોનેશન ફંડ	૪૦,૪૬,૦૦૦.૦૦
૭	ઇન્વેસ્ટમેન્ટ ફલક્યુએશન રિઝર્વ	૫,૦૦,૦૦,૦૦૦.૦૦
૮	સ્પેશીયલ રિઝર્વ u/s-36(i) (viii) Income Tax Act, 1961	૧,૫૪,૩૧,૩૬૧.૦૦
	કુલ.....	૪૧,૫૭,૦૫,૬૯૨.૦૦

■ ડિવિડન્ડ :

આપણી બેંકનાં બોર્ડ ઓફ ડિરેક્ટર્સશ્રીએ વર્ષ ૨૦૨૦-૨૧ માટે ૧૨% ડિવિડન્ડ વહેંચવા ભલામણ કરેલ છે, જેને મંજૂર રાખવા ભલામણ કરું છું.

બોર્ડ ઓફ ડિરેક્ટર્સ વતી,
(નરેન્દ્ર એમ. પટેલ)
ચેરમેન

તારીખ: ૦૮.૦૬.૨૦૨૧

અગત્યની નોંધ

બેંકે દરેક સભાસદોને આઈડેન્ટિટી કાર્ડ આપવાનું શરૂ કર્યું છે. જે સભાસદોને આઈકાર્ડ હજુ બાકી હોય તેમણે શેર ડિપાર્ટમેન્ટ, હેડ ઓફિસનો સંપર્ક કરવા વિનંતી છે.

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
The Ahmedabad Mercantile Co-Op Bank Ltd.,
Ahmedabad

Report on Financial Statements:

We have audited the accompanying Financial Statements of The Ahmedabad Mercantile Co-Op Bank Limited, Ahmedabad which comprise the Balance Sheet as at 31st March 2021, Profit and Loss Account and Cash Flow Statement for the year ended on 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949, the Multi State Co-operative Societies Act, 2002 and the rules made thereunder and the guidelines issued by the Reserve Bank of India (RBI) and the Central Registrar of Co-operative Societies, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Bank as at 31st March, 2021 and true & fair balance of profit and the Cash Flows for the financial year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the bank in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Banking Regulations Act, 1949 and the rules made thereunder and under the provisions of the Multi State Co-operative Societies Act, 2002 and the rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As more fully described in Note 5 (VIII) the financial statement, the extent to which the COVID-19 pandemic will have impact on the Bank's financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above matter.

Information Other than the Financial Statements and Auditor's Report thereon

The Bank's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report of Board of Directors including other explanatory information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our

responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Report of Board of Directors including other explanatory information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the members in the Annual General Meeting.

Management's Responsibility for the Financial Statements:

The Bank's Board of Directors is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, provisions of Banking Regulation Act, 1949 and the rules made thereunder, provisions of Multi State Co-operative Societies Act, 2002 and the rules made thereunder and circulars and guidelines issued by RBI from time to time and the accounting standards issued by ICAI. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing Bank's Financial Reporting progress.

Auditors' Responsibility:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the

INDEPENDENT AUDITOR'S REPORT

financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements:

The Balance Sheet and the Profit and Loss Account have been drawn up in Forms A and B respectively of the Third Schedule to the Banking Regulation Act, 1949 and the Multi State Co-operative Societies Act, 2002.

As required by Section 73(4) of the Multi State Co-operative Societies Act, 2002, we report that:

1. 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;
2. In our opinion, proper books of account as required by the Multi-State Co-operative Societies Act, Rule 27 of the Multi State Co-Operative Societies Rules 2002 and Bye Laws of the Bank have been kept by the Bank, so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received

from the branches and offices of the Bank and all the branches have been visited by us.

3. To the best of our knowledge and belief and according to the information and explanations given to us, there is no material impropriety and irregularities in the expenditure or in the realization of monies due to the Bank.
4. To the best of our information and explanations given to us, the transactions of the Bank, which have come to our notice have been within the power of the Bank and are generally in compliance with RBI guidelines, as applicable to Multi-State Co-Operative Banks.
5. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report, are in agreement with the books of account maintained by the Bank.
6. The reports on the accounts of the branches audited by us have been properly dealt with by us in preparing this Report.
7. The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to Banks.
8. Certain items of income / expenditure have been accounted for on cash basis as stated in Significant Accounting Policies (B) 2, which is not in accordance with Accounting Standard (AS -9) on "Revenue Recognition" issued by The Institute of Chartered Accountants of India. It is not possible to ascertain their financial impact on the profit of the bank.

As per the information and explanations given to us and based on our examination of the books of account and other record, we report as under on the matters specified in clause (a) to (f) of Rule 27(3) of the Multi State Co-operative Societies Rules, 2002

- a. We have not come across any transactions which appear to be contrary to the provisions of the Multi-State Co-operative Societies Act, 2002, the rules or the bye-laws of the Bank.
- b. We have not come across any material or significant transactions which appear to be contrary to the guidelines issued by the Reserve Bank of India and National Bank for Agriculture and Rural Development.
- c. Money belonging to the Bank which appears to be bad or doubtful of recovery as on 31st March, 2021 was ₹ 21.18 crore (i.e. ₹ 19.18 crore in respect of Advances classified as NPA classified as Doubtful and Loss Assets as per prudential norms issued by RBI & ₹ 2.00 crore in respect of other assets) for which adequate provision has been made as per extant RBI guidelines.
- d. The bank has not given loans to the members of the Board of Directors.
- e. We have not observed any violation of guidelines, conditions etc. issued by the Reserve Bank of India.
- f. The Central Registrar of Co-operative Societies in this regard has not specified any matters to the bank.

For, KANTILAL PATEL & CO.,
Chartered Accountants
Firm Regi. No.104744W

Jinal A. Patel
Partner

Membership No. 153599

UDIN: 21153599AAAAEP1415

Place : Ahmedabad

Date : 08-06-2021

BALANCE SHEET AS ON 31st MARCH 2021

	CAPITAL AND LIABILITIES	Sch.	As at 31.03.2021 (Amount in ₹)	As at 31.03.2020 (Amount in ₹)
1	Capital	1	9,39,72,850	9,56,40,700
2	Reserve Fund And Other Reserves	2	4,75,94,84,320	4,40,93,77,490
3	Principal / Subsidiary / State Partnership Fund Account	3	---	---
4	Deposits And Other Accounts	4	20,01,26,78,020	17,75,92,29,551
5	Borrowings	5	---	6,00,00,000
6	Bills For Collection Being Bills Receivable (As Per Contra)		17,47,010	11,03,428
7	Branch Adjustments		---	---
8	Overdue Interest Reserves			
	On Non-Performing Advances		17,98,669	12,84,269
	On Non-Performing Advances (As Per Contra)		30,82,03,917	30,54,94,604
9	Interest Payable		82,75,44,774	66,63,93,816
10	Other Liabilities	6	38,29,81,657	38,37,43,446
11	Profit And Loss	7	41,57,05,692	29,14,16,146
12	Deferred Tax Liabilities (Refer Sch.15(C)(4)(IV))		---	---
	TOTAL		26,80,41,16,910	23,97,36,83,450
	Contingent Liabilities:- (Refer Sch.16 (C)(4)(VI))			
	(A) Outstanding liabilities for guarantees issued		59,76,44,414	56,14,57,714
	(B) Others in respect of letters of credit opened on behalf of Constituents		7,48,39,838	7,53,09,654
	(C) Depositors Education & Awareness Fund		11,27,52,622	10,01,99,653
	(D) Securities Deliverable Under RBI Reverse Repo		---	25,72,83,511
	Notes on accounts form part of accounts	16		

As per our attached Report of even date

For, KANTILAL PATEL & Co.,
Chartered Accountants
Firm Regi. No. 104744W

Jinal A. Patel
Partner
Membership No. 153599

Place: Ahmedabad

Date : 08.06.2021

BALANCE SHEET AS ON 31ST MARCH 2021

	PROPERTY AND ASSETS	Sch.	As at 31.03.2021 (Amount in ₹)	As at 31.03.2020 (Amount in ₹)
1	Cash	8	1,16,32,38,574	72,35,48,249
2	Balances With Other Banks	9	3,32,77,96,963	2,22,89,98,946
3	Money At Call And Short Notice		---	---
4	Investments	10	9,51,77,02,306	8,38,11,12,913
5	RBI Reverse Repo Account-LAF	11	---	20,00,00,000
6	Investment Out Of The Principal / Subsidiary State Partnership Fund	12	---	---
7	Advances	13	11,65,33,40,608	11,36,61,43,822
8	Interest Receivable			
	Overdue Interest on NPA (As per Contra)		30,82,03,917	30,54,94,604
	On Other Assets (Interest Receivable)		33,77,95,238	31,35,75,891
9	Bills Receivable Being Bills For Collection(As per Contra)		17,47,010	11,03,428
10	Branch Adjustments		5,65,88,379	---
11	Other Assets	14	27,28,22,571	28,60,35,914
12	Property, Plan & Equipment	15	16,06,75,975	16,33,68,462
13	Deferred Tax Assets (Refer Sch. 15(C)(4)(IV))		42,05,370	43,01,221
14	Non Banking Assets Acquired In Satisfaction Of Claims		---	---
	TOTAL		26,80,41,16,910	23,97,36,83,450

Shri Narendra M. Patel
Chairman

Shri Babubhai H. Patel
Director

Shri Sureshbhai S. Shah
Director

Shri Himanshubhai T. Patel
Vice Chairman

Shri Indubhai S. Amin
Director

Shri Amratbhai C. Patel
Director

Shri Vasudev S. Peswani
I/C Chief Executive

Shri Harshadbhai N. Doshi
Director

Shri Dineshbhai D. Bhalavat
Director

Shri Sanjivbhai N. Sheth
Director

Shri Sharadbhai P. Shah
Director

Place: Ahmedabad

Date : 08-06-2021

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH 2021

	EXPENDITURE	2020-21 (Amount in ₹)	2019-20 (Amount in ₹)
1	Interest on deposits, borrowing, etc.	1,09,94,79,719	1,08,27,61,930
2	Salaries and allowances and Prov. fund	26,58,89,704	27,86,56,910
3	Directors and local committee members' fees and allowances	2,28,800	3,30,748
4	Rent, taxes, insurance, lighting etc.	4,22,46,184	3,77,55,540
5	Law charges	5,29,523	55,868
6	Postage, Telegrams and telephone Charges	65,45,757	62,34,595
7	Auditor's fees (Statutory and Concurrent Auditors)	6,61,568	5,41,700
8	Depreciation on Fixed Assets (Refer Sch.15)	1,78,61,775	1,86,01,823
9	Repairs and Maintenance of Assets	73,22,326	71,01,172
10	Stationery and printing Expenses	31,89,321	29,80,539
11	Advertisement Expenses	5,31,928	7,65,442
12	Other expenditure	4,55,71,923	3,94,75,326
13	Loss on Sale of Assets	1,25,457	6,28,541
14	Loss on Sale of Investments	19,55,000	35,50,000
15	Provisions & Contingencies :		
	Provision For Bad Debts Reserve 5,30,64,887		4,70,80,885
	Provision For Standard Assets Reserve 2,36,000		52,18,000
	Provision For Foreign Exchange Fluctuation (25,122)		55,692
	Provision For Income Tax Disputed Demand - - -		18,79,125
	Provision For Interest on Interest(Refer Sch.16(C)(5)(X)) 73,17,579		- - -
	Provision For SMA/Overdue (COVID-19) 2,64,03,230		4,74,81,694
		8,69,96,574	10,17,15,396
16	Income Tax Expenses :		
	Current tax 13,20,00,000		17,33,00,000
	Deferred Tax(Refer Sch.16(C)(4)(IV)) 95,581		(1,90,50,482)
	Reverted	13,20,95,851	15,42,49,518
17	Exceptional Items	- - -	- - -
18	Net Profit After Tax and Exceptional Items (Refer Sch. No.7)	40,46,22,692	29,14,16,146
	TOTAL	2,11,58,54,103	2,02,68,21,194

Notes on accounts form part of accounts As per our Report of even date

**For, KANTILAL PATEL & Co.,
Chartered Accountants
Firm Regi. No. 104744W**

**Jinal A. Patel
Partner
Membership No. 153599**

Place: Ahmedabad

Date : 08-06-2021

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2021

	INCOME	2020-21 (Amount in ₹)	2019-20 (Amount in ₹)
1	Interest and Discount	1,04,94,91,044	1,09,11,57,424
2	Income From Investment	89,17,24,413	79,68,97,787
3	Dividend	---	4,14,000
4	Commission, Exchange and Brokerage	6,83,45,645	6,77,96,316
5	Rent on Safe Deposit locker	1,31,46,125	1,29,54,349
6	Profit on Sale of Assets	35,190	1,44,37,631
7	Profit on Sale of Investment	4,66,77,815	1,30,25,148
8	Other receipts	4,63,80,870	2,91,38,539
9	Bad & Doubtful Debt Recovered	53,000	---
10	MNCB Fixed Deposits Recover	---	10,00,000
11	Unforeseen Losses Reserve	---	---
	TOTAL	2,11,58,54,103	2,02,68,21,194

Shri Narendra M. Patel
Chairman

Shri Himanshubhai T. Patel
Vice Chairman

Shri Vasudev S. Peswani
I/C Chief Executive

Place: Ahmedabad
Date : 08-06-2021

Shri Babubhai H. Patel
Director

Shri Indubhai S. Amin
Director

Shri Harshadbhai N. Doshi
Director

Shri Sanjivbhai N. Sheth
Director

Shri Sureshbhai S. Shah
Director

Shri Amratbhai C. Patel
Director

Shri Dineshbhai D. Bhalavat
Director

Shri Sharadbhai P. Shah
Director

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

Schedule - 1

(Amount in ₹)

Capital	As on 31.03.2021	As on 31.03.2020
Authorised Share Capital	20,00,00,000	20,00,00,000
(40,00,000 Shares of Rs. 50.00 each)		
Subscribed & Paid up Capital	9,39,72,850	9,56,40,700
(18,79,457 Share of Rs. 50.00 each) 31.03.2021		
(19,12,814 Shares of Rs.50.00 each) 31.03.2020		
Amount Called up	---	---
TOTAL	9,39,72,850	9,56,40,700
Subscribed & Paid up Capital Held by		
Individuals & Others	9,39,72,850	9,56,40,700
Co-operative Institutions	---	---
State Government	---	---

Schedule - 2

(Amount in ₹)

Reserve & Surplus	As on 31.03.2021	As on 31.03.2020
Statutory Reserve	2,89,10,17,014	2,68,56,37,374
Bad & Doubtful Debt Reserve	43,91,07,151	38,92,90,273
Special Bad Debts Reserve	43,00,00,000	43,00,00,000
Investment Depreciation Reserve	24,49,74,645	24,49,74,645
Building Fund	5,79,05,670	5,79,05,670
Charity Donation Fund	7,25,286	7,10,286
Co.op.Propaganda Fund	71,89,061	83,95,579
Shareholder's Benefit Fund	6,41,927	6,41,927
Staff Benefit Fund	23,55,394	23,80,394
Standard Assets Reserve Fund	6,41,76,532	6,39,40,532
Contingency Fund	1,50,00,000	1,50,00,000
Unforeseen Losses Reserve	25,80,11,460	22,88,69,845
Investment Fluctuation Reserve	16,50,14,122	14,00,14,122
Special Reserve u/s 36 (1)(viii)	6,95,51,003	5,42,05,018
Fraud Reserve Fund	3,99,30,131	3,99,30,131
SMA/Overdue Reserve(Covid-19)	7,38,84,924	4,74,81,694
TOTAL	4,75,94,84,320	4,40,93,77,490

Schedule - 3

(Amount in ₹)

Principal/Subsidiary/State Partnership Fund Account	As on 31.03.2021	As on 31.03.2020
For Share Capital of		
(A) Central Co-operative Banks	---	---
(B) Primary Agricultural Credit Societies	---	---
(C) Other Societies	---	---
TOTAL	---	---

Schedule - 4

(Amount in ₹)

Deposits and Other Accounts (In India)	As on 31.03.2021	As on 31.03.2020
(A) Fixed Deposits (I) Individuals & Others	12,95,20,44,027	12,21,73,03,880
(Term Deposits) (II) Central Co-op. Banks	---	---
(III) Other Societies	12,13,38,614	10,13,52,182

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

Sub Total : (A)	13,07,33,82,641	12,31,86,56,062
(B) Saving Deposits (I) Individuals & Others	5,07,17,08,894	3,97,78,70,067
(II) Central Co-op. Banks	---	---
(III) Other Societies	2,85,21,780	1,94,33,846
Sub Total : (B)	5,10,02,30,674	3,99,73,03,913
(C) Current Deposits (I) Individuals & Others	1,83,69,97,232	1,44,10,59,740
(II) Central Co-op. Banks	---	---
(III) Other Societies	20,67,473	22,09,836
(D) Money at Call and Short Notice	---	---
Sub Total : (C)	1,83,90,64,705	1,44,32,69,575
TOTAL (A+B+C)	20,01,26,78,020	17,75,92,29,551

Schedule - 5

(Amount in ₹)

Borrowings	As on 31.03.2021	As on 31.03.2020
(III) Long-term loans	---	---
Of which (A) secured against,	---	---
(a) Government and other approved securities	---	6,00,00,000
(b) Other tangible securities	---	---
(C) From the State Government	---	---
(I) Short-term loans, cash credit and overdrafts	---	---
(II) Medium-term loans	---	---
(III) Long-term loans	---	---
Of which (A) secured against,	---	---
(a) Government and other approved securities	---	---
(b) Other tangible securities	---	---
(D) Loans from other sources	---	---
(I) Source and security to be specified	---	---
TOTAL	---	6,00,00,000

Schedule - 6

(Amount in ₹)

Other Liabilities & Provisions	As on 31.03.2021	As on 31.03.2020
Bills Payable	22,03,600	27,97,856
Demand Draft Payable & Banker Cheque	3,74,36,409	2,67,91,128
Suspense Payable	3,41,959	3,25,435
Sundry Deposits	---	---
Sundry Payable	5,28,50,594	3,89,54,973
Advance Locker Rent	1,76,61,882	1,83,56,959
Goi Ex-Gratia Interest Payable (Refer Sch.16(C)(5)(X))	73,17,579	---
Interest & Commission Received In Advances, L/C, B/G & Adhesive Stamps	59,21,254	69,20,119
Bonus & Ex-Gratia Payable	2,95,81,514	2,78,46,793

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

	As on 31.03.2021	As on 31.03.2020
Unpaid Dividend	10,28,939	12,34,369
Other Sundry Liabilities	8,09,79,801	4,00,48,215
Leave Encashment (LIC) payable	71,34,000	1,45,60,000
Provision For Income Tax	13,20,00,000	17,33,00,000
Gratuity Payable	66,45,000	2,58,84,000
Provision For Income Tax Disputed Demand	18,79,125	67,23,599
TOTAL	38,29,81,657	38,37,43,446

Schedule - 7 (Refer Sch.16(C)(7))

(Amount in ₹)

	As on 31.03.2021	As on 31.03.2020
Profit as per last Balance Sheet (A)	29,14,16,146	29,52,33,783
Statutory Reserve	20,50,16,385	20,11,49,370
Education Cess	29,14,161	29,52,338
Dividend	---	1,12,00,000
Share holder Benefit	---	1,00,00,000
Unforeseen Losses	2,91,41,615	2,95,24,000
Charity Donation Fund	29,15,000	29,53,000
Jubilee Fund	---	---
Investment Fluctuation Fund	2,50,00,000	2,50,00,000
Special Reserve u/s 36 (1) (viii)	1,53,45,985	1,24,55,075
(B)	28,03,33,146	29,52,33,783
Sub Total (A-B):	1,10,83,000	---
Add: Profit for the year as per Profit & Loss Account	40,46,22,692	29,14,16,146
TOTAL	41,57,05,692	29,14,16,146

Schedule - 8

(Amount in ₹)

Cash	As on 31.03.2021	As on 31.03.2020
I) Cash on Hand	12,00,59,609	10,95,46,287
Current Deposit		
I) Balances with Reserve Bank of India	1,02,18,07,184	59,06,12,871
ii) Balances with State Bank of India & its Subsidiaries	51,494	1,89,224
iii) Balance with SCB & DCCB	9,20,287	27,99,867
iv) Balance with Other Co.op. Bank	---	---
Fixed Deposit		
Fixed Deposits with State Bank of India & its Subsidiaries	---	---
Fixed Deposits with SCB & CCB of the District	2,04,00,000	2,04,00,000
TOTAL	1,16,32,38,574	72,35,48,249

Schedule - 9

(Amount in ₹)

Balance With Other Banks	As on 31.03.2021	As on 31.03.2020
Current Deposits with Private & Nationalized Banks	5,08,16,247	5,75,68,514
Fixed Deposits with Private & Nationalized Banks	3,27,69,80,716	2,17,14,30,432
TOTAL	3,32,77,96,963	2,22,89,98,946

SCHEDULES TO THE BALANCE SHEET AS ON 31ST MARCH 2021

Money at Call & Short Notice		
CBLO-Lending	---	---
TOTAL	---	---

Schedule - 10 (Refer Sc.16(C)(6))

(Amount in ₹)

Investments	As on 31.03.2021	As on 31.03.2020
Central & State Government Securities	8,37,85,60,258	7,71,66,71,413
Shares in Co-operative institutions	27,60,500	27,60,500
PSU Bonds	58,18,83,100	39,15,27,000
Other Bonds	55,44,98,448	27,01,54,000
TOTAL	9,51,77,02,306	8,38,11,12,913

Schedule - 11

(Amount in ₹)

RBI Reverse Repo Account-LAF	As on 31.03.2021	As on 31.03.2020
RBI Reverse Repo Account-LAF	---	20,00,00,000
TOTAL	---	20,00,00,000

Schedule - 12

(Amount in ₹)

Investment out of the Principal/ Subsidiary/State Partnership Fund	As on 31.03.2021	As on 31.03.2020
In Shares of		
(I) Central Co-operative Banks	---	---
(ii) Primary Agricultural Credit Societies	---	---
(iii) Other Societies	---	---
TOTAL	---	---

Schedule - 13

(Amount in ₹)

Advances	As on 31.03.2021	As on 31.03.2020
(a) Short Term Loans, CC, OD & Bills Discounted of which secured against,		
(I) Government and other approved securities	---	---
(II) Other tangible Securities	6,70,09,16,906	6,85,55,72,999
(III) Unsecured Advances	95,876	1,28,330
Of the advances above		
Amount Due from individuals	1,10,17,57,981	1,11,36,81,428
Total Amount Overdue	12,41,68,159	9,33,43,535
Considered bad and doubtful of recovery (Fully Provided For)	9,18,47,247	9,32,54,247
Sub Total (A)	6,70,10,12,781	6,85,57,01,329
(b) Medium Term Loans of which secured against,		
(I) Government and other approved securities	12,55,15,379	10,05,26,252
(II) Other tangible Securities	1,30,46,00,907	1,34,35,61,422
(III) Unsecured Advances	6,92,14,382	2,75,42,613
Of the advances above		
Amount Due from individuals	1,19,87,76,233	94,99,07,775
Total Amount Overdue	1,36,50,362	1,28,24,535
Considered Bad and Doubtful of recovery (Fully Provided For)	98,61,968	1,15,50,021
Sub Total (B)	1,49,93,30,668	1,47,16,30,287

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

(c) Long Term Loans of which secured against,	---	---
(I) Government and other approved securities	3,45,29,97,158	3,03,88,12,206
(II) Other tangible Securities	---	---
(III) Unsecured Advances		
Of the advances above		
Amount Due from individuals	1,62,65,43,849	1,58,17,61,678
Total Amount Overdue	5,40,16,310	1,00,98,640
Considered Bad and Doubtful of recovery (Fully Provided For)	94,37,286	96,40,401
Sub Total (C)	3,45,29,97,158	3,03,88,12,206
Total (A+b+c)	11,65,33,40,608	11,36,61,43,822

Schedule - 14

(Amount in ₹)

Other Assets	As on 31.03.2021	As on 31.03.2020
Deposits for Services	92,72,452	85,40,112
Stock in hand	7,54,15,054	4,59,82,086
Sundry Receivable	9,22,510	7,12,910
Prepaid Expenses	28,89,275	19,88,004
Adhesive Stamp Claims	1,12,200	2,22,100
Advance Income Tax and TDS Paid	15,10,67,832	21,50,42,112
Other Sundry Assets	3,31,43,248	1,35,48,589
Total	27,28,22,571	28,60,35,914

Schedule - 15 (Refer Sch.15(B)(3))

PROPERTY, PLANT & EQUIPMENT

(Amount in ₹)

Sr. No.	DETAILS OF FIXED ASSETS	RATE OF DEPRECIATION	Gross Block (At Cost)						Depreciation						Net Block As on 31-03-2021
			As on 01.04.2020	Addition		Deduction		As on 31.03.2021	As on 01.04.2020	Addition During the Year		Deduction		As on 31.03.2021	
				Purchase	Transfer	Transfer	Sales/ Scrap			Dep. For the Year	Transfer	Transfer	Sales/ Scrap		
1	Premises	5.00%	19,11,45,962	10,53,516	---	---	---	19,21,99,478	8,49,55,649	53,45,074	---	---	---	9,03,00,723.02	10,18,98,755
2	Furnitures & Fixtures	10.00%	9,64,51,775	8,52,182	---	---	1,11,337	9,71,92,621	6,15,17,811	35,94,380	---	---	57,510	6,50,54,681.40	3,21,37,940
3	Equipment	15.00%	83,04,838	3,03,241	---	---	---	86,08,079	48,15,526	5,66,709	---	---	---	53,82,235.43	32,25,844
4	Electric Fittings	10.00%	1,06,58,168	2,81,249	---	---	---	1,09,39,417	68,67,585	3,93,120	---	---	---	72,60,705.00	36,78,712
5	Air Conditioner	15.00%	1,39,25,698	6,16,105	---	---	3,34,203	1,42,07,600	86,44,719	8,39,385	---	---	2,38,573	92,45,531.65	49,62,068
6	Vehicles	15.00%	74,85,063	---	---	---	---	74,85,063	29,22,307	6,84,414	---	---	---	36,06,721.43	38,78,342
7	Computer & Peripherals	33.33%	6,90,21,771	1,22,12,451	---	---	---	8,12,34,222	6,50,41,250	63,81,690	---	---	---	7,14,22,940.14	98,11,282
8	Leasehold Improvement	5.00%	12,00,039	---	---	---	---	12,00,039	60,002	57,002	---	---	---	1,17,004.00	10,83,035
	TOTAL		39,81,93,314	1,53,18,745	---	---	4,45,540	41,30,66,520	23,48,24,850	1,78,61,775	---	---	2,96,083	25,23,90,542	16,06,75,975

Note:-Any work done or additions made on rented premises are shown as Leasehold Improvement.

Schedule - 16

Notes Forming Part of Balance Sheet as at 31-03-2021 and Profit & Loss Account for the year ended on that date

(A) 1) Background:

The Ahmedabad Mercantile Co-Op Bank Ltd. was incorporated in the year 1966 and provides a complete suite of corporate and retails banking products including ASBA Services, ATM, SMS Service and Net Banking to the customers with the network of 34 branches (including 2 branches at Mumbai). The Bank has license from Reserve Bank of India (RBI) as 'Authorized Dealer' under category-II (From December 29, 2020) for Foreign Exchange Business.

2) Basis of Preparation:

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless otherwise stated, and complied with Generally Accepted Accounting Principles (GAAP) in India, Statutory requirements prescribed under the Banking Regulations Act, 1949, and the Multi-State Co-Op Societies Act, 2002, Circulars and Guidelines issued by the Reserve Bank of India from time to time, Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) and current practices prevailing within the Banking Industries in India.

SCHEDULES TO THE BALANCE SHEET AS ON 31ST MARCH 2021

3) Use of Estimates:

The preparation of the financial statements, in conformity with Generally Accepted Accounting Principles (GAAP) in India, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosures of contingent liabilities as on the date of financial statements. Actual results could differ from those estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revision in the accounting estimates are recognized prospectively.

(B) SIGNIFICANT ACCOUNTING POLICIES:

1. ACCOUNTING CONVENTION :

The accompanying financial statements have been prepared on historical cost convention on going concern basis and conform to statutory provisions and practices prevailing in India, unless otherwise stated.

2. REVENUE RECOGNITION (AS 9) :-

The revenues are accounted for on accrual basis except in cases stated below hereinafter:

- a) Interest & other income on Non Performing Assets are recognized on cash (realization) basis.
- b) Interest on Non Performing Investment is accounted on cash (realization) basis.
- c) Safe Deposit Vault Rent is recognized as income on receipt basis while liability is created for locker rent received in advance during the year.
- d) Income from redemption of PSU Bonds & Government Securities is recognized as & when those securities are redeemed & shown as "Profit on sale of Investment" in Profit and Loss Account.
- e) Rent from premises is accounted on cash basis.
- f) Dividend on Investment is accounted on cash basis.

Expenditures are accounted for on accrual basis except in cases described hereinafter:

- a) Interest on overdue deposits is accounted at the time of renewal.
- b) Legal expenses incurred in suit filed accounts have been accounted on cash basis as per RBI directives.
- c) Insurance premium expenses are accounted on cash basis.

3. Property, Plant & Equipment :

- a) Property, Plant & Equipment are stated at their historical cost less accumulated depreciation in accordance with Revised AS -10 issued by Institute of Chartered Accountants of India (ICAI). Property, Plant & Equipment includes incidental expenses incurred on acquisition and installation of the assets.
- b) Depreciation on Property, Plant & Equipment (except Computer & UPS) is provided on Written Down Value method at the rates mentioned below :

Sr. No.	Property, Plant & Equipment	Rate of Depreciation
1	Premises	5%
2	Furniture	10%
3	Fixtures (Others)	15%
4	Electric Fittings	10%
5	Vehicles	15%
6	Equipment & Machinery	15%
7	Air Conditioners	15%

- c) Depreciation on Computers (Hardware & Software) & UPS is provided on Straight Line Method over a period of 3 years.
 - d) Depreciation on Property, Plant & Equipment purchased during the year is charged for the entire year, if the asset is purchased & retained used for 180 days or more, otherwise it is charged at 50% of the normal rate. No depreciation is charged on fixed assets sold during the year.
All Property, Plant & Equipment individually costing less than ₹ 5000 are fully depreciated in the year of installation.
 - e) Profit or loss on sale of assets is recognized as and when the assets are sold.
 - f) "Property, Plant & Equipment" includes Building Premises of Relief Road and Pankornaka Branch. Both of them were purchased with occupancy of some part by tenant. The matter relating to vacating said parts by tenant are pending before court of law. Such premises purchased by bank and not acquired under process of settlement of claims or recovery of advances. Therefore, entire premise considered and grouped as "Property, Plant & Equipment"
 - g) Any work done or additions made on rented premises are shown as Leasehold Improvement
- #### 4. INVESTMENTS :
- I. The Bank has classified the investments in accordance with the RBI guidelines applicable to Urban Co. Op. Bank. Accordingly, classification of investments for the purpose of valuation is done under the following category:
 - a) Held To Maturity:

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

- b) Held For Trading:
 - c) Available For Sale:
- II. Investments are categorized in accordance with the RBI Guidelines applicable to Urban Co. Op. Banks as under :
- a) State & Central Government Securities
 - b) Approved Trustee Securities
 - c) Shares of Co-operative Banks
 - d) PSU Bonds
 - e) Treasury Bills
 - f) Other Investments
- III. Full provision is made for those investments where there is default in payment of Interest and/or Principal.
- IV. Valuation of Investments
- a) **Held to Maturity:** Investments classified as 'Held to Maturity' are accounted at acquisition cost unless the higher than the face value, in which case the premium is amortized over the period remaining to maturity.
 - b) **Held for Trading and Available for sale:** Investments classified as 'Held for Trading' and 'Available for Sale' are marked to market category wise and the resultant provision for depreciation, if any is recognized. Net appreciation is ignored.
- V. Market value of Government Securities (excluding Treasury Bills) is determined on the basis of the price list published by RBI or the price periodically declared by FBIL for valuation at year-end. In case of unquoted Government Securities market price or fair value is determined as per the rates published by FBIL.
- VI. Market value of other approved securities is determined based on the yield curve and spreads provided by FBIL.
- VII. Units of Mutual Fund are valued at the lower of cost or Net Asset Value provided by the respective mutual funds.
- VIII. Non-performing investments are identified and classified as per applicable RBI guidelines.
- IX. Treasury Bills & Certificate of Deposits under all classifications have been valued at carrying cost.
- X. Accounting for Repo/Reverse Repo transactions (including transactions under the Liquidity Adjustment Facility (LAF) with the RBI)
- a) The securities sold and purchased under Repo/ Reverse Repo are accounted as Collateralized Borrowing and Lending transactions. However, securities are transferred as in the case of normal outright sale/purchase transactions and such movement of securities is reflected using the Repo/Reverse Repo accounts and contra entries. The above entries are reversed on the date of maturity. Costs and revenue are accounted as interest expenditure/income, as the case may be. Balance in Repo account is classified under schedule 4 (Borrowings) and balance in Reverse Repo account is classified under schedule 11(RBI Reverse Repo Account-LAF)
5. **Foreign Currency Transactions**
Foreign currency income and expenditure items are translated at the exchange rates prevailing on the date of transactions. Foreign currency monetary items are translated at the exchange rates as on the date of Balance Sheet notified by Foreign Exchange Dealers Association of India (FEDAI). All profits/losses resulting from such revaluation are recognized in the Profit and Loss Account. Contingent Liabilities on account of foreign exchange contracts, guarantees, acceptance, endorsement and other obligations denominated in foreign currencies are disclosed at closing rates of exchange notified by FEDAI.
6. **EMPLOYEES BENEFITS (AS 15) :**
- A. Post-Retirement Benefits
 - I. Defined Contribution Plan :
 - The Bank has Defined Contribution Plans for post-retirement benefits, charged to Profit and loss Account, in form of "Provident Fund /Employees' Pension Fund" administered by the Regional Provident Fund Commissioner.
 - II. Defined Benefit Plan :
 - Funded Plan: The Bank has Defined Benefit Plan for post-retirement benefit in the form of Gratuity and leave encashment for all eligible employees administered through Trust, funded with Life Insurance Corporation of India.
 - B. In terms of Accounting Standard - 15 (Revised), interest cost, current service cost and net actuarial gain / loss is charged to the profit & loss account and net assets/liability is recognized in balance sheet based on actuarial valuation done by an independent actuary as at the year end, using the projected Unit Credit Method.
7. **SEGMENT REPORTING (AS 17) :**
The Bank's operations are segregated in the following two Business Segments,
- (1) **Treasury Operations:** It includes all investment portfolio, profit/loss on sale of investments, profit/loss on foreign exchange transactions, equities and money market operations. The expenses of this segment comprise of interest expenses on funds borrowed from external sources as well as internal sources and depreciation/amortization of premium on 'Held to Maturity' category investments.
 - (2) **Banking Operations:** It includes all other operations which are not covered under Treasury Operations.
All Banking operations are within India and as such geographical segment is not identified.

SCHEDULES TO THE BALANCE SHEET AS ON 31ST MARCH 2021

➤ **Allocation of Common Cost**

To the extent the cost can be directly identified, they are allocated to related segment. Other common costs are allocated on a reasonable basis.

➤ **Unallocated Items**

Unallocated items include general banking expenditure items which are not allocated to any business segment.

8. TAXATION (AS 22) :

I. Current Tax :

Current Tax is determined as the amount of tax payable in respect of taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.

II. Deferred Tax :

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

9. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS 29) :

A provision is recognized when the bank has a present obligation as a result of past event where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure of Contingent Liability is made when there is:

- i) A possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank; or
- ii) A present obligation arising from a past event which is not recognized as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are not recognized in the financial statements. However, Contingent Assets are assessed continuously.

10. ADVANCES :

- a) The classification of advances into Standard, Sub-standard, Doubtful and Loss assets as well as provision on non-performing advances has been arrived at in accordance with the guidelines issued by the RBI from time to time.
- b) Provision on Advances categorized under Sub-standard, Doubtful and Loss Assets is made in accordance with the guidelines issued by the Reserve Bank of India. In addition, a general provision has been made on all standard assets as per RBI circular no. Master Circular UBD. DCBR. BPD. (PCB) MC No. 14/13.05.000/2015-16 dated July 1, 2015. A general provision on standard assets is made @0.40% of the outstanding amount on a portfolio basis except in case of direct advances to Agricultural and SME sector @ 0.25%, advances to Commercial Real Estate @ 1% and Commercial Real Estate – Residential House Sector @ 0.75%.
- c) The overdue interest in respect of non-performing advances is provided separately under "Overdue Interest Reserve" as per the directives issued by the RBI.

11. EVENTS OCCURRING AFTER BALANCE SHEET DATE :

Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Non-adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date occurring after balance sheet date) that represents material change and commitment affecting the Financial Position are disclosed in the reports of the Board of Directors, if any.

12. IMPAIRMENT OF ASSETS :

A substantial portion of bank's assets comprise of Financial Assets' to which Accounting Standard 28- "Impairment of Assets" is not applicable. In respect of assets to which standard applies, in the opinion of the management, there are no indications, internal or external, which could have the effect of impairing the value of the assets to any material extent as at 31.03.2021 requiring recognition in terms of the said standard.

13. CASH AND CASH EQUIVALENT :

Cash and Cash Equivalent include cash on hand and in ATM, Balances with Reserve Bank of India, State Co-op. Bank, Dist Co-op. Bank and Balances with other Bank in current accounts.

(C) NOTES ON ACCOUNTS:

1. The Priority Sector Advances constituted 63.92% of Adjusted Bank Credit as against requirement of 40% as per R.B.I. guidelines. Advances to Weaker Section constituted 20.19% of Priority Sector Advances as against requirement of 25%.
2. Some of the Bank Guarantees given on behalf of constituents other than government have expired during the year but are still

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

shown as contingent liabilities in the Balance sheet as at 31.03.2021. Bank has the practice of marking off Bank Guarantees after following the laid down procedure.

3. Suppliers / Service providers covered under Micro, Small, Medium Enterprises Development Act, 2006, have not furnished the information regarding filing of necessary memorandum with the appropriate authority. Therefore, information relating to cases of delays in payments to such enterprises or of interest payments due to delays in such payments, could not be given.
4. Bank has Investment Depreciation Reserve of ₹ 2449.75 lakhs during the year, DHFL Bond become non-performing for which provision was required. As we have surplus investment depreciation reserve, Bank has not made provision separately for DHFL Bond. Details are as follows.-

(₹ In Lakh)

Sr. No.	Particulars	Book Balue	Provision Made
1	DHFL	201.54	201.54
	TOTAL	201.54	201.54

5. Compliance with Accounting Standards:

I. Employees' Benefits

In accordance with the Accounting Standard - 15 (Revised) "Employee Benefits" issued by ICAI the obligation of the Bank, on account of employee benefit, based on independent actuarial valuation is accounted for in the books of account.

The Bank has classified the various benefits provided to employees as under:

A. Defined Contribution Plan:

Provident Fund / Employees' Pension Fund

During the year, the bank has recognized the following amounts in the Profit & Loss Account

(₹ In Lakh)

Employer's Contribution to Provident Fund / Employees' Pension Fund	179.66
---	--------

The above amounts are included in Salaries Allowances & Provident Funds in the Profit & Loss Accounts, which is administered by the Regional Provident Fund Commissioner.

B. Defined Benefit Plans:

- (a) Contribution to Gratuity Fund
- (b) Contribution to Leave Encashment Liability.

In accordance with Accounting Standard 15, relevant disclosures are as under:

(a) Changes in Defined Benefit Obligation :

(₹ In Lakh)

Particulars	2020-21	2019-20
	Gratuity [Funded Scheme]	Gratuity [Funded Scheme]
Defined Benefit Obligation as at 1 st April	1438.77	1228.14
Current Service Cost	88.67	85.14
Interest Cost	92.08	89.65
Past Service Cost	0.00	0.00
Benefit Paid	(79.08)	(130.13)
Actuarial (gain) / loss on Obligations	(25.58)	165.97
Defined Benefit Obligation as at 31 st March	1514.86	1438.77

(b) Changes in the Fair Value of Plan Assets for Gratuity (Funded Scheme) :

(₹ In Lakh)

Particulars	2020-21	2019-20
	Gratuity [Funded Scheme]	Gratuity [Funded Scheme]
Fair Value of Plan as at 1 st April	1179.93	1154.75
Expected Actual Return on plan Assets	79.78	83.07
Actuarial Gains/(Losses)	7.91	(1.96)
Contributions	259.87	74.20
Benefit Paid	(79.08)	(130.13)
Fair Value of Plan Assets as at 31 st March	1448.41	1179.93

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

(c) Amount recognized in the Balance Sheet : (₹ In Lakh)

Particulars	2020-21	2019-20
	Gratuity [Funded Scheme]	Gratuity [Funded Scheme]
Defined Benefit Obligation as at 31 st March	1514.86	1438.77
Fair Value of Plan Assets as at 31 st March	1448.41	1179.93
Liability / (Asset) recognized in the Balance Sheet included in Other Liabilities / (Other Assets)	66.45	258.84

(d) Expenses recognized in the Profit & Loss Account : (₹ In Lakh)

Particulars	2020-21	2019-20
	Gratuity [Funded Scheme]	Gratuity [Funded Scheme]
Current Service Cost	88.67	85.14
Interest Cost	92.08	89.65
Past Service Cost	0.00	0.00
Expected Return on Plan Assets	(79.78)	(83.07)
Net actuarial (gain)/ Loss recognized in the period	(33.49)	167.93
Total Expenses recognized in the P&L Account included in Salaries & Allowances and Provident Funds.	67.48	259.65

(e) Category of Plan Assets:

The Bank's plan Assets in respect of Gratuity & Leave Encashment are funded through the Scheme of the Life Insurance Corporation of India.

(f) Actuarial Assumptions:

In accordance with Accounting Standard - 15, actuarial valuation as at year end was performed in respect of the aforesaid Defined Benefit Obligations Plans based on the following assumptions:

(a) Mortality: Indian Assured Lives Mortality (2006-08) Ult.

(b) Assumptions:

Particulars	2020-21	2019-20
	Gratuity [Funded Scheme]	Gratuity [Funded Scheme]
Discount Rate	6.50%	6.40%
Rate of Increase in compensation levels	8.00%	8.00%
Expected rate of return on plan assets	6.40%	7.30%
Expected average remaining working lives of employees (in years)	8.00	8.00

II. The segment reporting as per AS-17 is given below.

(₹ In Lakh)

Segment Reporting For the year ended on 31.03.2021						
ITEM	Treasury Operations		Banking Operations		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Revenue	9384.02	8099.23	11774.77	12168.98	21158.79	20268.21
Expenses	7321.53	6772.01	7599.86	8849.04	14921.39	15621.05
Profit/ (Loss)	2062.49	1327.22	4174.91	3319.94	6237.40	4647.16
Unallocated Exp.					2191.18	1733.00
Segment Assets	138886.78	114241.13	126054.88	122429.72	264941.66	236670.85
Segment Liabilities	138886.78	114241.13	124734.88	120696.72	263621.66	234937.85
Unallocated Liability(Net)					1320.00	1733.00

III. Related Party disclosures as per AS-18:

- The Key Management Personnel consisted of the Chief Executive of the Bank.
- At the commencement of financial year 2020-21, there were eleven borrowers, which fall under the definition of related parties.

The transactions with Related Parties are as under:

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

(₹ In Lakh)

Sr. No.	Particulars	31.03.2021		31.03.2020	
		Key Management Personnel	Directors / Relatives	Key Management Personnel	Directors / Relatives
1.	Closing balance as at year end (Fund based)	NIL	202.11	NIL	281.39
2.	Closing balance as at year end (Non-Fund based)	NIL	NIL	NIL	NIL
3.	Loans Sanctioned	NIL	609.22	NIL	632.31
4.	Loans un-utilised	NIL	407.11	NIL	350.92
5.	Interest paid on FDR	NIL	16.88	NIL	16.00
6.	Interest received on Advance against FD	NIL	19.33	NIL	28.16
7.	Remuneration & Sitting fees	13.41	2.29	13.20	3.31

- IV. The bank is following Accounting standard 22 "Accounting for Tax on Income". Accordingly net Deferred Tax Assets due to timing difference comes to ₹ 42.05 Lakh (P.Y. ₹ 43.01 Lakh). The bank has reverted provision of Deferred Tax Liability of ₹ (0.96) Lakh during the year (P.Y. Deferred Tax Liability of ₹ (190.50) Lakh). The component of net deferred tax Asset / liability is as under:

(₹ In Lakh)

Particulars	Deferred tax liability / (Assets) as on 01-04-20	Current year charge / (Credit) to profit and loss account	Deferred tax Liability / (Assets) as on 31-03-21
Difference between WDV as per book and WDV as per income tax	139.66	0.08	139.74
Special Reserve u/s 36(1) (viii) of income tax Act, 1961(*)	38.62	0.22	38.84
Special Reserve due to COVID 19	(119.50)	(66.45)	(185.95)
Gratuity and Leave Encashment	(101.79)	67.11	(34.68)
Total :-	(43.01)	(0.96)	(42.05)

(*) "Pursuant to Reserve Bank of India's (RBI's) Circular No. UBD. CO. BPD. PCB. Cir. No. / 09.50.001 / 2013-14 Dated May 30, 2014. The Bank has created Deferred Tax Liability on the Special Reserve under Section 36(1) (viii) of the income-tax act, 1961. The bank has charged deferred tax @ 25.168% (inclusive of surcharge and cess) Since Bank has a plan to avail tax benefit u/s 115BAD of Income Tax Act, 1961.

- V. A substantial portion of the bank's assets comprises of 'Financial Assets' to which Accounting Standard 28 "Impairment of Assets" is not applicable. In respect of assets to which Standard applies, in the opinion of the management, there are no indications, internal or external, which could have the effect of impairing the value of the assets to any material extent as at 31st March 2021 requiring recognition in terms of the said standard.

VI. **Contingent Liabilities (AS 29):**

- i. Guarantees given on behalf of constituents were ₹ 5976.44 Lakh (P.Y. ₹ 5614.58 Lakh).

(₹ In Lakh)

Particulars	31.03.2021	31.03.2020
Inland	5966.51	5604.65
Foreign	9.93	9.93
Total	5976.44	5614.58

- ii. Outstanding Letters of Credit given on behalf of constituents were ₹ 748.40 Lakh (P.Y. ₹ 753.10 Lakh).

- iii. Transfer to Depositor Education and Awareness Fund (DEAF)
In terms of RBI Circular No. DBR. No. DEA Fund Cell.6700/30.01.002/2018-19 dated February 12, 2014, the details of DEA Fund is as under:

(₹ In Lakh)

Particulars	31.03.2021	31.03.2020
Opening balance of amounts transferred to DEAF	1002.00	784.69
Add: Amounts transferred to DEAF during the year (*)	180.55	232.58
Less: Amounts reimbursed by DEAF towards claims	55.02	15.27
Closing balance of amounts transferred to DEAF	1127.53	1002.00

SCHEDULES TO THE BALANCE SHEET AS ON 31ST MARCH 2021

All such unclaimed liabilities (where amount due has been transferred to DEAF) are reflected as “Contingent Liabilities - Others, items for which the Bank is contingently liable” under Schedule of Contingent Liabilities in the Annual Financial Statements.

VII. Bank has fully provided for refund outstanding in books of ₹ 18.79 Lakh corresponding to Assessment year 2016-17.

VIII. Note on COVID-19

Consequent to the outbreak of the Covid-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently national lockdown was lifted by the government, regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19 may lead to a rise in the number of borrower's defaults and consequently an increase in corresponding provisions. The extent to which COVID-19 pandemic including the current “Second wave” that has significantly increased the number of cases in India, will continue to impact the Bank's performance will depend upon ongoing and future developments, which are highly uncertain, including among other things, any new information concerning severity of COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by us.

The Bank has assessed the potential impact of COVID-19 on the carrying value of its assets based on relevant internal and external factors/information available, up to the date of approval of these annual financial results. In order to cover the impact of COVID-19 on the future expected credit losses, the Bank is carrying a provision of ₹ 738.85 lakh on March 31, 2021. (For the year ended March 31, 2020 ₹ 474.82 lakh).

IX. The Honorable Supreme Court of India (Hon'ble SC) in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated September 03, 2020 ("Interim Order), had directed Banks and NBFCs that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. The interim order got vacated on March 23, 2021 vide the judgement of the Hon'ble SC in the matter of Small Scale Industrial Manufacturers Association vs. Union of India & Others. Further to this judgements in accordance with the instructions in Paragraph 5 of the RBI circular no. RBI/2020-21/17DOR.STR.REC.4/21.04.048/2021-22 dated April 07, 2021 issued, the Bank has continued with the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms for the year ended 31 March 2021.

X. Moreover, pursuant to the above judgement and in accordance with the instructions in the RBI circular No. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 07, 2021, the Bank shall refund / adjust 'interest on interest' to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount of such 'interest on interest' would be finalised by the Indian Banks Association (IBA) in consultation with other industry participants / bodies and is awaited as on the date of approval of these results. The Bank has however estimated an amount of ₹ 73.17 lakh and has charged the same to its Profit and Loss Account for the year ended March 31, 2021 and is reflected under liabilities in the Balance Sheet as on March 31, 2021. Further, the said amount is debited to Profit and Loss account under the head Provisions and reflected under the “Other liabilities and provision” on liability side of the Balance Sheet. The said liability on finalization of the formula by the Indian Banks Association (IBA) will be credited directly to Advances accounts of the concerned borrowers.

XI. The Government of India, ministry of finance, vide its notifications dated October 23, 2020 and RBI circular No. RBI/2020-21/61 DOR.No.BP.BC.26/21.04.048/2020-21 dated October 26, 2020 announced a scheme for COVID-19 Relief for grant of ex-gratia payment of difference between Compound Interest and Simple Interest for six months to borrowers in specified loan accounts (“the -scheme”), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium as per RBI Regulatory Package was availed or not. The Bank has implemented the scheme and credited the accounts of a remitted amount to the eligible borrowers as per the scheme, amounting to ₹ 39.90 lakh. The Bank has filed its claim for the ex-gratia with State Bank of India as per the scheme and the said amount was received by the Bank on 17.04.2021.

XII. The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on September 29, 2020, which could impact the contributions of the Bank towards certain employment benefits. The effective date from which changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period of notification of the relevant provisions.

6. In terms of RBI Directives following additional disclosures are made :

(₹ In Lakh)

Sr. No.	Particulars	As on 31-03-2021	As on 31-03-2020
1	Capital to Risk Asset Ratio	29.19%	28.51%
2	Movement of CRAR		
	Total Capital Funds	34363.76	31137.51
	Risk Weighted Assets	128878.54	119346.11
3	Investments:		
	a) Book value of investments	95149.42	85210.69
	b) Face value of investments	94815.86	85452.32
	c) Market value of investments	100812.43	89539.17

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

In terms of RBI Directives following additional disclosures are made :

(₹ In Lakh)

Sr. No.	Particulars	As on 31-03-2021	As on 31-03-2020
4	Advances against		
	a) Housing	11377.25	11442.90
	b) Real estate	8055.97	8394.93
	c) Construction Business	0.00	0.00
	d) Shares & debentures	95.95	84.23
5	Advances to directors, their relatives, companies/firms in which they are interested :-		
	a) Fund-based	202.11	281.39
	b) Non-fund based (Guarantees, L/C, etc.)	0.00	0.00
6	Cost of deposits : Average cost of deposits	5.79	6.28
7	Movement in NPAs		
	a) Gross NPAs		
	Opening Balance	1162.67	1385.29
	Add: Additions during the year	978.61	233.51
	Less: Reductions during the year	222.93	456.13
	Closing Balance	1918.35	1162.67
	Gross NPA in % to Gross Advances	1.65%	1.02%
	b) Net NPAs		
	Opening Balance	0.00	0.00
	Add: Additions during the year	0.00	0.00
	Less: Reductions during the year	0.00	0.00
	Closing Balance	0.00	0.00
	Net NPA in % to Gross advances	0.00%	0.00%
8	Profitability :		
	a) Interest income as a percentage of working funds	7.50%	8.02%
	b) Non-interest income as a percentage of working funds	0.48%	0.61%
	c) Operating profit as a percentage of working funds	2.35%	2.31%
	d) Return on Assets	1.53%	1.23%
	e) Business (Deposits + Advances) per employee	945.25	924.62
	f) Operating Profit per employee	18.62	17.38
9	Provisions made towards:		
	a) NPAs	8691.07	8192.90
	b) Depreciation on investments	2449.75	2449.75
10	Movement / Position in Provisions :		
	a) Towards NPAs		
	Opening Balance	8192.90	7722.09
	Add: Additions during the year	530.65	470.81
	Less: Reductions during the year	32.48	0.00
	Closing Balance	8691.07	8192.90
	b) Towards depreciation on investments		
	Opening Balance	2449.75	2449.75
	Add: Additions during the year	0.00	0.00
	Less: Reductions during the year	0.00	0.00
	Closing Balance	2449.75	2449.75
	c) Towards standard assets		
	Opening Balance	639.41	587.23

SCHEDULES TO THE BALANCE SHEET AS ON 31ST MARCH 2021

In terms of RBI Directives following additional disclosures are made :

(₹ In Lakh)

Sr. No.	Particulars	As on 31-03-2021	As on 31-03-2020
	Add: Additions during the year	2.36	52.18
	Less: Reductions during the year	0.00	0.00
	Closing Balance	641.77	639.41
11	Foreign currency assets & liabilities :		
	a) Assets	0.00	0.00
	b) Liabilities	0.00	0.00
12	Bank has deposited premium of ₹ 146.03 Lakh for the period 01-04-2021 to 30-09-2021 with DICGC on 23-04-2021.		
13	Disclosures as required under RBI Notification No: RBI/ 2019-20/220 DOR No BP.BC.63/21.04.048/2019-20 dated April 17th 2020 on COVID-19 Regulatory Package- Asset Classification and Provisioning.		
Sr. No.	Particulars	As on 31-03-2021	As on 31-03-2020
i	Respective amounts in SMA/Overdue Categories where the moratorium/deferment was extended.	6532.90	7272.81
ii	Respective amount where asset classification benefits is extended.	0.00	0.00
iii	Provision made during quarter four for FY 2020 & Quarter one FY 2021 in terms of paragraphs (as on June 30, 2020)	474.82	474.82
iv	Provision adjusted during the respective accounting periods against slippages	264.03	0.00
		0.00	0.00

7. Classification and valuation of Investments:

The Bank has classified the Investments as per the R.B.I. guidelines as under:

I. SLR INVESTMENTS

(₹ In Lakh)

Sr. No.	Particulars	As on 31-03-2021	As on 31-03-2020
(A)	Central & State Government Securities Permanent Category - HTM		
	Face Value	27154.60	19821.20
	Book Value	27218.98	19905.25
	Market Value (Net)	28591.30	21127.67
(B)	Current Category-AFS, HFT		
	Face Value	56310.20	58317.10
	Book Value	56566.62	58688.63
	Market Value (Net)	60064.76	62312.47
	Total (A) + (B)		
	Face Value	83464.80	78138.30
	Book Value	83785.60	78593.88
	Market Value (Net)	88656.06	83440.14

II. NON-SLR INVESTMENTS

(A) Issuer composition of Non SLR Investments

(₹ In Lakh)

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	5818.83	---	---	---
2	FIs	---	---	---	---
3	Nationalized Banks	---	---	---	---
4	Others	5544.99	---	---	---

SCHEDULES TO THE BALANCE SHEET AS ON 31st MARCH 2021

5	Provision held towards Investment Depreciation (₹ 2449.75 Lacs)	---	---	---	---
Total (1+2+3+4)		11363.82	---	---	---

Non-SLR investments have been classified on the basis of "Extent of rated Securities" as per the ratings given by the CRISIL as available from the prospectus at the time of issue and remaining Non-SLR investments are classified as unrated securities.

(B) Non Performing Non-SLR Investments

(₹ In Lakh)

Particulars	F.Y. 2020-21 (Amount)	F.Y. 2019-20 (Amount)
Opening Balance	201.54	---
Additions during the year since 1 st April	---	201.54
Reductions during the above period	---	---
Closing Balance	201.54	201.54
Total Provisions	201.54	201.54

Note: Out of the above investment bank has invested ₹ 200 lakhs in DHFL on which interest aggregating to ₹ 18.10 lakhs due since September 2019 was not served, due to which the investment are classified as non-performing investments.

8. **Current year Profit of ₹ 4046.23 Lakh and unappropriated last year profit of ₹110.83 (P. Y. ₹ 2914.16 Lakh) is proposed to be appropriated as follows (Subject to Approval at Annual General Meeting):**

(₹ In Lakh)

Particulars	2020-21	2019-20
Profit for the year	4046.23	2914.16
Unappropriated last year profit	110.83	0.00
Total	4157.06	2914.16
Appropriation :		
Statutory Reserve Fund	2784.75	2050.16
Unforeseen Losses Reserve	404.62	291.42
Dividend*	107.45	0.00
Education Fund	40.46	29.14
Share holder Benefit Fund	125.00	0.00
Investment Fluctuation Reserve	500.00	250.00
Charity Donation fund	40.46	29.15
Special Reserve U/s. 36(1) (viii) of Income Tax Act, 1961	154.32	153.46
Unappropriated Profit	0.00	110.83
Total	4157.06	2914.16

9. **Details of Repo/Reverse Repo Transactions during the year are as under.**

(₹ In Crore)

Sr. No.	Particulars	Minimum Outstanding during the year	Maximum Outstanding during the year	Daily Average outstanding during the year *	Outstanding as on March 31,2021
Securities Sold Under REPO					
1	Government Securities	0.00	6.00	2.74	0.00
2	Corporate Debt Securities	0.00	0.00	0.00	0.00
Securities Sold Under Tri-Party REPO					
1	Government Securities	0.00	10.00	0.05	0.00
2	Corporate Debt Securities	0.00	0.00	0.00	0.00
Securities Purchase under Reverse Repo					
1	Government Securities	0.00	61.00	29.56	0.00
2	Corporate Debt Securities	0.00	0.00	0.00	0.00

SCHEDULES TO THE BALANCE SHEET AS ON 31ST MARCH 2021

	Securities Purchase under Tri-Party Reverse Repo				
1	Government Securities	0.00	10.00	0.10	0.00
2	Corporate Debt Securities	0.00	0.00	0.00	0.00

- W.e.f. 1-3-2011 The Vepar Vikas Co-Op Bank Ltd, Vadodara had been merged with the bank. As per one of the terms of the merger scheme, year-end outstanding refundable Paid up Share Capital of ₹ 22.36 Lakh (P.Y. ₹ 22.46 Lakh) of merged bank is to be paid back to the shareholders of that bank and hence it is shown as "Share Capital Refundable (VVCB)" under the head of "Other Liabilities" of the bank.
- Management confirms that there was no penalty imposed by RBI during the year.
- Figures are rounded off to the nearest rupee.
- There are no accounts of advances restructured under SME Debt Restructuring Mechanism and other categories during the year.
- Previous year's figures are regrouped and rearranged wherever necessary so as to conform to the layout of the accounts of the current year.

Subject to our attached Report and General Remarks of even date

**For, KANTILAL PATEL & Co.,
Chartered Accountants
Firm Regi. No. 104744W**

**Shri Narendra M. Patel
Chairman**

**Shri Himanshubhai T. Patel
Vice Chairman**

**Shri Vasudev S. Peswani
I/C Chief Executive**

Place: Ahmedabad
Date: 08.06.2021

**Jinal A. Patel
Partner
Membership No. 153599**

PROGRESS CHART

(₹ IN LAKH)

Year	Branches	Share Holders	Share Capital	Reserve Fund	Deposits	Advances	Profit	Working Capital	Dividend %
1966	1	259	1.41	-	5.83	0.31	(Loss) -0.12	7.80	-
1970	2	1094	5.65	1.13	60.67	61.74	0.84	104.50	9
1980	15	3120	43.48	30.85	1044.92	893.76	21.07	1454.69	12
1990	16	4931	98.66	842.17	6067.16	5114.60	151.00	8421.74	12
2000	23	7152	196.06	11203.35	45172.37	20458.62	665.00	63143.72	21
2010	24	16218	872.32	24852.69	55184.16	22963.66	1261.78	87400.91	12
2018	34	16161	1072.24	37300.66	156527.10	87060.51	2955.20	207951.09	12
2019	34	16529	981.86	40422.61	166847.16	106764.58	2952.34	220847.91	12
2020	34	16683	956.41	44093.77	177592.30	113661.44	2914.16	236670.85	12
2021	34	17223	939.73	47594.84	200126.78	116533.41	4046.23	264941.66	12*

(*Proposed)

વ્યક્તિગત સભાસદો માટે શિષ્યવૃત્તિ અને સુરક્ષા યોજના

માનનીય શેર હોલ્ડરશ્રી,

આપશ્રી જાણતાં જ હશે કે, આપણી બેંકમાં હાલમાં બે યોજનાઓ ચાલી રહી છે તો આપશ્રીને આ બે યોજનાઓનો લાભ લેવા વિનંતી છે.

યોજના નં. ૧ એમ્કો બેંક શિષ્યવૃત્તિ યોજના (ફક્ત વ્યક્તિગત સભાસદો માટે):

ધોરણ - ૧૦ તથા ૧૨ ઉપરાંતના કાયદા હેઠળ માન્યતા પ્રાપ્ત બોર્ડ, યુનિવર્સિટી, સેન્ટ્રલ તથા ગવર્નમેન્ટના કાયદા હેઠળ માન્યતા પ્રાપ્ત અભ્યાસક્રમો માટેની શૈક્ષણિક સંસ્થાઓ દ્વારા લેવાતી સ્નાતક તથા અનુસ્નાતક કક્ષામાં તેમજ તેની સમકક્ષ પરીક્ષાઓમાં નક્કી કર્યા મુજબના ટકાવારી સાથે ઉત્તીર્ણ થયેલ વિદ્યાર્થીઓ/સભાસદોને આ યોજના અંતર્ગત નિયમોને આધિન શિષ્યવૃત્તિ રૂપે પુરસ્કાર આપવામાં આવે છે.

યોજના નં. ૨ એમ્કો બેંક સુરક્ષા યોજના (ફક્ત વ્યક્તિગત સભાસદો માટે):

સુરક્ષા યોજના હેઠળ ૧૦ વર્ષ કે તેથી વધુ સમયથી શેર ધરાવનાર વ્યક્તિગત સભાસદનું અવસાન થયેથી તેના કાયદેસરના વારસદારને જરૂરી દસ્તાવેજ કર્યા બાદ અને નિયમોને આધિન સહાનુભૂતિ રૂપે રૂ. ૨૦,૦૦૦/- ચુકવવામાં આવે છે.

ઉપરોક્ત બંને યોજનાઓની વધુ માહિતી માટે શેર રિપોર્ટમેન્ટ, હેડ ઓફિસમાં સંપર્ક કરવા વિનંતી.

ખાસ નોંધ:

બેંકના બાય લો નં. ૨૧(જ) ડી અનુસાર શેર હોલ્ડરે એકાઉન્ટ હોલ્ડર તરીકે બેંકની સેવાઓ લેવાનું ફરજિયાત છે. બેંકની કોઈપણ પ્રકારની સેવા સતત બે વર્ષ સુધી નહીં લેનાર કોઈ પણ શેર હોલ્ડર સભ્ય રહેવાને પાત્ર નથી. આથી બેંકમાં કોઈપણ પ્રકારના ખાતા ન ધરાવતા સભ્યોને તાકીદની વિનંતી કે આપની નજીક અમારી કોઈપણ શાખામાં ખાતા ખોલાવી દેવા અને તેની જાણ શેર રિપોર્ટમેન્ટ, હેડ ઓફિસને કરી જવી. જેથી હવે પછી આપવામાં આવનાર ડિવિડન્ડની રકમ અમો તે ખાતામાં જમા કરી શકીશું અને વિના સંકોચે બેંક તરફથી જાહેર થાય ત્યારે ભેટ પણ આપી શકીશું.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

1) CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

		2020-21		2019-20	
		Amount (₹)		Amount (₹)	
1	Cash Flow From Operating Activities : As per A	1,42,49,93,931		93,47,05,920	
2	Cash Flow From Investing Activities : As per B	(1,52,41,154)		46,36,685	
3	Cash Flow From Financing Activities : As per C	(7,12,64,435)		2,71,79,368	
	TOTAL CASH FLOW	1,33,84,88,342	1,33,84,88,342	96,65,21,972	96,65,21,972
	The above Cash Flow has been reflected in movement of Cash and Cash equivalents as under:				
1	Cash on Hand				
	At the end of the year	12,00,59,609		10,95,46,287	
	At the beginning of the year	10,95,46,287		7,25,30,510	
			1,05,13,322		3,70,15,777
2	Balance with RBI, other Banks and Money at Call & Short Notice				
	At the end of the year	4,37,09,75,929		3,04,30,00,909	
	At the beginning of the year	3,04,30,00,909		2,11,34,94,714	
			1,32,79,75,020		92,95,06,195
			1,33,84,88,342		96,65,21,972

2) WORKING DETAILS FOR CASH FLOW STATEMENT

		2020-21		2019-20	
		Amount (₹)		Amount (₹)	
A	Cash Flow From Operating Activities:				
	Net Profit before tax and extraordinary items as per Profit & Loss Account		62,37,15,117		54,73,81,060
	Adjustment for:				
	Depreciation	1,78,61,775		1,86,01,823	
	(Profit) / loss on Sale of assets	90,267		(1,38,09,090)	
	(Profit) / Loss on Sale of Investments	(4,47,22,815)		(94,75,148)	
	Excess prov. Of I.T. written back	(1,35,04,551)		(65,38,883)	
	Interest on Income Tax	5,25,876		---	
	Advances written off	(32,48,008)		---	
	Rent from Premises	(18,401)		(18,189)	
	Education Fund Paid	29,14,161		29,52,338	
	Premium Amortised On Govt. Securities	26,56,155	(3,74,45,541)	24,07,709	(58,79,440)
	Net increase in Operating profit before changes in operating assets and liabilities		58,62,69,577		54,15,01,620
	Net increase or decrease in Assets				
	(Increase)/Decrease in Advances	(28,71,96,785)		(68,96,85,601)	
	(Increase)/Decrease in Other Assets	(5,07,60,938)		93,84,015	
	(Increase)/Decrease in Investments	(1,09,45,22,734)		16,44,96,281	
	(Increase)/Decrease in Br.Adjustment	(5,65,88,379)		---	
	(Increase)/Decrease in Interest Receivable	(2,42,19,347)		(6,75,47,348)	
			(1,51,32,88,182)		(58,33,52,651)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

		2020-21		2019-20	
		Amount (₹)		Amount (₹)	
	Net increase or decrease in Liabilities				
	Increase/(Decrease) in Deposits	2,25,34,48,470		1,07,45,13,674	
	Increase/(Decrease) in Br.Adjustment	---		(59,748)	
	Increase/(Decrease) in Overdue Interest reserve - OIR (New)	5,14,400		(3,08,896)	
	Increase/(Decrease) in Interest payable	16,11,50,957		1,90,57,728	
	Increase/(Decrease) in Other Liabilities	3,80,90,228	2,45,32,04,055	5,81,28,124	1,15,13,30,882
	Net increase in Assets over Liability		93,99,15,873		56,79,78,231
	Cash generated from Operating Activities		1,52,61,85,449		1,10,94,79,851
	Direct taxes paid (Net of Refund Received)		10,11,91,519		17,47,73,931
	Net Cash generated from Operations		1,42,49,93,931		93,47,05,920
B	Cash flow from Investing Activities :				
	Addition in Fixed Assets	(1,53,18,745)		(1,11,28,932)	
	Loss / (Profit) on Sale of Fixed Asset	---		---	
	Sale of Fixed Asset	59,190		1,57,47,428	
	Rent from Premises	18,401		18,189	
	Net Cash from Investing Activities		(1,52,41,154)		46,36,685
C	Cash flow from Financing Activities :				
	Proceeds from issue of Share Capital	(16,67,850)		(25,44,800)	
	Proceeds from New Borrowing (Net)	---		6,00,00,000	
	Increase / (Decrease) in Reserve	(95,96,585)		(1,98,43,955)	
	Net increase or (decrease) in Borrowing	(6,00,00,000)		---	
	Dividends Paid	---		(1,04,31,877)	
	Net Cash from Financing Activities		(7,12,64,435)		2,71,79,368

TO MEMBERS

- ☞ As per section 15-A of Bye-laws of the Bank a member ceases to be so in the event of his death. In such circumstances the legal heir should return the share of the Bank and get the amount of the same, or legal heir of the deceased share holder should get the shares of the Bank transferred in his name at the earliest, which is legal requirement to get the dividend or the gift.
 - ☞ In case of the change in constitution of the proprietorship or partnership firm it is obligatory to get the shares of the Bank transferred in the name of new firm. It is therefore requested to contact either Share Dept. in the Head Officer or Secretary of the Bank for this purpose.
 - ☞ A person having power of attorney on behalf of any share holder (Individual/Firm) for banking purpose shall have to get the same registered with the Share Dept. in the Head Office without which gift will not be given.
 - ☞ Any change in the address of the member on Bank's record should be notified immediately so as to facilitate the correspondence regarding dividend/gift or any other matter.
 - ☞ The borrowers and the guarantors are liable jointly and severally for the borrowing from the Bank. Every guarantor is fully liable for the total outstanding amount of the borrowing. It is misconception to believe that they are liable to their proportionate share only. Members therefore should shoulder the liability as guarantor keeping in view their financial ability.
 - ☞ Dividend on share is payable up to three years from the concerned year. Thereafter the said amount as per Bye-law is being credited to Reserve Fund. It is requested therefore to receive the dividend regularly.
- ADDRESS :** Share Department, Head Office, Ahmedabad. Phone :079- 26426582/84/88

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