

# The Nasik Merchants Co-operative Bank Ltd., Nashik

(Multi-State Scheduled Bank)



ESTD : 1959

**Audit Class 'A'**

*Partner in your growth  
&  
happiness*

**57<sup>th</sup> Annual Report  
2015-16**

RBI Lic. No.: MH 978 P Dt. 12.08.1988      Multi-State Reg. No.: MSCS/CR/113/2000 Dt. 25.10.2000

**Administrative Office**

A-16, Industrial Estate, Padmashri Babubhai Rathi Chowk, Netaji Subhashchandra Bose Marg, Satpur, Nashik-422 007.  
Phone : 0253 - 2308200 to 2308206, Fax : 0253 - 2353581 E-mail : ceo@namcobank.in Website : www.namcobank.in



Mr. Devendra Fadnavis, Chief Minister, Maharashtra, receiving the cheque of Rs.11 lacs for donation to Chief Minister Relief Fund



Executives of the Reserve Bank of India, Mr. A.K. Sarangi, CGM- Incharge, (left), Mr. Murali Radhakrishnan, Regional Director for Maharashtra & Goa, (right), and Mr. J. B. Bhoria communicating with officers of the bank



Mr. Lalit J. Modi and Mr. Gajanan D. Shelar Ex-Directors witnessed the signing of staff pay agreement by Mr. J. B. Bhorla



Principal Chief General Manager (Retd.), Mr. Bazil Shaikh, RBI interacting with staff members of the bank and Mr. J.B. Bhorla



**J. B. Bhoria**  
Administrator



**Balasaheb Ahire**  
Chief Executive Officer



**Amruta Sathe**  
Assistant General Manager



**Sanghamitra Kale**  
Chief Accountant



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
(Multi-State Scheduled Bank)

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Netaji Subhashchandra Bose Marg, Satpur, Nashik - 422 007

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website : www.namcobank.in

Fax.0253-2353581  
E-mail.: ceo@namcobank.in

**Annual General Meeting Notice**

**The 58<sup>th</sup> Annual General Meeting** of Members of The Nasik Merchants Co-operative Bank Ltd., Nashik will be held on Saturday, 17 September 2016, at 11.30 a.m. under the chairmanship of Mr. J.B. Bhoria, Administrator in the Administrative Office, Satpur, Nashik to transact the following business.

1. To read and confirm the minutes of last AGM held on 5 September 2015.
2. To consider the annual report of the bank for the year 2015-2016.
3. To consider the audited Annual Accounts which consist of Balance Sheet and Profit and Loss Account for the year ended 31 March 2016.
4. To appropriation net profit and approve declaration of 15 % dividend (subject to RBI approval).
5. To approve the extra expenditure incurred over the budget estimate for the year ended 31 March 2016.
6. To approve the expenditure budgeted for the year 2016-2017.
7. To consider the Statutory Audit Report and rectification report on the same for the financial year 2015-2016.
8. To appoint Statutory Auditors for the year 2016-2017 and to authorize Administrator to fix their honorarium and expenditure.
9. To authorize the Administrator to appoint concurrent auditors for the year 2017-2018.
10. To take note of loans granted to directors and their relatives.
11. To consider and approve the changes in the Bye-Laws.
12. To review the utilization of Reserve Fund and other funds for e.g.transfer to DEAF A/C.
13. To take note of 38 lac transferred from charity fund to Reserve fund.
14. To grant leave of absence to those members who could not attend the 58<sup>th</sup> Annual General Meeting.
15. Any other matter with the permission of chair.

**Nashik**  
**Date : 25 August 2016**

By the order of Administrator  
**Balasaheb Narayan Ahire**  
Chief Executive Officer

**Note:**

1. If there is no quorum for the meeting at the appointed time, the meeting shall stand adjourned to 12:00 noon on the same day and the Agenda of the meeting shall be transacted at the same place irrespective of the Rule of Quorum.
2. If any member desires to have any information, he/she may send such request to above address by not later than 9 September 2016, so that the required information may be made available in Annual General Meeting.
3. The members should bring their identity proof to the meeting.
4. The minutes of the AGM held on 5 September 2015 and 57<sup>th</sup> Annual Report would be made available at nearest branch office and at the meeting venue. Same are also available on our website : [www.namcobank.in](http://www.namcobank.in)



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
(Multi-State Scheduled Bank)

Dear Members,

It gives me great pleasure to welcome you to the Annual General Meeting. I feel privileged to present before you the 57<sup>th</sup> Annual Report of our bank for the year ended 31 March 2016.

The progress of our bank continued to be appreciable.

**Performance at a glance**

(amt. ₹ in lacs )

Sr. No.	Particular	31/03/2015	31/03/2016	Increase	Percentage Change
01	Paid up share Capital	4632.94	4868.68	235.74	5.09
02	Reserve Fund	29563.13	33792.19	4229.06	14.31
03	Deposits	138041.17	144827.40	6786.23	4.92
04	Loans and advances	93577.34	93928.72	351.38	0.38
05	Investments	73016.61	84107.84	11091.23	15.19
06	Profit (before tax)	6020.53	6173.09	152.56	2.53
07	Members	175192	1775.21	2329	1.33
08	CRAR	28.32	32.27	---	13.95

As on 31 March 2015, Reserve funds were ₹ 295.63 cr. which increased to ₹ 337.92 cr. in one year. Jump in CRAR and Reserve funds indicates increase in strength and growth of the bank. The public and customers have continued to repose full trust in your bank as is apparent with the increase in deposits. Although the gross NPA was 9.86 %, the 0% Net NPA was maintained.

The cut throat competition is on the increase day by day in banking and financial sector. For the bank and all its stake holders to flourish, we have adopted the policy of transparency and promptness in service, sincerity and personal attention to each and every customer.

**Appropriation of net profit**

(amt. in ₹)

25% Statutory Reserve Fund	10,32,15,960
1 % Educational Fund	41,28,638
10 % Unforeseen Losses	4,12,68,384
Investment Fluctuation Fund	7,00,00,000
20 % Ex-gratia	2,80,00,000
1 % Charity Fund	41,28,638
15% Proposed Dividend	7,16,00,000
Contingency Reserve Fund	9,05,04,216
<b>Total</b>	<b>41,28,63,836</b>

Statutory Audit was completed by the Chartered Accountants M/s.S.N.Kulkarni and Company. They have appreciated the work done by the bank. Our bank is endowed with 'A' class rating by the auditors.



## THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK

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The bank has approached Reserve Bank of India for approval of payment of 15% dividend to share holders for the year 2015-16 which is the maximum rate approved by RBI for the last year.

The performance and functioning of the bank further improved substantially in most of the areas. The Net Profit before Taxes during the year is ₹ 61.73 crores which is the highest in our bank history and a hat-trick; that too after giving incentives / benefits and substantial salary increase to officers and employees of the bank.

The bank has achieved growth in number of Shareholders, Depositors and Borrowers. It achieved 11.94 % growth in CASA deposits in the year 2015-16. Total CASA deposits as at the year end were ₹ 456.51 crores showing an increase of ₹ 48.34 crores.

Previously power to grant advances were concentrated in the hands of Chairman / Board of Directors. It was changed and power to sanction loans up to rupees two lacs was delegated to branch managers. It has positive effect on sanction of advances and efficient customer service.

Internal control over branches has improved. It resulted in overall better impact on functioning of the bank in general.

Recently we have started “Rupay ATM cum Debit Card ” service to the customers. Now customers can do transactions on ATMs, POS machines and online E-Comm payments.

The bank has managed its expenditure very well. Actual expenditure is less than the Budgeted Expenditure.

During the period under review, the bank has generally complied with statutory requirements and norms and regulations laid down by Reserve Bank of India. The real estate exposure has been brought within the permissible limit thus setting right the violation of RBI instructions. The bank has succeeded in providing banking services by reaching to the masses and covering different sections of society.

Your bank has been quite proactive towards environmental and social contribution. It participated in tree plantation drive. As a special service to Sadhus, devotees and public, the bank started mop up of torn, cut, defective and soiled notes and exchanged such pieces against fresh notes at the time of Kumbh Mela in Trimbakeshwar, Mela site in Nashik and in all branches in Nashik. This service is being provided continuously till date. Ours is the only bank in India who has been doing such service on all the working days. We have issued coins also during Kumbh Mela and at other times to the public.

The bank donated ₹ 11 lac to Chief Minister Relief Fund, Maharashtra and ₹ 7 lac to Nashik Dialysis Support Foundation.

Your bank became member of Clearing Corporation of India Limited (CCIL) and Negotiated Dealing System (NDS) and commenced purchase and sale of government securities directly through NDS-OM w.e.f. 31 August 2015 for the first time. Earlier the bank was dependant on Maharashtra State Co-operative Bank in this matter.

The staff was deputed for training programmes, seminars and work shops conducted by Reserve Bank of India, National Payment Corporation of India (NPCI), Banking Codes and Standards Board of India (BCSBI), Nasik Jilha Nagari Sahakari Banks Association, Maharashtra Rajya Sahakari Sangh, College of Agricultural Banking (CAB) of Reserve Bank of India in Pune, NAFCUB and NCCE in New Delhi, DGICM in Nagpur and Amritsar (Punjab) and Indian Institute of Banking Management (IIBM) in Guwahati (Assam). Many training programmes / lectures were also organized in-house for the benefit of staff and officers which enhanced knowledge, skills, confidence and awareness of the staff and resulted in better service to customers. The staff is now motivated and



## THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK

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incentivized to gain knowledge and professional qualifications.

On Republic Day, the bank organized 'Hruday Sampada' talk by an eminent doctor and on Independence Day, 'Hasya Yoga' Shibir was organized for the benefit of employees' health. Practical demonstration of mind concentration power and meditation was also done in our Administrative Office.

With better infrastructure in place, improved calibre of men power, the zeal to perform, good public opinion and a number of other positive factors / developments, your bank is now in a far solid position to make rapid progress.

### **Vote of Thanks**

During the last fifty seven years, the bank's valued members have guided and helped the bank in enabling it to achieve good progress. I place on record the appreciation of contributions made by them, social workers, institutions, sympathizers, customers and a large number of known and not so well known personalities in helping the bank to achieve its goals and enhance its reputation. I place on record gratefulness and sincere thanks to Reserve Bank of India, the Joint Secretary and Central Registrar of Cooperative Societies, New Delhi, Commissioner of Co-operatives and Registrar of Cooperative Societies, Maharashtra State, Pune, Divisional Joint Registrar of Co-operative Societies, Nashik, Nashik District Urban Co-operative Bank Association, Nashik as well as National and State level federations. Sincere thanks to the media, auditors, legal advisors, owners of the land where branches have been set-up, officers and employees of the bank and all others who have always rendered willing co-operation and worthy help.

### **Conclusion**

I am grateful to you for having given me an opportunity to present the bank's progress report for the last year. I am aware that achieving this commendable progress would not have been possible but for sincere and devoted efforts by all of you. I hope that such seasoned guidance would continue to be available from you in a benevolent manner in future also.

With sincere thanks,

**J.B. Bhoria**

Administrator





**INDEPENDENT AUDITORS REPORT**

**(Under section 31 of the Banking Regulations Act, 1949 as applicable to Co-operative Societies & Section 73(4) of Multi-State Co-operative Societies Act, 2002 & Rule 27 of the Multi-State Co-operative Societies Rules)**

**To,**  
**The Members of**  
**The Nasik Merchants Co-operative Bank Ltd.**  
**(Multi-State Scheduled Bank),**  
**Nashik.**

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of The Nasik Merchants Co-operative Bank Ltd. (Multi-State Scheduled Bank) Nashik, which comprise the Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.



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

**Opinion**

In our opinion and to the best of our information and according to explanation given to us the said accounts read together with notes thereon give the information required by the Multi-State Co-operative Societies Act, 2002 and Rules made there under & the Banking Regulation Act, 1949 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in case of Balance Sheet, the state of affairs of the bank as at 31st March, 2016;
- b) in case of Profit & Loss Account, of the Profit for the year ended on that date; and
- c) in case of Cash Flow Statement, Cash Flows for the year ended on that date.

**Report on other Legal & Regulatory Requirements**

- 1. As required under Section 73(4) of the Multi-state Co-operative Act, 2002, & the Banking Regulation Act, 1949, we report that:
  - i. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - ii. In our opinion, proper books of accounts as required by law have been kept by the bank so far as appears from our examination of these books;
  - iii. The Balance Sheet and Profit & Loss Account & the Cash Flow statement dealt with this report are in agreement with the books of accounts maintained by the bank.
  - iv. In our opinion as required by section 30(3) of the Banking Regulation Act, 1949, we further report that the transactions of the Bank, which have come to our notice, have been within the competence of the Bank.
  - v. For the financial year 2015-2016 Audit Classification awarded to Bank is "A" class.
- 2. In addition to Para 1 above, as required by rule 27(2)(d) & (e) of the Multi-State Co-operative Societies Rules, 2002, we further report that:
  - i. In our opinion and according to information & explanations given to us, there has been no material impropriety or irregularity in the expenditure or in the realization of money due to the Bank;
  - ii. In our opinion & according to information & explanations given to us, the guidelines issued by the Reserve Bank of India have generally been adhered to.
  - iii. As required by Rule 27(3)(a) to (f) of the Multi-state Co-operative Societies Rules, 2002, we give in the Annexure, a schedule on the matters specified in that Rule.

**For S. N. Kulkarni & Co.**

Chartered Accountants

**CA. S. N. Kulkarni**

Partner

M.No. 003920

FRN: 105441W

Place: Nasik

Date: 05.07.2016



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
(Multi-State Scheduled Bank)

**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
**BALANCE SHEET AS ON 31 MARCH 2016** (amt. in ₹)

<b>PARTICULARS</b>	<b>Schedule</b>	<b>As on 31 March 2016</b>	<b>As on 31 March 2015</b>
<b>CAPITAL AND LIABILITIES</b>	-	-	-
Capital	1	48,68,68,000	46,32,93,700
Reserves and Surplus	2	3,79,20,82,383	3,37,57,65,536
Deposits	3	14,48,27,40,368	13,80,41,16,853
Borrowings	4	0	0
Bills for Collection (Contra)		9,91,420	22,89,394
Other Liabilities and Provisions	5	99,01,69,821	86,42,41,963
	<b>TOTAL</b>	<b>19,75,28,51,992</b>	<b>18,50,97,07,446</b>
<b>PROPERTY AND ASSETS</b>			
Cash and Balance with RBI	6	80,13,72,225	78,36,59,026
Balance and FDR with other Banks	7	24,57,43,294	59,48,20,049
Money at Call and Short Notice		4,00,00,000	0
Investments	8	8,26,41,93,861	6,89,37,61,161
Advances	9	9,39,28,72,426	9,35,77,33,520
Bills for Collection (Contra)		9,91,420	22,89,394
Fixed Assets	10	9,91,82,860	11,97,38,875
Other Assets	11	90,84,95,906	75,77,05,421
	<b>TOTAL</b>	<b>19,75,28,51,992</b>	<b>18,50,97,07,446</b>
<b>Contingent Liabilities</b>	12	11,58,80,429	10,11,14,360

The Schedules referred to above form an integral part of Balance Sheet.

The Balance Sheet has been prepared in conformity with Form - A of the Third schedule to the Banking Regulations Act, 1949.

As per our report of even date.  
For **S.N.KULKARNI & CO.**  
Chartered Accountants

**Sanghamitra Kale**  
Chief Accountant

**Amruta Sathe**  
Assistant General Manager

**Balasaheb Ahire**  
Chief Executive Officer

**S.N. Kulkarni**  
Membership No. 003920  
**F.R.N.** 105441 W  
Date :- 05/07/2016  
Place :- Nashik.

**J. B. Bhoria**  
Administrator

**For and on behalf of the  
THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK.**



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
(Multi-State Scheduled Bank)

**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016** (amt. in ₹)

PARTICULARS	Schedule	As on 31 March 2016	As on 31 March 2015
<b>I INCOME</b>			
Interest Earned	13	2,02,66,06,324	1,96,06,94,009
Other Income	14	13,22,10,683	15,10,13,016
Profit on Sale of Securites		93,86,600	4,48,60,900
Profit on Sale of Assets		0	1,35,756
	<b>TOTAL</b>	<b>2,16,82,03,607</b>	<b>2,15,67,03,681</b>
<b>II EXPENDITURE AND PROVISIONS</b>			
Interest Paid on Deposits and Overdraft	15	1,09,87,12,726	1,09,91,54,661
Operating Expenses	16	35,67,89,127	35,48,16,836
Provisions	17	9,53,93,022	10,06,79,612
	<b>TOTAL</b>	<b>1,55,08,94,875</b>	<b>1,55,46,51,109</b>
<b>III NET PROFIT - BEFORE TAX</b>		<b>61,73,08,732</b>	<b>60,20,52,572</b>
Less - Provision for Tax		20,75,00,000	18,15,00,000
Less - Provision for Deferred Tax		-30,55,104	11,00,000
Net Profit (Available for Appropriation)	<b>TOTAL</b>	<b>41,28,63,836</b>	<b>41,94,52,572</b>
<b>IV APPROPRIATIONS</b> ( Subject to Approval of A.G.M.)		<b>41,28,63,836</b>	<b>41,94,52,572</b>
Transfer to Statutory Reserve Fund		10,32,15,960	10,48,63,144
Transfer to Education Fund		41,28,638	41,94,526
Transfer to Unforeseen Losses		4,12,86,384	4,19,45,257
Transfer to Charity Fund		41,28,638	41,94,526
Transfer to Investment Fluctuation Fund		7,00,00,000	7,81,90,000
Proposed Dividend		7,16,00,000	8,86,00,000
Ex-Gratia		2,80,00,000	2,18,00,000
Transfer to Contingency Reserve Fund		9,05,04,216	7,56,65,119
	<b>TOTAL</b>	<b>41,28,63,836</b>	<b>41,94,52,572</b>
SIGNIFICANT ACCOUNTING POLICIES	18	-	-
NOTES TO ACCOUNTS	19	-	-

The Schedules referred to above form an integral part of Profit and Loss Account.

The Profit and Loss Account has been Prepared in conformity with From - B of the Third schedule to the Banking Regulations Act, 1949.

As per our report of even date.  
For **S.N.KULKARNI & CO.**  
Chartered Accountants

**Sanghamitra Kale**  
Chief Accountant

For and on behalf of the  
**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK.**  
**Amruta Sathe** Assistant General Manager  
**Balasaheb Ahire** Chief Executive Officer

**S.N. Kulkarni**  
Membership No. 003920  
**F.R.N.** 105441 W  
Date :- 05/07/2016  
Place :- Nashik.

**J. B. Bhoria**  
Administrator



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
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**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31 MARCH 2016 (amt. in ₹)

<b>PARTICULARS</b>	<b>As on 31 March 2016</b>	<b>As on 31 March 2015</b>
<b>SCHEDULE -1</b>	-	-
<b>Capital</b>		
<b>Authorised Share Capital</b>		
17515000 Equity shares of ₹100/- each	1,75,15,00,000	1,75,15,00,000
9940000 Equity shares of ₹ 25/- each	24,85,00,000	24,85,00,000
<b>TOTAL</b>	<b>2,00,00,00,000</b>	<b>2,00,00,00,000</b>
<b>Issued, Subscribed and Paid up Capital</b>		
2383680 (Prev.Yr.2147937)Equity shares of ₹100/- each	23,83,68,000	21,47,93,700
9940000 Equity shares of ₹ 25/- each	24,85,00,000	24,85,00,000
<b>TOTAL</b>	<b>48,68,68,000</b>	<b>46,32,93,700</b>
<b>SCHEDULE -2</b>		
<b>Reserve and Surplus</b>		
Statutory Reserve Fund	1,12,16,55,357	1,01,01,95,812
Dividend Equalisation Reserve	92,72,532	92,72,532
Reserve for Bad and Doubtful Debt (BDD)	53,63,83,945	36,42,83,945
Reserve for BDD- U/S - 36	63,21,07,044	53,71,07,044
Investment Fluctuation Fund	21,00,00,000	13,18,10,000
Building Fund	26,93,84,027	26,93,84,027
Charity Fund	2,67,964	16,73,438
Members Welfare Fund	12,67,958	13,16,671
Contingent Provision Against Standard Assets	5,00,00,000	5,00,00,000
Investment Depreciation Fund	16,28,14,850	16,28,15,000
Reserve for Unforeseen Losses	19,08,28,038	14,88,82,782
Contingency Reserve Fund	19,52,36,832	26,95,71,713
Profit and Loss Account	41,28,63,836	41,94,52,572
<b>TOTAL</b>	<b>3,79,20,82,383</b>	<b>3,37,57,65,536</b>
<b>SCHEDULE -3</b>		
<b>Deposits</b>		
Current Deposits	1,01,77,54,228	86,10,68,288
Saving Deposits	3,54,73,49,279	3,21,07,52,898
Term Deposits	9,91,76,36,861	9,73,22,95,667
<b>TOTAL</b>	<b>14,48,27,40,368</b>	<b>13,80,41,16,853</b>



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
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<b>SCHEDULE - 4</b>		
<b>Borrowings</b>	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>
<b>SCHEDULE - 5</b>		
<b>Other Liabilities and Provisions</b>		
Interest Payable	9,98,57,460	13,41,80,001
Sundry Creditors	1,49,30,400	1,41,59,569
Dividend Payable	66,54,430	67,28,656
Security Deposits	6,59,716	7,34,038
Audit Fees Payable	10,10,300	14,62,950
TDS Payable	47,94,208	0
Outstanding Liabilities	3,50,63,525	2,89,44,838
Overdue Interest Reserve	52,09,64,835	40,09,34,409
Payorders	5,10,11,627	5,01,48,687
Gratuity Payable	1,50,00,000	1,25,00,000
Locker Rent in Advance	3,60,143	4,87,917
Bank Guarantee Fee in Advance	12,76,683	20,25,290
Subsidiary Reserve Fund	1,87,200	0
Provision for Taxes	20,75,00,000	18,15,00,000
Nilkantha Bank Share Capital Payable	19,21,200	19,28,700
Shrirampur Peoples Share Capital Payable	51,53,845	54,70,295
Shrirampur Peoples Staff Payable	4,24,875	4,24,875
Provision for Shrirampur Peoples Staff PF Due	0	45,35,503
LIC of India PM Yojana	4,950	0
Loans Scrutiny Fee	93,000	81,500
Professional Fee Payable	4,00,000	0
Service Tax Payable	1,78,121	98,675
Processing Fee Payable	1,42,09,300	1,34,21,040
SRO Charges Payable	71,779	0
Branch Adjustment	26,71,100	0
Provision for Impaired Assets	44,16,972	40,23,950
CBDT Taxes Payable (Customers)	13,22,152	4,01,270
Staff Security Deposit	32,000	49,800
<b>TOTAL</b>	<b>99,01,69,821</b>	<b>86,42,41,963</b>



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
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<b>SCHEDULE - 6</b>		
<b>Cash and Balance with RBI</b>		
Cash in Hand	17,98,09,789	16,65,09,815
Balance with RBI	62,15,62,436	61,71,49,211
<b>TOTAL</b>	<b>80,13,72,225</b>	<b>78,36,59,026</b>
<b>SCHEDULE - 7</b>		
<b>Balance and FDR with Other Banks</b>		
Balance with Other Banks	13,91,53,294	18,69,20,049
Fixed Deposits in Banks	10,65,90,000	40,79,00,000
<b>TOTAL</b>	<b>24,57,43,294</b>	<b>59,48,20,049</b>
<b>SCHEDULE - 8</b>		
<b>Investments</b>		
Investments in Central Govt. Securities ( S.G.L.form)	7,28,99,13,050	6,19,30,90,200
Investments in State Govt. Securities ( S.G.L. form )	49,91,55,000	37,04,90,000
Investments in Non SLR Bonds and Mutual Fund	47,50,00,000	33,00,00,000
Share of Co-operative Institutions	1,25,000	1,80,150
Other ( One Gold Mohar )	811	811
<b>TOTAL</b>	<b>8,26,41,93,861</b>	<b>6,89,37,61,161</b>
<b>SCHEDULE - 9</b>		
<b>Advances</b>		
Cash-Credit/Hypothication/Overdraft	5,16,83,31,342	4,99,98,63,588
Term Loans	3,59,87,15,165	3,79,38,81,358
Secured by Tangible Assets / Govt.Securities	17,94,82,806	21,73,67,213
Hire Purchase	44,52,26,592	34,44,03,305
Others	11,16,521	22,18,056
<b>TOTAL</b>	<b>9,39,28,72,426</b>	<b>9,35,77,33,520</b>
<b>SCHEDULE -10</b>		
<b>Fixed Assets ( Net Block )</b>		
Land and Buildings	3,02,01,054	3,35,56,724
Plant and Machinery	2,61,69,940	3,04,18,082
Furniture and Fixture	3,25,51,116	3,61,48,575
Vehicles	43,28,583	50,92,338
Library	15,021	17,339
Computer	26,49,127	86,76,551
Software Systems	32,68,019	58,29,266
<b>TOTAL</b>	<b>9,91,82,860</b>	<b>11,97,38,875</b>



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<b>SCHEDULE - 11</b>		
<b>Other Assets</b>		
MSEDCL Deposits	1,13,870	1,13,870
Sundry Debtors	5,91,912	12,50,367
Stock of Stationery	31,62,470	36,90,872
Stock of Stamps	2,26,915	2,20,322
Locker Rent Receivables	3,10,409	2,44,768
Advance Income Tax and TDS	21,66,98,584	17,49,91,469
Interest Receivable on Investment	12,15,14,209	10,96,16,196
Interest Receivable on Loans	52,09,64,835	40,09,34,409
Prepaid Expenses	15,66,104	46,25,926
Security Deposit For Premises	56,13,693	56,16,833
Shrirampur People's Staff Receivable	0	45,35,503
Branch Adjustment Account	0	1,63,16,960
Pan Stamps	16,770	20,974
Advance Income Tax Refund	39,43,210	39,43,210
Premium Paid on HTM Securities	2,24,19,600	2,81,21,200
Security Guarantee Fee	61,00,000	1,00,000
Deposit Education and Awareness Fund	6,44,626	18,18,948
Deferred Tax Assets	44,98,698	14,43,594
Other Income Receivable	1,10,000	1,00,000
<b>TOTAL</b>	<b>90,84,95,906</b>	<b>75,77,05,421</b>
<b>SCHEDULE - 12</b>		
<b>Contingent Liabilities</b>		
Bank Guarantees	11,58,80,429	10,11,14,360
<b>TOTAL</b>	<b>11,58,80,429</b>	<b>10,11,14,360</b>
<b>SCHEDULE - 13</b>		
<b>Interest Earned</b>		
Loans and Advances	1,28,39,25,293	1,33,98,80,856
Investments	73,54,76,620	61,35,69,950
NPA Write Off	68,88,502	72,36,322
Other Interest	3,15,909	6,881
<b>TOTAL</b>	<b>2,02,66,06,324</b>	<b>1,96,06,94,009</b>





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<b>SCHEDULE - 14</b>		
<b>Other Income</b>		
Cash Handling Charges	19,96,566	21,28,043
Commission and Exchange	19,26,485	27,84,889
Commission on RTGS and NEFT	23,06,566	21,76,373
Share Transfer Fees	4,837	5,653
Guarantee Fees	23,85,493	17,63,017
Incidental Charges	1,96,01,153	2,36,94,674
Locker Rent Received	43,63,447	42,06,143
Service Charges	1,29,830	1,50,900
Custody Charges	25,12,196	25,16,598
Other Income	11,21,661	12,03,078
Referral Fee	9,82,489	13,61,419
Processing Fees	1,84,87,797	91,52,840
Commission on P.M. Yojana	83,320	0
Commission on Franking Stamp	0	14,946
Commission on Stamp and Pan Stamp	23,940	18,544
Commission on Letter of Credit	17,200	37,090
Dividend on Mutual Fund	0	3,84,47,551
Dividend on Co-op. Banks Share	12,500	45,28,694
Short Term Gain on Mutual Fund	4,88,14,573	3,63,44,356
CBDT Charges	1,07,587	1,06,577
Principal Recovered in Written off NPA Accounts	33,53,038	49,62,693
Service Charges on Franking Stamp	0	85,365
Loan Renewal Charges	16,77,990	0
ATM Charges Received	1,05,90,075	80,63,046
Commitment Charges	1,17,11,940	72,60,527
<b>TOTAL</b>	<b>13,22,10,683</b>	<b>15,10,13,016</b>
<b>SCHEDULE - 15</b>		
<b>Interest Paid</b>		
On Deposits	96,37,84,658	97,51,51,997
On Overdrafts	57,804	30,905
On Govt. Security	13,48,70,264	12,38,20,500
On Others	0	1,51,259
<b>TOTAL</b>	<b>1,09,87,12,726</b>	<b>1,09,91,54,661</b>



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<b>SCHEDULE -16</b>		
<b>Operating Expenses</b>		
Salaries and Allowances	23,24,00,159	17,56,73,912
Staff Training	3,68,755	2,87,916
Travelling Expenses	16,84,816	18,63,706
Institutional Membership Fees	5,99,346	10,08,614
Clearing House Charges	10,69,716	15,10,989
Other Charges	42,99,911	47,94,231
Postage and Telephone	70,55,086	36,32,829
Printing and Stationery	43,59,960	38,59,921
Advertisement	2,99,423	4,60,680
Commission Paid	1,26,843	3,31,898
Legal Charges	42,76,510	23,36,915
Audit Fee	17,87,852	17,82,401
Depreciation	2,31,17,855	2,77,84,414
Repairs and Maintenance	61,31,244	68,95,490
Rent, Rate and Taxes	1,67,17,652	1,61,50,847
Insurance	1,50,33,153	1,39,32,576
Electricity Charges	1,09,78,694	86,12,573
Water Charges	1,93,719	2,48,726
Vehicle Expenses	14,64,062	15,69,160
Amortization on Investment	58,31,600	59,63,500
Locker Rent and Custody Charges Paid	24,304	18,591
Service Tax Paid	1,30,68,810	1,00,83,313
Swachha Bharat Cess	97,669	0
Network Usage Charges	28,81,831	29,59,906
Rebate on Advances	-91,09,053	5,45,54,648
E Token Charges	58,082	6,288
RTGS Charges	1,25,120	1,02,611
Professional Fees	32,10,379	21,16,595
ATM Charges Paid	50,97,939	48,10,052



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Penalty Paid of F.Y. 2012-13	5,00,000	5,00,000
Staff Relief Expenses	40,000	20,000
Diesel Charges paid for Generator	4,15,089	2,62,063
CTS Charges	0	7,814
CCIL Charges	1,61,756	0
Income Tax Paid to Government	24,20,547	6,65,891
Cash Handling Charges Paid	300	7,768
<b>TOTAL</b>	<b>35,67,89,127</b>	<b>35,48,16,836</b>
<b>SCHEDULE - 17</b>		
<b>Provisions</b>		
Special Bad Debts Reserve U/S 36 (1)	9,50,00,000	9,52,00,000
Provision for Impairment of Assets	3,93,022	9,44,109
Provision for Shrirampur Peoples Staff PF Due	0	45,35,503
<b>TOTAL</b>	<b>9,53,93,022</b>	<b>10,06,79,612</b>

**SCHEDULE - 18**

**SIGNIFICANT ACCOUNTING POLICIES**

**A) ACCOUNTING CONVENTION**

The financial statements have been drawn up keeping in mind the historical cost and going concern concept and in accordance with the generally accepted accounting practices and practices prevailing in the Co operative Banks in India except as otherwise stated.

**B) INVESTMENTS**

The bank has classified its entire investments portfolio held on 31.03.2016 as per the guidelines of the RBI in the following two categories viz. Held to Maturity (HTM) and Available for Sale (AFS). Further in compliance with said directives, valuation in these categories have been done as follows -

- a) Held To Maturity - Investments under this category are carried at acquisition cost unless it is more than face value in which case the premium is amortized over the remaining period of investments. The premium paid on Investment is shown under the head "Other Assets" as per the guidelines of R.B.I.
- b) Available For Sale - Investments under this category are valued at the market rate on yearly basis and net depreciation, if any, is provided while net appreciation, if any, has been ignored. The book value of the individual script is not changed after revaluation during the year.
- c) For arriving at market value Central Govt. securities are valued at market rates declared by RBI. State Govt. securities and other approved securities are valued as per methodology suggested by FIMMDA.
- d) Valuation of shares of Co - operative societies are taken at cost.
- e) In respect of securities included in any of the above two categories, where interest/principal is in arrears for more than 90 days, income is not recognized by the bank and appropriate provision on the value of such investments is suggested by the auditors considering the prudential norms laid down by the R.B.I.



**C) ADVANCES**

- a) Advances are classified on the basis of asset classification and provisioning requirement under the IRAC norms laid down by RBI. Advances shown in the Balance Sheet are net of unrealized interest.
- b) The overdue interest in respect of advances classified as non performing is provided under Overdue Interest Reserve as per the directives issued by the RBI.
- c) In respect of consortium advances the borrowal accounts are classified as per the performance of the account with the bank.

**D) NON PERFORMING ASSETS**

- a) In terms of guidelines of RBI, advances are classified as "Performing Assets" based on recovery of principal / interest. NPAs are categorized as Sub standard, Doubtful and Loss assets for the purpose of provision. Provision for Standard Asset is credited to "Contingent Provision Against Standard Asset".
- 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 directives UBD (PCB). Cir No. 30/09.11.600/06-07 dated Feb. 19<sup>th</sup> 2007.

**E) FIXED ASSETS :**

Fixed Assets are stated at cost of acquisition less depreciation till date.

**F) DEPRECIATION**

- a) Depreciable Assets are depreciated on Written Down Value Method except computer and software.
- b) Depreciation is provided on Machinery and Vehicles at 15%, Buildings and Furniture at 10% under Written Down Value Method and on Computer and Software at 33.33% on Straight Line Method.
- c) Depreciation on Fixed Assets purchased during the year is charged for the entire year, if the asset is acquired and put to use for more than 180 days. Otherwise it is charged at half of the depreciation.
- d) No depreciation is charged on Fixed Assets sold / discarded during the year.

**G) REVENUE RECOGNITION (AS - 9)**

- a) Items of income and expenditure are generally accounted on accrual basis except otherwise stated.
- b) Insurance claim and dividend on investment in shares are recognized on cash basis.
- c) Income on NPAs is recognized to the extent realized as per the directive and the prudential norms issued by the RBI.
- d) In case of compromise and settlement proposals, the write off is done on complete realization basis.
- e) Interest on fixed income securities is recognized on accrual basis in case it is serviced regularly.

**H) RETIREMENT BENEFITS TO EMPLOYEES (AS - 15)**

- a) The liability towards gratuity is assessed by LIC on actuarial basis during the year and the same is fully provided for by way of paying premium to LIC.
- b) The bank's contribution towards provident fund are charged against the revenue every year.

**I) TAXATION**

- a) Tax expenses comprise both deferred and current taxes. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- b) Deferred tax is measured based upon the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.
- c) Deferred tax assets / liabilities are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets/ liabilities can be realised.
- d) Deferred tax is calculated @ 34.608% i.e., including surcharge at 12%.

**SCHEDULE - 19**

**NOTES TO ACCOUNTS**

**I) RECONCILIATION**



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Reconciliation of entries outstanding has been done up to 31.03.2016 in case of inter bank accounts Elimination of entries outstanding in Inter Bank accounts with other banks and in inter branch accounts viz. drafts, suspense, branch adjustments, clearing transactions, fund transfers, sundry creditors, etc. are done.

Segregation of debit and credit entries in Inter Branch Account pertaining to the period up to 31.03.2016 has been done in terms of Reserve Bank of India's guidelines. The resultant figure is net balance. In the opinion of the bank, consequential effect of the above on the revenue/assets/liabilities of the bank is not material.

**II) PENALTY**

No Penalty is levied by the Reserve Bank of India for the 2015-16. However, The Reserve Bank of India has imposed monetary penalty of ₹5 lac on the Bank under section 47A (1) (b) of the Banking Regulation Act, 1949. (AACCS) read with section 46 (4) of the Act for violating Reserve Bank of India's guidelines by the bank during the period from 01.04.2012 to 31.03.2013.

**III) COMPLIANCE WITH ACCOUNTING STANDARDS**

- a) There are no material prior period items included in the Profit and Loss Account required to be disclosed as per AS - 5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" issued by the I.C.A.I. read with the Reserve Bank of India's guidelines.
- b) The Fixed Assets are not shown in accordance with the Accounting Standard 6 (AS 6) and Accounting Standard 10 (AS 10) as issued by the Institute of Chartered Accountants of India.

**IV) DEFERRED TAXES**

Deferred Tax is recognized subject to consideration of prudence, on timing difference, representing the difference between taxable income and accounting income that originated in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date

**V) BAD AND DOUBTFUL DEBT PROVISIONING**

Total provision of ₹ 3295.50 lac is required for NPAs in line with RBI guidelines as on 31.03.2016. Bank has sufficient provision to cover the same.

**VI) CONTINGENT LIABILITIES**

There are Contingent Liabilities on account of the following	<b>31.03.2016</b>	<b>31.03.2015</b>
Bank Guarantees	<b>11,58,80,429</b>	<b>10,11,14,360</b>

**VII) CLAIMS AGAINST THE BANK**

Claims against the bank regarding the suit filed by the borrowers, employees under various status etc. amount is not ascertainable. Bank has not considered these items as tenable in court of law on the basis of opinions of advocates and hence, not recognized as debts.



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**VIII) ADDITIONAL DISCLOSURE OF INFORMATION AS PER RBI CIRCULAR NO. UBD. CO.BP.PCB. 20/16.45.00/2002-03 DATED 30.10.2002**

(₹ in lacs)

Sr.No.	PARTICULARS	31 March 2016	31 March 2015
<b>1</b>	<b>Capital to Risk Asset Ratio</b>	-	-
	a) Capital Adequacy Ratio - Tier 1 Capital	25690.94	24600.25
	b) Capital Adequacy Ratio - Tier 2 Capital	3219.79	2514.86
<b>2</b>	<b>Movement of CRAR for Two Year</b>	32.27%	28.32%
<b>3</b>	<b>Investments/ State Govt and Other Approved Securities</b>	-	-
	a) Book Value	77890.68	65635.80
	b) Face Value	77551.60	65271.60
	c) Market Value	78733.46	66465.17
<b>4</b>	<b>Advances Against</b>		
	Real Estates Construction Business and Housing	7796.38	11165.74
<b>5</b>	<b>Advances against Shares and Debentures</b>	0.00	0.00
<b>6</b>	<b>Advances to Directors, their Relatives, Companies /Firms in which they are interested</b>		
	a) Fund Based	0.00	0.00
	b) Non-fund Based	0.00	0.00
<b>7</b>	<b>Average Cost of Deposits</b>	6.90%	7.46%
<b>8</b>	<b>NPAs</b>		
	a) Gross NPAs	9265.02	4515.85
	b) Net NPAs	0.00	0.00
<b>9</b>	<b>Movement in NPAs</b>		
	Percentage of Gross NPA to Total Advances	9.86%	4.83%
	Percentage of Net NPA to Net Advances	0.00%	0.00%
<b>10</b>	<b>Profitability</b>		
	a) Interest income as a percentage of Working Funds	10.54%	10.83%
	b) Non-interest income as a Percentage of Working Funds	0.75%	1.08%
	c) Operating Profit as a Percentage of Working Funds	3.88%	3.87%
	d) Return on Assets	2.15%	2.32%
	e) Business (Deposits + Advances) per employee	422.58	395.93
	f) Profit per employee	7.31	7.17



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Sr.No.	PARTICULARS	31 March 2016	31 March 2015
11	Provision Made towards NPAs	953.93	1006.80
12	Movement in Provisions		
	a) Towards NPAs	950.00	952.00
	b) Towards Deprecation on Investments	0.00	0.00
	c) Towards Standard Assets	0.00	0.00
	d) Towards Impaired Assets	3.93	54.80
13	Foreign Currency Assets/Liabilities	NIL	NIL

**IX) 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	PSUs	0.00	0.00	0.00	0.00
2	FIS	0.00	0.00	0.00	0.00
3	Public Sector Banks	0.00	0.00	0.00	0.00
4	Mutual Funds	4750.00	0.00	0.00	0.00
5	Provisions held towards depreciation	0.00	0.00	0.00	0.00
	Total	4750.00	0.00	0.00	0.00

**ii) Non-Performing Non-SLR Investments**

(₹ in lacs)

Particulars	Amount
Opening balance	NIL
Additional during the year since 1 <sup>st</sup> April	NIL
Reductions during the above period	NIL
Closing balance	NIL
Total provisions held	NIL



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**X) "Segmental Reporting" (AS - 17)**

The bank has recognized the business segments as the primary reporting segments (viz. banking operations and treasury operations) and geographical segments as secondary segments (viz. domestic segment only, since the bank does not have any overseas branch) in accordance with AS - 17.

**Business Segments**

The Bank has identified two business segments, viz. treasury and other banking operations. Interest and other cost have been allocated to the segments on a reasonable basis.

(₹ in lac)

SR. NO.	PARTICULARS	SEGMENTS				TOTAL	
		Treasury		Other Banking Operations		31.3.2016	31.3.2015
		31.3.2016	31.3.2015	31.3.2016	31.3.2015		
1	Revenue	6099.94	5346.10	14233.40	14982.73	20333.34	20328.83
2	Segment Expenses	3961.86	3498.05	9244.46	9803.46	13206.32	13301.51
3	Result	2138.08	1848.05	4988.94	5179.27	7127.02	7027.32
4	Provisions (Net)	0.00	0.00	923.38	1017.80	923.38	1017.80
5	Profit Before Tax	2138.08	1848.05	4065.56	4161.47	6203.64	6009.52
6	Income Tax	0.00	0.00	0.00	0.00	2075.00	1815.00
7	Net Profit	2138.08	1848.05	4065.56	4161.47	4128.64	4194.52
8	Segment Assets	83041.94	68937.61	112225.26	114332.79	195267.20	183270.40
9	Unallocated Assets	0.00	0.00	0.00	0.00	2251.41	1803.79
10	Total Assets	0.00	0.00	0.00	0.00	197518.61	185074.19
11	Segment Liabilities	64919.73	54492.67	87734.38	90375.92	152654.11	144868.59
12	Unallocated Liabilities	0.00	0.00	0.00	0.00	2075.00	1815.00
13	Shareholder's Funds	0.00	0.00	0.00	0.00	42789.50	38390.60
14	Total Liabilities	0.00	0.00	0.00	0.00	197518.61	185074.19

Unallocated Assets amounting to ₹2251.41 lacs represent the Tax Amount (Advance Tax paid, Income Tax Refund and Deferred Tax Assets) and unallocated liabilities amounting ₹2075 lacs represents Provisions for the current year tax which cannot be specifically allocated segment wise. Therefore these figures are directly shown in total column of Segment reporting.





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**XI) Cash Flow Statement (AS 3) :-**

Cash Flow Statement has been prepared by the Bank in accordance with the 'AS 3' Cash Flow Statement, as per "Indirect Method" as prescribed by the Institute of Chartered Accountants of India.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016** (₹ in lacs)

Sr.No.	PARTICULARS	Year ended 31 March 2016	Year ended 31 March 2016
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		-
	<b>Net Profit as per Profit and Loss A/C</b>		4128.64
	<b>Add: Adjustment for :</b>		
	Provision for Income Tax	2075.00	
	Provision for Deferred Tax	(30.55)	
	Provision for BDDR	950.00	
	Amortisation of Premium on Securities	58.32	
	Provision for Impaired Assets	3.93	
	Depreciation on fixed assets	231.18	3287.88
	<b>Less :</b>		
	Profit on Sale of Security	(93.87)	
	Shares Transfer Fees	(0.05)	
	Dividend received from Mutual Fund / Co- operative Bank shares	(0.13)	
	Short term Capital Gain	(488.15)	
	Interest Earned on Investments	(7354.77)	(7936.96)
	<b>Adjustments for :</b>		
	Amount Charged to Reserve		
	Net Increase / (decrease ) in Deposits	6786.24	
	Net Increase / (decrease) in Other Liabilities and Provisions	1212.88	
	Net (Increase) / decrease in Advances	(351.39)	
	Net (Increase) / decrease in Other Assets	(1419.04)	
	Cash Generated from Operations	6228.69	
	Income Tax Paid	(1839.21)	4389.48
	<b>Cash Generated from Operating Activities (A)</b>		<b>3869.03</b>
	Cash Flow from Investing Activities		
	Interest Earned on Investments	7354.77	
	Dividend received from Mutual Funds/ Co-operative Banks Share	0.13	
	Net Increase in Investment	(13704.33)	
	Purchase of Assets	(25.62)	
	Proceeds from Disposal of Fixed Assets		
	<b>Cash Generated from Investing Activities (B)</b>		<b>(6375.06)</b>



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Sr.No.	PARTICULARS	Year ended 31 March 2016	Year ended 31 March 2016
<b>C</b>	<b>Cash Flow from Financing Activities</b>	235.74	
	Increase in Share Capital	0.05	
	Share Transfer Fees Received	(643.41)	
	Dividend paid during the Year		
	<b>Cash Generated from Financing Activities (C)</b>		(407.62)
<b>D</b>	<b>Net Increase in Cash and Cash Equivalent during the Year (D)=(A+B+C)</b>		(2913.64)
<b>E</b>	<b>Cash and Cash Equivalent at beginning of the Year</b>	7836.59	
	Cash and Balance with RBI	5948.20	
	Balance and FDR with other Banks	-	
	Money at Call and Short Notice		
	<b>Cash and Cash Equivalent at beginning of the Year (E)</b>		13784.79
<b>F</b>	<b>Cash and Cash Equivalent at end of the Year</b>	8013.72	
	Cash and Balance with RBI	2457.43	
	Balance and FDR with other Banks	400.00	
	Money at Call and Short Notice		
	<b>Cash and Cash Equivalent at end of the Year F=(D)+(E)</b>		10871.15

**xii) Previous Years Figures**

Figures of the Previous Years have been rearranged / regrouped where ever necessary so as to make the comparison meaningful.

As per our report of even date.  
For **S.N.KULKARNI & CO.**  
Chartered Accountants

**For and on behalf of the**  
**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK.**

**Sanghamitra Kale**  
Chief Accountant

**Amruta Sathe**  
Assistant General Manager

**Balasaheb Ahire**  
Chief Executive Officer

**S.N. Kulkarni**  
Membership No. 003920  
**F.R.N. 105441 W**  
Date :- 05/07/2016  
Place :- Nashik.

**J. B. Bhoria**  
Administrator



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
(Multi-State Scheduled Bank)

**BUDGET FOR THE FINANCIAL YEAR 2016-2017**

<b>SR. NO.</b>	<b>INCOME</b>	<b>BUDGET FOR 2015-16</b>	<b>ACTUAL AS ON 31 MARCH 2016</b>	<b>BUDGET FOR 2016-17</b>
01	Interest Received on Loans	150,00,00,000.00	130,02,38,757.65	150,00,00,000.00
02	Interest Received on Investment	65,00,00,000.00	73,54,76,619.72	90,00,00,000.00
03	Commission and Exchange	1,00,00,000.00	43,57,510.71	50,00,000.00
04	Short Term Gain on Mutual Fund	3,00,00,000.00	4,88,27,073.48	5,00,00,000.00
05	Write off NPA Principal Recover	1,00,00,000.00	33,53,038.25	50,00,000.00
06	Profit In Investment Turnover	3,00,00,000.00	93,86,600.00	3,30,00,000.00
07	Other Income	8,50,00,000.00	7,87,28,165.05	9,00,00,000.00
	<b>Total</b>	<b>231,50,00,000.00</b>	<b>218,03,67,764.86</b>	<b>258,30,00,000.00</b>

<b>SR. NO.</b>	<b>EXPENDITURE</b>	<b>BUDGET FOR 2015-16</b>	<b>ACTUAL AS ON 31 MARCH-16</b>	<b>BUDGET FOR 2016-17</b>
01	Interest Paid	120,00,00,000.00	109,87,12,726.21	135,00,00,000.00
02	Salaries and Allowances	19,00,00,000.00	23,24,00,159.15	25,00,00,000.00
03	Staff Training Account	20,00,000.00	3,68,755.00	60,00,000.00
04	Commision Paid	5,00,000.00	1,26,842.79	5,00,000.00
05	Directors Meeting Allowances	5,00,000.00	0.00	5,00,000.00
06	Directors/Administrator Training	5,00,000.00	0.00	5,00,000.00
07	Audit Fee Paid	25,00,000.00	17,87,852.00	25,00,000.00
08	Legal Charges and Fees	40,00,000.00	42,76,510.00	50,00,000.00
09	Professional Fees	30,00,000.00	32,10,379.00	40,00,000.00
10	DICGC Premium	1,90,00,000.00	1,43,78,700.92	1,80,00,000.00
11	Printing and Stationery	50,00,000.00	43,59,960.02	50,00,000.00
12	Rent,Rates, Taxes and Insurance	3,50,00,000.00	3,09,65,064.19	3,50,00,000.00
13	Postage and Telephone	50,00,000.00	70,55,085.50	80,00,000.00
14	Vehicle Expenses	30,00,000.00	14,64,062.00	25,00,000.00
15	Repairs and Maintainance	1,00,00,000.00	61,31,243.75	80,00,000.00
16	Depreciation	3,00,00,000.00	2,31,17,855.48	4,00,00,000.00
17	Advertisement	2,00,00,000.00	2,99,423.00	1,60,00,000.00
18	Other Expenses	2,00,00,000.00	1,41,74,046.78	2,00,00,000.00
19	Service Tax	1,60,00,000.00	1,30,68,810.09	1,65,00,000.00
20	Amortization on Investment	60,00,000.00	58,31,600.00	60,00,000.00
21	Network Usages Charges	60,00,000.00	28,81,831.00	40,00,000.00
22	Provisions	11,00,00,000.00	9,53,93,022.00	10,00,00,000.00
23	Net Profit Before Tax	62,70,00,000.00	62,03,63,835.98	68,50,00,000.00
	<b>Grand Total</b>	<b>231,50,00,000.00</b>	<b>218,03,67,764.86</b>	<b>258,30,00,000.00</b>



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
(Multi-State Scheduled Bank)

**Excess Expenses Over Budget During The Financial Year 2015-2016**

Sr. NO.	EXPENDITURE	BUDGET FOR 2015-16	ACTUAL AS ON 31 MARCH-16	EXPENSES OVER BUDGET FOR-2015-16
01	Salaries and Allowances	19,00,00,000.00	23,24,00,159.15	4,24,00,159.15
02	Legal Charges and Fees	40,00,000.00	42,76,510.00	2,76,510.00
03	Professional Fees	30,00,000.00	32,10,379.00	2,10,379.00
04	Postage and Telephone	50,00,000.00	70,55,085.50	20,55,085.50
	Grand Total	20,20,00,000.00	24,69,42,133.65	4,49,42,133.65

**PROGRESS AT A GLANCE**

(Amount in Thousand)

Sr.No.	Year	Members	Share Capital	Deposits	Advances	Working Capital	Net Profit Or Loss	Audit Class
1	1959-1960	316	89	500	501	979	-2	--
2	1969-1970	814	227	3177	2903	4467	36	A
3	1979-1980	7234	2473	55078	41127	63939	1115	A
4	1989-1990	57330	19681	477098	366495	605689	16018	A
5	1999-2000	131670	106964	3392025	2256968	4416316	124554	A
6	2000-2001	132229	120167	3902844	2766308	4992851	109882	A
7	2001-2002	132591	130295	4428362	2897421	5660288	125718	A
8	2002-2003	137065	137125	4691202	2812783	6040268	37809	A
9	2003-2004	137959	144941	5035703	2658892	6573247	54309	A
10	2004-2005	138057	146797	4260629	2363797	5895312	69081	A
11	2005-2006	137540	153060	4476209	2266265	6344465	72709	A
12	2006-2007	137228	156086	4698351	2183958	6733673	40348	A
13	2007-2008	137395	166085	5170147	2396231	7469122	82930	A
14	2008-2009	146112	193908	5701860	3226433	8695822	126088	A
15	2009-2010	155204	223759	7135161	3697714	9624174	173473	A
16	2010-2011	159156	258458	8057455	4852104	10760357	194621	A
17	2011-2012	164910	299728	10142886	6805859	13060437	205596	A
18	2012-2013	170869	364836	14014882	9103915	17539534	251974	A
19	2013-2014	173422	430374	12219724	9440274	16060099	351580	A
20	2014-2015	175192	463294	13804117	9357734	18106484	419453	A
21	2015-2016	177521	486868	14482740	9392872	19230896	412864	A



**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**  
(Multi-State Scheduled Bank)

**THE NASIK MERCHANTS CO-OPERATIVE BANK LTD., NASHIK**

**ANNEXURE:- "A"**

<b>Name of Bank</b>	:	The Nasik Merchants Co-op. Bank Ltd., Nashik (Multi State Scheduled Bank)
<b>Address of Administrative Office</b>	:	A-16, Industrial Estate, Padmshree Babubhai Rathi Chowk, Netaji Subhashchandra Bose Marg, Satpur, Nashik- 422007
<b>Registration Number and Date</b>	:	MSCS/CR/113/2000 Dt. 25.10.2000
<b>RBI Licence Number and Date</b>	:	MH 978 P Dt.12.08.1988
<b>Jurisdiction</b>	:	Whole Maharashtra State, Ahmedabad and Surat in Gujarat State, Hyderabad in Telangana State, Indore in Madhya Pradesh State and Delhi State.
<b>No of Branches including HO</b>	:	81
<b>Membership</b>	:	Regular - 177521 Nominal - 21457

**FINANCIAL STATUS OF BANK AS ON DATE 31 MARCH 2016**

(₹ in lacs)

S.N.	PARTICULARS	31 MARCH 2016	
1	Paid up Share Capital		4868.68
2	Total Reserve Fund		33792.19
3	Total Deposit		144827.40
	a) Saving	35473.49	
	b) Current	10177.54	
	c) Fixed	99176.37	
4	Total Loan		93928.72
	a) Secured	90173.02	
	b) Unsecured	3755.70	
5	Total % of Priority Sector		41.39%
6	Total % of Weaker Sector		10.41%
7	Investment		84107.84
8	Gross NPA		9.86%
9	Net NPA		0.00%
10	Net Profit		4128.64
11	Percentage of Overdues		3.43%
12	Working Capital		192308.96
13	No of Staff		565
	Sub Staff	120	
	Other Staff	445	



**AMENDMENTS IN THE BYE-LAWS**

<b>Bye-Law No.</b>	<b>Existing Bye-Law</b>	<b>Bye-Law after amendment</b>	<b>Reasons for amendment</b>
01	<b>Name :</b> The name of the bank shall be " The Nasik Marchants co-operative Bank Ltd., Nashik" hereinafter referred to as the Bank	<b>Name :</b> The name of the bank shall be "Namco Bank Ltd." hereinafter referred to as the Bank.	The customers and common people call the bank as "Namco Bank" since long time. it is easy to understand, remember and speak. It is now a days trend to have smaller names. Moreover, customers and share holders have expressed their desire to rename our bank as "Namco Bank."
02	<b>Area of Operation :</b> The area of operation of the Bank will be Maharashtra State, Surat and Ahmedabad in Gujarat State, Indore in Madhya Pradesh State. Delhi State and Hyderabad in Andhra Pradesh State. The Bank may extend its operations beyond the above referred states with prior approval of Reserve Bank of India and Central Registrar of Co-operative Societies.	<b>Area of Operation :</b> The area of operation of the Bank will be states of Maharashtra, Madhya Pradesh, Gujarat, Delhi/New Delhi and Telangana.	It is necessary for expansion of branch network to tap the business opportunities and to reach upto maximum people. One branch of the bank is already in Telangana after bifurcation of the state of Andhra Pradesh.
03	<b>Maximum Borrowing Power :</b> The Bank shall be eligible to receive deposits and loans from members and others up to ten times of the subscribed share capital plus accumulated reserves minus accumulated losses, if any.	<b>Borrowing Power :-</b> The Bank shall be eligible to receive deposits and loans from members and others subject to the instructions/ guidelines of the Reserve Bank of India and the policy of the Bank.	The Bank will be able to manage its assets and liabilities more effectively, The change is necessary in view of ever expanding Indian economy, expansion of the Bank's balance sheet and to be in tune with the vast and increasing reach of banking system and developments in financial market.



Esteemed Share holders participating in the 57 th Annual General Meeting



Mr. J.B. Bhorla with Bank officials on the occasion of Hasyayog Shibir held on Independence Day



Mr. J.B. Bhoria with sadhus and bank officials at the inauguration of exchange of soiled notes special service to sadhus, devotees and public at the time of Kumbha Mela in Sadhugram, Nashik



Chief General Manager Mr. S. N. Panda (centre) & Dy. General Manager, Mr. Rahul R. Kamble (left), of RBI, Belapur, Navi Mumbai addressed the staff and officers of our bank

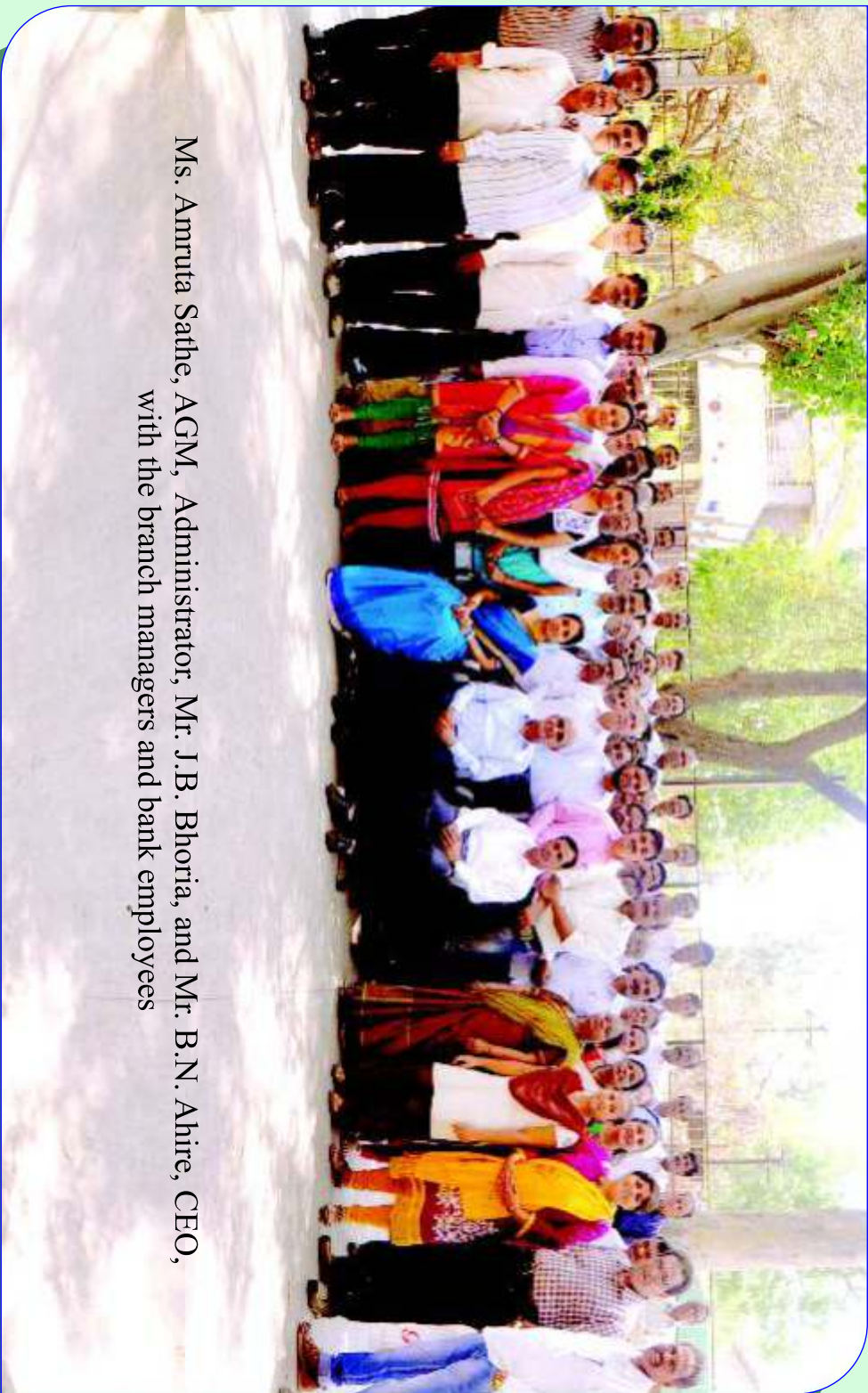




Ms. Amruta Sathe, AGM, Ms. Sanghamitra Kale, Chief Manager and other lady staff participating in Tree Plantation Drive

### Fixed Deposit Interest Rate effective 12 April 2016

Period	General Interest Per Year	Senior Citizen Interest per Year
Savint a/c & Basic saving (Half Yearly Interest)	4.00%	4.00%
7 days to 30 days	5.20%	5.70%
31 days to 90 days	6.00%	6.50%
91 days to 180 days	7.00%	7.50%
181 days to 12 months	7.25%	7.75%
12 months and above to 15 months	8.00%	8.50%
15 months and above to 36 months	7.50%	7.75%
36 months and to 120 months	7.25%	7.50%
Kalpavruksha Deposit scheme (period min. 5 years and max. 10 years) upto is 1,50,000/- (One Lac Fifty Thousand) Tax exemption as per Income Tax Act. 1961 sec 80-C.		7.80%
<b>Note :</b> The rates may change. Latest rates may be ascertained from The branches or the bank's website.		



Ms. Amruta Sathe, AGM, Administrator, Mr. J.B. Bhorla, and Mr. B.N. Ahire, CEO,  
with the branch managers and bank employees