

Estd.: 1959

नामको बँक
(मल्टि-स्टेट शेड्युल्ड बँक)



Namco Bank
(Multi - State Scheduled Bank)

The Nasik Merchants Co-Operative Bank Ltd. Nashik

RBL Lic. No. : MH 978 P Dt. 12.08.1988

Multi. State Reg. No. : MSCS/CR/113/2000 Dt. 25.10.2000



61th  2019-20
**ANNUAL
REPORT**
Audit Class 'A'

Administrative Office

A-16, Industrial Estate, Padmshri Babubhai Rathi Chowk, Netaji Subhashchandra Bose Marg, Satpur, Nashik-422007
Phone : (0253) 2308200 to 2308206, Fax : (0253) 2353581, Email : ceo@namcobank.in Website : www.namcobank.in

Board of Directors

Director's Name	Period	Designation
Mr. Vijay Rajaram Sane	11.05.2020 upto	Chairman
Mr. Prafulla Budhmal Sancheti	07.08.2020 upto	Vice Chairman
Mr. Santosh Mangilal Dhadiwal	07.08.2020 upto	Public Relations Director
Mr. Vasant Nivrutti Gite		Director
Mr. Hemant Haribhau Dhattrak		Director
Mr. Sohanlal Mohanlal Bhandari	5.1.19 upto 10.5.20 (Chairman)	Director
Mr. Prakash Motilal Dayma		Director
Mr. Shivdas Mohanlal Daga		Director
Mr. Avinash Mulchand Gothi	9.1.20 upto 06.08.20 (Vice Chairman)	Director
Mr. Subhash Champalal Nahar		Director
Mr. Kantilal Bhagchand Jain	5.1.20 upto 8.1.20 Public Relations Director	Director
Mr. Ranjan Punjaram Thakare		Director
Mr. Harish Babulal Lodha		Director
Mr. Ganesh Baban Gite		Director
Mr. Narendra Hiranman Pawar	5.1.20 upto 8.1.20 (Vice Chairman)	Director
Mr. Mahendra Mulchand Burad		Director
Mr. Ashok Shrawan Sonje		Director
Mr. Bhanudas Narayan Choudhari	9.1.20 upto 06.08.20 Public Relations Director	Director
Ms. Shobha Jayprakash Chhajed		Director
Ms. Rajani Jayprakash Jategaonkar		Director
Mr. Prashant Ashok Dive		Director
Mr. Arunkumar Shantilal Munot		Expert Director
Mr. Vijay Karbhari Kare		Expert Director
Mr. Deepak Thakur		CEO

*** Branches Name, IFSC Code and Phone Numbers ***

Branch	IFSC Code	Phone Nos.	Branch	IFSC Code	Phone Nos.
Admin. Office	NMCB0000001	0253-2308200-06	Shrirampur	NMCB0000042	02422-222650
Dhanwardhini	NMCB0000002	0253-2308217- 19	Rahata	NMCB0000043	02423-243656
Morning-Evening	NMCB0000003	0253-2308221, 22	Surat	NMCB0000044	0261-2631670
Satpur	NMCB0000004	0253-2308223	Ashoka Marg	NMCB0000045	0253-2236470
Panchvati	NMCB0000005	0253-2512996	Mumbai Naka	NMCB0000046	0253-2501938
Tilakwadi	NMCB0000006	0253-2308224, 25	Sangamner	NMCB0000047	02425-222191
Bhadrakali	NMCB0000007	0253-2308226, 27	Old Nashik	NMCB0000048	0253-2595811
Saikheda	NMCB0000008	02550-232074	Ozar	NMCB0000049	02550-271271
Gandhinagar	NMCB0000009	0253-2414311	Aurangabad	NMCB0000050	0240-2340729
Trimbakeshwar	NMCB0000010	02594-233155	Girnare	NMCB0000051	0253-2215603
Cidco	NMCB0000011	0253-2392319	Niphad	NMCB0000052	02550-242006
Poona Road	NMCB0000012	0253-2308228	Yeola	NMCB0000053	02559-267008
Gangapur Road	NMCB0000013	0253-2308229	Govind Nagar	NMCB0000055	0253-2471130
Ambad	NMCB0000014	0253-2308230	Deolali Camp	NMCB0000054	0253-2492525
Raviwar Karanja	NMCB0000015	0253-2308231, 32	Harsul	NMCB0000056	02558-227555
Igatpuri	NMCB0000016	02553-244238	Ashok Nagar	NMCB0000057	0253-2351921
Pawan Nagar	NMCB0000017	0253-2393793	Jail Road	NMCB0000058	0253-2431966
Manmad	NMCB0000018	02591-222610	Surgana	NMCB0000059	02593-223258
Nampur	NMCB0000019	02555-234294	Lasur Station	NMCB0000060	02433-241059
Umrana	NMCB0000020	02598-224469	Bhagur	NMCB0000061	0253-2490040
Vinchur	NMCB0000021	02550-261155	Peth	NMCB0000062	02558-225525
Lasalgaon	NMCB0000022	02550-266942	Deola	NMCB0000063	02592-228106
Pimpalgaon	NMCB0000023	02550-251282	Gole Colony	NMCB0000064	0253-2310062
Malegaon	NMCB0000024	02554-251002	Vashi	NMCB0000065	022-27664740
Satana	NMCB0000025	02555-224015	Chakan	NMCB0000066	021-35249009
Nashik Road	NMCB0000026	0253-2460160	Dhule	NMCB0000067	02562-233066
Ghoti	NMCB0000027	02553-220816	Anandvalli	NMCB0000068	0253-2342767
Kalwan	NMCB0000028	02592-221739	Malegaon (Sinnar)	NMCB0000069	02551-230468
Indira Nagar	NMCB0000029	0253-2325793	Nandurbar	NMCB0000070	02564-220069
Sinnar	NMCB0000030	02551-222084	Dondaicha	NMCB0000071	02566-246470
Dindori	NMCB0000031	02557-221402	Bhosari (Pune)	NMCB0000072	020-27110171
Jalana	NMCB0000032	02482-236107	Mhasrul	NMCB0000073	0253-2532772
Pune	NMCB0000033	020-24484003	Untwadi (Trimurty)	NMCB0000074	0253-2390030
Jalgaon	NMCB0000034	0257-2221364	Adgaon	NMCB0000075	0253-2304774
Ahmed Nagar	NMCB0000035	0241-2354262	Gonde Dumala	NMCB0000076	02553-225175
Dadar	NMCB0000036	022-24155106	Chandori	NMCB0000077	02550-232974
Nandgaon	NMCB0000037	02552-242516	College Road	NMCB0000078	0253-2314881
Adgaon Naka	NMCB0000038	0253-2531993	Hanuman Wadi	NMCB0000079	0253-2510081
Vani	NMCB0000039	02557-220700	Abhona	NMCB0000080	02592-240002
Chandwad	NMCB0000040	02556-253218	Makhamalabad	NMCB0000081	0253-2530181
Hyderabad	NMCB0000041	040-24734029			



Front Line (Left Side) : Annasaheb Kulkarni, Prabhakarant Modak, Ravjikaka Kshatriya, Visukaka Kshatriya(Chairman), Dadasaheb Potnis (Vice Chairman), Mamasahab Shukla (Managing Director), Annasaheb Vaishampayan

Back Line : Murlidharsheth Aurangabadkar, Babusheth Rathi, Narayansheth Vaishya, Vasanttrao Ashtputre, Gopalrao Pathak.



(Left Side) Sunil Bodke, Hukumchand Bagmar, Murlidhar Aurangabadkar, Gajanan Shelar, Bhaskar Kothawade, Baburao Kulkarni, Babusheth Lodha, Shantilal Hiran, Vasant Gite, Kantilal Pawar, Haribhau Dhattrak, Champalal Bub, Kantilal Jain, Haribhau Lasure, Prabhakar (Bandopant) Joshi, Subhash Nahar.

*** Board of Directors ***



Mr. Vijay Rajaram Sane
Chairman



Mr. Prafulla Budhmal Sancheti
Vice Chairman



Mr. Santosh Mangilal Dhadiwal
Public Relations Director



Mr. Vasant Nivrutti Gite
Director



Mr. Hemant Haribhau Dhattrak
Director



Mr. Sohanlal Mohanlal Bhandari
Director



Mr. Prakash Motilal Dayma
Director



Mr. Shivdas Mohanlal Daga (CA)
Director



Mr. Avinash Mulchand Gothi
Director



Mr. Subhash Champalal Nahar
Director



Mr. Kantilal Bhagchand Jain
Director



Mr. Ranjan Punjaram Thakare
Director



Mr. Harish Babulal Lodha
Director



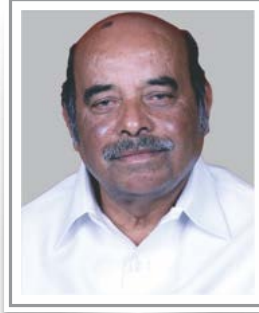
Mr. Ganesh Baban Gite
Director



Mr. Narendra Hiranman Pawar
Director



Mr. Mahendra Mulchand Burad
Director



Mr. Ashok Shrawan Sonje
Director



Mr. Bhanudas Narayan Choudhari
Director



Ms. Shobha Jayprakash Chhajed
Director



Ms. Rajani Jayprakash Jategaonkar
Director



Mr. Prashant Ashok Dive
Director



Mr. Arunkumar Shantilal Munot
Expert Director



Mr. Vijay Karbhari Kare
Expert Director



Mr. Deepak Thakur
CEO



We express a Humble Tribute to the memorable Scientists, Politicians, Social personalities in Co-opertative field as well as in Literature, Performing Art, members of the Bank, Employees, their relatives, Depositors, Account Holders, Martyred Soldiers, Policemen as well as unknown personalities who have departed from this world during the year. We pray that their souls may repose in peace with the blessings of the God and we offer most sincere homage to the holy memories of these departed souls.

Passionate Tribute

Annual General Meeting Notice

The 62nd Annual General Meeting of the Bank will be held on Sunday, Dated 20th December 2020 at 11.00 a.m. under the Chairmanship of Shri. Vijay Rajaram Sane, Chairman on following agenda items through Video Conferencing / Other Audio Visual Means as permitted by Central Registrar of Co-op. Societies, New Delhi vide Circular dated 25.08.2020 on account of COVID-19 pandemic. This meeting does not require physical presence of members at a common venue. The deemed venue will be at Banks **Administrative Office, Satpur, Nashik**. All the members are requested to be present for said meeting by Online.

AGENDA OF THE MEETING

1. To read and confirm the minutes of last **Annual General Meeting** held on 29 September 2019 and Special General Meeting held on 19 January 2020.
2. To read and confirm the annual report of the bank for the year 2019-2020.
3. To consider and approve the audited Annual Accounts which consist of Balance Sheet and Profit and Loss Account for the year ended 31st March 2020.
4. To approve Appropriation of Net Profit and declaration of 15% dividend (subject to RBI approval). If R.B.I does not approve to pay dividend, the amount of dividend payable to be transferred to Bad and Doubtful Debt Reserves.
5. To approve the excess expenditure more than the budgeted expenses for the year ended 31st March 2020.
6. To approve the Expenditure Budget for the year 2020-2021.
7. To read and consider the Statutory Audit report and Compliance Report on the same for the financial year 2019-2020.
8. To appoint Statutory Auditors for the year 2020-2021 and to authorize the Board of Directors to fix their honorarium.
9. To authorize the Board of Directors to appoint Concurrent Auditors for the year 2021-2022.
10. To take a note of loans granted to Directors and their relatives.
11. To consider and approve the changes in the bye-laws suggested by the Board of Directors.
12. To approve the writing off of fully provided, secured and unsecured overdue loan accounts and are duly certified by the Statutory Auditors and the Board of Directors without restraining the Bank's right to recover.
13. To approve the loan accounts considered or to be considered under One Time Settlement (OTS) Scheme as per guidelines stipulated by Reserve Bank of India.
14. To approve payment of Ex-gratia to employees of the Bank for the year 2019-2020.
15. To Condon leave of absence to those members who could not attend the 62nd Annual General Meeting.
16. Any other matter with the permission of the Chair.

Nashik
Date : 19 November 2020

By Order of Board of Directors.
Deepak Thakur
Chief Executive Officer

Note

The 62nd Annual General Meeting of the NAMCO Bank will be held on Sunday, 20th December 2020 at 11.00 a.m. If the meeting is adjourned for want of quorum, the same shall be held after half an hour on the same day through Video Conferencing/ Other Audio Visual Means and the requirement of quorum will not be mandatory for such adjourned meeting. The counting of the quorum will be done on the basis of number of members logged in at the scheduled time of the meeting through the official link so provided by the bank for this Annual General Meeting. Annual report will be made available on website of the Bank www.namcobank.in from 05.12.2020 and at all branches. Members are requested to note that if the said AGM is interrupted due to any unforeseen circumstances viz. technical fallout/network failure, etc. then the meeting will be continued immediately as soon as the system is restored, on the same web link/platform. Members desirous of raising questions in respect of the agenda items may submit the same in writing or can send e-mail at member@namcobank.in mentioning their member number and name, up to dated on 10.12.2020 Questions on the items of agenda will only be considered for response.

IMPORTANT NOTICE TO MEMBERS

- 1) For attending Annual General Meeting members will have to use login ID & Password which will be sent through SMS on registered mobile number on dated 17.12.2020
- 2) A member can attend/ join Annual General Meeting by using devices like desktop / laptop / smartphone with internet facility.
- 3) As per guidelines issued by Central Registrar New Delhi, vide their Circular dated 25.08.2020, process of Audio Visual Meeting will be for 5 days i.e. from 20.12.2020 to 24.12.2020.
 - i) On 20.12.2020, Members are requested to login 10 minutes prior to the scheduled time of meeting i.e. 11.00 a.m.
 - ii) On the first day of meeting i.e. on 20.12.2020 after presenting items of agenda i.e. after 2.00 p.m., member can post their questions in respect of items of agenda up to 21.12.2020 till 5.00 p.m. on the web platform/ link made available for this purpose. Responses to these queries shall be posted on the same web platform on 22.12.2020 till 7 p.m.
 - iii) Members are required to cast their votes on resolutions presented in Annual General Meeting from 7.00 a.m. on 23.12.2020 to 5.00 p.m. on 24.12.2020 through web platform/link. The results of e-voting will be declared upon completion of counting of votes on the same web platform.
- 4) Central Registrar has issued guidelines vide circular dated 25.08.2020, to engage services of expert independent agency for the conduct of **Annual General Meeting** through VC/OAVM. Accordingly Bank has engaged services of TANNUM Consulting LLP as the authorized agency for conducting the e-AGM and providing online voting facility on the resolutions of Annual General Meeting proposed by the Board.
- 5) Members who have opted for 'Do Not Disturb (DND)' option may not get SMS regarding User ID & Password for joining Annual General Meeting. Such members are requested to deactivate DND at their end so as to receive said SMS.
- 6) For any technical difficulty regarding login, a member can contact on 9619280455 between 10.00 a.m. to 6.00 p.m. except Saturday & Sunday or can send email at techsupport@eagm.cloud. This facility has been arranged by the bank for the convenience of the members. Only queries/issues regarding login/ password shall be responded. This agency will not be able to resolve any network issues at the member's end. It is further informed that the agency will not respond to any queries regarding agenda or Banking related matters.
- 7) The shareholders who changed their name, address or nominee and not informed to Bank should inform and make necessary changes in share Department at Head Office.
- 8) As per R.B.I guidelines, all members and account-holders should complete K.Y.C formalities. Those who have not completed are requested to contact with respective Branch.

Hon'ble President's Speech

Dear Members,

Hearty welcome to all of you to this 62nd Annual General Meeting of our Bank on behalf of Management. I am happy and privileged to present before you the 61st Annual Report of our Bank for the year ended 31st March 2020. As you are aware that by the blessings of late Hukumchandji Bagmar and late Prabhakar Shankar Joshi and under the commendable leadership of Mr. Vasanatbhau Gite and Senior Director Mr.Sohanlal Bhandari our elected Board members took over from administrator on 5th January 2019 and Board took customer friendly decisions and started to accelerate the Banking activities in a stiff competitive environment and got success in ascending the Bank towards progress. Our Banking was achieving glorious days of the past within the financial year 2019-20, however, at the fag end of the year Covid-19 spread its wings in March 2020 and converted pandemic and showed its severe effects on economy of entire world. Indian economy was also not escaped from this worldwide disease wave and our Central Government declared lockdown since 23rd March 2020 which had severely affected on our industry, trade and economy of entire country including Banking. With a view to dilute severity of pandemic Covid-19, Govt. of India and Reserve Bank of India declared and implemented various strategies and solutions. Govt. of India declared the financial package of Rs 20 lakh crores with a view to accelerate the economy, however, it will take some time to reinstate the past speed of economy of our country.

Experts opinioned that due to satisfactory Monsoon the agriculture and agriculture related activities will be boosted, ultimately, it will be an opportunity for Banks to extend credit to Agri and allied activities. To cope up with Covid-19, Reserve Bank of India took various initiatives including reduction of interest rates, change in Repo and Reverse Repo Rate as well as CRR is reduced by 1% and kept at 3%. Our Bank implemented all the guidelines and instructions relating to concessions declared by Reserve Bank of India to the borrowers. R.B.I took initiatives in tune with the financial package declared by Govt.of India on 27th March 2020. R.B.I. announced the Moratorium Period of three months on all standard loan accounts as on 29th Feb 2020 and the moratorium period was again extended for another 3 months from May 2020 onwards. Due to Moratorium period borrowers who lost their job or reduced their salary or stopped the activities were benefitted by this decision.

By considering the social responsibility, our Bank formulated a new scheme for small vendors. Under this scheme a borrower can avail credit facility minimum of Rs.30,000/- and Maximum Rs One lakh and loan can be availed by multiple of Rs.10000/- Our Bank also introduced a new scheme viz. Covid-19 special term loan for borrowers in which Bank extended 20% additional working capital which was benefitted to our small trader borrowers for enhancing their business in pandemic situation. Our Bank introduced Covid-19 special loan Scheme for the benefit of our industrial workers/ salaried class customers.

Reserve Bank of India circulated the guidelines for restructuring of term loan accounts of those borrowers who are facing stress due to Covid-19 and our Bank is implementing RBI guidelines meticulously.

The Nasik Merchants Co-Operative Bank Ltd., Nashik

Our Bank extended the credit assistance of loan amount Rs-1,25,000/- to maximum Rs5,00,000/- without registered mortgage to small/retail business men having the facility to operate to account through POS machines. Our Bank also formulated the Individual housing scheme for those who had a dream of their own house. Bank also formulated the special scheme viz. "Swabhimani Karja Yojna" in which the credit is extended @ 7.5% for those depositors having Term Deposit of high rate of interest.

In short, our Bank extended full support to our all industry/business holder customers, salaried class for coping with stress created by Covid-19 and I am happy to note that our Bank extended timely help to our Customers/ borrowers when they were in need for financial help to cope up with pandemic. I urge all our customers/shareholders to please contact with nearest Branch and avail all the facilities made available for you by our Bank.

Govt. of India amended Banking Regulation act 1949 and all urban co-operative Banks and multi-state schedule co-op Banks brought under the administrative control of RBI for the benefit of depositors. Govt. also enhanced the DICGC ceiling from Rs. 1 lakh to Rs 5 lakh which will enhance the faith of customers regarding co-operative Banks. Our Bank welcomed all these changes, as all those changes for the benefit of customers and co-op banks.

Our Bank is shifting to "finacle" Software from 1st December 2020 and necessary training is given to all employees. After migration, our Bank can render fast, efficient and techno savy services to all our customers, borrowers and shareholders.

Our Bank has undertaken the renovation work of our Head office premises as a part of vibrant administration and Modern Banking system. The modernisation face lifting and renovation of our Head Office premises undertaken with the object that our Bank will face the future challenges in Banking industry, technological changes in future competition and proposed expansion of our Bank so that our Bank will be able to face stiff competition and extend our on going service to our customers, Borrowers and shareholders.

Reserve Bank of India released the guidelines for a new organisation structure consisting of a Board of Management (BOM.) in addition to the Board of Directors. Banking related matters will be reviewed/scrutinized by professional Members of BOM before coming for sanction/approval to Board of Directors For constituting BOM we have suggested amendment in bye-laws. I request you to please sanction the amendment.

Progress of Bank.

I am happy to present to you the performance and progress made by our Bank during the year 2019-2020.

Performance at a Glance

(Amt in Lakhs)

Sr. No.	Particulars	31Mar. 2019	31Mar.2020	Increase/ Decrease	Percentage
1	Paid up Share Capital	5060.09	5008.43	-51.66	-1.02
2	Reserve and other Funds	49284.26	32145.90	-17138.36	-34.77
3	Deposits	141066.36	153807.83	12741.47	9.03
4	Loans	85973.08	65957.61	-20015.47	-23.28
5	Investment	100480.08	111346.28	10866.20	10.81
6	Profit (Before Tax)	3280.87	3458.80	177.93	5.42
7	No of Members	179953	180551	598	0.33
8	Capital to Risk Asset Ratio (CRAR)	42.14	36.16	-5.98	-14.19

The Nasik Merchants Co-Operative Bank Ltd., Nashik

From the perusal of the above data, it is revealed that the Total Deposits of our Bank increased by 9.03%. It is also revealed that there is a significant growth in Investment as compared to last year and reached up to 1113 Crores 46 Lakhs. From above table, although it seems that total loans decreased but it is due to written off of loan Rs 230 Crores, however, our Bank disbursed new loans of Rs 231 Crores.

From the beginning of the financial year our Bank put concerted efforts to reduce Gross NPA. Our employees put constant and wholehearted efforts to reduce NPA since beginning. Our Bank could reduce Gross NPA Percentage from 28.94 % to 7.86 % due to written off and recovery in NPA account and we could maintain our 0% Net NPA.

Profit -

As on 31st March 2019, the gross profit of our bank was Rs 32,80,86,629/- which is increased by 5.42 % during the year and reaches up to Rs.34,58,80,000/-. After doing statutory provisions, Net Profit of our Bank was Rs.30,96,07,938/- as on 31 March 2020. The appropriation of Net Profit is as under-

Profit Allocation

Particulars	Amount
25% Statutory Reserve Fund	7,74,01,985.00
1% Educational Fund	30,96,079.00
10% Unforeseen Losses Reserve	3,09,60,794.00
1% Charity Fund	30,96,079.00
15% Proposed Dividend	7,59,55,000.00
Members Welfare Fund	25,00,000.00
Contingency Reserve Fund	15,98,001.00
Ex-gratia to staff	1,50,00,000.00
Bad and Doubtful Debts Reserve	10,00,00,000.00
Total	30,96,07,938.00

The statutory audit of our Bank for the year 2019-20 had been conducted by M/s Sabadra & Sabadra, Chartered Accountant, Nashik. They expressed satisfaction about the working of the Bank and awarded “A” Class to the Bank.

There is an increase in shareholders by 598 and there is significant growth in Depositors and loan account holders during the year.

During the year, Bank complied with statutory requirement, rules & regulation laid down by Reserve Bank of India and allotted Branchwise and monthwise business targets. Our Bank established separate Planning section for this purpose and monthwise review was taken of each Branch. Day-to-day monitoring of Branchwise work was also undertaken by this medium.

While working with the pandemic situation, our Bank focus on health of employees while rendering excellent customer service. Our Bank made available the Mask, face shield, Arsenic album tablets, steam apparatus etc. to each employee. With a view to take health care of our Customers, Account holders, Share holders our Bank made available the sanitizer, temperature gun, hand wash facility at each Branch.

With a view to increase Banking skill and professionalism among employees, all employees were encouraged to appear to JAIIB and CAIIB Examination and our Bank is going to arrange training classes for the said examinations. Those employees Who have already passed examinations are extending guidance to others. If

all employees undergo training it will enhance their efficiency, decision making ability and will render fast and excellent customer service to our Bank customers. Our Bank deputed Senior Managers to CAB , R.B.I Training centre pune which enhanced Human Resources Development and their utility in Day-to-day Banking.

Social Responsibility-

The economic fallout on account of the Covid-19 pandemic has led to significant financial stress throughout the world. Covid-19 affected number increased significantly in our country including Maharashtra. Under chronic situation our Bank donated Rs -11 Lakhs to Prime Minister's Covid 19 special assistance scheme Fund and Rs.11 Lakhs to Chief Minister's Covid 19 special assistance scheme Fund and assisted our Bank's contribution towards social responsibility and liability.

During the last 60 years the Bank's valued members have guided us and extended the whole-hearted co-operation to achieve the progress of the Bank. I acknowledge and place on record the valuable contributions made by Shareholders, Social workers, Institutions, Sympathizers, Customers and large number of known and not so well known personalities helping the bank to achieve its goal and enhance its reputation. I place on record gratefulness and sincere thanks to Reserve Bank of India, the Joint Secretary and Central Registrar of Co-operative Societies, New Delhi, Commissioner of Co-operatives and Registrar of Co-operative Societies, Maharashtra State Pune, Divisional Joint Registrar of Co-operative Societies Nashik, Nashik District Urban Co-operative Bank Associations, Nashik as well as National and State Level Federations. Sincere thanks to the media, auditors, legal advisors, owners of bank premises, officers and employees of the Bank and all others who have always rendered willing co-operation and worthy help. I felt obliged to all these personalities and their commendable contributions. I take this opportunity to express my sincere thanks to all of them for their assistance. I also request any other person whose name might have been left unrecognised through inadvertence, to kindly excuse me.

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 be possible because of sincere and devoted efforts made by all of you. I hope that such skillful assistance would continue to be available from you in a benevolent manner in future. I sincerely take this opportunity to thank, you all and the Board of Directors and declare that the report has been successfully completed.

Thanking you to all.

Jay Hind , Jay Maharashtra.

Vijay Rajaram Sane
Chairman

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 Limited
Nashik

Report on the Financial Statements

1. We have audited the accompanying financial statements of The Nasik Merchants Co-operative Bank Limited, Nashik, which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date annexed thereto and a summary of the significant accounting policies and other explanatory information. We have audited 80 branches of the branch and Head Office at Nashik. We have not visited 28 branches due to COVID – 19 lockdown and relied on the returns received by us are incorporated in these financial statements.

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 Multistate 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

6. In our opinion and to the best of our information and according to explanation given to us the aforesaid financial statements together with notes thereon and subject to our observations and comments given in the Audit report give the information required by the Banking Regulation Act, 1949, the Multi-State Co-Operative Societies Act, 2002 and Multi-State Co-Operative Societies Rules, 2002 and the guidelines issued by Reserve Bank of India 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 :

The Nasik Merchants Co-Operative Bank Ltd., Nashik

- a) In case of Balance Sheet, the state of affairs of the bank as at 31st March, 2020;
- 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

7. The Balance sheet and Profit and loss Account have been drawn up in Form “A” and “B” respectively of third schedule to the Banking Regulation Act, 1949, the Multi State Co- operative Societies Act, 2002 and the Multi State Co-operative Societies Rules, 2002.
8. 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 and have found to be satisfactory;
 - 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 those books and proper returns adequate for the purpose of our audit have been received from the branches;
 - iii. The transactions of the Bank which came to our notice have been within the powers of the Bank;
 - iv. The Balance Sheet and Profit & Loss Account and the Cash Flow statement dealt with this report are in agreement with the books of accounts and the returns;
 - v. The reports on the accounts of branches / offices audited by the Branch Concurrent auditors have been forwarded to us and have been properly dealt with by us in preparing this report;
 - vi. The Accounting standards adopted by bank are consistent with those laid down by accounting principal generally accepted in India so far as applicable to Banks;
 - vii. In our opinion and according to information and explanation given to us we have not noticed any material impropriety in the expenditure or in the realization of money due to the bank
9. As required by rule 27(3) of the Multi-State Co-operative Societies Rules, 2002, we report on the matters specified in clause (a) to (f) of the said rule to the extent applicable to the Bank:
 - i. During the course of our audit, we have generally not come across transactions which appear to be contrary to the provisions of the Act, the Rules or the Bye laws of the Bank.
 - ii. During the course of our audit, we have not come across material and significant transactions which appear to be contrary to the guidelines issued by Reserve Bank of India.
 - iii. During the course of our audit, we have generally not come across any violation of the guidelines, conditions, etc. issued by the Reserve Bank of India.
 - iv. 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.
 - v. The Bank has been awarded Audit class “A” for the year ended on 31st March 2020.

For SABADRA & SABADRA
Chartered Accountants
FRN : 108921W

Nashik
29.08.2020
UDIN : 20033683AAAAAK5504

Anant N Sabadra, FCA
Partner
M. No. : 033683

Balance Sheet as on 31 March 2020

(amt. in ₹)

Particulars	Schedule	As on 31 March 2020	As on 31 March 2019
Capital and Liabilities			
Capital	1	50,08,42,900	50,60,08,800
Reserves and Surplus	2	321,45,89,750	492,84,26,187
Deposits	3	1538,07,82,936	1410,66,35,592
Borrowings		0	0
Other Liabilities and Provisions	4	135,34,85,885	237,36,74,620
	Total	2044,97,01,471	2191,47,45,198
Property and Assets			
Cash and Balance with RBI	5	74,24,30,179	82,19,33,567
Balance and FDR with other Banks	6	27,26,03,682	14,80,13,523
Money at Call and Short Notice		0	0
Investments	7	1098,20,28,493	994,19,08,411
Advances	8	659,57,60,787	859,73,08,230
Fixed Assets	9	11,89,05,105	9,70,01,482
Other Assets	10	173,79,73,225	230,85,79,984
	Total	2044,97,01,471	2191,47,45,198
Contingent Liabilities	11	22,84,01,346	23,49,28,079

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 Sabadra & Sabadra
Chartered Accountants
FRN : 108921W

Anant N Sabadra, FCA
Partner
M.No :- 033683

For and on behalf of the board of Director of
The Nasik Merchants Co-Operative Bank Ltd., Nashik.

Vijay Sane
Chairman

Prafulla Sancheti
Vice Chairman

Santosh Dhadiwal
Public Relation Director

Sohanlal Bhandari
Director

Vasant Gite
Director

Avinash Gothi
Director

Hemant Dhatrak
Director

Deepak Thakur
CEO

Eknath Nikam
General Manager

Dattatraya Shirsat
AGM, Account

Date :- 29 August 2020

Place :- Nashik

Profit and Loss Account for the year ended 31 March 2020

(amt. in ₹)

Particulars	Schedule	As on 31 March 2020	As on 31 March 2019
Income			
Interest Earned	12	180,90,14,325	163,11,47,628
Other Income	13	8,40,25,506	8,05,54,416
Short Term Gain on Mutual Fund		2,93,33,898	1,12,83,722
Profit on Sale of Securities		7,86,36,656	1,31,12,000
Profit / (Loss) on sale of Asset		4,20,114	24,37,718
Recovery Write Off 2020		4,77,84,603	0
	Total	204,92,15,102	173,85,35,484
Expenditure and Provisions			
Interest Paid on Deposits and Overdraft	14	118,26,30,792	82,35,29,910
Operating Expenses	15	46,74,11,403	39,71,96,300
Depreciation		2,08,12,679	1,26,94,430
Provisions	16	34,54,80,297	17,70,28,216
	Total	201,63,35,171	141,04,48,855
Net Profit - Before Tax		3,28,79,931	32,80,86,629
Less - Provision for Tax		0	14,87,00,000
Less - Provision Deferred Tax		-27,67,28,008	80,379
Net Profit Available for Appropriation		30,96,07,939	17,93,06,250
Appropriations (Subject to AGM approval & RBI General Permission)			
Statutory Reserve Fund		7,74,01,985	4,48,26,564
Education Fund		30,96,079	17,93,063
Unforeseen Losses Fund		3,09,60,794	1,79,30,625
Charity Fund		30,96,079	17,93,063
Ex-gratia		1,50,00,000	0
Bad and Doubtful Debt Reserve		10,00,00,000	0
Proposed Dividend		7,59,55,000	7,52,13,000
Members Welfare Fund		25,00,000	25,00,000
Contingency Reserve Fund		15,98,002	3,52,49,935
	Total	30,96,07,939	17,93,06,250
Significant Accounting Policies	17	0	0
Notes to Accounts	18	0	0

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

The Profit and Loss A/c has been prepared in conformity with Form-B of the Third Schedule to the Banking Regulations Act, 1949.

As per our report of even date.

For Sabadra & Sabadra

Chartered Accountants

FRN : 108921W

Anant N Sabadra, FCA

Partner

M.No :- 033683

Sohanlal Bhandari
Director

Vijay Sane
Chairman

Vasant Gite
Director

Deepak Thakur
CEO

Prafulla Sancheti
Vice Chairman

Avinash Gothi
Director

Eknath Nikam
General Manager

Santosh Dhadiwal
Public Relation Director

Hemant Dhattrak
Director

Dattatraya Shirsat
AGM, Account

Date :- 29 August 2020

Place :- Nashik

Schedules Forming Part of Balance Sheet as on 31 March 2020
(amt. in ₹)

Particulars	As on 31 March 2020	As on 31 March 2019
Schedule - 1		
Capital		
Authorised Share Capital		
17515000 Equity shares of Rs. 100/- each	175,15,00,000	175,15,00,000
9940000 Equity shares of Rs. 25/- each	24,85,00,000	24,85,00,000
Total	200,00,00,000	200,00,00,000
Issued, Subscribed & Paid up Capital		
2523429 (Prev.Yr. 2575088) Equity shares of RS. 100/- each	25,23,42,900	25,75,08,800
9940000 Equity shares of Rs. 25/- each	24,85,00,000	24,85,00,000
Total	50,08,42,900	50,60,08,800
Schedule - 2		
Reserve & Surplus		
Statutory Reserve Fund	144,11,86,473	139,40,66,727
Dividend Equalisation Reserve	92,72,532	92,72,532
Reserve for BDD	51,28,23,003	160,11,22,401
Reserve for BDD U/S - 36	3,25,00,000	89,27,05,000
Investment Fluctuation Fund	38,00,00,000	38,00,00,000
Building Fund	26,93,84,027	26,93,84,027
Charity Fund	53,63,470	63,70,408
Members Welfare Fund	32,43,565	11,70,663
Contingent Provision Against Standard Assets	2,70,00,000	2,40,00,000
Investment Depreciation Fund	16,28,14,850	16,28,14,850
Reserve for Unforeseen Loss	2,36,83,111	57,52,486
Contingency Reserve Fund	3,77,10,781	24,60,843
Profit and Loss A/c	30,96,07,939	17,93,06,250
Total	321,45,89,750	492,84,26,187
Schedule - 3		
Deposits		
Current Deposits	125,73,85,283	114,82,38,883
Saving Deposits	436,80,05,912	426,57,67,236
Term Deposits	975,53,91,741	869,26,29,473
Total	1538,07,82,936	1410,66,35,592

Schedules Forming Part of Balance Sheet as on 31 March 2020
(amt. in ₹)

Particulars	As on 31 March 2020	As on 31 March 2019
Schedule - 4		
Other Liabilities and Provisions		
Audit Fees Payable	10,66,050	8,77,050
Branch Adjustment A/c	4,71,51,991	2,35,29,528
DD Payable	12,59,641	29,84,392
Pay orders	2,88,81,250	8,76,72,150
Dividend Payable	36,59,732	36,12,135
Dividend - Unclaimed	10,01,269	0
Ex-gratia Payable	0	3,05,00,000
Guarantee Fee in Advance	6,92,766	7,23,448
Locker Rent in Advance	2,36,753	2,15,219
Interest Payable	5,34,23,456	5,49,11,859
Loans Scrutiny Fee	74,000	38,000
Outstanding Liabilities	1,82,45,566	40,45,112
Overdue Interest Reserve	9,58,81,848	182,76,37,808
Processing Fee Payable	34,91,010	53,35,125
Professional Fee Payable	3,60,000	3,69,500
Provision for Impaired Assets	44,22,522	44,42,225
Provision for Taxes	0	14,87,00,000
Securities Deliverable under Reverse Repo	104,00,00,000	14,00,00,000
Security Deposits	16,64,651	8,63,350
Nilkantha Bank Share Capital Payable	19,09,700	19,09,700
Shrirampur Peoples Share Capital Payable	49,76,695	50,51,445
Shrirampur Peoples Staff Payable	4,24,875	4,24,875
Subsidiary Reserve Fund	43,79,202	50,73,952
Sundry Creditors	3,51,87,105	2,12,05,452
TDS Payable	50,95,802	35,52,296
Total	135,34,85,885	237,36,74,620
Schedule - 5		
Cash and Balance with RBI		
Cash in Hand	20,66,90,008	25,51,46,401
Balance with RBI	53,57,40,171	56,67,87,166
Total	74,24,30,179	82,19,33,567

Schedules Forming Part of Balance Sheet as on 31 March 2020
(amt. in ₹)

Particulars	As on 31 March 2020	As on 31 March 2019
Schedule - 6		
Balance and FD with Other Banks		
Balance with Other Banks	12,00,03,682	4,19,13,523
Fixed Deposits in Banks	15,26,00,000	10,61,00,000
Total	27,26,03,682	14,80,13,523
Schedule - 7		
Investments		
Investments in Central Govt. Securities (S.G.L. form)	800,89,43,632	892,01,53,550
Investments in State Govt. Securities (S.G.L. form)	83,29,59,050	53,16,29,050
Other Investments (Non SLR Bonds & Mutual Fund)	110,00,00,000	35,00,00,000
Share of Co-Operative Institutions	1,25,000	1,25,000
Other (One Gold Mohar)	811	811
Reverse Repo	104,00,00,000	14,00,00,000
Total	1098,20,28,493	994,19,08,411
Schedule - 8		
Advances		
Cash-Credit / Hypothecation / Overdraft	268,52,38,870	351,95,49,214
Term Loans	391,05,21,917	507,77,59,016
Total	659,57,60,787	859,73,08,230
Schedule - 9		
Fixed Assets (Net Block)		
Land and Buildings	1,99,95,920	2,22,17,688
Plant and Machinery	1,01,93,115	1,09,11,303
Furniture and Fixture	3,44,79,332	3,41,66,197
Vehicles	94,77,355	95,98,819
Library	7,839	9,226
Computer	1,98,94,387	28,84,529
Software Systems	2,48,57,156	1,72,13,721
Total	11,89,05,105	9,70,01,482
Schedule - 10		
Other Assets		
Advance Income Tax and TDS	9,40,22,591	15,12,92,371
Income Tax Refund	1,17,03,500	1,17,03,500

Schedules Forming Part of Balance Sheet as on 31 March 2020
(amt. in ₹)

Particulars	As on 31 March 2020	As on 31 March 2019
Deferred Tax Assets	27,68,00,670	72,662
GST Input / GST Paid under reverse charge	3,51,465	22,83,686
DEAF Claim from RBI	1,02,267	4,29,298
Deposit - Premises	55,96,406	53,56,327
Deposits - MSEDCL	3,89,590	3,88,800
IMPS/NPCI Settlement	5,00,000	5,00,000
Interest Receivable on Investment	17,72,79,764	15,74,74,239
Interest Receivable on Loans	9,58,81,848	182,76,37,808
Locker Rent Receivable	2,82,985	4,25,292
Pan Stamps	14,903	15,425
Prepaid Expenses	12,06,272	10,02,494
Security Guarantee Fee	33,00,000	33,00,000
Staff Festival Advance	32,01,226	28,19,691
Stock of Stamps	3,87,199	2,86,206
Stock of Stationery	23,65,487	30,80,471
Sundry Debtors	2,45,87,052	5,11,714
Securities Purchased- Reverse Repo	104,00,00,000	14,00,00,000
Total	173,79,73,225	230,85,79,984
Schedule - 11		
Contingent Liabilities		
Bank Guarantees	9,52,27,776	11,72,96,860
Bills for Collection	77,075	2,61,631
DEAF Parking Accounts	13,30,96,495	11,73,69,588
Total	22,84,01,346	23,49,28,079
Schedule - 12		
Interest Earned		
Loans and Advances	68,64,93,998	82,81,96,784
NPA Write Off	1,25,61,847	50,21,160
Government Securities	103,72,14,891	78,65,70,741
Bank FDR and Call Money	2,05,23,711	96,98,073
Reverse Repo	69,62,244	16,59,322
Other Interest (CCIL)	3,45,106	1,548
On Security Bond	4,49,12,527	0
Total	180,90,14,325	163,11,47,628

Schedules Forming Part of Balance Sheet as on 31 March 2020
(amt. in ₹)

Particulars	As on 31 March 2020	As on 31 March 2019
Schedule - 13		
Other Income		
ATM Charges Received	2,22,58,563	1,98,27,086
Bank Guarantee Fees	15,95,615	25,14,433
Commission and Exchange	10,86,916	32,59,816
Commission on P. M. Yojana	1,13,357	1,36,623
Dividend on Co-op. Banks Share	12,500	12,500
Excess Taxation Prov.	0	1,65,727
Incidental Charges	4,11,77,260	3,64,11,523
Insurance Claim Received	1,29,083	0
Loan Processing & Renewal Charges	89,24,012	60,27,924
Locker Rent Received	68,25,497	72,46,069
Other Income	14,43,027	22,44,870
POS/IMPS Fee Received	4,59,676	4,78,508
Principal Recovered in Written off NPA Account	0	22,29,338
Total	8,40,25,506	8,05,54,416
Schedule - 14		
Interest Paid		
On Deposits	82,75,75,209	77,54,99,861
On Govt. Security	35,42,33,059	4,78,81,722
On Call and Repo	0	1,48,326
On Income-tax	8,22,525	0
Total	118,26,30,792	82,35,29,910
Schedule - 15		
Operating Expenses		
Advertisement	23,39,056	11,82,729
Amortization on Investment	1,50,08,218	1,23,77,800
ATM Charges Paid	45,86,830	36,20,607
Audit Fee	20,74,579	16,50,829
Commission Paid	39,339	55,483
Diesel Charges paid for Generator	23,26,435	15,75,624
Director Meeting Allowance	6,78,550	1,36,375
Election Expenses	11,94,163	1,81,02,859

Schedules Forming Part of Balance Sheet as on 31 March 2020
(amt. in ₹)

Particulars	As on 31 March 2020	As on 31 March 2019
Electricity Charges	1,21,50,631	1,13,52,202
GST ITC Reversal	2,76,64,290	1,66,19,300
Income Tax Paid to Government	8,68,203	0
Institutional Membership Fees	2,97,400	3,22,400
Insurance	1,50,79,274	1,51,08,538
Legal Charges	1,46,57,587	8,790
Network Usage Charges	46,90,051	35,28,252
Other Expenses	65,39,281	41,41,326
Postage and Telephone	45,65,547	47,68,645
Printing and Stationary	50,13,246	27,55,711
Professional Fees	1,04,21,546	76,15,385
Rent, Rate and Taxes	2,27,99,386	1,81,87,815
Repairs and Maintenance	1,66,18,081	89,56,112
Salaries and Allowances	29,21,15,653	26,12,95,159
Service Charges Paid	19,61,025	10,01,718
Staff Relief Expenses	20,000	60,000
Staff Training	3,19,524	3,71,670
Travelling Expenses	21,19,688	16,65,282
Vehicle Expenses	8,57,412	4,54,417
Water Charges	4,06,409	2,81,272
Total	46,74,11,403	39,71,96,300
Schedule - 16		
Provisions		
Special Bad Debts Reserve U/S 36(1)	3,25,00,000	7,70,50,000
Provision for Impairment of Assets	-19,703	-21,784
Provision for Bad Debts Reserve	31,00,00,000	10,00,00,000
Provision for Standard Assets	30,00,000	0
Total	34,54,80,297	17,70,28,216

Schedule - 17

Significant Accounting Policies

Accounting Convention

The financial statements have been drawn on 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. The accounting policy and recognition of various items of income, expenditure, assets and liabilities are affected by the various circulars issued by the Reserve Bank of India from time to time.

Change in Accounting Policy

During the year bank had transferred the amount of recoveries made on loans written off prior to 31.03.2019 amounting to Rs. 1,04,75,749/- to Reserve for Bad & Doubtful Debt Fund. Previously the said recoveries were shown as other income in Profit & Loss Account. The bank is of the view that these amounts are not taxable under the income tax law since bank had not claimed deduction of Bad Debts during that period. Income Tax department take adverse view in the assessments. This change in accounting policy resulted into understatement of profit by Rs. 1,04,75,749/- for the year under review.

Investment

The bank has classified its entire investments portfolio held on 31.03.2020 as per the guidelines of the RBI in the following three categories viz. Held to Maturity (HTM), Held for Trading (HFT) and Available for Sale (AFS). Further in compliance with said directives, valuation in these categories have been done as follows -

Held To Maturity (HTM) - 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.

Held For Trading (HFT) - Investments under this category securities acquired by bank with the intention trading for taking advantage of the short term price/ interest rate. If bank are not able to sell the security with in 90 days due to exceptional circumstances the security should be shifted to the AFS category.

Available For Sale (AFS) - 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.

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.

Valuation of shares of Co - operative societies are taken at cost.

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. However, there are no such investments as on Balance Sheet date.

Loans & Advances

Advances shown in the Balance Sheet are net of unrealized interest. 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.

Non Performing Assets

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 Assets. Provision on advances categorised 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, 2007

Fixed Assets

Fixed Assets are stated at cost of acquisition less depreciation provided on depreciable assets put to use till balance sheet date.

Depreciation

Depreciable Assets are depreciated on Written Down Value Method at the rates prescribed under Income Tax Act except in case of Computer and Software, where depreciation has been charged under Straight Line Method considering the useful life of 3 years to comply with circular issued by RBI.

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.

No depreciation is charged on Fixed Assets sold / discarded during the year.

Revenue Recognition (AS - 9)

Items of income and expenditure are generally accounted on accrual basis except otherwise stated. Interest income is recognized on mercantile basis except in case of Income on NPAs which is recognized to the extent realized as per IRAC norms issued by RBI.

Interest on investments is recognized on accrual basis.

Insurance claim and dividend on investment in shares are recognized on receipt basis.

In case of compromise and settlement proposals, the write off is done on complete realization basis.

Locker Rent, Bank Guarantee Commission received for unexpired period is shown as advance receipt and not credited to P & LA/c.

Recovery of Write Off accounts, against which bank intends to avail benefit under Income Tax, during the year is recognized on receipt basis.

Processing Fees collected from the applicants, against which loan sanction and disbursement process is yet to complete, is shown as liability.

Various charges collated are accounted on receipt basis.

Profit on sale of investments is recognized on mercantile basis.

Retirement Benefits To Employees (AS - 15)

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. Bank contributions towards provident fund are charged against the revenue every year.

Taxation on income

The accounting treatment for income - tax in respect of the bank's income is based on the Accounting Standard 22 on 'Accounting for taxes on income'. The provision made for income tax in the accounts comprises both, the Current Tax and Deferred Tax. The deferred tax assets and liabilities for the year, arising on account of timing differences, are recognized in the statement of Profit & Loss and the cumulative effect thereof is reflected in the Balance Sheet.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and liabilities are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the bank has unabsorbed depreciation or carried forwarded losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that the same can be realized against future taxable profits.

Schedule - 18

Notes to Accounts

Reconciliation

Reconciliation of bank accounts has been done up to 31.03.2020

Segregation of debit and credit entries in Inter Branch Account pertaining to the period up to 31.03.2020 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.

Penalty - No Penalty is levied by the Reserve Bank of India for the Financial year 2019 - 20.

Interest on CRR default

Bank had paid Rs. 3,242/- as interest on default in CRR for 1 day.

Compliance With Accounting Standards

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.

Depositors Education and Awareness Fund Scheme 2014

In term of the Circular dated 21 March 2014, issued by Reserve Bank of India, the Bank has created the Depositors Education and Awareness Fund (DEAF), The Bank have transferred all the credit balance mentioned in Claus 3 of DEAF Scheme, 2014 maintained with the bank which have not been operated for 10 years or more. Subsequently, Bank is transferring to the said Fund, amount becoming due in each calendar month and the interest accrued there on for the eligible accounts as specified in the scheme.

The funds transferred to DEAF accounts till 31 March 2020 are as follows

(₹ in lakhs)

Particulars	F.Y. 2019 - 20	F.Y. 2018 - 19
Opening balance transferred to DEAF	1,173.70	951.95
Add : Amount transferred to DEAF during the year	181.13	251.77
Less : Amount reimbursed by DEAF towards claims	23.86	30.02
Closing balance of DEAF account	1,330.97	1,173.70

Statement of Securities sold/purchased under REPO transactions during the year 2019-20

(₹ in lakhs)

Particulars	Securities sold under REPO (Govt. Securities)	Securities purchased under Reverse REPO (Govt. Securities)
Minimum Outstanding during the year	0.00	100.00
Maximum Outstanding during the year	0.00	10,400.00
Daily Average Outstanding during the year	0.00	1,341.53
As on 31 March 2020	0.00	10,400.00

Reverse repo transaction includes transaction under Liquidity Adjustment Facility (LAF) with RBI.

Claims against Bank not acknowledged as debt

Claims against the bank regarding the suit filed by the borrowers, employees, under various statutes, 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.

Previous Years Figures

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

Additional Disclosure of Information as per RBI Circular No. UBD.CO.BP.PCB. 20/16.45.00/ 2002-03 dated 30.10.2002

(₹ in lakhs)

Particulars	31.03.2020	31.03.2019
Capital to Risk Asset Ratio (CRAR)	36.16%	42.14%
Movement of CRAR for Two Year		
Capital Fund- Tier 1 Capital	25,267.91	22,892.46
Capital Fund- Tier 2 Capital	4,840.81	4,616.06
Risk Weighted Assets	83,264.81	65,284.62
Investments/ State Govt & Other Approved Securities		
Book Value	88,419.03	92,923.60
Face Value	86,723.60	93,966.88
Market Value	91,948.39	94,450.78
Advances Against		
Real Estates Construction Business and Housing	5,176.85	5,094.97
Advances against Shares and Debentures	0.00	0.00
Advances to Directors, their Relatives, Companies / firms in which they are interested		
Fund Based	0.00	7.19
Non-fund Based	0.00	0.00
Average Cost of Deposits	5.68%	5.57%
NPAs		
Gross NPAs	5,137.44	24,889.00
Net NPAs	0.00	0.00
Movement in NPAs		
Opening Balance	24,889.00	24,107.29
Add : Addition during the year	3,716.01	1,401.17
Less : Closed / Recovered / Written Off	23,467.57	619.46
Closing balance	5,137.44	24,889.00
Profitability		
Interest income as a percentage of Working Funds	9.37%	8.18%
Non-interest income as a % of Working Funds	1.24%	0.54%
Operating Profit as a % of Working Funds	1.96%	2.53%
Return on Assets (Before Tax)	0.16%	1.50%
Return on Assets (After Tax)	1.51%	0.82%
Business (Deposits + Advances) per employee	390.35	465.30
Profit per employee (Before Tax)	0.58	6.72
Profit per employee (After Tax)	5.50	3.67

Provision Made towards NPAs	3,425.00	1,770.50
Movement in Provisions		
Towards NPAs	-19,485.04	6,385.55
Towards Deprecation on Investments	0.00	0.00
Towards Standard Assets	30.00	0.00
Towards Impaired Assets	-0.19	-0.21
Foreign Currency Assets/Liabilities	NIL	NIL
Payment of insurance premium to the DICGC, including arrears, if any	144.65	144.44

Composition of Non SLR Investments

(₹ in lakhs)

No.	Issuer	Amount	Extent of below Investment Grade Securities	Extent of Unrated Securities	Extent of Unlisted Securities
1	PSUs	7000.00	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	Others	4000.00	0.00	0.00	0.00
5	Provisions held towards depreciation	0.00	0.00	0.00	0.00
	Total	11000.00	0.00	0.00	0.00

ii) Non-Performing Non-SLR Investments

(₹ in lakhs)

Particulars	Amount
Opening balance	NIL
Additions during the year since 1st April 2019	NIL
Reductions during the above period	NIL
Closing balance	NIL
Total provisions held	NIL

AS - 17 "SEGMENTAL REPORTING"

The bank has recognized the business segments as the primary reporting segments (viz. Banking operations & 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.

(amt. in ₹)

Particulars	Treasury		Other Banking Operations		Total	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Revenue	121,79,29,034	82,23,25,406	83,12,86,068	91,62,10,078	204,92,15,102	173,85,35,484
Segmental Expenses	36,92,41,277	6,04,07,848	130,16,13,597	117,30,12,791	167,08,54,874	123,34,20,639
Results	84,86,87,757	76,19,17,558	(47,03,27,529)	(25,68,02,713)	37,83,60,228	50,51,14,845
Provisions	-	-	34,54,80,297	17,70,28,216	34,54,80,297	17,70,28,216
Profit Before Tax	84,86,87,757	76,19,17,558	(81,58,07,826)	(43,38,30,929)	3,28,79,931	32,80,86,629
Tax Expense					(27,67,28,008)	14,87,80,379
Net Profit					30,96,07,939	17,93,06,250
Segmental Assets	1098,20,28,493	994,19,08,411	908,51,46,217	1180,97,68,254	2006,71,74,710	2175,16,76,665
Unallocated Assets					38,25,26,761	16,30,68,533
Total Assets					2044,97,01,471	2191,47,45,198
Segmental Liabilities	1098,20,28,493	994,19,08,411	946,76,72,978	1182,41,36,787	2044,97,01,471	2176,60,45,198
Unallocated Liabilities	-	-	-	-	-	14,87,00,000
Total Liabilities	-	-	-	-	2044,97,01,471	2191,47,45,198

Unallocated Assets represents advance tax, TDS, Refund Due amount and Deferred Tax Assets.

Unallocated liabilities represents provision for income tax payable.

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 March 2020

(amt. in ₹)

Cash Flow from Operating Activities	
Net Profit as per Profit and Loss A/C	30,96,07,939
Add: Adjustment for :	
Provision for Income Tax -	
Provision for Deferred Tax	(27,67,28,008)
Provisions for BDDR	34,54,80,297
Interest Paid on Govt Securities	35,42,33,059
Depreciation on fixed assets	2,08,12,679
	44,37,98,027
Less :	
Profit on Sale of Security	7,86,36,656
Short Term Gain on Mutual Fund	2,93,33,898
Profit / (Loss) on Sale of Assets	4,20,114
Excess Taxation Provision	-
Dividend received from Co- operative Banks	12,500
Education Fund paid	17,93,063
Interest Earned on Investments	110,99,58,480
	122,01,54,711
Adjustments for :	
Net Increase / (decrease) Reserves	(186,50,17,771)
Net Increase / (decrease) Deposits	127,41,47,344
Net Increase / (decrease) in Other Liabilities & Provisions	(102,01,88,735)
Net (Increase) / decrease Advances	200,15,47,444
Net (Increase) / decrease Other Assets	57,06,06,759
Cash Generated from Operations	96,10,95,041
Income Tax Paid	(15,03,81,468)
Cash Generated from Operating Activities (A)	34,39,64,827
Cash Flow from Investing Activities:	
Interest Earned on Investments	110,99,58,480
Interest Paid on Govt Securities	(35,42,33,059)
Dividend received from Co - operative Banks	12,500
Profit on Sale of Security	7,86,36,656
Short Term Gain on Mutual Fund	2,93,33,898
Net Decrease in Investment	-104,01,20,082

Net (Increase) / decrease Fixed Assets	(4,31,36,416)
Cash Generated from Investing Activities (B)	(21,95,48,023)
Cash Flow from Financing Activities	
Increase in Share Capital	(51,65,900)
Dividend paid during the Year	(7,41,64,134)
Cash Generated from Financing Activities (C)	(7,93,30,034)
Net Increase in Cash & Cash Equivalent during Year (D) = (A + B + C)	4,50,86,770
Cash and Cash Equivalent at beginning of the Year	
Cash and Balance with RBI	82,19,33,567
Balance and FD with other Banks	14,80,13,523
Money at Call and Short Notice	-
Cash and Cash Equivalent at beginning of the Year (E)	96,99,47,091
Cash and Cash Equivalent at end of the Year	
Cash and Balance with RBI	74,24,30,179
Balance and FD with other Banks	27,26,03,682
Money at Call and Short Notice	-
Cash and Cash Equivalent at end of the Year F = (D) + (E)	101,50,33,861

As per our report of even date.
For Sabadra & Sabadra
Chartered Accountants
FRN : 108921W

For and on behalf of the board of Director of
The Nasik Merchants Co-Operative Bank Ltd., Nashik.

Anant N Sabadra, FCA
Partner
M.No :- 033683

Vijay Sane
Chairman

Prafulla Sancheti
Vice Chairman

Santosh Dhadiwal
Public Relation Director

Sohanlal Bhandari
Director

Vasant Gite
Director

Avinash Gothi
Director

Hemant Dhatrak
Director

Deepak Thakur
CEO

Eknath Nikam
General Manager

Dattatraya Shirsat
AGM, Account

Date :- 29 August 2020
Place :- Nashik

Budget for the Financial Year 2020 - 2021

Sr. No.	Income	Budget For 2019-20	Actual as on 31 March 2020	Budget For 2020-21
1	Interest Received /To be Received on Loans	130,00,00,000.00	69,90,55,845.07	95,00,00,000.00
2	Interest Received /To be Received on Investment	104,00,00,000.00	110,99,70,979.82	90,00,00,000.00
3	Commission and Exchange	60,00,000.00	12,00,272.70	35,00,000.00
4	Short Term Gain on Mutual Fund	3,00,00,000.00	2,93,33,897.99	3,00,00,000.00
5	Write off NPA Principal Recover	1,00,00,000.00	4,77,84,603.00	5,00,00,000.00
6	Profit In Investment Turnover	5,00,00,000.00	7,86,36,656.00	8,00,00,000.00
7	Other Income	10,00,00,000.00	8,32,52,550.15	9,00,00,000.00
	Grand Total	253,60,00,000.00	204,92,34,804.73	210,35,00,000.00

Sr. No.	Expenditure	Budget For 2019-20	Actual as on 31 March 2020	Budget For 2020-21
1	Interest Paid /To be Paid	122,50,00,000.00	118,26,30,792.31	104,50,00,000.00
2	Salaries and Allowances	27,00,00,000.00	29,21,15,652.92	32,00,00,000.00
3	Staff Training Account	50,00,000.00	3,19,524.00	25,00,000.00
4	Bonus and Exgratia	4,30,00,000.00	0.00	0.00
5	Commision Paid /To be Paid	5,00,000.00	39,338.56	1,00,000.00
6	Directors Meeting Allowances	10,00,000.00	6,78,550.00	10,00,000.00
7	Directors/Administrator Training	25,00,000.00	0.00	10,00,000.00
8	Audit Fee Paid /To be Paid	30,00,000.00	20,74,579.00	30,00,000.00
9	Professional Fees and Legal Fees	1,00,00,000.00	2,50,79,133.00	2,00,00,000.00
10	DICGC Premium	1,75,00,000.00	1,50,79,274.00	2,00,00,000.00
11	Printing and Stationery	50,00,000.00	50,13,245.99	70,00,000.00
12	Rent, Rates , Taxes and Insurance	4,00,00,000.00	3,62,24,628.90	4,50,00,000.00
13	Postage and Telephone	75,00,000.00	45,65,546.95	60,00,000.00
14	Vehicle Expenses	30,00,000.00	8,57,412.12	19,00,000.00
15	Repairs and Maintenance	2,00,00,000.00	1,66,18,081.19	2,00,00,000.00
16	Depreciation	5,00,00,000.00	2,08,12,679.04	3,50,00,000.00
17	Advertisement	50,00,000.00	23,39,055.74	50,00,000.00
18	Other Expenses	2,50,00,000.00	1,78,50,658.48	2,50,00,000.00
19	Service Tax / GST	2,50,00,000.00	2,76,64,289.61	3,50,00,000.00
20	Amortization on Investment	1,80,00,000.00	1,50,08,218.00	2,00,00,000.00
21	Network Usages Charges	50,00,000.00	46,90,051.33	60,00,000.00
22	Provisions	10,50,00,000.00	3,25,00,000.00	3,50,00,000.00
23	Loss on Sale of Asset	0.00	0.00	0.00
24	Computer Hardware and Software Purchase	0.00	0.00	0.00
25	Election Expenses	0.00	11,94,163.00	0.00
26	Net Profit Before Tax	65,00,00,000.00	34,58,79,930.59	45,00,00,000.00
	Grand Total	253,60,00,000.00	204,92,34,804.73	210,35,00,000.00

Excess Expenses Over Budget During the Financial Year 2019-2020

Sr. No.	Expenditure	Budget for 2019-20	Actual as on 31 March 2020	Expenses Over Budget 2019-20
1	Salaries and Allowances	27,00,00,000.00	29,21,15,652.92	2,21,15,652.92
2	Professional Fees and Legal Fees	1,00,00,000.00	2,50,79,133.00	1,50,79,133.00
3	Printing and Stationery	50,00,000.00	50,13,245.99	13,245.99
4	Service Tax / GST	2,50,00,000.00	2,76,64,289.61	26,64,289.61
5	Election Expenses	0.00	11,94,163.00	11,94,163.00
	Total	31,00,00,000.00	35,10,66,484.52	4,10,66,484.52

PROGRESS AT A GLANCE

(₹ in Thousand)

Year	Members	Share Capital	Deposits	Advances	Working Capital	Net Profit OR Loss	Audit Class
1959 - 1960	316	89	500	501	979	-2	-
1969 - 1970	814	227	3177	2903	4467	36	A
1979 - 1980	7234	2473	55078	41127	63939	1115	A
1989 - 1990	57330	19681	477098	366495	605689	16018	A
1999 - 2000	131670	106964	3392025	2256968	4416316	124554	A
2000 - 2001	132229	120167	3902844	2766308	4992851	109882	A
2001 - 2002	132591	130295	4428362	2897421	5660288	125718	A
2002 - 2003	137065	137125	4691202	2812783	6040268	37809	A
2003 - 2004	137959	144941	5035703	2658892	6573247	54309	A
2004 - 2005	138057	146797	4260629	2363797	5895312	69081	A
2005 - 2006	137540	153060	4476209	2266265	6344465	72709	A
2006 - 2007	137228	156086	4698351	2183958	6733673	40348	A
2007 - 2008	137395	166085	5170147	2396231	7469122	82930	A
2008 - 2009	146112	193908	5701860	3226433	8695822	126088	A
2009 - 2010	155204	223759	7135161	3697714	9624174	173473	A
2010 - 2011	159156	258458	8057455	4852104	10760357	194621	A
2011 - 2012	164910	299728	10142886	6805859	13060437	205596	A
2012 - 2013	170869	364836	14014882	9103915	17539534	251974	A
2013 - 2014	173422	430374	12219724	9440274	16060099	351580	A
2014 - 2015	175192	463294	13804117	9357734	18106484	419453	A
2015 - 2016	177521	486868	14482740	9392872	19230896	412864	A
2016 - 2017	179186	510051	16067984	9089058	21136664	376821	A
2017 - 2018	179905	501226	14862958	8490859	20711768	259559	A
2018 - 2019	179953	506009	14106636	8600128	20085872	179306	A
2019 - 2020	180551	500843	15380783	6595761	19313820	309608	A

ANNEXURE:- "A"

Name of Bank	:	The Nasik Merchants Co-op. Bank Ltd., Nashik (Multi- State Scheduled Bank)
Address of Administrative Office	:	A-16, Industrial Estate, Babubhai Rathi Chowk, Netaji Subhashchandra Bose Marg, Satpur, Nashik 422007
Registration Number and Date	:	22095 DT. 11/06/1959
RBI Licence Number and Date	:	MH/978/P DT.12/08/1988
Registration Number and Date as Multi-State Scheduled Bank	:	M.S.C.S./C.R./113/2000 DT. 25/10/2000
Jurisdiction	:	Whole Maharashtra State, Ahmedabad and Surat in Gujarat State, Hyderabad in Telangana State, Indore in Madhya Pradesh State and Delhi State.
No of Branches including HO	:	81
Membership	:	Regular - 180551 Nominal - 13256

FINANCIAL STATUS OF BANK AS ON DATE 31 MARCH 2020

(₹ in lakhs)

S.N.	PARTICULARS	31 MARCH 2020	
1	Paid up Share Capital		5008.43
2	Total Reserve Fund		29049.82
3	Total Deposit		153807.83
	a) Saving	43680.06	
	b) Current	12573.85	
	c) Fixed	97553.92	
4	Total Loan		65957.61
	a) Secured	62771.63	
	b) Unsecured	3185.98	
5	Total % of Priority Sector		58.31%
6	Total % of Weaker Sector		12.03%
7	Investment		111346.28
8	Gross NPA		7.79%
9	Net NPA		0.00%
10	Net Profit		3096.08
11	Percentage of Overdues		6.17%
12	Working Capital		193138.20
13	No of Staff		563
	Officer & Assistant	456	
	Office Assistant	107	

DIRECTORS RELATIVES LOAN

Perticuler	Sanction Loan Amt/Credit limit	Amt of Arrive Beginning Year Dt. 01.04.2018	Dt. 31.03.2019 Last Balance O/s	A/c Closing Date
Directors	-	-	-	-
Directors Relatives	-	-	-	-
Total	-	-	-	-

AMENDMENTS TO BYE-LAWS

The details of proposed amendments are as follows:

Sr. No.	Clause No. And Heading	Existing Clause As Per Bye-laws	Text Incorporated After Amendments	Reason/ Justification For Amendments
1	16	On death of a member, the Bank shall pay to the nominee a sum representing the value of the member's interests in the Bank within six months from the date of intimation of death of the member. In absence of such nomination, the Bank may pay, after obtaining an indemnity from him/them, to such person/s as may appear to the Bank's Board of Directors to be so entitled as heir or legal representative of the deceased member. The interest of the deceased may consist amount of the shares, dividend, deposit/s & interest thereon or on any other dues to the member/s after recovering amounts due to the Bank from such deceased member /s.	On death of a member, the Bank shall pay to the nominee a sum representing the value of the member's interests in the Bank within six months from the date of intimation of death of the member. In absence of such nomination, the Bank may pay, after obtaining an indemnity from him/them, to such person/s as may appear to the Bank's Board of Directors to be so entitled as heir or legal representative of the deceased member. The interest of the deceased may consist amount of the shares, dividend, deposit/s & interest thereon or on any other dues to the member/s after recovering amounts due to the Bank from such deceased member /s. However if the heir or legal representative of the deceased member demanded to add his / her name against the interest of the deceased member his / her request may be considered by adding his / her name in place of deceased member and the interest due to deceased member may be	To transfer the membership of deceased member in the name of his / her heir / legal representative.

Sr. No.	Clause No. And Heading	Existing Clause As Per Bye-laws	Text Incorporated After Amendments	Reason/ Justification For Amendments
			credited to heir's / legal representative's membership account.	
2	29(7) TERM OF OFFICE OF THE BOARD OF MANAG EMENT (BOM)	New Byelaw	The tenure of BOM shall be co-terminus with the tenure of BOD.	In terms of the circular no.RBI/201 9-0/128DoR (PCB).BPD. Cir.No.8/12. 05.002/2019 -20 dated 31st Dec. 2019
3	31(1)(14) DIS QUALIF ICATIO N FOR BEING A MEMBE R OF THE BOARD OF MANAG EMENT (BOM)	New Byelaw	Any disqualification prescribed for member of a BOD as per the Bye-laws will also apply to a member of a BOM.	In terms of the circular no.RBI/201 9-20/128 DoR (PCB).BPD. Cir.No.8/12. 05.002/2019 -20 dated 31st Dec. 2019
4	31(3) REMOV AL OF THE MEMBE RS OF BOARD OF MANAG EMENT	New Byelaw	RBI Shall have powers to remove any member of BOM and/or the Managing Director if the person is found to be not meeting the criteria prescribed by RBI or acting in a manner detrimental to the interests of the bank or its depositors or both. The BOD shall seek concurrence from RBI before removing any member of the BoM/accepting the resignation tendered by any member of the BOM. RBI shall also have powers to supersede the BOM if the functioning of BOM is found	In terms of the circular no.RBI/201 9-20/128 DoR (PCB).BPD. Cir.No.8/12. 05.002/2019 -20 dated 31st December 2019

The Nasik Merchants Co-Operative Bank Ltd., Nashik

Sr. No.	Clause No. And Heading	Existing Clause As Per Bye-laws	Text Incorporated After Amendments	Reason/ Justification For Amendments
			unsatisfactory. After removal of the member of BOM or Managing Director or supersession of BOM, BOD shall appoint a new member or Managing Director or constitute a new BOM as the case may be within a period of three months. As an interim arrangement, BOD may carry out the functions of BOM.	
5	32	Vacancies in the Board of Directors on account of death, disqualification or resignation or removal shall be filled in by the remaining Directors by co-opting of a person belonging to the same category and having required qualifications as a Director. In case of remaining period of Board of Directors is more than 2 ½ years in such case vacant post should be filled by election.	Vacancies in the Board of Directors on account of death, disqualification or resignation or removal shall be filled in by the remaining Directors by co-opting of a person belonging to the same category and having required qualifications as a Director. The remaining Board of Directors shall fill the concerned vacant post by co-option no matter how long the term of the Board of Directors remains.	To fill up the vacant post immediately by avoiding time consuming election process, as the jurisdiction of the Bank is very vast.
6	35 (21) (a) POWER	The Board of Directors shall appoint One Executive Committee consisting of 7 members of the Board of Directors, including the Chairman, Vice Chairman and the Chief Executive officer. Apart from above the Board of Directors also have power to constitute committees or sub-committees (not exceeding three) The composition of the committees and its functions will be decided by the Board of Directors from time to time. The chairman will preside all the committees or sub-committees constituted under the Byelaw.	The Board of Directors shall appoint One Executive Committee Consisting of 7 members of the Board of Directors, including the Chairman, Vice Chairman and the Chief Executive officer. Apart from above the Board of Directors also have power to constitute committees or sub-committees "as required for the smooth functioning of the Bank" The composition of the committees and its functions will be decided by the Board of Directors from time to time. The chairman will preside all the committees or sub-committees constituted under the Byelaw.	For the smooth functioning of the Bank various committees are required hence the number of committees can not be restricted to three.
7		New Byelaw	Members of BOM may be paid allowance/ sitting fees for	In terms of the circular

The Nasik Merchants Co-Operative Bank Ltd., Nashik

Sr. No.	Clause No. And Heading	Existing Clause As Per Bye-laws	Text Incorporated After Amendments	Reason/ Justification For Amendments
	NTS TO BOARD OF MANAG EMENT		their services with the approval of BOD.	no.RBI/201 9-20/128 DoR(PCB). BPD.Cir.No .8/12.05.002 /2019-20 dated 31st Dec. 2019
8	35(31) BOARD OF MANAG EMENT (BOM)	New Byelaw	<p>i) The BOM shall be constituted by the Board of Directors (BOD).</p> <p>ii) The BOM (excluding Managing Director) shall have a minimum of five members. The maximum number of members in BOM shall not exceed twelve. The managing Director would be a non-voting member.</p> <p>iii) Members of the BOM may be drawn from the members of the Board of Directors provided they meet the criteria specified. However, not more than 50 per cent of the BOM members shall be from BOD. Under all circumstances, BOM shall have at least two members from outside the BOD.</p> <p>iv) The members of BOM shall at all times satisfy the 'Fit and Proper' Criteria, as furnished in Appendix I of RBI circular no.DOR(PCB) .BPD.Cir.no. 8/12.05..002/ 2019-20 dated 31st December 2019.</p> <p>v) All the members of BOM shall consist of persons having special knowledge or practical experience in respect of one or more of the following matters, namely:-</p> <p>a. Accountancy;</p> <p>b. Agriculture and rural economy;</p> <p>c. Banking;</p> <p>d. Co-operation;</p>	In terms of the circular no.RBI/201 9-20/128 DoR (PCB).BPD. Cir.No.8/12. 05.002/2019 -20 dated 31st December 2019

Sr. No.	Clause No. And Heading	Existing Clause As Per Bye-laws	Text Incorporated After Amendments	Reason/ Justification For Amendments
			<p>e. Economics ; f. Finance; g. Law; h. Small scale industry; i. Information Technology; j. Any other subject, which would, in opinion of the Reserve Bank, be useful to the UCB.</p> <p>vi) A member of BOM can be appointed in more than one Bank, subject to maximum of three, provided that there is no overlapping in area of operation.</p>	?
9	35(32) POWER S AND FUNCTI ONS OF THE BOARD	New Byelaw	Board of Directors (BOD) shall carry out a process of due diligence to determine the suitability of the person for appointment as the member of the BOM, based upon qualification, expertise, track record, integrity and other 'fit and proper' criteria.	In terms of the circular no.RBI/2019-20/128 DoR(PCB).B PD.Cir.No.8/12.05.002/2019-20 dated 31st Dec. 2019
10	35(33) POWER S AND FUNCTI ONS OF THE BOARD	New Byelaw	BOD will continue to be the apex policy setting body and constitute various committees of the Board including the Board of Management to assist the Board in carrying out its responsibilities.	In terms of the circular no.RBI/2019-20/128 DoR(PCB).B PD.Cir.No.8/12.05.002/2019-20 dated 31st Dec. 2019
11	35(34) POWER S AND FUNCTI ONS OF THE BOARD	New Byelaw	To delegate powers to various committees as considered appropriate and to ensure that there are no conflicts in powers delegated to the Committees of the Board and BOM.	In terms of the circular no.RBI/2019-20/128 DoR(PCB).B PD.Cir.No.8/12.05.002/2019-20 dated 31st Dec. 2019
12	35(35) POWER S AND FUNCTI	New Byelaw	The major functions of the BOM would be following:- i. Rendering expert advice on all proposals being put up to	In terms of the circular no.RBI/2019-20/128

Sr. No.	Clause No. And Heading	Existing Clause As Per Bye-laws	Text Incorporated After Amendments	Reason/ Justification For Amendments
	ONS OF THE BOARD OF MANAGEMENT (BoM)		<p>the Board or any Committee of the Board for sanction of loans;</p> <p>ii. Recommending action for recovery of NPAs, One Time Settlement or Compromise Settlement and assisting the Board in monitoring the same;</p> <p>iii.Overseeing the management of funds and borrowings in the bank</p> <p>iv.Recommending proposals for investment of banks funds as per the board approve policy;</p> <p>v. Oversight on internal controls and systems and risk management in the bank;</p> <p>vi.Exercising oversight on implementation of computerization, technology adoption and other incidental issues in the bank;</p> <p>vii. Overseeing internal audit and inspection functions including compliance</p> <p>viii. Oversight on complaint redressal system</p> <p>ix. Assisting the Board in formulation of policies related to banking functions, illustratively loan policy, investment policy, recovery policy, ALM and Risk management, etc. to ensure that policies are in tune with RBI guidelines.</p> <p>x. Any other responsibility as may be delegated to it by the BOD.</p> <p>In the event where the BOD differs with the recommendations of BOM, it shall do so by recording, in writing, the reasons thereof.</p>	DoR(PCB). BPD.Cir.No .8/12.05.002 /2019-20 dated 31st December 2019
13	35(36) MEETINGS OF THE BOARD	New Byelaw	BOM may hold meetings at such periodicity as deemed necessary. The Chairman of the BOM may be elected by the members of BOM from	In terms of the circular no.RBI/2019 -20/128 DoR(PCB).B

The Nasik Merchants Co-Operative Bank Ltd., Nashik

Sr. No.	Clause No. And Heading	Existing Clause As Per Bye-laws	Text Incorporated After Amendments	Reason/ Justification For Amendments
	OF MANAG EMENT (BOM)		amongst themselves or appointed by the BOD. Under no circumstances the Chairman of the BOD shall be appointed as Chairman of the BOM and Bank shall maintain proper record of the minutes of the meeting and the same shall be put up to BOD. The quorum for the meeting shall be two-third of the total members of BOM.	PD.Cir.No.8 /12.05.002/2 019-20 dated 31st Dec. 2019
14	39(A) CHIEF EXECUTIVE OFFICE R/ MANAGING DIRECT OR	A) The Chief Executive shall be appointed by the Board of Directors of the Bank. The termination of services of the Chief Executive shall be in accordance with the service Rules framed by the Board of Directors, The Chief Executive will be the full time employee of the Bank.	(a) The Chief Executive Officer of the Bank shall be the Chief Executive Officer of the Bank or Managing Director of the Bank and shall be appointed by the Board of Directors under section 51 of The Multi State Cooperative Societies Act,2002. He shall be a full time employee of the Bank. He shall aid and assist the Board in discharge of its functions. The Chief Executive officer/ Managing Director shall be ex-officio member of the Board and also of BOM. (b) Appointment of Chief Executive officer/ Managing Director shall be subject to prior approval of Reserve Bank of The India. Board Resolution appointing the Chief Executive Officer/Managing Director to be either ratified in the ensuing Annual General Meeting/ Special General Meeting or the board of Directors may obtain prior approval of Annual General Meeting / Special General Meeting before appointing the Chief Executive Officer/ Managing Director. c) If the Chief Executive Officer/ Managing Director is removed, the Board of Directors shall appoint a new	In terms of the circular no.RBI/201 9-20/128 DoR(PCB). BPD.Cir.No .8/12.05.002 /2019-20 dated 31st Dec. 2019

The Nasik Merchants Co-Operative Bank Ltd., Nashik

Sr. No.	Clause No. And Heading	Existing Clause As Per Bye-laws	Text Incorporated After Amendments	Reason/ Justification For Amendments
			Chief Executive Officer/ Managing Director within a period of three months, subject to approval from the Reserve Bank of India. Such appointment shall be informed to and ratified by the members of the Bank in the ensuing Annual General Meeting or a Special General Meeting.	
15	39 (c) QUALIFICATION OF CHIEF EXECUTIVE OFFICER/ MANAGING DIRECTOR	New Byelaw	The Chief Executive Officer/ Managing Director shall be a person meeting the following 'fit and proper' criteria as prescribed by the Reserve Bank of India from time I) Chief Executive Officer/ Managing Director of the Bank shall be the person Graduate with (a) CAIIB/DBF/Diploma in Co-operative Business Management or equivalent qualification; or (b) Chartered/ Cost Accountant; or (c) Post graduate in any discipline. ii) The person may preferably not be less than 35 years of age and not more than 70 years of age at the time of appointment. iii) The person shall have at least 8 years work experience at the middle/ senior level in the banking sector.	

Note :- The above amendments will be subject to the approval from Central Registrar of Co-operative Societies, New Delhi.

Deposit Interest Rate from Date 1, July 2020

Particulars	General Interest p.a	Senior citizen & Trusts Interest p.a
15 Days to 90 Days	3.75%	4.25%
91 Days to 180 Days	4.50%	5.00%
181 Days to 364 Days	5.00%	5.50%
Above 12 month to 18 months	5.25%	5.75%
Above 18 month to 24 months	5.50%	6.00%
Above 24 month to 36 months	5.75%	6.25%
Above 36 month to 120 months	6.00%	6.50%
Kalpawruksha Deposit scheme (Period minimum 5 years to maximum 10 years) Benefit upto Rs. 1.50 Lakhs as per income tax Act. 1961 sec. 80 C		6.00%

Public Notice

Compliance for KYC Norms –

All the Customers and members are informed that those who have not yet completed the KYC formalities of their Bank accounts as per the directives from Reserve Bank of India are required to submit the papers viz. Photo ID, including Pan Card, Adhar Card, Driving licence etc. and address proof including electricity bill, telephone bill etc. and coloured photograph should submit the necessary papers to respective branches at the earliest.

Please note that the account holders who will not complete KYC formalities will not be allowed to operate their accounts henceforth. We have already sent the letters to all customers on the addresses available on bank record, however those who have not received the letter, we request you to treat this notice as a letter and complete the necessary formalities immediately.

Missed Call Alert.

The Bank account holder can check the balance of his deposit account on toll free number 8046878369. After the missed call received from his registered mobile, Bank will provide the balance in respective account by SMS. I request all account holders to register their Mobile numbers with respective branches for availing this facility.



Board of Directors & former Chairman - Shri S. M. Bhandari addressing 61st Annual General Meeting held on 29 September 2020.

Interaction with share holders by former Chairman - Mr. S. M. Bhandari on the accession of special General Meeting held on 19 January 2020.



Share holders attendance in the Special General Meeting held on 19 January 2020.



Honorable MLA - Mr. DilipKaka Bankar, Our Directors and dignities at inauguration ceremony of renovation of Saykheda Branch.

Customers and Citizens present at the Inauguration ceremony of renovation of Saykheda Branch.



Honorable Cabinet Minister Mr. Chhaganraoji Bhujbal inaugurating the renovated Lasalgaon Branch with former Chairman-Mr. S. M. Bhandari, Mr. A. M. Gothi, Senior Director Mr. V. N. Gite, Mr. V. R. Sane and Other dignitaries.



Honorable Cabinet Minister
Mr. Chhaganraoji Bhujbal addressing
the function of Lasalgaon Branch with
Board of Directors and Chief guests.

Recently elected Chairman-
Mr. V. R. Sane with Board of
Directors.



Board of Director at the time of
election of Vice Chairman - Mr. P. B.
Sancheti, Public Relation Director
Mr. S. M. Dhadiwal.



Honorable Chairman-
Mr. V. R. Sane lighting the lamp with
Vice Chairman-Mr.P.B.Sancheti,
P. R. Director -Mr. S. M. Dhadiwal,
Director-Mr. B. N. Choudhari and
CEO -Mr. D. G. Thakur on the occasion
of staff training program at Admin.
Office.

Camp of Rapid Antigen Test to
prevent Covid-19 held in the Head
office Bank Directors and Staff
attended the Camp.



Honorable Chairman - Mr. V. R. Sane
addressing the staff at 73rd
Independence Day with Directors
and CEO.