



# **THE CITIZEN CO-OPERATIVE BANK LTD.**

**Vasco-Da-Gama, Goa**

## **38<sup>th</sup>**



**Annual Report**

**2020-2021**

# The Citizen Co-operative Bank Limited

Regd. & H. O.: Lakshdeep Apartments,  
Vasco-da-Gama, Goa-403 802.  
Ph.: 2511033 / 2519290

Email : ho@citizenbankgoa.com Website: www.citizenbankgoa.com

## BOARD OF DIRECTORS

<b>Chairman</b>	<b>Dr. Ravindra V. Parulekar</b>	(Medical Practitioner)
<b>Vice Chairman</b>	<b>Shri Madhav N. Kamat</b>	(Engineer)
<b>Directors</b>	<b>Shri Mohan S. Dicholkar</b>	(Retd. Shipping Executive)
	<b>Capt. Bruno V. D'Souza</b>	(Retd. Company Executive)
	<b>Shri Chandrakant K. Gawas</b>	(Businessman)
	<b>Shri Pundalik Vasudev Nayak</b>	(Businessman)
	<b>Shri Sandeep Sood</b>	(Businessman)
	<b>Smt. Nilima Madhav Kamat</b>	(Businesswoman)
	<b>Shri Jagdish Yadu Durbhatkar</b>	(Businessman)

**Shri Sadashiv Phadte**  
(Dy. Chief Executive Officer)

## BRANCHES

- 1) Vasco-da-Gama Branch:**  
Lakshdeep Apartments,  
Near Damodar Temple,  
Vasco-da-Gama, Goa.  
Ph.: 2512745  
email :vasco@citizenbankgoa.com
- 2) Aquem Baixo Branch:**  
Kurtarkar Modern Homes,  
Rawanfond, P.O. Navelim,  
Goa.  
Ph.: 2765117  
email :aquem@citizenbankgoa.com
- 3) Canacona Branch :**  
Mangalvan Complex,  
Chaudi, Canacona, Goa.  
Ph.: 2643914  
email :canacona@citizenbankgoa.com
- 4) Margao Branch :**  
Dalal Commercial Complex,  
Opp. Hari Mandir, Margao, Goa.  
Ph.: 2704479  
email :margao@citizenbankgoa.com
- 5) Panaji Branch:**  
Srirang Mansion,  
Dr. A.B. Road, Panaji, Goa.  
Ph.: 2425602/603  
email :panaji@citizenbankgoa.com
- 6) Ponda Branch :**  
Akashdarshan,  
Kaziwaddo, Ponda, Goa.  
Ph.: 2318841  
email :ponda@citizenbankgoa.com

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### NOTICE TO MEMBERS

Thirty Eighth Annual General Body Meeting

**Notice is hereby given that the Thirty Eighth Annual General Body Meeting of the members of The Citizen Co-operative Bank Ltd., will be held on Saturday, the 25th September 2021 at 3.30 p.m. in the Bank's premises at Lakshadeep Apts. Near Shree Damodar Temple, Vasco-da-Gama, to transact the following business:**

1. To read and confirm minutes of the last Annual General Body meeting held on 26th September 2020.
2. To consider and adopt the Annual Report and Audited Statement of Accounts for the year ended 31.03.2021.
3. To approve expenses incurred in excess of budget during the year ended 31.03.2021.
4. To consider the Statutory Auditors Report and the Rectification Report for the year 2020-21.
5. To approve the revised budget for the year 2021-22 and budget for 2022-23.
6. To appoint Statutory Auditors for the year 2021-22 and Concurrent Auditors for the year 2022-23.
7. To consider Amendments to Byelaws.
8. To transact any other business with the permission of the Chair.

**By Order of the Board of Directors**

**Vasco-da-Gama**

Date: 8th September 2021

sd/-

**(SADASHIV PHADTE)**

Dy. Chief Executive Officer

**Note:**

1. If there is no quorum within half an hour after the appointed time, the Meeting shall stand adjourned to 4.00 p.m. on the same day and the agenda of the meeting will be transacted at the said venue irrespective of the rule of quorum in terms of byelaw No. 24.
2. Every Firm or Company which is the member of the Bank is required to inform the Bank the name of its representative attending the meeting by way of resolution.
3. Members are requested to collect their copies of Annual Report including interalia Statement of Accounts and Meeting Agenda from the Head Office or Branches of the Bank. Members may also refer to Bank's website 'www.citizenbankgoa.com' for the above documents.
4. If any suggestions are to be made or clarification required in respect of Annual Report, the same be sent in writing to the Bank upto 20th September 2021.
5. Members attending the meeting must wear face mask, maintain safe social distance and follow the COVID-19 SOP prescribed by the Government Authorities.

## CHAIRMAN'S REPORT

Dear Members,

On behalf of the Board of Directors, I extend a warm welcome to you for the 38th Annual General Body Meeting of our Bank and place before you the 38th Annual Report together with Audited Statements of Accounts for the year ended 31st March 2021.

We are passing through unprecedented times of COVID-19 pandemic which had impacted economy and every aspect of our lives. While taking care of the health and safety of our employees, your bank is determined in serving the customers. The employees of your bank have worked tirelessly during outbreak of COVID-19 pandemic.

Due to COVID-19 pandemic and nation wide lockdown, the sluggish economic conditions prevailed during the first two quarters for the FY 2020-21. Business growth was hampered due to lack of business activities and restrictions imposed by State Government. The 3rd and 4th quarters witnessed slight improvement in business. The bond markets also remained range bound during the first three quarters. Market showed a little improvement during the last quarter and Bank has earned a trading profit of Rs. 109.44 lakhs.

The news of restrictions on Mumbai based Multi State Scheduled Co-op Bank and two major Urban Co-op Banks in Goa has resulted in rumours spreading in the market which has affected the growth of the Co-op Banks in Goa to some extent during the financial year under review. As the ill effects of COVID-19 still persist, business enterprises are still struggling to recover their lost glory thereby hampering our NPA recoveries and business growth.

Overcoming the present scenario of COVID-19 pandemic, your bank has achieved a operating profit of Rs. 139.49 lakhs and reduction in Gross and Net NPAs too. Our recovery team is working tirelessly to restrict NPAs within the tolerable levels. We hope that with the improvement in the economic conditions and Government efforts to revive the economy the situation will improve.

### PERFORMANCE:

The comparative financial parameters of our Bank as on 31.03.2020 and 31.03.2021 are as follows:

## The Citizen Co-operative Bank Limited **38<sup>th</sup> Annual Report 2020-2021**

	As on 31.03.2021 (Rs. in Lakh)	As on 31.03.2020 (Rs. in Lakh)
Paid-up Share Capital	517.09	521.54
Reserves (Free)	1295.97	1365.08
Deposits	16823.95	17664.63
Advances	8703.25	9249.99
Investments	7576.10	7755.91
Working Capital	19584.09	20354.26
Gross Income	1629.54	1944.23
Profit (Before Tax)	24.88	-166.39

### **OWNED FUNDS:**

During the year ended 31.03.2021, the owned funds of the Bank comprising of Paid-up share capital, reserves and surplus stood at Rs.2291.73 Lakh compared to Rs. 1886.62 Lakh as on 31.03.2020. Bank's CRAR as on 31.03.2021 stood at 12.58%.

### **MEMBERSHIP :**

During the year under review, 82 new members were enrolled and 64 members resigned from Bank's membership. The number of shareholder members stood at 9970 as on 31.03.2021. In addition, Bank also enrolled 62 nominal members.

### **DEPOSITS AND ADVANCES :**

The aggregate deposits of the Bank decreased to Rs. 16,823.95 Lakh as on 31.03.2021, from Rs. 17664.63 Lakh as on 31.03.2020 (-4.76%). The composition of low cost deposits in total deposits accounted for 28.57%.

Advances during the same period decreased from Rs. 9249.99 Lakh as on 31.03.2020 to Rs. 8703.25 Lakh as on 31.03.2021. CD Ratio stood at 51.73% as on 31.03.2021, the total advances to priority sectors amounted to Rs. 6055.36 Lakh and those to weaker sections amounted to Rs. 3630.82 Lakh i.e. 69.58% and 41.72% of total advances respectively.

The Branch wise break-up of deposits, advances and working results as on 31.03.2021 was as follows:

## The Citizen Co-operative Bank Limited 38<sup>th</sup> Annual Report 2020-2021

Branch	Deposits	Advances	(Rs. in Lakh) Profit
Head Office	-	-	-140.69
Vasco-da-Gama	9228.73	4317.68	161.84
Aquem-Baixo	2267.55	209.04	14.81
Canacona	679.16	237.34	-14.64
Margao	2610.26	2382.90	12.48
Panaji	1507.81	1042.24	-9.37
Ponda	530.44	514.05	-8.76
<b>Total</b>	<b>16823.95</b>	<b>8703.25</b>	<b>15.67</b>

### INVESTMENTS :

Our investments as on 31.03.2021 stood at Rs. 7576.10 Lakh as against Rs. 7755.91 Lakh as at the end of the previous year. The breakup of investments was as under:

	(Rs. in Lakh)
Investment in Central Govt. Securities	Rs. 3594.86
Investment in State Govt. Securities	Rs. 2223.22
Shares of The Goa State Co-op. Bank Ltd.	Rs. 2.50
Shares of Lakshdeep C.H.S. Ltd.	Rs. 0.03
Money at Call and Short Notice	Rs. 900.00
Fixed Deposit with Karnataka Bank Ltd.	Rs. 25.00
Locker Deposit with Central Bank of India	Rs. 0.49
Fixed Deposit with PMC Bank Ltd.	Rs. 400.00
Fixed Deposit with TJSB Sahakari Bank Ltd.	Rs. 110.00
Fixed Deposit with Suryoday Small Fin. Bank Ltd.	Rs. 195.00
Fixed Deposit with DCB Bank Ltd.	Rs. 125.00
<b>Total</b>	<b>Rs. 7576.10</b>

**INCOME & EXPENDITURE:**

Gross income of the Bank decreased from Rs. 1994.23 Lakh in 2019-20 to Rs. 1629.54 Lakh in 2020-21. Interest income declined by 13.10% from Rs. 1714.08 Lakh in 2019-20 to Rs. 1489.50 Lakh in 2020-21. Interest expenditure decreased by 14.22% from Rs. 1178.43 Lakh in 2019-20 to Rs. 1010.86 Lakh in 2020-21. The Bank earned an income of Rs. 109.44 Lakh from treasury operations as against Rs. 52.84 Lakh earned during the previous year. Further, the bank had to make provision of Rs. 80.00 Lakh for deposits placed with PMC Bank Ltd. and Rs. 28.45 Lakh interest receivable on the deposit was not recognised as income as per RBI Interbank Exposure norms. The profit of the Bank for the year 2020-21 stood at Rs. 24.88 Lakh before tax. The same shall be utilized for reduction of accumulated losses.

**RBI INSPECTION:**

During the period under review, Reserve Bank of India conducted periodical inspection of our Bank u/s 35 of the Banking Regulations Act, 1949 (AACs). The Inspecting Officers have expressed satisfaction about the functioning of our Bank. We are thankful for their suggestions for further improvement in our functioning.

**AUDIT CLASSIFICATION:**

We are pleased to inform the members that our Bank has secured 'A' Audit classification for the year 2020-21 also, based on the assessment of Bank's functioning as per norms stipulated by Reserve Bank of India.

**CORPORATE GOVERNANCE:**

The Bank has implemented good corporate governance, strong emphasis on the business ethics, effective supervision, transparency, accountability and integrity. The Bank is also responding to the customer expectations by introducing add on facilities.

The Board has constituted various Committees of Directors such as Executive Committee, Audit Committee, Staff Committee, Investment Committee, IT Sub Committee and Committee to monitor high level fraud and has delegated specific responsibilities to them.

The Bank has also constituted Asset Liability Committee consisting of senior Management personnel.

All the above Committees meet regularly to transact the business delegated to them.

Shri Chandrakant K. Gawas, Director has been appointed as Designated Director to ensure Compliance with the obligations under the PML Act 2012.

The Bank has framed various Policies viz: Loan Policy, Investment Policy, KYC Policy, IT Policy, Disaster Recovery Policy, ALM Policy etc. incorporating upto date RBI guidelines for the guidance of the functionaries at various levels.

**STAFF RELATIONS AND STAFF WELFARE:**

For the welfare of Staff members, the Bank has taken out Group Term Policy. The Bank has been contributing 12% of the specified portion of employee's earnings towards Provident Fund and Pension Fund managed by Provident Fund organisation. The Bank has opted for Group Insurance Scheme with LIC of India in lieu of Employees Deposit Link Insurance Scheme of Provident Fund Organisation considering the better benefits offered by them. The Bank is contributing to the Group Gratuity Scheme of LIC of India and HDFC Standard Life Insurance Co. Ltd. to provide for payment of Gratuity to the staff members. The bank has also contributed to Leave Encashment Fund to provide for Leave Encashment of the staff members.

**ADD ON FACILITIES:**

Bank is currently providing ATM, Tax payment facility and RTGS/NEFT facility to our accountholders. The Bank is also providing SMS Banking, Direct Benefit Transfers and ECS facility for their convenience.

Bank participates in social security measures introduced by the Central Government namely, Pradhan Mantri Jeevan Jyoti Bima Yojana and Pradhan Mantri Surksha Bima Yojana. We request our members to make use of these facilities.

**BOARD OF DIRECTORS:**

The Board of Directors met 9 times during the year to conduct normal business of the Bank. All the meetings were well attended. The Executive Committee of Directors met regularly to transact the business within its delegated powers.

**COMPLIANCE WITH RBI DIRECTIVES / GUIDELINES:**

Our Board is pleased to inform the members that our Bank has complied with all the guidelines issued by Reserve Bank, some of which are given below:

- We have maintained at all times CRR and SLR stipulated u/s 18 & 24 of B. R. Act 1949 (AACS).
- We have fully adhered to the prudential norms on income recognition, asset classification and provisioning.
- We are maintaining the statutory liquidity Reserve in the form of Govt. Securities. All transactions in Govt. Securities are carried out in demat form through CSGL/Demat A/c maintained with HDFC Bank Ltd.
- We have paid the insurance premium to Deposit Insurance and Credit Guarantee Corporation upto date.
- Our CRAR as on 31.03.2021 stood at 12.58 %, which is above the level of 9% stipulated by RBI.



**ACKNOWLEDGEMENTS:**

The Board of Directors sincerely thank all the Members, Depositors, Customers, Service Providers, Well wishers and various Institutions for their patronage and cooperation for the functioning and growth of the Bank.

The Board of Directors wish to place on record the assistance, guidance and cooperation extended by Reserve Bank of India and their Officers, Registrar of Co-op. Societies and their Officers, Statutory Auditors, Concurrent Auditors, Tax Consultants, Information Systems Auditors, Legal Advisors and Valuers, for their guidance and support.

The Board of Directors is grateful to all the Senior Managerial Personnel, Officers and Employees of the Bank for their dedicated efforts for the smooth functioning of the bank.

**JAI HIND**

Vasco-da-Gama,  
07.09.2021

**JAI SAHAKAR**

Sd/-  
**(Dr. R. V. Parulekar)**  
Chairman

**The Citizen Co-operative Bank Limited**  
**H.O., Vasco-da-Gama, Goa.**

**Budget Estimates for the year 2021-2022 and 2022-23**

	Budget for 2020-2021		Actuals 2020-21		Budget for 2021-2022		Revised Budget for 2021-2022		Budget for 2022-2023	
	Rs.		Rs.		Rs.		Rs.		Rs.	
<b><u>INCOME</u></b>										
1 Interest on Advances	12,00,00,000		10,38,38,177		13,20,00,000		13,00,00,000		12,00,00,000	
2 Interest on Investments	5,25,00,000		4,51,11,414		5,75,00,000		5,00,00,000		5,25,00,000	
3 Commission and Exchange	20,00,000		14,97,849		22,00,000		20,00,000		22,00,000	
4 Other Receipts	50,00,000		1,25,06,160		55,00,000		50,00,000		55,00,000	
<b>TOTAL</b>	<b>17,95,00,000</b>		<b>16,29,53,601</b>		<b>19,72,00,000</b>		<b>18,70,00,000</b>		<b>18,02,00,000</b>	
<b><u>EXPENDITURE</u></b>										
1 Interest on Deposits & Borrowings	11,00,00,000		10,10,86,240		11,50,00,000		11,50,00,000		11,00,00,000	
2 Salaries and Allowances, PF, etc.	4,00,00,000		3,02,54,075		4,50,00,000		4,00,00,000		4,00,00,000	
3 Travelling Expenses	1,50,000		70,812		2,00,000		2,00,000		2,00,000	
4 Rent, Taxes, Light & Insurance	45,00,000		47,99,706		49,00,000		45,00,000		47,00,000	
5 Other Charges	31,00,000		58,04,810		34,00,000		65,00,000		40,00,000	
6 Postage & Telephone	4,00,000		2,27,190		4,50,000		4,50,000		5,00,000	
7 Audit Fees	8,00,000		4,63,560		9,00,000		8,00,000		9,00,000	
8 Advertisement Expenses	2,00,000		86,554		2,00,000		2,00,000		2,00,000	
9 Directors & Committee Members Fees	1,50,000		27,200		2,00,000		1,50,000		2,00,000	

10	Printing & Stationery	4,00,000	2,08,447	4,50,000	4,00,000	4,50,000
11	Depreciation	33,00,000	27,34,199	40,00,000	33,00,000	40,00,000
12	Maintenance of Assets	42,00,000	32,42,636	45,00,000	42,00,000	45,00,000
13	Legal Charges	3,00,000	7,42,194	3,50,000	7,00,000	7,50,000
14	Subscription & Membership	1,00,000	12,929	1,00,000	1,00,000	1,00,000
15	Reserves & Provisions	24,00,000	90,84,806	35,00,000	35,00,000	40,00,000
16	Shops & Est. Regn. Fees	1,00,000	21,000	1,50,000	1,00,000	1,50,000
17	Commission to DDS Agents	20,00,000	15,99,577	25,00,000	20,00,000	25,00,000
	<b>TOTAL</b>	<b>17,21,00,000</b>	<b>16,04,65,935</b>	<b>18,58,00,000</b>	<b>18,21,00,000</b>	<b>17,71,50,000</b>
	<b>Profit Before Tax</b>	74,00,000	24,87,666	1,14,00,000	49,00,000	30,50,000
	<b>Less : Provision For Income Tax</b>	20,00,000	9,20,571	30,00,000	15,00,000	9,00,000
	<b>Profit After Tax</b>	54,00,000	15,67,095	84,00,000	34,00,000	21,50,000
	<b>GRAND TOTAL</b>	<b>17,95,00,000</b>	<b>16,29,53,600</b>	<b>19,72,00,000</b>	<b>18,70,00,000</b>	<b>18,02,00,000</b>

Purchase/Renovation of Branch Premises	25,00,000	-	20,00,000	10,00,000	20,00,000
Upgradation of Comp. Hardware & Software	40,00,000	-	25,00,000	30,00,000	35,00,000

**BALANCE SHEET AS**

PREVIOUS YEAR	CAPITAL & LIABILITIES	AMOUNT	AMOUNT
Rs.		Rs.	Rs.
	<b>1. CAPITAL</b>		
10,00,00,000.00	i) Authorised Capital 40,00,000 shares of Rs.25/- each representing members' shares.		10,00,00,000.00
5,21,53,700.00	ii) Subscribed & Paid-up 20,68,371 shares of Rs.25/- each		5,17,09,275.00
	<b>2. RESERVE FUND AND OTHER RESERVES</b>		
1,68,38,187.06	i) Statutory Reserve Fund	1,68,41,697.06	
2,83,65,676.97	ii) Building Fund	2,83,65,676.97	
24,00,000.00	iii) Development Reserve Fund	24,00,000.00	
5,71,941.37	iv) Dividend Equalisation Fund	5,71,941.37	
34,34,808.00	v) Cont. Provision against Standard Assets	34,34,808.00	
7,44,28,337.00	vi) Bad and Doubtful Debts Reserve	7,57,56,675.00	
27,19,722.00	vii) Special Reserve for Bad and Doubtful Debts	27,19,722.00	
25,93,500.00	viii) Investment Depreciation Reserve	18,88,772.00	
48,98,052.00	ix) Sp. Reserve u/s 36(1) viii of ITAct	59,82,858.00	
8,00,00,000.00	x) Revaluation Reserves	7,20,00,000.00	
-	xi) Prov. for Interbank Exposure (PMC)	80,00,000.00	
-	xii) Prov. for Interest on PMC	<b>28,44,770.00</b>	<b>22,08,06,920.40</b>
	<b>3. DEPOSITS AND OTHER ACCOUNTS</b>		
36,05,82,929.25	i) Savings Bank Deposits	35,81,89,282.82	
4,90,79,944.05	ii) Current Deposits	6,80,16,599.24	
19,85,34,086.00	iii) Fixed Deposits	16,95,68,411.00	
1,06,71,62,812.39	iv) Fixed Deposits Reinvestment	1,00,53,66,703.51	
2,15,64,439.00	v) Recurring Deposits	2,05,03,310.00	
62,31,329.00	vi) Locker Deposits	62,47,513.00	
5,08,32,382.79	vii) Daily Deposit Scheme	4,50,31,882.72	
1,24,75,078.58	viii) Cr. Balance in OD/CCL A/cs	94,71,396.68	<b>1,68,23,95,098.97</b>
18,27,141.00	<b>4. INTEREST PAYABLE</b>		15,88,836.00
38,500.00	<b>5. BILLS FOR COLLECTION BEING BILLS RECEIVABLE AS PER CONTRA</b>		1,66,014.00
<b>2,03,67,32,566.46</b>	<b>BALANCE C/F</b>		<b>1,95,66,66,144.37</b>

**ON 31ST MARCH 2021**

PREVIOUS YEAR	PROPERTY & ASSETS	AMOUNT	AMOUNT
Rs.		Rs.	Rs.
1,62,02,469.00	<b>1. CASH IN HAND</b>		1,73,49,179.00
15,53,21,019.24	<b>2. BALANCES WITH OTHER BANKS</b> (Schedule B)		15,72,66,305.37
77,55,90,650.00	<b>3. INVESTMENTS</b> (Schedule C)		75,76,09,852.00
	<b>4. LOANS AND ADVANCES</b>		
	A) Short Term Loans, Overdrafts, C/Cs, Bills Discounted, etc.		
	a) Of which Secured Against		
21,09,44,954.55	i) Tangible Assets Of the Advances Amount Overdue : Rs.56880740.07 Considered Bad & Doubtful of Recovery :NIL	20,12,55,344.21	
6,00,000.00	b) Unsecured i) Short Term Loans Of the Advances Amount Overdue : Rs.NIL Considered Bad & Doubtful of Recovery :NIL	0.00	
2,70,024.97	ii) Overdrafts & C/Cs Of the Advances Amount Overdue : Rs.252858.83 Considered Bad & Doubtful of Recovery :NIL	5,52,471.93	
-	iii) Bills Discounted	0.00	
	B) Medium Term Loans		
	a) Of which Secured Against		
3,94,67,882.00	i) Owned Deposits	4,20,02,236.00	
12,48,23,419.96	ii) Tangible Assets Of the Advances Amount Overdue : Rs.15939806.50 Considered Bad & Doubtful of Recovery :NIL	10,67,20,373.00	
2,57,72,035.40	b) Unsecured Of the Advances Amount Overdue : Rs. 2588393.00 Considered Bad & Doubtful of Recovery : Rs.15,352.00	2,36,32,946.85	
<b>1,34,89,92,455.12</b>	<b>BALANCE C/F</b>		<b>93,22,25,336.37</b>

**BALANCE SHEET AS**

Rs.		Rs.	Rs.
2,03,67,32,566.46	<b>BALANCE B/F</b>		1,95,66,66,144.37
1,38,99,278.78	<b>6. OTHER LIABILITIES (Schedule A)</b>		78,57,613.23
2,38,49,015.00	<b>7. OVERDUE INTEREST RESERVE</b>		3,15,01,530.00
1,000.00	<b>8. Branch Adjustment</b>		0.00
<b>2,07,44,81,860.24</b>	<b>TOTAL</b>		<b>1,99,60,25,287.60</b>

**Contingent Liability** - i) Amount Transferred to Depositor Education and Awareness Fund (DEAF) with RBI - Rs. 69,04,715.19  
 ii) Bank Guarantees Issued - Rs16,95,228.00

Sd/-  
**(Sadashiv S. Phadte)**  
 Dy. Chief Executive Officer

Sd/-  
**(Mohan S. Dicholkar)**  
 Director

The Citizen Co-operative Bank Limited **38<sup>th</sup> Annual Report 2020-2021**

**ON 31ST MARCH 2021**

Rs.		Rs.	Rs.
1,34,89,92,455.12	<b>BALANCE B/F</b>		<b>93,22,25,336.37</b>
	C) Long Term Loans		
	a) Of which Secured Against		
47,64,50,016.30	i) Tangible Assets	45,10,03,046.00	
	Of the Advances Amount		
	Overdue : Rs. 9899198.00		
	Considered Bad & Doubtful of Recovery :NIL		
4,66,70,340.39	b) Unsecured	4,51,58,578.66	
	Of the Advances Amount		
	Overdue : Rs.240849.47		
	Considered Bad & Doubtful of Recovery :NIL		
			87,03,24,996.65
3,17,40,645.21	<b>5. PREMISES (at cost)</b>	3,17,40,645.21	
8,00,00,000.00	Add: Revaluation Reserve	7,20,00,000.00	
81,89,048.21	Less: Depreciation upto 31.03.2021	87,77,837.21	9,49,62,808.00
4,52,42,716.17	<b>6. OTHER FIXED ASSETS (at cost) *</b>	4,56,57,700.20	
4,02,43,523.53	Less: Depreciation upto 31.03.2021	4,23,88,933.57	32,68,766.63
38,500.00	<b>7. BILLS RECEIVABLE BEING BILLS FOR COLLECTION AS PER CONTRA</b>		1,66,014.00
1,19,32,592.55	<b>8. OTHER ASSETS (Schedule E)</b>		67,75,471.75
	<b>9. INTEREST RECEIVABLE</b>		
1,08,65,331.00	i) On Investments	78,79,265.00	
3,19,64,689.00	ii) On Loans & Advances	4,29,72,578.00	5,08,51,843.00
3,90,17,146.24	<b>10. PROFIT &amp; LOSS A/C (Schedule G)</b>		3,74,50,051.20
<b>2,07,44,81,860.24</b>	<b>TOTAL</b>		<b>1,99,60,25,287.60</b>

Sd/-  
**(Madhav N. Kamat)**  
Director

Sd/-  
**(Dr. R. V. Parulekar)**  
Chairman

As per our report of even date  
For **SHIVPRASAD PARNATTI & CO.**  
CHARTERED ACCOUNTANT

Sd/-  
**CA. SRINIVAS H. NELAJRI**  
PARTNER  
M. NO. 233892  
UDIN: 21233892AAAAEP3131

**PROFIT AND LOSS ACCOUNT FOR**

PREVIOUS YEAR	EXPENDITURE	AMOUNT	AMOUNT
Rs.		Rs.	Rs.
11,78,43,083.00	1. Interest Paid on Deposits		10,10,86,240.00
3,30,40,393.00	2. Salaries and Allowances (Schedule H)		3,02,54,075.00
1,01,653.00	3. Travelling Expenses		70,812.00
42,97,886.00	4. Rent, Taxes, Light & Insurance		47,99,706.00
9,29,694.05	5. Other Charges		9,91,110.39
2,17,569.44	6. Postages, Telegram & Telephone Charges		2,27,190.28
1,09,716.00	7. Advertising Expenses		86,554.00
99,840.00	8. Directors' and Committee Members' Fees, Allowances, etc.		27,200.00
5,72,088.51	9. Printing and Stationery		2,08,447.01
30,53,273.07	10. Depreciation		27,34,199.04
6,71,270.00	11. Legal and Professional Charges		7,42,194.00
21,000.00	12. Shops & Establishment Reg. Fees		21,000.00
40,05,107.27	13. Maintenance of Assets (Schedule I)		32,42,635.59
28,874.00	14. Membership and Subscription		12,929.00
1,54,950.00	15. Audit Fees		1,56,750.00
3,71,412.84	16. Commission Paid		2,99,438.02
21,32,572.78	17. Commission Paid (DDS Agents)		15,99,577.30
6,49,497.00	18. Premium on Govt. Securities Written Off		10,48,438.00
2,222.00	19. Loss on Sale of Assets		-
1,00,000.00	20. Election Expenses		-
45,966.00	21. GST Paid on Audit		-
51,000.00	22. ATM/POS Claims		-
7,45,292.00	23. Def. Tax Liability on Sp. Reserve		3,35,205.00
15,000.00	24. Income Tax Paid (FY 2016-17)		-
-	25. Income Tax Paid (FY 2019-20)		18,02,280.00
3,89,56,030.00	26. Bad and Doubtful Debts Reserve		-
-	27. Expenditure - Prov & contingencies		80,00,000.00
24,11,947.00	28. Sp. Res. u/s 36(1)viii of IT Act		10,84,806.00
4,34,200.00	29. Provision for Audit Fees		3,06,810.00
76,00,000.00	30. Provision for Income Tax		4,00,000.00
-	31. Prov. Of Std. Assets ur. Moratorium		13,28,338.00
-	32. Tax deducted at Source		20,570.53
-	33. Income Tax Paid (FY 2020-21)		5,00,000.00
-	34. Net Profit Transferred to Balance Sheet		15,67,095.04
<b>21,86,61,536.96</b>	<b>TOTAL</b>		<b>16,29,53,600.20</b>

Sd/-  
**(Sadashiv S. Phadte)**  
Dy. Chief Executive Officer

Sd/-  
**(Mohan S. Dicholkar)**  
Director



**THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

PREVIOUS YEAR	INCOME	AMOUNT	AMOUNT
Rs.		Rs.	Rs.
11,01,12,934.00	1. Interest Received		
	i) On Loans and Advances	10,38,38,177.00	
6,12,94,802.99	ii) On Investments	4,51,11,413.85	14,89,49,590.85
19,96,591.43	2. Commission and Exchange (Schedule J)		14,97,849.48
52,84,000.00	3. Profit on Sale of Govt. Securities		1,09,43,580.00
3,48,611.45	4. Other Receipts (Schedule K)		4,34,681.87
3,24,000.00	5. Locker Rent		3,65,200.00
-	6. Election Refund		57,970.00
1,50,61,000.00	7. Expenditure - Provisions & Contingencies		7,04,728.00
2,42,39,597.09	8. Net Loss Transferred to Balance Sheet		-
<b>21,86,61,536.96</b>	<b>TOTAL</b>		<b>16,29,53,600.20</b>

As per our report of even date  
For SHIVPRASAD PARNATTI & CO.  
CHARTERED ACCOUNTANT

Sd/-  
**(Madhav N. Kamat)**  
Director

Sd/-  
**(Dr. R. V. Parulekar)**  
Chairman

Sd/-  
CA. SRINIVAS H. NELAJRI  
PARTNER  
M. NO. 233892  
UDIN: 21233892AAAAEP3131

**I) SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31.03.2021**

**A) OTHER LIABILITIES**

i) Bills Payable	24,20,479.13
ii) Tax Deducted at Source	7,93,297.00
iii) Stale Pay Orders and Demand Drafts	9,62,494.34
iv) Cheques Held in Clearing	1,16,014.00
v) Def. Tax Liability on Sp. Reserve	18,48,704.00
vi) CGST Payable	42,260.64
vii) SGST Payable	42,260.64
viii) IGST Payable	7,018.58
ix) Suspense - GST & Others	15,227.90
x) Suspense Account ( ATM)	5,700.00
xi) Provision for Audit Fees	3,93,750.00
xii) Provision for Misc. Expenses	2,05,410.00
xiii) Provision for Income Tax	4,00,000.00
ixv) Demand Drafts Payable (HDFC)	65,446.00
xv) Staff PF Payable	5,39,551.00
	<b>78,57,613.23</b>

**B) BALANCES WITH OTHER BANKS:**

i) The Goa State Coop. Bank Ltd.	47,35,768.04
ii) State Bank of India	1,41,95,885.73
iii) Central Bank of India	69,49,790.74
iv) Corporation Bank	24,85,186.85
v) Bank of Baroda	5,47,33,521.15
vi) Bank of India	40,35,531.69
vii) HDFC Bank Ltd.	4,88,22,031.57
viii) TJSB Sahakari Bank Ltd.	21,96,579.12
ix) PMC Bank Ltd.	48,50,000.00
x) YES Bank Ltd.	1,30,28,556.46
xi) The Shamrao Vithal Coop. Bank Ltd.	12,33,454.02
	<b>15,72,66,305.37</b>
	<b>30,97,96,842.70</b>

**C) INVESTMENTS:**

i) 2500 shares of The Goa State Coop.Bank Ltd. Rs.100/- each	2,50,000.00
ii) Shares of GRSSM, Panaji	100.00
iii) Shares of Lakshdeep C.H.S. Ltd.	2,500.00
iv) State Government Securities *	22,23,22,125.00
v) Central Government Securities *	35,94,86,127.00
vi) FDs with Scheduled Banks *	8,55,49,000.00
vii) Money at Call and Short Notice	9,00,00,000.00
<b>Total</b>	<b>75,76,09,852.00</b>

**(iv) INVESTMENT IN STATE GOVT. SECURITIES:**

	<u>Face Value</u>	<u>Book Value</u>	<u>Market Value</u>
a) 8.58% GUJ SDL 2023	2,00,00,000.00	2,00,06,000.00	21226000.00
b) 8.29% MH SDL 2025	2,00,00,000.00	2,02,82,000.00	21858000.00
c) 8.09% AP SDL 2026	1,00,00,000.00	1,00,22,500.00	10773000.00
d) 8.46% GJ SDL 2026	1,00,00,000.00	1,03,62,000.00	10847000.00
e) 7.38% MP SDL 2026	2,00,00,000.00	2,05,78,000.00	20964000.00
f) 7.24% GJ SDL 2026	2,00,00,000.00	2,00,88,000.00	20872000.00
g) 8.23% MAH SDL 2025	2,00,00,000.00	2,05,76,000.00	21848000.00
h) 7.59% GJ SDL 2027	1,00,00,000.00	1,00,17,500.00	10527000.00
l) 6.57% GUJ SDL 2029	5,00,00,000.00	5,03,19,375.00	49385000.00
j) 8.12% GUJ SDL 2025	1,00,00,000.00	98,75,000.00	10898000.00
k) 7.18% TN SDL 2027	3,00,00,000.00	3,01,95,750.00	30948000.00
	<b>22,00,00,000.00</b>	<b>22,23,22,125.00</b>	<b>23,01,46,000.00</b>

**(v) INVESTMENT IN CENTRAL GOVT. SECURITIES:**

	<u>Face Value</u>	<u>Book Value</u>	<u>Market Value</u>
a) 6.13% GOI 2028	2,50,00,000.00	2,46,82,857.00	24542500.00
b) 6.01% GOI 2028	1,00,00,000.00	1,00,85,794.00	9774000.00
c) 7.50% GOI 2034	50,00,000.00	51,33,272.00	5347500.00
d) 7.95% GOI 2032	1,00,00,000.00	1,04,13,692.00	11010000.00
e) 7.40% GOI 2035	40,00,000.00	40,49,772.00	4257600.00
f) 6.83% CG 2039	2,00,00,000.00	1,94,00,000.00	20140000.00
g) 7.94% GOI 2021	1,00,00,000.00	1,00,00,000.00	10061000.00
h) 8.20% GOI 2022	1,50,00,000.00	1,50,00,000.00	15559500.00
i) 7.80% GOI 2021	1,00,00,000.00	1,00,00,000.00	10008000.00

## The Citizen Co-operative Bank Limited 38<sup>th</sup> Annual Report 2020-2021

j)	7.35% GOI 2024	1,00,00,000.00	1,04,61,250.00	10625000.00
k)	6.97% GOI 2026	3,00,00,000.00	3,13,47,500.00	31308000.00
l)	7.06% GOI 2046	3,00,00,000.00	3,12,95,835.00	31071000.00
m)	6.62% GOI 2051	1,00,00,000.00	95,64,000.00	9756000.00
n)	6.79% GOI 2029	1,00,00,000.00	1,00,83,075.00	10215000.00
o)	6.19% GOI 2034	5,00,00,000.00	4,99,35,000.00	47825000.00
p)	6.22% GOI 2035	9,00,00,000.00	8,82,12,000.00	86022000.00
	<b>Total</b>	<b>33,90,00,000.00</b>	<b>33,96,64,047.00</b>	<b>33,75,22,100.00</b>

q)	Treasury Bills	<b>2,00,00,000.00</b>	<b>1,98,22,080.00</b>	<b>1,99,74,583.00</b>
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	<b>Total</b>	<b>35,90,00,000.00</b>	<b>35,94,86,127.00</b>	<b>35,74,96,683.00</b>
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### (vi) INVESTMENT IN FIXED DEPOSITS WITH SCHEDULED BANKS

a) Central Bank of India	49,000.00
b) Karnataka Bank Ltd.	25,00,000.00
c) PMC Bank Ltd.	4,00,00,000.00
d) TJSB Sahakari Bank Ltd.	1,10,00,000.00
e) Suryoday Small Fin. Bank Ltd.	1,95,00,000.00
f) Development Credit Bank Ltd.	1,25,00,000.00
<b>Total</b>	<b><u>8,55,49,000.00</u></b>

### D) OTHER FIXED ASSETS

Sr. No.	Assets	Value (at cost) as on 31.03.2020	Additions during the year (at cost)	Sales/Written Off during the year	Depreciation upto 31.03.2021	Value as on 31.03.2021
i)	Furniture & Fixtures	1,22,32,682.94	30,520.03	3,070.00	1,03,20,207.99	19,39,924.98
ii)	Computers	2,52,41,482.18	6,53,665.00	-	2,52,18,344.53	6,76,802.65
iii)	U.P.S.	43,88,286.55		-	40,38,498.55	3,49,788.00
iv)	Air Conditioners	18,50,872.50	-	-	15,48,621.50	3,02,251.00
v)	Vehicle	15,29,392.00	-	2,66,131.00	12,63,261.00	0.00
	<b>Total</b>	<b>4,52,42,716.17</b>	<b>6,84,185.03</b>	<b>2,69,201.00</b>	<b>4,23,88,933.57</b>	<b>32,68,766.63</b>

**E) OTHER ASSETS**

i) Stationery at Stock	5,83,148.99
ii) Advance Telephone Deposit	40,470.00
iii) Security Deposit	21,254.00
iv) Sundry Advance	3,51,740.00
v) Rent Deposit	3,66,000.00
vi) DEAF(RBI) -Receivable	31,347.00
vii) Advance CERSAI	26,382.00
viii) Advance CKYC	847.46
ix) Inward Tax Credit	18,87,552.00
x) I.Tax Refund Receivable(FY 2009-10)	3,27,324.00
xi) IT Paid - Appeal Pending FY 2011-12	1,61,145.00
xii) Adv. Income tax Paid (FY 2017-18)	8,00,000.00
xiii) Tax Deducted at Source (FY 2017-18)	35,070.00
ixv) Tax Deducted at Source (FY 2018-19)	33,136.50
xv) Tax Deducted at Source (FY 2019-20)	30,054.80
xvi) IT Paid - Appeal Pending FY 2018-19	20,80,000.00
<b>Total</b>	<b><u>67,75,471.75</u></b>

**F) DEPOSITOR EDUCATION AND AWARENESS FUND (DEAF) WITH RBI**

	Current Year	Previous Year
Opening balance of amounts transferred to DEAF	65,88,978.62	62,93,610.02
Add: Amounts transferred to DEAF during the year	4,29,592.48	3,55,717.65
Less: Amounts reimbursed by DEAF towards claims*	1,13,855.91	60,349.05
Closing balance of amounts transferred to DEAF	<b>69,04,715.19</b>	<b>65,88,978.62</b>

\* Amount paid to Depositors/Customers, received from RBI

Principal Rs.	1,13,855.91
Interest Rs.	<u>10,753.00</u>
Total Rs.	<b><u>1,24,608.91</u></b>

**(G) PROFIT & LOSS A/C**

Loss for FY 2017-18	1,72,46,772.82
Profit for FY 2018-19	24,69,223.67
Loss for FY 2019-20	2,42,39,597.09
Profit for FY 2020-21	15,67,095.04
<b>Total</b>	<b><u>3,74,50,051.20</u></b>

**II) SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT AS ON 31.03.2021**

**H) SALARIES AND ALLOWANCES**

i) Salaries	2,51,59,453.00
ii) Contribution to Staff P.F.	24,84,047.00
iii) Establishment P. F. Charges	47,048.00
iv) Staff Training Expenses	5,090.00
v) Group Gratuity Life Assurance Premium	14,02,628.00
vi) Contribution to Leave Encashment Fund	10,00,000.00
vii) Staff Bonus Paid	1,55,809.00
<b>Total</b>	<b><u>3,02,54,075.00</u></b>

**I) MAINTENANCE OF ASSETS**

i) Maintenance of Premises	3,96,220.80
ii) Maintenance of Vehicle	25,568.00
iii) Maintenance of Other Assets	28,20,846.79
<b>Total</b>	<b><u>32,42,635.59</u></b>

**J) COMMISSION & EXCHANGE**

i) Commission & Exchange	4,33,763.98
ii) Demand Drafts Commission	758.00
iii) Bills Payable Commission	22,136.00
iv) Loan Processing Fees	6,10,822.50
v) Commission Recd. (ATM)	1,21,360.00
vi) Commission & Exchange (LIC)	3,034.00
vii) Loan Mortgage Fees	3,03,875.00
viii) Commission on BGs	2,100.00
<b>Total</b>	<b><u>14,97,849.48</u></b>

**K) OTHER RECEIPTS:**

i) Other Receipts	1,16,932.50
ii) Clearing Misc. Charges	2,14,100.37
iii) Profit on Sale of Other Assets	1,03,649.00
<b>Total</b>	<b><u>4,34,681.87</u></b>

Sd/-

**(DY. CHIEF EXECUTIVE OFFICER)**

**STATUTORY AUDITORS REPORT**

To,  
The Members,  
The Citizen Co-operative Bank Ltd.

**Opinion**

1. I have audited the accompanying Financial Statements of The Citizen Co-operative Bank Ltd, which comprises of Balance Sheet as at 31st March, 2021 and Profit and Loss Account for the year ended on 31st March, 2021 and a summary of significant accounting policies and other explanatory information.
2. In my opinion, and to the best of my information and according to the explanations given to me, except for the effects of the matter described in the basis for Qualified Opinion paragraph of my report, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949, and Goa Cooperative Societies Act and the rules made thereunder, and the guidelines issued by the Reserve Bank of India (RBI) and the Registrar of Co-operative Societies, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Bank as at 31st March, 2021 and true & fair balance of profit for the financial year ended on that date.

**Basis of Opinion**

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

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

The Bank's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report of Board of Directors including other explanatory information, but does not include the standalone financial statements and my auditor's report thereon. My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the standalone financial statements, my responsibility is

to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When I read the Report of Board of Directors including other explanatory information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and the members in the Annual General Meeting.

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

3. The Bank's Board of Directors is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, provisions of Banking Regulation Act, 1949 and the rules made thereunder, provisions of Goa Cooperative Societies Act and the rules made thereunder and circulars and guidelines issued by RBI from time to time and the accounting standards issued by ICAI. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and Design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing Bank's Financial Reporting progress.

### **Auditor's Responsibility**

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



As part of an audit in accordance with Standards on Auditing, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design procedures that are appropriate in the circumstances.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
  - I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.
5. As required by Section 75 (2) and 75 (3) of Goa Cooperative Societies Act 2001, I report that:
1. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of my audit and have found to be satisfactory;
  2. In my opinion, proper books of account as required by law have been kept by the Bank so far as it appears from my examination of those books and proper returns adequate for the purposes of my audit have been received from the branches/offices;
  3. The transactions of the Bank which came to my notice have been within the powers of the Bank;
  4. The Balance Sheet, the Profit and Loss Account dealt with by this report, are in

agreement with the books of account and the returns;

5. The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to Banks;
6. The Balance Sheet and the Profit and Loss Account dealt with by this report gives true and fair view, except for the effects of the matter described in the basis for Qualified Opinion paragraph of our report
  - a) In case of Balance sheet, of the state of affairs of the bank as at the end of the year,
  - b) In case of Profit And Loss account of the Loss for the year.
7. The Bank has maintained proper records showing particulars including quantitative details and situation of fixed assets;
8. The fixed assets have been periodically physically verified by the management of the Bank and no discrepancies are observed;
9. Loans and advances made by the Bank on the basis of security have been properly secured and the terms and conditions are not prejudicial to the interest of the Bank;
10. There are no personal expenses charged to Profit And Loss account;
11. There are no capital expenses which have been charged to Profit And Loss account;
12. Expenditure incurred by the Bank is in accordance with or in consonance with its objectives;
13. During the year the Bank has not received any financial assistance granted by the Government (Share capital);
14. There are adequate internal control procedures, commensurate with the size of the Bank and nature of its business;
15. There are no Purchases and sales made during the year exceeding Rs. 50,000/- in aggregate from any relative of any director or any company or firm in which directors are interested.

I further report that for the year under audit, the bank has been awarded "A" audit classification considering the norms prescribed by the Registrar of Co-operative Societies, Government of Goa.

**SHIVPRASAD PARNATTI & CO.,**  
CHARTERED ACCOUNTANT,

**CA. SRINIVAS H. NELAJRI**  
PARTNER

M. NO. 233892

UDIN: 21233892AAAAEP3131

PLACE: PANAJI – GOA

DATE: 10/08/2021

**NOTES FORMING PART OF THE BALANCE SHEET AND THE PROFIT & LOSS  
ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021.**

**(A) SIGNIFICANT ACCOUNTING POLICIES:**

**1) ACCOUNTING CONVENTION:**

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

**2) REVENUE RECOGNITION:**

Items of Income/Expenditure are accounted on accrual basis except for the following which are accounted on cash basis.

**(a) Income :**

- i) Interest and other income on Non Performing Assets.
- ii) Commission.
- iii) Locker Rentals.
- iv) Dividend on Investments.

**(b) Expenditure:**

- i) Insurance Premium.
- ii) Legal Charges.
- iii) Leave encashment.

**3) ADVANCES:**

- i) Advances are classified into Standard, Sub-Standard, Doubtful and Loss Assets in accordance with the guidelines issued by the Reserve Bank of India from time to time.
- ii) Provision on Advances categorised under Sub-standard, Doubtful and Loss Asset 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.
- iii) The overdue interest in respect of advances classified as Non-Performing Assets is Provided separately under "Overdue Interest Reserve" as per the directives issued by the Reserve Bank of India.

**4) INVESTMENTS:**

Investments are classified in accordance with the RBI guidelines applicable to Urban Co-operative Banks. Accordingly, classification of investments for the purpose of valuation is done under the following categories:

- a. Held to Maturity
- b. Held for Trading
- c. Available for Sale

- i) Investments under "Held to Maturity" category have been valued at acquisition cost. Premium, if any on such investments is amortized over the residual life of the particular investment.

ii) Investment under “Held for Trading” and “Available for Sale” category have been marked to market on the basis of guidelines issued by Reserve Bank of India. While net depreciation, if any, under each classification has been provided for, net appreciation, if any has been ignored.

**(5) FIXED ASSETS AND DEPRECIATION:**

i) Fixed Assets are stated at written down value. Fixed Assets include incidental expenses incurred on acquisition and installation of the assets.

ii) Depreciation is calculated on written down value basis on fixed assets other than Computer Hardware and Software. Depreciation on Computers is calculated on straight-line method.

iii) Fixed Assets are depreciated at the rates considered appropriate by the Management as under:

Land & Building- Commercial	2.5%
Furniture, Fixtures & UPS	15% & 20%
Vehicles	20%
Computers	33.33%

iv) Depreciation on fixed assets purchased during the year is charged for the full year. No depreciation is charged on fixed assets sold during the year.

v) Depreciation on revalued amount of premises will be provided at 10% p.a. from next financial year.

**(6) RETIREMENT BENEFITS:**

i) Contribution to the Provident Fund are made at a predetermined rate and charged to the Profit and Loss Account.

ii) Gratuity is provided by contribution to Employees' Group Gratuity-cum-Life Assurance Scheme with LIC of India and HDFC Standard life Insurance Company Ltd.,

iii) The Bank has started contributing to Leave Encashment Fund with HDFC Life Insurance Co. Ltd. from the year 2016-17.

**(7) CONTINGENT LIABILITY ON ACCOUNT OF BANK GUARANTEES ISSUED IS Rs. 16,95,228.00 (Previous year Rs. 25,42,347.00)**

(8) Appeal filed by the Bank before the C.I.T. (Appeals) Panaji in the matter of disallowance of certain portion of depreciation on UPS/Batteries, is decided in Bank's favour. The Bank is yet to receive the refund of income tax.

(9) Bank has remitted an amount of Rs.69,04,715.19 to Reserve Bank of India Depositor Education and Awareness Fund, being unclaimed deposit accounts (not operated for 10 years or more).

**(B) COMPLIANCE WITH THE ACCOUNTING STANDARDS:**

- a) No payment is made to relatives as specified under Accounting Standard-18 issued by the Institute of Chartered Accountants of India (ICAI).
- b) The Bank has fully provided for investment in shares of The Goa State Co-op. Bank Ltd. which is treated as NPA.
- C) Previous year's figures have been regrouped or rearranged, wherever necessary.

## The Citizen Co-operative Bank Limited 38<sup>th</sup> Annual Report 2020-2021

### DISCLOSURE AS PER RBI GUIDELINES:

(Rs. in Lakh)

Sr.No.	Particulars	31.03.2021	31.03.2020
1.	Capital to Risk Asset Ratio (CRAR)	12.58%	11.60%
2.	Risk Weighted Assets	8284.98	9107.85
3.	Advances against Real Estate, Construction Business, Housing		
	Real Estate	295.87	358.63
	Housing	1149.76	1221.38
4.	Advances against Shares & Debentures	Nil	Nil

Advances of Rs. 8703.25 Lakh shown in the Balance Sheet include:

(Rs. in Lakh)

Particulars	31.03.2021	31.03.2020
Advance to Directors, their relatives and Companies/Firms in which they are interested	0.00	0.00

Loans sanctioned to Directors, their relatives are against their own deposits.

(Rs. in Lakh)

Sr.No	Particulars	31.03.2021	31.03.2020
5.	a) Average cost of deposits	5.86%	6.30%
	b) Average interest on loans	11.57%	11.83%
	c) Average return on investments	5.88%	7.23%
6.	NPAs		
	a) Gross NPAs - Loan Assets	(16.99%) 1478.84	(21.48%) 1987.26
	b) Net NPAs -Loan Assets	(8.77%) 694.08	(14.34%) 1215.78
7.	Profitability		
	A) Interest Income as a percentage of working funds	7.61%	8.42%
	B) Non -interest income as a percentage of working funds	0.72%	0.39%
	C) Return on Assets (Profit before Tax/Average of working funds)	0.12	-0.80
	D) Business (Deposits + Advances) per employee	490.91	480.62
	E) Profit per employee	0.48	-2.97
8.	A) Provisions on NPAs required to be made	784.76	771.48
	B) Provisions on NPAs actually made	784.76	771.48
9.	A) Provision required to be made on Depreciation in investment	18.89	25.94

**The Citizen Co-operative Bank Limited** **38<sup>th</sup> Annual Report 2020-2021**

(Rs. in Lakh)

Sr.No	Particulars	31.03.2021	31.03.2020
	B) Provision actually made on Depreciation in investment	18.89	25.94
	C) Provision made towards Investment Fluctuation Reserve	-	-
10.	A) Provision required to be made for Gratuity Fund	14.03	14.08
	B) Provision actually made for Gratuity Fund	14.03	14.08
11.	A) Provision required to be made for Leave Encashment Fund	10.00	8.34
	B) Provision actually made for Leave Encashment Fund	10.00	8.34
12.	Movement in provisions		
	A) Towards NPAs		
	Opening Balance	771.48	381.92
	Add: Additions during the year*	13.28	389.56
	Closing Balance	784.76	771.48
	B) Towards Standard Assets		
	Opening Balance	34.35	34.35
	Add: Additions during the year	0.00	0.00
	Closing Balance	34.35	34.35
13.	Insurance premium to the DICGC, paid upto	Sept. 2021	Sept. 2020

\*Provision for COVID19 Regulatory Package - Asset Classification and Provisioning (vide RBI circular No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020) was made for Rs.18.32 Lakh. Out of the above provision Rs.13.28 Lakh was adjusted against the actual provisioning required for slippage of accounts reckoned for such provisions.

Table No. 1

Analysis of loans outstanding according to purposes as on 31.03.2021

Purpose of Loan	Amount in thousands	Percentage to total outstanding
1 Small Scale, Cottage and other industries	29869	3.43
2 Small Business Enterprises & Retail Trade	463690	53.28
3 House Accommodation, Construction, Repairs etc.	146888	16.88
4 Transport	40057	4.60
5 Professional and Self - employed, Artisans and Craftsmen	13191	1.52
6 Agriculture	8993	1.03
7 Education, Medical, Repayment of Debts, Marriages and other Domestic purposes	167637	19.26
<b>Total</b>	<b>870325</b>	<b>100.00</b>

Table No. 2

Application for Advances considered during the year 2020-2021

Applications	Number	Amount in thousands
Received	324	360515
Sanctioned and availed of	312	344240
Sanctioned but not availed	7	14325
Rejected	5	1950

Table No. 3

Analysis of loans outstanding according to security as on 31.03.2021

Security	Amount in thousands	Percentage to total outstanding
1 Hypothecation of Goods	16864	1.94
2 Hypothecation of Vehicles, Machinery, etc.	74740	8.59
3 Mortgage of Property	601301	69.09
4 Fixed, Recurring Deposits	95015	10.92
5 Pledge of Gold	2655	0.31
6 Demand Promissory Note	73865	8.49
7 Others	5885	0.68
<b>Total</b>	<b>870325</b>	<b>100.00</b>



## PROPOSED AMENDMENTS TO THE BYE-LAWS:

Sr. No.	No. of existing Byelaw	The Exact Wording of the existing Byelaw	Byelaw as it would read after amendment	Bye-law No.	In case of insertion of new bye-law	Reason why amendment/insertion of new bye-law is necessary
1				39A.	Exact Wording  <b>BOARD OF MANAGEMENT:</b> 1. Constitution of Board of Management (BoM) 1.1. There shall be a Board of Management (BoM) in addition to the Board of Directors. BoM shall be constituted by the Board of Directors (BoD) of the bank. 2. Functions of Board of Management (BoM) The Board of Management shall exercise oversight over the banking related functions of the bank, assist the Board of Directors on formulation of the policy and any other related matters specifically delegated to it by the Board for proper functioning of the Bank. The functions of the Board of Management shall include the following: i) Rendering expert advice on all proposals being put up to the Board or any Committee of the Board for sanction of loans. ii) Recommending action for recovery of NPAs, One Time Settlement or Compromise Settlement and assisting the Board in monitoring the same. iii) Overseeing the Management of funds and borrowings in the Bank. iv) Recommending proposals for investment of Bank's funds as per the Board approved policy. v) Oversight on internal controls. vi) Exercising oversight on implementation of computerization, technology adoption and other incidental issues in the bank. vii) Overseeing internal audit and inspection functions including compliance. viii) Oversight on complaint redressal system. 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. x) Any other responsibility as may be delegated to it by the Board of Directors. NB. In the event where the Board of Directors differs with the recommendations of Board of Management, it shall do so by recording, in writing, the reason thereof.	As per RBI Circular No. RBI/2019- 20/128 DoR(PCB),BPD.Cir.No. 8/12.05.002/2019-20 dated December 31, 2019 on Constitution of Board of Management (BoM) in Primary (Urban) Co.op. Banks (UCBs).

## PROPOSED AMENDMENTS TO THE BYE-LAWS:

Sr. No.	No. of existing Byelaw	The Exact Wording of the existing Byelaw	Byelaw as it would read after amendment	Bye-law No.	In case of insertion of new bye-law	Reason why amendment/insertion of new bye-law is necessary	
					Exact Wording		
					<p>3. Size of Board of Management (BoM) The Board of Management (excluding CEO) shall have a minimum of five members. The maximum number of members in Board of Management shall not exceed six. The CEO would be a non-voting member.</p> <p>4. Qualifications of Members of Board of Management (BoM)</p> <p>i) All the members of Board of Management 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 b) Agriculture and Rural Economy c) Banking d) Co-operation 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 Bank.</p> <p>ii) The members of Board of Management shall at all times satisfy the "Fit and Proper" Criteria as per the Guidelines fixed by Reserve Bank of India.</p> <p>iii) Members of the Board of Management may be drawn from the members of the Board of Directors provided they meet the criteria specified. However, not more than 50% of the Board of Management members shall be from Board of Directors. Under all circumstances, Board of Management shall have atleast two members from outside the Board of Directors.</p> <p>iv) A member of Board of Management can be appointed in more than one bank, subject to a maximum of three, provided that there is no overlapping in area of operation.</p> <p>v) Any disqualification prescribed for member of a Board of Directors under respective Co-operative Societies Act will also apply to a member of a Board of Management.</p>		

## PROPOSED AMENDMENTS TO THE BYE-LAWS:

Sr. No.	No. of existing Byelaw	The Exact Wording of the existing Byelaw	Byelaw as it would read after amendment	Bye-law No.	In case of insertion of new bye-law	Reason why amendment/insertion of new bye-law is necessary
				Exact Wording		
				<p>5. Meetings of Board of Management</p> <p>Board of Management may hold meetings at such periodicity as deemed necessary. The Chairman of the Board of Management may be elected by the members of Board of Management from amongst themselves or appointed by the Board of Directors. Under no circumstances the Chairman of the Board of Directors shall be appointed as Chairman of the Board of Management and the bank shall maintain proper record of the minutes of the meeting and same shall be put up to the Board of Directors. The quorum for the meeting shall be two third of the total members of the Board of Management.</p> <p>Board of Management may hold meetings at such periodicity as deemed necessary. The Chairman of the Board of Management may be elected by the members of Board of Management from amongst themselves or appointed by the Board of Directors. Under no circumstances the Chairman of the Board of Directors shall be appointed as Chairman of the Board of Management and the bank shall maintain proper record of the minutes of the meeting and same shall be put up to the Board of Directors. The quorum for the meeting shall be two third of the total members of the Board of Management.</p> <p>6. Sitting Fees</p> <p>Members of the Board of Management may be paid allowance/sitting fees for their services on such scale as may be fixed by the Board from time to time.</p> <p>7. Tenure of Board of Management</p> <p>The Tenure of Board of Management shall be co-terminus with the tenure of Board of Directors.</p>		

## The Citizen Co-operative Bank Limited 38<sup>th</sup> Annual Report 2020-2021

### FINANCIAL POSITION AT A GLANCE SINCE 1999 -2000 TO 2020 - 2021 (Rs. IN LAKH)

YEAR	MEMBERS	PAID-UP CAPITAL	RESERVE FUND & OTHER RESERVES	DEPOSITS	ADVANCES	INVESTMENT	PROFIT BEFORE TAX	WORKING CAPITAL	RATE OF DIVIDEND
2000	6727	55.13	144.00	1498.45	931.36	570.07	8.46	1754.28	8%
2001	7139	71.63	159.47	1892.94	1352.23	596.19	14.55	2270.43	8%
2002	7350	83.33	184.07	2448.82	1551.97	913.14	20.03	2814.91	8%
2003	7305	83.79	235.83	2441.27	1364.77	1123.14	23.91	2880.92	8%
2004	7157	84.27	291.87	2735.96	1361.16	1489.90	43.79	3252.54	12%
2005	7278	94.63	308.27	2817.82	1647.67	1300.70	12.27	3320.85	4%
2006	7453	106.95	321.17	3327.49	1935.26	1495.90	18.48	3832.96	6%
2007	7607	123.53	344.74	4064.41	2232.26	1881.03	14.27	4664.62	4%
2008	7769	145.55	359.87	4859.35	2721.16	2347.19	27.48	5542.90	-
2009	7963	167.43	391.70	6151.70	3584.83	2675.29	53.14	6947.46	8%
2010	8166	192.61	418.68	7608.87	4175.14	3370.50	31.30	8381.60	8%
2011	8601	244.57	447.17	9622.97	5169.00	4362.60	34.52	10479.22	-
2012	9015	297.58	486.53	11311.65	6391.14	4908.41	73.38	12325.69	-
2013	9356	334.85	537.81	12683.55	6967.35	5581.28	111.75	13814.16	8%
2014	9449	358.94	609.19	14338.96	7363.03	6432.96	36.42	15680.02	-
2015	9488	394.13	643.94	14755.23	7852.20	6379.35	117.33	16165.05	8%
2016	9636	431.62	732.02	16600.75	9002.64	6775.52	30.85	18044.43	-
2017	9739	451.22	777.66	18845.58	8605.68	9006.64	84.59	20425.14	-
2018	9765	467.32	1071.51	20180.20	8649.60	9562.50	-172.47	21819.12	-
2019	9860	494.63	1099.39	19722.68	9363.35	9200.02	24.69	21401.21	-
2020	9972	521.54	2162.50	17664.63	9249.99	7755.91	-166.39	20354.26	-
2021	9970	517.09	2179.61	16823.95	8703.25	7576.10	24.88	19584.09	-

### AGEWISE CLASSIFICATION OF OVERDUES AS ON 31.03.2021

(Rs. in Lakh)

	Amount
a) Overdues less than 1 year	98.58
b) Overdues for 1 year upto less than 3 years	192.39
c) Overdues for 3 years upto 5 years	24.90
d) Overdues for more than 5 years	542.30
<b>TOTAL</b>	<b>858.17</b>

## **REQUEST**

1. Members are requested to intimate any change in their address, nominee, etc. to the bank promptly.
2. Members who have not collected their Share Certificates are earnestly requested to collect them from the Bank at an early date.
3. Dividend unclaimed for a period of three years from the date of declaration is liable to be forfeited and credited to Reserve Fund of the Bank under Bank's Byelaw No. 46 (iv). Hence, unclaimed dividend if any, may please be encashed early.
4. Kindly introduce our bank to your friends and well-wishers and give us an opportunity to serve them as well.

### **RATE OF INTEREST ON DEPOSITS**

<b>Savings Bank Account</b>		<b>3.00% p.a.</b>	
<b>Current Account</b>		<b>0.00%</b>	
<b>Daily Deposit Account</b>		<b>3.00%</b>	
<b>Term Deposits</b>	<b>(a) Gen public</b>	<b>(b) Senior</b>	<b>(c) Members</b>
	<b>Other than</b>	<b>Citizen</b>	<b>of staff</b>
	<b>(b) &amp; (c)</b>		
<b>07 days to 29 days</b>	<b>3.75% p.a.</b>	<b>3.75% p.a.</b>	<b>3.75% p.a.</b>
<b>30 days to 90 days</b>	<b>4.00% p.a.</b>	<b>4.00% p.a.</b>	<b>4.00% p.a.</b>
<b>91 days to 180 days</b>	<b>4.50% p.a.</b>	<b>4.50% p.a.</b>	<b>4.75% p.a.</b>
<b>181 days to 364 days</b>	<b>5.50% p.a.</b>	<b>5.50% p.a.</b>	<b>6.00% p.a.</b>
<b>12 months to 36 months</b>			
<b>(Inclusive)</b>	<b>6.75% p.a.</b>	<b>7.25% p.a.</b>	<b>7.25% p.a.</b>
<b>Above 36 months to 60 months</b>	<b>6.50% p.a.</b>	<b>7.00% p.a.</b>	<b>7.00% p.a.</b>
<b>Above 60 months</b>	<b>6.00% p.a.</b>	<b>6.50% p.a.</b>	<b>6.50% p.a.</b>

**Recurring Deposits – Between 6.50% to 7.00% depending on the period of deposit.**

- \* Higher rates of interest on Deposits of Senior Citizens.
- \* Automatic Renewal of Fixed Deposits is possible.
- \* Provision for payment of interest monthly/quarterly/half-yearly or yearly according to your choice.
- \* Deposits are insured under the Deposit Insurance Scheme upto Rs. 5 Lakh per depositor.
- \* Demand drafts are issued on various locations of HDFC Bank Ltd.
- \* Bank has extended its business hours for the benefit of members and depositors.
- \* RTGS/NEFT facility, Online Tax Payment, SMS Banking facility provided.
- \* All Branches are under C.B.S. Any Branch Banking facility available.
- \* ATM Debit Cards are issued to customers of all Branches.

**SAFE DEPOSIT LOCKERS ARE AVAILABLE  
AT OUR VASCO-DA-GAMA, MARGAO, PANAJI AND PONDA BRANCHES.**



**Book Post**

To, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**From :**

**The Citizen Co-operative Bank Limited**  
Regd. Office : Lakshdeep Apartments.  
Near Damodar Temple,  
Vasco-da-Gama, Goa- 403 802.