



DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors have pleasure in presenting the Forty Third Annual Report along with the Audited Statement of Accounts for the financial year ended 31st March, 2019.

GLOBAL SCENARIO

Global growth is estimated to have grown by 3.7 percent in 2018, with global growth projected to decline to 3.5 percent in 2019, as per the World Economic Outlook Update - January 2019 by International Monetary Fund. Global economic activity and trade have been shedding momentum and downside risks to the outlook have increased. International crude oil prices have declined sharply though they continue to be volatile.

Global growth and trade concerns are expected to remain the dominant theme of 2019 which will drive markets and condition future monetary and fiscal actions.

INDIAN ECONOMY

As per IMF projections, India's economy is poised to pick up in 2019 benefitting from lower oil prices and slower pace of monetary tightening due to ease in inflationary pressures. Real GDP growth is projected to improve from 7.0 per cent in 2018-19 to 7.2 per cent in 2019-20 (Source: RBI Monetary Policy Report -April 2019).

The Reserve Bank of India, in its April 2019 monetary policy has reduced the repo rate to 6%. The macroeconomic environment for the conduct of monetary policy has undergone significant shifts as domestic activity lost momentum in 2018-19 and inflationary conditions turned unusually gentle under the impact of deflationary food prices.

FINANCIAL PERFORMANCE

The key performance highlights of the Bank for the financial year ended 31st March, 2019 are:

Particulars	Amount (₹ in crore)	
	31/03/2018	31/03/2019
Year		
Paid up capital	259.52	304.12
Reserves	805.95	924.39
Working Capital	12,462.27	13,749.03
Total Business	18,565.02	20,457.77
Deposits	10,794.22	11,882.76
Advances	7,770.80	8,575.01
Gross Income	1,180.59	1,266.33
Net Profit (after Tax & Provision)	93.38	97.16
CRAR	13.00%	13.32%

- TOTAL BUSINESS of the Bank increased by ₹1,892.75 crore reflecting a growth of 10.20%.
- DEPOSITS grew by ₹1,088.54 crore with a growth of 10.08%.
- ADVANCES increased by ₹804.21 crore registering an increase of 10.35%.
- NET PROFIT stood at ₹97.16 crore as compared to ₹93.38 crore in F.Y. 2017-18.
- BUSINESS PER EMPLOYEE increased from ₹13.20 crore to ₹14.26 crore.

PROFIT

Bank has recorded an operating profit of ₹196.75 crore for the year ended on 31st March, 2019 as against ₹192.27 crore for the previous year.

The recorded net profit after tax is ₹ 97.16 crore for the year ended on 31st March, 2019 as against ₹ 93.38 crore for the previous year.

**APPROPRIATION OF PROFITS**

In accordance with RBI guidelines and the provisions of section 63 of Multi-State Co-operative Societies Act 2002, following appropriation of the Net Profit is recommended to the General Body for approval:

Reserve Fund & Other Reserves	Amount of Appropriation (₹)	Position as on 31/03/2019 after appropriation* (₹)
Statutory Reserve	24,30,00,000.00	278,35,53,958.77
Contribution to Education Fund of N.C.U.I.	97,16,397.00	-
Special Reserve	9,72,00,000.00	101,30,00,000.00
Building Fund	-	195,98,00,000.00
Dividend Equalization Fund	-	2,55,00,000.00
Bad and Doubtful Debts Reserve	23,12,00,000.00	276,35,89,423.38
Contingent Provision against Standard Assets	-	34,78,00,000.00
Charity Fund	-	10,00,000.00
Investment Fluctuation Reserve	-	64,51,01,059.00
Education Fund	-	10,00,000.00
Special Reserve for Restructured Assets	-	15,28,50,000.00
General Reserve (Deferred Tax)	-	9,11,30,000.00
Dividend to Shareholders	39,05,80,599.00	-
Net Open Foreign Currency Position Reserve	-	1,00,00,000.00
Special Reserve u/s.36(1)(viii)	-	2,00,00,000.00
Members Welfare Fund	-	10,00,000.00
Balance carried forward to the next year	25,539.86	25,539.86
	97,17,22,535.86	981,53,49,981.01

* (subject to approval from General Body)

PROVISION FOR INCOME TAX

Provision for tax in the F.Y. 2018-2019 has been computed, after considering items allowable / inadmissible as per the Income Tax Act. The estimated tax outflow for the current year is ₹ 64.00 crore, which has been fully provided for. The net provision for taxes after giving effect to the Deferred Tax Asset arising out of the timing differences and provisioning in accordance with the Accounting Standards is ₹ 51.69 crore as detailed hereunder.

	(₹ in crore)
Net Tax Liability for the year	64.00
ADD : Tax paid for earlier year	-
LESS : Deferred Tax Asset	12.31
Provision made in Profit & Loss Account	51.69

CAPITAL TO RISK ASSETS

Under the prudential regulatory regime, capital adequacy has assumed utmost importance. Bank has always maintained a healthy Capital to Risk Assets Ratio (CRAR). The CRAR of the Bank stood at 13.32% as on 31st March, 2019 which is well above the minimum regulatory requirement of 12% prescribed by Reserve Bank of India, for Banks with license to transact Foreign Exchange Business.

During the year the Bank had mobilized ₹ 64.34 crore through Long Term Subordinated Deposit (Series-II) to augment the Tier-II Capital of the Bank.

DIVIDEND

Bank has a consistent dividend payment history. Board is pleased to propose a dividend of 15% for the F.Y. 2018-19. While proposing the dividend of 15% which is the maximum permissible as per the Bye-laws of the Bank, the Board has kept in mind the need to balance multiple objectives of not only rewarding shareholders but also to plough back profit to the business to maintain healthy CRAR. The Board seeks co-operation from members in its endeavour to strengthen capital base to power future growth.

AWARDS/ RECOGNITIONS

During the fiscal, in recognition of its performances and initiatives, Bank received under mentioned various awards:

- The Brihanmumbai Nagari Sahakari Banks' Association Ltd., Mumbai awarded the Bank 2nd prize for the overall performance and Annual Report for the Financial year 2017-18 in the category of Banks having total deposits of ₹ 2000 crore and above.
- Banking Frontiers has awarded the bank “FCBA Award-2018” for “Best HR Process and Innovation”.
- Avies Publication has awarded the Bank “Banco Blue Ribbon 2018” award for the performance for Financial Year 2017-18 in the all India Urban Banks category with Deposits of above ₹ 5000 crore.

**MEMBERSHIP**

The number of members of the Bank as on 31st March, 2019 is as under:

Type of Membership	As on 31 st March, 2018	Deletion of members during the year	Admission of new members during the year	As on 31 st March, 2019
Regular Membership	1,73,985	1,983	6,867	1,78,869
Nominal Membership	30,539	602	2,084	32,021

BRANCH NETWORK

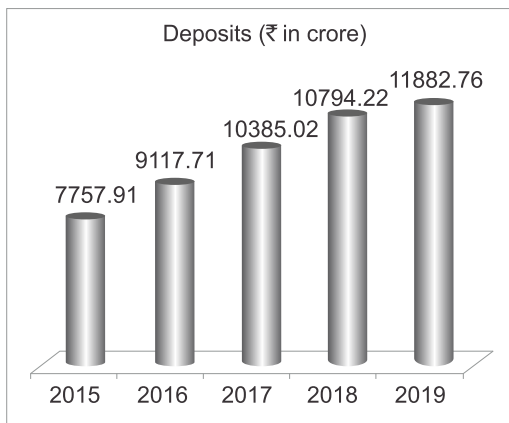
To increase the business & customer base, Bank had increased its branch network during last few years. In order to consolidate the benefits of existing Branches, no new branches were opened during the year.

Bank has added 2 on-site ATM Centres at Khar (East) & Vasai (West) Branch during the year to meet the increasing demand for ATM from the customers.

Bank has its presence in the state of Maharashtra, Karnataka & Gujarat through 102 branches, 1 Extension Counter, 103 On-site ATM Centres and 2 Off-site ATM Centres.

DEPOSIT INSURANCE

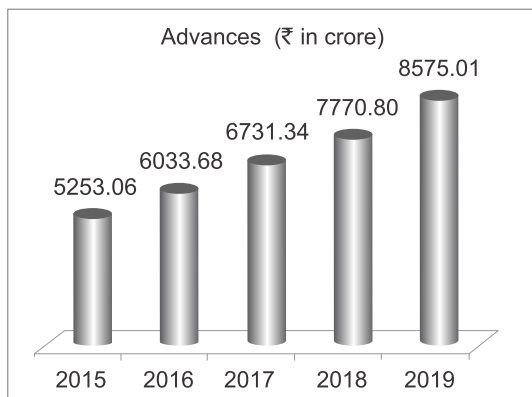
The deposits of customers continue to be insured with the Deposit Insurance & Credit Guarantee Corporation of India and enjoy insurance protection at par with any other Bank in India. Bank is regular & prompt in paying insurance premium to DICGC.

DEPOSIT GROWTH

During this financial year, deposit of the Bank increased from ₹10,794.22 crore to ₹11,882.76 crore, registering a growth of 10.08%.

Bank has continued to focus on mobilising CASA and Retail term deposits to improve its profitability. This approach has helped the Bank to reduce the cost of deposits & ensure a wider base of depositors.

ADVANCES GROWTH



During the financial year 2018-19 advances portfolio touched ₹8,575.01 crore from ₹ 7,770.80 crore with a net raise of ₹ 804.21 crore thereby registering a growth of 10.35%.

The Credit Deposit Ratio after taking into account 75% of Capital fund stood at 67.88%.

Despite the challenging market conditions, the Bank could post double-digit growth in advances by constantly reviewing the business needs of the customers & prevailing economic conditions.

NON-PERFORMING ASSETS

In the year under review, banking industry has witnessed an upward trend in stressed assets. Slowdown in the economy resulted in considerable stress built up on advances portfolio of the banking industry in general. This resulted in delays and defaults in servicing loans, which in turn increased the NPAs, despite Bank's sustained recovery efforts. The Bank has made adequate provisions as per RBI guidelines.

The Banking Industry has witnessed a sharp increase in NPAs during the year. The Gross NPAs of Bank were ₹ 579.76 crore which forms 6.76 % of total advances as on 31st March, 2019. Net NPAs of Bank as on 31st March, 2019 stood at ₹ 326.52 crore which is 3.92% of Net advances.

The recovery measures in stressed assets have been initiated by taking appropriate legal recourse under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI), wherever warranted.

Bank refers disputes relating to recovery of dues in the state of Maharashtra to Justice Shri. Rajan Jodharaj Kochar, (Retd.) High Court Bombay who was appointed as the Arbitrator by the Commissioner for Co-operation and Registrar of Co-operative Societies, Maharashtra State.

Bank refers disputes relating to recovery of dues in the state of Karnataka to Shri. C. N. Badarinath, Additional Registrar of Co-operative Societies (Retd.) and Central Arbitrator & Ex-Member, Karnataka Appellate Tribunal, who was appointed as the Arbitrator by the Central Registrar and Registrar of Co-operative Societies in Karnataka.

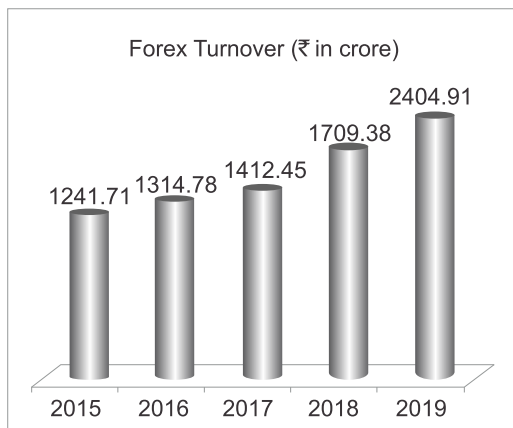

Classification of assets and provisioning made against Non-Performing Assets as on 31st March, 2019

(₹ in lac)

Classification of Assets	No. of A/Cs	Amount Outstanding	% of Col.3 to total Loans outstanding	Provision required to be made		Existing provision at the beginning of the year	Provisioning made during the year under Report	Total provisions as at the end of the year	Remarks
				%	Amount				
1.	2.	3.	4.	5.		6.	7.	8.	9.
Total loans and Advances	35761	857500.76							
of which :									
A. Standard Assets	35275	799525.23	93.24	0.40 to 5	193.00	3285.00	193.00	3478.00	
B. Non-Performing Assets						15772.88	9551.01	25323.89	
1. Sub-Standard	146	15183.39	1.77	10	1518.34				
2. Doubtful									
(i) Upto 1 year									
a) Secured	49	14008.62	1.63	20	2801.72				
b) Unsecured	16	695.51	0.08	100	695.51				
(ii) Above 1 year and upto 3 years.									
a) Secured	91	12770.23	1.49	30 to 40	4023.54				
b) Unsecured	62	10444.93	1.21	100	10444.93				
(iii) Above 3 years									
a) Secured	33	1488.04	0.18	100	1488.04				
b) Unsecured	27	948.15	0.11	100	948.15				
Total doubtful Assets									
(i + ii + iii)	278	40355.48	4.70		20401.89				
a) Secured	173	28266.89	3.30		8313.30				
b) Unsecured	105	12088.59	1.40		12088.59				
3. Loss Assets	62	2436.66	0.29	100	2436.66				
Gross NPA's (B1+B2+B3)	486	57975.53	6.76		24356.89	15772.88	9551.01	25323.89	

Sr. No.	Particulars	31.03.2019	31.03.2018
1	Gross Advances	857500.76	777079.68
2	Gross NPAs	57975.53	38343.85
3	Gross NPAs as percentage to Gross Advances	6.76	4.93
4	Deductions	---	---
	- Balance in interest suspense account / OIR	---	---
	- DICGC / ECGC claims received and held pending adjustment	---	---
	- Part payment on NPA account received and kept in suspense account	---	---
5	Total NPA provisions held, (BDDR, Special BDDR Balance after appropriation)	25323.89	15772.88
6	Net advances (1-4-5)	832176.87	761306.80
7	Net NPA (2-4-5)	32651.64	22570.97
8	Net NPAs as percentage of net advances	3.92	2.96

FOREIGN EXCHANGE BUSINESS



The Bank is a AD-Category-I license holder from Reserve Bank of India since September 2008. The Bank has completed 10 successful years of foreign exchange operations during the fiscal and has made good progress in foreign exchange business. Foreign exchange turnover as well as forex income have shown good growth on a year-on-year basis.

The Bank has achieved merchant turnover of ₹ 2,404.91 crore as against ₹ 1,709.38 crore in the previous year.

The Bank has mobilised good amount of Non Resident Deposits in the current financial year. The total Non-Resident deposits of the Bank stood at ₹266.17 crore as against ₹223.49 crore in the previous year.

The Bank is presently dealing in six foreign currencies viz. USD, EURO, GBP, SGD, AED and JPY and maintaining NOSTRO account with major International Banks. The Bank has also established SWIFT arrangement with many International Banks for trade transactions.

The Bank continues to offer wide range of forex products such as Export credit in foreign currency (PCFC/PSCFC), Export LC discounting, issuance of Import Letter of Credits, Inward/Outward remittances, collection of export bills, issuance of foreign bank guarantees, maintaining EEFC/FCNR accounts and hedging services such as booking of forward contracts to protect the customers from exchange rate risk.

Your Bank is also extending the Interest Equalisation Scheme of Government of India on Pre and Post Shipment Rupee Export Credit to all the eligible exporters.

Money Transfer services through “Western Union Money Transfer” & “Xpress Money” is available at all branches of your Bank wherein Customers / members of the Bank as well as general public can receive money from their relatives & friends from abroad, instantly.

TREASURY

Bank has an investment portfolio of ₹3,860.88 crore as on 31st March, 2019 out of which an amount of ₹2,807.49 crore has been invested in Government and other approved securities. Bank's total investments in Government and other approved securities as at 31st March, 2019 stood at 23.21% of its applicable Net Demand and Time Liabilities (NDTL).

Bank's Treasury manages liquidity, interest rate risk of investment portfolio & complies with the reserve requirement. The Bank has always been regular in statutory and regulatory compliances w.r.t. treasury operations.

Financial year 2018-19 was a mixed year for Government Securities market. Yield on 10 year benchmark witnessed a rising trend in the first half of the year on the back of sharp rise in crude oil price, rupee depreciation, increase in repo rate by 50 bps, change in stance to ‘calibrated tightening’ by RBI and FPI outflow.



However, the trend reversed from October 2018 triggered by fall in crude oil price, decreasing consumer inflation, large purchase of Government securities under open market operation by RBI, 25 bps repo rate cut and change in stance to neutral. The yield on 10 year benchmark Government Securities (7.17% GS 2028) which started the year at 7.40% rose to 8.20% in September 2018 but ended the year at 7.49%.

Bank is a direct member of the Negotiated Dealing System (NDS) for settlement of Government Securities for Treasury operations and the Clearing Corporation of India Ltd., (CCIL) for Triparty Repo (TREPS). Bank borrows and lends under TREPS as per the guidelines of the RBI and rules and regulations of CCIL. The Bank also lends through Reverse Repo window of RBI eKuber for better returns on excess liquidity. Both TREPS and Reverse Repo are used as an effective tool for liquidity and effective management of funds.

BANCASSURANCE

Bank is a Corporate Agent of Life Insurance Corporation of India and New India Assurance Company Ltd. Bank offers all types of Life and General Insurance policies through its network of branches. In F.Y. 2018-19 Bank actively canvassed and spread awareness of insurance through marketing drives at branches.

Bank has earned a commission of ₹1.90 crore during the year from Bancassurance business. Two Branches of the Bank have earned the distinction of being CHAMPION LEAGUE and twelve branches of the Bank have earned the distinction of being BIMA BANK by exceeding the threshold limit stipulated by LIC of India for mobilizing number of policies and premium amount.

AUDIT & INSPECTION

Bank has a sound and comprehensive audit mechanism in place which plays a crucial role in maintenance, assessment and effectiveness of Bank's internal control system and procedures. All audit activities are guided by well-defined Audit Policy of the Bank which is reviewed on yearly basis. Bank's audits are being carried out by external entities as well as In-house Auditors.

RBI INSPECTION

The officials of RBI had carried out inspection of the Bank covering the period upto 31st March, 2018 under Section 35 of the Banking Regulation Act, 1949 (as applicable to Co-operative Societies).

STATUTORY AUDIT

M/s. U. G. DEVI & COMPANY, Chartered Accountants, appointed by the Shareholders at the Forty Second Annual General Meeting held on 30th June, 2018, carried out the Statutory Audit of the Bank. The Statutory Auditor has awarded "A" Audit Classification to the Bank. M/s. U. G. DEVI & COMPANY, Chartered Accountants is eligible for re-appointment as Statutory Auditors under Section 70(4) of the Multi State Co-operative Societies Act, 2002.

INTERNAL AUDIT

M/s. ASHWAJITH ASSOCIATES, Chartered Accountants & M/s. NANJUNDA & Co., Chartered Accountants have been appointed as Internal Auditors for the F.Y. 2018-19.

CONCURRENT AUDIT

Branches of the Bank have been categorized as High, Medium and Low Risk based on the risk perception and volume of business. Out of 102 branches of the Bank, 54 Branches are under Concurrent Audit conducted by Chartered Accountant firms.

INFORMATION TECHNOLOGY & SYSTEM AUDIT

During the year IS Audit of the Bank was conducted by M/s. M. P. Chitale & Co., Chartered Accountants. Bank has also conducted Vulnerability & Penetration Test (VAPT) audit on its external facing web servers, network appliances, Net Banking and Mobile Banking applications by external agencies.

RISK MANAGEMENT

Bank has in place a detailed Risk Management Policy in order to maintain a healthy balance between the risks and returns associated with Bank's activities as well as products and services. The main objective of the policy is to ensure optimum utilisation of bank's resources with least risk. Bank reviews the risk appetite viz-a-viz systems and procedures to identify, measures and mitigate the risks.

Bank has a detailed KYC and Anti Money Laundering Policy alongwith guidelines on precautions to be taken while opening / closing and monitoring the operations of the accounts. Bank has an AML software which shows alert based on the red flag indicators prescribed by FIU India. These cases are regularly monitored and reported to concerned authorities. Periodical review of risk categorisation of customer and periodic updation of Customer Identification data is being done as per the Reserve Bank of India guidelines.

Further, Bank has a well defined Credit Policy providing various guidelines for detailed and systematic credit appraisal, exposure limit to individuals / group of borrowers / industries & sectors / locations, threshold limits, standardised Credit rating / scoring system, sanctioning / approval powers & process, Collateral support, loan review mechanism, controls, etc., and the same is reviewed and revised during the Financial Year.

Similarly, Investment activities are guided by "Investment Policy" which is being reviewed on yearly basis. Guidelines are in place to check interest rate risks, exchange rate risks, exposure risks etc.

HUMAN RESOURCE MANAGEMENT

Your Bank's employee strength stands at 1435 as on 31.03.2019. It has been a constant endeavour to create a culture that encourages the flow of communication which helps employees feel and perform their best at work.

Your Bank proactively visualizes and strategizes the future talent needs and actualizes it by recruiting, forecasting skill gaps, training and re-skilling to re-affirm the commitment that bank is a caring organization. Your Bank also works towards strengthening synergy among employees and strives to promote a more enabling workplace where in the employees are engaged and enthusiastic about their work and take positive action to further nurture and grow.

**STAFF TRAINING**

Your Bank has always emphasized on knowledge as a key differentiator and works continuously to enhance the capability and capacity of employees by creating an environment of continuous learning thereby equipping them with the necessary skills to realize the Bank's strategic objectives, business goals, job and regulatory requirements.

The Bank has always believed that trained employees are the key to effective delivery. In order to prepare employees to the changing banking scenario, continuous efforts are being made to ensure that employees are exposed to different types of learning by imparting them with different trainings as under:

- Programme on Insolvency & Bankruptcy Code (IBC) for Asset Resolution
- Programme on IT & Cyber Security-Framework, IT Risk Management & Prevention of Cyber Crimes.
- Programme on Customer Centricity & Selling Skills
- Programme on Financing MSME
- Programme on Credit Monitoring (Industrial & Commercial Advances)
- Programme on Forex Dealing with Bourse Game
- Programme on Risk Management and Asset & Liability Management For UCBs

EMPLOYEE ENGAGEMENT

The Bank works towards increasing employee engagement and improving work environment by pursuing various initiatives under the aegis of the Staff Welfare Club. The Bank promotes a healthy and safe work environment for employees by offering several health and wellness initiatives and campaigns for employees and their family members. Activities like Sports Tournament, Get-together for employees and their families are arranged to bring about cohesiveness and a feeling of belongingness amongst employees.

STAFF RELATIONS

The Board of Directors and Bank Management wholeheartedly appreciates the sincere and dedicated services rendered by all the employees of the Bank. Your Bank endeavours to build and maintain cordial relations with all the employees, recognized Officers Association & Employees Union and works harmoniously to propagate employee centric initiatives to motivate employees.

The Bank has zero tolerance towards sexual harassment at workplace and has put in place appropriate mechanisms to ensure that women work with dignity and without fear.

AMENDMENT TO BYE-LAWS

The Board of Directors of the Bank proposes amendments to bye-laws of the Bank to be in conformity with the instructions contained in the circulars issued by Reserve Bank of India and requirement of the Bank. The proposed amendments are reproduced on page 53 for deliberations and members' approval.

BANKING CODES AND STANDARDS BOARD OF INDIA (BCSBI)

Bank is a member of the BCSBI and has adopted the Code of Commitment to Customers and the Code of Banks' Commitment to Micro and Small Enterprises for implementation. It also adheres to voluntary codes of BCSBI which sets minimum standards for fair and transparent banking services to the customers.

ELECTION TO THE BOARD OF DIRECTORS

The five year term of Board of Directors of your Bank ended on 1st October, 2018. Thus in accordance with the provisions of the MSCS Act 2002, Rules and the Bye-laws of the Bank, Shri A. K. Chavan, Additional Registrar (Co-operative Societies, M.S.), Secretary, Mumbai Agricultural Produce Market Committee (APMC), Turbhe, Navi Mumbai was appointed as Returning Officer to conduct election to the Board of Directors of the Bank for a period of five years viz., 2018-2023.

Shri A. K. Chavan, Returning Officer prepared election programme and published the same in daily newspapers; "The Indian Express" for Mumbai, Pune and Ahmedabad edition, "Loksatta" for Mumbai and Pune Edition, "New Indian Express" for Bengaluru and Belagavi edition, "Kannada Prabha" for Mangalore, Bengaluru, Hubballi and Belagavi edition and "Lokmitra" for Ahmedabad edition on 1st September, 2018. The election programme was also displayed on the notice board of all Branches, Extension Counter, Registered Office and Central Office of the Bank.

A total number of 27 nomination forms were received viz., 24 in the General category, 2 in the category of women and 1 in the category of SC/ST as on 10th September, 2018 which was the last date to receive nomination forms, as per the declared election programme.

The list of total number of valid nominations was published on 12th September, 2018. Since there were only two candidates in the category of Women and only one candidate in the category of SC/ST, there was no contest for the said categories. After scrutiny and withdrawal of nominations, there were 19 candidates for contest in General category as on 15th September, 2018. Since the number of contesting candidates was 19 and the number of candidates to be elected in General Category to the Board of Directors was 17, polling was conducted on 2nd October, 2018 as mentioned in the election programme published by the Returning Officer.

The notice stating that there is polling on 2nd October, 2018 was displayed on the Notice Boards of Registered Office, 102 Branches, 1 Extension Counter and at the office of the Returning Officer. Special notice to members informing about the polling on 02/10/2018 was sent by post. The special notice was also published in newspapers.

The election was conducted on 2nd October, 2018 and counting of votes was held on 4th October, 2018 as per the election programme published on 1st September, 2018. The result for 17 seats in General category to the Board of Directors of the Bank for 5 years term viz., 2018-2023 was declared at the General Meeting of the Bank held on 5th October, 2018 as per election programme.



In the General Body Meeting of the Bank held on Friday, the 5th October, 2018 presided over by Shri A. K. Chavan, the Returning Officer, the under mentioned candidates have been declared duly elected to the Board of Directors of the Bank for a period of five years term viz. 2018-2023.

Shri Jaya C. Suvarna, Miss Rohini J. Salian, Shri Vasudeva R. Kotian, Shri Jyoti K. Suvarna, Shri Bhaskar M. Salian, Shri Jaya A. Kotian, Shri K. N. Suvarna, Shri Damodar C. Kunder, Shri K. B. Poojary, Shri U. Shivaji Poojary, Shri Somnath B. Amin, Shri Gangadhar J. Poojary, Shri Suryakant J. Suvarna, Shri Narayan T. Poojari, Shri L. V. Amin, Shri Purushotham S. Kotian, Shri Mohandas A. Poojary, Shri Premnath P. Kotian, Smt. Sharada S. Karkera & Shri Anbalagan C. Harijan

In accordance with Schedule 7 attached to Rule 20 of the Multi-State Co-operative Societies Rules, 2002, the first meeting of the newly elected Board of Directors for election of Chairman and Vice Chairman was convened by the Returning Officer on 12th October, 2018 at Central Office of the Bank and in the said meeting, Shri Jaya C. Suvarna was elected unanimously as Chairman of the Bank and Miss Rohini J. Salian was elected unanimously as Vice Chairperson of the Bank.

CO-OPTION OF DIRECTORS

In terms of section 41(3) of the Multi-State Co-operative Societies Act, 2002 and Bye-law No.31 (ii) of the Bank, the Board of Directors co-opted 2 eminent persons viz., Shri Raja V. Salian and Shri M. N. Karkera as Directors of the Bank for a period of one year.

CORPORATE GOVERNANCE

In consonance with the provisions of Section 53 of the Multi-State Co-operative Societies Act, 2002, the newly elected Board of Directors at the meeting held on 9th November, 2018 constituted an Executive Committee of the Board and other Committees of the Board as under:

EXECUTIVE COMMITTEE OF THE BOARD

Shri Jaya C. Suvarna	Chairman
Miss. Rohini J. Salian	Member
Shri Vasudeva R. Kotian	Member
Shri Bhaskar M. Salian	Member
Shri Jaya A. Kotian	Member
Shri K. N. Suvarna	Member
Shri Suryakant J. Suvarna	Member
Smt. Sharada S. Karkera	Member
Shri Chandrashekar R. Mulky	MD & CEO

LOAN COMMITTEE OF THE BOARD

Shri K. N. Suvarna	Chairman
Shri Jaya A. Kotian	Member
Shri U. Shivaji Poojary	Member
Adv. Somnath B. Amin	Member
Shri Gangadhar J. Poojary	Member
Shri Chandrashekar R. Mulky	MD & CEO

AUDIT COMMITTEE OF THE BOARD

Shri U. Shivaji Poojary	Chairman
Shri Jaya C. Suvarna	Member
Shri Jyoti K. Suvarna	Member
Shri K. B. Poojary	Member
Shri Narayan T. Poojari	Member
Shri L. V. Amin	Member
Shri Purushotham S. Kotian	Member
Shri Mohandas A. Poojary	Member
Shri Premnath P. Kotian	Member
Shri Raja V. Salian	Member
Shri Chandrashekar R. Mulky	MD & CEO

SPECIAL COMMITTEE OF THE BOARD FOR MONITORING FRAUDS

Shri Jaya C. Suvarna	Chairman
Shri Damodar C. Kunder	Member
Shri U. Shivaji Poojary	Member
Shri Raja V. Salian	Member
Shri M. N. Karkera	Member

All the above Committees of the Board met from time to time to carry out the responsibilities entrusted to them for the qualitative growth of the business of the Bank.

Bank ensures highest level of ethical standards, professional integrity and corporate governance. The Bank practices the cardinal principles of business ethics, accountability, responsibility, transparency and effective supervision which serve as the basic approach to corporate governance.



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

Meetings	No. of meetings held
Board Meeting	24
Executive Committee of the Board	24
Loan Committee of the Board	25
Audit Committee of the Board	14
Special Committee of the Board for monitoring Frauds	4

STAFF EXECUTIVE COMMITTEES

Other Staff Executive Committees comprising of Senior Executives of the Bank are:

- Asset Liability Management Committee
- Investment Committee
- Executives' Loan Committee
- Risk Management Committee

OBITUARY

The Board of Directors regrets to state with a deep sense of sorrow about the sad demise of Shri Sooru C. Karkera on 31st October, 2018. Shri Sooru C. Karkera was associated with the Bank as a Director during the period from 1991-92 to 1999-2000. He was the Vice Chairman of the Bank for the year 1996-97 and Chairman of the Bank during the period from 1997-99.

The Board of Directors places on record the sincere appreciation of the selfless and dedicated services rendered by Late Shri Sooru C. Karkera during his tenure as a Chairman, Vice Chairman and Director in the growth and various developmental activities of the Bank.

ACKNOWLEDGEMENT

The Board expresses gratitude to The Billawar Association, Mumbai & it's members for extending their support from time to time.

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

The Board also wishes to place on record the assistance, guidance and co-operation extended by the following Institutions, Banks and other Authorities:

1. Reserve Bank of India.
2. Central Registrar of Co-operative Societies, Government of India, New Delhi.
3. Commissioner for Co-operation and Registrar for Co-operative Societies, Maharashtra State, Pune.
4. Registrar of Co-operative Societies, Karnataka State, Bengaluru.
5. Registrar of Co-operative Societies, Gujarat State.
6. Shri A. K. Chavan, Additional Registrar (Co-operative Societies, M.S.), Secretary, Mumbai Agricultural Produce Market Committee (APMC), Turbhe, Navi Mumbai.
7. Shri Sandeep Deshmukh, Additional Registrar (Co-op Societies), Secretary, Slum Rehabilitation Authority-SRA, Bandra (East), Mumbai.
8. Officials of Revenue Department at all level in Maharashtra, Karnataka and Gujarat States.
9. Statutory Auditors, Internal Auditors, Concurrent Auditors, Information Systems Auditors, Legal Advisors & Valuers.
10. National Federation of Urban Co-operative Banks and Credit Societies Ltd., New Delhi.
11. Maharashtra Urban Co-operative Banks Federation Ltd.
12. Brihanmumbai Nagari Sahakari Banks Association, Mumbai.
13. The Maharashtra State Co-operative Banks' Association Ltd., Mumbai.
14. Indian Banks' Association.
15. Foreign Exchange Dealers Association of India (FEDAI)
16. Print & Electronic Media
17. All the valued Members, Customers, Shareholders and Well-Wishers.

For and on behalf of the Board of Directors

Place : Mumbai

Dated : 26th April, 2019

JAYA C. SUVARNA
CHAIRMAN