# INDEPENDENT AUDITOR'S REPORT

**(As required u/s 31 of Banking Regulation Act,1949 as applicable to Co-operative Societies and section 73(4) of Multi State Co-operative Societies Act, 2002 and Rule 27 of Multi State Co-operative Societies Rules)**

**To,**
**The Members,**
**The Bhuj Mercantile Co-Op. Bank Ltd.,**
**Ahmedabad – 380006**

**Report on Financial Statements**

We have audited the accompanying financial statements of **The Bhuj Mercantile Co-op Bank Ltd. – Ahmedabad 380006**, as at 31st March 2026 which comprises the Balance Sheet, Profit & Loss Account and the Cashflow Statement for the year ended 31st March 2026, and Notes to Financial Statements including a summary of significant accounting policies and other explanatory information. The returns of **12 (Twelve)** branches audited by us are incorporated in these financial statements.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the basis for Qualified Opinion Paragraph below, comments and remarks given in the Annexure-7 and our separate report LFAR, the financial statements together with the Notes thereon give the information required by the B.R. Act, 1949 (as applicable to Co-operative Societies), The MSCS Act 2002, Guidelines issued by RBI, National Bank for Agricultural and Rural Development(as applicable) and The Central RCS, in the manner so required and subject to our separate note, give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the Balance sheet, of state of affairs of the bank as at **31st March 2026**, and
b) In the case of Profit & Loss Account, of the profit for the year ended on that date, and
c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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**Basis for Opinion:**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the ICAI. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the financial statements prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the ICAI, and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI") and under the provisions of the Multi State Co-operative Societies Act, 2002 and the rules made thereunder from time to time and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our opinion given below is subject to observations related to advances which are reported separately in LFAR.

**Emphasis Matter:**

a. We draw attention to Notes to the financial statements no A(5)(C ). The transfer of Nil from the Bad and Doubtful Debts Reserve to the Statutory Reserve, in accordance with the RBI circular No.DOR.CAP.REC.No.27/09.18.201/2024-25 dated August 02,2024.

b. There is a difference of Rs. 104008/- in HDFC Bank (1529) Reconciliation since 02.08.2024 which is due to system glitch. We have informed management of Bank to resolve the issue in consultation with software vendor.

c. There is a difference of Rs. 69800/- in HDFC Bank (1433) Reconciliation since Oct-2025 due to continuous clearing implementation, which cannot be identified till the date. We have informed management of Bank to resolve the issue.

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

The Bank's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report of Board of Directors including other explanatory information, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is

materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

**Management's Responsibility for the Financial Statement:**

Management is responsible for the preparation of these financial statement that give a true and fair view of the financial position financial performance and cash flows of the Bank in accordance with banking regulation Act, 1949 (as applicable to cooperatives societies), the guidelines issued by Reserve Bank of India and the guidelines issued by the Central Registrar of cooperative Societies, New Delhi, under the Multi-State Co-operative Societies Act, 2002 and generally accepted accounting principles in India so far as applicable to the Bank. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone 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 responsible for overseeing the Bank's financial reporting process.

**Auditor's Responsibility:**

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements:**

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

As required by Section 73(4) of the Multi State Co-operative Societies Act, 2002, and subject to limitations as laid down in paragraph of Management's Responsibility for the Financial Statement and Auditor's Responsibilities we report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. In our opinion, proper books of account as required by the Multi-State Co-operative Societies Act, Rule 27 of the Multi State Co-Operative Societies Rules 2002 and Bye Laws of the Bank have been kept by the Bank, so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches and offices of the Bank and all the branches have been visited by us.
3. To the best of our knowledge and belief and according to the information and explanations given to us, there is no material impropriety and irregularities in the expenditure or in the realization of monies due to the Bank.
4. To the best of our information and explanations given to us, the transactions of the Bank, which have come to our notice have been within the power of the Bank and are generally in compliance with RBI guidelines, as applicable to Multi-State Co-Operative Banks.
5. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report, are in agreement with the books of account maintained by the Bank.
6. The reports on the accounts of the branches audited by us have been properly dealt with by us in preparing this Report.
7. The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to Banks.
8. Certain items of income / expenditure have been accounted for on cash basis as stated in Significant Accounting Policies (A) 2, which is not in accordance with Accounting Standard (AS -9) on "Revenue Recognition" issued by The Institute of Chartered Accountants of India. It is not possible to ascertain their financial impact on the profit of the bank.

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

a. During the course of our audit, we have generally not come across any transactions which appear to be contrary to the provisions of the Multi-State Co-operative Societies Act, 2002, the rules or the bye-laws of the Bank.
b. During the course of our audit, we have not come across any material or significant transactions which appear to be contrary to the guidelines issued by the Reserve Bank of India and National Bank for Agriculture and Rural Development.
c. Money belonging to the Bank which appears to be bad or doubtful of recovery as on 31st March, 2026 was 9.19 crores for which adequate provision has been made as per extant RBI guidelines.
d. The bank has not given loans to the members of the Board of Directors, except FD/OD permissible as per RBI guidelines.
e. During the course of our audit, we have generally not come across any violation of guidelines, conditions etc. issued by the Reserve Bank of India.
f. The Central Registrar of Co-operative Societies in this regard has not specified any matters to the bank.

**For ARPIT SHAH & CO.**
**Chartered Accountants**

**Name of Partner: Arpit T. Shah**
**M No.: 112663; FRN: 123004W**

**UDIN: 26112663KFTMAX2847**

**Place: Ahmedabad**
**Date: 27.06.2026**

## THE BHUJ MERCANTILE CO-OP. BANK LTD

### BALANCE SHEET AS AT 31ST MARCH 2026 (Amount in Rs.)

| CAPITAL & LIABILITIES | Schedule | AS AT 31.03.2026 | AS AT 31.03.2025 |
|---|---|---|---|
| 1. SHARE CAPITAL | 1 | 7,03,72,800.00 | 7,54,10,400.00 |
| 2. RESERVE AND OTHER FUNDS | 2 | 87,90,38,570.06 | 75,62,89,116.60 |
| 3. PRINCIPAL / SUBSIDIARY / STATE PARTNERSHIP FUND A/C | | - | - |
| 4 DEPOSITS AND OTHER ACCOUNTS | 3 | 6,18,56,32,910.01 | 4,89,54,82,248.97 |
| 5. BORROWINGS | | - | - |
| 6. BILL FOR COLLECTION | | - | - |
| 7. BRANCH ADJUSTMENT | | - | - |
| 8. OVERDUE INTEREST RESERVE | | 8,32,15,628.78 | 7,38,13,554.31 |
| 9. INTEREST PAYABLE | 4 | 20,01,38,535.99 | 19,72,88,558.99 |
| 10. DEBIT BUT NOT RECOVERED NPA INTEREST | | 10,93,901.00 | 13,81,521.00 |
| 11. OTHER LIABILITIES | 5 | 7,38,42,354.44 | 7,02,13,860.04 |
| 12. PROFIT & LOSS ACCOUNT | 6 | 3,27,19,144.96 | 4,92,01,993.58 |
| 13. CONTINGENT LIABILITIES FOR | | | |
| (i) Outstanding Liabilites for Guarantees Issues | | | |
| Current Year : Rs. 30,50,000/- | | | |
| Previous Year : Rs. 31,03,000/- | | | |
| (ii) Others-Depositors Education & Awareness | | | |
| (DEAF) Previous Year : Rs. 7,51,12,705.46 | | | |
| + Amounts trf. to DEAF : 28,24,380.27 | | | |
| + Amounts trf. on Amalgamated Bank DEAF : 29,89,922.83 | | | |
| - Amounts reimbursed towards Claim : 6,86,947.88 | | | |
| (DEAF) Current Year : Rs. 8,02,40,060.68 | | | |
| Technical write off: Rs. 9,48,13,497.28 | | | |
| Total | | 7,52,60,53,845.24 | 6,11,90,81,253.49 |

## THE BHUJ MERCANTILE CO-OP. BANK LTD

### BALANCE SHEET AS AT 31ST MARCH 2026

| PROPERTY & ASSETS | Schedule | AS AT 31.03.2026 | AS AT 31.03.2025 |
|---|---|---|---|
| 1. CASH : | 7 | 24,24,63,400.49 | 34,32,98,854.28 |
| 2. BALANCE WITH OTHER BANKS | 8 | 32,59,35,061.99 | 36,87,72,295.24 |
| 3. MONEY AT CALL AND SHORT NOTICE : | | - | - |
| 4. INVESTMENTS | 9 | 2,41,82,19,349.00 | 1,74,80,64,438.00 |
| 5. INVESTMENT OUT OF PRINCIPAL / SUBSIDIARY / STATE PARTNERSHIP FUND | | - | - |
| 6. ADVANCES | 10 | 4,31,63,47,619.12 | 3,45,80,37,865.74 |
| 7. INTEREST RECEIVABLE | 11 | 3,06,80,656.00 | 1,72,00,525.31 |
| 8. INTEREST RECEIVABLE ON NPA AC | | 8,32,15,628.78 | 7,38,13,554.31 |
| 9. BILLS RECEIVABLE | | - | - |
| 10. BRANCH ADJUSTMENT | | - | - |
| 11. PREMISES (Less : Depriciation) | 12 | 3,98,79,563.73 | 4,40,54,829.03 |
| 12. FURNITURE & FIXTURES (Less: Depreciation) | 13 | 1,27,28,908.55 | 1,22,93,373.56 |
| 13. OTHER FIXED ASSET (Less : Depreciation) | 14 | 1,55,03,588.09 | 1,28,15,971.05 |
| 14. OTHER ASSETS | 15 | 2,56,96,548.33 | 2,53,95,717.99 |
| 15. NON BANKING ASSET | | 1,00,08,600.82 | 1,00,08,600.82 |
| 16. PROFIT & LOSS A/c (Amalgamated Bank) | | 53,74,920.34 | 53,25,228.16 |
| Total | | 7,52,60,53,845.24 | 6,11,90,81,253.49 |

AS PER OUR REPORT OF EVEN DATE
For ARPIT SHAH AND CO
CHARTERED ACCOUNTANTS

CA ARPIT SHAH (Partner)
M. No: 112663 FRN: 123004W

UDIN: 26112663KFTMAX2847
PLACE : AHMEDABAD

For, The Bhuj Mercantile Co-Operative Bank Ltd.

| CA Manoj Lekinwala | Dharmesh Mehta | Shradhha Solanki | Manoj Gor |
|---|---|---|---|
| Chairman | Director | Director | I/c CEO |

DATE: 27-06-2026

The Bhuj Mercantile Co-Op. Bank Ltd. AHMEDABAD

## THE BHUJ MERCANTILE CO-OP. BANK LTD

PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026 (Amount in Rs.)

| EXPENDITURE | As At 31.03.2026 | As At 31.03.2025 |
|---|---|---|
| 1. Interest on Deposits & Borrowing | 38,72,68,455.82 | 32,65,88,546.15 |
| 2. Staff Salaries , Allowances Etc. | 5,46,07,419.94 | 4,95,44,158.46 |
| 3. Directors Fees & Allowances Etc. | - | - |
| 4. Rent, Taxes,Insurance ,Elec.Charges | 1,06,86,018.21 | 1,10,35,795.00 |
| 5. Legal Fees & Consulting Charges | 12,10,574.86 | 4,93,472.50 |
| 6. Postage, Telegrams & Telephone Charges | 21,74,488.16 | 19,31,665.48 |
| 7. Audit Fees and Expenses | 17,05,967.00 | 18,03,105.56 |
| 8. Depreciation on Property | 88,41,504.19 | 87,04,715.50 |
| 9. Repairs and Maintanance Expences | 47,96,222.14 | 41,07,341.34 |
| 10. Stationery & Printing, Advertisement Etc | 22,09,321.29 | 14,37,077.38 |
| 11. Other expenses | 2,21,40,103.02 | 3,65,65,575.97 |
| 12. DICGC Insurance Premium | 64,50,090.96 | 53,01,639.00 |
| 13. GST Expenditure | 33,55,044.92 | 26,65,770.56 |
| 14. Amortisation of premium on Investment | - | - |
| 15. Income tax Exp. | 3,26,00,000.88 | 2,64,70,849.46 |
| 16. Investment Depreciation Reserve | 5,84,18,660.62 | 1,19,16,951.74 |
| 17. Provision for BDDR | 1,21,00,000.00 | 90,00,000.00 |
| 17. Net Profit C/f to Balance Sheet | 3,27,19,144.96 | 4,92,01,993.58 |
| **Total** | **64,12,83,016.97** | **54,67,68,657.68** |

| INCOME | As At 31-03-2026 | As At 31-03-2025 |
|---|---|---|
| 1. Interest on Advance & Investment | 59,16,71,907.24 | 49,37,21,986.70 |
| 2. Commission Exchange etc. | 14,06,170.28 | 5,91,225.43 |
| 3 Subsidies & Donations | - | - |
| 4. Non Banking Income | - | - |
| 5. Lockers Rent | 15,79,741.53 | 13,18,128.00 |
| 6. Income From: Govt.Securities (Trading) | 3,56,04,031.00 | 2,30,77,232.35 |
| 7. Investment Depreciation Reserve | - | - |
| 8. Other Receipt | 1,10,21,166.92 | 2,80,60,085.20 |
| **TOTAL Rs.** | **64,12,83,016.97** | **54,67,68,657.68** |

**AS PER OUR REPORT OF EVEN DATE**
**For ARPIT SHAH AND CO**
**CHARTERED ACCOUNTANTS**

**CA ARPIT SHAH (Partner)**
**M. No: 112663 FRN: 123004W**

**UDIN:** 26112663KFTMAX2847
**PLACE : AHMEDABAD**

**For, The Bhuj Mercantile Co-Operative Bank Ltd.**

| CA Manoj Lekinwala | Dharmesh Mehta | Shradhha Solanki | Manoj Gor |
|---|---|---|---|
| Chairman | Director | Director | I/c CEO |

**DATE: 27-06-2026**

The Bhuj Mercantile Co-Op. Bank Ltd. AHMEDABAD

# THE BHUJ MERCANTILE CO-OP. BANK LTD

## CASHFLOW FOR THE YEAR ENDED 31ST MARCH 2026

(Amount in Rs.)

| SN | PARTICULARS | AS ON 31.03.2026 | | AS ON 31.03.2025 | |
|---|---|---|---|---|---|
| (A) | **CASH FROM OPERATING ACTIVITIES:** | | | | |
| | Net Profit as per Profit and Loss Account (after Tax) | 3,27,19,144.96 | | 4,92,01,993.58 | |
| | Less: balance of profit & loss a/c Amalgamated Bank | 26,62,614.07 | 3,53,81,759.03 | 26,62,614.07 | 5,18,64,607.65 |
| | Adjustment for : | | | | |
| | Depreciation for the year | 88,41,504.19 | | 87,04,715.50 | |
| | Amortisation of premium on Investment (Govt. | - | | - | |
| | Tax Expense | | | | |
| | i) Income Tax | 3,26,00,000.88 | | 2,64,70,849.46 | |
| | ii) Deferred Tax | - | | - | |
| | Provisions | | | | |
| | i) Provision for Land & Building | - | | - | |
| | ii) Provision for Investment Fluctuation Reserve | - | | - | |
| | iii) Provision for Bad & Doubtful Debt | 1,21,00,000.00 | | 90,00,000.00 | |
| | iv) Provision Reversed during the year | | | | |
| | v) Provision on Investment AFS | 5,84,18,660.62 | | 1,19,16,951.74 | |
| | vi) Provision of Covid-19 | | | | |
| | (Profit)/Loss on sale of Fixed Assets & Investments | | | | |
| | i) Profit on Sale of Investment | -3,56,04,031.00 | | -2,30,77,232.35 | |
| | ii) Income on Investment | - | | - | |
| | iv) Asset Written off | | | | |
| | (Income)/Expense Considered under Other Activities | | 7,63,56,134.69 | | 3,30,15,284.35 |
| | Profit Before Changes in Working Capital | | 11,17,37,893.72 | | 8,48,79,892.00 |
| | Operating Cash Flow from Working Capital Changes | | | | |
| | Adjustment for : Increase/(Decrease) | | | | |
| | In Deposits | 1,29,01,50,661.04 | | 75,60,67,703.62 | |
| | In Other Liabilities | 61,90,851.40 | | 7,19,88,230.68 | |
| | In Advances | -85,83,09,753.38 | | -14,44,58,078.72 | |
| | In Other Assets | -1,37,80,961.03 | | 1,01,56,203.15 | |
| | Non banking assets | - | 42,42,50,798.03 | - | 69,37,54,058.73 |
| | Income Tax paid During the Year | | -3,26,00,000.88 | | -2,64,70,849.46 |
| | Net Cash generated from/(used in) OperatingActivities (A) | | 50,33,88,691 | | 75,21,63,101.27 |
| (B) | **CASH FROM INVESTING ACTIVITIES:** | | | | |
| | Interest Receivable on Investments | - | | - | |
| | Purchase of Investments | - | | - | |
| | Proceeds from Sale of Investments | - | | - | |
| | Variation in fixed assets | -77,89,390.92 | | -95,98,228.90 | |
| | Proceeds from Sale Fixed Assets | - | | - | |
| | Income from Investment | - | | - | |
| | Variation in investment | -63,45,50,880.00 | | -50,51,05,331.65 | |
| | Dividend Received | | -64,23,40,270.92 | - | -51,47,03,560.55 |
| | Net Cash generated from/(used in) InvestingActivities (B) | | -64,23,40,270.92 | | -51,47,03,560.55 |
| (C) | **CASH FROM FINANCING ACTIVITIES:** | | | | |
| | Proceeds from issue of Share Capital | -50,37,600.00 | | -5,41,800.00 | |
| | Utilisation of Reserves & Funds | 3,16,493.01 | -47,21,106.99 | -7,00,64,901.79 | -7,06,06,701.79 |
| | Net Cash generated from/(used in) Investing Activities (C) | | -47,21,106.99 | | -7,06,06,701.79 |
| | Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | | -14,36,72,687.04 | | 16,68,52,838.94 |
| | Opening Balance of Cash & Cash Equivalents (Note No.1) | 71,20,71,149.52 | | 54,52,18,310.58 | |
| | Closing Balance of Cash & Cash Equivalents (Note No.2) | 56,83,98,462.48 | -14,36,72,687.04 | 71,20,71,149.52 | 16,68,52,838.94 |
| | Note: 1 Opening Balance of Cash & Cash Equivalent | | | | |
| | Cash in Hand | 4,67,79,535 | | 5,62,00,283 | |
| | Cash with RBI, SBI, State/Central Co-operative Banks | 29,65,19,319 | | 19,45,31,481 | |
| | Balance with Other Bank | | | | |
| | i)Current Deposit | 15,63,81,293 | | 16,01,96,547 | |
| | ii)Fixed Deposit | 21,23,91,002 | | 13,42,90,000 | |
| | (iii)Call Deposit | - | 71,20,71,149.52 | - | 54,52,18,310.58 |
| | Note: 2 Closing Balance of Cash & Cash Equivalent | | | | |
| | Cash in Hand | 8,28,23,787 | | 4,67,79,535 | |
| | Cash with RBI, SBI, State/Central Co-operative Banks | 15,96,39,613 | | 29,65,19,319 | |
| | Balance with Other Bank | | | | |
| | (i)Current Deposit | 11,90,65,061 | | 15,63,81,293 | |
| | (ii)Fixed Deposit | 20,68,70,001 | | 21,23,91,002 | |
| | (iii)Call Deposit | - | 56,83,98,462.48 | | 71,20,71,149.52 |

**For ARPIT SHAH AND CO**
**CHARTERED ACCOUNTANTS**

**CA ARPIT SHAH (Partner)**
**M. No: 112663 FRN: 123004W**

**UDIN:** 26112663KFTMA12847

**PLACE : AHMEDABAD**

**For, The Bhuj Mercantile Co-Operative Bank Ltd.**

| CA Manoj Lekinwala | Dharmesh Mehta | Shradhha Solanki | Manoj Gor |
|---|---|---|---|
| Chairman | Director | Director | I/c CEO |

**DATE: 27-06-2026**

The Bhuj Mercantile Co-Op. Bank Ltd. AHMEDABAD

# THE BHUJ MERCANTILE CO-OP. BANK LTD
## SCHEDULES FORMING PART OF ACCOUNTS
FOR THE YEAR ENDED MARCH 31, 2026

**Schedule-1**

| Capital | 31-03-2026 | 31-03-2025 |
|---|---|---|
| AUTHORISED SHARE CAPITAL | | |
| 2,00,00,000 SHARES OF Rs.100/- each | 2,00,00,00,000.00 | 2,00,00,00,000.00 |
| Paid up Capital | | |
| 7,03,728 Share of Rs.100/- each | | |
| (1) Individuals | 7,03,72,800.00 | 7,54,10,400.00 |
| (2) Co-op.Institutions | - | - |
| (3) State Government | - | - |
| **TOTAL** | **7,03,72,800.00** | **7,54,10,400.00** |

**Schedule-2**

| RESERVE FUNDS | 31-03-2026 | 31-03-2025 |
|---|---|---|
| Statutory Reserve Fund | 47,74,66,247.80 | 45,88,39,990.36 |
| Building Fund | 11,86,72,609.97 | 11,44,27,278.97 |
| Bad Debt Reserve Fund | 5,86,42,835.82 | 5,41,50,813.00 |
| Contingent Res. On Standard Assets | 1,65,05,693.00 | 1,61,55,693.00 |
| Investment Depreciation Reserve | 5,91,90,466.83 | 16,82,343.21 |
| BDDR Fund (IT u/s 36(1) (7A)) | 4,63,62,593.57 | 3,42,62,593.57 |
| Staff Welfare Funds Account | 18,06,806.32 | 18,19,206.32 |
| Charity Fund | 11,88,564.29 | 7,99,406.29 |
| Public Purpose Fund | 30,23,561.43 | 28,40,721.43 |
| ShareHolder Benefit Fund | 1,29,93,241.63 | 93,45,321.05 |
| Investment Fluctuation Reserve | 5,60,43,000.00 | 3,97,43,000.00 |
| Contingency Reserve Fund | 2,54,75,129.67 | 2,05,54,929.67 |
| Technology Fund | 16,67,819.73 | 16,67,819.73 |
| **TOTAL** | **87,90,38,570.06** | **75,62,89,116.60** |

**Schedule-3**

| i) FIX DEPOSIT | 31-03-2026 | 31-03-2025 |
|---|---|---|
| (a) Individuals | 4,89,15,19,529.68 | 3,89,62,48,817.38 |
| (b) Central Co-op.Banks | - | - |
| (c) Other Co-op Societies | - | - |
| **TOTAL** | **4,89,15,19,529.68** | **3,89,62,48,817.38** |
| **ii) Savings Bank Deposits** | | |
| (a) Individuals | 54,99,09,347.42 | 56,65,99,338.36 |
| (b) Central Co-op.Banks | - | - |
| (c) Other Co-op Societies | - | - |
| **TOTAL** | **54,99,09,347.42** | **56,65,99,338.36** |
| **iii) Current Bank Deposit** | | |
| (a) Individuals | 74,42,04,032.91 | 43,26,34,093.23 |
| (b) Central Co-op.Banks | - | - |
| (c) Other Co-op Societies | - | - |
| **TOTAL** | **74,42,04,032.91** | **43,26,34,093.23** |
| **iv) Money at call and short notice** | | |
| * under the item "individuals" deposits to institutions other than Co-operative Banks and Societies are included as per The Banking Regulation Act,1949. | - | - |
| **Total (i+ii+iii+iv)** | **6,18,56,32,910.01** | **4,89,54,82,248.97** |

| Schedule-4 | | |
|---|---|---|
| **INTEREST PAYABLE** | **31-03-2026** | **31-03-2025** |
| Interest Payable on FD | 19,88,30,093.99 | 19,60,90,368.99 |
| Interest payable on overdue FD | 13,08,442.00 | 11,98,190.00 |
| **TOTAL** | **20,01,38,535.99** | **19,72,88,558.99** |

**Schedule-5**

| **Other Liabilities** | **31-03-2026** | **31-03-2025** |
|---|---|---|
| 1) DIVIDEND 2021-22 | - | 14,87,850.00 |
| 2) DIVIDEND 2022- 23 | 16,48,964.00 | 23,11,748.00 |
| 3) DIVIDEND 2023-24 | 28,92,744.00 | 41,33,760.00 |
| 4) DIVIDEND 2024-25 | 52,08,852.00 | - |
| 5) CLEARING ADJUSTMENT | 3,22,902.03 | 22,902.03 |
| 6) INCOME TAX PAYABLE | 1329367.00 | - |
| 7) PMEGPY SUBSIDY | 69,96,000.00 | 69,96,000.00 |
| 8) SUNDRY CREDITORS | 26,53,646.02 | 7,30,785.02 |
| 9) TDS ON CASH WITHDRAWAL | 6,61,896.00 | 3,39,197.00 |
| 10) T.D.S. ON FDR | 55,28,571.00 | 48,77,030.00 |
| 11) TDS ON STAFF SALARY | 2,00,500.00 | 1,14,500.00 |
| 12) TDS ON EXPENSES PAYMENT | 1,80,012.95 | 1,88,739.00 |
| 13) DEFFERED TAX LIABLITY | - | - |
| 14) LEAVE ENCASHMENT PROVISION A/C | 43,94,389.00 | 35,76,949.00 |
| 15) PROVISION AGAINST FRAUD | 16,36,950.00 | 16,36,950.00 |
| 16) PROVISION AGAINST GOLD LOAN FRAUD | 12,51,848.00 | - |
| 17 ) PROVISION FOR BANK PREMISESE PLOT - HPT | 70,06,020.00 | 60,05,160.00 |
| 18) PROVISION FOR TDS I-TAX | 6,12,187.20 | 6,12,187.20 |
| 19) UNCLAIMED RTGS & NEFT | 160.00 | 5,814.00 |
| 20) SWAP SHARE AMOUNT PAYABLE TO SHAREHOLDE | - | 1,43,412.00 |
| 21) EXPENSES PAYABLE | 5,70,325.00 | 5,02,701.00 |
| 22) LIC STAFF SAVING AND INSURANCE | - | 3,983.00 |
| 23) PROFESSIONAL TAX PAYABLE | 4,200.00 | 16,800.00 |
| 24) RUPAY/ECOM/POS SETTLEMENT | 28,930.72 | 1,452.22 |
| 25) PAY SLIP ACCOUNT | 2,75,24,139.52 | 3,41,89,459.72 |
| 26) KCB SWAP PREMIUM PAYABLE ACCOUNT | - | 7,09,012.75 |
| 27) IMPS INWARD SETTLEMENT ACCOUNT | 37,225.00 | 6,07,392.00 |
| 28) GST PAYABLE | - | 76.10 |
| 29) TENDER DEPOSIT | 10,00,000.00 | 10,00,000.00 |
| 30) ATM | 14,600.00 | - |
| 31) AMOD SHARE CAPITAL PAYABLE ACCOUNT | 21,37,925.00 | - |
| **Total** | **7,38,42,354.44** | **7,02,13,860.04** |

**Schedule-6**

| | | |
|---|---|---|
| PROFIT AS PER LAST BALANCE SHEET | 4,92,01,993.58 | 9,04,93,604.82 |
| LESS: APPROPRIATION FROM PROFIT | 4,92,01,993.58 | 9,04,93,604.82 |
| ADD : PROFIT THE YEAR BROUGHT FROM PROFIT AND LOSS ACCOUNT | 3,27,19,144.96 | 4,92,01,993.58 |
| **Total** | **3,27,19,144.96** | **4,92,01,993.58** |

# THE BHUJ MERCANTILE CO-OP. BANK LTD

## SCHEDULES FORMING PART OF ACCOUNTS

FOR THE YEAR ENDED MARCH 31, 2026

| Schedule-7 | 31-03-2026 | 31-03-2025 |
|---|---|---|
| **Cash** | | |
| **i) Cash Balance** | | |
| CASH ON HAND | 8,28,23,787.00 | 4,67,79,535.00 |
| **TOTAL-(i)** | **8,28,23,787.00** | **4,67,79,535.00** |

| ii) Balance with RBI,SBI and Other Subsidiaries | 31-03-2026 | 31-03-2025 |
|---|---|---|
| (1) RESERVE BANK OF INDIA | 1,00,000.00 | 1,00,000.00 |
| (2) STATE BANK OF INDIA | 19,28,555.60 | 1,12,75,945.00 |
| (3) GUJ STATE CO OP BANK | 7,06,97,629.40 | 11,66,99,579.00 |
| (4) KDCC - BHUJ -51142 | 25,152.00 | 50,20,258.00 |
| (5) AHMEDABAD DIST CO OP BANK LTD | 14,743.03 | 9,697.03 |
| (6) BOI-BHUJ | 14,453.86 | 9,024.86 |
| (7) IDBI BANK AHMEDABAD | - | 20,019.52 |
| (8) IDBI - BHUJ | 3,63,29,000.29 | 7,86,65,691.91 |
| (9) CENTRAL BANK OF INDIA - GIM | 27,789.69 | 27,789.69 |
| (10) BANK OF BARODA - BHUJ | 3,95,33,020.96 | 8,46,45,737.77 |
| (11) BANK OF BARODA | - | 45,576.50 |
| (12) BHARUCH DIST. CO. OP. BANK | 1,09,69,268.66 | - |
| **TOTAL (ii)** | **15,96,39,613.49** | **29,65,19,319.28** |
| **TOTAL (i+ii)** | **24,24,63,400.49** | **34,32,98,854.28** |

## Schedule-8

| BALANCE WITH OTHER BANK | 31-03-2026 | 31-03-2025 |
|---|---|---|
| **i) Current Deposit** | | |
| JANA SMALL FINACE BANK CURRENT AC | - | 1,50,00,000.00 |
| HDFC BANK SGL (1502) HO. | 2,29,267.98 | 1,40,68,747.04 |
| HDFC LOCAL CLEARING (1433) | 3,52,67,583.13 | 3,26,05,284.55 |
| FEDERAL BANK - BHUJ | 3,18,944.00 | 62,67,634.36 |
| HDFC RTGS A'bad(NO.1529) | 4,76,69,633.77 | 7,05,91,687.82 |
| ICICI BANK -BHUJ | 25,437.19 | 25,437.19 |
| HDFC RUPAY CUM ATM (NO.54922) | 65,72,724.14 | 58,53,621.06 |
| HDFC IMPS(C/A 38457) | 2,89,81,470.78 | 1,19,68,881.22 |
| **TOTAL (i)** | **11,90,65,060.99** | **15,63,81,293.24** |
| | | |
| **ii) Saving bank Deposit** | - | - |
| **iii) Fixed deposit balance in bank** | **31-03-2026** | **31-03-2025** |
| GSC BANK FD | 2,00,20,000.00 | 2,02,40,000.00 |
| THE COSMOS CO-OP. BANK LTD | 1,01,00,000.00 | 1,01,00,000.00 |
| HDFC BANK FIX-DEPOSIT-AHMEDABAD | 60,00,000.00 | 1,11,00,000.00 |
| HDFC BANK FD (RUPAYE-COMPOS LM LIMIT) | 1,50,00,000.00 | 52,00,000.00 |
| AU SMALL FINANCE BANK | 5,00,00,000.00 | 3,00,01,000.00 |
| JANA SMALL FINANCE BANK | 10,00,00,001.00 | 13,00,00,002.00 |
| HDFC BANK FD (IMPS LM LIMIT) | 50,00,000.00 | 50,00,000.00 |
| BANK OF BARODA | 7,50,000.00 | 7,50,000.00 |
| **TOTAL (iii)** | **20,68,70,001.00** | **21,23,91,002.00** |
| **Total (i+iii+iii)** | **32,59,35,061.99** | **36,87,72,295.24** |

## Schedule-9

| INVESTMENT | 31-03-2026 | 31-03-2025 |
|---|---|---|
| i) In Central and state Government Securities(in book value) | | |
| GOVERMENT SECURITY | 1,65,71,83,605.00 | 1,28,70,89,094.00 |
| TREASURY BILL | 39,53,55,000.00 | 44,52,94,600.00 |
| **TOTAL-(i)** | **2,05,25,38,605.00** | **1,73,23,83,694.00** |
| **ii) Shares in Co-Operative Institution** | **31-03-2026** | **31-03-2025** |
| G.S.C. BANK SHARES | 5,000.00 | 5,000.00 |
| K.D.C.C BANK SHARES | 50.00 | 50.00 |
| **TOTAL-(ii)** | **5,050.00** | **5,050.00** |
| **iii) Other investment** | | |
| MUTUAL FUND INVESTMENT | 35,00,00,000.00 | - |
| INVESTMENT IN EQUITY SHARES- NUCFDCL | 50,00,000.00 | 50,00,000.00 |
| NON SLR GOVT. SECURITIES | 1,06,75,694.00 | 1,06,75,694.00 |
| **Total-(iii)** | **36,56,75,694.00** | **1,56,75,694.00** |
| **Total (i+ii+iii)** | **2,41,82,19,349.00** | **1,74,80,64,438.00** |
| | | |

## Schedule-10

| i) Short term loans,Cash credits,Overdraft and bills Discounted | 31-03-2026 | 31-03-2025 |
|---|---|---|
| EARTH QUAKE LOAN (CC) | 4,83,583.00 | 4,83,583.00 |
| PRADHAN MANTRI EMPLOYMENT | 9,02,082.76 | 8,85,302.00 |
| CASH CREDIT (HYPO) | 41,96,97,385.73 | 54,09,29,247.06 |
| CASH CREDIT CONTRACTOR | 1,29,73,524.95 | 3,33,59,456.66 |
| OVERDRAFT AGST. FIXDEPOSIT | 43,83,96,092.72 | 34,11,41,127.37 |
| CCOD AG. BLDG/VEHICLE | 1,20,97,48,941.96 | 63,20,40,854.54 |
| CASH CREDIT WHOLESALERS | 10,54,09,762.40 | 11,67,02,727.90 |
| CASH CREDIT NPA | 17,51,933.11 | 17,51,933.11 |
| OVERDRAFT NPA | 2,70,946.22 | 2,70,946.22 |
| CASH CREDIT RETAILERS | 11,55,04,593.70 | 13,77,01,057.92 |
| CASH CREDIT TRANSPORT | 64,95,985.16 | 59,64,104.48 |
| OVERDRAFT STAFF SECURITY | 51,29,826.10 | 56,18,187.10 |
| OVERDRAFT AGST. NSC/KVP/LIC | 85,21,774.45 | 80,69,626.83 |
| OVERDRAFT AGST. LOAN | 2,80,483.00 | - |
| STAFF FESTIVAL ADVANCE | 4,00,000.00 | 4,65,000.00 |
| **TOTAL (i)** | **2,32,59,66,915.26** | **1,82,53,83,154.19** |
| | | |

| ii) Medium term loans and Advances | 31-03-2026 | 31-03-2025 |
|---|---|---|
| GOLD LOAN | 4,06,08,373.00 | 14,10,543.00 |
| LOAN AGAINST FDR/RD | 8,40,622.00 | 5,19,712.56 |
| LOAN AGAINST LIC | 1,28,103.00 | 3,42,323.00 |
| DEMAND LOAN TRACTOR+A67 | 1,31,117.00 | 1,31,117.00 |
| STAFF LOAN | 90,48,086.26 | 75,76,957.00 |
| STAFF HOUSING LOAN | 3,66,69,320.88 | 3,64,90,869.51 |
| STAFF VEHICLE LOAN | 10,69,665.18 | 8,75,267.00 |
| VEHICLE LOAN | 8,05,68,242.75 | 8,79,93,402.18 |
| DEMAND LOAN NPA | 10,60,678.10 | 10,22,797.00 |
| DEMAND LOAN OTHERS | 3,54,077.00 | 25,94,565.00 |
| DEMAND LOAN TRANSPORT | 1,61,624.00 | 1,61,624.00 |
| DEMAND LOAN HOUSING | 17,95,62,354.04 | 13,05,99,100.68 |
| OTHERS DEMAND LOAN | 1,58,35,97,755.33 | 1,30,12,36,389.80 |
| AATMA NIRBHAR-2 LOAN | 28,90,150.35 | 37,76,977.09 |
| DEMAND LOAN MACHINARY | 5,00,95,558.84 | 5,49,70,445.00 |
| PERSONAL LOAN | 28,78,866.23 | 27,74,383.81 |

| | | |
|---|---|---|
| JAT JAMIN CC | 6,08,070.73 | - |
| AATMA NIRBHAR LOAN - 1 | 1,08,039.17 | 1,78,237.92 |
| **TOTAL (ii)** | **1,99,03,80,703.86** | **1,63,26,54,711.55** |

| | | |
|---|---|---|
| **iii) Long term loans and advances** | - | - |
| | | |
| **Total (i+ii+iii)** | **4,31,63,47,619.12** | **3,45,80,37,865.74** |

**Schedule-11**

| **INTEREST RECEIVABLE** | **31-03-2026** | **31-03-2025** |
|---|---|---|
| (i) ON GOVT SECURITIES AND TREASURY BILLS | 2,64,60,537.00 | 1,41,02,413.76 |
| (ii) INTREST ON FIXED DEPOSIT | 42,20,119.00 | 30,49,961.00 |
| (iii) INTEREST ON ATMANIRBHAR LOAN | - | 30,025.25 |
| (iv) E STAMP RECEIVABLE | - | 18,125.30 |
| **TOTAL** | **3,06,80,656.00** | **1,72,00,525.31** |

## Schedule-12

| **Premises less depriciation** | **31-03-2026** | **31-03-2025** |
|---|---|---|
| BANK PREMISES STATION ROAD | 1,13,162.67 | 1,25,736.30 |
| BANK PREMISES MADHAPAR | 80,455.37 | 89,394.86 |
| BANK PREMISES GANDHIDHAM | 1,46,25,652.10 | 1,62,50,724.55 |
| BANK PREMISES ANJAR | 59,52,830.97 | 66,14,256.63 |
| BANK PREMISES NAKHTRANA | 75,66,908.44 | 84,07,676.04 |
| BANK PREMISES HPT ROAD | 1,13,10,336.59 | 1,25,67,040.65 |
| BANK PREMISES AMOD | 2,30,217.59 | - |
| **TOTAL** | **3,98,79,563.73** | **4,40,54,829.03** |

## Schedule-13

| **Furniture and Fixures less depriciation** | **31-03-2026** | **31-03-2025** |
|---|---|---|
| FURNITURE & FIXTURES | 1,27,28,908.55 | 1,22,93,373.56 |
| **TOTAL** | **1,27,28,908.55** | **1,22,93,373.56** |

## Schedule-14

| **Other Fixed Assets less depriciation** | **31-03-2026** | **31-03-2025** |
|---|---|---|
| ATLANTIS CAFE WORLD MACHINE | - | -496.91 |
| AIR CONDITIONERS | 11,64,292.03 | 11,08,184.52 |
| COMPUTER SOFTWARE | 4,38,967.56 | 1,76,810.37 |
| WAN HARDWARE | 38,584.45 | 45,393.48 |
| VEHICLES | 36,48,354.90 | 42,92,179.23 |
| GENERATOR | 6,25,686.31 | 5,65,488.38 |
| COMPUTER SYSTEM & PERIPHERALS | 17,59,046.65 | 4,88,732.54 |
| GUN | 19,366.91 | 22,784.58 |
| ELECTRIC AND ELECTRONIC EQUIPMENTS | 12,54,166.85 | 11,36,092.06 |
| CASH COUNTING MACHINE | 1,78,224.49 | 1,84,084.04 |
| CASH SORTING MACHINE | 8,58,782.75 | 7,65,236.71 |
| CBS HARDWARE | 61,971.82 | 76,266.35 |
| SECURITY SYSTEM | 7,17,818.64 | 7,23,098.04 |
| CURRENCY VERIFIER MACHINE | 8,807.78 | 10,339.40 |
| EPABX SYSTEM | 27,555.38 | 32,335.83 |
| WATER COOLER | 19,867.57 | 23,583.43 |
| SAFE DEPOSIT & LOCKERS | 32,22,544.68 | 15,05,862.71 |
| REFRIDGERATOR | 9,940.67 | - |
| EPSON PASSBOOK PRINTER MACHINE | 26,965.51 | 31,724.23 |
| U.P.S | 4,57,856.04 | 4,93,365.09 |

| | | |
|---|---|---|
| TIME ATTENDENCE SYSTEM | 30,064.80 | 35,370.34 |
| OFFICE EQUIPMENTS | 1,31,337.49 | 1,54,514.68 |
| SOLAR SYSTEM | 5,36,059.81 | 6,30,658.60 |
| FRANKING MACHINE | 2,67,325.00 | 3,14,500.00 |
| FAX MACHINE | - | -136.65 |
| **TOTAL** | **1,55,03,588.09** | **1,28,15,971.05** |

## Schedule-15

| **OTHER ASSETS** | **31-03-2026** | **31-03-2025** |
|---|---|---|
| TELEPHONE DEPOSIT | 50,126.69 | 56,072.69 |
| RENTAL PREMISES DEPOSIT | 13,69,000.00 | 18,91,000.00 |
| PREPAID EXPENSES | 14,22,779.70 | 7,40,102.94 |
| ELECTRICITY DEPOSIT | 1,25,443.00 | 1,13,143.00 |
| CERSAI WLLET BALANCE | 2,577.00 | 5,733.00 |
| INCOME-TAX REFUND RECEIVABLE | 40,00,000.00 | 40,00,000.00 |
| STOCK OF E-STAMP | 22,11,686.00 | 9,78,788.00 |
| STOCK OF STATIONARY | 3,40,230.65 | 8,00,546.00 |
| STOCK OF FRANKING MACHINE BALANCE | 7,01,154.00 | 7,70,464.00 |
| ATM | - | 7,900.00 |
| DEFERRED TAX ASSETS | 16,83,215.00 | 4,05,772.00 |
| GAS DEPOSIT | - | 1,650.00 |
| CGST RECEIVABLE | 50,13,075.00 | 42,70,451.00 |
| SGST RECEIVABLE | 26,31,338.00 | 20,77,632.00 |
| TDS RECEIVABLE | - | 1,41,416.91 |
| TCS RECEIVABLE | 29,319.09 | 29,319.00 |
| SUNDRY DEBTORS | 9,65,000.00 | 9,85,540.00 |
| GOODWILL ACCOUNT | 28,51,917.20 | 57,03,834.40 |
| ICICI CHEQUE FRAUD ACCOUNT | 14,60,000.00 | 14,60,000.00 |
| SBI ANJAR CHEQUE FRAUD | 1,76,950.00 | 1,76,950.00 |
| BBPS FLOAT BALANCE | 6,38,446.00 | 7,49,995.05 |
| INT ON MONTHLY PAID FD | 8,033.00 | 29,408.00 |
| IGST RECIEVABLE | 16,258.00 | - |
| **TOTAL** | **2,56,96,548.33** | **2,53,95,717.99** |

# THE BHUJ MERCANTILE CO-OP. BANK LTD
## SCHEDULES FORMING PART OF ACCOUNTS
FOR THE YEAR ENDED MARCH 31, 2026

### Schedule-1

| INTEREST ON DEPOSIT AND BORROWINGS | 31-03-2026 | 31-03-2025 |
|---|---|---|
| INTEREST PAID ON SAVINGS DEPOSIT | 1,50,48,876.46 | 1,32,49,227.00 |
| INTEREST PAID ON UNICORN DEPOSIT | 18,28,049.00 | 10,77,264.00 |
| INTEREST PAID ON FIXED DEPOSIT | 36,90,76,030.36 | 31,12,02,146.15 |
| INTEREST PAID ON RECURRING DEPOSIT | 12,73,200.00 | 10,56,681.00 |
| INTEREST PAID ON BANK BORROWINGS | 42,300.00 | 3,228.00 |
| **TOTAL** | **38,72,68,455.82** | **32,65,88,546.15** |

### Schedule-2

| SALARY CONVEYANCE & ALLOWANCE | 31-03-2026 | 31-03-2025 |
|---|---|---|
| STAFF WELFARE EXPENSES | 7,13,058.94 | 18,13,030.46 |
| STAFF TRAINING EXPENSES | - | 38,044.00 |
| SALARY & ALLOWANCES | 4,92,85,272.00 | 4,34,96,872.00 |
| PROVIDENT FUND | 20,08,715.00 | 18,46,443.00 |
| STAFF T.A./D.A EXPENSES | 12,450.00 | 15,756.00 |
| LEAVE TRAVEL CONCESSION (LTC) | 3,34,100.00 | 3,21,566.00 |
| EX - GRATIA / BONUS | 14,36,384.00 | 18,69,708.00 |
| LEAVE ENCASHMENT EXP | 8,17,440.00 | 1,42,739.00 |
| **EXPENSES** | **5,46,07,419.94** | **4,95,44,158.46** |

### Schedule-3

| RENT,TAXES,INSURANCE & ELECTRICALS | 31-03-2026 | 31-03-2025 |
|---|---|---|
| RENT EXPENSES | 73,49,690.00 | 73,14,335.00 |
| PROPERTY TAX | 5,66,617.16 | 7,97,965.00 |
| INSURANCE EXPENSES | 12,66,278.62 | 14,32,622.27 |
| ELECTRICITY EXPENSES | 15,03,432.43 | 14,90,872.73 |
| **TOTAL** | **1,06,86,018.21** | **1,10,35,795.00** |

### Schedule-4

| POSTAGE, TELEGRAM & TELEPHONE | 31-03-2026 | 31-03-2025 |
|---|---|---|
| POSTAGE EXPENSES | 3,59,612.08 | 2,73,499.86 |
| TELEPHONE EXPENSES | 3,78,060.48 | 4,01,224.68 |
| LEASE LINE CHARGES | 14,36,815.60 | 12,56,940.94 |
| **TOTAL** | **21,74,488.16** | **19,31,665.48** |

### Schedule-5

| REPAIRS & MAINTAINANCE | 31-03-2026 | 31-03-2025 |
|---|---|---|
| REPAIRING & MAITENANCE VEHICALS | 1,74,806.43 | 2,80,028.70 |
| REPAIRING & MAINTENANCE | 9,96,025.03 | 9,72,598.12 |
| ANNUAL MAINTENANCE CONTRACT | 34,60,298.68 | 28,54,714.52 |
| BRANCH RENOVATION EXPENDITURE | 1,65,092.00 | - |
| **TOTAL** | **47,96,222.14** | **41,07,341.34** |

## Schedule-6

| STATIONERY & PRINTING & ADVERTISEMENTS | 31-03-2026 | 31-03-2025 |
|---|---|---|
| STATIONERY & PRINTING | 15,75,433.61 | 6,43,089.06 |
| NEWS PAPER | 16,811.00 | 12,946.00 |
| ADVERTISEMENT EXPENSES | 6,17,076.68 | 7,81,042.32 |
| **TOTAL** | **22,09,321.29** | **14,37,077.38** |

## Schedule-7

| OTHER EXPENSES | 31-03-2026 | 31-03-2025 |
|---|---|---|
| KCB GOODWILL WRITE OFF A/c | 28,51,917.20 | 28,51,917.20 |
| KCB MERGER LOSS WRITE OFF A/c | 33,40,690.63 | 26,62,614.07 |
| CERSAI (C KYC) WEB-WALLET | 3,580.00 | 3,250.00 |
| JOB WORK | 9,27,105.00 | 3,06,891.00 |
| BANK CHARGES EXPENSES | 12,06,857.49 | 11,80,456.29 |
| MEETING EXPENSES | - | 8,720.00 |
| DIRECTOR ALLOWANCE | 13,000.00 | - |
| CIBIL REPORT CHARGES | 2,25,467.16 | 2,15,550.38 |
| STAFF UNIFORM EXPENSES | 5,899.00 | 1,27,561.53 |
| BOOKS & PERIODICALS EXPENSES | 1,670.00 | 3,390.00 |
| MISCELLANEOUS EXPENSES | 11,64,672.07 | 11,06,178.71 |
| ENTERTAINMENT EXPENSES | 3,59,396.40 | 3,71,438.04 |
| ALL FUNCTION & CEREMONY EXP. | 12,36,637.22 | 1,43,834.50 |
| PROVISION FOR LAND BUILDING | 10,00,860.00 | 10,00,860.00 |
| INT/PENALTY ON GOVT DUES/FEES | 56,475.00 | 10,455.00 |
| RUPAY/IMPS/MOBILEBANKING PROJECT CHARGES | 41,80,065.20 | 7,46,591.44 |
| MEMBERSHIP FEE | 85,740.00 | 62,700.00 |
| AGM EXPENSES | 73,339.14 | 89,820.46 |
| CONVEYANCE | 2,63,670.00 | 2,77,986.00 |
| CONSULTANCY FEE | 5,99,600.00 | 6,60,000.00 |
| SECURITY GUARD EXP. | 7,07,008.00 | 3,19,737.00 |
| COMPUTER SW/HW EXPENSES | 12,53,368.62 | 17,26,718.09 |
| TRAVELLING / LODGING / BOARDING EXPENSES | 5,07,825.46 | 2,27,936.32 |
| PETROL EXPENSES | 9,47,712.00 | 8,94,265.00 |
| REGISTRATION EXPENSES | - | 19,600.00 |
| ASSETS WRITE OFF | 245.43 | 59,156.16 |
| TECHNICAL WRITE OFF | - | 21487948.78 |
| PENALTY OF I TAX | 8,00,583.00 | - |
| PREMIUM ON G.SEC WRITTEN OFF | 3,26,719.00 | - |
| **TOTAL** | **2,21,40,103.02** | **3,65,65,575.97** |

## Schedule-8

| INTEREST & DISCOUNT | 31-03-2026 | 31-03-2025 |
|---|---|---|
| INT.RECD ON FDR WITH BANKS | 1,62,89,088.00 | 1,10,05,106.00 |
| INT.RECD ON LOANS & ADVANCE | 46,86,05,059.38 | 39,84,86,553.38 |
| INT.RECD ON GOVT. SECURITY | 10,04,24,561.07 | 8,01,72,703.22 |
| PROFIT/LOSS ON REDP. OF MUTUAL FUND | 63,53,198.79 | 40,57,624.10 |
| **TOTAL** | **59,16,71,907.24** | **49,37,21,986.70** |

## Schedule-9

| COMMISSION INCOME | 31-03-2026 | 31-03-2025 |
|---|---|---|
| COMMISSION | 6,06,810.03 | 1,35,930.12 |
| REIMBURSEMENT OF EXP.ON PMJJBY | 1,152.00 | 1,273.00 |
| COMMISSION ON E-STAMPING | 3,32,542.25 | 1,93,333.31 |
| RUPAY/POS/E-COM CHARGES | 4,65,666.00 | 2,60,689.00 |
| **TOTAL** | **14,06,170.28** | **5,91,225.43** |

## Schedule-10

| *OTHER INCOME* | 31-03-2026 | 31-03-2025 |
|---|---|---|
| BANK CHARGES INCOME | 9,99,449.29 | 7,66,941.98 |
| CHEQUEBOOK CHARGES INCOME | 1,19,625.00 | 1,42,813.00 |
| DIVIDEND INCOME | 2,400.00 | 750.00 |
| MISCELLANEOUS INCOME | 3,88,152.63 | 1,81,226.53 |
| ACCOUNT CLOSER CHARGES | 15,54,340.06 | 8,48,944.36 |
| REVERSAL OF EXPENSES PROVISION | 8,64,018.50 | 80,000.00 |
| PROCESSING FEE | 40,18,811.40 | 9,37,837.27 |
| CHQ. RETURN CHARGES INCOME | 8,58,547.16 | 7,62,318.28 |
| STOP PAYMENT CHRG. INCOME | 8,060.00 | 15,360.00 |
| OTHER CHARGES | 13,352.38 | 9,315.00 |
| CIBIL CERSAI CHARGES INCOME | 7,600.00 | 13,651.00 |
| INTEREST RECEIVED ON IT REFUND | - | 3,27,128.00 |
| BDDR WRITTEN BACK | - | 21487948.78 |
| DEFERRED TAX INCOME | 12,77,443.00 | 2485851.00 |
| PROVISION ON LOSS OF GOLD LOAN FRAUD | 2,16,011.00 | - |
| PENAL CHARGES | 6,93,356.50 | - |
| **TOTAL** | **1,10,21,166.92** | **2,80,60,085.20** |

# SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PARTS OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2026

**Background:**

The bank has been converted to Multi State Co-operative Bank under Multi State Co-operative Societies Act, 2002, w.e.f. 21/03/2022. The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless otherwise stated, and complied with the Generally Accepted Accounting Principles (GAAP) in India, The Banking Regulations Act, 1949, and the MSCS Act, 2002, Circulars and Guidelines issued by The RBI from time to time, Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) and current practices prevailing within the Banking Industries in India.

## A. SIGNIFICANT ACCOUNTING POLICIES

1. **Accounting Conventions**:

The accompanying financial statements have been prepared on historical cost convention on Going Concern basis and confirm to the statutory provisions and practices prevailing in India, unless otherwise stated.

2. **Revenue Recognition (AS – 9):**

All revenues are accounted for on accrual basis. However, considering the nature of transactions, smallness of amounts, uncertainties involved and consistent practice, locker rent, Commission, Brokerage and Exchange, Dividend on Shares, Profit or loss on Sale of investments/Fixed Assets and Interest and other income on Non-Performing Assets are recognized on Receipt basis.

3. **Expenditure:**

All Expenses except as stated under are accounted for on accrual basis. Postage, Electricity, Telephone, Insurance, Local Authorities dues and Professional Fees other than Audit Fees, Annual Maintenance Contract Charges, Legal and Sundry Expenses incurred in suit file account.

4. **Employee Benefits: (AS – 15)**

a. Short Term Employee benefits like Salaries paid, annual leave and sick leave, bonus and non-monetary benefits are accrued in the year in which the services are rendered by the employee.
b. Provident Fund: on actual basis.
c. Gratuity liability is defined benefit obligation and administered through trust funded with LIC and accounted on the basis of valuation determined by Life Insurance Corporation of India by paying premium under Group Gratuity Scheme.

5. **Advances**

a) In terms of guidelines issued by the RBI, advances to borrowers are classified into "Performing" or "Non-Performing" assets based on recovery of principal / interest. Non-Performing Assets (NPAs) are further classified as Sub-Standard, Doubtful and Loss Assets.

b) Advances are stated at gross value while provision for performing & Non-Performing Assets required to be made as per R.B.I. guidelines are shown under the head Reserve & Other Funds and Standard Assets Reserve fund in accordance with requirement of the applicable statute for disclosure.

c) Additional Provisions carried in accounts over and above requirements under the prudential norms prescribed by the Reserve Bank of India, which can be considered as earmarked reserve is as follows.

1. Bad & Doubtful Debts Provision u/s 36(1)(viia) of the Act & Bad & Doubtful Debts Reserve.

d) The overdue interest in respect of advances is provided separately under Overdue Interest Reserve as per the directive issued by the Reserve Bank of India.

6. **Property, Plant & Equipment: (AS – 10)**

Property, Plant & Equipment are stated at their historical cost less depreciation. Cost includes incidental expenses incurred on Acquisition of Assets.

a. Depreciation is provided on Written Down Value Method, at rates specified as per Income Tax Act, 1961 and rates are as under:

| Sr. No. | Fixed Assets | Rate of Depreciation |
|---|---|---|
| 1 | Building | 10% |
| 2 | Furniture & Fixtures | 10% |
| 3 | Plant & Machinery | 15% |
| 4 | Computer | 33.33% |
| 5 | Vehicles | 15% |

b. Depreciation on Property, Plant & Equipment purchased after 30th September is provided at 50% of the above rates.

7. **Impairment of Assets:**

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

8. **Accounting for Investments (AS – 13):**

I. **SLR Investment**: -

a. Investment is classified in accordance with RBI Guidelines in three categories as follows: -

1. Held to maturity comprising of Investments acquired with the intention to hold them till maturity.
2. Held for trading comprising of investments acquired with the intention to trade.
3. Available for Sale comprising of investments, which are not classified in above two categories.

b. Investments are categorized as under:

1. State & Central Government Securities and Treasury Bills
2. Approved Trustee Securities
3. Shares of Co-operative Banks
4. Other Investments.

c. Classification & Valuation of Investments:

(i) Held to Maturity (Rs. In Lakh)

| Sr. No. | Particulars | Face Value | Book Value |
|---|---|---|---|
| 1 | 06.19% GS 2034 | 500.00 | 500.67 |
| 2 | 06.19% GS 2034 | 500.00 | 500.87 |
| 3 | 06.19% GS 2034 | 500.00 | 500.84 |
| 4 | 06.19% GS 2034 (705-13) | 500.00 | 500.77 |
| 5 | 06.19% GS 2034 | 500.00 | 468.47 |
| 6 | 06.49% MAHARASHTRA SDL 2031 | 500.00 | 493.65 |
| 7 | 06.55% AP SDL 2033 | 500.00 | 472.35 |
| 8 | 06.19% GS 2034 | 500.00 | 468.47 |
| 9 | 06.22% GS 2035 | 200.00 | 195.71 |
| 10 | 8.44% RJ SDL 2028 | 100.00 | 102.43 |
| 11 | 7.09% GS 2054 | 500.00 | 506.37 |
| 12 | 7.09% GS 2054 | 500.00 | 504.10 |
| 13 | 6.19% GOI 2034 | 100.00 | 99.86 |
| 14 | 6.55% WB SDL 2030 | 50.00 | 50.16 |
| 15 | 6.62% GOI 2051 | 50.00 | 50.70 |
| 16 | 7.09% GS 2054 | 500.00 | 484.25 |
| 17 | 6.68 GS 2040 | 500.00 | 480.89 |

(ii) Available For Sale (Rs. In Lakh)

| Sr. No. | Particulars | Face Value | Book Value |
|---|---|---|---|
| 1 | 8.28% GOVT.STOCK 2027 | 50.00 | 49.28 |
| 2 | 06.55% RAJASTHAN SDL 2030 | 289.50 | 289.96 |
| 3 | 06.44% GUJARAT SDL 2029 08 Jul | 187.00 | 187.04 |
| 4 | 5.77% GS 2030 | 50.00 | 49.56 |
| 5 | 06.22% GS 2035 | 300.00 | 299.70 |
| 6 | 06.22% GS 2035 | 200.00 | 198.81 |
| 7 | 06.67% GS 2050 | 500.00 | 472.90 |
| 8 | 06.67% GS 2050 | 500.00 | 472.90 |
| 9 | 7.18% TN SDL 2027 | 350.00 | 359.29 |
| 10 | 6.83% MH SDL 2032 | 125.00 | 125.57 |
| 11 | 7.09% GS 2054 | 500.00 | 506.75 |
| 12 | 7.16% Chhattisgarh SGS 2033 | 500.00 | 500.15 |
| 13 | 7.09% GS 2054 | 500.00 | 513.10 |
| 14 | 7.10% GOI 2034 | 500.00 | 521.35 |
| 15 | 7.09% GS 2054 | 500.00 | 520.50 |
| 16 | 06.77 MH SGS 2038 | 500.00 | 500.50 |
| 17 | 06.92 GS 2039 | 500.00 | 516.55 |
| 18 | 06.77 MH SGS 2037 | 500.00 | 504.00 |
| 19 | 06.33 GS 2035 | 123.10 | 124.29 |

| | | | |
|---|---|---|---|
| 20 | 06.92 GS 2039 | 500.00 | 522.33 |
| 21 | 06.33 GS 2035 | 500.00 | 504.55 |
| 22 | 06.33 GS 2035 | 500.00 | 501.25 |
| 23 | 06.33 GS 2035 | 500.00 | 500.56 |
| 24 | 06.33 GS 2035 | 200.00 | 200.06 |
| 25 | 06.33 GS 2035 | 176.90 | 176.85 |
| 26 | 06.33 GS 2035 | 500.00 | 495.40 |
| 27 | 6.60% RJ SDL 2030 | 25.00 | 25.09 |
| 28 | 6.68% WB SDL SDL 2030 | 25.00 | 25.36 |
| 29 | 6.78% MH SDL 2032 | 175.00 | 176.62 |
| 30 | 6.80% GOI 2060 | 150.00 | 149.55 |
| 31 | 6.82% RJ SDL 2031 | 50.00 | 50.55 |
| 32 | 6.99% KERALA SDL 2036 | 50.00 | 50.84 |
| 33 | 7.12% KARNATAKA SDL 2034 | 25.00 | 24.98 |
| 34 | 7.18% TN SDL 2027 | 50.00 | 50.04 |
| 35 | 7.24% KARNATAKA SDL 2037 | 25.00 | 25.06 |

(ii) Treasury Bill (HTM+AFS) (Rs. In Lakh)

| Sr. No. | Particulars | Face Value | Book Value |
|---|---|---|---|
| 1 | 073 DTB 30042026 (HTM) | 500.00 | 494.90 |
| 2 | 072 DTB 30042026 (HTM) | 500.00 | 494.98 |
| 3 | 184 DTB 21082026 (HTM | 500.00 | 486.65 |
| 4 | 060 DTB 24042026 (HTM) | 500.00 | 495.85 |
| 5 | 052 DTB 30042026 (HTM) | 500.00 | 496.33 |
| 6 | 184 DTB 18092026 (HTM) | 500.00 | 486.61 |
| 7 | 009 DTB 03042026 (HTM) | 500.00 | 499.49 |
| 8 | 020 DTB 16042026 (HTM) | 500.00 | 498.73 |

d. Provision for diminution in value of Investments (AFS) is not required as the bank already has excess provision. The Premium Paid on Govt. Securities Investment (HTM) is amortized over a period of Maturity of Investment

II. **Non SLR Investments: -**

(i) Shares & Mutual Fund Investments. (Amount in Rs.)

| Sr. No. | Particulars | Book value |
|---|---|---|
| 1 | G.S.C. Bank – Equity Shares | 5,000.00 |
| 2 | K.D.C.C. Bank - Equity Shares | 50.00 |
| 3 | 8.24% TN UDAY 22032028 | 1,06,75,694.00 |
| 4 | NUCFDCL –Equity Shares | 50,00,0000 |
| 5 | Mutual Fund | 35,00,00,000.00 |
| | **Total** | **36,56,80,744.00** |

9. **Events Occurring After the Balance Sheet Date:**
Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Non adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the reports of the Board of Directors.

10. **Provision:**
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources even though the amount cannot be determined with certainty and represents only a best estimate in the light of available information. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

11. **Taxation:**
a. Current Tax - Current year tax is determined as the amount of tax payable in respect of taxable income for the year.
b. Deferred Tax - Deferred Tax Liability is recognized on timing difference between the accounting income and tax income that originate in one period and are capable of reversal in one or more subsequent periods.

12. **Use of Estimates:**
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates

13. **Cash and cash Equivalents:**
Cash and cash equivalents include cash on hand and balances with Reserve Bank of India and Balances with other private banks.

14. **Segment Reporting**:
The entire operation of the bank is one composite banking business. In view of the management of Bank, Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountant of India is not considered necessary.

15. **Intangible Assets (As-26)** Intangible assets consist of Goodwill. The Bhuj Mercantile co-op bank Ltd had amalgamated The Kutch Co-op bank limited on 27/05/2022 and an amount was recognized as Goodwill under the head "Other assets" in the book of bank. In accordance with the bank's accounting policy 20% of goodwill amount is written off to each financial year and charged to profit and loss account under "Other Expenses".

## B. NOTES TO ACCOUNTS:

1. The Bank has achieved the overall exposure of advances to Priority Sector as per RBI guidelines. The Priority advances are 77.36% of total advances as against requirement of 50% as per RBI guidelines.

2. Bank is maintaining minimum CRAR of 12% on a continuous basis.

3. Compliance with Accounting Standards:

   a. The Bank is primarily engaged in banking activity as defined by RBI. As interest income (including interest earned on Government security) accounts for more than 80% of banks total revenue, separate business segment reporting as per AS-17 is not considered necessary. The bank has made necessary provision for deferred tax liability in compliance with accounting standard 22 of the ICAI.

   b. The necessary provision for gratuity and leave encashment with respect to retirement benefit is not required as per accounting standard– 15 of ICAI as the Bank has tied up with L.I.C. of India for such liability. Further, premium paid to L.I.C. of India during the year is debited to Profit and Loss A/c

   c. The Bank is an Urban Co-operative Bank under the MSCS Act 2002 and there are no related party requiring disclosure under the AS-18 issued by the ICAI, other than Key Management Personnel, viz. present I/c CEO Mr. Manoj A. Gor.

   d. **Contingent Liabilities: (AS – 29):**

| **Particulars** | **31.03.2026** | **31.03.2025** |
|---|---|---|
| Bank Guarantees | 30,50,000/- | 31,03,000/- |
| Letter of Credit | Nil | Nil |

4. **Movement of CRAR.**

| **Particulars** | **31.03.2026** | **31.03.2025** |
|---|---|---|
| **Movement of CRAR** | 16.88 | 21.64 |

5. **Advances:**

   a. Advances against real estate, construction business and housing are Rs. 21.62 Crores i.e. 2.91 % of the total Assets of previous year which is with in prescribed limit of 15% as per RBI directives.

   b. Advances against Shares & Debentures are Rs. Nil

   c. The Bank has created Interest Reserve Account for interest accrued in respect of Non-Performing Asset by debiting Interest Receivable Account and crediting Overdue Interest Reserve Account amounting to Rs. 832.16 Lakh.

d. Classification of Assets and movements of NPA: (Rs. in Crores)

| Sr. No. | Classification of Advances | Advances Rs. | Provision Required | Provision Made |
|---|---|---|---|---|
| 1 | Standard | 422.51 | 1.69 | 1.65 |
| 2 | Sub Standard | 1.44 | 0.14 | 10.50 |
| 3 | Doubtful | 6.26 | 2.68 | |
| 4 | Loss | 1.43 | 1.43 | |
| 5 | Gross NPA (2+3+4) | **9.13** | **4.25** | **10.50** |
| 6 | Total Loans and Advances (1+5) | **431.63** | **5.94** | **12.15** |

As per above, Provision required for Gross NPA as on 31.03.2026 is Rs. 4.25 Cr as per RBI guidelines. As against this, the bank has made provision of Rs. 10.50 Cr. Thus, the aggregate provision (Excluding Standard Assets Provision) for NPA is excess Rs. 6.25 Cr.

6. The Bank is holding a Non-Banking Asset (Lal-Tekri Plot at Hospital Road Bhuj Kutch 370001) of Rs. 1,00,08,600/- which was purchased by Bank for its own use in 2010. But, since 7 years have passed, Bank had sought permission from RBI for holding of this Asset. RBI had vide letter dated 31-07-2024 informed bank to dispose the asset after favorable judgement of the Honorable court.

7. The Bank has not restructured any Advance Accounts during the F.Y. 2025-26.

8. During the year transaction in foreign currency is Nil.

9. Figures are rounded off to the nearest rupees.

10. Previous year figures are regrouped and rearranged wherever necessary to make them comparable.

**For ARPIT SHAH & CO.**
**Chartered Accountants**

**Name of Partner: Arpit T. Shah**
**M No.: 112663; FRN: 123004W**

**UDIN: 26112663KFTMAX2847**

**Place: Ahmedabad**
**Date: 27.06.2026**

# Disclosure in Financial statements - Notes to Accounts

## RBI Cir : DOR .ACC .REC. No. 208/21.04.018/2025-26 dated 25 November 2025

**Annexure – 1**

**(a). Composition of Regulatory Capital**

(Amount in ₹ crore)

| Sr. No | Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|---|
| i | Common Equity Tier 1 Capital (CET 1) Paid up share capital and reserves (net of deductions, if any) | 54.50 | 52.85 |
| ii | Additional Tier 1 Capital/ Other Tier 1 capital | 12.69 | 12.67 |
| iii | Tier 1 capital (i + ii) | 67.18 | 65.52 |
| iv | Tier 2 capital | 5.37 | 4.01 |
| v | Total capital (Tier 1+Tier 2) | 72.55 | 69.53 |
| vi | Total Risk Weighted Assets (RWAs) | 429.87 | 321.39 |
| vii | CET 1 Ratio (CET 1 as a percentage of RAWs) / Paid-up share capital and reserves as percentage of RWAs | 0.13 | 0.16 |
| viii | Tier 1 Ratio (Tier 1 capital as a percentage of RWAs) | 0.16 | 0.20 |
| ix | Tier 2 Ratio (Tier 2 capital as a percentage of RWAs) | 0.01 | 0.01 |
| x | Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs) | 16.88 | 21.63 |
| xiii | Amount of paid-up equity capital raised during the year | 0.5037 | 0.007 |
| xiv | Amount of Tier 2 capital raised during the year of which | 0.00 | 0.00 |
| xv | Perpetual Cumulative Preference Shares<br>Redeemable Non-Cumulative Preference Shares<br>General provisions and loss reserves<br>Investment Fluctuation Reserves | 0.00<br>0.00<br>0.00<br>0.00 | 0.00<br>0.00<br>0.00<br>0.00 |

(b). Draw down from Reserves:

(Amount in ₹ crore)

| Sr. No. | Particulars | Rationale for withdrawal | Amount |
|---|---|---|---|
| 1 | Public Purpose Fund | Death Claim | 0.01 |
| 2 | Investment Depreciation Reserve | Shifting of Securities | 0.12 |
| 3 | Staff Welfare Fund | Drama Passes for Staff | 0.003 |

**Annexure – 2**

**Asset liability management**

(a). Maturity pattern of certain items of assets and liabilities as on 31-03-2026.

(Amount in ₹ crore)

| | Day 1 | 2 to 7 Days | 8 To 14 Days | 15 To 30 Days | 31 Days To 2 Months | Over 2 Months To 3 Months | Over 3 Months To 6 Months | Over 6 Months To 1 Year | Over 1 Year To 3 Years | Over 3 Year To 5 Year | Over 5 Years | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Deposits | 3.02 | 9.56 | 26.98 | 19.43 | 26.11 | 24.8 | 62.92 | 143.15 | 281.43 | 18.65 | 2.51 | 618.56 |
| Advances | 0.00 | 0.00 | 63.38 | 118.3 | 0.00 | 105.63 | 42.25 | 92.95 | 0.00 | 0.00 | 0.00 | 422.51 |
| Investment | 0.00 | 0.00 | 45.48 | 43.98 | 0.00 | 56.12 | 53.38 | 1.10 | 5.68 | 0.00 | 84.64 | 290.37 |
| Borrowing | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Currency assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Currency Liability | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Annexure – 3

**Investments**

(a) 1. **Composition of Investment Portfolio as on 31-03-2026.**

(Amount in ₹ crore)

| | Government Securities | Other Approved securities | Shares | Debentures And Bonds | Subsidiaries And/or Joint Ventures | Others | Total |
|---|---|---|---|---|---|---|---|
| **Held to Maturity** | | | | | | | |
| Gross | 103.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 103.34 |
| Less Provision for Non-Performing Investments (NPI) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net | 103.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 103.34 |
| | | | | | | | |
| **Available for Sale** | | | | | | | |
| Gross | 101.91 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 101.91 |
| Less Provision for Non-Performing Investments (NPI) | 5.92 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.92 |
| Net | 95.99 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 95.99 |
| | | | | | | | |
| **Held for Trading** | | | | | | | |
| Gross | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Less Provision for Non-Performing Investments (NPI) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | | | | | |
| Total Investments | 205.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 205.25 |
| Less Provision for Non-Performing Investments (NPI) | 5.92 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.92 |
| Net | 199.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 199.34 |

(a) 1. **Composition of Investment Portfolio as on 31-03-2025.**

(Amount in ₹ crore)

| | Government Securities | Other Approved securities | Shares | Debentures And Bonds | Subsidiaries And/or Joint Ventures | Others | Total |
|---|---|---|---|---|---|---|---|
| **Held to Maturity** | | | | | | | |
| Gross | 67.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 67.00 |
| Less Provision for Non-Performing Investments (NPI) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net | 67.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 67.00 |
| | | | | | | | |
| **Available for Sale** | | | | | | | |
| Gross | 106.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 106.24 |
| Less Provision for Non-Performing Investments (NPI) | 0.02 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| Net | 106.22 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 106.22 |
| | | | | | | | |
| **Held for Trading** | | | | | | | |
| Gross | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Less Provision for Non-Performing Investments (NPI) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | | | | | |
| Total Investments | 173.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 173.24 |
| Less Provision for Non-Performing Investments (NPI) | 0.02 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| Net | 173.22 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 173.22 |

**Annexure – 4**

(a) **Movement of provisions for Depreciation and Investment Fluctuation Reserve as on 31-03-2026** (Amount in ₹ crore)

| Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|
| i) Movement of provisions held towards depreciation on investments | | |
| a) Opening balance | 0.17 | 1.34 |
| b) Add: Provisions made during the year | 5.88 | 2.36 |
| c) Less: Write off / write back of excess provisions during the year | 0.12 | 3.53 |
| d) Closing balance | 5.92 | 0.17 |
| ii) Movement of Investment Fluctuation Reserve | | |
| a) Opening balance | 3.97 | 3.97 |
| b) Add: Amount transferred during the year | 1.63 | 0 |
| c) Less: Drawdown | 0 | 0 |
| d) Closing balance | 5.60 | 3.97 |
| iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category | 5.83% | 3.74% |

(b) **Sale and transfer to/from HTM category** – Bank has transferred below securities to/from HTM category during the current year.

| SL No | NOMENCLATURE OF SECURITY | OLD CLASSIFICATION | PURCHASE DATE | BOOK VALUE | SHIFTING DATE | SHIFTING FROM/ TO | MARKET VALUE | NEW CLASSIFICATION 2025-26 |
|---|---|---|---|---|---|---|---|---|
| 1 | 06.49% MAHARASHTRA SDL 2031 | AFS | 14/08/2020 | 50120000 | 11/04/2025 | AFS to HTM | 49365100 | HTM |
| 2 | 06.22% GS 2035 | AFS | 19/01/2021 | 19758000 | 11/04/2025 | AFS to HTM | 19571140 | HTM |
| 3 | 06.22% GS 2035 | HTM | 28/01/2021 | 46705050 | 11/04/2025 | HTM to AFS | 48927850 | AFS |
| 4 | 06.22% GS 2035 | HTM | 29/01/2021 | 46705050 | 11/04/2025 | HTM to AFS | 48927850 | AFS |
| 5 | 06.67% GS 2050 | HTM | 09/04/2021 | 47289900 | 11/04/2025 | HTM to AFS | 48937400 | AFS |
| 6 | 06.67% GS 2050 | HTM | 09/04/2021 | 47289900 | 11/04/2025 | HTM to AFS | 48937400 | AFS |
| 7 | 06.67% GS 2050 | HTM | 12/04/2021 | 47289900 | 11/04/2025 | HTM to AFS | 48937400 | AFS |
| 8 | 06.22% GS 2035 | HTM | 07/05/2021 | 46705050 | 11/04/2025 | HTM to AFS | 48927850 | AFS |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 9 | 06.22% GS 2035 | HTM | 07/05/2021 | 46705050 | 11/04/2025 | HTM to AFS | 48927850 | AFS |
| 10 | 8.44% RJ SDL 2028 | AFS | 22/03/2022 | 10784583 | 11/04/2025 | AFS to HTM | 10486460 | HTM |
| 11 | 7.09% GS 2054 | AFS | 27/01/2025 | 50660000 | 11/04/2025 | AFS to HTM | 51366000 | HTM |
| 12 | 7.09% GS 2054 | AFS | 03/02/2025 | 50425000 | 11/04/2025 | AFS to HTM | 51366000 | HTM |

(c) **Non-SLR Investment portfolio - NIL**

(i). Non-performing non-SLR investments (Amount in ₹ crore)

| Sr. No. | Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|---|
| A | Opening balance | NIL | |
| B | Additions during the year since 1st April | | |
| C | Reductions during the above period | | |
| D | Closing balance | | |
| E | Total provisions held | | |

(d) **Issuer composition of non-SLR investments** (Amount in ₹ crore)

| Sr. No | Issuer | Amount | | Extent of Private | | Extent Of Below Investment Grade | | Extent of Unrated Securitas | | Extent of Unlisted | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | | 4 | | 5 | | 6 | | 7 | |
| | | Current Year 2025-26 | Previous Year 2024-25 | Current Year 2025-26 | Previous Year 2024-25 | Current Year 2025-26 | Previous Year 2024-25 | Current Year 2025-26 | Previous Year 2024-25 | Current Year 2025-26 | Previous Year 2024-25 |
| (a) | PSUs | 1.07 | 1.07 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (b) | FIs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (c) | Banks | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (d) | Private Corporates | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (e) | Subsidiaries/Joint Ventures | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (f) | Others | 35.50 | 0.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (g) | Provision Held towards Depreciation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Total** | 36.57 | 1.57 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

**E). Repo transactions (in face value and market value terms) --- NA**

**F). Government Security Lending (GSL) transactions (in market value terms) ---- NA**

**Annexure – 5**

**Asset Quality**

(a) **Classification of advances and previously held as at 31-03-2026**

| | Standard | Non-Performing | | | | Total |
|---|---|---|---|---|---|---|
| | Total Standard Advances | Sub-Standard | Doubtful | Loss | Total non-Performing Advances | |
| **Gross Standard Advances and NPAs** | | | | | | |
| Opening Balance | 336.61 | 4.66 | 3.27 | 1.24 | 9.17 | 345.78 |
| Add: Additions during the year | 243.65 | 22.43 | 4.05 | 0.27 | 26.76 | 270.41 |
| Less: Reductions during the year* | 157.75 | 25.66 | 1.07 | 0.08 | 26.81 | 184.56 |
| Closing balance | 422.51 | 1.44 | 6.26 | 1.43 | 9.12 | 431.63 |
| *Reductions in Gross NPAs due to: | | | | | | |
| i) Up gradation | 85.26 | 67.47 | 3.95 | 0.00 | 71.42 | 156.67 |
| ii) Recoveries (excluding recoveries from upgraded accounts) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| iii) Technical/ Prudential16 Write-offs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| v) Write-offs other than those under (iii) above | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | | | | |
| **Provisions (excluding Floating Provisions)** | | | | | | |
| Opening balance of provisions held | 1.61 | 0.46 | 1.35 | 7.03 | 8.84 | 10.45 |
| Add: Fresh provisions made during the year | | | | | | |
| Less: Excess provision reversed/ Write-off loans | | | | | | |
| Closing balance of provisions held | 1.65 | 0.14 | 2.68 | 7.68 | 10.50 | 12.15 |
| | | | | | | |
| **Net NPAs** | | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| Opening Balance | | | | | 0.33 | |
| Add: Fresh additions during the year | | | | | | |
| Less: Reductions during the year | | | | | | |
| Closing Balance | | | | | -1.38 | |
| | | | | | | |
| **Floating Provisions** | | | | | | |
| Opening Balance | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Add: Additional provisions made during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Less: Amount drawn down18 during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Closing balance of floating provisions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| Ratios (in per cent) | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|
| Gross NPA to Gross Advances | 2.11% | 2.65% |
| Net NPA to Net Advances | -0.33% | 0.10% |
| Provision coverage Ratio % | 133% | 114% |

(b) **Sector-wise Advances and Gross NPAs**

| Sr, No | Sector | Current Year 2025-26 | | | Previous Year 2024-25 | | |
|---|---|---|---|---|---|---|---|
| | | Outstanding Total Advance | Gross NPAs | %of Gross NPAs To total Advances in that Sector | Outstanding Total Advance | Gross NPAs | %of Gross NPAs To total Advances in that Sector |
| i) | **Priority Sector** | | | | | | |
| a | Agriculture and allied activities | 2.656 | 0.01 | 0.49% | 0.16 | 0.01 | 6.25% |
| b | Advances to industries sector eligible as priority sector lending | 54.638 | 3.00 | 5.49% | 186.72 | 1.56 | 0.84% |
| c | Services | 254.019 | 1.96 | 0.77% | 66.55 | 2.49 | 3.74% |
| d | Personal loans | 22.598 | 2.16 | 9.56% | 17.56 | 2.04 | 11.62% |
| | Subtotal (i) | 333.911 | 7.14 | 2.14% | 270.99 | 6.1 | 2.25% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| II) | **Non-priority Sector** | | | | | | |
| a | Agriculture and allied activities | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| b | Industry | 97.72 | 1.99 | 2.03% | 74.81 | 3.08 | 4.12% |
| c | Services | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| d | Personal loans | 0.00 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00% |
| | Sub-Total (ii) | 97.72 | 1.99 | 2.03% | 74.81 | 3.08 | 4.12% |
| | **Total (I + II)** | 431.63 | 9.127 | 2.11% | 345.80 | 9.180 | 2.65% |

*Banks shall also disclose in the format above, sub-sectors where the outstanding advances exceeds 10 per cent of the outstanding total advances to that sector. For instance, if a bank's outstanding advances to the mining industry exceed 10 per cent of the outstanding total advances to 'Industry' sector it shall disclose details of its outstanding advances to mining separately in the format above under the 'Industry' sector.

**(c ). Details of accounts subjected to restructuring:** Bank has not restructured any of its account during year 2025-26 as well as previous year 2024-25.

| | | Agri & allied activity | | Corporates (excluding MSME) | | Micro, Small and Medium Enterprises (MSME) | | Retail (excluding agriculture and MSME) | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Current Year 2025-26 | Previous Year 2024-25 | Current Year 2025-26 | Previous Year 2024-25 | Current Year 2025-26 | Previous Year 2024-25 | Current Year 2025-26 | Previous Year 2024-25 | Current Year 2025-26 | Previous Year 2024-25 |
| Standard | Number of borrowers | NIL | | NIL | | NIL | | NIL | | NIL | |
| | Gross Amount (₹ crore) | | | | | | | | | | |
| | Provision held (₹ crore) | | | | | | | | | | |
| Substandard | Number of borrowers | | | | | | | | | | |
| | Gross Amount (₹ crore) | | | | | | | | | | |
| | Provision held (₹ crore) | | | | | | | | | | |
| Doubtful | Number of borrowers | | | | | | | | | | |
| | Gross Amount (₹ crore) | | | | | | | | | | |
| | Provision held (₹ crore) | | | | | | | | | | |
| Total | Number of borrowers | | | | | | | | | | |
| | Gross Amount (₹ crore) | | | | | | | | | | |
| | Provision held (₹ crore) | | | | | | | | | | |

**(D) Fraud accounts**

| Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|
| Number of frauds reported | NIL | NIL |
| Amount involved in fraud (₹ crore) | | |
| Amount of provision made for such frauds (₹ crore) | | |
| Amount of Unamortised provision debited from 'other reserves' as at the end of the year (₹ crore) | | |

**(E). Disclosures related to Project Finance --- NA**

**Annexure – 6**

**Exposures**

(a) Exposure to real estate sector (Amount in ₹ crore)

| Category | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|
| **i) Direct exposure** | | |
| a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans eligible for inclusion in priority sector advances shall be shown separately. Exposure would also include non-fund based (NFB) limits. | 21.62 | 3.63 |
| **b) Commercial Real Estate –** | | |
| Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits; | 0.00 | 0.00 |
| **c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –** | | |
| **i. Residential** | 0.00 | 0.00 |
| **ii. Commercial Real Estate** | 0.00 | 0.00 |
| **iii) Indirect Exposure** | 0.00 | 0.00 |
| Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies. | 0.00 | 0.00 |
| **Total Exposure to Real Estate Sector** | 21.62 | 3.63 |

(b) **Unsecured Advances**

(Amount in ₹ crore)

| Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|
| Total unsecured advances of the bank | 0.36 | 0.29 |
| Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken | 0.00 | 0.00 |
| Estimated value of such intangible securities | 0.00 | 0.00 |

**6.Loans against Gold and Silver Collateral**

**(a) Details of Loan extended against eligible gold and silver Collateral**

(Amount in Rs. Crore)

| Particulars | Loan outstanding | | Average ticket size (₹ crore) | Average LTV ratio | Gross NPA (%) |
|---|---|---|---|---|---|
| | ₹ crore | As % of Total Loans | | | |
| 1. Opening balance of the FY [(a)+(b)] | 4.20 | 0.01% | 0.04 | 60% | 0% |
| (a) Consumption loans | 0.04 | 0.00% | 0.04 | 60% | |
| (b) Income generating loans | 4.16 | 0.01% | 0.04 | 60% | |
| 2. New loans sanctioned and disbursed during the FY [(c)+(d)] | 1.27 | 0.00% | 0.04 | 60% | NA |
| (c) Consumption loans | 0.99 | 0.00% | 0.04 | 60% | NA |
| (d) Income generating loans | 1.18 | 0.00% | 0.04 | 60% | NA |
| 3. Renewals sanctioned and disbursed during the FY | - | - | - | - | NA |
| 4.Top-up loans sanctioned and disbursed during the FY | - | - | - | - | NA |
| 5. Loans repaid during the FY [(e)+(f)] | - | - | - | NA | NA |
| (e) Consumption loans | | | | NA | NA |
| of which bullet repayment loans | - | - | - | NA | NA |
| (f) Income generating loans | | | | NA | NA |

| | | | | | |
|---|---|---|---|---|---|
| 6. Non-Performing Loans recovered during the FY [(g) + (h)] | 0.0 | 0 | 0 | NA | NA |
| (g) Consumption loans | - | | | NA | NA |
| of which bullet repayment loans | | | | NA | NA |
| (h) Income generating loans | 0 | 0% | 0 | NA | NA |
| 7. Loans written off during the FY [(i) + (j)] | - | - | - | NA | NA |
| (i) Consumption loans | - | - | - | NA | NA |
| of which bullet repayment loans | | | | NA | NA |
| (j) Income generating loans | - | - | - | NA | NA |
| 8. Closing balance at the end of FY [(k) + (l)] | 4.09 | 0.01% | 0.04 | 60% | |
| (k) Consumption loans | 0.11 | 0.00% | 0.04 | 60% | |
| of which bullet repayment loans | | | | | |
| (l) Income generating loans | 3.98 | 0.01% | 0.04 | 60% | |

**(b)Details of gold and silver collateral and auctions**

(Amount in Rs. Crore)

| Sr. No. | Particulars | |
|---|---|---|
| (a) | Unclaimed gold or silver collateral at the end of the financial year (in grams) | ------NIL-------- |
| (b) | Number of loan accounts in which auctions were conducted | |
| (c) | Total outstanding in loan accounts mentioned in (b) | |
| (d) | Gold or silver collateral acquired during the FY due to default of loans (in grams) | |
| (e) | Gold or silver collateral auctioned during the FY (in grams) | |
| (f) | Recovery made through auctions during the FY (in ₹ crore) | |
| (g) | Recovery percentage: | |
| (h) | as % of value of gold or silver collateral | |
| (i) | as % of outstanding loan | |

c). Exposures to Related Parties

Details of exposures to related parties as defined in Reserve Bank of India (Urban Co-operative Banks – Credit Risk Management) Directions, 2025

| Sr No | | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|---|
| A. Loans to Related Parties | | | |
| 1 | Aggregate value of loans sanctioned to related parties during the year | 0.42 | 0.00 |
| 2 | Aggregate value of outstanding loans to related parties as on 31st March | 0.30 | 0.00 |
| 3 | Aggregate value of outstanding loans to related parties as a proportion of total credit exposure as on 31st March (in %) | 0.07% | 0.00 |
| 4 | Aggregate value of outstanding loans to related parties which are categorized as: | 0.00 | 0.00 |
| | (i) Special Mention Accounts as on 31st March | 0.00 | 0.00 |
| 5 | Amount of provisions held in respect of loans to related parties as on 31st March | 0.00 | 0.00 |
| B. Contracts and Arrangements involving Related Parties | | | |
| 6 | Aggregate value of contracts and arrangements awarded to related parties during the year | 0.00 | 0.00 |
| 7 | Aggregate value of outstanding contracts and arrangements involving related parties as on 31st March | 0.00 | 0.00 |

(c) **Concentration of deposits, advances, exposures and NPAs**

a) Concentration of deposits

(Amount in ₹ crore)

| Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|
| Total deposits of the twenty largest depositors | 83.66 | 68.23 |
| Percentage of deposits of twenty largest depositors to total deposits of the bank | 13.10% | 13.94% |

(d) **Concentration of advances***

(Amount in ₹ crore)

| Particulars | Current year | Previous Year |
|---|---|---|
| Total advances to the twenty largest borrowers | 104.36 | 94.81 |
| Percentage of advances to twenty largest borrowers to total advances of the bank | 24.18% | 27.42% |

*Advances shall be computed based on credit exposure i.e. funded and non-funded limits including derivative exposures where applicable. The sanctioned limits or outstanding, whichever are higher, shall be reckoned. However, in the case of fully drawn term loans, where there is no scope for re-drawl of any portion of the sanctioned limit, banks may reckon the outstanding as the credit exposure.

(e) **Concentration of NPAs** (Amount in ₹ crore)

| Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|
| Total Exposure to the top twenty NPA accounts | 6.97 | 6.92 |
| Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs | 76.43% | 75.46% |

**Annexure – 7**

**Transfers to Depositor Education and Awareness Fund (DEA Fund)** (Amount in ₹ crore)

| Sr. No. | Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|---|
| i) | Opening balance of amounts transferred to DEA Fund | 7.51 | 7.22 |
| ii) | Add: Amounts transferred to DEA Fund during the year | 0.58 | 0.37 |
| iii) | Less: Amounts reimbursed by DEA Fund towards claims | 0.07 | 0.08 |
| iv) | Closing balance of amounts transferred to DEA Fund | 8.02 | 7.51 |

The closing balance of the amount transferred to DEA Fund, as disclosed above, are also included under 'Schedule 12 - Contingent Liabilities

**Annexure – 8**

**Disclosure of complaints**

Summary information on complaints received by the bank from customers and from the Offices of Ombudsman. (Amount in ₹ crore)

| Sr.No. | | Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|---|---|
| | | Complaints received by the bank from its customers | | |
| 1. | | Number of complaints pending at beginning of the year | NIL | NIL |
| 2. | | Number of complaints received during the year | 26 | 6 |
| 3. | | Number of complaints disposed during the year | 26 | 6 |
| | 3.1 | Of which, number of complaints rejected by the bank | 0 | 0 |
| 4. | | Number of complaints pending at the end of the year | 0 | 0 |
| | | Maintainable complaints received by the bank from Office of Ombudsman | 0 | 0 |

| | | | | |
|---|---|---|---|---|
| 5. | | Number of maintainable complaints received by the bank from Office of Ombudsman | 11 | 0 |
| | 5.1 | Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman | 11 | 0 |
| | 5.2 | Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman | 0 | 0 |
| | 5.3 | Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank | 0 | 0 |
| 6. | | Number of Awards unimplemented within the stipulated time (other than those appealed) | 0 | 0 |
| Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme. | | | | |

**Annexure – 9**

Disclosure of penalties imposed by the Reserve Bank of India – Nil

**Annexure – 10**

**Disclosures on remuneration**

| Sr No | Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|---|
| 1 | NIL | NIL | NIL |
| 2 | NIL | NIL | NIL |

**Annexure – 11**

**Other Disclosures**

(a) Business ratios

| Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|
| Interest Income as a percentage to Working Funds | 7.87% | 8.11% |
| Non-interest income as a percentage to Working Funds | 0.75% | 0.95% |
| Average Cost of Deposits | 6.07% | 6.67% |

| | | |
|---|---|---|
| Net Interest Margin | 3.13% | 3.14% |
| Operating Profit as a percentage to Working Funds | 1.92% | 2.06% |
| Return on Assets | 0.49% | 0.82% |
| Business (deposits plus advances) per employee (in ₹ crore) | 10.49% | 9.60% |
| Profit per employee (in ₹ crore) | 3.21% | 5.66% |

(b) **Bancassurance business:** Bank is not engaged in Bancassurance business as well as in Marketing and distribution function.

(c) **Disclosures regarding Priority Sector Lending Certificates (PSLCs)**

| Sr No | Particulars – Category | PSLCs - Amount |
|---|---|---|
| 1 | Priority Sector lending | NIL |
| 2 | Weaker Section Advances | |
| 3 | Micro Finance | |

(d) **Provisions and contingencies**

(Amount in ₹ crore)

| Particulars | Current Year 2025-26 | Previous Year 2024-25 |
|---|---|---|
| Provision for NPI (Other Provisions and Contingencies-IDR) | 0.00 | 0.00 |
| Provision towards NPA | 9.12 | 9.17 |
| Provision made towards Income Tax | 0.13 | 0.06 |
| Other Provisions and Contingencies | 1.49 | 1.12 |
| (Staff Gratuity Provision, Standard Assets Provision, Rural Advance B.&D, IDR Provision) | | |

(e) **Payment of DICGC Insurance Premium: The bank has paid 'deposit insurance premium as applicable to DICGC within the prescribed timelines**

(f) **Disclosure of facilities granted to directors and their relatives.:** (Amount in ₹ crore)

| S.No | Name of Director | Name of Borrower | Type | Rate of Interest | Margin | Date of sanction | Due Date | Collateral Value | Drawing Power | Outstanding |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Dharmesh Mehta | Morabia Creations Limited- Indu Morabia Sister | OD Against FD | 9% | 10% | 26.05.2025 | 15.09.2030 | 0.47 | 0.42 | 0.30 |

**For ARPIT SHAH & CO.**
**Chartered Accountants**

**Name of Partner: Arpit T. Shah**
**M No.: 112663; FRN: 123004W**

**UDIN: 26112663KFTMAX2847**

**Place: Ahmedabad**
**Date: 27.06.2026**

Arpit Shah & Co.
CHARTERED ACCOUNTANTS

## CERTIFICATE

This is to certify that we have audited the accounts of The Bhuj Mercantile Co-operative Bank Ltd., Ahmedabad for the year ended on 31st March, 2026. In view of our examination during audit, we hereby certify that the Bank has made all the required provisions for Non-Performing Assets, Investments and other assets as per the prudential norms prescribed by the Reserve Bank of India.

In this context, we have enclosed a statement of Classification of Assets and Provisioning made against Non-Performing Assets as well as the Position of Net NPAs to Net advances in respect of the aforesaid Bank as on 31st March, 2026.

This certificate is issued in terms of the circular RBI/2022- 23/17 DOR.STR.REC.5/21.04.048/2022-23 dated April 1, 2022 read with Circulars and other related instructions as issued from time to time by Reserve Bank of India.

**For ARPIT SHAH & CO.**
**Chartered Accountants**

**Name of Partner: Arpit T. Shah**
**M No.: 112663; FRN: 123004W**
**UDIN: 26112663KFTMAX2847**
**Place: Ahmedabad**
**Date: 27.06.2026**

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Arpit Shah & Co.
CHARTERED ACCOUNTANTS

## CERTIFICATE

This is to certify that during the course of Statutory Audit of The Bhuj Mercantile Co-operative Bank Ltd., Ahmedabad for the year ended on 31st March 2026, we have verified the investment portfolio of the bank.

On the basis of our findings, we certify that the bank has not placed any deposit with any ineligible Bank during the year under reference.

This Certificate is issued in terms of the Master Circular on 'Prudential Norms on Classification, Valuation and Operations of Investment Portfolio by UCBs' - DBR No BP.BC.6/21.04.141/2015-16 dated July 1, 2015, and other related instructions as issued from time to time.

**For ARPIT SHAH & CO.**
**Chartered Accountants**

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## CERTIFICATE

This is to certify that we have verified the correctness of points mentioned below as on 31-03-2026 of The Bhuj Mercantile Co -operative Bank Ltd., Ahmedabad as per data and information provided to us during the period of audit:

**1) Compliance to SLR/CRR requirements**

a) There is no default in maintenance of CRR/SLR during 01-04-2025 to 31-03-2026. We have verified the compliance on 12 odd dates during period of audit except Fridays.

b) Bank has duly filed returns prescribed by RBI, as per the Reporting Requirements of UCBs.

c) Computation of net DTL and corresponding SLR is as per instructions contained in RBI circular *DCBR.BPD (PCB). MC.No.5/12.03.000/2015-16 dated July 01, 2015 (as updated from time to time).*

**2) Capital Risk Adequacy Ratio**

The CRAR for the year ending on 31/03/2026 is 16.88%. The calculation of CRAR is based instructions contained in RBI circular *DOR.CAP.REC.2/09.18.201/2022-23 dated April 1, 2022 (as updated from time to time).*

**3) Exposure Norms**

Bank has made advances to single borrowers/parties as per credit exposure limit (15% of Tier 1 Capital). No advances to group or large borrowers have been made as per terms contained in the circular *DOR (PCB).BPD.Cir No.10/13.05.000/2019-20 dated March 13, 2020, and other instructions as issued from time to time*

**4) System-based asset classification**

As per criteria mentioned in RBI Circular Ref. No. *DoR (PCB). BPD. Cir. No.1/13.05.001/2020-21 dated August 12, 2020, on 'System-based asset classification - UCBs'*, Bank is followed system-based assets classification.

**5) Interest Rate in Advances**

Interest rates are determined taking into account their cost of funds, transaction costs etc. with the approval of Board. Rates charged by bank are transparent and known to all customers. Also the same are well informed to customer at the time of loan proposal. Interest rates charged on advances are displayed on bank website and every branch.

**6) Interest subvention claims**

No interest subvention claims were made under the Interest Subvention Scheme for MSMEs as per extant circular No. *DOR (PCB).BPD.Cir No.3/13.05.001/2020-21 dated October 7, 2020 (as updated/ other instructions issued from time to time.*

**7) Reconciliation status**

As per information and data provided to us, no difference(s) exist in the balance sheet of the bank and provisions have been made as per banking norms.

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**8) Contingent liabilities**

On verification of data & information provided to us, no contingent liability is found which may devolve into an outside liability.

**9) Other Assets**

On verification of outstanding amounts pending for more than three years under "Other Assets" There is no entries which is pending for more than 3 years. "Other assets" comprising Goodwill account which is in nature of intangible.

**10) Fraud or fraudulent activity**

No fraud or fraudulent activity was observed during the course of audit. Bank has appropriate fraud risk management system and process for early detection, investigation of frauds, and deviations observed in compliance with directives issued by RBI

**11) Divergence identified by SSM**

No provisions were required to be made as no divergence identified by SSM.

**12) Compliance with cyber security guidelines**

As per VAPT audit report and other IT audit report, some of cyber security compliances are under process from Bank end.

**13) Non-Banking Assets (NBAs)**

The Bank is holding a Non-Banking Asset (Lal-Tekri Plot at Hospital Road Bhuj Kutch 370001) of Rs. 1,00,08,600/- which was purchased by Bank for its own use in 2010. But, since 7 years have passed, Bank had sought permission from RBI for holding of this Asset. RBI had vide letter dtd 31-07-2024 informed bank to dispose the asset after favorable judgement of the Honorable court.

**14) Net Worth**

The net worth is calculated in terms of RBI circular *DOR.CAP.REC.No.86/ 09.18.201/2022-23 dated December 01, 2022 (as updated from time to time). The net worth for the year 2025-2026 is Rs. 6758.79 Lakh.*

**For ARPIT SHAH & CO.**
**Chartered Accountants**

**Name of Partner: Arpit T. Shah**
**M No.: 112663; FRN: 123004W**
**UDIN: 26112663KFTMAX2847**
**Place: Ahmedabad**
**Date: 27.06.2026**

Annex I

**RBI/DOR/2025-26/121**
**DOR.LIC.REC.No.330 /07-01-000/2025-26 December 04, 2025**

**Report on Compliance with Eligibility Criteria for Business Authorization (ECBA)**

Name of the bank: **The Bhuj Mercantile Co-operative Bank Limited, Ahmedabad.**

Based on audited financial statements for financial year 2025-26.

| S. No. | Particulars | As on March 31, 2026 | | Compliance Status (Yes / No) |
|---|---|---|---|---|
| 1 | CRAR should be at least one percentage point above the minimum CRAR applicable | 16.88 % | | Yes |
| 2 | Net NPAs of not more than 3% | 0.00% | | Yes |
| 3 | Net Profit during the last two financial years | FY 2023-24 of Rs. 9.05 Cr | FY 2024-25 of Rs. 4.92 Crore | Yes (FY 2025-26 of Rs. 3.27 Cr) |
| 4 | Number of professional Directors on the Board | Two | | Yes |
| 5 | No default in the maintenance of CRR / SLR during the preceding and current financial year till the time of Board resolution declaring the bank as ECBA compliant / application for authorization | | | Yes |
| 6 | CBS fully implemented in the bank | | | Yes |
| 7 | Whether the bank is under Directions / Supervisory Action Framework / PCA of RBI | | | No |
| 8 | Details, if any, of prohibition for any authorization by RBI | | | No |

**For ARPIT SHAH & CO.**
**Chartered Accountants**

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## CRR AND SLR ON 12 ODD DATES

| DATE | NET DEMAND AND TIME | REQUIRED CRR | MAINTAINED CRR | % CRR MAINTAINED | REQUIRED SLR | MAINTAINED SLR | % SLR MAINTAINED |
|---|---|---|---|---|---|---|---|
| 14.04.2025 | 45577.21 | 1367.32 | 2218.18 | 4.87 | 8203.90 | 16466.08 | 36.13 |
| 10.05.2025 | 46836.83 | 1405.10 | 2392.55 | 5.11 | 8430.63 | 17838.77 | 38.09 |
| 21.06.2025 | 46490.09 | 1394.70 | 2625.51 | 5.65 | 8368.22 | 17890.52 | 38.48 |
| 10.07.2025 | 47593.12 | 1427.79 | 2361.27 | 4.96 | 8566.76 | 18068.52 | 37.96 |
| 12.08.2025 | 48469.80 | 1454.09 | 2293.62 | 4.73 | 8724.56 | 18851.26 | 38.89 |
| 20.09.2025 | 49407.93 | 1482.24 | 2305.73 | 4.67 | 8893.43 | 17980.38 | 36.39 |
| 11.10.2025 | 48194.08 | 1445.82 | 2288.87 | 4.75 | 8674.93 | 17557.44 | 36.43 |
| 05.11.2025 | 50687.56 | 1520.63 | 2081.63 | 4.11 | 9123.76 | 17678.51 | 34.88 |
| 18.12.2025 | 51924.07 | 1557.72 | 2111.43 | 4.07 | 9346.33 | 17502.68 | 33.71 |
| 10.01.2026 | 52299.30 | 1568.98 | 2008.30 | 3.84 | 9413.87 | 17884.21 | 34.20 |
| 25.02.2026 | 56594.26 | 1697.83 | 2185.10 | 3.86 | 10186.97 | 19965.96 | 35.28 |
| 11.03.2026 | 58535.27 | 1756.06 | 2279.37 | 3.89 | 10536.35 | 20026.42 | 34.21 |

**For ARPIT SHAH & CO.**
**Chartered Accountants**

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## CRAR working annexed to certificate

CRAR is calculation is based on the below mentioned working

| Capital Funds Risk Assets Ratio-31.03.2026 | | |
|---|---|---|
| **1** | **Tier I Capital Elements** | Rs. In Thousand |
| (a) | Paid Up Capital | 70373 |
| | less: Intangible assets and losses | 2852 |
| | **Net paid up Capital** | **67521** |
| (b) | Reserves and Surplus | |
| 1 | Statutory Reserves | 477466 |
| 2 | Capital Reserves | 118673 |
| 3 | Other Reserves | 0 |
| 4 | Surplus Profit & loss Account | 8179 |
| | **Total Reserves and Surplus** | **604318** |
| | **Total Capital Funds (a+b)** | **671839** |
| | | |
| **2** | **Tier II Capital Elements** | |
| 1 | Undisclosed Reserves | 0 |
| 2 | Revaluation Reserves | 0 |
| 3 | General provision and loss Reserves | 53733 |
| 4 | Investment Fluctuation Reserves | 0 |
| 5 | Hybrid Debt capital instruments | 0 |
| 6 | Subordinated debts | 0 |
| | **Total** | **53733** |
| | **Total Capital (1+2)** | **725572** |
| | | |
| | **Risk Weighted Assets** | 4298705.38 |
| | Percentage of Capital Funds to RWA | 16.88 |

**For ARPIT SHAH & CO.**
**Chartered Accountants**

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# THE BHUJ MERCANTILE CO-OPERATIVE BANK LTD

## ANNEXURE-D (2025-26)

## AUDIT CLASSIFICATION SCALE FOR UCB IN STATE OF GUJARAT

| | ITEM | TOTAL MARKS | MARKS OBTAINED |
|---|---|---|---|
| 1 | **Capital** | **12** | **09** |
| | **(i) Net worth as percentage of total assets**<br>over 15%<br>15% TO 10%<br>10 % TO 7 %<br>7 % TO 4 %<br>Less than 4 % | <br>6 marks<br>5 marks<br>3 marks<br>2 marks<br>Nil | **3** |
| | **(ii) Capital to Risk-weighted Assets ratio ( CRAR)**<br>Over 12 %<br>9% & more unto 12 %<br>7% % more unto 9 %<br>Less than 7% | <br>6 marks<br>4 marks<br>3 marks<br>Nil | **6** |
| 2 | **Assets** | **20** | **19.50** |
| | **2 (i) Gross NPA**<br>Less than 10 %<br>10 % & more, up to 15 %<br>15 % & more, up to 20 %<br>20 % & more | <br>8marks<br>5marks<br>3marks<br>Nil. | **8** |
| | **2.(ii) Net NPA**<br>**Net NPA less than 3 %**<br>3 % & more, up to 5 %<br>5 % & more, up to 10 %<br>10 % & more | <br>8marks<br>5marks<br>3marks<br>Nil. | **8** |
| | **2.(iii) Performance of the bank in taking effective Legal action.**<br>(a) cases under sec.103 filed above 75% of overdues Over one year<br>(b) 50% to 75% of overdues over one year<br>(c) Less than 50% overdues over one year.<br><br>Note: The performance of the bank under this head is to be related to the demand instead of outstanding after ascertaining of DCB registers by Urban Coop. Banks. | <br>1 mark<br><br>1/2 mark<br>Nil. | **1/2** |

| | | | |
|---|---|---|---|
| | **2(iv) reserve / provisions to cover erosion in the value of assets**<br><br>Bank is required to make full provision in respect of estimated erosion in value of their assets comprising bad and doubtful debts and other assets, depending upon the extent of which the revision in the level to which erosion is covered by reserves/provision<br>(a) Provisions made fully<br>(b) Less than 15% shortfall in provisions<br>(c) 15% or more shortfall in provisions | <br><br><br><br><br><br><br>3 marks<br>2marks<br>Nil. | <br><br><br><br><br><br><br>3 |
| 3 | **Efficiency of Management** | 7 | 6 |
| | Marks under this head may be given on the following basis<br>(i) the meetings of the Board/Committee/general body held regularly<br>(ii) Proper maintenance of books accounts<br>(iii) Elected Board, inclusion of professional in the board of directors and they are work like professionals for development of the bank. Regular holding of meeting and reviews of issues like deposit mobilization, recovery performance, investment, audit report, RBI inspection repots and reviews of compliance etc. by the Board. If the elected Board does not exist the auditor will have to assess the performance of the administrator.<br>(iv.) Training<br>Full marks if training policy/plan with definite scientific training requirement and long term strategies.<br>(v) Introduction of concurrent audit system<br>(vi) Audit committee formed & meeting held regularly<br>(vii) Proper system of internal checks | <br><br>1mark<br><br>1mark<br>2 mark<br><br><br><br><br><br><br>1 mark<br><br>1/2 marks<br>1/2marks<br>1marks | <br><br>1<br><br>1<br>2<br><br><br><br><br><br><br>1/2<br><br>1/2<br>1/2<br>1/2 |
| 4 | **Working Results** | 8 | 6 |
| | Marks under this head maybe given on the following basis<br>**4(i) Return on average total assets.**<br>(a) Above 1 %<br>(b) Above 0.80 % ,up to 1 %<br>( c) Above 0.20 % ,up to 0.80 %<br>(d) Up to 0.20 %<br><br>**4(ii) Net interest margin**<br>(a) Above 3.5%<br>(b) Above 3% ,up to 3.5 %<br>(c) Above 2.5% ,up to 3%<br>(d) Up to 2.5 % | <br><br><br>4marks<br>3marks<br>2marks<br>1mark<br><br><br>4marks<br>3marks<br>2marks<br>1mark | <br><br><br>3<br><br><br><br><br>3 |

| 5 | Maintenance of cash reserve/liquid assets | 24 | 23 |
|---|---|---|---|
| | **5(i) Cash Reserve** | **5 marks** | **5** |
| | **5(ii) Liquid assets** | **5 marks** | **5** |
| | Full marks may be given under each aspect 5(i)&5(ii),if the bank has maintained the required cash reserve & liquid assets throughout the year. No marks should be given if there are defaults. | | |
| | Note: Defaults due to cash in transit maybe ignored. Similarly defaults not exceeding 6 occasions (but not continuous even in respect of such 6 occasions) in a year may be ignored. | | |
| | **5 (iii)Management of funds:** | | |
| | (a) If the bank has not resorted to borrowings at all | 5 marks | **5** |
| | (b) If the bank has resorted to borrowings against fixed deposits on a continuous basis | 3 marks | |
| | (c) If the bank has resorted to clean borrowings | Nil | |
| | note :- Further Negative marks may be awarded for credit-deposit ratio (CD) beyond 85% | | |
| | **5(iv) Deposit mobilisation** | | |
| | The marks under this head may be given taking into account the extent of increase in deposits achieved by the bank over its previous year's level on the basis of the following norms. | | |
| | Increase in total deposits over the previous year 20% & more | 5 marks | |
| | Between 15% and up to 20% | 4 marks | |
| | Between 10% and up to 15% | 3 marks | **4** |
| | Below 10% | nil | |
| | Note: If the percentage of institutional deposits in the increase is above 40% reduce 1 mark for every percent above 40% | | |
| | **5.(v) Violation of sec71 GCS Act Investment of Funds.** | | |
| | (a) No default | 2 marks | **2** |
| | (b) 1 default report the default separately. | nil | |
| | **5(vi)Deposit Insurance** | | |
| | a. All assessable deposits properly assessed and all insurance premium paid in time | 2 marks | **2** |
| | b. Assessable deposits not properly worked out, but no delay in payment of premium | 1 mark | |
| | c. Assessable deposits not properly worked out and also delayed the payment of premium(delay in respect of one half year) | 1/2 marks | |
| | d. premium not paid for previous two half year (six months) | Nil | |

| | | | |
|---|---|---|---|
| 6 | **Performance under priority Sector/Weaker Section advance** | **15** | **11** |
| | Marks under this head may be given on the basis of the level of priority sector/weaker section advances outstanding in relation to the total advance/priority sector advances of the bank on the last day of the Coop. year as indicated below.<br><br>**6.(i) Percentage of priority sector advances to total advances at the end of the year.**<br>60% and above<br>Between 50% and up to 60%<br>Between 40% and up to 50%<br>Below 40%<br><br>**6.(ii) Percentage of weaker section advances to total priority sector advances at the end of the year**<br>25% and above<br>Between 15% and up to 25%<br>Less than 15%<br><br>**6.(iii) Loans & advances**<br><br>Auditor should check whether proper loan policy was framed according to RBI guidelines, exposures limits were set and adhered to by BOD while sanctioning loans to individual and group borrowers, The auditor should scrutinize loan cases falling under different categories on a sample or random basis. It should be verified whether, in these cases, loan application are complete in all respects, proper scrutiny was done, sanction has been done by the proper authority after following due procedures and whether proper documentation has been done in terms of securities etc. before disbursement. It would be advisable for the auditor to take up particularly bigger loan cases for scrutiny, if there are unusual big transaction in particular loan account in those cases he should checked in detail. If he suspects for any transaction he should verify throughly.<br>The auditor may give mark in the range 0 to 5 depending upon irregularities detected.<br>Top 25 accounts in terms of money borrowed or 2% of total accounts, whichever is higher should be checked and reported.<br><br>Note:- Negative marks may be awarded for allowing TODS/ frequent cheque purchases/ drawals against uncleared effects. | 5 marks<br>3 marks<br>2marks<br>Nil<br><br>5 marks<br>3 marks<br>nil<br><br>5 marks | **5**<br><br>**3**<br><br>**3** |
| 7 | **Operational efficiency** | **11** | **10** |
| | 7(A) Marks under this head may be given on the following basis<br>(i) Compliance with RBI directives and guidelines<br>(ii) Submission of satisfactory compliance on or before due date to the inspection report of RBI | 1 mark<br>1 mark | **1**<br>**1** |

| | | | |
|---|---|---|---|
| | (iii) No default in the submission of various returns prescribed under the Banking regulation act 1949 to RBI | 1 mark | 1 |
| | (iv) Reconciliation of inter-bank & inter-branch accounts | 1 mark | 1 |
| | (v) Balancing of books properly | 1 mark | 1/2 |
| | (vi) Adequacy of information system (MIS) | 1/2 mark | 1/2 |
| | (vii) Adherence to the calendar of reviews suggested by RBI to be put up to the board of directors of UCBs at various intervals. | 1/2 mark | 1/2 |
| | (viii) Submission of periodic information's & returns to RCS. | 1 mark | 1 |
| | (ix) Frauds and Complaints reported in time full marks if not reported nil marks | 1 mark | 1 |
| | (x) Submission of compliance report of previous year audit report in prescribed time limit | 1 mark | 1/2 |
| | **7.(B) Compliance of Sec.115.F of Guj.State Coop.Socys. Act 1961** | | |
| | No defaults<br>Up to 2 defaults<br>More than two default | 2 marks<br>1 marks<br>nil | 2 |
| 8 | **Computerisation** | 3 | 3 |
| | a. All branches and Head Office<br>b. 75% of branches and Head Office<br>c. 50% of branches and Head Office<br>d. 25% of branches and Head Office<br>e. Less than 25% | 3 marks<br>2 marks<br>2 marks<br>1/2 mark<br>Nil | 3 |
| | **TOTAL MARKS** | **100** | **87.50** |
| | **Audit classification**<br><br>Depending upon the aggregate marks secured by the bank on the basis of the above 8 classification norms audit classification may be made on the following basis<br>Marks secured<br>**70 and above**<br>**55 and above but less than 70**<br>**40 and above but less than 55**<br>**Less than 40**<br><br>Note (1) (a) If the over dues are above 35% the audit classification should be reduced by one step below.<br>(b) 2 to 5 marks be reduced if fraud/ misappropriation is detected is but no action is taken by bank<br>(c) The banks which are under rehabilitation may be classified as "C" The banks which are not | **Audit Class**<br><br><br><br>A<br>B<br>C<br>D | **Audit Class**<br><br><br><br>"A" |

| | | | |
|---|---|---|---|
| | satisfying the provisions of section 11 of the banking Regulation Act 1949 (as applicable to Coop. Socs.) may be classified under D.<br>(d) Bank which is in grade IV should not awarded "A"audit class by C.A.<br>Note (2) The auditor may verify whether audit classification is in line with RBI'S Gradation of the bank, in case a statutory inspection had been carried out in the recent past (within, say one year). In case of divergence between audit classification and RBI'S Grade, suitable comments could be made explaining the reasons for such divergence. | | |

**For ARPIT SHAH & CO.**
**Chartered Accountants**

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