

99th Annual Report

2023-2024



The Eastern Railway Employees' Co-operative Bank Ltd.

Reg. Office : 17, N.S. Road, Kolkata – 700001

Admin. Office : 10, Strand Road, Kolkata - 700001

Branches :

- ❖ FAIRLIE PLACE ❖ HOWRAH ❖ LILUAH ❖ ASANSOL
- ❖ DHANBAD ❖ JAMALPUR ❖ DANAPUR
- ❖ PT. DEENDAYAL UPADHYAYA (MUGHALSARI)

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TRADITION OF TRUST

RuPay

NFS
NATIONAL FINANCIAL SWITCH

- ❖ Tradition of quality services for more than 112 Years.
- ❖ Strong Network of 8 Branches spread across West Bengal, Bihar, Jharkhand & Uttar Pradesh.
- ❖ Business Mix of over Rs.1,674 Crore.
- ❖ Attractive Deposits Schemes including M.I.S.
- ❖ The Deposits of the Bank are insured with DICGC – RBI.
- ❖ Fastest Loan.
- ❖ Instant Fund Transfer through NEFT / RTGS.
- ❖ Personalised Cheque Book.
- ❖ ATM-cum-Debit Card / POS (Point of Sales) Facility.
- ❖ Mobile Banking Facility will be available shortly.
- ❖ UPI, NACH & IMPS Facility will be available shortly.

“OFFICIAL BANK OF THE RAILWAYMEN”

UPI

NACH
NATIONAL AUTOMATED CLEARING HOUSE

IMPS
IMMEDIATE PAYMENT SERVICE



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BOARD OF DIRECTORS

Shri K.K.Goyal, FA & CAO (F&B)/ER	Nominated Director
Smt J.P. Kusumkar CPO/Admn/ER	Co-opted Director
Shri Abhay Kumar Pandey, Chief Engineer, P & D/ Kolkata	Invitee Board Member

Shri K.S. Bandyopadhyay	Chairman
Shri G.Dewanji	Vice Chairman
Shri M.K.Suri	Director
Shri B. K. Singh	Director
Shri S. Ghosh	Director
Shri S. Kumar	Director
Smt. R. Das	Director
Shri A.K. Baitha	Director
Shri S.Dutta	Director
Shri K.D.Yadav	Director
Md.Wahabuddin	Director
Shri T. Nandi	Director

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NOTICE

No. E/168-99th AGM/2024

Dated 26th July, 2024

Notice is hereby issued under the provisions of Bank's Bye-Law No.34 read with the provision or Section 39 of the Multi State Co-op. Society's Act.2002 and Rule 13 of the Multi State Co-op. Societies Rule, 2002 and as directed by the Managing Committee that, the 99th Annual General Meeting of the Bank will be held on **19.08.2024 (Monday)** at **08.00 a.m.** at **“UDISHA Auditorium, Eastern Railway Head Quarter, Fairlie Place, 17, N.S. Road, Kolkata-700001”**, WestBengal to transact the following business :-

- a) To consider and approve the Audited Statement of Accounts of the Bank for the financial year ending **31.03.2024**.
- b) To consider and approve the Audit Report & Annual Report of the Bank for the financial year **2023-2024**.
- c) To consider and approve Audit Compliance Report for the financial year **2023-2024**.
- d) To consider and approve disposal of Net Profit for the financial year **2023-2024**.
- e) To review the operational deficit, if any, of the Bank for the financial year **2023-2024**.
- f) To consider and approve creation of specific reserves and other funds.
- g) To consider and approve the Annual Budget of the Bank.
- h) To review the actual utilization of reserves & other funds.
- i) To consider & approve the long-term perspective plan and the annual operational plan of the Bank.
- j) To consider review of Annual Report and Accounts of Shareholders and Staff Welfare Fund of the Bank
- k) To consider & approve expulsion of members, if any.
- l) To furnish list of employees who are relatives of members of the Managing Committee or the Chief Executive of the Bank.
- m) To consider and approve if deemed fit, the proposed amendment of the Bank's existing Bye-Law provisions.
- n) To consider formulation of code of conduct for the Members of the Managing Committee and officers.
- o) To consider election of members of the Managing Committee of the Bank.**
- p). To consider the appointment of Auditor
- q). Any other matter with the permission of Chair.

The Eastern Railway Employees' Co-operative Bank Ltd.

N.B.

- i) The members of the Bank who have been declared elected as delegates in the year **2024** will be entitled to attend the aforesaid Annual General Meeting.
- ii) The outgoing members of the Managing Committee are also entitled to be present and to participate in the said meeting.
- iii) Delegate, who is a member of the Committee of Shareholders' and Staff Welfare Fund Management of the Bank is entitled to be present and to participate in the aforesaid meeting.
- iv) Delegates who are the members of the Review Sub-Committee are also entitled to be present and participate in the aforesaid meeting.

**CHIEF EXECUTIVE OFFICER
THE EASTERN RAILWAY EMPLOYEES' CO-OP. BANK LTD
Kolkata-700001.**

Copy forwarded to the Principal Chief Personnel Officer, Eastern Railway, Kolkata for information and necessary action. He / She is requested to kindly issue the aforesaid Notice to all Officers concerned with a directive to spare the delegates of the Bank in terms of Serial Circular No. 5645 & 6948 to enable them to attend the **99th** Annual General Meeting.

SECRETARY / THE ERECB LTD.

Copy forwarded to the General Manager (P) East Central Railway, Hajipur for information and necessary action. He / She is kindly requested to issue necessary instruction to all concern officers of the East Central Railway, with a directive to spare the delegates of the Bank in terms of his extant serial circular to enable them to attend the **99th** Annual General Meeting.

SECRETARY / THE ERECB LTD.

Copy forwarded to the for information with the request to give wide publicity of the above notice. He is further requested to kindly spare the following elected Delegates/Directors of the Bank working under him, so that, he/she/they may be able to attend the said meeting on the notified date and time. Any delegate if suspended may also be allowed to attend the said meeting. If any of the delegate have since been transferred elsewhere, this reference may please be forwarded "At Once" to the Officer concerned for necessary similar action as indicated therein under intimation to this office.

It may kindly be noted that, the delegates attending meeting are entitled to get special casual leave in terms of CPO's Circular No...

- 1. Sri/Smt.....
- 2. Sri/Smt.....
- 3. Sri/Smt.....

The Eastern Railway Employees' Co-operative Bank Ltd.

- 4. Sri/Smt.....
- 5. Sri/Smt.....
- 6. Sri/Smt.....

SECRETARY / THE ERECB LTD.

Copy forwarded to Sri/Smt. Delegate
Const.No..... for information and necessary action. He/She is requested to kindly attend the **99th** Annual General Meeting of the Bank at **08.00 A.M** at **“UDISHA Auditorium, Eastern Railway Head Quarter, Fairlie Place, 17, N.S. Road, Kolkata-700001”**, West Bengal. Copy of the prescribed nomination paper for election of a member to the Committee of Management of the Shareholders' and Staff Welfare Fund are enclosed for information and necessary action. His/Her controlling officer had been requested to spare him/her for attending the said meeting as per endorsement above,

He/She is requested to kindly contact the Reception Camp of the Bank to be set up at Howrah Railway Station between **6.00 a.m. to 10.00 a.m.** on the **19.08.2024** for necessary guidance.

SECRETARY / THE ERECB LTD.

The Eastern Railway Employees' Co-operative Bank Ltd.

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Working Report of The Eastern Railway Employees' Co-operative Bank Ltd. & Report of the Managing Committee for the year ending 31st. March, 2024

Respected Chairman and Delegates,

On behalf of the Managing Committee of the Bank, I do hereby heartily welcome all Hon'ble Delegates of the Bank at the 99th Annual General Meeting of the Eastern Railway Employees' Co-operative Bank Ltd.

I have pleasure in placing before you the Working Report and the report of the Managing Committee of the Bank for the financial year 2023-24 for your consideration, approval and adoption. The Financial Statements as well as Statutory Audit Report as on 31.03.2024 are also placed before you for your kind approval and adoption.

At the outset, we remember and pay homage to the Members / Customers / Well-wishers of the Bank who died during the period.

Besides, we also pay our heartfelt homage to all the passengers who died in train accidents in recent past at different places in the country. On behalf of all of us, we convey our deepest condolence to the bereaved family members of the deceased passengers.

Now let us come to the salient points on the working report of the Bank.

Adhering to the norms prescribed by the Reserve Bank of India and after obtaining due permission of them (R.B.I), the bank has appointed M/s. Ghoshal & Ghosal (FRN-304013E) Chartered Accountant Firm as the Statutory Auditors of the Bank for the financial year 2023-24. They have completed the Audit and submitted their duly signed audit reports on 16th July, 2024. Bank has submitted the Audited Balance-Sheet, Audit Report and other related and mandatory Reports/ Financial Statements to R.B.I on 23rd July, 2024.

It may kindly be noted that the Final Accounts of the Bank as on 31st March, 2024 have been prepared strictly in terms of RBI Circular on “**Master Direction on Financial Statements-Presentation and Disclosures**” (Ref. No. RBI/DOR/2021-22/83/DOR. ACC.REC.No.45/21.04.018/2021-22 dated 30th August, 2021).

It is to be noted that the following members were elected as the members of the Board of Directors of the Bank vide 95th AGM -2021 as under –

The Eastern Railway Employees' Co-operative Bank Ltd.

Shri K.S. Bandyopadhyay	Chairman
Shri G.Dewanji	Vice Chairman
Shri M.K.Suri	Director
Shri B. K. Singh	Director
Shri S. Ghosh	Director
Shri S. Kumar	Director
Smt. R. Das	Director
Shri A.K. Baitha	Director
Shri S.Dutta	Director
Shri K.D.Yadav	Director
Md.Wahabuddin	Director
Shri T. Nandi	Director

However, Shri K.S.Bandyopadhyay, Chairman and Shri M.K.Suri and Md. Wahabuddin, Directors have already retired from the service of Railway and Vice-Chairman Shri G. Dewanji had tendered his resignation from the post of Vice-Chairman as well as from the post of Director during this period.

Since both of the Chairman and Vice-Chairman of the Bank are not available in the meeting, at the very outset Chairman of this AGM is to be selected amongst the other members of the Board of Directors present here and the meeting will be commenced with the permission of the Chair.

The working report should not be initiated without conveying the heartfelt thanks and gratitude towards the esteemed Railway Administration for having their kind and active patronage throughout the year. We are also thankful to the Delegates, Shareholders as well as Staff-members of the Bank who have helped us to achieve more and more improvements in the working of the Bank and in rendering banking services so far as possible at par with the other Commercial Banks to our esteemed members / customers. We are sincerely grateful to all of them.

The Eastern Railway Employees' Co-operative Bank Ltd.

1. The Managaing Committee /Sub-Committee & Zonal Committee Meeting :-

The Managing Committee & Sub-Committee Meetings held during the year under report and the preceding year are shown below:-

Name of Meetings	2022-23	2023-24
Managing Committee	09	11
Audit Committee of the Board	08	10

2. Financial Position :

(Rs. in Lakhs)

a) Working Capital:-

As on 31.03.2022	- Rs. 177573.04
As on 31.03.2023	- Rs. 180373.82
As on 31.03.2024	- Rs. 178488.91

Deposit:

(Rs. in Lakhs)

Sl. No.	Particulars	31.03.2022	31.03.2023	31.03.2024
1.	Fixed Deposit	58045.32	56894.26	49426.87
2.	Savings Bank	20400.61	20300.48	19616.13
3.	C.R.B.D	29432.55	31046.79	33781.57
4.	Recurring Deposit	3186.90	3239.53	2954.97

The Eastern Railway Employees' Co-operative Bank Ltd.

The deposit profile of the branches during the years 2022-23 & 2023-24 were as under:

2022-23

(Rs in Lakhs)

	FP	HWH	LLH	ASN	DHN	JMP	DNR	MGS
SB	2623.87	3333.00	3801.29	1908.82	1403.38	3001.90	1889.60	2338.60
FD	17867.17	8964.66	10075.92	4737.99	4841.29	5024.83	2902.62	2798.52
RD	496.71	407.90	630.65	540.61	269.41	360.95	181.43	351.87

2023-24

	FP	HWH	LLH	ASN	DHN	JMP	DNR	MGS
SB	2683.21	3121.34	3833.16	1782.28	1349.54	2891.00	1828.72	2126.88
FD	14451.42	7957.00	8882.52	4442.67	4440.10	4372.10	2454.72	2426.34
RD	437.70	345.89	568.12	554.48	240.49	294.63	170.09	343.57

(Rs in Lakhs)

Sl. No.	Particulars	31.03.2022	31.03.2023	31.03.2024
1.	Statutory Reserve fund	8615.33	9249.16	10520.34
2.	Reserve for Bad & doubtful debts	3815.26	4040.65	4492.94
3.	Stability Fund	922.38	959.76	1003.24
4.	Reserve for Building development fund	544.37	545.37	546.37

The Eastern Railway Employees' Co-operative Bank Ltd.

Comparative Position of Bank Deposits with other Banks and Investment Portfolio of the Bank as on 31.03.2023 and 31.03.2024:-

As on 31.03.2023	Investment	As on 31.03.2024
(Rs. in lakhs)		(Rs. in lakhs)
2000.00	FD with West Bengal State Co-op. Bank Ltd.	2500.00
0.01	Share in WBSCB Ltd.	0.01
81702.71	GOI/SDL Bond	81475.12
15037.22	Treasury Bills	3397.60
500.00	Call/Notice money	5000.00
3000.00	FD with Bank of Baroda	3800.00
3026.21	FD with Bandhan Bank	2026.22
589.00	FD with Punjab & Sindh Bank	2900.00
2000	FD with Punjab National Bank	0.00
31.02	FD with Canara Bank	31.02
107886.17	TOTAL	101129.97

The Cash Balance in Current Accounts with different Banks in the name of the Bank are appended below:-

(Rs. in Lakhs)

Current Account	As on 31.03.2023	As on 31.03.2024
Cash at Bank (including Branches)	7790.80	8013.60

The Eastern Railway Employees' Co-operative Bank Ltd.

3. Non-Performing Assets :-

The better position of NPA recovery has been achieved only through constant follow up with the defaulting borrowers resulting in reduction of Gross NPA from 5.57% (as on 31.03.23) to 4.60% (as on 31.03.24) and the NPA amount drastically reduced from Rs.31.73 Crores to Rs. 27.73 Crores. In this issue, the members of the Board of Directors of the Bank are thankful and grateful to respected Shri K.K. Goyal, F.A & C.A.O (F&B) / E.R- Nominated Director, for his perpetual guidelines through his active participation in the frequent ONLINE meetings with the H.O Officials and the Branch Heads and Branch Recovery Officials. His continuous support to take different measures to contact the defaulting borrowers directly is the key factor for reducing the gross N.P.A both in percentage and amount.

4. Flow of Loan Applications :-

The Bank has disbursed Rs. 42425.55 lakhs against 8007 applications during the financial year 2023–2024 against the previous year's figure of Rs. 42536.07 lakhs. It will be not out of track to mention here that the quantum of Loan has been increased from Rs.6.00 lakh to Rs.8.00 lakh after having the necessary concurrence of the Central Registrar of Co-op. Societies, Ministry of Co-operation, Govt. of India and Reserve Bank of India, Regional Office, Kolkata and the enhancement of loan amount was given effect from the date of 22.04.2024 It is assured that the next financial year i.e. 2024-25, the growth of Loan amount will be substantially increased due to enhancement of quantum of loan amount.

5. Membership of the Bank

Year wise figure of membership of the Bank in the last three years are as under:

Year	Membership No.
2021-2022	88,124
2022-2023	84,454
2023-2024	59,588

In this issue it is to be kindly noted that since the membership is restricted to the employees of Eastern Railway and East Central Railway as per Bank's Policy, it means as soon as the person concerned is no more with the service of the Railways by virtue of retirement, death and / or whatever the cause may be, he will not be a member of the Bank. Accordingly, the Bank shall cease the membership of the members on the date of their superannuation. Reviewing the issue, it was revealed that as on 31.03.2024, the number of active member was 59,588 and this number was initially sent to Central Registrar of Co-operative Societies, Ministry of Co-

The Eastern Railway Employees' Co-operative Bank Ltd.

operation, Govt. of India, New Delhi for the Election purpose.

A comparative position of new admission as well as withdrawal/ cessation as per Bye Law during 2021-2022 to 2023-2024 is given below:

Year	New Admission	Withdrawal/Cessation
2021-2022	1042	5098
2022-2023	2173	5843
2023-2024	946	25812

Here, it is also to be noted that Admission of New Member was stopped on and from 08.12.2023 due to issue of Election of Delegate which has been resumed since after publishing the Final list of Contesting Candidates w.e.f.20.06.2024.

6. Claim Cases:

	Claim cases preferred	2022-2023	2023-2024
(i)	(a) Total No of claim cases preferred	255	215
	(b) Amount involved	Rs. 6,75,69,184/-	Rs.5,94,96,476/-
(ii)	Claim amount realized (DCRG)		
	(i) No. of cases	196	152
	(ii) Amount involved	Rs.4,92,01,646/-	Rs.4,31,63,683/-

7. Legal Matters:-

No cases related to claim settlement are pending in the court of Law. However, the statistics is appended below mentioning the no. of grievances related to excess recovery refund, adjustment of Share-Refund/ CRBD/ Loan Closure etc.

The Eastern Railway Employees' Co-operative Bank Ltd.

Top five grounds of complaints received by the bank from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days	
1	2	3	4	5	6	
Current Year						
Ground - 1	30	88	(32.31%)	11	10	
Ground - 2	1	70	20.68%	13	12	
Ground - 3	0	0	0.00	0	0	
Ground - 4	0	0	0.00	0	0	
Ground - 5	0	0	0.00	0	0	
Others	14	54	0.00	10	10	
Total	45	212	4.43%	34	32	
Previous Year						
Ground - 1	0	130	12900	30	29	
Ground - 2	0	58	5700	1	1	
Ground - 3	0	0	0.00	0	0	
Ground - 4	0	0.00	0.00	0	0	
Ground - 5	0	0.00	0.00	0	0	
Others	0	15	0.00	0	0	
Total	0.00	203	0.00	45	44	

a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman

Sr. No	Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
	Complaints received by the bank from its customers	0	0
1	Number of complaints pending at beginning of the year	45	0
2	Number of complaints received during the year	212	203
3	Number of complaints disposed during the year	223	158

The Eastern Railway Employees' Co-operative Bank Ltd.

	3.1 Of which, number of complaints rejected by the bank	Nil	0
4	Number of complaints pending at the end of the year	34	45
	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	13	12
	5.1) Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	10	3
	5.2) Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	3	0
	5.3) Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	Nil	9
	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	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.

8. Segregation in Suspense A/c:

Though for the last few years some of the Accounts were shown under the head Suspense A/c. clubbing some pending unadjusted accounts, in this year for better understanding and more transparency the said accounts as reflected in the Audited Balance-Sheet are also shown here in under following the principal of preparing the Balance-Sheet.

(Rs. in Lakhs)

Accounts Head	2021-2022	2022-2023	2023-24
Loan & CRBD Recovery Unadjusted	268.62	263.98	239.37
Loan Excess Accumulated	867.90	844.37	810.56
CRBD Excess Accumulated	177.19	176.68	174.64
Excess Recovery (Loan & CRBD)	795.93	684.43	649.87

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The Bank is well aware about settlement of pending cases of Refund towards the Excess Recovery to the valued members. Though it was mentioned in the last year's report that a reputed Chartered Accountant Firm was assigned to find out and certify the excess recovery amount but no positive result achieved. However since the Bank has considered that the Refund of Excess Recovery is an Ongoing Process and as and when the applications of the Borrowers-Members supported by documents are matched with the accounts of the Bank, the process of refund is expedited. As revealed the unadjusted figures occurred before implementation of CBS System resulting the transactions were not entered both in General Ledgers and Personal Ledgers on Real Time basis. However, on implementation of Core Banking Solution in the bank all the transactions are impacting simultaneously both the GL & PL and there is no scope of recurrence of such difference.

Amount of Credit-Suspense was also reviewed by the Board and decided to exhibit the amount of Credit balance of each account in the Balance-Sheet and as reflected in the audited Balance-Sheet as on 31.03.2024, the Accounting Heads of those respective accounts are furnished here in under for better understanding and transparency.

Sl. No.	Name of the Accounts	Sl. No.	Name of the Accounts
1.	Loan & CRBD Unadjusted	6	Share and CRBD Refund Account
2.	Unpaid Misc. Pay Order	7	Excess Recovery (Loan & CRBD)
3.	Loan Excess Accumulated	8	Outstanding Miscellaneous Pay Order
4.	Short / Excess Accumulated	9.	Railway Remittance Pending for Recovery
5	CRBD Excess Accumulated		

It is also revealed that the unadjusted accounts are lying pending for a long period of time due to non-receipt of proper details of the beneficiaries from the Railway Authorities. It is revealed that those differences occurred in General Ledger Balances with Personal Ledger balances stand, as the Credit Balance in the General Ledger of those Accounts are higher than the sum total of Personal Ledger Balances of respective Deposits Accounts. If the balances of G.L. Heads of the respective Deposit account were less than the sum total of Personal Ledgers of the Deposit Accounts, the differential amount should have treated as Debit Difference and for that necessary provision should also have to be made by Debiting Profit & Loss Account.

However, as the differences which stands in the Credit side, no provision is required. Moreover, the Credit balance of differences in General Ledger and Personal Ledgers

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have not been netted with the differences with GL-PL stand as Debit. So required provision as already provided by debiting the profit & Loss Account in the earlier years has not been affected by any means. Further, all the accounts under the heads of difference in GL-PL Credit balances of the respective Deposits Accounts have been sealed by the Bank authority under the supervision, control and monitor by the Senior Officials of the Accounts Department. There is hardly any scope to make any fraudulent transactions at Branch level and / or at H.O level as permission is required in writing from the higher Management for making both Debit and Credit entries in these accounts.

On the other hand, it is revealed that the accounts related to differences in GL-PL Credit Balance have not been created through Profit & Loss account. As such, the Bank cannot write back the amount towards the said differences in GL-PL Credit Balance to the Credit of Profit & Loss A/c considering the Liabilities are no longer required.

In this circumstances, instead of clubbing separate Deposits Accounts under 'Suspense A/c – Credit Balance' which was shown in the Previous Year Balance-Sheet, all the Deposits Accounts' G.L with Credit Balances are shown separately in the Final Accounts as on 31st March, 2024 for better understanding as well as for initiating the Reconciliation process in near future.

9. Position of Railway Remittances:

Total Units	Remittances Received during	
	2022-23	2023-24
Head Office	1468.15	1508.37
Howrah	6175.92	6116.93
Liluah	2640.35	2694.37
Asansol	3782.71	3658.75
Dhanbad	2877.69	2983.22
Jamalpur	2149.02	2174.92
Danapur	2789.46	2873.69
Mughalsarai	3928.92	4034.74
Malda	1221.48	1317.39
Total	27033.70	27362.38

The Eastern Railway Employees' Co-operative Bank Ltd.

10. Amenities to the Staff Members:-

(a) The quantum of Staff Overdraft facility still stands @ Rs.5.00 lakh for the staff Members having the G.P –more than of Rs.2, 800/- and stands at Rs.3.00 lakh for the staff having the G.P-less than of Rs.2,800/- with effect from September, 2021.

(b) Though there was a budgetary provision for Staff House Building Advance, no HBL was granted to any staff-members during the year 2023-24

(c) Providing Medical Insurance facilities: - The Medical Insurance facility covering @ Rs.10.00 lakh per year per staff including their dependent family members still in existence. However for this year the Medical Insurance Coverage policy has been tied-up with National Insurance Co. Ltd. While reviewing the scenario of increasing Medical Expenditures, Retired Staff-members have also been brought under the coverage of Medical Insurance with a sum of Rs.5.00 lakh per year. The said Policy is also now tied up with National Insurance Co. Ltd. The enhancement of coverage of Medical Insurance amount to the Retired Staff-Members has gave a positive relief to them to a great extent.

(d) The enhanced ceiling of Payment of Gratuity from Rs.10.00 lakh to Rs.20.00 lakh has already been implemented in the Bank and accordingly the Payment of Gratuity amount is being made to the retired staff-members. The Payment of Gratuity has also been tied up with the Life Insurance Corporation of India under the Group Gratuity Scheme. The scheme provides not only the payment of Gratuity to the staff-members at the time of retirement but also provides the life coverage facility in case of death of the employee during the tenure of service, even if death is occurred before completion of five years of service. .

(e) The Leave Salary for 300 days (maximum accumulation) which is paid to the Staff-members as retirement benefit has also been tied up with Life Insurance Corporation of India under their Group Leave Insurance Policy. In this scheme the L.I.C.I authority will not only pay the leave encashment amount to the retiring employees of the Bank but in case of death of any employee while in service they will also pay an additional amount of Rs.2.00 Lakh to the recorded nominee of that deceased employee.

This life coverage benefits towards Gratuity and Additional Amount towards Leave Encashment had already been provided to the nominees of the deceased staff-members who had passed away after introducing the scheme i.e. since 2018.

(f) An amount of Rs.21.00 lakh was provided for Bonus & Ex-gratia for the eligible staff-members for the year 2022-2023 and the amount of Rs. 19.68 Lakhs was paid for the year 2022-23.

(g) The Retired Staff Members of the Bank who were not the members of the E.P.F.O (Employee's Provident Fund Organization) are entitled to have an allowance named as 'Subsistence Allowance' (S.A) @Rs.2, 000/- per month. However, there was also a long pending demand of the Employees Union to introduce the Subsistence Allowance (S.A) to all the retired employees of the Bank. Considering their (Employees Union) perpetual request and to review the hike-up of the market price and since there is no Pension Scheme to the retired staff-members from Bank's end, the Management decided to introduce the Subsistence Allowance to its retired employees even who had joined in the E.P.F.O, will also get a Subsistence Allowance (S.A) @Rs.1000/- per month subject to compliance of some criteria. After that, the employees union had continued discussion with the management with demand to equalize allowance of all the retired employees. As the employees who had participated in the E.P.F.O. was getting pension out of their own deposited amount, it cannot be considered as a superannuation assistance paid by the bank.

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After considering all the aspects in this regard management has decided to pay the Subsistence allowance @ Rs.2000/- Per Month to all the retired employees with effect from 01.01.2024.

11. PAYMENT OF ONE TIME RELIEF TO DECEASED MEMBERS :-

During the period under review one time relief @ **Rs.5,000/-** has been paid to the legal heir of **37** no. of deceased members amounting to **Rs.1,85,000/-** during the financial year against 42 no. of deceased members amounting to **Rs.2,10,000/-** was paid in the previous year (2022-23).

12. TRAVELLING ALLOWANCE TO THE DIRECTORS :-

A sum of Rs. 1,33,180/- was paid as T.A to the Directors for attending the various meetings during the year 2023-24 as against Rs. 1,06,720/- for the year 2022-23.

13. Recruitment:

(a) To mitigate the shortage of Staff, the Bank already filled the following posts by recruiting through IBPS (**Institute of Banking Personnel Selection**)-

1. Officer – 1
2. Manager – 4
3. L.D.C Multi-designated) 15

However, during the year, 4 (four) newly recruited candidates left the job by submitting the resignation and as per Service Bond they have duly paid Rs.1, 00,000/- each to the Bank. It should be mentioned here that there was a Panel of Candidates of nine (9) candidates. The vacancies of four candidates as stated were duly filled in from the Panel candidates and since two (2) candidates didn't join at all expressing their unwillingness, though selected for, those two (2) candidates were also taken from the Panel candidates at the very outset. The tenure of Panel has expired on 22.05.2023.

(b) Since the size of the business of the Bank is the largest in the Eastern Region in respect of Urban Co-operative Bank the two Independent Officers (as appended below) as per mandatory advice of R.B.I have been recruited on contractual basis and it was mentioned in the earlier report.

- i. Compliance Officer
- ii. Risk Analyst

The Recruitment of two Officers as stated since complied the RBI's requirement, it gives a good impression to RBI regarding Internal Control System of the Bank and the rating of Bank as awarded by RBI is upheld. However, the Risk Analyst left the job in the month of January, 2024, tendering her resignation. Since the post was created as advised by RBI, the vacancy of Risk Analyst is to be filled in as early as possible.

During the financial year 2023-24, two Chief Managers of the Bank retired from service and to fill up the vacuum to some extent, management of the bank decided to recruit on contractual basis two officers, preferably having experience in the field of Banking and Accounts. Accordingly, advertisement was floated and after observing due formalities of Walk-In-Interview one retired Deputy General Manager of Nationalized Bank and One Cost Accountant are appointed on contractual basis. Their performance in daily banking and finance are found to be satisfactory. In modern banking scenario the bank needs to move towards providing the latest banking products to the customers and also by strictly adhering to the Rules and Regulations of R.B.I. In order to achieve that in a speedy manner these officers are recruited.

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(c) The Bank has also decided to recruit the staff of Group D in future through any reputed Agency meant for selection of Personnel in consultation with RBI and / or C.R.C.S / Ministry of Co-operation / Govt. of India / New Delhi.

14. ACHIEVEMENT OF THE BANK IN THE FIELDS OF BANKING OPERATIONS:-

The bank has already obtained eight IFSC (Indian Financial System Code) No. from R.B.I. which have already been informed to the customers. It is observed that a large no. of customer have been availing of the fund transfer facilities from other banks to their accounts with our Bank and/or from the accounts with our Bank to the accounts of other Banks. The fund transfer facility which is called NEFT/RTGS is now a very popular mode of transaction at all the eight branches.

Since the Bank has also obtained separate eight MICR (Magnetic Ink Character Recognition) No. from R.B.I. for the eight branches, the customers are now provided cheque book facility mentioning their name & A/c No. within the shortest possible time. It has also been noticed that no. of customers for having the cheque facilities are being increased day by day at all the eight branches.

The details of IFSC & MICR No. once again furnished have in under for kind information, records and ready reference of the esteemed delegates.

Sl.No.	Name of the Branch	IFSC No.	MICR No.
01.	F.P	HDFC0CECB01	700 880 002
02.	HWH	HDFC0CECB02	700 880 003
03.	LLH	HDFC0CECB03	700 880 004
04.	ASN	HDFC0CECB04	713 880 002
05.	DHN.	HDFC0CECB05	826 880 002
06.	DNR	HDFC0CECB06	800 880 002
07.	JMP	HDFC0CECB07	811 880 002
08.	MGS	HDFC0CECB08	232 880 002

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Taking the advantage of CBS system the bank successfully disburses the loan within one or two days. Moreover, if the applicant borrower is a Saving Bank A/c holder in any of our branches, the disbursement of the loan amount in most of the cases are being done within the same date. The bank is giving emphasis on processing of new member application & disbursing refund of share and excess recovery within the shortest possible time.

Since the Bank is a sub member of NPCI, CTS clearing house through HDFC Bank, we are now able to participate in clearing both in southern grid and northern grid. We have pleasure to announce that in the Eastern India we were the 1st Urban Co-operative Bank to participate in the multiple clearing grid i.e. Southern & Northern. However, presently all of the grids are merged so the CTS clearing operation of our bank like other banks is regulated by NPCI through a single grid only.

Now any account holder of any Branch may deposit the Cheque in any Branch for outward clearing and if the Cheque is honoured, the credit effect would be automatically given in his account.

In the report of the last year, it was stated that the Bank was getting ready to cater the service of RTGS / NEFT from the Branches. Yes, the full-fledged service related to NEFT / RTGS is now going on, in our all Branches. Now the Branches are self-sufficient to debit the customers' account and to remit the same to the beneficiaries directly from the Branches. The customers are having confirmation SMS immediately after completion of the transactions.

Moreover, it is a pleasure to inform you that the Bank has obtained the permission of RBI for installing nine (9) ATMs at the following places.

Sl. No.	Places where ATM will be installed	Status of the ATM
1.	Howrah Rly. Stn.	Off-site
2	F.P Br	On-site
3.	LLH. Br.	On-site
4.	ASN. Br.	On-site
5.	DHN. Br.	On-site
6.	DNR. Br.	On-site
7.	JMP. Br.	On-site
8.	MGS (DDU) Br.	On-site
9.	ADMN. Office	Off-site

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Initially one ATM has already been installed at ADMN. Office of 10, Strand Road, Kolkata-700001. Respected P.C.P.O / E.Rly. Zarina Firdausi Madam inaugurated the 1st. ATM counter of the bank on 22.09.2023, Respected General Manager R.B.I –Dr. Satyajit Deb, Respected F.A & C.A.O Shri K.K. Goyel, respected C.P.O /E.Rly. Smt. J.P. Kusumkar Madam were also present at the said grand occasion.

The Bank has already started dialogue with the RBI authority for having their kind permission for introducing the Mobile Banking operation (view only) and is expected a positive result in this regard. We are hopeful that we are able to cater the mobile banking service (view only) by the end of the current Financial Year.

Once again it is stated that the management of the Bank is giving its best effort to update the Bank by introducing modern technology for the benefit of the members / depositors.

The Loans are now being scrutinised and disbursed at the end of Branches. We are sure that everybody will appreciate the existing procedure of the loan.

It was already mentioned in our earlier report that after a long time two non-computerised branches i.e. Danapur&Jamalpur had also been successfully computerised. To regularise the difference in GL/PL at Jamalpur Branch,Forensic Audit was initiated and the Report submitted by the Auditors was forwarded to RBI.

The Auditors commented that the documents required for audit are very old and to some extent not-eligible to read. As advised by the Forensic Auditors, all the records related to Personal Ledgers of the Depositors have been brought from JMP. Br. to Admn. Office of the Bank. Now as decided by the management of the Bank, the loose-leaves of the old ledgers are being scanned to arrange to keep the records methodically for proper binding for the purpose of re-commencement of the Audit and Reconciliation. The entire issue was informed to RBI.

The issue of CIBIL score is a matter of concern. As per RBI it is mandatory to download the Credit history of the intended Borrowers and it must be verified from the four Credit Information Co. though we have obtained the membership of all four Credit Information Cos. viz.

- M/s. Credit Information Bureau (India) Limited (CIBIL)
- Equifax.
- Experian.
- CRIF Highmark,

The Bank at present verifies the Credit score with the CIBIL only.

As per RBI's repeated instructions, the Bank has started to upload the Credit status of the Borrowers since January-2023 and there was a dispute related to uploading the credit status of the borrower. Since as per prevailing practice of the Bank, the first EMI deduction is started not considering the 30 days norms as per IRAC norms of RBI which is acknowledged by the CIBIL as 'Delayed Payment' resulting in affecting the credit score of the Borrowers/ Sureties. Considering the gravity of the issue, the matter was repeatedly referred before the CIBIL authority to treat the status of the Loans as STANDARD, so that the CIBIL score of the borrowers / sureties would not be affected. Though initially, the CBIL Authority did not heed upon the request of the Bank, later on after a prolong discussion with the CIBIL authority, the issue has been resolved. The inconvenience caused due to CIBIL score was extremely regretted by the management of the Bank. However, at present there is no adverse issue related to CIBIL score.

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It is our earnest request to all our esteemed members who have not yet opened SB accounts with E.R.E.C.B. Ltd. (The Eastern Railway Employees' Co-operative Bank Ltd.) to open the SB account to any of our branches according to their convenience.

15. Status of CBS System:-

Status of CBS System

We are pleased to report that our bank has made significant strides in enhancing our Core Banking Solution (CBS) software, which has enabled us to provide improved services to our customers and strengthened our overall operations.

All of us may recall that, we successfully implemented the CBS software from M/s V-soft Technologies in 2019, which enabled inter-branch transactions where customers can withdraw amounts from any of our branches up to Rs. 49000/-, SMS notifications of transactions, and increased cash withdrawal limits.

However, as we continue to grow and expand our services, it is realized that the CBS software was not meeting our evolving requirements. Therefore, we made the strategic decision to migrate to a new and more robust CBS software from M/s V-soft Technology to M/s BSG IT Soft PVT. Ltd. in May 2022.

The new CBS software has enhanced security features that comply with all Reserve Bank of India (RBI) requirements, ensuring a higher level of safety and reliability for our customers' transactions.

This has also enabled us to introduce new facilities such as loan processing, new membership, and Share Value Refund (SVR) from branches, all of which are now available to our customers within a short timeframe.

One of the notable benefits of the new CBS software is the ability to post recoveries on time. We are now able to post recovery amounts within the first week of the month, and with excess recovery amounts directly credited to our shareholders' savings accounts.

The CBS system also provides us with real-time Management Information System (MIS) reports, enabling us to monitor our financial position and make informed decisions on bank policies.

We are able to pay Dividend to the Shareholders directly to their accounts.

Furthermore, with the CBS software, we have successfully introduced ATMs, which have been well-received by our customers. In the near future, we plan to introduce additional features such as Account transfer from one Branch to other Branch, National Automated Clearing House (NACH), Unified Payments Interface (UPI), Immediate Payment Service (IMPS), and a mobile application, subject to RBI approvals.

We would like to take this opportunity to express my gratitude to our shareholders for their continued support and trust in our institution. We are committed to leveraging technology to enhance our services and deliver high-end banking products & services to our customers.

16. Cyber Security

As part of our commitment to ensuring the safety and security of our customer data, we would like to provide an update on our existing cyber security policies and measures. As per the RBI Comprehensive Cyber Security Framework for Primary (Urban) Cooperative Banks (UCBs) notification on December 31, 2019, we are pleased to confirm that our bank has been categorized as Level 1.

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In addition to the controls prescribed by the RBI, we have implemented several bank-specific measures to enhance our cyber security posture. These include:

Implementing a bank-specific email domain with DMARC controls to prevent phishing attacks and unauthorized access. Introducing two-factor authentication for our Core Banking System (CBS) to add an extra layer of security.

Installing firewalls at all 8 branches to prevent unauthorized access and restrict internet access to social media and other non-essential websites.

We are using Secure Tunnel to access our CBS and ATM services which only can allowed user to get system access with in the Bank premises network.

Creating policies in our endpoint security to prevent unwanted access and restrict internet access.

Since we do not have any servers in-house, there is no scope for unauthorized access to our data. Our CBS vendor is responsible for the protection of our data, including data backup and disaster recovery systems, which are compliant with the Data Protection Act.

We have also conducted IS (Information Security) audits and VAPT (Vulnerability Assessment and Penetration Testing) with CERT-in Empanelled Auditor as per the RBI guidelines.

The purpose of the Audit was to evaluate adherence and the level of compliance to the requirements as defined in RBI guidelines. In addition, the audit aimed at examining any areas of potential improvement or inconsistencies in order to propose corrective or proactive/improvement actions with respect to ISO standard Information Security (ISO/IEC 27001:2013) and that all actions from the previous audit were followed-up. The Audit was conducted covering all the frameworks and domains detailed mentioned in the RBI guideline.

We are committed to maintaining the highest level of security and protecting our customers' data. We believe that these measures demonstrate our commitment to meeting the RBI's cyber security standards and protecting our bank's reputation.

17. Other activities

The issue of winning the Award by NAFCUB (National Federation Of Urban Cooperative Banks And Credit Societies Limited) already informed to the esteemed Delegates and Shareholders of the Bank in the earlier occasions. A gorgeous Memento was handed over to the Chairman of the Bank by respected Shri Amit Shahji, Hon'ble Minister of Home & Co-operation Affairs – (Govt. of India) on 23rd June, 2022 at VigyanBhawan, New-Delhi for excellent performance in the field of Co-operative Banking for more than 100 years. The Award was dedicated by the management of the Bank to the founder members of the Bank, all other former and existing Shareholders (Members) / Customers, Delegates as well as the former and the existing Staff-Members of the Bank.

The Board of Directors desire to share the joy of another remarkable achievement.

The Bank bagged another prestigious National Award, named '**Frontiers in Cooperative Banking Awards (FCBA)**' as rewarded by '**Banking Frontier**' at their '**National Cooperative Banking Summit(NCBS)-2023**' in the Category of '**Best H.R Innovation**' in the month of October-2023 in Goa.

Besides, the renovation of Jamalpur Branch which gave a new look with a specious lounge for the Shareholders and the Customers of the Bank was completed successfully

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and the new premise was inaugurated by the respected Chief Works Manager/ JMP. Workshop/E.Rly.-Shri Sudarshan Vijay on 16.10.2023. The management of the Bank conveyed their heartfelt thanks and gratitude to the CWM Sir and all other Officials of the JMP. Workshop for rendering their kind and active co-operation for renovating the JMP. Branch Premise. We are also thankful and grateful to our Shareholders and customers of JMP. Branch for bearing tremendous difficulties for a long time while having the banking service at the old premises of the JMP. Branch with smiling faces.

The civil work related to renovation of entire premises of Administrative Building of the Bank is almost completed. Replacing of an old Lift, a new Lift made of OTIS Elevator has also been installed, though it is still not in use. Trial run is going on. Apart from this, an Auditorium on roof-top of the Admn. premises has been structured and the jobs related to civil and electrical are almost completed but has not been officially inaugurated. The new Board which is going to be formed will take the decision in these issues. The Board of Directors desire to share the joy of other two remarkable achievements. One is that on the basis of the satisfactory Inspection Report of the Bank as on 31st. March, 2021, R.B.I has continued to mark us as **Higher Rated Bank** and another one is that considering our performances related to banking affairs as well as financial affairs, R.B.I has given its kind assent to open two new Branches one at BWN and another at MLDT. (Ref. R.B.I letter No.KOL.DOS.EXG.No.S1218/04-04-047/2022-23 dt.25.07.2022). The Bank has already started to make the necessary correspondence with respected D.R.Ms -HWH & MLDT for providing suitable places to open the Branches.

It was a long pending issue, particularly Delegates of MLDT. Division raised their justified demand since a long back for opening of a branch at MLDT. Approval obtained from RBI and the Bank is vigorously following up the issue with Railway Authority for opening of Branch at MLDT and BWN while requesting to allot a place suitable for opening of branch but the Railway Authority has offered alternate place. The relevant discussion is under process in between the Bank and the concerned Railway Authorities. The issues are expected to be resolved shortly and the two Branches would be opened shortly. It is expected that new Board which is going to be formed on 19.08.2024, shall give much more emphasize on the issue to meet up the long pending demand of the shareholders.

The issue of cash vault at DDU (MGS) Branch is under sincere review of the management. The issue has not yet been resolved. However, for the interest of the share-holders / depositors of the Bank it is a deep concern of the Management. The Management assures to resolve the issue with utmost sincerity and within shortest possible time. It will be a task of new Board to resolve the issue through discussion with competent Railway authority of DDU division, giving top most priority.

The Bank will always remember the immense co-operation being rendered by the Railway Authority both Eastern Railway and East Central Railway, through their kind patronage which are essential part to operate the banking activities within the Railway premises for the welfare of Railway people.

In this connection we should mention the kind and active patronage of respected Shri K. K. Goyal, F.A. & C.A.O / E. Rly – the Nominated Director of the Bank. He not only attended the M.C. Meeting held on 29.07.2022 at the Bank, all the Members of the Board were kindly invited by him on 24.04.2023 at the Meeting Room at Fairlie Place (H.Q) of E. Rly for a short discussion related to banking affairs. Through power point presentation, the growth of the Bank in the different banking fields as well RBI's Satisfactory Report were

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placed before him and he expressed his satisfaction to a large extent. He is continuously rendering his kind and active co-operation to the Bank by discussing with the members of the B.O.D frequently. Regarding investment of Bank's surplus Fund his prudent opinion is regularly sought for.

For better customer service and for providing the technical support to the Branches the Admn. Office of the Bank is now open from Monday to Saturday since the end of 2018. We feel proud to mention frequently that the Bank was open during the horrible Covid-Pandemic situation as the organisation is committed for providing the essential service to the Public (Railway people- our esteemed Members / Customers), even we have lost three of our esteemed colleagues during the pandemic period. Their memories will remain evergreen to all of us. Their glorious death is the symbol of the dedication of uninterrupted service to our esteemed members.

However, with reference to the matter related to fraud occurred at JMP. Branch as mentioned in the last two year's reports, it is to inform once again that on the basis of the report of the Departmental Enquiry (where the charges framed against the delinquent employees have been proved), punishment to the extent of removal from service was awarded. However, the matter is still under sub-judice in Hon'ble High Court, Calcutta.

It may kindly be noted that the Management of the Bank are firm to opine that there would not be any compromise in case of any type of fraud committed by any one (either insider or outsider) . It is the prime duty of the Board of Directors to safeguard the interest of the esteemed Members and Depositors of the Bank. Simultaneously it is assured by the Board of Directors to all the esteemed Members / Customers that the Shareholders' and other Customers' money are fully safe and secured with the Bank in all respects.

18. Dividend

We are well aware the bank could not release the dividend for 2017-18 due to not having the concurrence of RBI authority though an amount of Rs.9.50 crore had been kept aside as on 31.03.2018 for payment of dividend for the year 2017-18 if the concurrence of RBI is obtained.

For the year 2018-19 the amount of Rs.12,01,27,912/- has been kept for dividend payable @ 8%. However, RBI authority had allowed to release the dividend @1.63% only. And it has been released accordingly.

And for the year 2019-20 RBI had issued two Circulars dt. April 17, 2020 and Dec 04, 2020 to all Commercial Banks and Co-operative Banks advising not to make any dividend payment from the net profit pertaining to the financial year ended on March 31, 2020 due to ongoing stress and heightened uncertainty on A/c of Covid-19. As a result our Bank was unable to pay any dividend despite of making huge profit as on 31.03.2020. However, it is assured that if in future this restriction is withdrawn by RBI, the dividend will be released accordingly.

As the financial status of the Bank was improved in 2020-21 to a great extent there was no restriction from the RBI regarding declaration of Dividend. Accordingly, on the basis of the available Net Profit and with the concurrence of the 96th A.G.M the Bank declared the Dividend @6.50 % and it was released accordingly.

For the year (2021-22) the Bank has also made Net-Profit and the Dividend was declared and approved in the 97th A.G.M. @ 6.50% was also released.

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For the financial year 2022-23 the Dividend was declared and approved by the 98th AGM was @ 7%.

Now for the financial year 2023-24, since Declaration of Dividend is an Agenda item, it would be placed in the 99th A.G.M for the approval of the House.

In this issue it is humbly stated that since the last few years the Bank is crediting the Dividend amount to Shareholders' S.B. A/c maintained with the Branch/es immediately after declaring and processing whereas the Dividends payable to the Shareholders who do not have any Savings bank A/c. with any of the Branches of the Bank, it is a time taking process for remitting the Dividend to their Bank Accounts as per Bank details available with the Bank or as will be provided by them in future. To avoid this lengthy process the esteemed Shareholders, who do not have any Savings Account with this Bank, are earnestly requested to open the Saving Bank A/c immediately not only for having the Dividend instantly but also to have multiple modern banking facilities which will be provided shortly.

19. Banking Regulation (Amendment) Bill, 2020 & the Multi-State Co-op. Societies (Amendment) Act, 2023 (with effect from 03.08.2023)

The Union Cabinet approved inclusion of Co-operative Banks under supervisory powers of the Reserve Bank of India and accordingly the Banking Regulation (Amendment) Act, 2020 has been passed and duly notified on the 29th September, 2020.

According to the new act, as amended, for better management and proper regulation of co-operative banks and to ensure that the affairs of the co-operative banks are conducted in a manner that protects the interests of the depositors, by increasing professionalism, enabling access to capital, improving governance and ensuring sound banking through the Reserve Bank of India.

Further amendments were also made in Section 45 of the Act to enable the Reserve Bank of India to make a scheme to protect the interests of the public, the banking system, and depositors or to secure the banking company's proper management, without first making an order of moratorium so as to avoid disruptions in the financial system. The Reserve bank of India will also have the power to supersede the Board of such banks by taking charge of certain banking actions for an interim period, but such can be done only when the bank in question is found to be in an exceptional circumstance. Such a move would not only give the RBI more power to regulate cooperative banks but also safeguard the money of the depositors. Through the amendment of Banking Regulations Act, 1949, the RBI will get more auditory and managerial powers over 1,482 Urban Co-operative Banks and 58 Multi-State Co-operative Banks.

It may please be noted that the newly amended BR act is in force. The RBI has already started to monitor the Co-operative Banks under the purview of B.R. act amendment bill 2020 and the Accounting process / Submission of Statutory Returns / Appointment of Statutory Auditors / RBI Inspection, Reporting etc. are being done as per B.R. Act, 1949, as amended in the year 2020.

It is a point of noting that The **Union Ministry of Cooperation** has been formed by the Government of India in July-2021. The ministry provides a separate administrative, legal and policy framework for strengthening the cooperative movement in the country. The ministry's creation was announced on 6 July 2021 along with its vision statement of "Sahkar se samridhi" (Prosperity through Cooperation). Before the creation of this ministry, the objectives of this ministry were looked after by the Ministry of Agriculture.

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The ministry works in strengthening co-operatives at the grassroots level, working to streamline processes for 'Ease of doing business' for Co-operatives and enabling the development of Multi-State Co-operatives (MSCS). Moreover, a D.O. Letter bearing no. R-11016/18/2022-CD dt.16th June, 2023 issued under the signature of the Hon'ble Minister of Home and Co-operation – Govt. of India, respected Shri Amit Shah, mentioning some steps have been taken by RBI to strengthen the Urban Co-operative Banks related to some significant points of banking affairs. It is also reported that a programme of 17th Indian Co-operative Congress was organized at PragatiMaidan in Delhi on and from 01.07.2023 to 02.07.2023 and Hon'ble Prime Minister of the country Shri NarendraModi had inaugurated the function and Hon'ble Minister of Home and Co-operation – Govt. of India, respected Shri Amit Shah and Hon'ble Speaker of the Parliament respected Shri OM Birla were present as the Guest Speakers. On the basis of invitation the Bank participated in the said programme, Hon'ble Prime Minister elaborately expressed the scope and role of the Co-operatives in the growth of economy of the country. The Hon'ble Minister of Home & Co-operation and Hon'ble Speaker Sirs, also expressed their positive view towards the co-operative movements.

Moreover, respected Union Home Minister and Minister of Cooperation Shri Amit Shah inaugurated the new building of the Office of the Central Registrar of Cooperative Societies (CRCS) **at the World Trade Centre, Naoroji Nagar, New Delhi-110029**, on 17.01.2024, On this occasion, Hon'ble Minister of State for Cooperation Shri B.L. Verma, respected Secretary of the Ministry of Cooperation Shri Gyanesh Kumar, Managing Director of the National Building Construction Corporation (NBCC) and representatives of Multi-State Cooperative Federation, Multi-State Cooperative Societies and Banks from across the country were present, where the Bank was also present as invited by the Office of Central Registrar, New Delhi.

Hon'ble Minister of Home and Co-operation Shri Amit Shah expressed in his speech as that the Office of the Central Registrar of Cooperative Societies will strengthen Prime Minister NarendraModi's resolve of 'Sahkar Se Samridhi'. A new era has started in the cooperative sector with new laws, new offices and a new transparent system in the Central Government. He added that CRCS will bring transparency and modernity in the cooperative sector. Ministry of Co-operation will fulfil the vision of developed India. Cooperative sector will become an important partner in Central Government's 5 trillion economy target. Modernization and smooth arrangement of offices is necessary for better work culture. Ministry of Cooperation has taken 60 major decisions in last 30 months, it will strengthen the rural economy in the coming days.

In this issue it is stated that Govt. of India – has amended the Multi-State Co-operative Societies Act to a major extent giving effect on & from 3rd. August, 2023 /4th. August, 2023.

The amendment establishes:-

- i. the Co-operative Rehabilitation Reconstruction and Development Fund for the revival of sick multi-state co-operative societies;
- ii. To appoint one or more Co-operative Ombudsman with territorial jurisdiction.
- iii. to improve the ease of doing business
- iv. to increase financial discipline
- v. to enable raising funds

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- vi. To make the governance of multi-state cooperative societies more democratic, transparent and accountable.
- vii. Others.

Besides, some Amendments under the following Sections of the M.S.C.S (Amendment) Act, 2023 are appended below for kind information of the esteemed Delegates.

Sl.No. 1. In section 28 of the principal Act, for the words “to the society in respect of membership,” the words “of all dues to the multi-State co-operative society including the payment in respect of membership or has availed such minimum level of product or services as specified in the bye-laws,” shall be substituted.

Sl. No. 2. In section 29 of the principal Act, for clause (b), the following clause shall be substituted, namely:— “(b) he fails to use the minimum level of the products or services as specified in the bye-laws for two consecutive years; or”. 12. In section 30 of the principal Act, in sub-section (2), for the words “one year”, the words “three years” shall be substituted.

Sl. No. 3. In section 41 of the principal Act, for sub-section (3), the following sub-sections shall be substituted, namely:— '(3) The board shall consist of such number of directors not exceeding twenty-one, as may be specified by the bye-laws, out of which one member shall be Scheduled Caste or Scheduled Tribe and two shall be women in the board of multi-State co-operative society consisting of individuals and having members from such class or category of persons:

Provided that the board may co-opt as members of the board having experience in the field of banking, management, co-operative management and finance or specialization in any other field relating to the objects and activities undertaken by such multi-State co-operative society:

Provided further that the number of such co-opted members shall not exceed two in addition to twenty-one directors specified in this sub-section.

(4) The co-opted directors referred to in sub-section (3) shall not have the right to vote in any election of the office bearers or be eligible to be elected as office bearers of the board.

(5) The functional directors in a multi-State co-operative society shall also be the members of the board and such directors shall be excluded for the purpose of counting the total number of directors specified in sub-section (3).

(6) No director of a multi-State co-operative society shall, as a director, be present in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of such society, if he or his relative is directly or indirectly concerned or interested in such contract or arrangement and no relative of any of the sitting directors of the multi-State co-operative society shall be recruited as employee including the Chief Executive of that society.

Explanation: For the purpose of this sub-section, the term, “relative” with reference to an individual, includes –

- (a) Spouse ;
- (b) father (including step father) ;
- (c) mother (including step mother) ;
- (d) son (including step son) ;
- (e) son's wife ;
- (f) daughter (including step daughter) ;
- (g) daughter's husband ;
- (h) father's husband ;
- (i) father's father ;

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- (j) mother's father ;
- (k) mother's mother ;
- (l) son's son ;
- (m) son's son's wife ;
- (n) son's daughter ;
- (o) son's daughter's husband ;
- (p) daughter's son ;
- (q) daughter's son's wife ;
- (r) daughter's daughter
- (s) daughter's daughter's husband ;
- (t) bother (including step brother) ;
- (u) brother's wife ;
- (v) sister (including step sister)
- (w) sister's husband ; and
- (x) Hindu undivided family.

(7) Any director of the board who violates the provision of sub-section (6), shall be disqualified for being a member of the board and deemed to have vacated his office from the date of meeting of the board as he referred to in the sub-section and such proceedings shall be deemed to be void.

SI No.4. In section 43 of the principal Act,— (i) in sub-section (1),— (a) in clause (a), after the words “to be insolvent”, the words “or has been a director of an insolvent company” shall be inserted;

(b) In clause (h), after the words “under this Act”, the words “or under any other Act specified in the Third Schedule” shall be inserted;

(c) After clause (n), the following clause shall be inserted, namely:— “(o) has been disqualified under sub-section (7) of section 41.”;

(ii) After sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) A member who has been a director of the board of any multi-State co-operative society or co-operative bank, where such board has been superseded, shall not be eligible to be elected as director of the board of another multi-State co-operative society or co-operative bank for a period of five years, from the date of such supersession: Provided that no member shall be declared ineligible under this sub-section unless an opportunity of being heard has been given to such member by the Central Registrar and declaration for ineligibility shall be made only after ascertaining that the member concerned has been responsible by acts of omission or commission leading to such supersession.”;

(iii) in sub-section (2),—

(a) for clause (a), the following clause shall be substituted, namely:—

“(a) to provide information, documents, personnel, funds or expenses or any other assistance as required by the Co-operative Election Authority for conducting elections under this Act in such manner as may be prescribed; or”;

(b) in clause (c), for the words “general meeting” occurring at the end, the words “general meeting; or” shall be substituted;

(c) After clause (c), the following clauses shall be inserted, namely:—

“(d) to make contribution to the co-operative education fund referred to in clause (b) of sub-section (1) of section 63 or the Co-operative Rehabilitation, Reconstruction and Development Fund established under section 63A; or

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- (e) To file annual return specified in section 120 within the time specified therein; or
- (f) to get the audit of the society conducted within six months of the close of the financial year to which such account relate: Provided that before taking any action under this sub-section, he shall be given an opportunity of being heard by the Central Registrar” .

Sl. No.5. For section 45 of the principal Act, the following sections shall be substituted,

Namely:— '45. (1) The Central Government shall, by notification, establish an

Authority to be known as the Co-operative Election Authority which shall consist of a Chairperson, a Vice-Chairperson and Members not exceeding three to be appointed by the Central Government on the recommendation of the Selection Committee consisting of such persons as may be prescribed.

(2) The head office of the Authority shall be at such place

As may be notified by the Central Government.

(3) A person shall not be qualified for appointment as a,—

(i) Chairperson of the Authority unless he held the post of

Additional Secretary to the Government of India or equivalent rank;

(ii) Vice-Chairperson of the Authority unless he held the post of Joint Secretary to the Government of India or equivalent rank; and

(iii) Member unless he fulfils such qualification and experience as may be prescribed.

(4) The Chairperson, Vice-Chairperson or Member of the Authority shall hold office for a period of three years from the date on which they enter upon their office or until they attain the age of sixty-five years, whichever is earlier and they shall be eligible for re-appointment:

Provided that in case of appointment of a Government servant as a Chairperson, Vice-Chairperson or a Member, he shall be treated as an ex-officio Member and he shall continue so long as he holds the office by virtue of which he is a Chairperson, Vice-Chairperson or Member.

(5) The salaries and allowances payable to, and the other terms and conditions of service of the Chairperson, Vice-Chairperson and Members of the Authority, other than the ex officio Member, shall be such as may be prescribed.

45J. Elections of members of board

(1) No person shall be eligible to be elected as a member of the board or office bearer of a multi-State co-operative society, unless he is an active member of the general body of that society.

Explanation:—For the purposes of this sub-section, the term “active member” means any member—

(i) availing minimum level of products or services of the society; or

(ii) attending not less than three consecutive general meetings, as specified in section

(2) A member of the board or office bearer of a multi-State co-operative society shall cease to be such member or office bearer, if he ceases to be a member of general body of that society.

(3) The election of members of board shall be held by secret ballot in such manner as may be prescribed.

(4) The election of the members of the board shall be held in the general meeting of the members of the multi-State co-operative society and the elected members of the board shall, if the bye-laws of such society permit, be eligible for re-election.

(5) The term of office of elected members of the board and its office bearers shall be five years from the date of election and the term of office bearers shall be co-terminus with the term of the board:

Provided that the board may fill casual vacancies up to one-third of number of elected directors on

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the board by nomination out of the same class of members in respect of which the casual vacancy has arisen, if the term of office of the board is less than half of its original term:

Provided further that in case the number of such casual vacancies in the same term of the board exceeds one-third of number of elected directors, such vacancies shall be filled by elections.

(6) The expenses for holding elections by the Authority shall be borne by the multi-State co-operative society in such manner as may be prescribed.

(7) The Central Government may make rules to provide for the powers and the procedure to be followed by the Authority for conduct of election of members of the board.

(8) The Chairperson and the Chief Executive of the multi-State co-operative society shall inform the Authority, six months before the expiry of the term of the existing board, to conduct the elections within time.

(9) The multi-State co-operative society in respect of which the election is being held shall provide such infrastructure, personnel, information, documents or other assistance to the Authority as it may require.

45K. Appointment of Returning Officer and other officers.

(1) The Authority may appoint a Returning Officer to conduct the election of the multi-State co-operative societies and discharge such functions, as directed by the Authority, in such manner as may be prescribed.

(2) The Central Government shall provide such staff and officers to the Authority as may be necessary for the efficient discharge of functions by the Authority under the Act.

(3) The Authority may appoint,—

(a) Such observers as it may consider necessary to supervise the elections and discharge such other functions as may be prescribed; and

(b) Such number of Assistant Returning Officers as it may consider necessary to assist the Returning Officer.

45L. Power to issue directions.

The Authority may, by general or special order, issue such directions to the board, its members, Chief Executive and other staff of the multi-State co-operative society as may be necessary for the conduct of free and fair elections and the board, its members, Chief Executive and staff of the society shall comply with such directions.'

Sl. No. 6. Amendment of section 49

In section 49 of the principal Act, in sub-section (2),—

(i) after clause (a), the following clause shall be inserted, namely:—

“(aa) to elect the Chairperson and Vice-Chairperson or President and Vice-President of the multi-State co-operative society from amongst the elected members of the board in accordance with the directions of the Authority:

Provided that the certificate of election shall be issued by the Chief Executive of the multi-State co-operative society after conclusion of resolution by the board;”;

(ii) in clause (e), the following proviso shall be inserted, namely:— “Provided that the recruitment of such employees shall be subject to such procedure as may be prescribed.”.

Sl. No. 7. **In section 50** of the principal Act,—

(a) in sub-section (1), the following provisos shall be inserted, namely:—

“Provided that where such Chairperson or President fails to direct the Chief Executive to

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convene the meeting of the board within the quarter, such Chief Executive shall convene the meeting on the basis of requisition of the Vice-Chairperson or Vice-President or any other Member of the board: Provided further that notwithstanding anything contained in the first proviso, the Chief Executive may also convene the meeting on the basis of requisition from at least fifty per cent. of Members of the board;”;

(b) for sub-section (3), the following sub-sections shall be substituted, namely:—

“(3) The Chairperson or President, if for any reason, is unable to attend a meeting of the board, the Vice-Chairperson or Vice-President and in the absence of both, any other Member of the board chosen by the Members of the board present from amongst themselves at the meeting, shall preside over the meeting.

(4) The quorum for a meeting of the board of directors of a multi-State co-operative society shall be one-third of its total number of elected directors.”

Sl. No. 8. **In section 51** of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) No multi-State co-operative society shall appoint or continue the employment of any person as the Chief Executive who—

(a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that any person above the age of seventy years may be appointed by a special resolution passed by three-fourth of the board members, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

(b) is an undischarged insolvent or has any time been adjudged as an insolvent;

(c) has at any time been convicted by a court of an offence and sentenced for a period of more than six months; or

(d) does not meet the criteria for 'fit and proper', as determined by the Central Registrar in case of multi-State credit societies or in case of non-credit multi-State societies, does not meet the criteria as Central Government may prescribe in terms of education qualifications and relevant experience.”.

Sl. No. 9. Amendment of section 52

In section 52 of the principal Act, in clause (j), for the words “thirty days”, the words “forty-five days” shall be substituted.

Sl. No. 10. Amendment of section 53

In section 53 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The board may constitute an Executive Committee, and such other committees or sub-committees as may be specified in the bye-laws of the multi-State co-operative society:-

Provided that the board shall constitute—

(a) an Audit and Ethics Committee;

(b) a Committee on prevention of sexual harassment at work place.

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Sl. No. 11. Insertion of new sections 63A, 63B and 63C

After section 63 of the principal Act, the following sections shall be inserted, namely:—

'63A. Establishment of Co-operative Rehabilitation, Reconstruction and Development Fund.

(1) The Central Government shall establish a Fund, to be called the Co-operative Rehabilitation, Reconstruction and Development Fund for revival of sick multi-State co-operative societies as referred to in section 63B and for development purposes in such manner as may be determined by it and there shall be credited to such Fund annually by multi-State co-operative societies which are in profit for the preceding three financial years one crore rupees or one per cent. of the net profits of such multi-State co-operative society, whichever is less.

(2) The Central Government shall, by notification, constitute a Committee, consisting of such members as it may deem fit, to administer the Fund, and maintain separate accounts and other relevant records in relation to the Fund in such form as may be specified by the Central Government in consultation with the Comptroller and Auditor-General of India.

(3) The Committee shall spend the money out of the Fund for carrying out the objects for which such Fund has been established.

Sl. No. 12. Rehabilitation and reconstruction of sick societies.

63B. (1) If, at any time, the Central Registrar, is of the opinion that a multi-State co-operative society has become sick, he may, by an order, declare such society as sick co-operative society.

(2) Where a multi-State co-operative society is declared as a sick co-operative society under sub-section (1), the Central Government or any person or agency authorised by it, may prepare a scheme for rehabilitation and reconstruction of the society and hand it over to the society for approval of the general body.

(3) The Central Government may, on the recommendation of the general body and to give effect to the scheme for rehabilitation and reconstruction referred to in sub-section (2), re-organise the board of such society with such persons, having experience in the field of co-operation, management, finance, accountancy and any other area relating to such societies as may be recommended by the general body:

Provided that in respect of a sick multi-State co-operative bank, any scheme for rehabilitation or reconstruction shall be done with the prior approval of the Reserve Bank.

Explanation.—For the purposes of this section, the expression “sick co-operative society” means a multi-State co-operative society being a society registered under the provisions of this Act which has at the end of any financial year accumulated losses equal to or exceeding total of its paid-up capital, free reserves and surpluses and has also suffered cash losses in such financial year and the financial year immediately preceding such financial year.

Sl. No. 13. Rehabilitation and reconstruction of sick societies.

63C. (1) The Central Government may, on an application made by a multi-State co-operative society which has contributed to the Fund for continuous five preceding financial years, grant such financial assistance as it may consider appropriate to the society out of the Fund for infrastructural requirement:

Provided that at least fifty per cent. of the total requirement shall be borne by the multi-State co-operative society and the financial assistance from the Fund shall not exceed more than the fifty per cent. of such requirement.

(3) The Committee constituted under sub-section (2) of section 63A shall examine and recommend to the Central Government for providing the financial assistance to the multi-

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State co-operative society to such extent and on such terms and conditions as it may consider necessary.¹

Sl. No. 14. Amendment of section 64

In section 64 of the principal Act,—

- (i) for clause (b), the following clause shall be substituted, namely:—“(b) in any of the securities issued by the Central Government, State Government, Government Corporations, Government Companies, Authorities, Public Sector Undertakings or any other securities ensured by Government guarantees;”;
- (ii) in clause (d), after the words “any other institution”, the words “in the same line of business as the multi-State co-operative society” shall be inserted;
- (iii) for clauses (e) and (f), the following clauses shall be substituted, namely:—
 - (I) “scheduled bank” shall have the same meaning as assigned to it in clause (e) of section 2 of the Reserve Bank of India Act, 1934; and
 - (ii) “nationalised bank” means a corresponding new bank constituted under sub-section (1) of section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980; or
 - (f) in such other manner as may be determined by the Central Government.¹

Sl. No. 15. Amendment of section 67

In section 67 of the principal Act, in sub-section (1), in the first proviso, for the words “ten times”, the words “such multiples as may be determined by the Central Government” shall be substituted.

Sl. No. 16. Amendment of section 70

In section 70 of the principal Act,—

- (a) in sub-section (2), for the proviso, the following provisos shall be substituted, namely:—“Provided that such auditors or auditing firm shall be appointed from a panel approved by the Central Registrar: Provided further that in case of multi-State co-operative banks, multi-State credit societies with deposits of above five hundred crore rupees and multi-State non-credit societies with turnover of above five hundred crore rupees, the auditor shall be appointed from a panel of auditors approved for audit of such societies by the Central Registrar.”;
- (b) after sub-section (3), the following sub-section shall be inserted, namely:—“(3A) An auditor appointed under sub-section (2) shall submit the audit of accounts report to the multi-State co-operative society, within Financial assistance to multi-State co-operative societies for development. six months from the date of closing of the financial year, to which such accounts relate.”;
- (c) in sub-section (7), in clause (a), for the proviso, the following proviso shall be substituted, namely:—

“Provided that where such vacancy is caused by the resignation or death of an auditor, the vacancy shall be filled by the board from the panel of auditors from which such auditor was appointed.”;
- (c) after sub-section (9) and the Explanation thereunder, the following sub-section shall be inserted, namely:—

“(10) The audit report of the accounts of the national co-operative societies shall be laid before each House of Parliament.”.

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Sl. No. 17. Insertion of new section 70A.

After section 70 of the principal Act, the following section shall be inserted, namely:—

“70A. Concurrent Audit

In case of multi-State co-operative societies,— (i) having an annual turnover more than the amount as determined by the Central Government; or (ii) having deposit of more than the amount as determined by the Central Government, the concurrent audit shall be carried out by an auditor appointed from a panel of auditors approved by the Central Registrar.”

Sl. No. 18. Amendment of section 73.

In section 73 of the principal Act, after sub-section (5), the following sub-section shall be inserted, namely:— “(6) the multi-State co-operative society or class of multi-State co-operative societies, as the case may be, shall adopt such standards of auditing and accounting as may be determined by the Central Government: Provided that until such standards of auditing and accounting are specified, the auditing and accounting standards specified by the Institute of Chartered Accountants of India constituted by sub-section (1) of section 3 of the Chartered Accountants Act, 1949 shall be deemed to be the standards of auditing and accounting: Provided further that the multi-State co-operative banks shall adopt the standards of accounting and auditing, if any, laid down by the Reserve Bank.”.

Sl. No. 19. Amendment of section 78.

In section 78 of the principal Act, after sub-section (1), the following sub-sections shall be inserted, namely:—

“(1A) If the Central Registrar is satisfied on the basis of information available

with him or furnished to him by a Government agency, that the business of a multi-State co-operative society is being carried on for a fraudulent or unlawful purpose, he may, after informing the multi-State co-operative society of the allegations made against it, by a written order, call on the multi-State co-operative society to furnish in writing any information or explanation, with the endorsement of the board of the society, on matters contained in such order within the time specified therein:

Provided that if the Central Registrar is not satisfied with the explanation of the society, he shall either himself or through an office or agency authorized by him, conduct inquiry into the constitution, working and financial condition of the society.

(1B) Notwithstanding anything contained in this Act, the Central Registrar shall, either suo-motu or through an officer or agency authorised by him, conduct inquiry into the constitution, working and financial condition of any multi-State co-operative society, once in such period as may be determined by the Central Government.”.

Sl. No. 20. Insertion of New Chapter IXA

After Chapter IX of the principal Act, the following Chapter shall be inserted, namely:—

“CHAPTER IXA

REDRESSAL OF COMPLAINTS

Sec. 85A Co-operative Ombudsman

(1) The Central Government shall appoint, one or more Co-operative Ombudsman with territorial jurisdiction for inquiring into the complaints made by any member of the multi-State co-operative societies regarding their deposits, equitable benefits of society's functioning or any other issue affecting the individual rights of the concerned member, in such manner, as may be prescribed.

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(2) The Co-operative Ombudsman shall, on receipt of a complaint, complete the process of inquiry and adjudicate within a period of three months from the date of receipt of the complaint and may issue necessary directions to the society during the course of inquiry and the society shall be bound to comply with the same within a period of one month from the date of issuance of such directions.

(3) The multi-State co-operative society aggrieved by any directions of

the Ombudsman may file an appeal in such manner as may be prescribed, within a period of one month before the Central Registrar who shall decide the appeal within a period of forty-five days and the decision of the Central Registrar shall be final and binding: Provided that the Central Registrar may entertain the appeal after the expiry of said period of one month, if he is satisfied that the society was prevented by sufficient cause from preferring the appeal in time.

(4) The Ombudsman shall submit periodic reports to the Central Registrar of Co-operative Societies.

(5) The Co-operative Ombudsman while conducting the inquiry under sub-section (1), shall exercise the same powers as are vested in a civil court under the Code of Civil Procedure, 1908,—

(a) for summoning and enforcing the attendance of persons;

(b) examining them on oath;

(c) discovery and production of books of account and other documents; and (d) any other matter which may be prescribed.”.

Sl. No. 21. Amendment of section 86.

In section 86 of the principal Act,—

(a) in sub-section (1), after the words and figures “under section 79”, the words and figures “or section 108” shall be inserted;

(b) in sub-section (2),—

(I) for clause (a), the following clause shall be substituted, namely:—

“(a) where the number of members or the number of societies or the number of persons, as the case may be, has at any time reduced below the number of members or societies or persons as specified in sub-section (2) of section 6: Provided that the multi-State co-operative society shall be given six months' time to restore the number of members or societies or persons to the requisite number;”;

(ii) in clause (b), for the words “co-operative principles.”, the words “co-operative principles; or” shall be substituted;

(iii) after clause (b), the following clause shall be inserted, namely:—

“(c) where the Central Registrar has reasons to believe that

the registration was obtained by misrepresentation of facts, submission of false or misleading information, suppression of material facts or fraud thereby compromising the spirit of co-operation.”.

(c) for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) Notwithstanding anything contained in this section, in case of winding up of multi-State co-operative banks, the provisions of the Banking Regulation Act, 1949 shall also apply.”

(c) in sub-section (6), the following shall be inserted, namely:—

(d) Provided that prior to winding up, “no objection” from the institutional lenders, who have outstanding loans from the society, shall be required in writing.

Explanation :—For the purposes of this proviso, the expression “institutional lenders” includes banks, savings and loan association, trust company, insurance company, real estate investment trust, pension fund and the like.’.

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Sl. No. 22. Amendment of section 94.

In section 94 of the principal Act, in the opening paragraph, after the words and figures "section 83 or", the words and figures "section 84 or" shall be inserted.

Sl. No. 23. Amendment of section 98.

In section 98 of the principal Act, after sub-section (2), the following

Sub-section shall be inserted, namely:—

"(3) The Central Registrar shall also have the power to recover the following dues by attaching bank accounts of defaulting multi-State co-operative societies—

(a) the co-operative education fund referred to in clause (b) of sub-section (1) of section 63;

(b) the Co-operative Rehabilitation, Reconstruction and Development Fund established under section 63A; and (c) the expenses incurred by the Co-operative Election Authority for conduct of elections."

Sl. No. 24. Insertion of new section 98 A.

After section 98 of the principal Act, the following section shall be inserted, namely:—

"98A. Review of decision.

The Central Registrar may, on an application received from any party, review his decision under clause (a) or clause (b) or clause (c) of sub-section (1) of section 94:

Provided that no application for review shall be entertained against the recovery certificate issued by the Central Registrar or by any person authorised by him in writing in this behalf, unless the applicant deposits with the concerned society, fifty per cent. of the amount of the recoverable dues:

Provided further that no application for review shall be entertained, if made after sixty days of the date of receipt of the decision or order:

Provided also that the Central Registrar may entertain any such application made after such period, if the applicant satisfies that he had sufficient cause for not making the application within such period."

Sl. No. 25. Amendment of section 103

In section 103 of the principal Act, in sub-section (1), the following provisos shall be inserted, namely:—

"Provided that where all the successor States take necessary steps to divide or reorganise such deemed multi-State co-operative society into State co-operative societies in order to confine their objects, services and the members to respective States within a period of three years, such deemed multi-State co-operative society shall cease to be a multi-State co-operative society:

Provided further that the deemed multi-State co-operative society other than those mentioned in the first proviso shall submit an application for registration and obtain the certificate of registration from the Central Registrar."

Sl. No. 26. Amendment of section 104

In section 104 of the principal Act,—

(a) in sub-section (1), —

(i) after the words "furnishing false information", the words "or failing to file any return or information" shall be inserted;

ii) for the words "two thousand rupees", the words "five thousand rupees" shall be substituted;

(iii) for the words "ten thousand rupees", the words "one lakh rupees" shall be substituted;

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(b) in sub-section (2), for the words "five thousand rupees", the words "tenthousand rupees" shall be substituted;

(c) in sub-section (3),—

(i) after the word and figures "section 89", the words and figures "or to a person required to file return under section 120" shall be inserted;

ii) for the words "two thousand rupees", the words "five thousand rupees" shall be substituted;

(iii) for the words "five thousand rupees", the words "ten thousand rupees" shall be substituted;

(d) in sub-section (4),—

(i) in clause (h), after the words "to any person", the words "or receives such gift, promise or gratification" shall be inserted;

(ii) in the long line, occurring after sub-clause (iii) of clause (h), after the words "or with both", the words "and shall also be debarred from contesting elections for a period of three years" shall be inserted;

(e) after sub-section (4), the following sub-section shall be inserted, namely:—

"(5) Where a multi-State co-operative society,—

(a) which is required to provide an explanation or make a statement during the course of inspection, inquiry or investigation, destroys, mutilates or falsifies, or conceals or tampers or unauthorisedly removes, or causes the destruction, mutilation or falsification or concealment or tampering or unauthorized removal of, any document relating to the property, assets or affairs of the society or makes or causes to make a false entry in any document concerning the society;

(b) makes any investment in contravention of the provision of section 64 or the bye-laws made under this Act;

(c) causes unlawful loss to the assets and property of the society; or (d) causes unlawful loss to the depositor,

The board of directors or the responsible officers of the multi-State co-operative society shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to one year or with fine which shall not be less than five thousand rupees but may extend to one lakh rupees or with both.

(6) Where the board of directors or officers of the multi-State co-operative society receive any unlawful gains while transacting matters related to such society or utilize any assets of the society for personal unlawful gains, such directors or officers concerned shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to one year or with fine which shall not be less than five thousand rupees but may extend to one lakh rupees or with both and the proceeds of such unlawful gains shall be recovered from them and deposited in such manner as may be prescribed."

Sl. No. 27. Insertion of new section 105A

After section 105 of the principal Act, the following section shall be inserted, namely: —"

"105A. the provisions of this Act shall be in addition to, and not in derogation of, any other law for the time being in force."

Sl. No. 28. Substitution of new section 106

"106. (1) every multi-State co-operative society shall appoint a Co-operative Information Officer to provide the information relating to affairs and management of the society to the members of the

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society and such information shall be confined to the information falling under the disclosure norms specified by the society in its bye-laws.

(2) Any member of multi-State co-operative society shall make an application, accompanying such fee as may be prescribed, to get information specified in sub-section (1).

(3) The Co-operative Information Officer shall, within thirty days from the date of receipt of application, either provide the information or reject the application specifying the reason to do so.

(4) Any member of the multi-State co-operative society whose application has been rejected may prefer an appeal to the Co-operative Ombudsman within a period of one month from the date of such rejection and his decision shall be final and binding.

106A. Every Chief Executive of multi-State co-operative society shall keep a copy of the rules and its bye-laws and also a list of its members, open to inspection free of charge at all reasonable times, at the registered address of the multi-State co-operative society.”

Sl. No. 29. Amendment of section 108

In section 108 of the principal Act, in sub-section (1), in clause (i), after the words "Central Registrar" the words, "or any person authorized by him in this behalf, not below the rank of Assistant Commissioner or equivalent" shall be inserted.

Sl. No. 30. Amendment of section 109

In section 109 of the principal Act, in clause (a), for the words “co-operative year”, the words “financial year” shall be substituted.

Sl. No. 31. Amendment of section 116

In section 116 of the principal Act,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely:—
"Power to amend Schedules.";

(ii) after sub-section (1), the following sub-section shall be inserted,
namely:—

"(1A) If the Central Government is satisfied that it is necessary or expedient so to do, it may, by notification, amend the First Schedule and the Third Schedule and thereupon such Schedules shall be deemed to have been amended accordingly:

Provided that in case of the First Schedule, such notification shall be used only for adding to the co-operative principles in the list.";

(iii) in sub-section (2), for the word, brackets and figure "sub-section (1)", the words, brackets, figures and letter "sub-sections (1) and (1A)" shall be substituted.

Sl. No. 32. Amendment of section 120

In section 120 of the principal Act,—

(I) for clause (a), the following clause shall be substituted, namely:— "(a) annual report of the activities including details of board decisions which were not unanimous;";

(ii) for clause (f), the following clauses shall be substituted, namely:— "(f) disclosure regarding employees who are relatives of Members of board;

(g) declaration of any related party transactions by the board of directors; and

(h) any other information required by the Central Registrar in pursuance of any of the provisions of this Act or the rules made thereunder."

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Sl. No. 33. Insertion of new sections 120A and 120B

After section 120 of the principal Act, the following sections shall be inserted, namely:—

"120A. Filing of applications, documents, inspections, etc., in electronic form

(1) Notwithstanding anything to the contrary contained in this Act, and without prejudice to the provisions of the Information Technology Act, 2000, the Central Government may, from such date as may be notified, require that—

(a) such applications, returns, reports, statement of accounts, or any other particulars or document as may be required to be filed or delivered under this Act or the rules made thereunder, shall be filed in the electronic form and authenticated;

(b) such document, notice, any communication or intimation, as may

be required to be served or delivered under this Act, shall be served or delivered in the electronic form and authenticated;

(c) such applications, returns, reports, statement of accounts, registers, bye-laws or any other particulars or documents and returns filed under this Act or the rules made thereunder shall be maintained by the Central Registrar in the electronic form and registered or authenticated, as the case may be;

(d) such inspection of bye-laws, returns, reports, statement of accounts or any other particulars or documents maintained in the electronic form, as is otherwise available for inspection under this Act or the rules made thereunder, may be made by any person through the electronic form; and

(e) such fees, charges or other sums payable under this Act or the rules made thereunder shall be paid through the electronic form, in such manner as may be prescribed.

(2) The Central Registrar shall—

(a) issue certificate of registration;

(b) register the amendment of bye-laws;

(c) register change of registered office;

(d) register any document;

(e) issue any certificate;

(f) issue notice; and

(g) receive such communication as may be required to be registered or issued or recorded or received, as the case may be, under this Act or the rules made thereunder or perform duties or discharge functions or exercise powers under this Act or the rules made thereunder or do any act which is by this Act directed to be performed or discharged or exercised or done by the Central Registrar, in the electronic form in such manner as may be prescribed.

Sl. No. 34. Application of Banking Regulation Act, 1949

120B. The provisions of this Act shall apply to a multi-State co-operative society in respect of matters relating to incorporation, regulation and winding up: Provided that in case of a multi-State co-operative society carrying on the business of banking, the provisions of the Banking Regulation Act, 1949 shall also apply."

Sl. No. 35. Amendment of section 121

In section 121 of the principal Act, in sub-section (1), for the words and figures "the Companies Act, 1956" and "the Monopoly and Restrictive Trade Practices Act, 1969", the words and figures "the Companies Act, 2013" and "the Competition Act, 2002" shall respectively be substituted.

Sl. No. 36. Amendment of section 123

In section 123 of the principal Act,—

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(i) in sub-section (1),— (a) for the portion beginning with "or has committed any act" and ending with "the aggregate period does not exceed one year", the following shall be substituted, namely:— "or has committed any act including fraud, misappropriation and the like which is prejudicial to the interests of the society or its members, or has omitted or failed to comply with any directions given to it under section 122 in public interest or that there is a stalemate in the constitution or functions of the board or the Co-operative Election Authority has failed to conduct elections in accordance with the provisions of this Act, the Central Government may, after giving the board an opportunity to state its objections, if any, and considering the objections, if received, by order in writing, supersede or suspend the board and appoint one or more administrators, who need not be members of the society, to manage the affairs of the society for such period not exceeding six months, as may be specified in the order:";

(b) for the proviso, the following proviso shall be substituted, namely:—

“Provided that while taking a decision for supersession or suspension on grounds of failure to conduct election, such action shall only be taken if the Board had not given requisition to hold election to the Co-operative Election Authority within the time limit or not extended necessary assistance as per the provisions of section 45.”;

(iii) for the Explanation, the following Explanation shall be substituted, namely:—

'Explanation.—For the purposes of section 122 and this section, the expression “specified multi-State co-operative society” means any multi-State co-operative society where there is Government shareholding or loan or financial assistance or any guarantee by the Government.'

Sl. No. 37. Amendment of section 124

In section 124 of the principal Act,—

(a) in sub-section (2),—

(i) after clause (a), the following clause shall be inserted, namely:—

“(aa) the guidelines under sub-section (2) of section 7;”;

(ii) after clause (j), the following clause shall be inserted, namely:—

“(ja) the manner in which the board of a multi-State co-operative society shall provide information, documents, personnel, funds or expenses or any other assistance as sought by the Co-operative Election Authority for conducting elections under clause (a) of sub-section (2) of section 43;”;

(iii) for clause (k), the following clauses shall be substituted, namely:—

“(k) the composition of the Selection Committee for appointment of Chairperson, Vice-Chairperson and Members of the Co-operative Election Authority under sub-section (1) of section 45;

(ka) the qualification and experience for appointment of Member of the Authority under clause (iii) of sub-section (3) of section 45;

(kb) the salaries and allowances payable to, and other terms and conditions of service of the Chairperson, Vice-Chairperson and Members of the Authority under sub-section (5) of section 45;

(kc) the other powers and functions of Chairperson under section 45A;

(kd) the procedure of inquiry under sub-section (2) of section 45B; (ke) time, places and the procedure to be observed by the Authority in regard to transaction of business at its meetings under sub-section (1) of section 45H;

(kf) other functions of the Authority under clause (iii) of section 45-I;

(kg) the manner of election of members of board by secret ballot under sub-section (3) of section 45J;

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- (kh) the manner of bearing the expenses for holding elections by the Authority under sub-section (6) of section 45J;
- (ki) the manner of discharge of functions by the Returning Officers and observers under sub-section (1) and clause (a) of sub-section (3) of section 45K;
- (kj) other functions of the observers under clause (a) of sub-section (3) of section 45K;”;
- (iv) after clause (m), the following clause shall be inserted, namely:—
“(ma) the procedure for recruitment of employees under proviso to clause (e) of sub-section (2) of section 49;”;
- (v) clause (o) shall be omitted;
- (vi) after clause (q), the following clause shall be inserted, namely:— “(qa) the manner of maintenance of fund under clause (b) of sub-section (1) of section 63;”;
- (vii) after clause (s), the following clauses shall be inserted, namely:— “(sa) the manner of appointment of Co-operative Ombudsman and submission of complaints to such Ombudsman under sub-section (1) of section 85A;

Sl. No. 38. Amendment of section 124

In section 124 of the principal Act,—

- (a) in sub-section (2),— (i) after clause (a), the following clause shall be inserted, namely:—
“(aa) the guidelines under sub-section (2) of section 7;”;
- (ii) after clause (j), the following clause shall be inserted, namely:—
“(ja) the manner in which the board of a multi-State co-operative society shall provide information, documents, personnel, funds or expenses or any other assistance as sought by the Co-operative Election Authority for conducting elections under clause (a) of sub-section (2) of section 43;”;
- (viii) for clause (k), the following clauses shall be substituted, namely:—
“(k) the composition of the Selection Committee for appointment of Chairperson, Vice-Chairperson and Members of the Co-operative Election Authority under sub-section (1) of section 45;
- (ka) the qualification and experience for appointment of Member of the Authority under clause (iii) of sub-section (3) of section 45;
- (kb) the salaries and allowances payable to, and other terms and conditions of service of the Chairperson, Vice-Chairperson and Members of the Authority under sub-section (5) of section 45; (kc) the other powers and functions of Chairperson under section 45A;
- (kd) the procedure of inquiry under sub-section (2) of section 45B;
- (ke) time, places and the procedure to be observed by the Authority in regard to transaction of business at its meetings under sub-section (1) of section 45H;
- (kf) other functions of the Authority under clause (iii) of section 45-I;
- (kg) the manner of election of members of board by secret ballot under sub-section (3) of section 45J;
- (kh) the manner of bearing the expenses for holding elections by the Authority under sub-section (6) of section 45J;
- (ki) the manner of discharge of functions by the Returning Officers and observers under sub-section (1) and clause (a) of sub-section (3) of section 45K;

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(kj) other functions of the observers under clause (a) of sub-section (3) of section 45K;”;

(ix) after clause (m), the following clause shall be inserted, namely:—

“(ma) the procedure for recruitment of employees under proviso to clause (e) of sub-section (2) of section 49;”;

(x) clause (o) shall be omitted;

(xi) (vi) after clause (q), the following clause shall be inserted, namely:— “(qa) the manner of maintenance of fund under clause (b) of sub-section (1) of section 63;”;

(xii) (vii) after clause (s), the following clauses shall be inserted, namely:—

“(sa) the manner of appointment of Co-operative Ombudsman and submission of complaints to such Ombudsman under sub-section (1) of section 85A;

(xiii) after clause (w), the following clauses shall be inserted, namely:—

“(wa) the manner of recovery and deposit of proceeds of unlawful gains under sub-section (6) of section 104;

(wb) the manner to make an application with such fee for the purpose of getting information under sub-section (2) of section 106;”;

(xiv) after clause (x), the following clauses shall be inserted, namely:—

“(xa) the manner of powers being exercised by the Central Government in respect of matters relating to filing of applications, documents, inspections and the like in electronic form under sub-section (1) of section 120A;

(xb) the manner of discharging the functions or exercising powers with respect to matters mentioned therein by the Central Registrar in electronic form under sub-section (2) of section 120A;”;

(b) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) Every rule made under this section and any notification issued under section 116 shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree that the rules and any notification issued under section 116 should not be made, the rule and any notification issued under section 116 shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule and any notification issued under section 116.”.

Sl. No. 39. Amendment of section 125

In section 125 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Notwithstanding anything contained in sub-section (1), if any difficulty arises in giving effect to the provisions of this Act as amended by the Multi-State Co-operative Societies (Amendment) Act, 2023, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to it to be necessary for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of a period of two years from the date of commencement of the Multi-State Co-operative Societies (Amendment) Act, 2023.

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Sl. No. 40. Insertion of Third Schedule

After the Second Schedule to the principal Act, the following Schedule shall be inserted, namely:—

THE THIRD SCHEDULE

Sl. No.	Name of the Act	Act No.
1.	The Indian Stamp Act, 1899	2 of 1899.
2.	The Reserve Bank of India Act, 1934	2 of 1934.
3.	The Central Excise Act, 1944	1 of 1944
4.	The Industries (Development and Regulation) Act, 1951	65 of 1951.
5.	The Prevention of Food Adulteration Act, 1954	37 of 1954.
6.	The Essential Commodities Act, 1955	10 of 1955.
8.	The Wealth-Tax Act, 1957	27 of 1957.
7.	The Securities Contracts (Regulation) Act, 1956	42 of 1956
8.	The Wealth -Tax Act, 1957 11. The Sick Industrial Companies (Special Provisions) Act, 1985	27 of 1957
9.	The Customs Act, 1962	52 of 1962
10.	The Prize Chits and Money Circulation Schemes (Banning) Act, 1978	43 of 1978.
11	The Sick Industrial Companies (Special Provisions) Act, 1985	1 of 1986.
12.	The Securities and Exchange Board of India Act, 1992.	15 of 1992
13.	The Foreign Trade (Development and Regulation) Act, 1992	22 of 1992
14,	The Foreign Exchange Management Act, 1999	42 of 1999.
15	The Competition Act, 2002	12 of 2003
16,	The Prevention of Money -Laundering Act, 2002	15 of 2003.
17.	The Companies Act, 2013	18 of 2013.

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The Management is concerned about the reduction of Membership as well as the quantum of Deposits.

It is the humble request to all the respected Delegates to give emphasis on increasing the number of membership by making move of the unbanked employees to this Bank by way of offering the new-membership. To increase the quantum of the Deposits, the Bank shall surely make necessary arrangement for 'Deposit mobilization Camp' in the different places of Railway Offices / Stations and elsewhere within the premise of the Railway with due concurrence of the Competent Railway Authorities. In Hazipur, the Head Quarter of E.C. Railway, a Branch shall be opened for which the new Board shall move to RBI Authority. To attract the new generation employees of Railway modern Banking facilities are to be catered.

Door step customer service is to be introduced. As per RBI's strict instruction the management shall meet the customers (Branch-wise) periodically. The grievances of the members / customers are to be resolved on war footing measures. The new Board shall move to the Competent Authorities of the E. Railway and East-Central Railway with the request to disburse the Salary of the members of the Bank through their Savings Accounts maintained with the Branch/es.

The employees of the Eastern Railway and Eastern Central Railway which are the members of the Employees' Co-op. Bank are the owner of the Bank. In conclusion, on behalf of the management of the Bank I like to take the opportunity to express sincere thanks and gratefulness to its esteemed shareholders /customers for their continuous patronage, trust and support upon the Bank. Their trust is the Capital of the Bank. The Management also express their deep sense of appreciation to all the employees for rendering their best effort for turning around the Bank.

With warm and sincere Co-operative greetings to all of you.

**On behalf of the Managing Committee
of the E.R.E.C. Bank Ltd.**

**Dated: 14.08.2024
Kolkata-1**

**(Apurba Sen)
Chief Executive Officer**



GHOSHAL & GHOSAL.

Chartered Accountants

15 India Exchange Place, Birla Brothers Building, 5th Floor, Kolkata – 700 001

Ph. No.: (033) 4602 3114 ● E-mail – ghslandgsl@gmail.com

INDEPENDENT AUDITOR'S REPORT

ToThe Shareholders,
The Eastern Railway Employees' Co-operative Bank Ltd.
10 Strand Road,
Kolkata-700001

OPINION:

We have audited the accompanying financial statements of **The Eastern Railway Employees' Co- operative Bank Ltd. (herein under to be referred as 'The Bank')** as at 31st March, 2024, which comprises the Balance Sheet as on 31st March, 2024, Profit & Loss Account and the Cash Flow Statement for the year ended as on 31st March, 2024 and a summary of significant accounting policies and other explanatory information thereon as incorporated in those financial statements and returns of eight branches audited by us.

In our opinion and to the best of our information and according to explanations given to us, **Except** for the effects of the “**Other Matters**” paragraph mentioned below in this report, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the bank as at 31st March 2024, Profit & Loss account and the Cash Flow statement for the year ended on that date.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by The Institute of Chartered Accountants of India. Our Responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Banking Regulations Act 1949 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of The Banking Regulations Act, 1949, Multi State Co-operative Societies Act, 2002 and The Multi State Co-operative Societies Rules, 2002 (as applicable), the guidelines issued by the Reserve Bank of India and The Central Registrar of Co-operative Societies and accounting principles generally accepted in India so far as applicable to Banks. This responsibility includes the

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design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The management is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements:

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 SAs 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.

Other Matters:

- 1) The internal control systems of the bank is commensurate with the nature and size of its operations along with its eight branches have been introduced during the financial year covered under audit. However, post sanction monitoring should be strengthened by the Bank.
- 2) 07 'Quick mortality' accounts have been found and for which adequate provisions had been made.
- 3) Concurrent Audit in respects of all eight branches and H.O have been duly conducted during the year 2023-24. However, the Internal Audits in respect of six (6) branches out of eight (8) branches have been duly conducted during the year 2023-24 and for other two Branches the same is under process.
- 4) The earlier CBS system did not have the provision of STR alerts, generation of XBRL returns and scope of identification of NPA as per I.R.A.C. norms which, it has been noticed, exists in the new CBS software introduced by the Bank.
- 5) We have identified 103 number of accounts under the category of "Loss Assets" against which provisions had been duly made by the bank.

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

- Identified and assessed 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

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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.

- Have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
 - Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Concluded on the appropriateness of management's use of the 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 audit report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
 - Evaluated 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.
1. The Bank is working under Core Banking System during the year under audit and consolidation of accounts has been made under CBS environment.
 2. Reconciliation of accounts of Head Office with Branches have been considered as per RBI directions.
 3. Cash in Hand has been considered as certified by the Concurrent Auditors of various branches.
 4. **Branches:**
 - I. The Bank has 8 (Eight) branches and all branches are covered under Concurrent Audit. We have visited four branches during the course of our Statutory Audit and the audit of the rest four branches have been done virtually from H.O.
 - II. We found that all the branches have been brought under CBS.
 - III. KYC compliance has been adhered to for the accounts opened at branches after introduction of CBS. The current CBS platform of the bank is enabled to generate report on expired KYC documents. This is to be covered in concurrent audit report for branches on monthly basis for updation of KYC.
 5. The Bank has earned a profit of Rs.36.32 Crore during 2023-24 against previous year's profit of Rs. 18.11 Crore.

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6. Head Office:

- I. The GL-PL difference in loan accounts has been reduced to Rs. 123.51 crores from Rs.123.59 Crore due to adjustment of entries on identification. Since this is a credit balance, hence no provision is required to be made.
- II. The figure of GL-PL difference has also changed in Compulsory Retirement Benefit Deposit.

Deposit Product	Balance as on 31.03.24 (in Rs.'000)	Balance as on 31.03.23 (inRs.'000)
Compulsory Retirement Benefit Deposit	637723	637728

Since all the above are credit balances, no provision is required.

7. Bank has deducted TDS on interest paid or accrued in the required cases.

8. Investment:

- i. Amortization Charges of Rs.5.96 lacs have been duly booked for securities under Held Till Maturity (HTM) category.
- ii. The securities held under AFS (Available for Sale) category was also verified and its valuation was checked with FBIL (Financial Benchmark of India Limited) valuation/rates and it was verified that since the value of holding was higher than the FBIL rates Depreciation was required for Rs.1626.30 lakhs and duly provided for in the books of accounts of the Bank under the head 'Investment Depreciation Reserve'.
- iii. The Bank has further appropriated an amount of Rs.3.00 Crore thus raising the 'Investment Fluctuation Reserve (IFR)' with the object of building up IFR to the limit of 5% of AFS portfolio as per RBI guidelines and as on 31st. March, 2024 it stands to the tune of 3.05 %.

9. Advances:

	As on 31 .03.2024 (Rs in Crore)	As on 31.03.2023 (Rs in Crore)
Gross Advances	603.39	569.51
Gross NPA	27.74	31.73
Provision	44.93	40.41
Net NPA	0.00	0.00
% of Gross NPA to Gross Advances	4.60	5.57
% of Net NPA to Net Advances	0.00	0.00

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We have identified 103 Nos. of NPA accounts amounting to Rs. 146.97 lakh as 'Loss Assets' due to non-recovery of those loans since a long back and those accounts are verified by us and recommended for treating those NPA accounts as 'Loss Assets' for which Provision was duly considered.

10. All the Branch Adjustment accounts have been reconciled as on 31.03.2024 (except consolidated difference as on 31.03.2017 amounting to Rs.6.99 lakhs) and net balance of Rs.945.02 lakhs taken in the financial statements in the liabilities side as per schedule (5)(2) as per Accounting Standards and guidelines. The effect of netting has brought down the total size of the Balance Sheet.
11. An amount of Rs.2.39 Crores is outstanding in “Loan & CRBD Recovery Unadjusted” account the detail of the account is not available. However, the balance in this account for 2022-23 was Rs.2.64 crores. It is revealed that the adjustment entries passed in this account which were made with the concurrence of competent authority of the bank i.e. B.O.D. The concurrent auditor has also covered the area of adjustment.
12. There has been improvement in overall functions of the Bank after implementation of CBS but special attention to be given to locate the previous years' GL-PL differences. However, the Bank engaged several Auditors to reconcile/reduce the amount. The report submitted by one Auditor who was assigned to detect the mismatches in the Books of Accounts at Jamalpur Branch mentioning that the Books as they found were in shabby condition and also some of the books are missing/untraceable besides the documents were torn and not maintained in usable condition. However during the course of an audit it was observed that all the documents of Jamalpur Branch prior to implementation of CBS were brought from Jamalpur to H.O. for better preservation of records, all the pages of all ledgers/other Books of Accounts were being scanned as a digital mode of record keeping so that the searching or detecting the mismatches could be done in near future. The positive attitude of the bank to find out a way for reconciliation of mismatches is noted and to be continued on priority basis.

On the other hand, another Auditor who has been assigned for reconciliation of difference in share capital, reported that they were not provided data relating to preserved accounts kept under Oracle System, whereas GL Balances were in the TALLY System, so they were unable to find the required data needed for reconciliation. Liaison with the software company to be strengthened.

Since the efforts of the Bank to make reconciliation of GL/PL difference is positive, it is suggested that the efforts to reconcile the difference of GL/PL should be on-going at the end of Management of the Bank and to be reviewed periodically.

13. As required by Section 30(3) of the Banking Regulations Act 1949, we further report that the transactions of the bank which came to our notice have been done within the powers of the Bank.

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14. During the course of our audit, we have generally not come across transactions which appear to be contrary to the provisions of the Act, the Rules or the Bye-Laws of the Bank.
15. During the course of our audit, we have not come across material and significant transactions which appear to be contrary to the guidelines issued by the Reserve Bank of India.
16. The accounts of the branches have been properly dealt with by us in preparing this report.
17. 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.
18. The improvement in the rating of the Bank as awarded by RBI for the year ended 31st March, 2021 was mentioned in the last year Audit Report. It is also revealed that the Bank was competent to hold the same improved rating as awarded by RBI on their Inspection for the year ended 31st March, 2023.
19. As the Bank has arrived at 'Deferred Tax Assets' during the year under audit, no account in gentry has been passed in the financial statements.

Subject to the above we report that:

- a) We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, read with our other matters paragraph mentioned in this report, proper books of account as required by law 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 branches.
- c) With respect to the adequacy of internal financial control over financial reporting of the bank, the operating effectiveness of such controls are in place subject to our opinion given under Other Matters paragraph mentioned in this report.
- d) In our opinion and according to information and explanations given to us we have not noticed any material impropriety or irregularity in the expenditure or in the realization of money due to the bank.
- e) To the best of our knowledge, no other matters have been specified by The Central Register of Co-operative Societies, which require reporting.
- f) 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 and the returns and this have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949.

The Eastern Railway Employees' Co-operative Bank Ltd.

g) With respect to the other matters to be included in the Independent Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) rules 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i.** The bank did not have any pending litigations which would impact its financial position.
- ii.** The bank did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii.** An amount of Rs. 85.74 lakhs have been transferred to the Depositors Education and Awareness Fund (DEAF) by the bank during the year 2023-24.
- iv.** The bank has made operating Profit of Rs.53.09 Crore in 2023-24 as against Rs.37.34 Crore in 2022-23. Net Profit has also increased from 18.11 Crore in 2022-23 to Rs.36.32 Crore in 2023-24. This increase in net profit of Rs. 18.21 Crore is due to increase in interest and non-interest income and reduction in interest spent for term deposits as well reversal of Investment Depreciation Reserve for Rs. 8.25 Crore contributing 45.30% of the total increase.

For GHOSHAL AND GHOSAL
Chartered Accountants
FRN:304013E

Place: Kolkata
Dated:16thJuly,2024

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN:24064735BKFMJR7321



GHOSHAL & GHOSAL.

Chartered Accountants

15 India Exchange Place, Birla Brothers Building, 5th Floor, Kolkata – 700 001

Ph. No.: (033) 4602 3114 ● E-mail – ghslandgsl@gmail.com

TO WHOM IT MAY CONCERN

This is to certify that the computation of deposit insurance premium of Rs.9839772.67 (Rupees ninety-eight lakhs thirty nine thousand seven hundred seventy two and sixty seven paise only) paid by The Eastern Railway Employees' Co-Op. Bank Ltd. on 17.05.2023 based on its assessable deposits of Rs.138979.84 lakhs as on 31.03.2023 for the half year ended 30.09.2023 and Rs.9559876.79 (Rupees ninety five lakh fifty nine thousand eight hundred seventy six and seventy nine paise only) paid by The Eastern Railway Employees' Co-Op. Bank Ltd. on 13.11.2023 based on its assessable deposits of Rs.135026.51 lakhs as on 30.09.2023 for the half year ended 31.03.2024, have been verified and found to be correct as per guidelines issued by DICGC vide its circular DICGC DID No.3121/05.03.01/2010-11 dt.30.08.2010 and amendments issued from time to time.

For GHOSHAL AND GHOSAL
Chartered Accountants
FRN:304013E

Place: Kolkata
Dated:16thJuly,2024

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN:24064735BKFMJR7321



GHOSHAL & GHOSAL.

Chartered Accountants

15 India Exchange Place, Birla Brothers Building, 5th Floor, Kolkata – 700 001

Ph. No.: (033) 4602 3114 ● E-mail – ghslandgsl@gmail.com

CERTIFICATE ON INCOME RECOGNITION, ASSET CLASSIFICATION & PROVISIONING NORMS OF LOANS & ADVANCES

This is to certify that as per records available to our satisfaction, we do hereby confirm that the Income Recognition, assets Classification and Provisioning of Loans & Advances as on 31st March 2024 have been duly made and confirmed by CBS vendor of The Eastern Railway Employees' Co-Operative Bank Limited. having its Head office at 10, Strand Road, Kolkata – 700001 and Registered office at 17, N.S Road Kolkata – 700001, as per the guidelines issued on I.R.A.C. norms by Reserve Bank of India from time to time.

For GHOSHAL AND GHOSAL
Chartered Accountants
FRN:304013E

Place: Kolkata
Dated: 16th July, 2024

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN:24064735BKFMJR7321



GHOSHAL & GHOSAL.

Chartered Accountants

15 India Exchange Place, Birla Brothers Building, 5th Floor, Kolkata – 700 001

Ph. No.: (033) 4602 3114 ● E-mail – ghslandgsl@gmail.com

CERTIFICATE OF COMPLIANCE

We do hereby certify that being the Statutory Auditors of The Eastern Railway Employees' Co-Operative Bank Limited, we have conducted the Statutory Audit of the Bank (comprising of Head office & eight (8) Branches) by sample checking of books of account of the Bank for the Year ended 31st March, 2024 and found that all mandatory accounting standards specified (as Applicable to urban Co-operative Banks) by ICAI are duly complied with.

For GHOSHAL AND GHOSAL
Chartered Accountants
FRN:304013E

Place: Kolkata
Dated:16thJuly,2024

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN:24064735BKFMJR7321

The Eastern Railway Employees' Co-operative Bank Ltd.

10, Strand Road, Kolkata - 700001

Form - A

Balance Sheet of The Eastern Rly. Emp. Co-op Bank Ltd, Balance as on 31st March 2024

PARTICULAR	SCHEDULE	As on 31-03-2024 (Rs. In '000)	As on 31-03-2023 (Rs. In '000)
Capital and Liabilities			
Capital	1	1412699	1470606
Reserves and Surplus	2	2290854	2091135
Deposits	3	10712419	11179978
Borrowings	4	0	0
Other liabilities and provisions	5	3505576	3361430
Total		17921548	18103149
Assets			
Cash and balances with Reserve Bank of India	6	28751	29249
Balance with banks and money at call and short notice	7	2427084	1893703
Investments	8	8487273	9673994
Advances	9	6033935	5695090
Fixed Assets	10	8803	8266
Other Assets	11	935702	802847
Total		17921548	18103149
Contingent liabilities	12	NIL	NIL
Bills for collection			

The schedules referred to above form part of the Balance Sheet.

Apurba Sen
Chief Executive Officer

Sajal Pal
Sr. Manager (F & A)

Shashanka Ghosh
Director

Bijay Kumar Singh
Director

Tapas Nandi
Director

Amresh Kumar Baitha
Director

AUDITOR'S REPORT For Ghoshal & Ghosal,
As per separate Audit Report annexed. Chartered Accountants
FRN: 304013E

(CA SOMNATH BISWAS)

Place: Kolkata

Dated: 16th July, 2024

15, India Exchange Place, Birla Brothers Building, 5th Floor

Partner

Membership No. 064735

UDIN: 24064735BKFMJR7321

The Eastern Railway Employees' Co-operative Bank Ltd.

10, Strand Road, Kolkata - 700001

Form - B

Form of Profit and Loss Account for the year ended on 31st March 2024

Sr No	PARTICULAR	SCHEDULE	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
i	Income			
	Interest Earned	13	1315398	1254989
	Other Income	14	105167	42414
	Total		1420565	1297403
ii	Expenditure			
	Interest Expended	15	728878	766267
	Operating Expenses	16	160693	157356
	Provisions & Contingencies		167813	192707
	Total		1057384	1116330
iii	Profit / Loss			
	Net profit/loss(-) for the year		363181	181073
	Profit/loss(-) brought forward		188549	122785
	Total		551730	303858
iv	Allocation Written Back			
	Profit brought forward		551730	303858
	Superannuation Benefit Fund		0	53691
	Shareholders Relief Fund		0	16362
	Total		551730	373911
v	Appropriations			
	To Statutory Reserve		90795	45268
	To Statutory Reserve 2002		36318	18107
	To Co-operative Education Fund		3632	1811
	To Contribution to Co-operative Rehabilitation, Reconstruction and Development Fund		3632	0
	To Dividend Payable		120079	103000
	To Provision for Bonus & Ex-gratia		2600	2100
	To Provision for Co-operative Movement Fund		100	100
	To Provision for Education Fund (Members/Directors/Staff)		100	100
	To Transfer to Building Development Fund		100	100
	To Transfer to Investment Fluctuation Reserve		30000	9000
	To Transfer to Shareholders & Staff Welfare Fund		6042	5472
	To Income Tax Adjustment		0	305
	Balance carried to Balance sheet		258332	188549
	Total		551730	373911

The schedules referred to above form part of the Profit & Loss Account.

Apurba Sen
Chief Executive Officer

Sajal Pal
Sr. Manager (F & A)

Shashanka Ghosh
Director

Bijay Kumar Singh
Director

Tapas Nandi
Director

Amresh Kumar Baitha
Director

AUDITOR'S REPORT For Ghoshal & Ghosal,
As per separate Audit Report annexed. Chartered Accountants
FRN: 304013E

Place: Kolkata

Dated: 16th July, 2024

15, India Exchange Place, Birla Brothers Building, 5th Floor

(CA SOMNATH BISWAS)
Partner

Membership No. 064735
UDIN: 24064735BKFMJR7321

The Eastern Railway Employees' Co-operative Bank Ltd.

10, Strand Road, Kolkata - 700001

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2024

	Particulars	Amount(Rs)	Amount(Rs)
A	Cash flow from operating Activities		
	Net Profit before Appropriation		3,63,181
	i) Adjustment for Depreciation		1,824
			3,65,005
	ii) Adjustment for:		
	Decrease in Investment	11,86,721	
	Bad & Doubtful Debt Fund	45,229	
	Share Application Fee	6	
	Increase in Other Assets	(1,32,855)	
	Bonus & Exgratia	(2,600)	
	SSWF Contribution	(6,042)	
	Co-operative Education Fund	(1,811)	
	Dividend (2023-24)	(1,20,079)	
	Stability Fund	4,348	
	Investment Depreciation Reserve	(82,512)	
	Increase in Advances	(3,38,845)	
	Increase in Liabilities	1,44,146	
	Decrease in Deposits	(4,67,560)	2,28,146
			5,93,151
B	Cash flow from investing Activities:		
	Purchase of Fixed Assets		(2,361)
C	Cash flow from financing activities:		
	Issue of Shares/(Refund of Shares)		(57,907)
	Net Inflow of Cash and Cash equivalent [A+B+C]		5,32,883
	Cash and Cash equivalent as at 01-04-2023		19,22,952
	Cash and Cash equivalent as at 31-03-2024		24,55,835

Apurba Sen
Chief Executive Officer

Sajal Pal
Sr. Manager (F & A)

Shashanka Ghosh
Director

Bijay Kumar Singh
Director

Tapas Nandi
Director

Amresh Kumar Baitha
Director

AUDITOR'S REPORT For Ghoshal & Ghosal,
As per separate Audit Report annexed. Chartered Accountants
FRN: 304013E

Place: Kolkata
Dated: 16th July, 2024
15, India Exchange Place, Birla Brothers Building, 5th Floor
Kolkata- 700008

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN: 24064735BKFMJR7321

The Eastern Railway Employees' Co-operative Bank Ltd.
10, Strand Road, Kolkata - 700001

CLASSIFICATION OF ASSETS & PROVISIONING MADE AGAINST NON-PERFORMING ASSETS AS ON 31st OF March, 2024

Classification of Assets	No. of Accounts	Amount Outstanding	Percentage of Col. 3 to total loans outstanding	Provision required to be made		Existing provision at the beginning of the year	Provisioning made during the year under report	Total provisions as at the end of the year
				(5) %	(6) Amount			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total Loans & advances of which:	16910	6033934.85	100			404064.98	45229.34	449294.33
A. Standard Assets	15634	5756584.66	95.40	0.40	23026.34	..	..	..
B. Non-Performing Assets								
1. Sub standard	279	107425.88	1.78	10.00	10742.59	..	..	..
2. Doubtful								
i) up to 1 year								
a) Secured	0	0	0	20.00	0	..	..	..
b) Unsecured	213	55204.96	0.91	100.00	55204.96	..	..	..
ii) Above 1 year & up to 3 years								
a) Secured	0	0	0	30.00	0	..	..	..
b) Unsecured	283	56459.03	0.94	100.00	56459.03	..	..	..
iii) Above 3 years								
a) Secured	0	0	0	100.00	0	..	..	..
b) Unsecured	398	43563.05	0.72	100.00	43563.05	..	..	..
Total doubtful assets	894	155227.04	2.57	100.00	155227.04	..	..	..
(i + ii + iii)								
a) Secured	0	0	0	0	0			
b) Unsecured	894	155227.04	2.57	100.00	155227.04	..	..	..
3. Loss Assets	103	14697.28	0.24	100.00	14697.28	..	..	..
Gross NPAs (B1+B2+B3)	1276	277350.20	4.60		180666.90			
TOTAL	1276	277350.20	4.60		180666.90	404064.98	45229.34	449294.33

The Eastern Railway Employees' Co-operative Bank Ltd.
10, Strand Road, Kolkata - 700001

POSITION OF NET ADVANCES/NET NPAs

(Rs in crores)

Sr. No.	Particulars	31.03.2024	31.03.2023
1	Gross Advances	603.39	569.51
2	Gross NPAs	27.74	31.73
3	Gross NPAs as percentage of Gross Advances	4.60	5.57
4	Deductions: -		
	- Balance in Interest Suspense Account/ OIR	Nil	Nil
	- DICGC/ECGC claims received & held pending adjustment	Nil	Nil
	- Part payment on NPA account received & kept in Suspense A/C	Nil	Nil
	Total Deductions	0	0
5	Total NPA provisions held (BDDR/Special BDDR Balance after appropriations)	44.93	40.41
6	Net Advances (1) - (4) - (5)	558.46	529.10
7	Net NPAs (2) - (4) - (5)	0.00	0.00
8	Net NPAs as percentage of Net Advances	0.00	0.00

Apurba Sen
Chief Executive Officer

Sajal Pal
Sr. Manager (F & A)

Shashanka Ghosh
Director

Bijay Kumar Singh
Director

Tapas Nandi
Director

Amresh Kumar Baitha
Director

CERTIFIED that the non-performing assets have been worked out by considering the guidelines laid down by RBI in this regard.

Place: Kolkata
Dated: 16th July, 2024
15, India Exchange Place, Birla Brothers Building, 5th Floor
Kolkata- 700008

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN:24064735BKFMJR7321

The Eastern Railway Employees' Co-operative Bank Ltd.

10, Strand Road, Kolkata - 700001

Schedules forming part of the balance sheet as on 31-03-2024

Schedule 1 - Capital			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
III	Authorised		
	(30,00,00,000 shares of Rs. 10 each)	3000000	3000000
	Issued, Subscribed & Paid up		
	(14,12,69,938 shares of Rs.10/- each)	1412699	1470606
	Add: Forfeited shares	0	0
	Total	1412699	1470606

Schedule 2 - Reserves and Surplus					
	Particulars	As on 31-03-2023 (Rs. '000)	Additions (Rs. '000)	Deductions (Rs. '000)	As on 31-03-2024 (Rs. '000)
I	a) Statutory Reserves	679380	90800	0	770180
	a) Statutory Reserves - 2002	245536	36318	0	281854
II	Capital Reserves	0	0	0	0
III	Share Premium	0	0	0	0
IV	Revenue and Other Reserves	97767 ₀	87141	84323	980488
V	Balance in Profit and Loss Account	18854 ⁹	363181	293398	258332
	Total (I, II, III, IV and V)	2091135	577440	377721	2290854

Schedule 3 - Deposits			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
I	Demand deposits	101037	0
	(i) From banks	0	0
	(ii) From others	101037	0
II	Savings Bank Deposits	1961613	2030048
III	Term Deposits	8649769	9149930
	(i) From banks	0	0
	(ii) From others	8649769	9149930
	Total (I, II and III)	10712419	11179978
	(i) Deposits of branches in India	10712419	11179978
	(ii) Deposits of branches outside India	0	0
	Total	10712419	11179978

The Eastern Railway Employees' Co-operative Bank Ltd.

Schedule 4 - Borrowings			
Particulars		As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
I	Borrowings in India	0	0
	(a) Reserve Bank of India	0	0
	(b) Other banks	0	0
	(c) Other institutions and agencies	0	0
II	Borrowings outside India	0	0
	Total (I and II)	0	0
	Secured borrowings included in I and II above -Rs	0	0
Schedule 5 - Other liabilities and provisions			
Particulars		As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
I	Bills payable	1345	1137
II	Inter-office adjustment (net)	94502	94675
III	Interest accrued	4712	4976
IV	Others (including provisions)	3405017	3260642
	Total	3505576	3361430
Schedule 6 - Cash and balances with Reserve Bank of India			
Particulars		As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
I	Cash in hand (including foreign currency notes)	28751	29249
II	Balances with Reserve Bank of India	0	0
	(a) in Current Account	0	0
	(b) in Other Accounts	0	0
	Total (I and II)	28751	29249
Schedule 7 - Balance with banks and money at call and short notice			
Particulars		As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
I	In India		
	(i) Balances with banks	1927084	1843703
	(a) in Current Accounts	801360	779080
	(b) in Other Deposit Accounts	1125724	1064623
	(ii) Money at call and short notice	500000	50000
	(a) with banks	0	0
	(b) with other institutions	500000	50000
	Total (i and ii)	2427084	1893703

The Eastern Railway Employees' Co-operative Bank Ltd.

Schedule 8 - Investments			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
I	Investments in India in		
	(i) Government Securities	8487272	9673993
	(ii) Other approved securities	0	0
	(iii) Shares	1	1
	(iv) Debentures and Bonds	0	0
	(v) Subsidiaries and/or joint ventures	0	0
	(vi) Others (to be specified)	0	0
	Total	8487273	9673994
II	Investments outside India in		
	(i) Government securities (including local authorities)	0	0
	(ii) Subsidiaries and/or joint ventures abroad	0	0
	(iii) Others investments (to be specified)	0	0
	Total	0	0
	Grand Total (I and II)	8487273	9673994
Schedule 9 - Advances			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
A	(i) Bills purchased and discounted	0	0
	(ii) Cash credits, overdrafts and loans repayable on demand	20389	16362
	(iii) Term loans	6013546	5678728
	Total	6033935	5695090
B	(i) Secured by tangible assets	9482	4756
	(ii) Covered by Bank/Government Guarantees	0	0
	(iii) Unsecured	6024453	5690334
	Total	6033935	5695090
C.I	Advances in India		
	(i) Priority Sectors	0	0
	(ii) Public Sector	0	0
	(iii) Banks	0	0
	(iv) Others	6033935	5695090
	Total	6033935	5695090
C.II	Advances outside India		
	(i) Due from banks	0	0
	(a) Bills purchased and discounted	0	0
	(b) Syndicated loans	0	0
	(c) Others	0	0
	Total	0	0
	Grand Total (C.I and II)	6033935	5695090

The Eastern Railway Employees' Co-operative Bank Ltd.

Schedule 10 - Fixed Assets			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
I	Premises	2480	2755
	At cost as on 31st March of the preceding year	2755	3062
	Additions during the year	0	0
	Deductions during the year	0	0
	Depreciation to date	275	307
II	Other Fixed Assets (including furniture and fixtures)	6323	5511
	At cost as on 31st March of the preceding year	5511	3484
	Additions during the year	2361	3224
	Deductions during the year	0	0
	Depreciation to date	1549	1197
	Total (I and II)	8803	8266

Schedule 11 - Other Assets			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
I	Inter-office adjustments (net)	0	0
II	Interest accrued	231381	213980
III	Tax paid in advance/tax deducted at source	392488	316495
IV	Stationery and stamps	0	0
V	Non-banking assets acquired in satisfaction of claims	0	0
VI	Others	311833	272372
	Total	935702	802847

Schedule 12 - Contingent liabilities			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
I	Claims against the bank not acknowledged as debts	0	0
II	Liability for partly paid investments	0	0
III	Liability on account of outstanding forward exchange contracts	0	0
IV	Guarantees given on behalf of constituents	0	0
	(a) In India	0	0
	(b) Outside India	0	0
V	Acceptances, endorsements and other obligations	0	0
VI	Other items for which the bank is contingently liable	0	0
	Total	0	0

The Eastern Railway Employees' Co-operative Bank Ltd.

Schedules forming part of the profit & loss account as on 31-03-2024

Schedule 13 - INTEREST EARNED			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
i	Interest/discount on advances/bills	645783	580664
ii	Income on investments	549924	585663
iii	Interest on balances with Reserve Bank of India and other inter-bank funds	81509	55535
iv	Others	38182	33127
	Total	1315398	1254989

Schedule 14 - OTHER INCOME			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
i	Commission, exchange and brokerage	0	0
ii	Profit on sale of investments Less: Loss on sale of investments	0	0
iii	Profit on revaluation of investments Less: Loss on revaluation of investments	0	0
iv	Profit on sale of land, buildings and other assets Less: Loss on sale of land, buildings and other assets	0	0
v	Profit on exchange transactions Less: Loss on exchange transactions	0	0
vi	Income earned by way of dividends, etc. from subsidiaries/companies and/or joint ventures abroad/in India	0	0
vii	Miscellaneous Income	105167	42414
	Total	105167	42414

Schedule 15 - INTEREST EXPENDED			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
i	Interest on deposits	728878	766267
ii	Interest on Reserve Bank of India/ Inter-bank borrowings	0	0
iii	Others	0	0
	Total	728878	766267

The Eastern Railway Employees' Co-operative Bank Ltd.

Schedule 16 - OPERATING EXPENSES			
	Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
i	Payments to and provisions for employees	101346	103776
ii	Rent, taxes and lighting	1986	2282
iii	Printing and stationery	1065	1095
iv	Advertisement and publicity	254	240
v	Depreciation on bank's property	1824	1504
vi	Director's fees, allowances and expenses	265	278
vii	Auditors' fees and expenses (including branch auditors)	1086	1456
viii	Law charges	1614	430
ix	Postages, Telegrams, Telephones, etc.	823	828
x	Repairs and maintenance	2926	2323
xi	Insurance	21775	22654
xii	Other expenditure	25729	20490
	Total	160693	157356

The schedules 1 to 12 referred to above form part of the Balance Sheet and schedules 13 to 16 referred to above form part of the Profit & Loss Account.

Apurba Sen
Chief Executive Officer

Sajal Pal
Sr. Manager (F & A)

Shashanka Ghosh
Director

Bijay Kumar Singh
Director

Tapas Nandi
Director

Amresh Kumar Baitha
Director

Place: Kolkata

Dated: 16th July, 2024

15, India Exchange Place, Birla Brothers Building, 5th Floor
Kolkata- 700008

(CA SOMNATH BISWAS)

Partner

Membership No. 064735

UDIN: 24064735BKFMJR7321

The Eastern Railway Employees' Co-operative Bank Ltd.

10, Strand Road, Kolkata - 700001

ACCOUNTS CLUB BING SHEETS IN SCHEDULE - As On 31.03.2024

Particulars	As on 31-03-2024 (Rs. '000)	As on 31-03-2023 (Rs. '000)
Revenue & Other Reserves - Schedule 2 (4)		
Building Fund	54637	54537
Dividend Equalisation Fund	38177	38177
Reserve for Bad & Doubtful Debts	449294	404065
Investment Depreciation Reserve	162630	245142
Co-operative Education Fund	3632	1811
Reserve for Co-op Housing Scheme	105	105
Stability Fund	100323	95976
Co-operative Movement Fund	2080	1980
Members & Staff Education Fund	9700	9600
System Modernisation Fund	10278	10278
Investment Fluctuation Reserve	146000	116000
Co-operative Rehabilitation, Reconstruction and Development Fund	3632	0
Total	980488	977670
Demand Deposits (from others) - Schedule 3 (A) (1) (b)		
Staff OD (credit balance)	64	0
Share Refundable on Member Cessation	100973	0
Total	101037	0
Term Deposits (from others) - Schedule 3 (A) (3) (b)		
Fixed Deposit	4942687	5689426
Recurring Deposit	295497	323953
Hypothecated Fixed Deposit	791	831
Security Deposit	32637	31041
CRBD	3378157	3104679
Total	8649769	9149930
Interest Accrued- Schedule 5 (3)		
Interest payable on Security Deposit	584	624
Interest payable on HFD	3333	3467
Interest Payable	795	885
Total	4712	4976
Others - Schedule 5 (4)		
Deposit Suspense account	5837	6352
Sundry Deposit	3069	3069
Reserve for Contingent Provision on Standard Assets	25212	25212
Loan & CRBD Recovery Unadjusted	23937	26398
Loan to Members (credit balance)	0	96
Staff OD (credit balance)	0	89
Unpaid Misc. Payorder	23336	23489
Loan Excess Accumulated	81056	84437
Short/Excess Receipt	20	20
CRBD Excess Accumulated	17464	17668

The Eastern Railway Employees' Co-operative Bank Ltd.

GSLI	178	108
Unpaid Dividend 2015-16	15	0
Dividend Payable	212081	172515
Dividend Payable 2020-21	25492	29143
Dividend Payable 2021-22	22713	24052
Gratuity payable	96	0
Foreign Service	0	6
Income tax (TDS)	531	524
Share & CRBD Refund account	1100	1109
TDS Payable for Deposit	5499	7128
Excess Recovery (Loan & CRBD)	64987	68443
Outstanding Miscellaneous Payorder	1407	1416
Medical Re-imburement	176	157
Railway Remittance	7150	9569
Railway Remittance Received pending Adjustment	1889	2233
Loan pending Disbursement	253	252
SVR Payable	2179	968
Provident Fund	0	883
Earnest Money (vendor)	68	68
Savings Bank A/C Suspense	238	238
Recurring Deposit A/C Suspense	3	3
CRBD GL/PL Difference	637723	637728
FD GL/PL Difference Asansol	71	71
Matured FD GL/PL Difference	200	200
FD GL/PL Difference Fairlie Place	32575	32575
FD GL/PL Difference Howrah	3238	3238
FD GL/PL Difference Liluah	1805	1805
FD GL/PL Difference Mughalsarai	1207	1207
Loan To Member GI/PI Difference	1235124	1235940
RD GL/PL Difference Asansol	5	5
RD GL/PL Difference Dhanbad	179	179
RD GL/PL Difference Fairlie Place	16485	16485
RD GL/PL Difference Howrah	237	237
RD GL/PL Difference Liluah	1091	1091
RD GL/PL Difference Mughalsarai	677	677
RD GL/PL Difference Jamalpur	2310	2310
RD GL/PL Difference Danapur	117	117
SB GL/PL Difference Dhanbad	5985	5985
SB GL/PL Difference Fairlie Place	75776	75776
SB GL/PL Difference Howrah	9718	9718
SB GL/PL Difference Liluah	34	34
Security Deposit GL-PL Difference	8661	8661
Matured RD GL-PL Difference	130	130
Output I.G.S.T.	135	130
Output S.G.S.T.	372	155
Output C.G.S.T.	372	155
Overdue Interest Reserve for NPA	72236	65135
Shareholders & Staff Welfare Fund	6042	5472

The Eastern Railway Employees' Co-operative Bank Ltd.

Share Application Received	14	14
Provision for Subsistence Allowance against Suspension	31	31
Provisions for Bonus/Ex-gratia	3064	2431
Income Tax Refund	3894	3894
Provision for Income Tax 2020-21	100	101
Provision for Income Tax	402646	280614
Provision for Income Tax 2022-23	61064	61064
Provision for Wrong Encashment of Cheques	763	763
Provision for HBA Interest	447	709
Provision for FD PL-GL Difference (Jamalpur)	2451	2451
Provision for FD PL-GL Difference (Danapur)	179	179
Provision for SB PL-GL Difference (Jamalpur)	140203	140202
Provision for SB PL-GL Difference (Danapur)	2982	2982
Provision for SB PL-GL Difference (Asansol)	26158	26171
Provision for SB PL-GL Difference (Mughalsarai)	1	1
Provision for SB Debit Balance	268	295
Provision for Difference in SBI, Howrah Branch	28274	28274
Provision for Expenses	672	768
Provision for HFD PL-GL Difference	33	31
Provision for Interest on Deposit Suspense	1023	866
Provision for Interest on EPFO	0	6148
Provision for Loss of Fund	2487	2487
Provision for Share Capital PL-GL Difference	56694	56786
Provision for Loan against FD GL-PL Difference	17	17
Provision for Overdue FD GL-PL Difference	610	610
Provision for Covid-19 Pandemic Relief voucher	29705	30312
Provision for Audit Fees	86	86
Provision for CRBD Debit Balance	5	5
Provision for CFD Debit Balance	203	203
Provision for STD Debit Balance	10	10
Provision for TDS Demand	334	1276
Provision for Loan/SVR (excess) Recoverable	599	0
Provision for Interest On Overdue Deposits	1486	0
Provision For Tax Audit Fee	20	0
Total	3405017	3260642
Cash in Hand - Schedule 6 (1)		
Fairlie Place Cash Account	2146	4158
Howrah Cash Account	3700	3742
Liluah Cash Account	4076	5852
Asansol Cash Account	2664	3450
Dhanbad Cash Account	2050	2946
Mughalsarai Cash Account	3733	4302
Danapur Cash Account	2511	2028
Jamalpur Cash Account	6884	2768
Imprest Cash	10	3
Cash in ATM at HO	977	0
Total	28751	29249
Balance with Banks-in Current Accounts-Schedule-7 (1) (a) (i)		
IDBI Bank A/c 1	52401	81875
IDBI Bank A/c 2	142739	117839

The Eastern Railway Employees' Co-operative Bank Ltd.

HDFC Bank, Stephen House	85	1329
HDFC Clearing A/c	14319	11650
Axis Bank	0	3997
Bank of Baroda	55925	58280
Bank of India	7940	57941
SBI, Howrah Bank Account	28485	28481
SBI, Liluah Bank Account	812	462
SBI, Asansol Bank Account	21561	1754
SBI, Dhanbad Bank Account	0	34
SBI, Mughalsarai Bank Account	885	885
SBI, Jamalpur Bank Account	9737	9738
SBI, Danapur Bank Account	5792	1138
State Bank of India, Call	250462	188720
West Bengal State Co-op Bank	16772	30224
State Bank of India, SIB Branch	50189	124769
State Bank Of India, Khiderpore	1886	11033
HDFC Bank, Howrah Bank Account	117	118
HDFC Bank, Liluah Bank Account	206	182
HDFC Bank, Asansol Bank Account	136	312
HDFC Bank, Dhanbad Bank Account	10394	7522
HDFC Bank, Danapur Bank Account	10059	9964
HDFC Bank, Jamalpur Bank Account	17331	10036
HDFC Bank, Mughalsarai Bank Account	85	102
HDFC Bank, Fairlie Place Bank Account	141	157
HDFC ATM Settlement Account	19329	4000
HDFC POS/ECOM	5582	0
HDFC NEFT/RTGS	19922	0
Indian Bank, Asansol	0	20
Indian Bank Dhanbad	0	36
Punjab & Sind Bank, kolkata	40733	166
PNB, Dhanbad	1223	1320
IDBI Bank, Mughalsarai	5507	4989
IDBI Bank, Asansol	10605	10007
Bandhan Bank , Dalhousie Branch	0	-
Total	801360	779080
Balance with Banks-in other Deposit Accounts - Schedule 7 (1) (a) (ii)		
Fixed deposits with Bandhan Bank	202622	302621
Fixed deposits with Punjab & Sind Bank	290000	58900
Fixed Deposit with WBSCB Ltd.	250000	200000
FD with Bank of Baroda	380000	300000
FD with PNB	0	200000
FD With Canara Bank	3102	3102
Total	1125724	1064623
Money at Call & Short Notice - Schedule 7 (1) (b) (ii)		
SBI DFHI Ltd.	0	50000
PNB Gilts Ltd.	500000	0
STCI		
Total	500000	50000

The Eastern Railway Employees' Co-operative Bank Ltd.

Investments in India in Government Securities - Schedule 8 (1) (i)		
Investment in GOI Bonds	5987446	6010114
Investment in SDL Bonds	2160066	2160157
Investment in Treasury Bills	339760	1503722
Total	8487272	9673993
Advances - Cash Credits, overdrafts and loans repayable on Demand		
Schedule-9 (A) (ii)		
Loan Against FD	9482	4756
Staff OD Loan	10907	11606
Total	20389	16362
Advances - Term Loans - Schedule-9 (A) (iii)		
Loan to Members	6013546	5678728
Total	6013546	5678728
Fixed Assets-Premises - Schedule 10 (1)		
Office Building	1299	1443
Leasehold Building	1181	1312
Total	2480	2755
Fixed Assets-Other Fixed Assets - Schedule 10 (2)		
Furniture & Fixture	1187	650
Token	60	67
Computer	1768	2559
Display Board	59	17
Electric Installation	157	111
Closed Circuit TV	83	94
Television	7	11
Computer Software	421	632
Air Conditioner	1053	741
Aquagurd Water Purifier	32	19
Electronic Tel-Exchange	9	11
Fax Machine	2	2
Fire Proof Safe	25	30
Modem	0	1
Elevator	4	5
Projector	6	7
Pump	4	4
Franking Machine	47	55
Note Counting Machine	314	325
Mobile Phone	22	26
Cheque Printing Machine	123	144
Fire Extinguisher	23	0
ATM Machine	422	0
Safe Deposit Vaults	48	0
ATM Counter	447	0
Total	6323	5511
Other Assets-Interest Accrued - Schedule 11 (2)		
Interest receivable on FD with other Banks	42412	32190
Interest Receivable on Staff HBA Loan	447	709
Interest receivable on GOI / SDL Bonds	115469	115936

The Eastern Railway Employees' Co-operative Bank Ltd.

Interest Receivable on Call/Notice Money	817	10
Interest Receivable on NPA	72236	65135
Total	231381	213980
Other Assets-Tax paid in advance/TDS - Schedule 11 (3)		
TDS Credit Receivable	9512	6337
Advance Tax Paid	382976	310158
Total	392488	316495
Other Assets-Others - Schedule 11 (6)		
Advance against expenses	0	38
Security Deposit with CESC	276	276
Prepaid Expenses	15618	5081
Self-Assessment Tax 2020-21	10857	10857
Self-Assessment Tax 2022-23	21616	0
Income Tax paid 2019-20 pending Assessment	13300	13300
SB PL-GL Difference Asansol	26158	26158
SB PL-GL Difference, Danapur	2982	2982
SB PL-GL Difference, Jamalpur	140202	140202
SB PL-GL Difference, Mughalsarai	1	1
Overdue FD GL-PL Difference	610	610
Share Capital PL-GL Difference	56694	56694
FD PL-GL Difference, Danapur	179	179
FD PL-GL Difference, Jamalpur	2451	2451
HFD PL-GL Difference	33	31
Loan against FD GL-PL Difference	17	17
Input IGST	7963	6035
Input CGST	3712	2950
Input SGST	3711	2949
Savings Bank Debit balance	268	268
CRBD Debit Balance	5	5
Loan/SVR (excess) Recoverable	599	597
DEAF Claim Account	241	119
Advance for Fixed Assets	3356	151
Input IGST under RCM	21	21
Input CGST under RCM	452	200
Input SGST under RCM	452	200
Deposit with State Consumer Forum Dhanbad	59	0
Total	311833	272372
Interest/Discount on Advances/Bills - Schedule-13 (I)		
Interest on Loan	644053	579274
Interest on Loan on Fixed Deposits	568	128
Interest on Staff House Building Loan	262	256
Interest on Staff OD Loan	900	1006
Total	645783	580664
Income on Investments - Schedule-13 (II)		
Interest on GOI/SDL Bonds	516491	517709
less: Amortisation of Premium paid on HTM GOI Bonds	596	596
	515895	517113
Interest on T Bills	34029	68550
Total	549924	585663

The Eastern Railway Employees' Co-operative Bank Ltd.

Interest on balances with Reserve Bank of India and other inter-bank funds - Schedule-13(III)		
Interest on FD with other Banks	81509	55535
Total	81509	55535
Others - Schedule-13 (IV)		
Interest on Call Money	6311	1839
Interest on Term Money	22067	18503
Interest on Notice Money	9804	12785
Total	38182	33127
Miscellaneous Income - Schedule-14 (VII)		
Miscellaneous Receipts	2781	1524
Sale of Withdrawal Booklets/Cheques	12	11
Profit on Redemption of GOI/SDL Bonds	2838	0
Profit on Redemption of Treasury Bills	15793	12850
Profit on sale of scrap	0	104
Interest on Security Deposit with CESC	20	21
Service Bond money received	100	200
Excess Provision written back	1074	27704
ATM Charges received	3	0
ATM NPCI Charges Received	34	0
Investment Depreciation Reserve written back	82512	0
Total	105167	42414
Interest on Deposits - Schedule 15 (I)		
Interest paid on Fixed Deposits	418094	472186
Interest paid on Savings Bank	76679	78510
Interest paid on C.R.B.D.	203264	187872
Interest paid on Recurring Deposits	23956	26228
Interest Paid on Security Deposit	1274	1221
Interest on Deposit Suspense	165	164
Interest Paid on Hypothecated Fixed Deposit	76	86
Interest On Overdue Deposits	1486	0
Interest on Share Refundable on Member Cessation	3884	0
Total	728878	766267
Payments to & Provisions for employees - Schedule-16 (I)		
Salary	81965	83519
Contractual Employees Salary	1911	0
Medical Insurance Premium	3046	2920
Contribution to PF	6641	6753
Contribution to EPFO Pension Fund	953	1063
Contribution to EDLI	89	93
Contribution of Gratuity to LIC	5199	3045
Contribution of Leave Salary to LIC	863	4667
PF Admn. Charges	316	394
Transfer Grant	245	178
Subsistence Allowance against Suspension	118	1144
Total	101346	103776
Rent, taxes and lighting - Schedule-16 (II)		

The Eastern Railway Employees' Co-operative Bank Ltd.

Electric Charges	1538	1565
Rent	46	103
Municipal Taxes	402	614
Total	1986	2282
Depreciation on bank's property - Schedule - 16 (V)		
Depreciation	1824	1504
Total	1824	1504
Director's fees, allowances and expenses - Schedule-16 (VI)		
Professional Directors Sitting Fees	132	171
T.A. &Contg. (Directors)	133	107
Total	265	278
Auditors' fees and expenses (including branch auditors) - Schedule-16 (VII)		
Audit Fees	94	64
Concurrent Audit Fees	809	789
Forensic Audit Fees	11	369
IS Audit Fees/spl.	0	15
Migration Audit	0	132
Special Audit fees	130	65
Tax Audit Fees	42	22
Total	1086	1456
Postages, Telegrams, Telephones, etc. - Schedule-16 (IX)		
Postage	38	138
Telephone Charges	785	690
Total	823	828
Repairs and maintenance - Schedule-16 (X)		
Office Maintenance	2474	1828
Repair & Renewals	452	495
Total	2926	2323
Insurance - Schedule-16 (XI)		
Deposit Insurance	17920	18456
Insurance Charges	3855	4198
Total	21775	22654
Other Expenditure - Schedule-16 (XII)		
T.A. & Contingency (Office)	691	496
T.A. & Contingency (Auditor)	208	138
Refilling of Fire Extinguisher	0	6
Credit Rating Enquiry Charges	626	614
Miscellaneous Expenses	10	10
Bank Charges	30	110
Co-operative Week Expenses	221	204
Security Guard expenses	4571	3505
Honorarium to D.C.	19	19
Subscriptions	226	130
Computer Expenses	257	236
AGM Expenses	1026	887

The Eastern Railway Employees' Co-operative Bank Ltd.

Hire Charges	27	31
Puja Exgratia	383	365
Consultancy Chages	1157	2169
Car Hire Charges	58	89
Books & Periodicals	7	3
Training Expenses	0	40
D MAT & CSGL charges	5	16
Closing Expenses	30	16
CBS Rental	1769	1754
Profession Tax	0	21
Annual Maintenance Charges	1479	1379
E-mail Server Rental	167	16
CBS Implementation Cost	0	635
Interest paid on EPFO	89	1731
Payment to Temporary Employees	786	682
License Fees	73	7
Donation to Staff Recreation Club	40	40
ATM Expenses	661	133
ATM, POS & ECOM Reconciliation Support Fee	206	0
ATM Card Expenses	491	0
Meeting Expenses	1	8
Office Contingency	2121	1832
Subsistence Allowance	3784	2578
Members Funeral Expenses	185	210
Recruitment Expenses	0	120
ATM NPCI Charges Paid	102	0
GST on Reverse Charge	501	260
Income Tax Uploading Fees	1	0
Branch Renovation Account	3721	0
Total	25729	20490
Provisions & Contingencies		
HFD GL-PL Difference Provision	2	5
CRBD Debit balance Provision	0	5
Provision for Income Tax C.Y.	122132	61064
BDDR Provision	45080	22539
FD GL-PL Difference	0	50
Depreciation on Investment	0	107555
Loan/SVR (excess) Recoverable	599	0
CFD Debit Balance Provision	0	203
STD Debit Balance Provision	0	10
TDS Demand Provision	0	1276
Total	167813	192707

The Eastern Railway Employees' Co-operative Bank Ltd.

Statement of Tangible Assets as at 31st March,2024

Code	Description of Assets	Rate of Dep. (%)	Original Cost				Depreciation/Amortisation			Net Block	
			Balance as on 1st April,2023	Additions During the Period	Sold During the Period	Balance as on 31st March,2024	Balance as on 1st April,2023	For the Period	Dep. Upto 31st March,2024	Balance as on 31st March,2024	Balance as on 31st March,2023
8868	Office Building	10	2444377	0	0	2444377	1000997	144338	1145335	1299042	1443380
8864	Leasehold Building	10	2222058	0	0	2222058	909955	131210	1041165	1180893	1312102
	Plant & Machinery	15	2542619	5,83,937	0	3126555	1171544	243265	1414809	1711746	1371075
8862	Furniture & Fixture	10	838679	626697	0	1465377	188891	89287	278177	1187200	649789
8873	Token	10	75225	0	0	75225	8574	6665	15239	59986	66651
8854	Computer	33.33	7936077	79555	0	8015631	5376648	870999	6247647	1767985	2559429
8856	Display Board	25	19061	50901	0	69962	2177	8327	10504	59459	16884
8857	Electric Installation	15	178693	66027	0	244720	67993	19507	87500	157220	110700
8853	Closed Circuit TV	33.33	1015850	24024	0	1039874	922139	34511	956650	83224	93710
8875	Television	33.33	27347		0	27347	16528	3606	20134	7213	10818
8877	ATM Machine	15	0	457375	0	457375	0	36150	36150	421226	0
8880	ATM Counter	10	0	472487	0	472487	0	25608	25608	446879	0
	Total		17299987	2361006	0	19660992	9665445	1613473	11278919	8382074	7634542

The Eastern Railway Employees' Co-operative Bank Ltd.

Statement of Intangible Assets as at 31st March 2024

Code	Description of assets	Rate of Dep. (%)	Original Cost			Depreciation/Amortisation			Net Block		
			Balance as on 1st April,2023	Additions During the Period	Sold During the Period	Balance as on 31st March,2024	Balance as on 1st April,2023	For the Period	Dep. Upto 31st March,2024	Balance as on 31st March,2024	Balance as on 31st March,2023
8855	Computer Software	33.33	5221868	0	0	5221868	4589970	210611	4800582	421286	631897
	Total		5221868	0	0	5221868	4589970	210611	4800582	421286	631897

Statement of Plant & Machinery as at 31st March,2024

Sl. No.	Code	Particulars	Rate of Dep. (%)	Original Cost			Depreciation/Amortisation			Net Block	
				Balance as on 1st April,2023	Additions During the Period	Balance as on 31st March,2024	Balance as on 1st April,2023	During the period	Dep. Upto 31st March,2024	Balance as on 31st March,2024	Balance as on 31st March,2023
1	8851	Air Conditioner	15%	1374016	448307	1822323	633272	136062	769333	1052990	740744
2	8852	Aquagurd Water Purifier	15%	42178	17110	59288	23464	3538	27002	32286	18714
3	8858	Electronic Tel-Exchange	15%	25003	0	25003	13909	1664	15573	9430	11094
4	8859	Fax Machine	15%	4113	0	4113	2288	274	2562	1551	1825
5	8860	Fire Proof Safe	15%	67453	0	67453	37524	4489	42013	25440	29929
6	8863	Gestetener Machine	15%	369	0	369	205	25	230	139	164
7	8866	Modem	15%	1263	0	1263	702	84	786	477	561
8	8869	Otis Elevator	15%	10373	0	10373	5771	690	6461	3912	4602
9	8870	Projector	15%	17,035	0	17035	9476	1134	10610	6425	7559
10	8871	Pump	15%	9287	0	9287	5166	618	5784	3503	4121
11	8872	Type Machine	15%	73	0	73	41	5	46	27	32
12	8861	Franking Machine	15%	125093	0	125093	69588	8326	77914	47179	55505
13	8867	Note Counting Machine	15%	574701	41792	616493	248826	54119	302945	313548	325875
14	8865	Mobile Phone	15%	55950	0	55950	29679	3941	33620	22330	26271
15	8874	Cheque Printing Machine	15%	235712	0	235712	91634	21612	113246	122466	144078
16	8878	Fire Extinguisher	15%	0	24,410	24410.41	0	2029	2029	22381	0
17	8879	Safe Deposit Vault	15%	0	52316.73	52316.73	0	4656	4656	47661	0
		Total:-		2542619	583936	3126555	1171544	243265	1414809	1711746	1371075

The Eastern Railway Employees' Co-operative Bank Ltd.

Schedule No. 17 –Significant Accounting Policies and notes forming part of Financial Statement for the year ended 31st March, 2024.

I. Background: -

The Eastern Railway Employees' Co-Operative Bank Ltd (The ERECB Ltd) was initially incorporated vide certificate No. 111 of 1912 in the office of the Registrar of Co-Operative Societies, Bengal Under Act II of 1912 on 23rd November, 1912 as an Employees' Co-operative Credit Society. Subsequently it has got banking license from Reserve Bank of India and started to render banking services to the members of the society (Bank) who, by virtue of bye-laws, are existing employees or ex-employees of Eastern Railway and also to some extent employees of E.C.Railways. The ERECB Ltd is having its Registered Office at 17, Netaji Subhas Road, Kolkata-700001 and Administrative Office at 10, strand Road, Kolkata-700001 and registered under section 11 of the Multi-State Co-operative Societies Act, 2002 (39 of 2002) (No.L-11016/20/87-L & M/Vol.-III- Government of India, Ministry of Agriculture (Deptt. Of Agriculture & Co-operation DT. 31st Dec, 2004).

The Bank has eight Branch Offices situated at: -

Sl. No.	Branch Name	Branch Address
I.	Fairlie Place Branch	17, N.S Road, Kolkata-700001, West Bengal
II.	Howrah Branch	DRM Building (Annex) Eastern Railway, Howrah-711101, West Bengal
III.	Liluah Branch	C & W WORKSHOP, E.Rly.PO LILUAH, DIST. HOWRAH - 711204, West Bengal
IV.	Asansol Branch	Near Asansol Railway Station Road PO Asansol Dist. Burdwan - 713301, West Bengal
V.	Dhanbad Branch	Railway Station Building, East Central Railway PO & Dist Dhanbad,
VI.	Jamalpur Branch	Eastern Railway Workshop - Dist. Munger, Pin -811214, Bihar
VII.	Danapur Branch	Danapur D.R.M Office, East Central Railway, PO Khagaul, Dt. Patna, Bihar. PIN- 801105
VIII.	Mughal Sarai (DDU) Branch	TRD Building, East Central Railway, P.O Mughalsarai, Dt.Chandauli, PIN -232101, Uttar Pradesh

II. SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Preparation:

Financial statements of the Bank are prepared under the historical cost convention on accrual basis of accounting as ongoing concern basis, unless otherwise stated and conform in all material aspects to Generally Accepted Accounting Principles (GAAP) in India, which comprise applicable statutory provisions, regulatory norms/guidelines prescribed by the Reserve Bank of India (RBI), Banking Regulation Act 1949, Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI), and the practices prevalent in the banking industry in India.

The Eastern Railway Employees' Co-operative Bank Ltd.

B. Significant Accounting Policies:

1. Revenue recognition:

1.1 Income and expenditure are accounted for on accrual basis, except otherwise stated.

1.2 Interest income is recognized in the profit and Loss Account as it accrues except: -

(i) Income from Non-Performing Assets (NPAs), comprising of advances and investments, which is recognized upon realization, as per the prudential norms prescribed by the RBI.

2. Investments:

The transactions in Government Securities are recorded on "Settlement Date".

2.1 classifications

Investments are classified into categories, viz. Held to Maturity (HTM), Available for sale (AFS) as per RBI Guidelines. The Bank does not have any security under HFT category.

2.2 Basis of classification:

- i. Investments that the Bank intends to hold till maturity are classified as "**Held to Maturity (HTM)**".
- ii. Investments, which are not classified as HTM categories, are classified as "**Available for Sale (AFS)**".
- iii. No transfer of securities from HTM category to AFS category or vis-à-vis was done during the F.Y. 2023-24.

3. Loans/Advances and Provisions thereon: -

3.1 Loans and advances are classified as performing and non-performing, based on the guidelines/directives issued by the RBI. Loan Assets become Non-performing Assets (NPAs) where: -

In respect of **Term Loan**, interest and/or instalment of principal remains overdue for a period of more than 90 days;

3.2 NPAs are classified into sub-standard, Doubtful and Loss Assets, based on the following criteria stipulated by RBI: -

- i. Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months.
- ii. Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.
- iii. Loss: A loan asset where loss has been identified but the amount has not been fully written off. As on 31st March 2024, a number of 103 nos. of Loan Accounts have been marked as Loss Assets assuming that the scope of recovery of those outstanding balances are remote. But the Bank has been trying its best to recover the amount keeping a close liaison with the concerned Railway Authorities. It is a perpetual process. The outstanding amount for all these 103 nos of Loss Assets are fully covered by provisions @100%.

3.3 Provisions are made for NPAs as per the extant guidelines prescribed by the regulatory authorities, subject to minimum provisions as prescribed below: -

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A. Standard Assets: - A general provision of 0.40% on the total outstanding.

B. i. Sub-standard Assets: -

A general provision of 10% on the total outstanding.

ii. Doubtful Assets: -

A. Secured portion: -

- a. Upto one year-20%
- b. One to three years-30%
- c. More than three years-100%

B. Unsecured portion: 100%

iii. Loss Assets: 100%

Since here the Bank is a Salary Earners Co-operative Bank and Loans and Advances are restricted to its members only (who are the Railway employees) and all the Loans are issued against the security of their Salary, provision towards NPA in all categories (except Sub-Standard) are made @100% basis.

4. Fixed Assets Depreciation and Amortization: -

4.1 Fixed Assets are carried forward at cost less accumulated depreciation/amortization.

4.2 Cost includes cost of purchase and all expenditures incurred on the asset before it is put into use. Subsequent expenditures incurred on the assets put to use are capitalized only when it increases the future benefits from such assets or their functioning capability.

4.3 The rates of depreciation and method of charging depreciation in respect of domestic operations are as under:

Sl No.	Description of Fixed Asset	Method of charging depreciation/ amortization
1	Building	Written Down Value - 10%
2	Computer & computer software	Written Down Value - 33 1/3%
3	Furniture & Fixture	Written Down Value - 10%
4	Electrical Fittings	Written Down Value - 15%
5	Plant & Machinery	Written Down Value - 15%

5. Employees' Benefits: -

- i) The Bank Provides for gratuity to all eligible employees. The benefit is being provided to the employees on retirement, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to a maximum amount of Rs. 20.00 lac upon completion of five years of service. Since the Gratuity provision has been tied up with LIC Group Gratuity Scheme, in case of death of any employee before the date of retirement, Gratuity amount payable at the date of retirement would be paid to the nominee/legal heir of the deceased employee.
- ii) All eligible employees of the Bank are entitled for the amount towards leave salary at the time of retirement subject to accumulation of maximum 300 days and being taken into account at the time of disbursement only. The leave encashment scheme has also

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been tied up with L.I.C.I authority and in case of death of any employee before retirement, the due amount would be paid to the nominee and in that case apart from due amount towards Leave Salary, an additional amount of Rs.2.00 lakh would also be paid to the legal heir of deceased employee since it is also covered under the L.I.C Policy as per agreement made with the Bank and the LIC authority.

- iii) All eligible employees of the Bank along with their eligible dependents are covered under Medical Insurance Policy of Rs.10.00 Lakh per year per Employee / Family.
- iv) In case of retired employees the Medical Insurance Policy are there for Rs.5.00 lakh per year per employee including spouse and /or eligible dependents.
- v) The bank is also providing subsistence allowance of Rs. 2,000/- on monthly basis to all the retired employees.

6. Taxes on Income:

Income tax expense is the aggregate amount of current tax expense incurred by the Bank. The current tax expense is determined in accordance with the provisions of the Income Tax Act, 1961. We have also submitted the return for the A.Y. 2023-24 and assessment is awaited. An amount of Rs.12,21,32,260/- has been provided as tax for the current year. Since there is Deferred Tax Asset as on 31-03-2024 no provision has been made as a matter of Prudence.

7. Provisions, Contingent Liabilities and Contingent Assets: -

7.1 In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognizes provisions only when it has a present obligation as a result of a past event, and would result in a probable outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

7.2 Recognition of provision: -

- i) Provisions for all past events which have come to the knowledge of the Bank till the date of signing of Balance Sheet by the Auditors have been made for.

Note: Previous year's figures have been regrouped wherever necessary to conform to the current year classification.

- ii) In this regard, it is stated that some of the figures as shown till the financial year 2021-22 under the Head of Other Liabilities-Schedule 5 (4) have been grouped to Suspense A/c – Credit Balance in the last financial year i.e. 2022-23. However, for ready reference in future, the amount shown under individual account is remained unchanged and shown as under:-

The Eastern Railway Employees' Co-operative Bank Ltd.

Particulars	Individual account balances (Rs. in Thousand)	Presented in the previous year balance sheet (Rs. in Thousand)
SB GL PL Difference Dhanbad	5985	
SB GL PL Difference Howrah	9718	
SB GL PL Difference Liluah	34	
SB GL PL Difference Fairlie Place	75776	
FD GL PL Difference Howrah	3238	
FD GL PL Difference Liluah	1805	
FD GL PL Difference Fairlie Place	32575	
FD GL PL Difference Mughalsarai	1207	
RD GL PL Difference Dhanbad	179	
RD GL PL Difference Danapur	117	
RD GL PL Difference Howrah	237	
RD GL PL Difference Jamalpur	2310	
RD GL PL Difference Liluah	1091	
RD GL PL Difference Fairlie Place	16485	
RD GL PL Difference Mughalsarai	677	
CRBD GL PL Difference	637728	
Loan to Member GL PL Difference	1235940	
SD GL PL Difference	8661	
FD GL PL Difference Asansol	71	
RD GL PL Difference Asansol	5	
Matured FD GL-PL Difference	200	
Matured RD GL-PL Difference	130	
Suspense A/c Credit Balances	241	

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In this context, it needs to be mentioned that the existing liabilities of Rs. 241.00 thousands shown in the above-mentioned table as an individual account "Suspense A/c Credit Balances" is also consists of two separate General Ledgers "Savings Bank A/C Suspense" & "Recurring Deposit A/C Suspense" which were clubbed & presented under "Suspense A/c Credit Balances" since long back.

However, as advised by concurrent auditors of H.O. and as per decision of the managing committee of the bank such accounts which were re-grouped to respective suspense account credit balance as stated above in the year 2022-23, has been reconverted into credit balances of Deposit accounts. It is revealed that those differences occurred in General Ledger balances with Personal Ledger balances stand, as the Credit balance in General Ledgers of those accounts are higher than the sum total of personal ledger balances of respective deposit accounts. If the balances of GL heads of the respective deposit accounts were less than the sum total of personal ledgers of the deposit accounts, the difference amount have been treated as Debit difference and for that necessary provision was made by debiting Profit & Loss account.

Since, here the differences stand in the credit side, resulting no provision is required. Moreover, the credit balance of differences in General Ledger and Personal Ledger have not been netted with the differences with GL-PL stand as Debit. So, required provision as already provided by debiting the Profit & Loss account in the earlier years has not been affected by any means. Further, all the accounts under the heads of difference in GL-PL credit balances of the respective deposit accounts have been sealed by the bank authority under the supervision, control and monitor by the senior officials of the accounts department. There is hardly any scope to make a fraudulent transaction by branch level and/or HO level since necessary permission in writing required from higher management for making both debit and credit entries in these accounts.

On the other hand, it is revealed that the accounts related to difference in GL-PL credit have not been created through Profit & Loss account. As a result, the bank cannot write back the amount towards the said difference in GL-PL credit balance in the credit of Profit & Loss account considering the liabilities are no longer required.

Considering the above, instead of clubbing separate deposit accounts as under "Suspense A/c – Credit Balance" those individual deposit accounts are shown individually in place of "Suspense A/c – Credit Balance" which is shown in the table below as a ready reference for better understanding as well as for commencing the reconciliation process in future:-

The Eastern Railway Employees' Co-operative Bank Ltd.

Sl. No.	Particulars	Individual account balances (Rs. in Thousand)			Presented in the balance sheet (Rs. in Thousand)		
		2021-22	2022-23	2023-24	2021-22	2022-23	2023-24
1	Savings Bank A/C Suspense	238	238	238	See footnote 1 below	238	
2	Recurring Deposit A/C Suspense	3	3	3		3	
3	CRBD GL/PL Difference	637752	637728	637723		637752	637723
4	FD GL/PL Difference Asansol	71	71	71		71	71
5	Matured FD GL/PL Difference	200	200	200		200	200
6	FD GL/PL Difference Fairlie Place	32575	32575	32575		32575	32575
7	FD GL/PL Difference Howrah	3238	3238	3238		3238	3238
8	FD GL/PL Difference Liluah	1805	1805	1805		1805	1805
9	FD GL/PL Difference Mughalsarai	1207	1207	1207		1207	1207
10	Loan To Member Gl/Pl Difference	1246812	1235940	1235124		1246812	1235124
11	RD GL/PL Difference Asansol	5	5	5		5	5
12	RD GL/PL Difference Dhanbad	179	179	179		179	179
13	RD GL/PL Difference Fairlie Place	16485	16485	16485		16485	16485
14	RD GL/PL Difference Howrah	237	237	237	See footnote 2 below	237	
15	RD GL/PL Difference Liluah	1091	1091	1091		1091	
16	RD GL/PL Difference Mughalsarai	677	677	677		677	
17	RD GL/PL Difference Jamalpur	2310	2310	2310		2310	
18	RD GL/PL Difference Danapur	117	117	117		117	
19	SB GL/PL Difference Dhanbad	5985	5985	5985		5985	
20	SB GL/PL Difference Fairlie Place	75776	75776	75776		75776	75776
21	SB GL/PL Difference Howrah	9718	9718	9718	See footnote 3 below	9718	
22	SB GL/PL Difference Liluah	34	34	34		34	
23	Security Deposit GL-PL Difference	8672	8661	8661		8672	8661
24	Matured RD GL-PL Difference	130	130	130		130	130
25	Suspense A/c Credit Balances					241	2034410

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Footnote 1: Balances of “Savings Bank A/C Suspense” (SL. No.1) and “Recurring Deposit A/C Suspense” (SL. No.2) was clubbed under “Suspense A/c Credit Balances”(SL. No.25) in the balance sheet for the year 2021-22.

Footnote 2: Balances deposit account from SL. No.1 to SL. No.24 was clubbed under the GL “Suspense A/c Credit Balances” (SL. No.25) in the balance sheet for the year 2022-23.

Footnote 3: All the deposit account which were clubbed under the “Suspense A/c Credit Balances” (under SL. No. 25) during the previous years are shown individually in the current year i.e. 2023-24 that is why there is no existence of “Suspense A/c Credit Balances” account in the balance sheet for year 2023-24.

In accordance with the directives of the Reserve Bank of India the valuation of securities under AFS securities are marked to market in accordance with the reference rate provided by the FINANCIAL BENCHMARKS INDIA PVT. LTD. (FBIL) The book value of these securities are not changed but the provisions against depreciation of these securities are held in the 'Investment Depreciation Reserves' (IDR) by debiting P/L account. In the last F.Y. 2022-23 IDR was held for Rs. 24.51 crores and for the current year it stands at Rs.16.26 crores in accordance with the reference rate obtained from FBIL.As a result,depreciation of AFS securities has been reducedby Rs.8.25 croresowing to improved market conditions.Consequently, Rs.8.25 croresis written back under the head “Investment Depreciation Written Back” by crediting the P/L account.

- I) Provision for Loan/SVR (excess) Recoverable – The amount paid erroneously to the borrowers in excess of loan disbursement amount due to technical glitch in the past. The bank is trying its level best to recover those amounts by deducting the excess amount from the salary of the borrowers. The amount which is outstanding till the year end is shown in asset side of the balance sheet under General Ledger “Loan/SVR (excess) Recoverable”. As a prudent measure the said excess amount is covered by provisions which have been created by debiting P/L account from this financial year.

8. Recognition of deposit liabilities: -

Certain liabilities other than regular deposit products are also considered as deposit in the balance sheet of the bank as these amounts are withdrawable on demand by the claimant in proper manner.

- i. Cessation of Membership–As per the policy of the bank, a Railway employee ceases to be a member of the bank after retirement from the service of Railwayand accordingly the members who are retired on or before 31.03.2024,their memberships treated as ceased. The number of live members have only been considered for calculating Share Capital and the liabilities towards the members who have already retired but not surrendered their membership converted from Share Capital To “Share Refundable on membership cessation” which will bear the interest at the rate of Savings Bank deposit and DICGC premium is paid for the said liabilities at par with regular deposit products.
- ii. Credit balance in Staff ODA/c – The overdraft facility to the staff members is provided by the bank through O.D. A/c maintained by the employees with the bank. They are able to take as a demand loans from these account as per the drawing power fixed as and when required which are covered by their superannuation benefits, their emoluments are mandatorily credited directly to the OD account in order to recover the principal or interest outstanding thereon.However, for those employees who have fully repaid the outstanding loan dues and their emoluments are being credited in the same account resulting credit balance in theirOD accounts. The credit balances lying in those employees' accounts are also treated as demand deposit of the bank.

9. Other liabilities & other assets

There are liabilities and assets of the bank for various purposes which are reflected under other liabilities schedule 5(4) and other assets 11(6) respectively. In this regard, the addition

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information regarding these various liabilities and assets are furnished below: -

(Rs. in thousands)

Sl. No.	Particulars	Sch. No.	Balance as on 31.03.2024	Remarks
1.	Dividend Payable	5(4)	Rs. 212081	The various year dividend liabilities included in this General Ledger as given below:- <ul style="list-style-type: none"> • Dividend payable for F.Y. 2016 -17 – Rs.63493 • Dividend payable for F.Y. 2018 -19 – Rs.5837 • Dividend payable for F.Y. 2022 -23 – Rs.22672 • Dividend payable for F.Y. 2023 -24 – Rs.120079
2.	Provision for Income Tax	5(4)	Rs. 402646	The various year provisions for income tax amounts included in this General Ledger as given below:- <ul style="list-style-type: none"> • Provision for Income Tax 2013-14 – Rs.305 • Provision for Income Tax 2019-20 – Rs.143590 • Provision for Income Tax 2020-21 – Rs.62649 • Provision for Income Tax 2021-22 – Rs.73970 • Provision for Income Tax 2023-24 – Rs.122132
3.	Income Tax Refund	5(4)	Rs. 3894	The various year income tax refund amounts included in this General Ledger as given below:- <ul style="list-style-type: none"> • Income Tax Refund 2018-19 – Rs. 1275 • Income Tax Refund 2019-20 – Rs. 2619
4.	Advance Tax paid	11(3)	Rs. 382976	The various year advance tax amounts included in this General Ledger as given below:- <ul style="list-style-type: none"> • Advance Tax paid 2019-20 – Rs. 147178 • Advance Tax paid 2020-21 – Rs. 51841 • Advance Tax paid 2021-22 – Rs. 63803 • Advance Tax paid 2022-23 – Rs. 47336 • Advance Tax paid 2023-24 – Rs. 72818
5.	TDS Credit Receivable	11(3)	Rs. 9512	The various year TDS paid by the bank to be adjusted during assessment amounts included in this General Ledger as given below:- <ul style="list-style-type: none"> • TDS Credit Receivable 19-20 – Rs. 1138 • TDS Credit Receivable 20-21 – Rs. 967 • TDS Credit Receivable 21-22 – Rs. 1248 • TDS Credit Receivable 22-23 – Rs. 2982 • TDS Credit Receivable 23-24 – Rs. 3177

10. Profit

The profit of the bank in this year significantly increased this year by Rs.18.21 crore compared to previous financial year. However, this enhancement of profit was caused due to growth of Loans and Advances and increase of earnings due to prudent deployment of funds resulting in increase of interest earnings and also an amount of Rs.8.25 crore written back from “Investment Depreciation Reserve” as described under point no. 7(iii) above.

11.Closing Balances of all the Accounts as reflected in the Balance-Sheet as on 31st March, 2024 have been duly brought forward as on 1st April, 2024 as the Opening Balances, have been duly verified and found correct in all respect.

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Annexure III

Disclosure in financial statements – 'Notes to Accounts' as on 31-03-2024

(Amount in ₹ Thousand)

Sr. No.	Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
i)	Common Equity Tier 1 Capital(CET 1)* / Paid up share capital reserves (net of deductions, if any)@	14,12,699.00	14,70,606.00
ii)	Additional Tier 1 Capital* / Other Tier 1 Capital@	13,65,003.00	11,68,002.00
iii)	Tier 1 Capital (i + ii)	27,77,702.00	26,38,608.00
iv)	Tier 2 Capital	2,50,598.61	2,13,617.88
v)	Total Capital (Tier 1 + Tier 2)	30,28,300.61	28,52,225.88
vi)	Total Risk Weighted Assets (RWAs)	83,67,889.05	78,09,430.33
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)* / Paid-up share capital and reserves as percentage of RWAs@	16.88%	18.83%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage to RWAs)	33.19%	33.79%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage to RWAs)	2.99%	2.74%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	36.19%	36.52%
xi)	Leverage Ratio *	NA	NA
xii)	Percentage of Shareholding of :		
	a) Government of India	0.00	0.00
	b) State Government (Govt. of West Bengal)	0.00%	0.00%
	c) Sponsor Bank	0.00	0.00
xiii)	Amount of paid-up equity capital raised during the year	0.00	0.00
xiv)	Amount of non-equity Tier 1 Capital raised during the year of which :	0.00	0.00
	Give list as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments etc.) Commercial Banks (excluding RRBs) shall also specify if the instruments are Basel II or Basel III component.	NIL	NIL
xv)	Amount of Tier 2 Capital raised during the year, of which :	0.00	0.00
	Give list as per instrument type (perpetual non-cumulative preference shares, perpetual debt instruments etc.) Commercial Banks (excluding RRBs) shall also specify if the instruments are Basel II or Basel III component.	NIL	NIL

*Applicable for Commercial Banks. Leverage Ratio disclosure is only required by commercial banks where it is applicable.

@Applicable for UCBs

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2. Asset Liability Management Maturity pattern of certain items of assets and liabilities

(Amount in ₹ Thousand)

	Day 1	Days 2 to 7 Days	Days 8 to 14 Days	Days 15 to 30 Days	Days 31 to 3 Months	Over 3 Months to 6 Months	Over 6 Months and up to 1 Year	Over 1 Year and upto 3 Years	Over 3 Year and upto 5 Years	Over 5 Years	Total
Deposits	7,922.00	47,533.00	55,456.00	1,26,756.00	4,75,335.00	3,94,637.00	7,42,030.00	72,54,702.00	9,19,482.00	6,88,567.00	1,07,12,419.00
Advances	1,690.00	10,138.00	11,828.00	27,036.00	1,01,383.00	55,515.00	1,93,321.00	16,79,654.00	39,51,533.00	1,836.00	60,33,935.00
Investments	0.00	0.00	0.00	0.00	98,868.00	0.00	2,40,892.00	6,75,508.00	4,31,972.00	70,40,033.00	84,87,273.00
Borrowings	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
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

3. Investments 3.a) Composition of Investment Portfolio

(Amount in ₹ Thousand)

As on 31-03-2024 (Current Year)

	Investments in India						Investments outside India				
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and joint ventures	Total Investments in India	Govt. Securities (including local authorities)	Subsidiaries and joint ventures	Others	Total Investments outside India	Total Investments
Held to Maturity											
Gross	33,68,398.00	0.00	0.00	0.00	0.00	33,68,398.00	0.00	0.00	0.00	0.00	33,68,398.00
Less : Provision for Non-performing investments(NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	33,68,398.00	0.00	0.00	0.00	0.00	33,68,398.00	0.00	0.00	0.00	0.00	33,68,398.00
Available for Sale											
Gross	51,18,874.00	0.00	1.00	0.00	0.00	51,18,875.00	0.00	0.00	0.00	0.00	51,18,875.00

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Less : Provision for Depreciation and Non-performing investments(NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
(Treasury bills)	(3,39,760.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	51,18,874.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Held for Trading																								
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less : Provision for Depreciation and Non-performing investments(NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Investments																								
Gross	84,87,272.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less : Provision for Depreciation and Non-performing investments(NPI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	84,87,272.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The Eastern Railway Employees' Co-operative Bank Ltd.

As on 31-03-2023 (Previous Year)

(Amount in ₹ Thousand)

	Investments in India						Investments outside India					
	Government Securities	Other Approved Securities	Shares	Debtures and Bonds	Subsidiaries and joint ventures	Others	Total Investments in India	Govt. Securities (including local authorities)	Subsidiaries and joint ventures	Others	Total Investments outside India	Total Investments
Held to Maturity												
Gross	33,91,156.00	0.00	0.00	0.00	0.00	0.00	33,91,156.00	0.00	0.00	0.00	0.00	33,91,156.00
Less : Provision for Non-performing investments(NPI)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	33,91,156.00	0.00	0.00	0.00	0.00	0.00	33,91,156.00	0.00	0.00	0.00	0.00	33,91,156.00
Available for Sale												
Gross	62,82,837.00	0.00	1.00	0.00	0.00	0.00	62,82,838.00	0.00	0.00	0.00	0.00	62,82,838.00
Less : Provision for Depreciation and Non-performing investments(NPI)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Treasury bills)	(15,03,722.00)	0.00	0.00	0.00	0.00	0.00	(15,03,722.00)	0.00	0.00	0.00	0.00	(15,03,722.00)
Net	62,82,837.00	0.00	1.00	0.00	0.00	0.00	62,82,838.00	0.00	0.00	0.00	0.00	62,82,838.00
Held for Trading												
Gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less : Provision for Depreciation and Non-performing investments(NPI)	0.00	0.00	0.00	0.00	0.00	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	0.00	0.00	0.00	0.00	0.00
Total Investments												
Gross	96,73,993.00	0.00	1.00	0.00	0.00	0.00	96,73,994.00	0.00	0.00	0.00	0.00	96,73,994.00
Less : Provision for Depreciation and Non-performing investments(NPI)	0.00	0.00	0.00	0.00	0.00	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	0.00	0.00	0.00	0.00	0.00
Net	96,73,993.00	0.00	1.00	0.00	0.00	0.00	96,73,994.00	0.00	0.00	0.00	0.00	96,73,994.00

The Eastern Railway Employees' Co-operative Bank Ltd.

3.b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ₹ Thousand)

	Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
I)	Movement of provisions held towards depreciation on investments		
	a) Opening Balance	2,45,142.00	1,37,586.00
	b) Add : Provisions made during the year	0.00	1,07,556.00
	c) Less : Write Off / write back of excess provisions during the year	82,512.00	0.00
	d) Closing Balance	1,62,630.00	2,45,142.00
II)	Movement of Investment Fluctuation Reserve		
	a) Opening Balance	1,16,000.00	1,07,000.00
	b) Add : Amount transferred during the year	30,000.00	9,000.00
	c) Less : Drawdown	0.00	0.00
	d) Closing Balance	1,46,000.00	1,16,000.00
III)	Closing balance in IFR as a percentage of closing balance of Investments in AFS / Current category	3.05%	1.85%

3.c) Non-SLR Investment portfolio

I) Non-performing non-SLR investments NIL

4. Asset Quality

a) Classification of Advances and provisions held

(Amount in ₹ Thousand)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub- Standard	Doubtful	Loss	Total Non- Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	53,77,765.00	1,39,451.00	1,61,906.00	15,969.00	3,17,326.00	56,95,091.00
Add : Addition during the year	3,78,820.00	0.00		0.00	0.00	3,78,820.00
Less : Reductions during the year	0.00	32,025.00	6,679.00	1,272.00	39,976.00	39,976.00
Closing Balance	57,56,585.00	1,07,426.00	1,55,227.00	14,697.00	2,77,350.00	60,33,935.00
Reductions in Gross NPAs due to :						
Upgradation						
Recoveries (excluding recoveries from upgraded a/cs)						
Write-offs						
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	25,212.00	13,945.00	1,61,906.00	2,28,295.00	4,04,065.00	4,04,065.00

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Add : Fresh provisions made during the year					45,229.00	45,229.00
Less : Excess provision reversed / Write-off loans						
Closing balance of provisions held	25,212.00	1,07,426.00	1,55,227.00	1,86,641.00	4,49,294.00	4,49,294.00
Net NPAs						
Opening Balance					1,25,506.00	0.00
Add : Fresh Additions during the year						
Less : Reductions during the year						
Closing Balance					0.00	0.00

Ratios (in per cent)	Current Year (31/03/2024)	Previous Year (31/03/2023)
Gross NPA to Gross Advances	4.60%	5.57%
Net NPA to Net Advances	0.00%	0.00%
Provisions Coverage ratio	100.00%	100.00%

b) Sector-wise Advances and Gross NPAs

(Amount in ₹ Thousand)

Sr. No	Sector	Current Year			Previous Year		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector
I)	Priority Sector						
a)	Agriculture and allied activities	0.00	0.00		0.00	0.00	
b)	Advances to industries sector eligible as priority sector lending	0.00	0.00		0.00	0.00	
c)	Services	0.00	0.00		0.00	0.00	
d)	Personal Loans						
	Subtotal (I)	0.00	0.00	0.00%	0.00	0.00	0.00%
II)	Non-priority Sector						
a)	Agriculture and allied activities	0.00	0.00		0.00	0.00	
b)	Industry	0.00	0.00		0.00	0.00	
c)	Services	0.00	0.00				
d)	Personal Loans	60,33,935.00	2,77,350.00	4.60%	60,33,935.00	2,77,350.00	4.60%
	Subtotal (II)	60,33,935.00	2,77,350.00	4.60%	60,33,935.00	2,77,350.00	4.60%
	TOTAL (I + II)	60,33,935.00	2,77,350.00	4.60%	60,33,935.00	2,77,350.00	4.60%

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- c) Overseas Assets, NPAs and Revenue NIL
 Subsector wise Advance exceeding 10 percent of the Outstanding of Total Advance NIL
 d) Particulars of resolution plan and restructuring NIL
 e) Divergence in assets Classification and Provisioning NIL
 f) i) Details of sales NIL
 f) ii) Investments in Security Receipts (SRs) NIL
 g) i) Details of non-performing financial assets purchased NIL
 g) ii) Details of non-performing financial assets sold NIL

h) Fraud Accounts

(Amount in ₹ Thousand)

	Current Year (31/03/2024)	Previous Year (31/03/2023)
Number of Fraud Reported	0	1
Amount involved in fraud	0.00	414.00
Amount of provision made for such frauds **	0.00	0.00
Amount of Unamortised provision debited from other reserves as at the end of the year	0.00	0.00

** Since fully recovered

Disclosure under Resolution Framework for COVID-19 related NIL

5. Exposures

- a) Exposure to real estate sector NIL
 b) Exposure to capital market NIL
 c) Risk category-wise country exposure NIL
 d) **Unsecured Advances**

(Amount in ₹ Thousand)

Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
Total unsecured advances of the bank	60,24,453.00	56,90,334.00
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	Personal Guarantee	Personal Guarantee
Estimated value of such intangible securities	0.00	0.00

- e) Factoring Exposures NIL
 f) Intra-group exposures NIL
 g) Unhedged foreign currency exposure NIL

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6.a) Concentration of Deposits

(Amount in ₹ Crore)

Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
Total Deposits of the twenty largest depositors	22.26	24.23
Percentage of deposits of twenty largest depositors to total deposits of the bank	2.10%	2.17%

6.b) Concentration of Advances

(Amount in ₹ Crore)

Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
Total Advances Top the twenty largest borrowers	1.97	1.52
Percentage of Advances to twenty largest borrowers to total advances of the bank	0.32%	0.27%

6. c) Concentration of Exposures **NIL**

7. Derivatives

- a) Forward rate agreement/Interest rate swap **NIL**
- b) Exchange traded interest rate derivatives **NIL**
- c) Disclosures on risk exposure in derivatives **NIL**

8. Transfers to Depositor Education and Awareness Fund (DEA Fund)

(Amount in ₹ Thousand)

Sr. No	Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
i)	Opening balance of amounts transferred to DEA Fund	23,380.45	20,818.05
ii)	Add: Amounts transferred to DEA Fund during the year	8,574.87	2,562.40
iii)	Less: Amounts reimbursed by DEA Fund towards claims	0.00	0.00
iv)	Closing balance of amounts transferred to DEA Fund	31,955.32	23,380.45

9. Disclosure of complaints

- a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman

Sr. No	Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
	Complaints received by the bank from its customers	0	0
1	Number of complaints pending at beginning of the year	45	0
2	Number of complaints received during the year	212	203
3	Number of complaints disposed during the year	223	158
	3.1 Of which, number of complaints rejected by the bank	Nil	0

The Eastern Railway Employees' Co-operative Bank Ltd.

Sr. No	Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
4	Number of complaints pending at the end of the year	34	45
	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	13	12
	5.1) Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	10	3
	5.2) Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	3	0
	5.3) Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	Nil	9
	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	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.

10. b) Top five grounds³³ of complaints received by the bank from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
	30	88	(32.31%)	11	10
Ground – 2	1	70	20.68%	13	12
Ground – 3	0	0	0.00	0	0
Ground – 4	0	0	0.00	0	0
Ground – 5	0	0	0.00	0	0
Others	14	54	0.00	10	10
Total	45	212	4.43%	34	32
Previous Year					
Ground – 1	0	130	12900	30	29
Ground – 2	0	58	5700	1	1
Ground – 3	0	0	0.00	0	0
Ground – 4	0	0.00	0.00	0	0
Ground – 5	0	0.00	0.00	0	0
Others	0	15	0.00	0	0
Total	0.00	203	0.00	45	44

The Eastern Railway Employees' Co-operative Bank Ltd.

11 Other Disclosures

a) Business Ratios

Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
i) Interest Income as a percentage to Working Funds	7.37%	6.96%
ii) Non-interest income as a percentage to Working Funds	0.59%	0.24%
iii) Cost of Deposits	6.80%	6.85%
iv) Net Interest Margin (Rupees in Crore)	58.65	48.87
v) Operating Profit as a Percentage to Working Funds	2.97%	2.07%
vi) Return on Assets	3.03%	2.11%
vii) Business (deposits plus advances) per employee (Rupees in crore)	17.52	15.77
viii) Profit per employee (Rupees in crore)	0.56	0.35

** Working Funds to be reckoned as average of total assets (excluding accumulated loss, if any) as reported to Reserve Bank of India in Form X for Commercial Banks and Form IX for UCBs during the 12 months of the financial year

** Net Interest Income / Average Earning Assets. Net Interest income/Margin = Interest income - Interest Expenses

** Return on Assets would be with reference to average working funds (i.e. total of assets excluding accumulated losses, if any)

- a) Bancassurance business NIL
- b) Marketing and distribution NIL
- c) Disclosures regarding Priority Sector Lending Certificates (PSLCs) NIL

11. e) Provisions and contingencies

(Amount in ₹ Thousand)

Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
i) Provision for NPI	0.00	0.00
ii) Provision towards NPA	45,080.00	22,539.00
iii) Provision made towards Income Tax	1,22,132.00	61,064.00
iv) Other Provisions and Contingencies (with details) :	601.00	1,539.00
a) HFD GL-PL Difference Provision	2.00	0.00
b) CRBD Debit balance Provision	0.00	0.00
c) FD GL-PL Difference Provision	0.00	50.00
d) CFD Debit Balance Provision	0.00	203.00
e) STD Debit Balance Provision	0.00	10.00
c) STD Debit Balance Provision	0.00	1,276.00
g) Loan /SVR (Excess) Recoverable Provision	599.00	0.00

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11. f) Payment of DICGC Insurance Premium

(Amount in ₹ Thousand)

Particulars	Current Year (31/03/2024)	Previous Year (31/03/2023)
i) Payment of DICGC Insurance Premium	19,399.00	19,980.00
ii) Arrear in payment of DICGC premium	0.00	0.00

11. g) Disclosure of facilities granted to directors and their relatives NIL

Apurba Sen
Chief Executive Officer

Sajal Pal
Sr. Manager (F & A)

Shashanka Ghosh
Director

Bijay Kumar Singh
Director

Tapas Nandi
Director

Amresh Kumar Baitha
Director

For Ghoshal & Ghosal,
Chartered Accountants
FRN: 304013E

Place: Kolkata
Dated: 16th July, 2024
15, India Exchange Place, Birla Brothers Building, 5th Floor
Kolkata- 700008

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN: 24064735BKFMJR7321



GHOSHAL & GHOSAL.

Chartered Accountants

15 India Exchange Place, Birla Brothers Building, 5th Floor, Kolkata – 700 001

Ph. No.: (033) 4602 3114 ● E-mail – ghslandgsl@gmail.com

The Eastern Railway Employees' Co-operative Bank Ltd.

LONG FORM AUDIT REPORT

YEAR 2023-24

I. ADVANCES

(i) Loan Policy:

- Existence of Loan Policy – specifying the prudential exposure norms, industry-wise exposure, regular updation of the policy, system of monitoring and adherence thereto:

- Yes, the bank has loan policy specifying the prudential exposure norms specially loans to Railway Employees for personal purposes and it covers the system of monitoring. The loan policy was last updated on 31.05.2022.

(ii) Credit Appraisal:

- Existence of a well laid-down system of appraisal of loan/credit proposals, including adequacy of information for appraising the credit worthiness of the application and adherence thereto;

- Credit appraisal done as per lending policy of the Bank. CIBIL report is now being generated and being considered during loan sanctioning. The Loan sanctioned to the members of the Bank who are the employees of Indian Railways (Eastern & East-Central Railway).

- However, we observed that interest for the broken period of the 1st month is not considered while calculating the EMI resulting huge number of accounts are appearing under SMA category from the very beginning of the month of sanction. In some cases, the residual balance i.e the interest part of the 1st month left unrealized and becomes NPA. Few cases are as under:
 - a) A/c No. 009004251472 with debit balance for Rs. 5437.00
 - b) A/c No. 000830041001721 with debit balance for Rs. 1573.00

(iii) Sanctioning and Disbursement:

- Delegation of powers/authority at various levels: adherence to authorized limits; whether limits are disbursed after complying with terms and conditions of sanction:

- Loans are processed at branch level and forwarded to H.O. for scrutiny and recommended by the loan department at H.O and placed before the Directors for sanctioning/approval.

(iv) Documentation:

- System of ensuring that documents are executed as per the terms of sanction: Yes

- Nature of documentation defects observed during audit and suggestions to avoid such defects:

The Eastern Railway Employees' Co-operative Bank Ltd.

- No major deficiency observed in execution of documents. We have observed that loan documents which the Bank obtained in hard copies (including at branches) are exposed to be damaged and torn in the long run. Safe and proper documentation of papers (hard copies) to be kept in Fire Proof Almirah and also in soft copy to protect the interest of the bank.
- System of documentation in respect of joint consortium advances: Not Applicable.
- Renewal of documents: No system of renewal of documents exist but fresh set of documents obtained while allowing new loans.
- (i) Review/monitoring/supervision:
 - Periodic balance confirmation/acknowledgement of debts: Not Applicable.
 - Receiving regular information, Stock/Book Debt statements, Balance-Sheet etc.: Not Applicable.
 - Receiving Audited Accounts in the case of borrowers with limits beyond – 10 lakhs: Not Applicable.
 - System of Scrutiny of the above information and follow-up by the bank: Not Applicable.
 - System of periodical physical verification or inspection of stocks, equipment and machineries and other securities: Not Applicable.
 - System and periodicity of stock audits, Inspection reports and their follow-up: Not Applicable.
 - Norms and awarding of Credit Rating: Not applicable
 - Review of advances including enhancement of limits: Not Applicable
 - Monitoring and follow up of overdue arising out of other business such as leasing, hire purchase, credit cards etc.: Not Applicable.
 - Overall monitoring of advances through maturity/ageing/industry-wise exposures and adherence to loan policy: Not Applicable as the loans are sanctioned to the members only.
- (ii) Recovery Policy in respect of Bad/Doubtful debts/NPAs:
 - Existence of recovery policy, regular updation thereof, monitoring and adherence thereto, compliance with RBI guidelines (Through monitoring on recovery policy has been improved comparing to earlier years still monitoring system is to be more strengthened):
 - Yes, recovery policy exists and it was last updated on 30.09.2020.
 - System of monitoring of recovery from credit card dues in respect of credit card issued: Not Applicable.
 - Effectiveness of the system for compiling data relating to the bad and doubtful advances and the provision in respect thereof:
 - Our checking in this regard does not reveal any material discrepancies to be reported upon.
 - System for identification, quantification and adequacy of provision: Done as per IRAC norms.
 - System for suspension of charging of interest and adherence thereto: Yes, complied.
 - Ascertaining the realizable value of securities including the valuation of fixed assets and the possible realization from guarantors including DICGC/ECGC: No such cases observed at the bank.

The Eastern Railway Employees' Co-operative Bank Ltd.

- **Assessment of the efficacy of rehabilitation Programmes: Not Applicable**
 - **Method of appropriation of recoveries against principal, interest etc.: Yes, it is being done.**
 - **System of compromise settlements: Review of all such cases of recovery of over – 1 Crore and also cases where limits of sacrifice laid down in the recovery policy is exceeded. Compliance with RBI guidelines: Not Applicable.**
 - **Provisions/write-off under proper authority: Yes, provision done as per RBI norms and duly approved by the board.**
 - **Recovery procedure, including that relating to suit-filed and decreed accounts: No suit filed/decreed cases till now in respect of NPA/defaulted borrower.**
 - **System of identifying and reporting of willful defaulters: Not applicable.**
- (iii) Large Advances:**
- **Comments on adverse features considered signification and which need management's attention: Not Applicable.**

II. LIQUIDITY AND FUNDS MANAGEMENT

(i) Investments

- **Existence of investment policy and adherence thereto; compliance with RBI guidelines: Adhered to investment policy.**
- **System of purchase and sale of investments, delegation of powers, reporting systems, segregation of back-office functions etc.: Followed by proper investment policy.**
- **Controls over investments, including periodic verification/reconciliation of investments with book records: Done**
- **Valuation: Mode, changes in mode of valuation compared to previous year; shortfall and provision therefor: Valuation done as per norms.**
- **Composition of investment portfolio as per RBI guidelines and the depreciation on investments, if any, not provided for: Provided for as per RBI guidelines.**
- **System relating to unquoted investments in the portfolio and the liquidity of such investments: No Unquoted Investment.**
- **System relating to SGUBRs; control over SGUBRs outstanding at the year end and their subsequent clearance: Adequate Control exists.**
- **System and periodicity of concurrent and internal audit/inspection of investment activities; follow up of such reports: Regular Concurrent Audit is conducted at H.O.**
- **System of recording and accounting of income from investments: Properly recorded.**
- **System of monitoring of income accrued and due but not received: Properly recorded.**
- **System of monitoring matured investments and their timely encashment: Properly recorded.**
- **Average yield on investments: Maintained.**
- **System relating to Repos: Not Applicable.**

(ii) SLR/CRR Requirements – System on ensuring compliance

- **System of compiling weekly DTL position from branches: Properly Done**
- **Records maintained for the above purpose: Yes, maintained.**

(iii) Cash

The Eastern Railway Employees' Co-operative Bank Ltd.

- **System of monitoring of cash at branches and management of cash through currency chest operations: Monitoring and management of cash done through other banks. The bank doesn't have any currency chest.**
 - **Insurance cover (including insurance for cash in transit): Yes, obtained.**
 - **System and procedure for physical custody of cash: Kept under joint custody of two authorized bank staff.**
- (iv) Call money operations**
- **System relating to inter-bank call money operations: Satisfactory**
- (v) Asset Liability Management**
- **Existence of policy on Asset – Liability Management and monitoring thereof, compliance with the RBI guidelines: Yes, done.**
 - **Functioning of Asset Liability Management Committee: ALCO Formed. However, ALM statement is generated for Structural Liquidity and Interest Rate Sensitivity report. Risk Analyst had been recruited but tendered resignation in the month of January 2024. The post is to be filled up immediately. Risk Review Report is prepared periodically.**

- **Structural Liquidity at periodical intervals: Yes**

III. INTERNAL CONTROL

- (i) Written guidelines/instructions/manual for accounting aspects: Yes, available.**
- (ii) Balance of Books/Reconciliation of control and subsidiary records: Large difference in GL/PL Balances which have been set under GL/PL difference in G/L.**
- (iii) System of monitoring the position of balancing of books/reconciliation of control and subsidiary records: No significant change in GL/PL difference in absence of necessary records.**
- (iv) Follow up action: The huge difference and periodical payments therefrom is a highly risky area. BoD should take up a robust policy to mitigate the operational risk.**
- (v) Inter-Branch Reconciliation**
- **Comments on the system/procedure and records maintained:**
During the course of Audit it is revealed that Inter-Branch transactions are made and given effect in accounts properly through newly installed software i.e. at the end of the day there is no balance exists under Inter-Branch Reconciliation, treating the transactions a contra effect. However, outstanding Branch Adjustment Account (OLA) Balance of Rs.6.99 lakhs is to be reconciled.
 - **Test check for any unusual entries put through inter-branch/head office accounts:**
No such entries surfaced from available reports and documents during our audit.
 - **Position of outstanding entries and system for locating long outstanding items of high value:**
Reconciliation is done after introduction of CBS and the previous difference is maintained as constant and regrouped adhering to the norms of Indian Accounting Standards.

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- Steps taken or proposed to be taken for bringing the reconciliation up-to-date: In new CBS system (commenced from 14th May, 2022) there is no scope to remain un-reconciled of any adjustment entry.
- Compliance with the RBI guidelines with respect to provisioning for old outstanding entries: Duly done.

(vi) Branch Inspection

- System of branch inspections; Frequency; scope/coverage of inspection/internal audit, concurrent audit or revenue audit; reporting: Concurrent Audit is carried out in all the eight Branches and Head Office. Internal Audit System has been introduced and the report of the Internal Audit for 6(six) Branches are finalized and no inspection done in 2 (two) branches. As per Inspection Audit Policy, internal inspection/audit to be done twice a year. Internal Audit reports are reviewed in the M.C. Meetings. The inspection policy was updated on 31.05.2022 but there is no risk based internal audit policy in the bank.
- System of follow-up of these reports; position of compliance: To be improved and Internal Audit to be conducted as per policy.

(vii) Frauds Negligence – observation on major frauds discovered during the year under audit: No fraud detected and or reported during the period under audit.

(viii) Suspense Accounts, Sundry Deposits etc.:

- System for clearance of items debited/credited these accounts: Huge un-reconciled balances are lying un-adjusted since long which requires close watch to prevent misappropriation.

IV. CAPITAL ADEQUACY

- Enclose a copy of the capital adequacy certificate – CRAR 36.19%

V. AUTOMATION AND COMPUTERISATION

- Bank has introduced new CBS System which is far better than the previous one.
- Critical areas of operations not covered by automation: Alerts are required to be generated for expired KYC as per risk categorization of accounts.
- Number of branches covered by computerization and the extent of computerization: All 8 (Eight) Branches and H.O. fully computerized since 01.04.2019 and new CBS System has been introduced since 14.05.2022. Back-up of old Data duly preserved and the Migration Audit done on 04.05.2022 and 21.12.2022.
- Procedures for back-ups, off-site storage, contingency and disaster recovery and adherence thereto: Drill duly done on 17/07/2023 & 18/07/2023 & 08/02/2024 & 09/02/2024. Back-up done with vendor BSG IT Soft (P) Ltd.
- Existence of Systems/EDP audit, coverage of such audit: Successfully conducted on 11/04/2024 & 12/04/2024 for 2023-24. Report submitted on 15/04/2024.
- Electronic Banking; existence of systems and procedures, monitoring; regular updation of technology; method of review and audit procedures: Satisfactory, however, need to be updated.
- Suggestions, if any, with regard to computerization and automation: Report generating system is

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required to be improved.

VI. PROFITABILITY

- Analysis of variations in major items of income and expenditure compared to previous year; important ratios such as ROA,ROE, etc.: The bank has made operating Profit of Rs.53.09 Crore in 2023-24 as against Rs.37.34 Crore in 2022-23. Net Profit has also increased from 18.11 Crore in 2022-23 to Rs.36.32 Crore in 2023-24. This increase in net profit of Rs. 18.21 Crore is due to increase in interest and non-interest income and reduction in interest spent for term deposits as well reversal of Investment Depreciation Reserve for Rs. 8.25 Crore contributing 45.30% of the total increase. ROA increase to 3.03% in 2023-24 as against 2.11% in 2022-23.
- Policy relating to general provisions/reserves: Done as per accounting policies/RBI norms.

VII. SYSTEM AND CONTROL

- Existence of systems and procedures for concurrent and internal audits, inspections, EDP audit of computer systems/software etc., monitoring and follow-up of such reports: Satisfactory, but internal audit report is not regular and not as per audit policy of the bank.
- Existence of Management Information System: method of compilation and accuracy of information: Satisfactory.
- Reliability of regulatory reporting under the offsite surveillance system of the RBI: Reported in XBRL portal upto February 2024 and thereafter in CMS portal. No adverse comment from RBI as reported by the bank.

VIII. OTHER MATTERS

- Comments on accounting policies including comments on changes in accounting policies made during the period: No Changes.
- Policies and systems for monitoring activities such as underwriting, derivatives, etc.: NIL
- Adequacy of provisions made for statutory liabilities such as Income Tax, Interest Tax, Gratuity, Pension, Provident Fund etc.: Adequate
- Adequacy of provisions made for off-balance sheet exposures and other claims against the bank: Not Applicable
- Any major observations on branch returns and process of their consolidation in final statement of accounts: No such cases observed
- a) Balance with other banks – observations on outstanding items in reconciliation statements: No long outstanding item pending except in Howrah branch account with State Bank of India, Howrah branch, where the difference amounting to Rs. 2.83 Crore for which 100% Provision has been made. The un reconciled entry to be investigated and robust attempt to be made to recover the amount.
- Procedure for revaluation of NOSTRO accounts and outstanding forward exchange contracts: Not Applicable

IX. OBSERVATIONS ON THE WORKING OF SUBSIDIARIES OF THE BANK, IF ANY:

- Reporting system to the holding bank: Not Applicable

- Major losses of the subsidiary, if any: Not Applicable

X. COMPLIANCE TO DEAFUND SCHEME, 2014

- Transfer of all unclaimed deposits to DEA Fund: During 2023-24, Rs.85.75 lakh unclaimed deposit transferred to RBI. No claim as to payment of DEAF A/cs made by the bank and total receivable as on 31.03.2024 was Rs.2.41 lakh.

The Eastern Railway Employees' Co-operative Bank Ltd.

- **Submission of various forms and returns: Satisfactory.**
- **Submission of Reconciliation Certificate: Satisfactory.**
- **System of addressing customer complaints: Satisfactory.**
- **Refund of deposits to customers/claimants: Satisfactory.**
- **Audit of the records maintained by the bank: Satisfactory.**

XI. MANAGEMENT

- **Functioning of elected board, composition, committees, their oversight, corporate governance, professionalization of management, regularity in conduct of meetings, issues discussed in the meetings, defaulting directors, if any, violation of bye-laws by the directors, disqualification of directors, etc. In case, Administrator is in-charge of the bank, comments may be made on the performance of the administrator: Function of Elected Board is satisfactory.**
- **Whether the CEO has been appointed as per the fit and proper criteria prescribed: Yes**
- **Competence of CEO in managing the bank and in implementation of policies in conformity with the guidelines issued by GOI/RBI: Yes, Satisfactory.**
- **Competence of second line management, specific job card, recruitment policy, training and HRD plans, rotation of staff, accountability, etc.: Done. However, bank required more focus on training and HRD plans and rotation of staff for minimizing the risk.**

XII ANY OTHER MATTERS

- a) **Recovery process should be strengthened since there exists quick mortality (NPA) accounts in all the branches.**
- b) **Post sanction supervision –**
 - i. **Scanned sanctioned notes are sent to branches, wherefrom disbursements are made.**
 - ii. **Sanction of loans is required to be communicated to the borrower with a copy to the surety.**
 - iii. **SMA & quick mortality accounts are to be monitored on monthly basis at HO.**
 - iv. **Remittances from Railway authorities are not credited instantly to the accounts of borrowers and no back value of credit is given in loan accounts. Bank should take up the matter with Railway authorities for auto credit to loan accounts.**
 - v. **The entries/credits in loan accounts from remittances of railway authorities to be checked and the same to be certified by concurrent auditors.**
- c) **We observed that under the heads of “Difference GL/PLA/cs” of different Branches as well as difference in CRBD and Loan to Members-G.L./PL at H.O., the GL amounts are higher than the amounts in personal ledger heads. The bank has set aside the differences under the heads:**
 - i. **Difference in GL-PL of Deposit A/cs,**
 - ii. **Difference in G/L-PL in CRBD A/cs,**
 - iii. **Difference in GL-PL of Loan to Members**

All the heads are considered while calculating the NDTL and DICGC Premium. Bank has entrusted the task of reconciliation of H.O & Jamalpur Branch to special audit teams. The effort to be continued in all branches on priority basis to reconcile and reduce the difference.

The Eastern Railway Employees' Co-operative Bank Ltd.

The Bank is suggested to keep a close watch on these accounts under the Head "Diff. in GL/PL Credit" and any movement (either debit or credit) must be covered under the scope of Internal Audit/ Concurrent Audit.

- d) Though it was observed in the previous years that the bank was not publishing on the web site, the names and addresses of the inoperative and matured account holders in violation of 5.5 of Master Circular DCBR.BPD. (PCB). MC.No.6/13.01.000/2015-16 dated July 01, 2015 on maintenance of deposit accounts, it was observed that the compliance in this regard has been duly made by the Bank. i.e. the list of the in-operative and matured deposits has been duly published in the Bank's website.
- e) Skill Development Training should be launched in the bank for employees in order to develop the banking knowledge and practice. In house training program are being conducted at periodic intervals. However, in view of the bank coming under the RBI as per recent guideline, the bank is in dialog with different training institution for its staff. However, it has been observed that some of the Staff-Members have undergone the Training Programme (ONLINE) conducted by CAB-RBI-PUNE.
- f) Fixed Assets registers at the branches and HO level have been duly introduced. However, identification of fixed assets in H.O. and all branches have not yet been done. It should be done on war-footing measure; otherwise, introduction of the Fixed Assets Register would be of no use.
- g) It has been observed that the Bank has recruited 15 no. of LDCs, 04 no. of Managers and 01 no. of Officer through IBPS. Recruitment of staff/officers through IBPS is appreciable and the same process to be continued.
- h) It has also been observed as per advice of RBI recruitment of one Risk Analyst and One Compliance Officer was done on contractual basis. The recruitment was done through Walk-in-Interview. Moreover, it can be noted that the Risk Analyst has left the job by tendering resignation. The Bank Authority should fill up the post of Risk Analyst immediately, otherwise MIS Report related to risk analysis of various banking aspects will not be prepared and the Board will be in the dark about the various risks persist in the Bank.
- i) During the F.Y. 2023-24 no ATM installed by the Bank though they are having permission from RBI to install 09 nos. ATMs at its all 08 branches and one at H.O., but only one ATM was installed at H.O. linked with Fairlie Place Branch so far.
- j) During the F.Y. of 2022-23 the RBI have given its concurrence to the Bank to open two new Branches, one at Bardhaman and another at Malda which has not yet to be materialized so far.
- k) There were huge amount of GL/PL differences in various heads of accounts, though provisions have been made for debit balances and Bank has already taken steps to reconcile the same.
- l) Many sureties got retired from the service before adjusting the amount of NPA borrower from a long time and an exhaustive list to be prepared and constant follow-up is required to be made for recovery.
- m) It is depicted from the system that as on 31.03.2024, some of the accounts persisting with expired KYC and majority of such accounts are in low-risk category. It is further observed that CUST ID's are still active even the accounts are closed. It is suggested that KYC compliance must be covered under the scope of Concurrent Audit for close monitoring and compliance.

The Eastern Railway Employees' Co-operative Bank Ltd.

10, Strand Road, Kolkata - 700001

STATEMENT OF C.R.A.R

Capital Funds Risk Assets Ratio	
Amount in Rs. Thousands	
I Capital Funds	
A Tier I Capital elements	
(a) Paid-up Capital	14,12,699.00
Less: Intangible assets and losses	0.00
Net Paid-up Capital	14,12,699.00
(b) Reserves & Surplus	
1. Statutory reserves	10,52,034.00
2. Capital reserves (see note below)	0.00
3. Other reserves	54,637.00
4. Surplus in Profit & Loss Account*	2,58,332.00
Total Reserves & Surplus	13,65,003.00
1. Total Capital Funds (a + b)	27,77,702.00
<i>Notes : Capital reserves representing surplus on sale of assets and held in a separate account will be included</i>	
<i>Revaluation reserves, general/floating provisions and specific provisions made for loan losses and other asset losses or diminution in the value of any assets will not be reckoned as capital funds.</i>	
<i>* In case of surplus in P&L Account [not allocated and yet to be approved by AGM], the following assumptions may be made:</i>	
<i>(a) The current year's surplus may be notionally arrived at to the extent recommended by the BOD to be allocated among various reserves/funds and retained in business.</i>	
<i>(b) Where the BOD have not decided the distribution of the surplus, it may be notionally arrived at on the basis of last three years' average.</i>	
B Tier II Capital elements	
(i) Undisclosed reserves	0.00
(ii) Revaluation reserves	0.00
(iii) General provisions and loss reserves #	1,04,598.61
(iv) Investment Fluctuation Reserves / Funds	1,46,000.00
(v) Hybrid debt capital instruments	0.00
(vi) Subordinated debts	0.00
Total	2,50,598.61
HEAD ROOM DEDUCTION	0.00
2. Net Supplementary Capital	2,50,598.61
Total Capital (1 + 2)	30,28,300.61
II Risk Assets	
(a) Adjusted value of funded risk assets i.e.on Balance Sheet items (tallies with Part `B')	83,67,889.05
(b) Adjusted value of non-funded and off-Balance Sheet items (tallies with Part `C')	0.00
(c) Total risk-weighted assets (a+b)	83,67,889.05
III Percentage of capital funds to risk-weighted assets I / II x 100	36.19%
<i># Includes General Provision on Standard Assets. Such Provisions which are considered for inclusion in Tier II capital will be admitted upto 1.25% of total risk weighted assets.</i>	

The Eastern Railway Employees' Co-operative Bank Ltd.

Risk Weight Assets and On Balance Sheet Items					
Asset Item	Amount in Rs. Thousands				
	(i) Gross Book Value	(ii) Margins And Provisions	(iii) Net Book Value [i - ii]	(iv) Risk Weights (%)	(v) Risk Adjusted Value [(iii*iv)/100]
I. Balances	8,30,111.00	28,274.00	8,01,837.00		1,54,617.20
i. Cash in hand (including foreign currency notes)	28,751.00	0.00	28,751.00	0.00%	0.00
ii. Balances with RBI	0.00	0.00	0.00	0.00%	0.00
iii. Balances in current account with other UCBs	0.00	0.00	0.00	20.00%	0.00
iv. Balances in current account with other banks	8,01,360.00	28,274.00	7,73,086.00	20.00%	1,54,617.20
II. Investments	96,12,997.00	1,62,630.00	94,50,367.00		4,33,261.05
i. Investment in Government Securities	59,87,446.00	1,62,630.00	58,24,816.00	2.50%	1,45,620.40
ii. Investment in Other Approved Securities guaranteed by Central Government	3,39,760.00	0.00	3,39,760.00	2.50%	8,494.00
iii. Investment in Other Approved Securities guaranteed by State Government	21,60,066.00	0.00	21,60,066.00	2.50%	54,001.65
iv. Investment in Other Securities where payment of interest and repayment of principal are guaranteed by Central Govt. (include investment in Indira/KisanVikasPatras and investments in bonds & debentures where payment of interest and repayment of principal is guaranteed by Central Govt.)	0.00	0.00	0.00	2.50%	0.00
v. Investment in Other Securities where payment of interest and repayment of principal are guaranteed by State Govt. (include investments in bonds & debentures where payment of interest and repayment of principal is guaranteed by State Govt.) NOT IN DEFAULT	0.00	0.00	0.00	2.50%	0.00

The Eastern Railway Employees' Co-operative Bank Ltd.

vi. Investment in Other Securities where payment of interest and repayment of principal are guaranteed by State Govt. (include investments in bonds & debentures where payment of interest and repayment of principal is guaranteed by State Govt.) INVOKED and DEFAULTED (w.e.f. March 31, 2006)	0.00	0.00	0.00	102.50%	0.00
vii. Investment in Other Approved Securities where payment of interest and repayment of principal is not guaranteed by Central / State Govt./s	0.00	0.00	5,00,000.00	22.50%	1,12,500.00
viii. Investment in Govt. guaranteed securities of government undertakings which do not form part of the approved market borrowing Program	0.00	0.00	0.00	22.50%	0.00
ix. Claims on commercial banks, District Central Cooperative Banks and State Co-operative Banks such as fixed deposits, certificates of deposits, etc.	11,25,725.00	0.00	11,25,725.00	20.00%	2,25,145.00
x. Claims on other Urban Cooperative Banks such as term/fixed deposits	0.00	0.00	0.00	20.00%	0.00
xi. Investments in bonds issued by All India Public financial Institutions	0.00	0.00	0.00	102.50%	0.00
xii. Investments in bonds issued by Public Financial Institutions for their Tier-II Capital	0.00	0.00	0.00	102.50%	0.00
xiii. All Other Investments *	0.00	0.00	0.00	102.50%	0.00
Note: * Intangible assets and losses deducted from Tier I capital should be assigned zero weight.					
xiv. The off-balance sheet (net) position in 'WT' securities, scip-wise	0.00	0.00	0.00	2.50%	0.00
III. Loans and Advances	60,33,934.00	4,49,294.00	55,84,640.00		69,57,496.20
i. Loans and advances including bills purchased and discounted and other credit facilities guaranteed by GOI	0.00	0.00	0.00	0.00%	0.00
ii. Loans guaranteed by State Govt	0.00	0.00	0.00	0.00%	0.00
iii. A State Govt guaranteed advance which has become a non-performing advance (w.e.f. 31-03-2006)	0.00	0.00	0.00	100.00%	0.00
iv. Loans granted to PSUs of GOI	0.00	0.00	0.00	100.00%	0.00
v. Real Estate Exposure	0.00	0.00	0.00		0.00

The Eastern Railway Employees' Co-operative Bank Ltd.

a) Mortgaged residential housing loan to individuals	0.00	0.00	0.00		0.00
	0.00	0.00	0.00	50.00%	0.00
above `30.00 lakh (LTV ratio ≤ 75%)	0.00	0.00	0.00	75.00%	0.00
irrespective of the loan amount (LTV ratio > 75%)	0.00	0.00	0.00	100.00%	0.00
b) Commercial Real Estate	0.00	0.00	0.00	100.00%	0.00
c) Co-op / group housing societies and Housing Board and for any other purpose.	0.00	0.00	0.00	100.00%	0.00
* LTV ratio should be computed as a percentage of total outstanding in the account (viz. "principal + accrued interest + other charges pertaining to the loan" without any netting) in the numerator and the realizable value of the residential property mortgaged to the bank in the denominator.					
vi. Retail Loans and Advances	60,13,546.00	4,49,294.00	55,64,252.00		69,55,315.00
a) Consumer credit including personal loan	60,13,546.00	4,49,294.00	55,64,252.00	125.00%	69,55,315.00
b) Loans upto `1 lakh against gold and silver ornaments	0.00	0.00	0.00	50.00%	0.00
c) All other loans and advances including educational loan	0.00	0.00	0.00	100.00%	0.00
d) Loans extended against primary / collateral securities of shares / debentures	0.00	0.00	0.00	127.50%	0.00
vii. Leased Assets					
a) Loans and advances for eligible activities to NBFCs engaged in hire purchase / leasing activities now classified as Asset Finance Companies	0.00	0.00	0.00	100.00%	0.00
b) Loans and advances for eligible activities to Non-Deposit Taking Systemically Important NBFCs (NBFC-ND-SI) engaged in hire purchase / leasing activities.	0.00	0.00	0.00	125.00%	0.00
viii. (a) Advances covered by DICGC / ECGC	0.00	0.00	0.00	50.00%	0.00
(b) Advances not covered by DICGC / ECGC	0.00	0.00	0.00	100.00%	0.00
Note: The risk weight of 50% should be limited to the amount guaranteed and not the entire outstanding balance in the accounts. In other words, the outstanding in excess of the amount guaranteed will carry 100% risk weight.					
ix. Advances for term deposits, Life policies, NSCs, IVPs and KVPs where adequate margin is available	9,482.00	0.00	9,482.00	0.00%	0.00
x. Loans to Staff of banks, which are fully covered by superannuation benefits and mortgage of flat / house	10,906.00	0.00	10,906.00	20.00%	2,181.20

The Eastern Railway Employees' Co-operative Bank Ltd.

"Note: While calculating the aggregate of funded and non-funded exposure of a borrower for the purpose of assignment of risk weight, banks may 'net-off' against the total outstanding exposure of the borrower -
a) advances Collateralised by cash margins or deposits,
b) credit balances in current or other accounts of the borrower which are not earmarked for specific purposes and free from any lien,
c) in respect of any assets where provisions for depreciation or for bad debts have been made,
d) claims received from DICGC / ECGC and kept in a separate a/c pending adjustment in case these are not adjusted against the dues outstanding in the respective a/cs."

IV. Money at Call and Short Notice including interest receivable from banks.	5,00,000.00	0.00	0.00	20.00%	0.00
V. Other Assets	9,44,506.00	72,236.00	8,72,270.00		7,22,514.60
i. Premises, furniture and fixture	8,803.00	0.00	8,803.00	100.00%	8,803.00
ii. Interest due on Govt. Securities	1,15,469.00	0.00	1,15,469.00	0.00%	0.00
iii. Accrued interest on CRR balances maintained with RBI.	0.00	0.00	0.00	0.00%	0.00
iv. Interest receivable on staff loans	447.00	0.00	447.00	20.00%	89.40
v. Interest receivable from banks	42,411.00	0.00	42,411.00	20.00%	8,482.20
vi. All Other Assets	7,77,376.00	72,236.00	7,05,140.00	100.00%	7,05,140.00
OTHER ASSETS	7,77,376.00	72,236.00	7,05,140.00	100.00%	7,05,140.00
VI. Market Risk on Open Positions	0.00	0.00	0.00		0.00
i. Market Risk on Foreign Exchange Open Position (For Authorised Dealers only)	0.00	0.00	0.00	100.00%	0.00
ii. Market Risk on Open Gold Position	0.00	0.00	0.00	100.00%	0.00

Apurba Sen
Chief Executive Officer

Sajal Pal
Sr. Manager (F & A)

Shashanka Ghosh
Director

Bijay Kumar Singh
Director

Tapas Nandi
Director

Amresh Kumar Baitha
Director

For Ghoshal & Ghosal,
Chartered Accountants
FRN: 304013E

Place: Kolkata
Dated: 16th July, 2024
15, India Exchange Place, Birla Brothers Building, 5th Floor
Kolkata- 700008

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN: 24064735BKFMJR7321

The Eastern Railway Employees' Co-operative Bank Ltd.
10, Strand Road, Kolkata - 700001

STATEMENT OF NET WORTH As on 31-03-2024

Particulars	Amount	Amount
	(Rs in thousands)	
Paid-up Share Capital		1412699
Reserve & Provisions not in nature of outside liabilities (excluding revaluation reserves)		1116949
a) Statutory Reserve	1052034	
b) Building Fund	54637	
c) System Modernisation Fund	10278	
Surplus in Profit & Loss Account		258332
Excess provision		270813
a) BDDR Provision	268627	
b) Standard Assets Provision	2186	
c) Investment Fluctuation Reserve	0	
d) Investment Depreciation Reserve	0	
Dividend Equalisation Fund		38177
Reserve for Co-operative Housing Scheme		105
Stability Fund		100324
Total Net Worth		3197399

Apurba Sen
Chief Executive Officer

Sajal Pal
Sr. Manager (F & A)

Shashanka Ghosh
Director

Bijay Kumar Singh
Director

Tapas Nandi
Director

Amresh Kumar Baitha
Director

For Ghoshal & Ghosal,
Chartered Accountants
FRN: 304013E

Place: Kolkata
Dated: 16th July, 2024
15, India Exchange Place, Birla Brothers Building, 5th Floor
Kolkata- 700008

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN: 24064735BKFMJR7321

The Eastern Railway Employees' Co-operative Bank Ltd.

Statement of GOI Bonds / SDL Bonds / T-Bills held by the Bank on 31-03-2024

Sl. No.	Description of Bonds	Face Value (Rs.)	Total Cost Price (Rs.)	Total Cost Price after amortisation (22-23) (Rs.)	Cost Price per Unit (Rs.)	Date of Maturity	Amortisation 2023-24 (Rs.)	Book Value as on 31-03-2024 (Rs.)
HTM								
1	10.18% GOI 2026	70000000	82625000	71515000	118.0357	11-Sep-2026	505000	71010000
3	8.24% GOI 2027	110000000	108015588	108015588	98.1960	15-Feb-2027	0	108015588
4	8.28 % GOI 2032	40000000	39052000	39052000	97.6300	15-Feb-2032	0	39052000
5	8.32 % GOI 2032	110000000	107586053	107586053	97.8055	02-Aug-2032	0	107586053
6	6.62% AS SDL 2030	300000000	300907500	300635250	100.3025	09-Dec-2030	90750	300544500
7	5.85% GOI 2030	900000000	88927500	88927500	98.8808	01-Dec-2030	0	88927500
8	6.22% GOI 2035	1000000000	965695000	965695000	96.5695	16-Mar-2035	0	965695000
9	5.77% GOI 2030	900000000	886567500	886567500	98.5075	03-Aug-2030	0	886567500
	Total (A)	3430000000	3380376141	3368993891			595750	3368398141
AFS								
1	8.26 % GOI 2027	30000000	29597169	29597169	98.6572	02-Aug-2027	0	29597169
2	6.19% GOI 2034	100000000	982044289	982044289	98.2044	16-Sep-2034	0	982044289
3	5.79% GOI 2030	850000000	825433750	825433750	97.1099	11-May-2030	0	825433750
4	5.22% GOI 2025	500000000	496482500	496482500	99.2965	15-Jun-2025	0	496482500
5	6.01% GOI 2028	50000000	49591250	49591250	99.1825	25-Mar-2028	0	49591250
6	5.77% GOI 2030	350000000	339538750	339538750	97.0111	03-Aug-2030	0	339538750
7	5.85% GOI 2030	200000000	196905000	196905000	98.4525	01-Dec-2030	0	196905000
8	7.22% TN SDL 2028	100000000	100402500	100402500	100.4025	30-Oct-2028	0	100402500
9	7.17% HR SDL 2029	50000000	50131250	50131250	100.2625	09-Oct-2029	0	50131250
10	7.23% UP SDL 2029	50000000	50251250	50251250	100.5025	23-Oct-2029	0	50251250
11	7.18% RJ SDL 2029	100000000	100302500	100302500	100.3025	04-Dec-2029	0	100302500
12	7.18% MH SDL 2029	200000000	199725000	199725000	99.8625	28-Jun-2029	0	199725000
13	7.19% TN SDL 2035	100000000	99802500	99802500	99.8025	08-Jan-2035	0	99802500
14	6.58% KA SDL 2030	250000000	251756250	251756250	100.7025	03-Jun-2030	0	251756250
15	6.70% PN SDL 2030	250000000	252381250	252381250	100.9525	03-Jun-2030	0	252381250
16	6.60% MH SDL 2031	250000000	251131250	251131250	100.4525	10-Jun-2031	0	251131250
17	6.65% WB SDL 2030	250000000	251256250	251256250	100.5025	10-Jun-2030	0	251256250
18	6.73% KL SDL 2028	250000000	252381250	252381250	100.9525	10-Jun-2028	0	252381250
	Total (B)	4830000000	4779113958	4779113958			595750	4779113958
TREASURY BILLS								
1	3.64 DTB 17102024	250000000	233468250	233468250	93.3873	17-Oct-2024	0	240891598
2	1.82 DTB 25072024	100000000	96717100	96717100	96.7171	30-May-2024	0	98867997
	Total (C)	350000000	330185350	330185350			0	339759595
	Total(A+B+C)	8610000000	8489675449	8478293199			595750	8487271694

Apurba Sen Chief Executive Officer	Sajal Pal Sr. Manager (F & A)	Shashanka Ghosh Director	Bijay Kumar Singh Director	Tapas Nandi Director	Amresh Kumar Baitha Director
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Place: Kolkata
Dated: 16th July, 2024
15, India Exchange Place, Birla Brothers Building, 5th Floor
Kolkata- 700008

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN:24064735BKFMJR7321

For Ghoshal & Ghosal,
Chartered Accountants
FRN: 304013E

The Eastern Railway Employees' Co-operative Bank Ltd.
10, Strand Road, Kolkata - 700001

BUDGET FOR F.Y.2024-25

SL NO.	Head of Account	Rs in Lakhs				
		Estimated	Actual	Estimated	Actual	Estimated
		2022-23	2022-23	2023-24	2023-24	2024-25
A	SHARE CAPITAL	14350.09	14706.06	15506.00	14126.99	14,830.00
B	DEPOSITS	118053.58	111799.78	112610.00	107124.19	11000.00
C	INVESTMENTS	104520.24	96739.94	89539.00	84872.73	86000.00
D	LOANS & ADVANCES	55020.75	56950.9	64950.00	60339.35	68000.00
E	INCOME					
1	Interest Income	12489.98	12549.89	12855.00	13153.98	13500.00
2	Other Income	321.14	424.14	325.00	1051.67	330.00
	TOTAL INCOME	12811.12	12974.03	13180.00	14205.65	13830.00
F	EXPENDITURE					
1	Interest Expended	8310.93	7662.67	7608.54	7288.78	7055.00
2	Staff Salaries, Allowances & Prov. Fund	875.65	1037.76	1141.54	1013.46	1148
3	Directors & Local Committee Members' Fees & Allowance	1.95	2.78	1.07	2.65	3.00
4	Rent, Taxes, Insurance & Lighting	268.11	249.36	274.36	237.61	265
5	Law Charges	1.55	4.30	5.20	16.14	20.00
6	Postage & Telephone Charges	7.45	8.28	9.08	8.23	10.00
7	Auditors Fees	12.5	14.56	15.00	10.86	12.00
8	Depreciation & Repairs to Properties	88.54	38.27	46.68	47.50	50.00
9	Stationery, Printing & Advertisement	16.52	13.35	15.00	13.19	15.00
10	Other Expenditure (including Provisions & Contingencies)	2209.87	2131.97	2239.11	1935.42	2128.96
	TOTAL EXPENDITURE	11793.07	11163.3	11355.58	10573.84	10706.96
	SURPLUS(E-F) [Before Appropriation]	1018.05	1810.73	1824.42	3631.81	3123.04

The Eastern Railway Employees' Co-operative Bank Ltd.
 10, Strand Road, Kolkata - 700001

Chart 1: Breakup of Major Components of Liabilities:

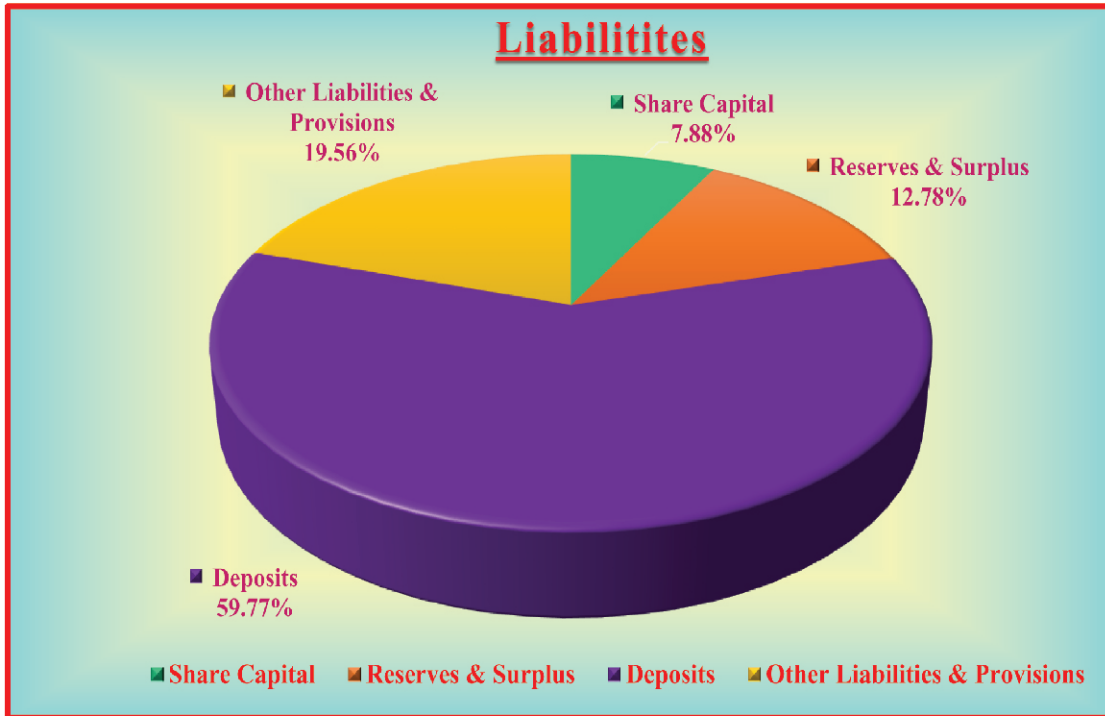
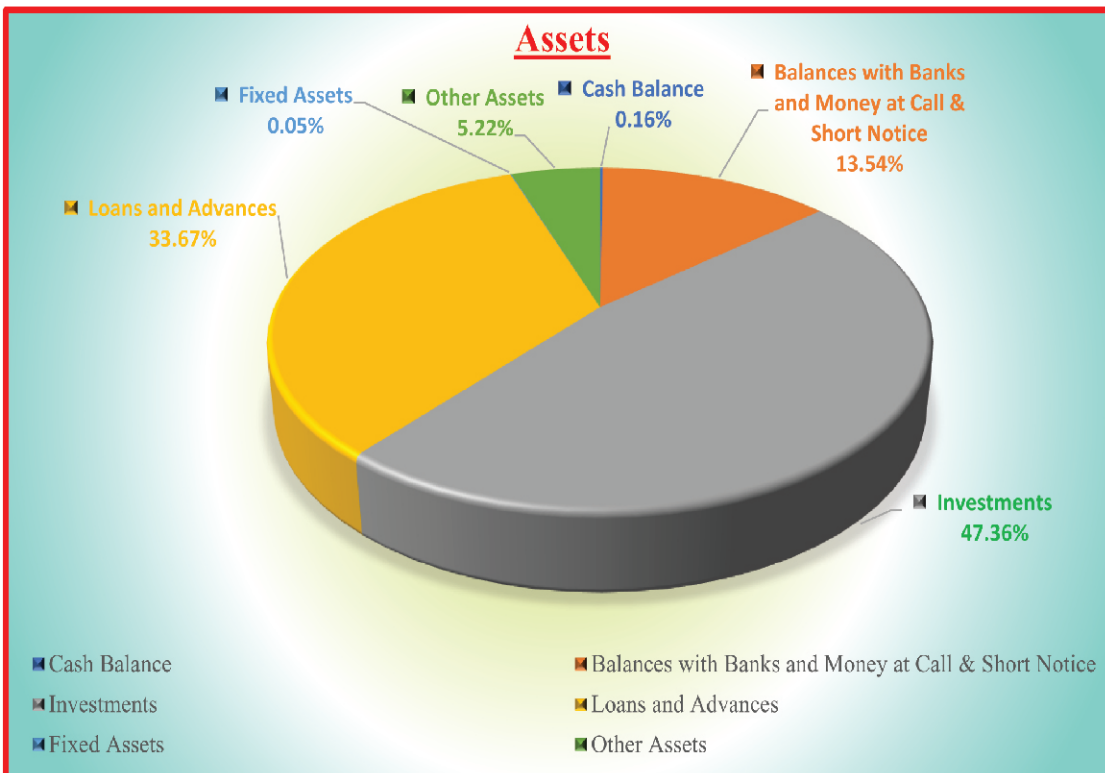


Chart 2: Breakup of Major Components of Assets:



The Eastern Railway Employees' Co-operative Bank Ltd.

Chart 3: Breakup of Major Components of Income:

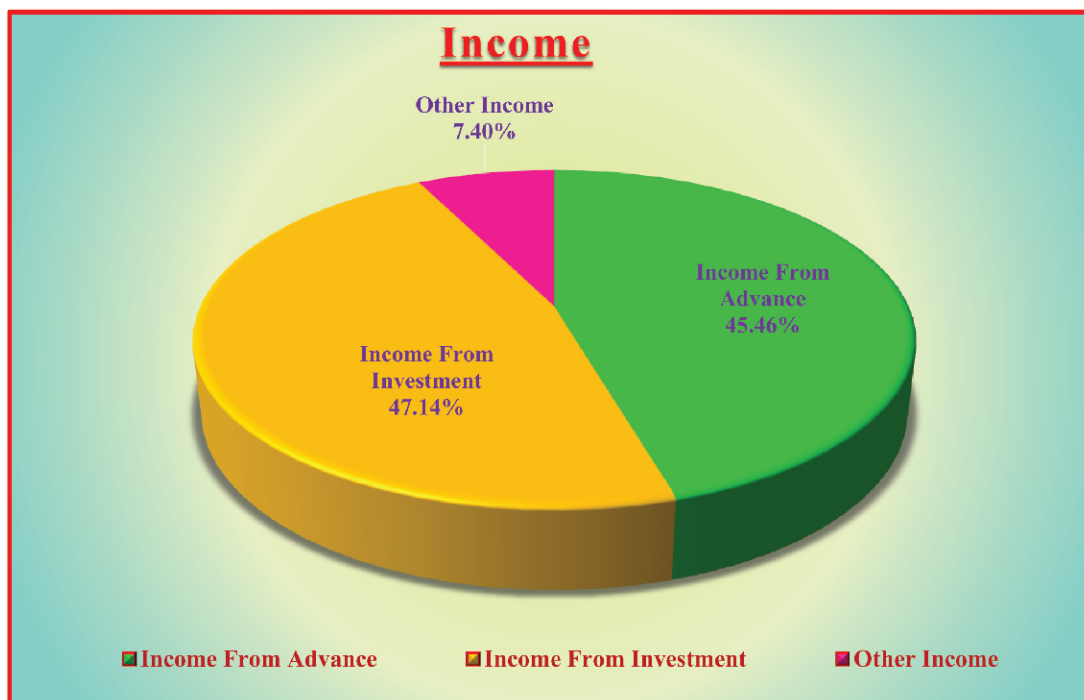
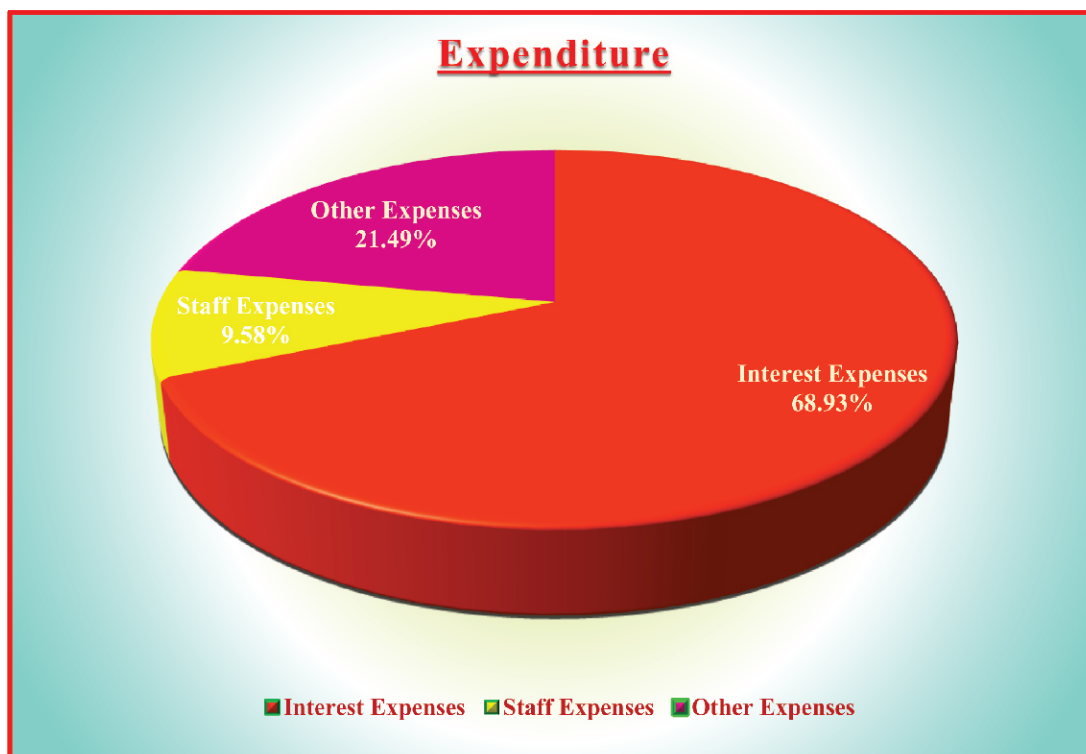
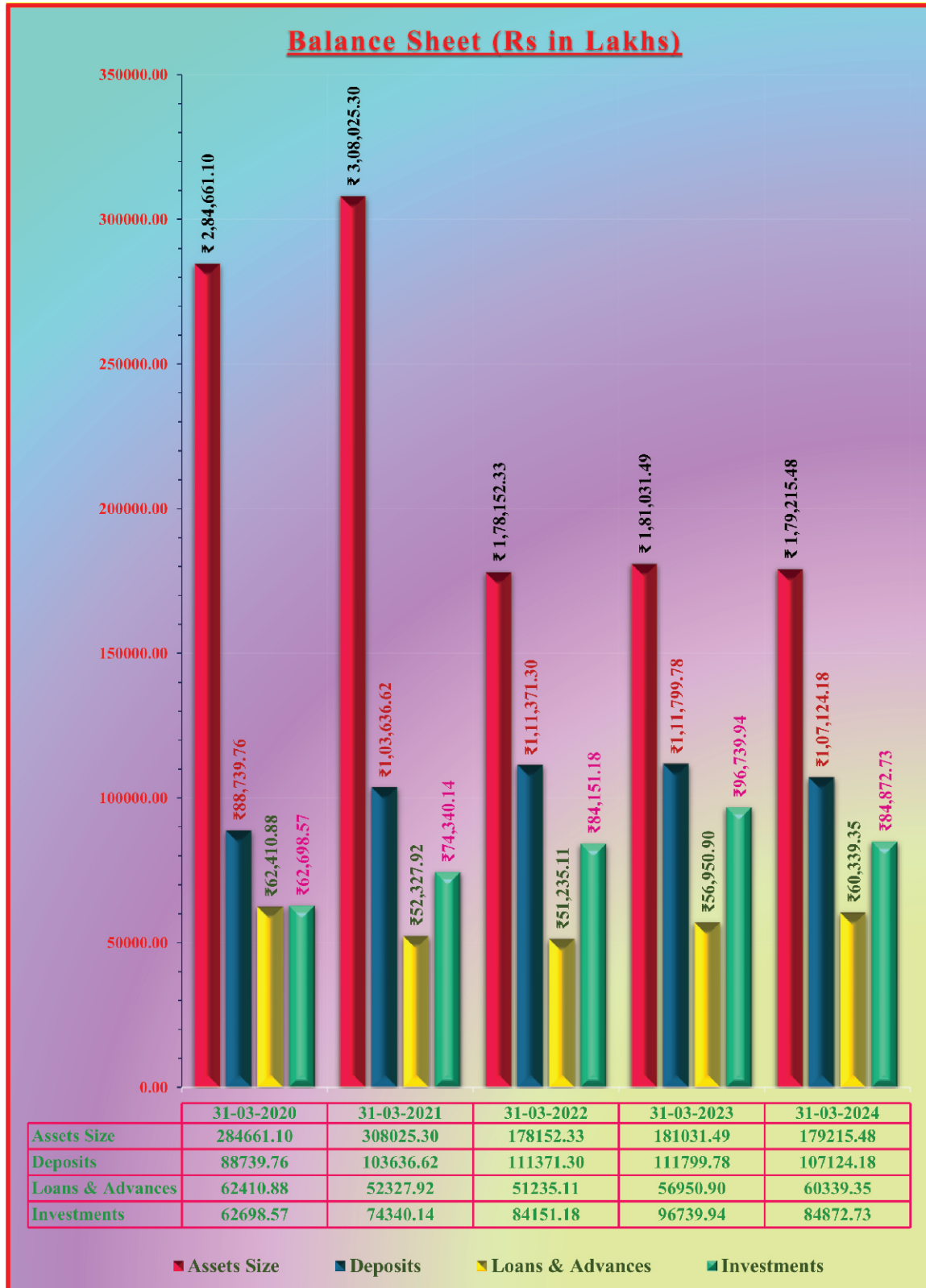


Chart 4: Breakup of Major Components of Expenditure:



The Eastern Railway Employees' Co-operative Bank Ltd.

Chart 5: Balance Sheet Components:



The Eastern Railway Employees' Co-operative Bank Ltd.

Chart 6: Net Worth

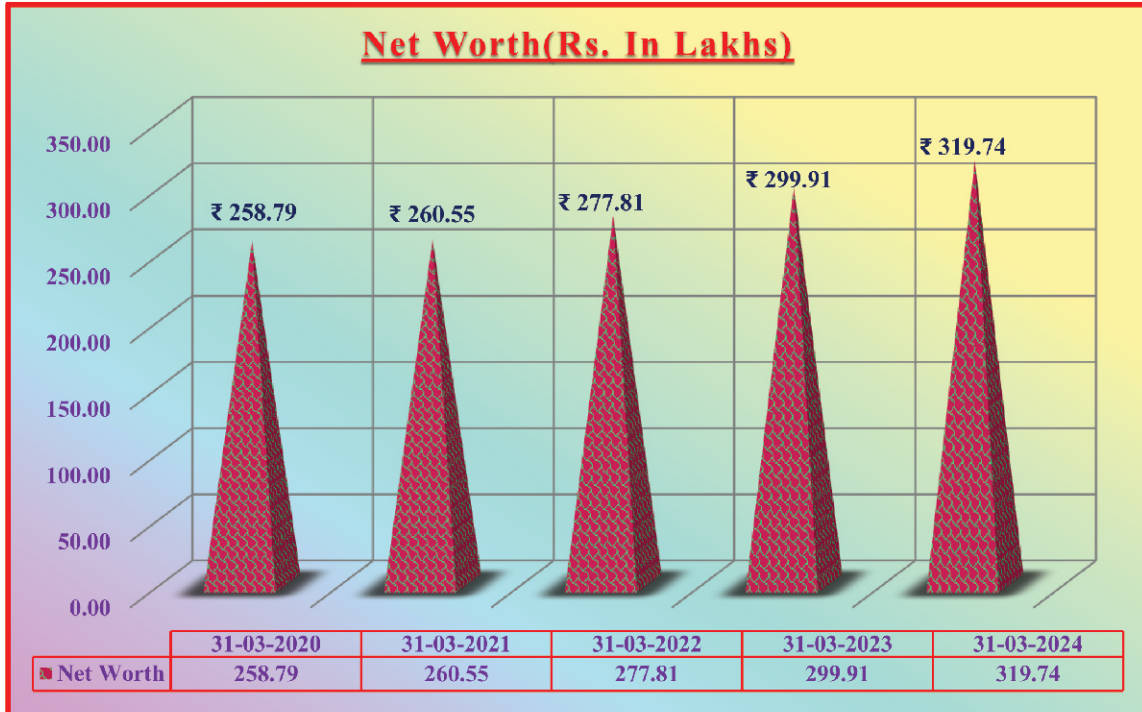
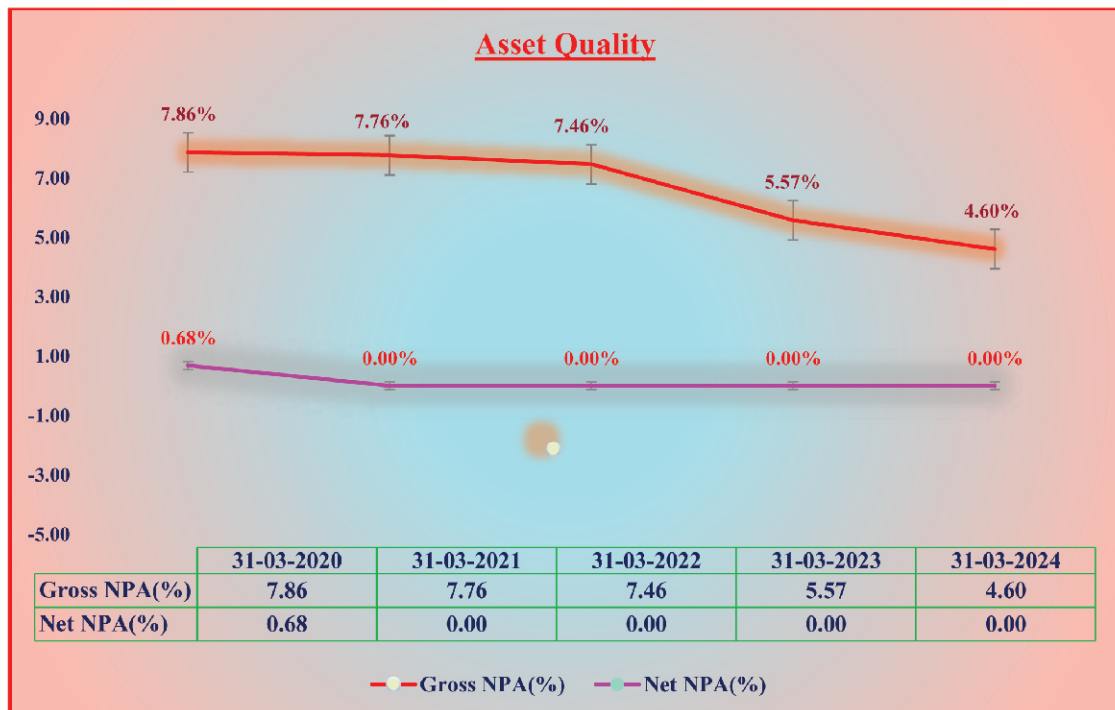


Chart 7: Asset Quality:



The Eastern Railway Employees' Co-operative Bank Ltd.

Chart 8: Capital to Risk (Weighted) Assets Ratio:

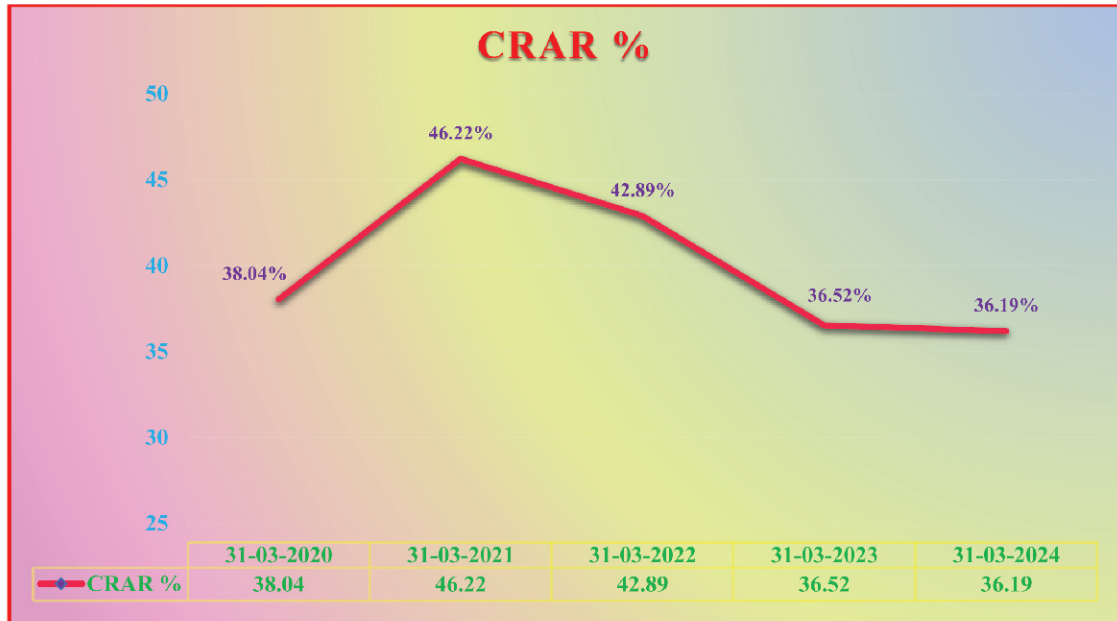
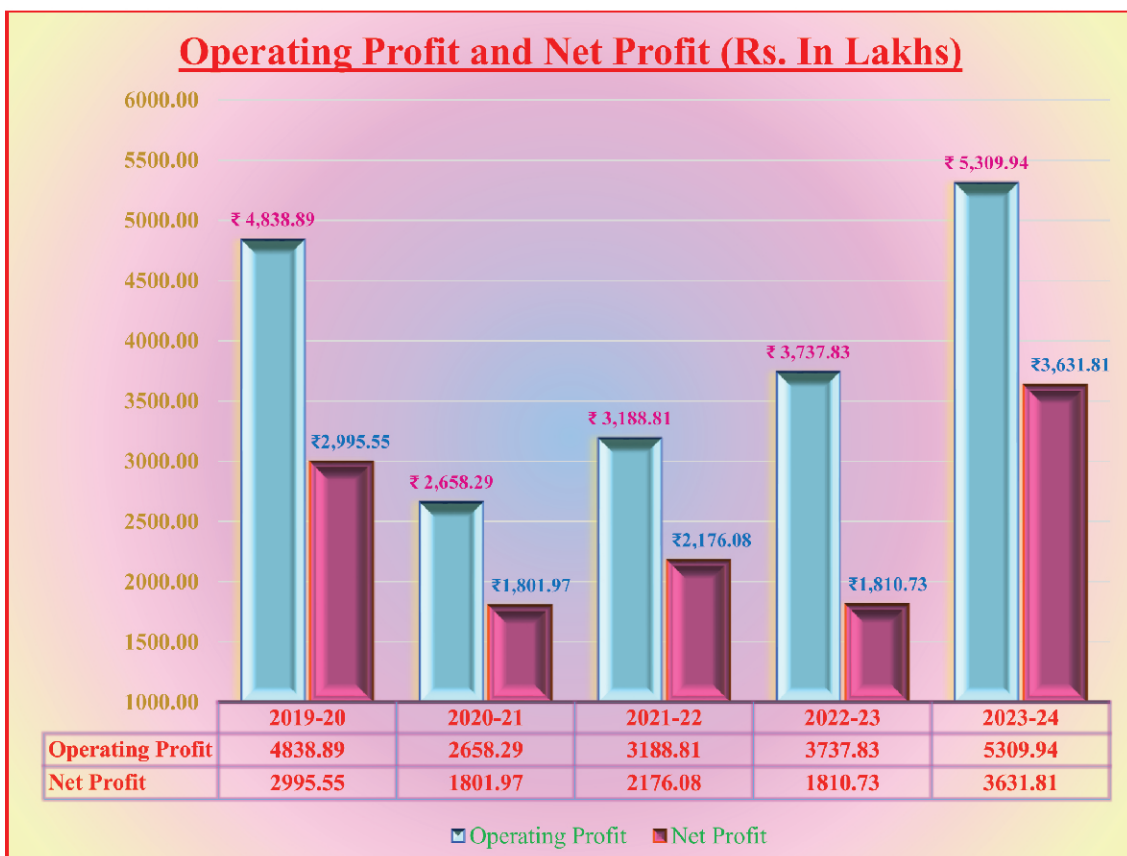


Chart 9: Operating Profit and Net Profit



The Eastern Railway Employees' Co-operative Bank Ltd.

Chart 10: NIM/ROA

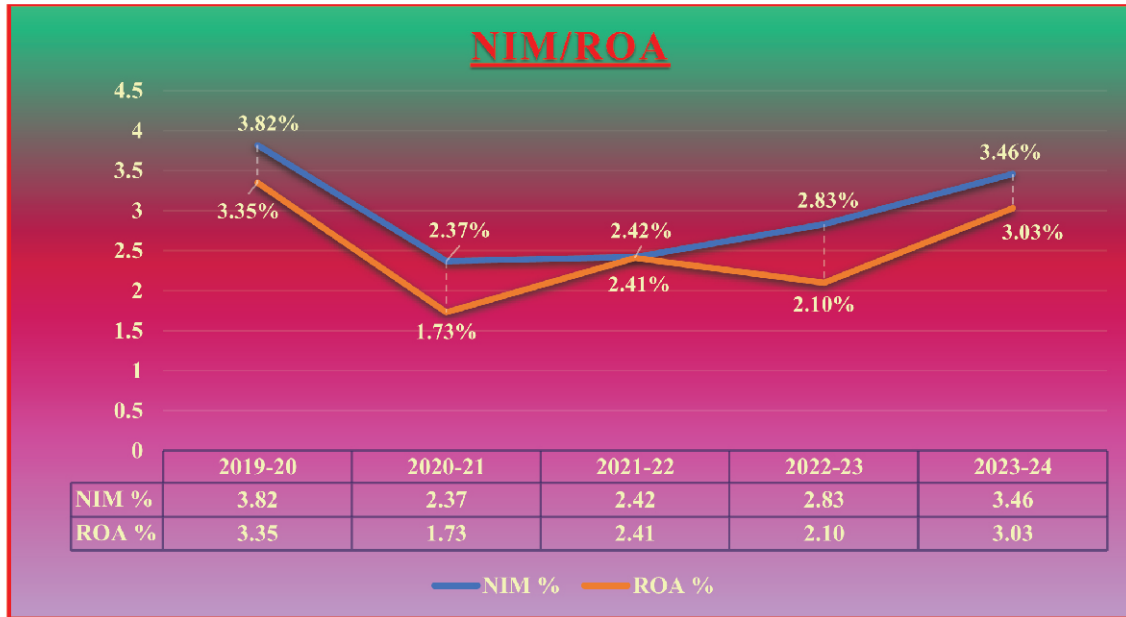
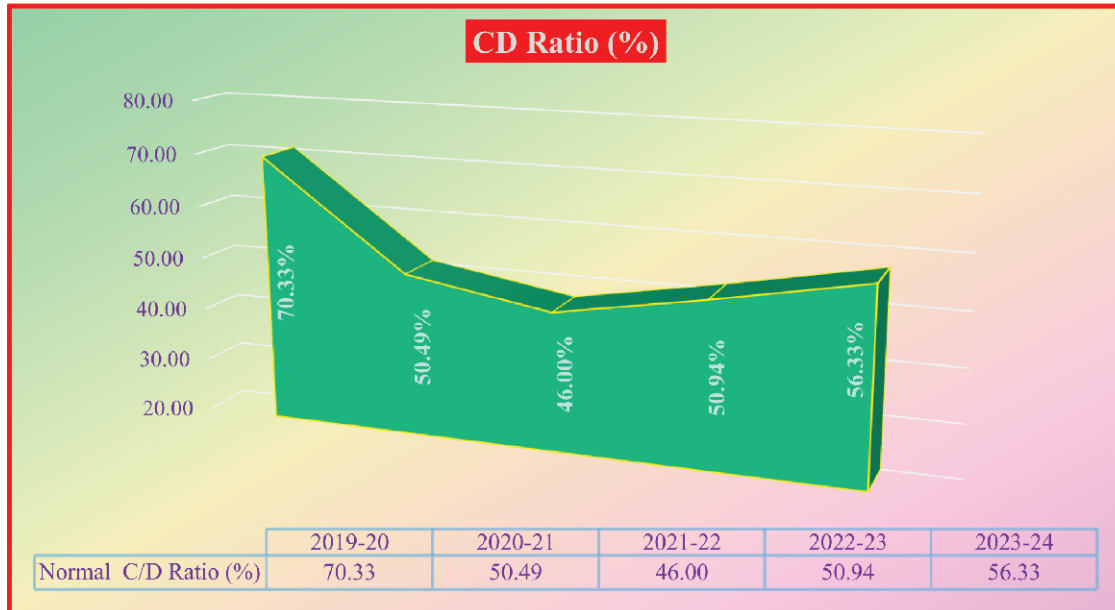


Chart 11: CD Ratio.



Apurba Sen
Chief Executive Officer

Bijay Kumar Singh
Director

Sajal Pal
Sr. Manager (F & A)

Tapas Nandi
Director

Shashanka Ghosh
Director

Amresh Kumar Baitha
Director

Place: Kolkata
Dated: 16th July, 2024
15, India Exchange Place, Birla Brothers Building,
5th Floor, Kolkata- 700008

(CA SOMNATH BISWAS)
Partner
Membership No. 064735
UDIN: 24064735BKFMJR7321

For Ghoshal & Ghosal,
Chartered Accountants
FRN: 304013E

Received FCBA Award at “National Cooperative Banking Summit (NCBS)-2023” presented by “Banking Frontier” for “Best HR Innovation” in Medium UCB Category



Renovated Jamalpur Branch Premises (inaugurated on 16.10.2023)





The Eastern Railway Employees' Co-operative Bank Ltd.

[Reg. No. 111 of 1912]

(A Multi-State Salary Earners' Co-operative Bank)

Regd. Officer – 17, Netaji Subhas Road, Kolkata – 700001

Admin. Office. – 10, Strand Road, Kolkata – 700001

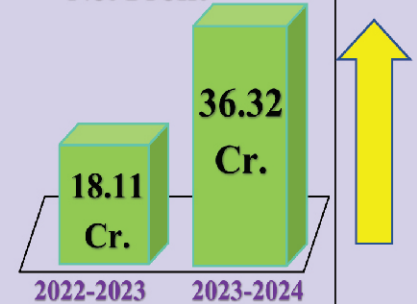
Phone: 2248-9328 / 2243-0455, Email – info@erecb.com, www.erecb.com

Audited Financial Position with Highlights on Key Achievements for the Year : 2023-2024

Interest Earned – 131.54 Cr. CRAR – 36.19%

PROFITABILITY CROSSED ₹ 36.00 CRORE
NET WORTH CROSSED ₹ 319.00 CRORE

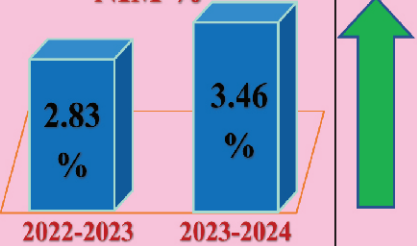
Net Profit



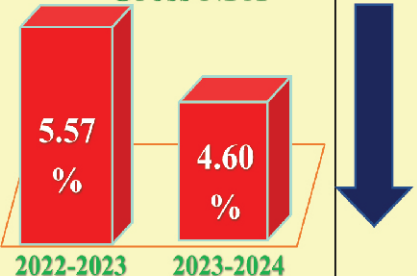
1. Audited Profit & Loss Account for the year ended 31st March 2024

Sl. No.	Particulars	2023-2024 (Rs. in Crore)	2022-2023 (Rs. in Crore)
A	Interest Earned	131.54	125.5
B	Interest Expended	72.89	76.63
C	Net Interest Income (NII)= (A-B)	58.65	48.87
D	Other Income	10.52	4.24
E	Total Income = (C+D)	69.17	53.11
F	Operating Expenses	16.07	15.74
G	Operating Profit=(E-F)	53.10	37.37
H	Provisions & Contingencies	16.78	19.27
I	Profit After Tax (PAT)= (G-H)	36.32	18.10

NIM %



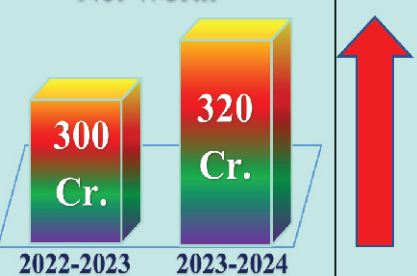
Gross NPA



2. Audited Balance Sheet for the year ended 31st March 2024

Sl. No.	Particulars	2023-2024 (Rs. in Crore)	2022-2023 (Rs. in Crore)
A.	Sources: -	(Rs. in Crore)	(Rs. in Crore)
I	Share Capital	141.27	147.06
II	Reserves and Surplus	229.08	209.11
III	Deposits	1071.24	1117.99
IV	Other Liabilities and Provisions	350.56	336.15
	Total	1792.15	1810.31
B.	Application: -	(Rs. in Crore)	(Rs. in Crore)
I	Cash in Hand	2.87	2.92
II	Balance with Banks and Money at Call & Short Notice	242.71	189.37
III	Investments	848.73	967.39
IV	Advances	603.39	569.51
V	Fixed Assets	0.88	0.83
VI	Other Assets	93.57	80.29
	Total	1792.15	1810.31

Net Worth



Advances

