

THE CITIZENS URBAN CO-OP. BANK LTD.

506, NEW JAWAHAR NAGAR, MODEL TOWN ROAD, JALANDHAR CITY

PHONE : 0181-5031547 – 555, FAX : 0181-2230169

Mail id : info@citizensbank.in

www.citizensbank.in

No. CUCB:AGM:2014-15 – 1-4990

Dated: 07.09.2015

Subject: NOTICE OF ANNUAL GENERAL MEETING

Dear Members,

We are pleased to inform you that Annual General Meeting of the Members of The Citizens Urban Coop. Bank Ltd., Jalandhar shall be held on 27th September 2015 at 11.00 AM at Hotel Sky Lark, Model Town Road, Jalandhar City to consider and approve the following agenda:-

1. To consider to confirm the proceedings of last Annual General Meeting held on 26.10.2014.
2. To consider to approve the Audited Balance Sheet and Profit & Loss Account for the year 2014-15 along with Auditor's Report.
3. To consider and approve the distribution of profit for the year 2014-2015 as recommended by the Board of Directors.
4. To approve the appointment of Auditor for the year 2015-16.

For THE CITIZENS URBAN COOP. BANK LTD.



(S.K.MALHOTRA)

CHIEF EXECUTIVE OFFICER

- NOTE :
1. Registration of Delegates/Members shall start at 9.00 AM
 2. Defaulters are requested to clear their dues upto 25-9-2015

The Annual General Body Meeting of the Bank held on 26-10-2014 under the Chairmanship of Sh. K. K. Sharma, Chairman to discuss the following agenda

AGENDA NO. 1:

To consider to confirm the proceeding of the last Annual General Meeting held on 26-10-2013

Confirmed

sd/-
(Chairman)

AGENDA NO. 2

To consider to approve the Audited Balance Sheet and Profit and Loss Account for the year 2013-2014 along with auditor's report.

The Audited Balance Sheet and Profit and Loss Account for the year 2013-2014 along with Directors report was considered in the meeting. The overall performance of the bank was appreciated by the members present. The audited Balance Sheet and Profit & Loss Account for the year 2013-14 was unanimously approved.

sd/-
(Chairman)

AGENDA NO. 3

To consider and approve the distribution of Profit for the year 2013-14 as recommended by the Board of Directors.

It is unanimously resolved to approve the allocation of profit for the year 2013-14 as under

1 Statutory Reserve Fund	25%	Rs. 1,16,75,294.00
2. Bad and doubtful Reserve (of the remaining current profit)	27.50%	Rs. 96,32,117.00
3. Building fund	17%	Rs. 59,54,400.00
4. Investment Fluctuation Fund	20%	Rs. 70,05,176.00
5. Proposed Dividend		Rs. 1,18,51,734.00
6. Undivided Profit		Rs. 5,82,455.00
Total		Rs. 4,67,01,176.00

It is further resolved to pay 11% dividend to the shareholders of the bank.

Sd/-
Chairman

AGENDA NO. 4

To approve the appointment of auditor for the year 2014-15.

The Statutory and Tax Audit of the bank for year 2013-14 was got conducted from the Chartered Accountants – M/s. Umesh Dada & Co., Jalandhar.

The Board has further decided to appoint Chartered Accountants – M/s. Umesh Dada & Co., Jalandhar for the Statutory and Tax Audit for year 2014-15 and the appointment is confirmed and approved

Sd/-
Chairman

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.
BALANCE SHEET AS AT 31ST MARCH, 2015

LIABILITIES	Schedule	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
Capital	1	131566575.00	120145500.00
Reserve and Surplus	2	440469398.67	398893867.67
Deposits	3	5684100428.47	5189655576.33
Borrowings	4	0.00	0.00
Other Liabilities & Provisions	5	229040739.20	224792613.77
TOTAL (Rs.)		6485177141.34	5933487557.77
ASSETS	Schedule	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
Cash & Balances with Reserve Bank of India, State Bank of India, State Co-op. Bank & Central Co-op.Bank	6	152296518.25	102114921.05
Balances with Banks and Money at Call and Short Notice	7	754037314.57	821067512.21
Investments	8	2357226503.00	2043869148.00
Advances	9	3054284846.80	2806922607.71
Fixed Assets	10	54868174.01	54110918.15
Other Assets	11	112463784.71	105402450.65
Total (Rs.)		6485177141.34	5933487557.77
Contingent Liabilities	12		
Liability on account of acceptances & endorsements		22946973.00	25532500.00
Bills for Collection		511002.00	304880.00
Liability on account of DEAF Accounts		2364273.00	0.00
Accounting Policies and Notes to Accounts	17		

Sd/-
Accountant

Sd/-
Sr. Manager

Sd/-
CEO

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

AUDITOR'S REPORT
*As per our separate report of
even date annexed herewith.*

for UMESH DADA & CO
CHARTERED ACCOUNTANTS

CA TINA ARORA
B.Com., F.C.A.
FRN : 015299N
M.No. 404796

PLACE : JALANDHAR
DATE : 22-06-2015

THE CITIZENS URBAN CO-OPERATIVE BANK LTD. PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31-03-2015

	PARTICULARS	Schedule	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
I.	Income			
	Interest Earned	13	556996130.20	544659697.99
	Other Income	14	69322240.28	5946297.94
	Total		626318370.48	550605995.93
II.	Expenditure			
	Interest Expended	15	442549377.31	389801441.33
	Operating Expenses	16	91592242.73	84405005.75
	Provisions & Contingencies		39892163.44	29698372.85
	Total		574033783.48	503904819.93
III.	Profit/Loss			
IV.	Net Profit for the year		52284587.00	46701176.00
	Total		52284587.00	46701176.00

Sd/-
Accountant

Sd/-
Sr. Manager

Sd/-
CEO

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

AUDITOR'S REPORT

*As per our separate report of
even date annexed herewith.*

for UMESH DADA & CO
CHARTERED ACCOUNTANTS

CA TINA ARORA
B.Com., F.C.A.
FRN : 015299N
M.No. 404796

PLACE : JALANDHAR
DATE : 22-06-2015

AUDITOR'S REPORT

To Statutory Central Auditors

- 1) We have audited the accompanying financial statements of **THE CITIZEN URBAN CO-OPERATIVE BANK LIMITED** (Head Office and the Fifteen Branches of the Bank) as at 31st March, 2015, which comprise the Balance Sheet as at 31st March, 2015, and Profit and Loss Account for the year ended on 31st March 2015 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

- 2) Management is responsible for the preparation of these financial statements in accordance with the provision of section 29 of the Banking Regulation Act, 1949 and to disclose the information as may be necessary to conform to forms 'A' & 'B' respectively of the Third Schedule to the Banking Regulation Act, 1949. These financial statements comply with the Accounting Standards notified by the institute of Chartered Accountants of India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material mis-statement, whether due to fraud or error.

Auditor's Responsibility

- 3) Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 4) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- 5) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
- 6) We have also verified and signed the following statements, as required by Head Office of the Bank - Balance Sheet with Profit & Loss as on 31st March 2015.

Opinion

Subject to what is stated above, the Memorandum of Changes (Annexure MOC), and other adjustments usually made at the Head Office of the Bank, in our Opinion and to the best of our information and according to the explanations given to us, and as shown by the books of the Bank and read with the Accounting Policies (as given by the Head Office to the extent applicable to the Branch), and the notes on the Banks Accounts attached along with the Audit Report, we have report that:

- I. The balance Sheet, is a full and fair Balance Sheet of THE CITIZENS URBAN CO-OPERATIVE BANK LTD. containing all the necessary particulars, as required by the Banking Regulation act 1949 and, is properly drawn up as exhibit a true and fair view of state of affairs of the Bank as at 31st March,2015 in conformity with accounting principles generally accepted in India;
- II. The Profit and Loss Account, Shows a true balance of profit/loss, in conformity with accounting principles generally accepted in India, for the year covered by the account;

Report on Other Legal and Regulatory Requirements

In our opinion, the Balance Sheet and the Profit and Loss Accounts have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949 and is in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, and,

- a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory.
- b) The transactions of the Branches, which have come to our notice, have been within the power of the Bank.
- c) The returns submitted by the Branches have been found adequate for the purposes of our audit.
- 7) In our opinion the Balance Sheet, Profit & Loss Account comply with the applicable Accounting Standards.

for UMESH DADA & CO
CHARTERED ACCOUNTANTS

TINA ARORA
(PARTNER)
Membership Number :404790
Firm Registration Number : 015299N
Place of Signature : JALANDHAR
Date of Report : 20-06-2015

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule I - SHARE CAPITAL

	PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
1.	Authorised Share Capital		
	6000000 Shares of Rs. 25/- Each	150000000.00	150000000.00
2.	Subscribed, Called Up and Paid Up Capital		
	5262663 Shares of Rs. 25/- Each	131566575.00	120145500.00
	(Previous Year 4805820 Shares of Rs. 25/- Each)		
3.	Of (3i) above, held by :		
	(a) Individuals	131566575.00	120145500.00
	(b) Co-Operative Institution	0.00	0.00
	(c) State Government	0.00	0.00
	Total	131566575.00	120145500.00

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule II - RESERVES AND SURPLUS

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
1 Statutory Reserve		
(a) Opening Balance	189561489.90	176851418.90
(b) Additions during the year	13861400.00	12710071.00
(c) Deductions during the year		
Total	203422889.90	189561489.90
II Revenue and other Reserves		
i. Profit And Loss Account		
Opening Balance	1796472.66	1213917.66
Adjustments (+/-)	0.00	0.00
Add: Profit brought forward from P&L A/c	52284587.00	46701176.00
Total	54081059.66	47915093.66
Less: Appropriations		
Statutory Reserve Fund	13071147.00	11675294.00
Bad & Doubtful Debt Reserves	10587629.00	9632117.00
Building fund	6000000.00	5954400.00
Investment Flactuation Fund	8983000.00	7005176.00
Proposed Dividend	13002902.00	11851734.00
Closing Balance	2436381.66	1796372.66
ii Common Good Fund		
(a) Opening Balance	3942036.00	3942036.00
(b) Additions during the year	0.00	0.00
(c) Deductions during the year	0.00	0.00
Total	3942036.00	3942036.00
iii Housing Loan Reserve		
(a) Opening Balance	7662000.00	6745000.00
(b) Additions during the year	1095000.00	917000.00
(c) Deductions during the year	0.00	0.00
Total	8757000.00	7662000.00
iv Investment Fluctuation Fund		
(a) Opening Balance	34863320.41	27858144.41
(b) Additions during the year	8983000.00	7005176.00
(c) Deductions during the year	0.00	0.00
Total	43846320.41	34863320.41

v	Share Transfer fund		
	(a) Opening Balance	5806291.00	6173216.00
	(b) Additions during the year	4542400.00	2680175.00
	(c) Deductions during the year	5104600.00	3047100.00
	Total	5244091.00	5806291.00
vi	Staff Welfare Fund		
	(a) Opening Balance	966416.00	966416.00
	(b) Additions during the year	0.00	0.00
	(c) Deductions during the year	0.00	0.00
	Total	966416.00	966416.00
vii	Coop. Edu. Fund		
	(a) Opening Balance	210500.00	210500.00
	(b) Additions during the year	0.00	0.00
	(c) Deductions during the year	0.00	0.00
	Total	210500.00	210500.00
viii	Provision on Standard Assets		
	(a) Opening Balance	12189848.00	10921854.00
	(b) Additions during the year	970693.00	1267994.00
	(c) Deductions during the year	0.00	0.00
	Total	13160541.00	12189848.00
ix	Building Fund		
	(a) Opening Balance	29108594.50	23154194.50
	(b) Additions during the year	6000000.00	5954400.00
	(c) Deductions during the year	0.00	0.00
	Total	35108594.50	29108594.50
x	Dividend Equalization Fund		
	(a) Opening Balance	11659616.69	11659616.69
	(b) Additions during the year	0.00	0.00
	(c) Deductions during the year	0.00	0.00
	Total	11659616.69	11659616.69
xi	Bad & Doubtful Debt Reserves		
	(a) Opening Balance	101127382.51	91495265.51
	(b) Additions during the year	10587629.00	9632117.00
	(c) Deductions during the year	0.00	0.00
	Total	111715011.51	101127382.51
	Total of II (i+ii+iii+iv+v+vi+vii+viii+ix+x+xi)	237046508.77	209332377.77
	GRAND TOTAL (I and II)	440469398.67	398893867.67

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule III - DEPOSITS

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
I. Demand Deposits/Current Accounts		
(i) From Individuals #	117675586.52	74750695.35
(ii) From Central Co-op. Banks	0.00	0.00
(iii) From other Societies	0.00	0.00
Total	117675586.52	74750695.35
II. Savings Bank Deposits		
(i) From Individuals #	979286084.49	947760353.09
(ii) From Central Co-op. Banks	0.00	0.00
(iii) From other Societies	33468855.14	48751264.23
Total	1012754939.63	996511617.32
III. Term Deposits @		
(i) From Individuals #	3836715413.32	3565793079.66
(ii) From Central Co-op.Banks	0.00	0.00
(iii) From other Societies	716954489.00	552600184.00
Total	4553669902.32	4118393263.66
Total (I, II and III)	5684100428.47	5189655576.33

@ Including deposits of societies, staff security deposits, recurring deposits, cash certificates, CDS security etc.

Individual include deposits from institutions other than co-operative banks and societies.

B. (i) Deposits of Branches in India	5684100428.47	5189655576.33
(ii) Deposits of Branches outside India	0.00	0.00
Total (i+ii)	5684100428.47	5189655576.33

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule IV - BORROWINGS

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
I. Borrowing in India		
i.From the Reserve Bank of India	0.00	0.00
ii. Other banks	0.00	0.00
iii. Other institutions and agencies	0.00	0.00
II. Borrowing Outside India	0.00	0.00
Total (I, II)	0.00	0.00

Notes :1. Secured borrowings included in I and II above Rs. Nil

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule V - Other Liabilities and Provision

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
I. Bills payable (net)	0.00	0.00
II. Inter-office adjustments (net)	0.00	0.00
III. Interest accrued/Payable	24169896.00	14410927.00
IV. Others (including provisions)	204870843.20	210381686.77
Total (I, II, III, IV)	229040739.20	224792613.77

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule VI - Cash and Balances with Reserve Bank of India,
State Bank of India, State Coop. Bank and Central Coop. Bank

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
I. Cash in Hand	69999956.80	72575488.20
II. Balances with Reserve Bank of India		
(a) In Current Account (RBI)	42656288.02	2525913.19
(b) In other Accounts (SBI & CCB)	39640273.43	27013519.66
Total (I, II)	152296518.25	102114921.05

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule VII - Balances with Banks and Money at Call and Short Notice

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
I. India		
i. Balance with other Banks		
(a) Current deposits	216197779.73	176094331.58
(b) Savings bank deposits	0.00	23260.63
(c) Fixed deposits	497839534.84	494949920.00
Total	714037314.57	671067512.21
ii. Money at Call and Short Notice		
(a) With banks	40000000.00	150000000.00
(b) With other institutions	0.00	0.00
Total	40000000.00	150000000.00
Total (i and ii)	754037314.57	821067512.21
II. Outside India		
i). In Current Accounts	0.00	0.00
ii). In other Deposit Accounts	0.00	0.00
iii). Money at Call & Short Notice	0.00	0.00
Total (i,ii and iii)	0.00	0.00
Grand Total (I and II)	754037314.57	821067512.21

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule VIII - Investments

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
I. Investments in India		
i In Central & State Government Securities	1936284198.00	1803856198.00
ii In other Approved Securities	0.00	0.00
iii III. In shares of co-operative institutions (other than out of the Principal/ Subsidiary State Partnership Fund)	12950.00	12950.00
iv In debentures and bonds		
v Others (To be specified) Mutual Funds	420929355.00	240000000.00
Total (i,ii,iii,iv and v)	2357226503.00	2043869148.00
II. Investments Outside India		
i Government Securities(Including Local Authorities)	0.00	0.00
ii Subsidiaries and /or joint ventures abroad	0.00	0.00
iii Other Investments (To be specified)	0.00	0.00
Total (i,ii, and iii)	0.00	0.00
Grand Total (I, II)	2357226503.00	2043869148.00

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule IX - Advances

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
I. (a) Bills purchased & discounted	7397342.32	15007192.00
(b) Cash credits, overdrafts & loans repayable on demand	1153427645.19	916523247.47
(c) Term Loans	1893459859.29	1875392168.24
Total (a,b,c)	3054284846.80	2806922607.71
II. Secured by :		
(a) Secured by tangible assets	3054284846.80	2806922607.71
(b) Secured by bank/ Govt guarantees	0.00	0.00
(c) Unsecured	0.00	0.00
Total(a,b,c)	3054284846.80	2806922607.71
C.I. Advances in India		
I) Priority Sectors	2316477594.00	2037620000.00
II) Non Priority Sectors	0.00	0.00
III) Banks	0.00	0.00
IV) Others	0.00	0.00
Total (I,II,III,IV)	2316477594.00	2037620000.00
C.II. Advances Outside India		
I) Due from Banks	0.00	0.00
II) Due from Others	0.00	0.00
a) Bills Purchased And Discounted	0.00	0.00
b) Syndicated Loans	0.00	0.00
c) Others	0.00	0.00
Total(I,II)	0.00	0.00
Grand Total	3054284846.80	2806922607.71

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule X - Fixed Assets

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
I. Premises		
(a) At cost as on 31st March of the preceding year	29381590.75	31602425.75
(b) Additions	264150.00	0.00
(c) Deductions during the year	13500.00	0.00
(d) Total Cost (a and b minus c)	29632240.75	31602425.75
(e) Less: Depreciation to date	2011283.00	2220835.00
Total (d minus e)	27620957.75	29381590.75
II. Other Fixed Assets (including furniture and fixtures)		
(a) At cost as on 31st March of the preceding year	24729327.40	21506597.40
(b) Additions during the year	7790256.76	7706606.00
(c) Deductions during the year	365514.00	420116.00
(d) Total Cost (a and b minus c)	32154070.16	28793087.40
(e) Less: Depreciation to date	4906853.90	4063760.00
(f) Total (d minus e)	27247216.26	24729327.40
Grand Total	54868174.01	54110918.15

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.**Schedule XI - Other Assets**

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
i. Inter-office adjustment (net)		
ii. Interest accrued	20653598.00	48463902.00
iii. Tax paid in Advance	85353264.00	52458932.00
iv. Stationery and stamps	1311338.02	2001959.34
v. Non-banking assets acquired in satisfaction of claims	0.00	0.00
vi. Others	5145584.69	2477657.31
Total (i, ii, iii, iv, v, vi)	112463784.71	105402450.65

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.**Schedule XII - Contingent Liabilities**

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
i. Claims against the bank not acknowledged as debts	0.00	0.00
ii. Liability for partly paid investments	0.00	0.00
iii. Liability on account of outstanding forward exchange contracts	0.00	0.00
iv. Guarantees given on behalf of constituents	0.00	0.00
v. Acceptances, endorsements and other obligations (including bills for collection)	23457975.00	25837380.00
vi. Other items for which the bank is contingently liable (DEAF Accounts)	2364273.00	0.00
Total (i, ii, iii, iv, v and vi)	25822248.00	25837380.00

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule XIII - Interest Earned

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
i. Interest/discount on advances	380817457.79	350861387.01
ii. Income on investments	176178672.41	193798310.98
iii. Interest on balances with Reserve		
Bank of India, State Bank of India, State Co-op. Bank and Central		
Co-op. Bank	0.00	0.00
iv. Others	0.00	0.00
Total	556996130.20	544659697.99

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule XIV - Other Income

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
i. Commission, exchange and brokerage	831765.62	682579.55
ii. Profits on sale of investments	34820908.62	38179697.93
Less: Loss on sale of investments	0.00	0.00
iii. Profit on revaluation of investments	25680493.00	0.00
Less: Loss on revaluation of investments	0.00	-40150244.00
iv. Profit on sale of land, buildings and other assets	0.00	0.00
Less: Loss on sale of land, buildings and other assets	0.00	-141784.00
v. Profit on exchange transactions	0.00	0.00
Less : Loss on exchange transactions	0.00	0.00
vi. Subsidies and Donations	0.00	0.00
vii. Income from non-banking assets and profit (Loss) on sale of or dealing in such assets	0.00	0.00
viii. Misc Income	7989073.04	7376048.46
Total	69322240.28	5946297.94

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule XV- Interest Expended

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
i. Interest on Deposits	442549377.31	389801441.33
ii. Interest on Borrowings	0.00	0.00
iii. Others	0.00	0.00
Total	442549377.31	389801441.33

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Schedule XVI- Operating Expenses

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
i. Payments to and provisions for employees	52180973.00	50080940.00
ii. Rent, taxes and lighting	10217724.00	8368925.50
iii. Printing and stationery	1633658.32	1611764.62
iv. Advertisement and publicity	1799980.50	1525030.00
v. Depreciation on bank's property and expenses	6918136.90	6284595.00
vi. Directors' fees, allowances	312536.00	199104.00
vii. Auditors' fees and expenses	141600.00	150000.00
viii. Law Charges	360940.00	280515.00
ix. Postages, Telegrams, Telephones, etc.	634991.96	505652.69
x. Repairs and maintenance	1369490.80	1167297.54
xi. Insurance	6796105.00	4774796.00
xii. Other Expenditure	9226106.25	9456385.40
Total	91592242.73	84405005.75

THE CITIZENS URBAN CO-OP. BANK LTD.

Director's Report

Dear Members,

It gives me immense pleasure in presenting Annual Report of **The Citizens Urban Coop Bank Ltd.** along with the audited statements of account for the year ended March 31, 2015.

INDIA'S ECONOMIC SCENARIO & BANKING ENVIRONMENT

The Indian economy is poised for a gradual recovery. According to the Reserve Bank of India, the banking sector in India is sound and well regulated. Indian financial and economic conditions are much better than in many other countries of the world. The banking stability indicator suggests that overall risk to the banking sector remained unchanged during 2014-15.

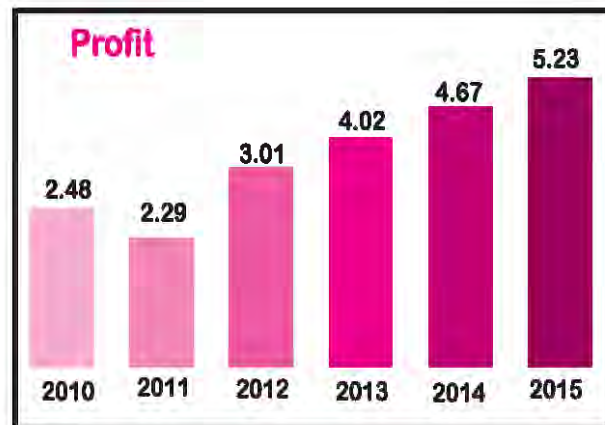
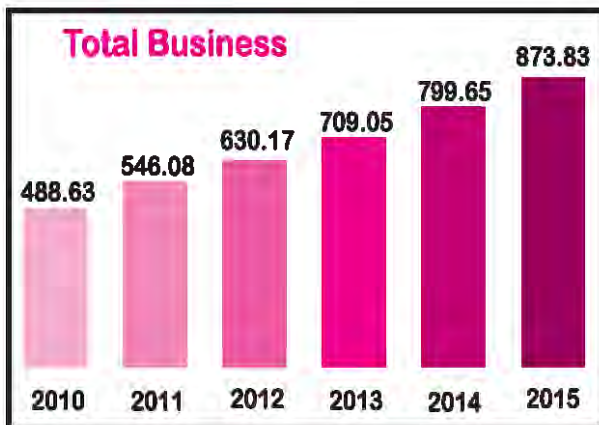
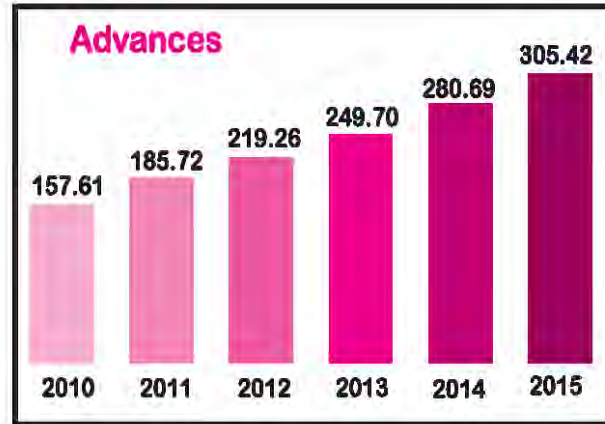
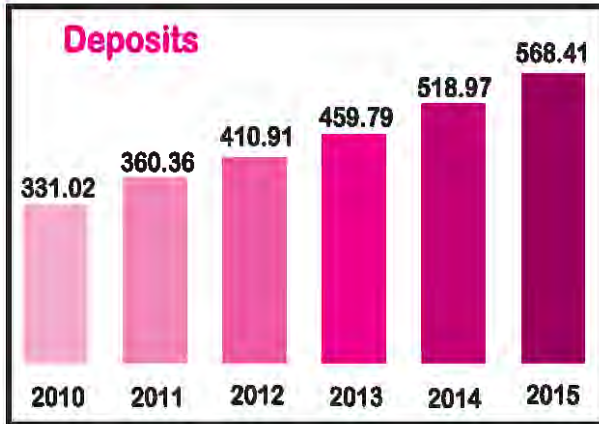
India is set to emerge as the world's fastest growing major economy by 2015 ahead of China, as per the recent report by the World Bank. India's Gross Domestic Product (GDP) is expected to grow at 7.5% in 2015, as per the report. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

Mr. Narinder Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy. This initiative is expected to increase the purchasing power of an Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The bank has taken a great initiative in Prime Minister Jan Dhan Yojna and other schemes and have opened large number of no frill accounts.

PERFORMANCE OF THE BANK

During the year, the bank completed 25 years of operation as it commenced its business on November 1989. The bank has shown remarkable and sustainable growth in all these years and has the honor to become one of the largest bank of Northern India .

The performance of the bank during the financial year 2014-2015 was satisfactory on all fronts. The business of the bank grew from Rs. 800 crore in 2013-14 to Rs. 874 crore in 2014-15 registering an increase of 9.25%. Deposits of bank grew by 9.44% from 519 crore in 2013-14 to 568 crore in 2014-15. CASA deposit increased to Rs. 113 crore in 2014-15 from Rs. 107 crore in 2013-14 an increase of 5.60%. During the year, the gross advances of the bank registered a growth of 8.54% to touch Rs.305 crore on 31.03.2015 as compared to Rs. 281 crore in 2013-14. Credit Deposit Ratio stood at 54% in 2014-15.



INCOME AND EXPENDITURE

The bank's total income registered a growth of 13.74% from Rs. 55.06 crore in 2013-14 to Rs. 62.63 crore in 2014-15. The bank's interest income rose by 2.25% from Rs. 54.46 crore in 2013-14 to Rs. 55.70 crore in 2014-15. Operating expenditure of the bank increased by 8.41% from Rs. 8.44 crore in 2013-14 to Rs. 9.16 crore in 2014-15.

PROFITABILITY

The bank achieved an operating profit of Rs. 8.08 crore during the year 2014-15 as compare to Rs. 6.83 crore in financial year 2013-14 registering a growth of 18.30%. Net Profit after tax increased to Rs. 5.22 crore in 2014-15 as compare to Rs. 4.67 crore in 2013-14 reflecting the growth of 11.77%.

EMPLOYEE'S PRODUCTIVITY

Business per employee of the bank improved from Rs. 4.16 crore as on March 2014 to Rs. 4.28 crore as on 31 March, 2015.

DIVIDEND

The bank has shown remarkable growth in business and profitability. The bank has transferred Rs. 3.87 crore out of the profits to statutory and other reserves besides making provisions against standard assets as per norms of the Reserve Bank of India. Keeping in view the twin objectives to strengthen the capital base of the bank and to reward the shareholders, Board of Directors of the bank has proposed 11% Dividend to shareholders for the year ended on 31 March, 2015.

DICGC PREMIUM

The Bank regularly pays the advance premium to DICGC for securing the interest of depositors.

CAPITAL ADEQUACY RATIO

The bank is adequately capitalized as per the current requirements. The tier I capital adequacy ratio (CAR) of the bank stood at 11.92% and tier II capital adequacy ratio is 1.98%. On 31 March, 2015 the bank overall capital adequacy ratio is 13.90% which is higher than the regulatory requirement of 9%.

NEW INITIATIVE

Ever growing dependence on technology in banking industry has changed the contour of delivery channels. The bank has successfully launched several new initiatives such as Adhaar Enabled Payment Systems (AEPS) and DBTL payments e.g. LPG Subsidy, Pensions and Scholarship etc. The bank has also initiated the social security schemes like PMJJBY, PMSBY.

The bank has launched its website www.citizensbank.in to widen and strengthen its relationship with customers.

TREASURY

Bank has been performing its Treasury and Investment operations by keeping track of the macroeconomics scenario and market developments in accordance with the regulatory guidelines issued by the Reserve Bank Of India from time to time as also the bank's investment policy approved by the Board of Directors. The investments of the bank during the year 2014-15 grew by 7.66% from Rs. 268.87 crore to 289.50 crore. SLR investment registered a growth of 7.34% during the year 2014-15 touching the level of 193.62 crore as compared to Rs. 180.38 crore in March 2014. Non SLR investment registered a growth of 7.96% to reach from Rs. 88.50 crore to Rs. 95.88 crore in 2014-15. The yield on investment improved from 8.09% as on 31.03.2014 to 8.31% as on 31.03.2015.

NON PERFORMING ASSETS

It was a big challenge to maintain our asset quality during the year. The bank has taken earnest steps at all level to recover the NPA's. The gross NPA of the bank is 6.96% as on March 2015 as compared to 7.92% as on March 2014 and the net NPA of the bank is 0.23% as on March 2015 against 1.26% as on March 2014.

CORPORATE GOVERNANCE

The bank firmly believes in and has consistently practiced good corporate governance which is woven around its core values of transparency, professionalism and accountability. The board of directors has formed various committees to monitor every aspect of bank's business. The directors of the bank believe that good governance is the key to earning trust, loyalty and goodwill of clients, business associates, employees and investors and respect from the society at large.

HUMAN RESOURCE

Human Resource is the major catalyst for effective and efficient operation of any organization. The bank has team of committed, self-motivated and empathetic workforce, who strive to meet the customers' requirements and also meet the bank's targets too at the same time. We have imparted suitable training to employees during the year.

AUDIT AND INSPECTION

As the business of the bank is growing, the responsibility of the audit function has also been increased. The bank acknowledge the fact that effective risk management systems determine the health of the financial system and its ability to absorb economic shocks. The bank gives utmost importance to proper maintenance and safeguard of public money while providing all the banking services and fulfilling prudent risk-mitigation and risk-management principles. The bank believes in maintaining highest standards of internal control and taking proactive steps rigorous monitoring of the bank's overall operations. The bank has committed internal audit team for independently evaluating the adequacy of all internal controls and ensuring adherence to internal procedures as well as regulatory and legal requirements. The internal audit department has direct reporting to board of directors of the bank. The Audit Committee of the Board reviews the performance of the effectiveness of controls and compliance with regulatory guidelines and reviews the internal audit reports.

ACKNOWLEDGEMENT

The Board of Directors places on record its gratitude to the Reserve Bank of India, Co-operative Deptt. for their strong support and guidance during the year. The board further places on record its gratitude to the share holders, customers and well wishers for their whole hearted support, patronage and goodwill. The board also expresses our sincere thanks to media for extending their cooperation in all endeavors and initiatives of our bank.

For & on behalf of Board of Directors

K. K. Sharma
Chairman

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

**Cash Flow Statement Annexed to and forming
a part of Balance Sheet As on 31-03-2015**

PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT AVAILABLE FOR APPROPRIATION	52,284,587	46,701,176
Adjustment for		
Current Tax	28,577,656	21,608,985
Loss on sale of Fixed Assets	—	141,784
Provision on Standard Assets	970,693	1,267,994
Depreciation	6,918,137	6,284,595
Provision on NPA's	9,248,815	5,904,394
Investment Depreciation	(25,680,493)	40,150,244
Profit on sale of Investment	(34,820,909)	(38,179,698)
Write offs	—	13,851
Staff Welfare Fund	—	
House Building Reserve	1,095,000	917,000
Investment Fluctuation Fund	—	—
Proposed Dividend	13,002,902	(11,851,734)
Amortization of Govt. Securities	2,536,754	276,250
Operating Profit before working capital changes	29,278,506	85,086,575
Trade and other Receivables	(247,362,239)	(309,928,227)
Decrease in other Liabilities and Provisions	1,109,651	1,109,651
Increase in Borrowings	—	—
Increase in other Assets	(7,061,334)	(27,061,004)
Increase in Trade Investments	(316,337,281)	(362,984,224)
Trade Payables/Other liabilities	494,444,852	591,667,342
Cash Generated from Operation	(45,927,846)	(22,109,887)
Interest Paid	—	—
Direct Taxes Paid	(22,832,931)	(18,985,037)
Cash Flow Before Extraordinary Items	(68,760,777)	(41,094,924)
Net Cash received (+)used(-)		
from operating Activities	(68,760,777)	(41,094,924)

PARTICULARS	As at 31st March, 2015 (Rs.)	As at 31st March, 2014 (Rs.)
B. CASH FROM INVESTING ACTIVITIES		
Purchases of fixed Assets	(8,054,407)	(7,706,606)
Sales of Fixed Assets	379,014	278,332
Profit from Sale of Investments	60,501,402	38,179,698
Advance Against Purchase of Fixed Assets	—	—
Net Cash used in Investing Activities	52,826,009	30,751,424
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from Share Capital/Share		
Application Money	11,421,075	11,555,000
Dividend Paid	(11,772,708)	(11,153,526)
INCREASE/Decrease in Common Good Fund	—	—
Share Transfer/Admission Fee/Nominal Fee	—	208,440
Increase/Decrease in Share Fund	(562,200)	(366,925)
Net Cash received(+)/used(-) from Financing Activities	(913,833)	242,989
Net increase (+) decrease(-) in cash and equivalents (A+B+C)	(16,848,601)	(10,100,511)
Cash and Cash Equivalents as at beginning of the year	923,182,433	933,282,945
Cash and Cash Equivalents as at the close of the year	906,333,833	923,182,433
Increase / Decrease in cash & cash Equivalent	(16,848,600)	(10,100,511)

FOR AND ON BEHALF OF BOARD

sd/-
CHAIRMAN

sd/-
DIRECTOR

sd/-
DIRECTOR

We have verified the above cash flow statement of the Citizens Urban Co-operative Bank Ltd. drawn from audited financial statements.

for **UMESH DADA & CO**
CHARTERED ACCOUNTANTS

sd/-
CA **TINA ARORA**
B.Com., F.C.A.

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.
Details Regarding Disclosure Norms

Sr.	PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)		
I	Capital to Risk Weighted Assets Ratio (CRAR)				
II	Movement of CRAR				
	Tier I Capital (Rs. Crores)	39.45	36.32		
	Tier II Capital (Rs. Crores)	6.57	5.47		
	Total Capital Fund (Rs. Crores)	46.02	41.79		
	Risk Weighted Assets (Rs. Crores)	331.06	296.42		
	CRAR% Tier I	11.92	12.25		
	CRAR% Tier II	1.99	1.85		
	Total CRAR% (Tier I +Tier II)	13.90	14.10		
III	Investments (SLR)				
A	Book Value of Investments	193.62	165.47		
B	Face Value of Investments	193.98	165.48		
C	Market Value of Investments	195.58	162.91		
Issuer Wise Composition of Non SLR Investment					
Issuer	31/03/2015	31/03/2014	Extent of below Investment Grade Securities	Extent of Un-Rated Securities	Extent of Unlisted Securities
PSU's	Nil	Nil	Nil	Nil	Nil
FI's	Nil	Nil	Nil	Nil	Nil
Public Sector Banks	Nil	Nil	Nil	Nil	Nil
Mutual Funds	40.09	24.00	Nil	Nil	Nil
Others (Bonds)	2.0	Nil	Nil	Nil	Nil
Provision held towards Depreciation	Nil	Nil	Nil	Nil	Nil
IV	Non Performing Non SLR Investment				
	Opening Balance	Nil	Nil	Nil	Nil
	Additions during the year since 1st April	Nil	Nil	Nil	Nil
	Reduction during the above period	Nil	Nil	Nil	Nil
	Total Provision Held	Nil	Nil	Nil	Nil

THE CITIZENS URBAN CO-OPERATIVE BANK LTD. Details Regarding Disclosure Norms

Sr.	PARTICULARS	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
V	Advance against Shares and Debentures	Nil	Nil
VI	Advances to directors, their relatives, companies/firms in which they are interested		
	Fund Based	Nil	Nil
	Non-Fund Based	Nil	Nil
VII	Cost of Deposits (avg cost of deposits)	8.35%	7.94%
VIII	Non Performing Assets		
	Gross NPA%	6.96%	7.92%
	Net NPA%	0.23%	1.26%
IX	Movement of NPA		
	Gross NPA (Rs. in Crore)	21.26	22.23
	Bad & Doubtful Debts Reserve (Rs. in Crore)	11.17	10.11
	Provision for NPA's (Rs. in Crore)	9.42	8.80
	Total of BDDR & Provision	20.59	18.91
	Net NPA's	0.67	3.32
X	Profitability		
	Interest Income as % of Working Funds	9.06%	9.17%
	Non-Interest Income as % of Working Funds	1.13%	0.09%
	Operating Profit as % of Working Funds	1.31%	1.15%
	Return on Assets	0.85%	0.78%
	Business (Dep+Adv) per employee (Rs. Crores)	4.28	4.16
	Profit per employee (Rs. Crores)	0.02	0.02
XI	Provision made towards NPA (Rs. Crores)	0.92	0.59
	Provision made towards Standard Assets (Rs. Crores)	0.09	0.13
	Provision made towards Investment (Rs. Crores)	Nil	2.39
XII	Movement of Provision (Rs. Crores)		
	Towards NPA	9.42	8.81
	Towards Depreciation on Investment	Nil	2.56
	Towards Standard Assets	1.31	1.22

THE CITIZENS URBAN CO-OPERATIVE BANK LTD.

Agenda No. - 3

Abstract of Board of Director Meeting held on 31-5-15

To consider the allocation of Profit for the year ending March 2015.

It is unanimously resolved to allocate the profit of Rs. 5,22,84,587.00 for the year ending March 2015 after paying the income tax as under

i)	Statutory Reserve Fund	25%	Rs. 1,30,71,147.00
ii)	Bad & Doubtful Debt Reserves (27% of the remaining profit)		Rs. 105,87,629.00
iii)	Building Fund		Rs. 60,00,000.00
iv)	Investment Fluctuation Fund		Rs. 89,83,000.00
v)	Proposed Dividend		Rs. 1,30,02,902.00
vi)	Undivided Profit		Rs. 6,39,909.00

It is further resolved to pay 11% dividend to the shareholders of the bank after the allocation of funds