

The HCCS Urban Co-op. Credit Society Ltd, Mumbai.



76th Annual General Report **F.Y. 2020-2021**

496-498, Sir J. J. Road, Mumbai – 400 008
Tel: 2346 5656 / 2347 3776

THE HCCS URBAN CO-OP. CREDIT SOCIETY LTD, MUMBAI.
BOARD OF DIRECTORS

1.	Shabbir Z. Boltwala	Chairman
2.	Shabbir F. Hirani	Hon. Secretary/Vice Chairman
3.	Shabbir F. Kagalwala	Hon. Treasurer
4.	Zoher M. Diler	Director
5.	Shabbir T. Kapadia	Director
6.	Amir H. Bohra	Director
7.	Abbas A. Madarwala	Director (Expert)
8.	Suryakant G. Jadhav	Director
9.	Kisanrao B. Tarmale	Director
10.	Tasnim A. Karbalai	Director
11.	Tasneem Q. Dalal	Director

REGISTERED OFFICE

496-498, Sir J. J. Road, Mumbai – 400 008. Tel: 2346 5656 & 2347 3776

Administrative Executive

Juzar I. Mukadam

Internal Auditors

M/s. A. S. Kanchwalla & Co.

Chief Accountant

Inayatali G. Shaikh

BANKERS

MUMBAI DISTRICT CENTRAL CO-OP. BANK LTD.
Byculla, Mumbai – 400 027

THE BHARAT CO-OP. BANK (MUMBAI) LTD.
Fort, Mumbai – 400 001

ANNUAL GENERAL MEETING

VENUE: PATKAR HALL
SNDT College Campus, Lane Next To Income Tax Office, Churchgate,
New Marine Lines, Mumbai – 400 020.

DATE: 26.09.2021

TIME: 10.00 AM

Member's Identity Card is compulsory for the attendance in Annual General Meeting

NOTICE TO MEMBERS

Notice is hereby given that **76th Annual General Meeting** of the Members of **THE HCCS URBAN CO-OP. CREDIT SOCIETY LTD, MUMBAI** will be held on **Sunday, 26.09.2021** at **10.00 am** at **PATKAR HALL, SNDT College Campus, Lane Next To Income Tax Office, Churchgate, New Marine Lines, Mumbai – 400 020** to transact the following business:

AGENDA

1. To read & confirm minutes of 75th Annual General Meeting held on Sunday, 28th February, 2021.
2. To approve Annual Report & Audited Statement of Accounts of Society for the year ended 31st March 2021.
3. To pass appropriation of Net Profit and the declaration of dividend for 2020-2021.
4. To pass Budget for the Financial Year 2021-2022.
5. To approve amendments to Byelaws of the Society suggested by the Board of Directors.
6. To appoint Statutory Auditors for the Financial Year 2021-2022 from the panel.
7. To pass General Resolutions
8. To felicitate Staff & Bachat Collectors of the Society.
9. Any other agenda with the permission of the Chair.

FOR THE HCCS URBAN CO-OP. CREDIT SOCIETY LTD, MUMBAI.

By order of the Board of Directors

Sd/-

Hon. Secretary/Vice Chairman

Place: Mumbai.
Date: 31.08.2021

KINDLY NOTE:-

1. If the said meeting is to be adjourned for want of quorum, it shall be held on the same day and place at 10.30 am to transact the same business given in the notice.
2. Anyone who desires to move any resolution may please send the same in duplicate on or before 21.09.2021 by 4.00 pm
3. Notice under Byelaw of the Society is given to all members to collect their dividend for the last three years. Dividend not collected for the year 2017-2018 before 31.03.2022 will be transferred to the Reserve Fund of the Society.
4. Any query pertaining to accounts may be sent to the office of the Society at least five working days before the date of Annual General Meeting (i.e. on or before 21.09.2021)
5. Members desiring to have hard copy of Annual Report are requested to collect the same from the Society's office during its working hours.

Member's Identity Card is compulsory for the attendance in Annual General Meeting

From Chairman's desk

Dear Shareholders,

On behalf of myself and Board of Directors a warm welcome to all of you ladies and gentlemen to this 76th Annual General Meeting.

The Board of Directors hope that you and your family members are healthy and safe and request for necessary adoption of safety precaution to avoid any spread of Covid-19 pandemic.

We wish to express solidarity with all those who have lost their loved ones and wish speedy recovery of those bettering with the pandemic. We take this opportunity to pledge our support to the member and their families.

On behalf of myself and the Board of Directors I place herewith your Society's accounts for the year ended 31.03.2021 and with your permission would take that to be as read.

In this changing time as required, we are adapting to new business norms and innovations as and where required for our success. The one who moves swiftly and takes pro-active measures is bound to sail through these trying times and emerge stronger.

Yes, we have faced and are facing lot of turbulence in the present time and pressure is building on account of NPA. We are using our utmost resources and trying very hard for its recovery.

My learned Members must have observed that the loan portfolio has fallen considerably adding pressure on us and the Board of Directors are looking for new avenues, new schemes and genuine borrowers where we can securely deploy our funds for its proper use and return.

Before I conclude, I would like to assure you once again that the society has put an appropriate plan, policies and strategies to achieve quality growth, stability and profitability.

We need and expect your support, encouragement and faith to pursue excellence in our business journey in future also.

Thank you, Ladies and Gentlemen for spending your valuable time to attend this 76th Annual General Meeting.

Shabbir Z. Boltwala

DIRECTOR'S REPORT

Dear Members,

The Board of Directors is pleased to present the 76th Annual Report of The HCCS Urban Co-op. Credit Society Ltd, Mumbai on its business and operations along with the Audited Statements of Accounts for the year ended March 31, 2021.

The fiscal year 2020-2021 witnessed countries across the globe battling an unprecedented crisis in the form of COVID-19 pandemic, with the disruption in every sphere including financial sector. It was an extremely challenging one with the pandemic induced nation-wide lockdown and other restrictions bringing world to a grinding halt and creating a major impact on lives and livelihoods and throwing businesses out of gear. Further, India's civil and healthcare infrastructure witnessed unprecedented burden of battling a pandemic whose complete cure is yet to be found. As an essential service provider, the Society provided uninterrupted financial services to its Members while ensuring a physically safe financial environment for both the Members and its employees.

Presently, the fast pace of vaccination and slowdown in new infections in several states do provide some hope & I am confident that we can and will come out of this together.

Financial Performance: In Financial Year 2020-21, the Society has achieved respectable results in a challenging environment through concerted efforts made by the Staff, Executives and the Board, with your unstinted support.

No	Particulars	2019-2020 (As on 31.03.2020)	2020-2021 (As on 31.03.2021)	Result in %
1	Gross Income	8,86,60,752.00	8,53,05,320.75	-3.78
2	Total Expenditure	7,60,35,321.90	7,56,50,369.20	-0.51
3	Net Profit	1,26,25,430.10	96,54,951.55	-23.53
4	Loans	45,40,22,354.75	48,70,79,601.50	7.28
5	Deposits	72,81,17,566.85	75,55,35,496.85	3.77
6	Amount available for appropriation	1,26,27,376.91	96,57,089.46	-23.52
7	Dividend	15%	15% Proposed	

Budget: Proposed Budget targets for the F.Y. 2021-2022 are as under:

(Figures are in Crore)

No	Particulars	Budgeted Figure F/Y 2020-21	Achieved Figure as on 31.03.2021	Budgeted Comparisons %	Estimated Figure F.Y. 2021-22
1	Share Capital	1.87	1.85	-1.07	1.87
2	Reserves & other Fund	10.60	11.13	5.00	11.35
3	Deposit	77.00	75.55	-1.88	75.00
4	Loans & Advances	50.00	48.71	-2.58	55.00
5	Investment	40.00	41.65	4.13	38.00
6	Gross Profit	8.50	8.53	0.35	8.00
7	Net Profit	1.00	0.97	-3.00	0.90

Appropriation: Your Board recommends the following appropriations to be made out of the Net Profit of the Society:

	Particulars	Appropriated Amount in Rs.	Amount in Rs.
	B/F Profit for the F/Y – 2019/2020		2,137.91
	Profit for the F.Y. – 2020-2021		96,54,951.55
Less:			
	Statutory Reserve Fund @ 25 %	24,13,738.00	
	Dividend @ 15% on (Prorata Basis)	27,65,907.00	
	Bad & Doubtful Debts Fund	44,00,000.00	
	Building & Repair/Renovation Fund	10,000.00	
	Co-operative Education & Training Fund	10,000.00	
	HCCS Welfare Fund	45,000.00	
	Dividend Equalization Fund	9,000.00	
	C/F to Next Year	3,444.46	
	Total	96,57,089.46	96,57,089.46

Reserve Funds: The Reserve Funds of the Society has increased from Rs.3,82,68,602.44 to Rs.4,15,26,196.44 for the year under report. It stands to 225.04% of paid up capital of the society.

Membership: The number of shareholder members of the Society as on 31.03.2021 is 6814. During the year, 72 memberships were discontinued because of resignation, death etc.

Fund Management:

- i) **Investments:** The reserve and other surplus funds are invested out of the business of the Society in form of Fixed Deposits with Co-operative Banks. The Society has an investment policy in place, which is reviewed continuously in accordance with the guideline issued by the Commissioner of Co-operation. Board regularly monitor adherence to the prudential limits of investment in various co-operative banks to avoid concentration of risk. The bank investment as on 31.03.2021 stood at Rs. 41,65,36,478.00.
- ii) **Borrowings:** In order to cater increased demand of loans & advances from members, the Society borrowing stood at Rs. 2,06,11,866.84 from banks against its own long term Fixed Deposits. The Society also focused on churning investment portfolio with an objective of minimizing borrowing cost.

Business Operations:

- i) **Deposits:** In order to cultivate saving habits amongst the members, the Society offers various short-term as well as long term deposit schemes. The member's deposits continued to increase during the year 2020-2021. The rates on deposits are printed elsewhere in the report. The details of Member's Deposit during the F.Y. 2020-2021 is hereunder:

No.	Type of Deposits	Deposit in Lacs as on 31.03.2021
1	Fixed Deposits	3585.11
2	Fixed Cum Recurring Deposits	3663.72
3	Recurring Deposits	70.97
4	Savings Deposits	235.54
	Total	7555.35

- ii) **Loans & Advances:** Credit growth during the financial year accelerated on the back of elevated inflation and economic slow-down due to pandemic. The EMI-1000, Loan against Property Scheme, Cash Credit against Gold / Society's F.D & Taxi Loan has been tremendously popular amongst members for its advantage of direct low rate coupled with facility of equated installment.

Recovery & NPA Management: Society is very vigilant about their recovery by filing suits against the defaulting borrowers under the appropriate forum as is made available by law. During the year, Society had to file cases u/s 101 MCS Act, 1960 & u/s 138 NIA for the recovery. In addition, Society has also achieved reasonable success in the action initiated against defaulting borrowers.

Society is committed to further consolidating on the success in the recovery efforts achieved during the year under review by further strengthening its pre & post sanction monitoring, follow-ups & initiating timely action for recovery of its dues.

Net Profit: In order to ensure stable profitability, the Society emphasized on prudent & vigilant fund management, quality credit creation on the one hand and expenditure control & operational efficiency, on the other. The net profit of the Society for the year 2020-2021 stood at **Rs. 96,54,951.55**

Dividend: Society has a consistent track record of dividend declarations. In continuance with this policy and in recognition of the respectable performance during 2020-2021 and with a view to maintain a positive outlook for the future, your Board is pleased to recommend a Dividend of 15% per share for the year ended March 31, 2021. Dividend on prorata basis will be payable to the new shareholders or additional shareholding enrolled during the year 2020-2021.

Member Welfare Activities: In addition to fulfilling financial needs of members, the Society extends its activities of Members Welfare in following manners:

- i) **Concessional Rate Educational Loans:** Education being the Nation's top priority, the Society is extending educational loans upto Rs. 25 Lacs at subsidized rate to Member's Children in pursuit of higher studies.

- ii) **Subsidy for Medical Treatment:** In order to help our Members to get proper Medical Assistances at a reasonable cost, we have made an arrangements with Prince Aly Khan Hospital, Mazgaon, Mumbai – 400 010 for OPD & Pathological Diagnosis at a concessional rate. Many of our Members have taken the benefit of the Scheme.

- iii) **Educational Aid:** To the Member's children the Society continued to award Need Based Educational Aid to students in Class I – IX. Even Meritorious students from Class I – X, HSC, Graduation, Post-Graduation continues to be rewarded in cash.

Management:

- i) **Board of Directors:** The Board of Directors & its various Sub-Committee met regularly during the year 2020-2021. These meetings have contributed to the overall growth & progress of the Society. The Society has on board expert directors from banking sectors, co-operative sectors, industrialist, consultant, businessmen & professionals.

The Board is responsible for the overall management of the Society's business. The functions, responsibilities and accountability of the Board are well defined. The Board, in addition to monitoring performance, also carries out functions such as approvals for loan above certain stipulated limits, discuss strategic issues in relation to credit policy, deliberation on the quality of the credit portfolio, reviewing & approving the annual budgets and borrowing limits, fixing exposure limits in regards to advances & investment & ensures that the Society keeps on improving the working & profitability from time to time.

- ii) **Borrowing by Board Members:** The total borrowing of all Board of Directors, together with their family members as defined under MCS Act, 1960 stands at Rs.2,98,86,018.00 out of which overdue is Rs.11,24,697/-

Amendments to Bye-Laws: Bye-Laws adopted by the Society requires certain amendments and the same are appended at the end of this report for your approval before sanction from the competent authorities is obtained.

Staff Relations: The Board of Directors is pleased to record their appreciation of efficient and productive services rendered by the Executives & the Staff at all levels. Relations between the Management & the Employees continued to be cordial during the year under report.

Internal Audit & Control: M/s. A. S. Kanchwalla & Co., Chartered Accountants continued as Internal Auditors and provided us valuable guidance & advice for timely improving all areas of the working of the Society and mitigated operational risks, which are well discussed and implemented periodically.

Statutory Audit: M/s. Vijay T. Jain & Co. (Chartered Accountant) Panel No.11763 had completed Statutory Audit of the Society for the year 2020-2021 with invaluable advices & suggestions, which are much appreciated. **The Society is awarded “A” Classification.**

Acknowledgements:

The Board of Directors of the Society place on record their grateful thanks to the Commissioner for Co-operation & Registrar of Co-operatives Societies, Pune, State Maharashtra, Divisional Joint Registrar, CS, Dist. Deputy Registrar, Co-operative Societies Mumbai, Assistant Registrar Co-operative Societies “E” ward, the Audit Department, Contractor Building, Mumbai & Sir. J. J. Marg Police Station, for their co-operation.

Our thanks to the Chairman & Directors of Mumbai Sahakari Board Ltd., The Mumbai District Central Co-op. Bank Ltd & The Maharashtra State Co-op. Bank Ltd. & all other co-operative banks which are affiliated with us for their co-operation.

The Board of Directors place on record their appreciation of the employed staff & the Bachat Collectors of the Society for their dedicated services in promoting business development and customer satisfaction.

We also place on record our thanks to our Shareholders, Depositors and Account Holders for the confidence reposed in the Society and for enabling it to progress from strength to strength.

For & on behalf of
THE HCCS URBAN CO-OP. CREDIT SOCIETY LTD, MUMBAI.

Sd/-

Shabbir F. Hirani
(Hon. Secretary/Vice Chairman)

Date: 31.08.2021

Place: Mumbai

THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD.,MUMBAI			
BALANCE SHEET AS ON 31ST MARCH 2021.			
As on 31.03.20	LIABILITIES	RUPEES	As on 31.03.21
RUPEES			RUPEES
	1 SHARES CAPITAL		
	(A) Authorised :		
25000000.00	250000 Ordinary Shares of Rs.100/- each.		25000000.00
	(B) Issued and paid up :		
18643500.00	Balance as per last balance sheet 186435 Ordinary Shares of Rs.100/- each.	18643500.00	
	Add : 230 Ordinary Shares of Rs.100/- each issued during the year	23000.00	
	Less : 2135 Shares of Rs. 100/- each adjusted and refunded during the year.	213500.00	18453000.00
	2 RESERVES AND OTHER FUNDS		
38268602.44	(A) STATUTORY RESERVE FUND		
	Balance as per last balance sheet	38268602.44	
	Add : (1) Appropriation made during the year	3156358.00	
	(2) Unclaimed Dividend	100176.00	
	(3) Entrance Fees	1060.00	41526196.44
11657467.00	(B) BAD & DOUBTFUL DEBTS RESERVE		
	Balance as per last balance sheet	11657467.00	
	Add : Appropriation made during the year	4812533.00	16470000.00
1679670.00	(C) DIVIDEND EQUALIZATION FUND		
	Balance as per last balance sheet	1679670.00	
	Add : Appropriation made during the year	252330.00	1932000.00
3536943.00	(D) STAFF GRATUITY FUND		
	Balance as per last balance sheet	3536943.00	
	Add : Interest on investment	437305.00	
	Less : Gratuity paid	0.00	3974248.00
14689220.00	(E) BUILDING & REPAIRS & RENOVATION FUND		
	Balance as per last balance sheet	14689220.00	
	Add : Appropriation made during the year	15780.00	14705000.00
19073206.00	(F) HCCS WELFARE FUND		
	Balance as per last balance sheet	19073206.00	
	Add : Appropriation made during the year	65794.00	
	Add : Credited during the year	350.00	
	Less : Amount utilised during the year	90375.00	19048975.00
12000000.00	(G) PLATINUM JUBILEE FUND		
	Balance as per last balance sheet	12000000.00	
	Add : Appropriation made during the year	1500000.00	13500000.00
159804.00	(H) CO-OPERATIVE EDUCATION & TRAINING FUND		
	Add : Appropriation made during the year	40196.00	
	Less : Amount utilised during the year	27300.00	172700.00
13238242.00	3 INTEREST RESERVE ACCOUNT		23183638.00
6450183.19	4 SECURED LOAN		
	A)Overdraft from M.S.C. Bank (Sec. FDR RS. 5.00 Lacs)	242671.09	
	B)Overdraft from M.D.C. Bank (Sec. FDR RS.83.50 Lacs)	2081676.04	
	C)Overdraft from SATARA Bank (Sec. FDR RS.150.00 Lacs)	96599.55	
	D)Overdraft from BHARAT Bank (Sec. FDR RS.250.00 Lacs)	7764085.76	
	E)Overdraft from MOGAVEERA Bank(Sec.FDR RS.300.00 Lacs)	26022.80	
	F)Overdraft from NEWINDIA Bank(Sec.FDR RS.100.00 Lacs)	0.00	
	G)Overdraft from SHREE WARANA Bank(Sec.FDR RS.300.00 Lacs)	10285406.20	
	H)Overdraft from MODEL Bank(Sec.FDR RS.400.00 Lacs)	115405.40	20611866.84
139396837.63	BALANCE C/F.		173577624.28

THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD.,MUMBAI
BALANCE SHEET AS ON 31ST MARCH 2021.

As on 31.03.20 RUPEES	ASSETS	RUPEES	As on 31.03.21 RUPEES
789302.30	1 CASH AND BANK BALANCE		
	(A) Cash in Hand	4500.00	
	(B) Cash at Bank	10286796.83	10291296.83
413036478.00	2 INVESTMENT (AT COST)		
	(A) Shares of other Co-op. Society.		
	(1) 1 Share of M.S.C. Bank Ltd., of Rs.1000/- each (Unquoted)	1000.00	
	(2) 2 Shares of M.D.C.C. Bank Ltd., of Rs.1000/- each (Unquoted)	2000.00	
	(3) 30 Shares of Kapol Co-op.Bank Ltd., of Rs.10/- each (Unquoted)	300.00	
	(4) 10 Shares of Brihan.Mum.Nagari Sah.Path.Fed.Ltd., of Rs.100/- each (Unquoted)	1000.00	
	(B) Fixed Deposits with Co-op. Banks	416532178.00	416536478.00
454022354.75	3 LOANS AND ADVANCES		
	(A) Secured Loan		
	(Against gold ornaments, fixed deposits vehicles, Govt. Sec. Stock ,Machinery and Property) (An amount of Rs.10,03,55,060/- is doubtful of recovery)	396342378.00	
	(B) On personal Sureties of one or more members (An amount of Rs.1,53,42,768.50 is doubtful of recovery)	60783605.50	
	(C) Advance to staff	67600.00	
	(D) Loans due by Board of Directors & Family Members (An amount of Rs.11,24,697 is Overdue)	29886018.00	487079601.50
15891665.00	4 INTEREST RECEIVABLE		25683481.00
	(Doubtful of recovery Rs.2,31,83,638/-)		
5292054.00	5 FIXED ASSETS :		
	(A) Building		
	Balance as per last balance sheet		5292054.00
253758.85	(B) OFFICE EQUIPMENTS		
	Balance as per last balance sheet	253758.85	
	Add: Addition during the year	4830.42	
	Less : Depreciation during the year	38426.11	220163.16
554062.46	(C) FURNITURE AND FIXTURE		
	Balance as per last balance sheet	554062.46	
	Less : Depreciation during the year	55406.25	498656.21
256255.6	(D) AIR CONDITIONERS		
	Balance as per last balance sheet	256255.60	
	Less : Depreciation during the year	25625.56	230630.04
32.41	(E) VEHICLES		
	Balance as per last balance sheet	32.41	
	Add: Addition during the year	45000.00	
	Less : Depreciation during the year	5633.10	39399.31
20300.40	(F) ELECTRICAL FITTINGS		
	Balance as per last balance sheet	20300.40	
	Less : Depreciation during the year	2030.04	18270.36
890116263.77	BALANCE C/F.		945890030.41

THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD.,MUMBAI
BALANCE SHEET AS ON 31ST MARCH 2021.

As on 31.03.20 RUPEES	LIABILITIES	RUPEES	As on 31.03.21 RUPEES
139396837.63	BALANCE B/F.		173577624.28
728117566.85	5 DEPOSITS		
	(A) Fixed Deposits	358511292.00	
	(B) Fixed cum Recurring Deposits	364432212.00	
	(C) Recurring Deposits	7097425.00	
	(D) Saving Deposits	23554075.85	
	(E) Security Deposits (F.C.R.)	1940492.00	755535496.85
7968143.25	6 CURRENT LIABILITIES AND PROVISIONS		
	(A) Sundry Creditors	2597657.39	
	(B) Outstanding Expenses	898498.00	
	(C) Employee Benefit Scheme	5462866.00	
	(D) Bachat Welfare Scheme	314048.00	
	(E) T. D. S. Payable	25134.00	9298203.39
2074468.00	7 UNCLAIMED DIVIDEND		1894932.00
2196420.83	8 INTEREST ACCRUED & DUE BUT NOT PAID		2185943.83
12627376.91	9 PROFIT & LOSS ACCOUNT		
	Balance as per last balance sheet.	12627376.91	
	Less : Appropriations :		
	(A) Statutory Reserve Fund	3156358.00	
	(B) Dividend	2782248.00	
	(C) Building & Rep. & Renovation Fund	15780.00	
	(D) HCCS Welfare Fund	65794.00	
	(E) PLATINUM JUBILEE FUND	1500000.00	
	(F) DIVIDEND EQUALIZATION FUND	252330.00	
	(G) CO-OPERATIVE EDU. & TRAINING FUND	40196.00	
	(H) BAD & DOUBTFUL DEBTS FUND	4812533.00	
	Carried forward to next year		2137.91
	Add : Profit For the year 2020 - 2021	9654951.55	9657089.46
892380813.47	TOTAL	RUPEES	952149289.81

THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD.,MUMBAI			
BALANCE SHEET AS ON 31ST MARCH 2021.			
As on 31.03.20 RUPEES	ASSETS	RUPEES	As on 31.03.21 RUPEES
890116263.77	BALANCE B/F		945890030.41
161746.19	(G) COMPUTER		
	Balance as per last balance sheet	161746.19	
	Add :Addition during the Year	29787.30	
	Less : Depreciation during the year	70655.92	120877.57
1164.51	(H) MONSOON SHED		
	Balance as per last balance sheet	1164.51	
	Less : Depreciation during the year	174.68	989.83
2101639.00	OTHER ITEMS		
	(A) Prepaid Expenses	74085.00	
	(B) Accrued Interest	1441018.00	
	(C) Stock of stationery and stamps	132375.00	
	(D) Deposits	4489914.00	6137392.00
892380813.47	TOTAL	RUPEES	952149289.81
Place : Mumbai			AS PER OUR REPORT OF EVEN DATE
Date : 24/08/2021			M/S. VIJAY T. JAIN & CO.
			CHARTERED ACCOUNTANTS
			FRN - 111436W
	FOR & ON BEHALF OF THE BOARD OF DIRECTORS		
	THE HCCS URBAN CO-OP. CREDIT SOCIETY LTD.,MUMBAI		
	SHABBIR Z. BOLTWALA		
	Chairman		MR. VIJAY T. JAIN
			(Proprietor)
			Panel No.11763
SHABBIR F. HIRANI			SHABBIR F. KAGALWALA
Vice Chairman/Hon. Secretary			Hon. Treasurer

INDEPENDENT AUDITOR'S REPORT

To
The Members of
THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD.,
(Regd. No. BOM / 9923 / 1946),
Mumbai - 08.

Ref: - Appointment Letter Reference No. Nil Dated 09/03/2021

Report on the Financial Statements as a Statutory Auditor

1. We have audited the accompanying financial statements of **The HCCS Urban Co-operative Credit Society Ltd**, which comprise the Balance Sheet as at 31st March 2021 and the Statement of Profit and Loss / Income and Expenditure for the year ended, and a summary of significant accounting policies and other explanatory information incorporated in these financial statements of the Society audited by us for the period 1st April 2020 to 31st March 2021.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements in accordance with Maharashtra Co-operative Societies Act, 1960 and Rules there under. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, 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 applicable Standards by The Institute of Chartered Accountants of India and under the MCS Act. 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 judgment, 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 Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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.

Opinion

6. Subject to the observations in the Audit Memo No.1 and Report in part “A”, “B” & “C”, in our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give the information required as per the Maharashtra Co-operative Societies Act 1960, in the manner so required for the society gives a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the society as at 31st March, 2021;
- (ii) in the case of the Statement of profit and loss / Income & Expenditure of the profit/ loss for the year ended on that date; and

Report on Other Legal and Regulatory Matters

7. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of the Maharashtra State Co-operative Act.

8. We report that:

- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory.
- (b) The transactions of the Society, which have come to our notice, have been within the powers of the Society.
- (c) The returns received from the offices of the Society have been found adequate for the purposes of our audit.

9. In our opinion, the Balance Sheet and Profit and Loss / Income & Expenditure Account comply with applicable Accounting Standards.

10. We further report that:

- (i) The Balance Sheet and Profit and Loss / Income and Expenditure Account dealt with by this report, are in agreement with the books of account and the returns.

- (ii) In our opinion, proper books of account as required by law have been kept by the Society so far as appears from our examination of these books.
- (iii) The reports on the accounts of the branches audited by branch auditors have been dealt with in preparing our report in the manner considered necessary by us.
- (iv) For the year under audit, the society has been awarded "A" classification.

**FOR VIJAY T. JAIN & CO.
CHARTERED ACCOUNTANTS**

FRN-111436W

Sd/-

(VIJAY T. JAIN)

PROPRIETOR

M NO. 042661

PANEL NO. 11763

Date: 24.08.2021

Place: Mumbai.

THE HCCS URBAN CO-OPERATIVE CREDIT SCOEITY LTD.

Audit for the year 2020-21

Schedule - 1

Transaction involving infringements of the provisions M.C.S. Act,
Rules of Bye-law of

Please see audit report "Part A"

Schedule - 2

Particulars of same which ought to have been brought but have not been
brought into account.

NIL

Schedule - 3

Improper and irregular payments.

NIL

Schedule - 3A

Irregularities in the realization of money.

NIL

Schedule - 4

List of Doubtful Debts.

List enclosed.

**FOR VIJAY T. JAIN & CO.
CHARTERED ACCOUNTANTS**

FRN-111436W

Sd/-

(VIJAY T. JAIN)

PROPRIETOR

M NO. 042661

PANEL NO. 11763

Date: 24.08.2021

Place: Mumbai.

	Bye-laws Number	Wording of the Existing Bye-laws	Wording of the Proposed Bye-laws	Reasons
1		<u>Eligibility of the Borrower & Guarantor:</u> (3) One member can be guarantor to a maximum two members for loan (Page No.40)	<u>Eligibility of the Borrower & Guarantor:</u> (3) One member can be guarantor to a maximum eight members for loan	This amendment is proposed because a member with sound financial position and net worth can stand as surety upto eight members.
2		New Byelaw	For Social Cause & Member affected by Natural Calamities, Society should be allowed to give Interest Free / Subsidized Loan.	To help deserving members to come out of hardship
3	15(2)	He/She should be holding atleast one share of the Society.	He/She should be holding minimum Fifty shares of the Society.	To increase share capital.
4	15(3)(a)	Direct participation of the active member means he/she has taken loan of Rs 5000/- for minimum one year.	Direct participation of the active member means he/she has taken loan of Rs 125000/- for minimum one year.	To increase loan and advances.
5	15(3)(b4)	Above Rs. 25 Cr. Minimum Deposit Rs. 10000/-	Above Rs. 25 Cr. Minimum Deposit Rs. 50000/-	To increase deposits.
6	15(3) C	If he/she has availed other ancillary services, other than deposit or loan for an amount of Rs.1000/- or more at least for one year out of the last consecutive 5 years	If he/she has availed other ancillary services, other than deposit or loan for an amount of Rs.5000/- or more at least for one year out of the last consecutive 5 years	To increase profit.
7	52A(2)	<u>Statutory Liquidity ratio</u> The cooperative credit society by itself will maintain an amount not less than Twenty percent (20%) of the total deposits of the last quarter as statutory liquidity ratio on daily basis for the ensuing quarter. The statutory liquidity amount will be maintained in the form of term deposit in State / District Central cooperative bank or in any other form permitted by rules, laws or general or special orders of the State government.	<u>Statutory Liquidity ratio</u> The cooperative credit society by itself will maintain an amount not less than Twenty percent (20%) of the total deposits of the last quarter as statutory liquidity ratio on daily basis for the ensuing quarter. The statutory liquidity amount will be maintained in the form of term deposit in State / District Central cooperative bank / Schedule Co-op. Bank or in any other form permitted by rules, laws or general or special orders of the State government.	Under advice of RBI & to explore better options for investment & in event of any eventuality, Society's hard earned fund does not get jeopardizes.

HIGHLIGHTS

DEPOSITS:

2019-20	:	Rs. 72,81,17,566.85
2020-21	:	Rs. 75,55,35,496.85
Growth	:	3.77%

LOANS:

2019-20	:	Rs. 45,40,22,354.75
2020-21	:	Rs. 48,70,79,601.50
Growth	:	7.28%

PROFITABILITY:

2019-20	:	Rs. 1,26,25,430.10
2020-21	:	Rs. 96,54,951.55
Growth	:	-23.53%

SHARE CAPITAL:

2019-20	:	Rs. 1,86,43,500.00
2020-21	:	Rs. 1,84,53,000.00
Growth	:	-1.02%

RESERVES & OTHER FUNDS:

2019-20	:	Rs. 10,10,64,912.44
2020-21	:	Rs. 11,13,29,119.44
Growth	:	10.16%

WORKING CAPITAL:

2019-20	:	Rs. 89,23,80,813.47
2020-21	:	Rs. 95,21,49,289.81
Growth	:	6.70%

<<< Rate of Interest on Deposits >>>

Board of Directors in their meeting held on 13.01.2021, unanimously agreed to modify deposit rates with effect from 14.01.2021

S. No.	Period	Rate of Interest per annum
1	015 Days to 045 Days	3.00 %
2	046 Days to 090 Days	3.50 %
3	091 Days to 180 Days	4.50 %
4	181 Days to 001 Years	5.00 %
5	Above 1 Year to 2 Years	5.50 %
6	Above 2 Year to 3 Years	6.00 %
7	Saving Account	3.00 %
8	Bachat 350 Days	3.00 %
9	Bachat 500 Days	3.25 %
10	Bachat 1000 Days	3.50 %

* Premature F.D. encashment will attract 0.50 % penalty

* Any bulk deposit above Rs. 25 Lakh, depositors have to get the approval from the O/B of the Society, two days in advance with proper forms & documentations.

* Other Terms & Conditions remains same.

THE HCCS URBAN CO-OP. CREDIT SOCIETY LTD.; MUMBAI
Lending Rates with effect from 01.07.2021

Particulars	Rate%	Days/Months
Gold Loan (Term Loan)	8.50	84 M
Gold Loan (Cash Credit)	9.00	84 M
Taxi Loan	12.50	1825 D
Vehicle Loan (Two Wheelers)	10.00	36 M
Vehicle Loan (4 Wheelers Upto 15 Lakh)	10.00	48 M
Vehicle Loan (4 Wheelers Above 15 Lakh)	8.50	48 M
Machinery Loan	12.00	48 M
Loan Against Government Security (Term Loan)	8.50	84 M
Loan Against Government Security (Cash Credit)	9.00	84 M
Loan Against Society's FD (Self/Third Party – Term Loan)	1.00	84 M
Loan Against Society's FD (Self/Third Party – Cash Credit)	1.00	84 M
	O&A	
Loan Against NSC/KVP/LIC (85%) (Term Loan)	8.50	84 M
Loan Against NSC/KVP/LIC (85%) (Cash Credit)	9.00	84 M
Educational Loan Upto 25 Lac (Secured)	7.50	84 M
Bachat Loan 350 Days	12.00	350 D
Bachat Loan 500 Days	12.00	500 D
Bachat Loan 1000 Days	12.00	1000 D
Bachat Loan 1825 Days	12.00	1825 D
EMI-17 Months	11.00	17 M
EMI-34 Months	11.00	34 M
EMI-60 Months	11.00	60 M
Short Term Loan (90 days Upto Rs.5 Lac)	10.00	90 D
Housing Loan (Term Loan)	8.50	180 M
Loan Against Property Loan (Term Loan)	11.00	120 M
Loan Against Property Loan (Cash Credit)	11.50	84 M

* Conditions Apply