

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



## **78<sup>th</sup> Annual General Report** **F.Y. 2022-2023**

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**496-498, Sir J. J. Road, Mumbai – 400 008**  
**Tel: 2347 3776 / Mob: 84220 41314**  
**Website: [hccsurban.com](http://hccsurban.com)**

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

1.	Shabbir Z. Boltwala	Chairman
2.	Shabbir F. Kagalwala	Hon. Treasurer
3.	Shabbir T. Kapadia	Director
4.	Zoher M. Diler	Director
5.	Amir H. Bohra	Director
6.	Suryakant G. Jadhav	Director
7.	Kisanrao B. Tarmale	Director
8.	Tasnim A. Karbalai	Director
9.	Tasneem Q. Dalal	Director
10.	Adnan A. Dadla	Director (Co-opted)
11.	Burhanuddin A. Kachwala	Director (Co-opted)
12.	Haider A. Madarwala	Director (Co-opted)

**REGISTERED OFFICE**

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

**Administrative Executive**  
**Juzar I. Mukadam**

**Internal Auditors**

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

**Chief Accountant**

**Inayatali G. Shaikh**

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**BANKERS**

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

**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:** 17.09.2023

**TIME:** 10.00 AM

## NOTICE TO MEMBERS

Notice is hereby given that **78<sup>th</sup> Annual General Meeting** of the Members of **THE HCCS URBAN CO-OP. CREDIT SOCIETY LTD, MUMBAI** will be held on **Sunday, 17.09.2023** 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 77<sup>th</sup> Annual General Meeting held on Sunday, 18<sup>th</sup> September, 2022.
2. To approve Annual Report & Audited Statement of Accounts of Society for the year ended 31<sup>st</sup> March 2023.
3. To pass appropriation of Net Profit and the declaration of dividend for 2022-2023.
4. To pass Budget for the Financial Year 2023-2024.
5. To approve amendments to Byelaws of the Society suggested by the Board of Directors.
6. To appoint Statutory Auditors for the Financial Year 2023-2024 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/-

Shabbir T. Kapadia  
(Director)

Place: Mumbai.  
Date: 18.08.2023

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### **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 12.09.2023 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 2019-2020 before 31.03.2024 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 12.09.2023 by 4.00 pm)
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,

It is my great pleasure to address the 78<sup>th</sup> Annual General Meeting (AGM) of the shareholders of **The HCCS Urban Co-op. Credit Society Ltd, Mumbai**. On behalf of the Board of Directors, the Management and the Employees of the Society, I welcome you all to this AGM.

At the outset, it is with profound sadness, the Board of HCCS shares the news that Mr. Shabbir F. Hirani – Vice Chairman has passed away suddenly on 19.09.2022 & Mr. Abbas A. Madarwala – Director (Expert) has passed away 14.08.2023. We are deeply shocked and disheartened. The thoughts of everyone at HCCS are with Hirani's & Madarwala's family and friends, and we extend our deepest sympathies to them.

The Annual Report, including the Directors Report and Audited Accounts of the Society for the year ended March 31, 2023 has been in your hands for some time now. With your consent, I shall take it as read.

The HCCS has over these years stood by Members as a reliable friend in need - by not only being approachable and available at all times, but also helping them to meet their needs and life aspirations. It is the same feeling of warmth and friendliness that is reflected in the Society's culture. I believe that our culture is one of the biggest unsung strengths of HCCS Society. This has been one of the key driving forces for us to build a great institution and ensure that we survive tough times.

In the reporting year, the biggest challenge faced by the Society was dealing with mounting stressed assets, restructured loans and increasing NPA accounts due to destituteness of Loanee Members. I wish to state that we have taken some strong and positive strides to improve asset quality & in defining our priorities, the goals that we want to accomplish and we will definitely get there with your co-operation. We intend to get our winning mind-set back, re-claim our growth momentum and get our fair share of business from our Members. We realize reforming balance sheet parameters will be arduous and time consuming but we strongly believe we are ready for the battle ahead and have the team in place to overcome any odds.

In summary, the transformation of HCCS is underway, and the exercise of strategic planning in HCCS is starting to yield results. Our vision and ambition are clear. The challenges are obvious, and emerging opportunities now await the bold action.

To conclude, I would like to convey my sincere thanks to all our shareholders for their continued trust and confidence in the Management of the HCCS. I am also grateful to my colleagues on the Board for their valuable guidance & the Staff Members for their dedicated workmanship. HCCS has completed yet another successful year, in spite of a difficult business environment, due to collective supports of all.

I also convey my sincere thanks to our bankers, auditors, legal advisors, consultants and all other business associates, the Commissioner of Co-operation & Registrar and various authorities for their continued interest and confidence in the HCCS and its Management.

**Shabbir Z. Boltwala**

## DIRECTOR'S REPORT

Dear Members,

The Board of Directors is pleased to present the 78<sup>th</sup> 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, 2023.

The Society has a sound heritage, strong culture and is a repository of faith of its Members. These are our inherent strengths and we have always built upon these to be agile to face any competition with confidence and flair for undertaking any challenges in an innovative manner

**Financial Performance:** Professional management, loyal and committed staff with high integrity, technological edge and unfailingly striving for excellence are the inspiring ingredients contributing to the success of your Society.

Society has maintained a satisfactory performance during the financial year 2022-23, the details of the same are hereunder:

No	Particulars	2021-2022 (As on 31.03.2022)	2022-2023 (As on 31.03.2023)	Result in %
1	Gross Income	8,13,88,130.75	6,97,55,780.50	-14.29
2	Total Expenditure	7,18,12,537.67	6,13,31,308.42	-14.60
3	Net Profit	95,75,593.08	84,24,472.08	-12.02
4	Loans	51,66,03,622.25	48,19,08,405.25	-6.72
5	Deposits	72,57,49,995.60	55,08,46,531.07	-24.10
6	Amount available for appropriation	95,79,037.54	84,27,705.62	-12.02
7	Dividend	<b>15%</b>	<b>15%</b> <b>Proposed</b>	

**Budget:** Proposed Budget targets for the F.Y. 2023-2024 are as under:

(Figures are in Crore)

No	Particulars	Budgeted Figure F/Y 2022-23	Achieved Figure as on 31.03.2023	Budgeted Comparisons %	Estimated Figure F.Y. 2023-24
1	Share Capital	1.87	1.81	-3.21	1.85
2	Reserves & other Fund	16.25	17.56	8.06	19.00
3	Deposit	65.00	55.08	-15.26	60.00
4	Loans & Advances	55.00	48.19	-12.38	53.00
5	Investment	30.00	26.72	-10.93	28.00
6	Gross Profit	8.00	6.98	-12.75	8.00
7	Net Profit	0.90	0.84	-6.67	1.00

**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 – 2021/2022		3,233.54
	Profit for the F.Y. – 2022-2023		84,24,472.08
Less:			
	Statutory Reserve Fund @ 25 %	21,06,119.00	
	Dividend @ 15% on (Prorata Basis)	27,14,517.00	
	Bad & Doubtful Debts Fund	35,24,000.00	
	Building & Repair/Renovation Fund	10,000.00	
	Co-operative Education & Training Fund	10,000.00	
	HCCS Welfare Fund	40,000.00	
	Centenary Celebration Fund	10,000.00	
	Dividend Equalization Fund	10,000.00	
	C/F to Next Year	3,069.62	
	<b>Total</b>	<b>84,27,705.62</b>	<b>84,27,705.62</b>

**Reserve Funds:** The Reserve Funds of the Society has increased from Rs.4,40,36,063.44 to Rs. 4,65,34,295.44 for the year under report. It stands to 256.68% of paid-up capital of the Society.

**Membership:** The number of shareholder members of the Society as on 31.03.2023 is 6,597. During the year, 304 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 31.03.2023 stood at Rs. 26,71,54,930.00.
- ii) **Borrowings:** In order to cater increased demand of loans & advances from members, the Society borrowing stood at Rs. 4,07,49,827.31 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 diluted during the year 2022-2023.

The details of Member's Deposit during the F.Y. 2022-2023 is hereunder:

<b>No.</b>	<b>Type of Deposit</b>	<b>As on 31.03.2022</b>	<b>As on 31.03.2023</b>
1	Fixed Deposit	32,43,01,385.00	20,22,38,215.00
2	Fixed Cum Recurring	36,55,11,056.00	31,43,35,916.00
3	Recurring Deposit	59,34,050.00	41,42,200.00
4	Saving Deposit	3,00,03,504.60	3,01,30,200.07
	<b>Total</b>	<b>72,57,49,995.60</b>	<b>55,08,46,531.07</b>

- 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 hand. The net profit of the Society for the year 2022-2023 stood at **Rs. 84,24,472.08**

**Dividend:** Society has a consistent track record of dividend declarations. In continuance with this policy and in recognition of the respectable performance during 2022-2023 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, 2023. Dividend on prorata basis will be payable to the new shareholders or additional shareholding enrolled during the year 2022-2023.

**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: We wish to inform the members that Prince Aly Khan Hospital is under renovation, therefore, the Society has wound-up their association with them. We are pursuing other options.
  
- 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 2022-2023. 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 accountabilities of the Board is 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.3,37,81,827.00 out of which overdue is Rs. NIL.



**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 2022-2023 with invaluable advices & suggestions, which are much appreciated. **The Society is awarded “B” 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, 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 T. Kapadia  
(Director)

Date: 18.08.2023  
Place: Mumbai

**THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD.,MUMBAI**  
**BALANCE SHEET AS ON 31ST MARCH 2023.**

As on 31.03.22 RUPEES	LIABILITIES	RUPEES	As on 31.03.23 RUPEES
	<b>1 SHARES CAPITAL</b>		
	(A) Authorised :		
25000000.00	250000 Ordinary Shares of Rs.100/- each.		25000000.00
	(B) Issued and paid up :		
18586900.00	Balance as per last balance sheet		
	185869 Ordinary Shares of Rs.100/- each.	18586900.00	
	Add : 534 Ordinary Shares of Rs.100/- each issued during the year	53400.00	
	Less : 5111 Shares of Rs. 100/- each adjusted and refunded during the year.	511100.00	18129200.00
	<b>2 RESERVES AND OTHER FUNDS</b>		
	(A) STATUTORY RESERVE FUND		
44036063.44	Balance as per last balance sheet	44036063.44	
	Add : (1) Appropriation made during the year	2393899.00	
	(2) Unclaimed Dividend	103683.00	
	(3) Entrance Fees	650.00	46534295.44
	(B) BAD & DOUBTFUL DEBTS RESERVE		
39359730.00	Balance as per last balance sheet	39359730.00	
	Add : Appropriation made during the year	4320000.00	
	Add : Credited during the year	9500000.00	53179730.00
	(C) DIVIDEND EQUALIZATION FUND		
1941000.00	Balance as per last balance sheet	1941000.00	
	Add : Appropriation made during the year	10000.00	1951000.00
	(D ) STAFF GRATUITY FUND		
4412237.00	Balance as per last balance sheet	4412237.00	
	Add : Interest on investment	662631.00	
	Less : Gratuity paid	149914.00	4924954.00
	(E) BUILDING & REPAIRS & RENOVATION FUND		
14715000.00	Balance as per last balance sheet	14715000.00	
	Add : Appropriation made during the year	10000.00	14725000.00
	(F) HCCS WELFARE FUND		
8404257.12	Balance as per last balance sheet	8404257.12	
	Add : Appropriation made during the year	50000.00	
	Add : Transferred during the year	174471.00	
	Less : Amount utilised during the year	319996.00	8308732.12
	(H) CO-OPERATIVE EDUCATION & TRAINING FUND		
148500.00	Balance as per last balance sheet	148500.00	
	Add : Appropriation made during the year	10000.00	
	Less : Amount utilised during the year	30600.00	127900.00
	(I) BUILDING REVALUATION FUND		
45812946.00	Balance as per last balance sheet		45812946.00
	<b>3 INTEREST RESERVE ACCOUNT</b>		<b>29470061.00</b>
203528181.56	<b>BALANCE C/F.</b>		<b>223163818.56</b>

<b>THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD.,MUMBAI</b>			
<b>BALANCE SHEET AS ON 31ST MARCH 2023.</b>			
As on 31.03.22 RUPEES	ASSETS	RUPEES	As on 31.03.23 RUPEES
155148.88	<b>1 CASH AND BANK BALANCE</b>		
	(A) Cash in Hand	4863.00	
	(B) Cash at Bank	34447.65	<b>39310.65</b>
381034930.00	<b>2 INVESTMENT (AT COST)</b>		
	(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	267150630.00	<b>267154930.00</b>
516603622.25	<b>3 LOANS AND ADVANCES</b>		
	(A) Secured Loan		
	(Against gold ornaments, fixed deposits vehicles, Govt. Sec. Stock ,Machinery and Property) (An amount of Rs.8,94,69,990/- is doubtful of recovery)	394550275.00	
	(B) On personal Sureties of one or more members (An amount of Rs.1,28,15,174.25 is doubtful of recovery)	53566303.25	
	(C) Advance to staff	10000.00	
	(D) Loans due by Board of Directors & Family Members (An amount of Overdue is NIL)	33781827.00	<b>481908405.25</b>
27235992.00	<b>4 INTEREST RECEIVABLE</b>		<b>30253148.00</b>
	(Doubtful of recovery Rs.2,94,70,061/-)		
	<b>5 FIXED ASSETS :</b>		
51105000.00	(A) Building		
	Balance as per last balance sheet	51105000.00	51105000.00
217695.69	(B) OFFICE EQUIPMENTS		
	Balance as per last balance sheet	217695.69	
	Less : Depreciation during the year	32654.35	<b>185041.34</b>
455915.59	(C) FURNITURE AND FIXTURE		
	Balance as per last balance sheet	455915.59	
	Less : Depreciation during the year	45591.56	<b>410324.03</b>
207567.04	(D) AIR CONDITIONERS		
	Balance as per last balance sheet	207567.04	
	Less : Depreciation during the year	20756.70	<b>186810.34</b>
29549.48	(E) VEHICLES		
	Balance as per last balance sheet	29549.48	
	Less : Depreciation during the year	7387.37	<b>22162.11</b>
16443.32	(F) ELECTRICAL FITTINGS		
	Balance as per last balance sheet	16443.32	
	Less : Depreciation during the year	1644.33	<b>14798.99</b>
<b>977061864.25</b>	<b>BALANCE C/F.</b>		<b>831279930.71</b>

**THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD.,MUMBAI**  
**BALANCE SHEET AS ON 31ST MARCH 2023.**

As on 31.03.22 RUPEES	LIABILITIES	RUPEES	As on 31.03.23 RUPEES
203528181.56	BALANCE B/F.		223163818.56
32756111.22	<b>4 SECURED LOAN</b>		
	A)Overdraft from M.S.C. Bank (Sec. FDR RS. 200.00 Lacs )	113742.09	
	B)Overdraft from M.D.C. Bank (Sec. FDR RS.158.50 Lacs)	13670692.93	
	C)Overdraft from SATARA Bank (Sec. FDR RS.150.00 Lacs)	684.55	
	D)Overdraft from BHARAT Bank (Sec. FDR RS.100.00 Lacs)	369108.99	
	E)Overdraft from MOGAVEERA Bank(Sec.FDR RS.100.00 Lacs)	1896.36	
	F)Overdraft from NEWINDIA Bank(Sec.FDR RS. 5.00 Lacs)	1827.06	
	G)Overdraft from SHREE WARANA Bank	0.00	
	H)Overdraft from MODEL Bank(Sec.FDR RS. 2.00 Lacs)	9547.82	
	I)Overdraft from SARASWAT Bank(Sec.FDR RS.299.99 Lacs)	26582327.51	<b>40749827.31</b>
725749995.60	<b>5 DEPOSITS</b>		
	(A) Fixed Deposits	202238215.00	
	(B) Fixed cum Recurring Deposits	312884155.00	
	(C) Recurring Deposits	4142200.00	
	(D) Saving Deposits	30130200.07	
	(E) Security Deposits (F.C.R.)	1451761.00	<b>550846531.07</b>
9218559.39	<b>6 CURRENT LIABILITIES AND PROVISIONS</b>		
	(A) Sundry Creditors	3918123.39	
	(B) Outstanding Expenses	899756.00	
	(C) Employee Benefit Scheme	7230869.00	
	(D) Bachat Welfare Scheme	264473.00	
	(E) T. D. S. Payable	29189.00	<b>12342410.39</b>
2714702.00	<b>7 UNCLAIMED DIVIDEND</b>		<b>3442130.00</b>
1911848.83	<b>8 INTEREST ACCRUED &amp; DUE BUT NOT PAID</b>		<b>1437693.83</b>
9579037.54	<b>9 PROFIT &amp; LOSS ACCOUNT</b>		
	Balance as per last balance sheet.	9579037.54	
	Less : Appropriations :		
	(A) Statutory Reserve Fund	2393899.00	
	(B) Dividend	2781905.00	
	(C) Building & Rep.& Renovation Fund	10000.00	
	(D) HCCS Welfare Fund	50000.00	
	(E) DIVIDEND EQUALIZATION FUND	10000.00	
	(F)CO-OPERATIVE EDU.& TRAINING FUND	10000.00	
	(G)BAD & DOUBTFUL DEBTS FUND	4320000.00	
	Carried forward to next year	3233.54	
	Add : Profit For the year 2022 - 2023	8424472.08	<b>8427705.62</b>
985458436.14	<b>TOTAL</b>	<b>RUPEES</b>	<b>840410116.78</b>

THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD.,MUMBAI			
BALANCE SHEET AS ON 31ST MARCH 2023.			
As on 31.03.22 RUPEES	ASSETS		As on 31.03.23 RUPEES
977061864.25	BALANCE B/F	RUPEES	831279930.71
78376.54	(G) COMPUTER		
	Balance as per last balance sheet	78376.54	
	Add :Addition during the Year	18500.00	
	Less : Depreciation during the year	35050.62	61825.92
841.35	(H) MONSOON SHED		
	Balance as per last balance sheet	841.35	
	Less : Depreciation during the year	126.20	715.15
8317354.00	6 OTHER ITEMS		
	(A) Prepaid Expenses	84083.00	
	(B) Accrued Interest	136960.00	
	(C) Stock of stationery and stamps	150121.00	
	(D) Debtors	0.00	
	(E) Deposits	8696481.00	9067645.00
985458436.14	TOTAL	RUPEES	840410116.78
PLACE : MUMBAI	AS PER OUR REPORT OF EVEN DATE		
DATE : 18.08.2023	M/S. VIJAY T.JAIN & CO.		
	CHARTERED ACCOUNTANTS		
	FR.NO.: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 T. KAPADIA	SHABBIR F. KAGALWALA		
Director	Hon. Treasurer		

**THE HCCS URBAN CO-OPERATIVE CREDIT SOCIETY LTD., MUMBAI**  
**PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH 2023**

<b>As on 31/03/2022 RUPEES</b>	<b>%</b>	<b>EXPENDITURE</b>	<b>%</b>	<b>As on 31/03/2023 RUPEES</b>
		<b>TO INTEREST</b>		
53911127.50	66.24%	ON DEPOSITS	52.93%	36921163.00
805786.82	0.99%	ON BORROWINGS	3.57%	2490502.39
7785119.00	9.57%	TO SALARY, BONUS, ALLOW & EBS.	10.56%	7364633.00
177481.00	0.22%	TO CONVEYANCE	0.31%	213742.00
79623.00	0.10%	TO RENT, RATES & TAXES	0.13%	87764.00
172990.50	0.21%	TO POSTAGE & TELEPHONE	0.17%	115232.88
462693.72	0.57%	TO PRINTING & STATIONERY	0.92%	644221.24
188100.00	0.23%	TO INTERNAL AUDIT FEES	0.26%	180000.00
246824.00	0.30%	TO STATUTORY /TAX AUDIT FEES	0.31%	217573.00
57751.00	0.07%	TO OFFICE EXPENSES	0.06%	39902.00
870956.00	1.07%	TO LEGAL & PROFESSIONAL FEES	1.38%	965136.00
148990.00	0.18%	TO ELECTRICITY	0.22%	151450.00
70290.00	0.09%	TO INSURANCE	0.08%	56282.62
1015468.00	1.25%	TO COMMISSION & SERVICE FEES	1.28%	893775.00
2250.00	0.00%	TO MUMBAI SHK. BOARD FEES	0.00%	1250.00
1632.00	0.00%	TO BOMBAY LABOUR FUND	0.00%	1392.00
754275.00	0.93%	TO MEETING & OTHER EXPENSES	0.91%	637707.00
665521.90	0.82%	TO REPAIR & MAINTENANCE	0.33%	230764.82
551703.00	0.68%	TO SUNDRY EXPENSES	0.53%	367023.50
174787.47	0.21%	TO DEPRECIATION	0.21%	143211.13
70517.60	0.09%	TO ADVERTISEMENT	0.03%	23878.00
3489730.00	4.29%	TO PROV FOR BAD&DOUBT. DEBTS	13.62%	9500000.00
108920.16	0.13%	TO GST EXP	0.12%	84704.84
9575593.08	11.77%	TO NET PROFIT	12.08%	8424472.08
<b>81388130.75</b>	<b>100.00%</b>	<b>TOTAL</b>	<b>100.00%</b>	<b>69755780.50</b>



**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 01/11/2022

**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 2023 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 2022 to 31st March 2023.

**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 31<sup>st</sup> March, 2023;
- (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**

**UDIN:-23042661BGYWTI1447**

**Date: 18/08/2023**

**Place: MUMBAI**

**THE HCCS URBAN CO-OPERATIVE CREDIT SCOEITY LTD.**

Audit for the year 2022-23

**Schedule - 1**

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

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Please see audit report "Part A"

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**Schedule - 2**

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

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NIL

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**Schedule - 3**

Improper and irregular payments.

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NIL

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**Schedule - 3A**

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Irregularities in the realization of money.

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NIL

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**Schedule - 4**

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List of Doubtful Debts.

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List enclosed.

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

**FRN-111436W**

**Sd/-**

**VIJAY T. JAIN  
(PROPRIETOR)**

**M NO. 042661**

**PANEL NO. 11763**

**UDIN:-23042661BGYWTI1447**

**Date: 18/08/2023**

**Place: MUMBAI.**

	<b>Bye-laws Number</b>	<b>Wording of the Existing Bye-laws</b>	<b>Wording of the Proposed Bye-laws</b>	<b>Reasons</b>
1	11(1)(3)	<u>Eligibility of the Borrower &amp; Guarantor:</u> (3) One member can be guarantor to a maximum two members for loan. (Page No.40)	<u>Eligibility of the Borrower &amp; Guarantor:</u> (3) One member can be guarantor to a maximum five members for loan	This amendment is proposed because a member with sound financial position and capability and net worth can stand as surety up to five members.
2	Sec 5 (13)	Approved Byelaws  To improve financial position of the Members by providing loans under various schemes. (Page No. 3 & 4)	New Byelaws:  For Social Cause & Member affected by Natural Calamities, Society should be allowed to give Interest Free / Subsidized Loan between 1 lakh to 10 lakh under one financial year.	Within the jurisdiction of the Society  * Loss due to Heavy monsoon & flood * Loss due fire & collapse of building * Due to above mentioned reasons or due to any loss of life & wealth or business loss, society should provide interest free / subsidized loan recoverable within 10 EMI.
3	15(3)(a)	Direct participation of the active member means he/she has taken loan of Rs 5000/- for minimum one year in consecutive 5 years. (Page no 8)	Direct participation of the active member means he/she has taken loan of Rs 125000/- in consecutive five years.	To increase the volume of the business, the Eligibility for direct participation of the active membership means he/she should be availed the loan of Rs. 125,000/- in consecutive five years & in case of change in criteria refer to note on Page No. 9 of byelaws
4	15(3)(b)	Running Capital for the Society should be Rs. 25 Cr. or more and Minimum Deposit should be Rs. 10,000/- (Page no 8)	Running Capital for the Society should be Rs. 25 Cr. or more and Minimum Deposit should be Rs. 50,000/-	To increase deposits.
5	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. (Page no 8)	If member 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 the volume of the business and the profit of the Society
6	Annexure C-4 Loan against Fixed Deposit	Against the self or Third-party Fixed Deposit, Society should sanction maximum 85% or 15% of Total Deposit whichever is less	Against the self or Third-party Fixed Deposit, Society should sanction maximum 90% of en-cashable value	To increase loan portfolio.

THE HCCS URBAN CO-OP. CREDIT SOCIETY LTD.; MUMBAI  
Lending Rates with effect from 29.11.2022

Particulars	Rate%	Days/Months
<b>Gold Loan (Term Loan)</b>	9.00	84 M
<b>Gold Loan (Cash Credit)</b>	9.50	84 M
<b>Taxi Loan</b>	12.50	1825 D
<b>Vehicle Loan (Two Wheelers)</b>	11.25	36 M
<b>Vehicle Loan (4 Wheelers Upto 15 Lakh)</b>	11.25	48 M
<b>Vehicle Loan (4 Wheelers Above 15 Lakh)</b>	10.00	48 M
<b>Machinery Loan</b>	13.00	48 M
<b>Loan Against Society's FD (Self/Third Party – Term Loan)</b>	1.00	84 M
<b>Loan Against Society's FD (Self/Third Party – Cash Credit)</b>	1.00	84 M
	O&A	
<b>Loan Against NSC/KVP/LIC (85%) (Term Loan)</b>	11.00	84 M
<b>Loan Against NSC/KVP/LIC (85%) (Cash Credit)</b>	11.50	84 M
<b>Educational Loan Upto 10 Lac (Secured)</b>	8.00	Course Period + 12 M
<b>Educational Loan Above 10 Lac (Secured)</b>	9.00	Course Period + 12 M
<b>Bachat Loan 350 Days</b>	13.00	350 D
<b>Bachat Loan 500 Days</b>	13.00	500 D
<b>Bachat Loan 1000 Days</b>	13.00	1000 D
<b>Bachat Loan 1825 Days</b>	13.00	1825 D
<b>EMI-17 Months</b>	13.00	17 M
<b>EMI-34 Months</b>	13.00	34 M
<b>EMI-60 Months</b>	13.00	60 M
<b>Short Term Loan (90 days Upto Rs.5 Lac)</b>	13.00	90 D
<b>Housing Loan (Term Loan)</b>	10.50	180 M
<b>Loan Against Property Loan (Term Loan)</b>	13.00	120 M

\* Conditions Apply

