

**Report of the Expert
Committee
on
Urban Cooperative Banks
in
West Bengal**

2008

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Composition of the Expert Committee on Urban Cooperative Banks

1. Shri Ashok Bandopadhyaya
Chairman, WBIDFC &
Ex-Chairman, WBSCB. - Chairman
2. Shri Vikram Sen,
Special Secretary to the Govt. of WB,
Finance Department. - Member
3. Shri Asok Kumar Ghosh
Dy. R.C.S. (Urban Credit)
Cooperation Directorate,
Govt. of West Bengal. - Member-Secretary

Executive Summary of Recommendations

Recommendations

Dual Control and the need to specify areas of such control

The Committee has earlier pointed out the existence of dual control of the State Government and the RBI to be one of the grey areas in exercise of supervision over the UCBs. The Committee feels that signing of the MOU between the State Government and the RBI and creation of TAFCUB will pave the way for coordinated supervision and joint consultations between the two supervising authorities in a structured manner. But at the same time **the Committee feels that that area of operation between these two supervising authorities need be clearly defined and demarcated. The Committee has already prescribed a detailed list of functional demarcation between the RBI and the RCS which is reproduced below:**

Jurisdiction of RBI

1. All issues relating to loans and advances, investments and all financial statements and examination thereof.
2. Inspection and actions to be initiated based on inspection report.
3. To conduct inspection or enquiry or receipt of allegation on financial irregularities from any quarter and to initiate action thereof.
4. Branch licensing and area of operation.
5. Permission of acquisition of all types of assets that may require to carrying out the banking business.
6. Prescribing minimum qualification for appointment of CEO of the UCB in accordance with RBI Guideline.
7. Super session of BODs and appointment of Administrator/s in accordance with the MOU signed between the State Government and the RBI.
8. Appointment of auditor and to see compliance of audit objections as noted in the audit report in accordance with the MOU.
9. Amalgamation of any UCB with another UCB and all other banking related activities.

Jurisdiction of R.C.S.

1. Registration of Urban Co-operative Banks.
2. Amendment of bye-laws.
3. Change of name and address.
4. Annual general meeting.
5. Election of Directors of the Board and other related matters regarding election of office bearers barring cooption of Directors in the BOD.
6. Membership issues and protection of members' right.
7. Access to document.
8. Power to enforce attendance of witness and production of documents.
9. Power to direct conditional attachment.

10. Charge and surcharge.
11. Power of arbitration and institution of a prosecution.
12. Inspection and follow up on audit reports so far as any of the matter concerning hereinabove
13. Appointment of Chartered Accountants for overseeing the liquidation process.

The Committee is of the view that the above demarcation of responsibilities are to be clearly established through appropriate amendments in the WBCS Act and also through a Exchange of Notes between the State Government and the RBI. But this does not mean that the unique consultative machinery that has been created as TAFUCB will become insignificant. Rather the Committee expects that such clear demarcation of responsibilities will help in the deliberations at the TAFUCB with the respective authorities having veto power over their respective jurisdictions as outlined.

Revival of weak and Loss Making UCBs

From the earlier discussions on performance and accumulated NPAs it will be seen that at present there are at present 6 weak and loss making banks among the total 48 UCBs with considerable assets blocked Gross NPA and accumulated losses over Rs. 500.00 crores as on 31.03.2007. The names of the six weak banks are noted below with their individual NPAs and accumulated loss as on 31.03.2007:

Name of Bank	Gross NPA As on 31.03.2007(Rs./cr)	Accumulated loss As on 31.03.2007 (Rs./cr)
1. Kasundia Co-op Bank	617.04	(-)871.15
2. Bally Co-op Bank	740.89	(-) 603.83
3. Boral Union Co-op Bank	382.01	(-) 755.49
4. Ramkrishnapur Cooperative Bank Ltd.	2145.84	(-) 1938.26
5. Bhatpara Naihati Cooperative Bank Ltd.	420.18	(-) 573.81
6. Bantra Co-op Bank	484.55	(-) 1079.09

From our analysis of the reasons for decline and huge accumulation of NPAs it will be seen that in almost all cases the accumulation of NPAs and losses have been due to improper and reckless investments and / or imprudent loans sanctioned sometimes with fraudulent intent by the prevailing management. Under such circumstances the Committee does not find it reasonable to recommend any bail out package for these weak or loss making banks so as to not to put any premium on mismanagement, inefficiency or, worse, corruption. But at the same time the Committee is of the opinions that as these banks serve an important social cause they should be accorded all administrative support for any genuine effort to come out of the red. Basically any revival strategy for these weak UCBs has to concentrate on two immediate goals – a) Immediate and sustained efforts for recovery of the NPAs and b) to ensure that the banks are placed under competent professional management and the management is able to take all necessary efforts towards not only recovery of NPAs but to

reduce existing operational costs including reduction of staff strength through an appropriate VRS package. Each of these banks has to be examined on case to case basis and has to be closely monitored and supervised over a long period of time for the revival effort to succeed. But neither the State Government nor the RBI has the resources or manpower to effectively supervise the daily functioning of these banks for a sustained period. One of the reasons for constitution of TAFUCB in the States signing MOU with RBI was to classify such weak UCBS as either viable or non-viable entities based on their current assets and future prospects for recovery of NPAs and for suggesting suitable revival strategy for the viable ones and a non-disruptive exit route for the former. Since MOU with RBI has already been signed in the State and the TAFUCB has been constituted with the above objective in mind. **The Committee feels that distinguishing the viable and non-viable banks and formulating appropriate revival path should best be left to this jointly constituted body. Instead of creating additional machinery for revival of weak and non-performing UCBs the State Government may fully support the revival strategy arrived through the consultative process of TAFUCB.**

But there is another aspect which requires immediate attention. One of the terms of the MOU signed between RBI and the State Government is to remove a director or even super session the entire board in case of gross violation of RBI guideline. But this is a negative condition which may prevent future transgressions but may not help day to day functioning of the weak or loss making banks. **The Committee is of the opinion that appointment of a full time professional CEO in case of the six loss making banks to implement a turnaround strategy for a minimum period of three years will go a long way to improve the regular banking functions of these banks.** The CEO must have proven professional banking expertise and working with any scheduled commercial bank with experience in cooperative banking. He is to be nominated by the State Government for appointment to the specified bank and will be on deputation to the State Government for appointment as CEO to the specified bank to be supported by a resolution of the Board of Directors of the concerned bank. While he will be reporting to the Board of Directors he will also be responsible for implementation of the revival package. Since the banks themselves may not be in a position to fully bear the salaries of the concerned official his full salary may be reimbursed to the concerned bank as outright grant. The State Government will also have the power to recall or replace the nominated CEO on the recommendations of TAFUCB.

During discussions with the UCBs including the loss making UCBs the Committee found that there is a common problem with execution of the decree or certificate on assets / mortgages given as security against NPAs and in general proper enforcement of the Securitization Act, 2002. Since this is a common problem faced by all banking institutions and not related particularly to the UCBs the Committee is reluctant to make any specific recommendation on this point. But the Committee feels that the State Government may consult with legal experts, RBI, Recovery Officers of Banks and field level implementation agencies to consider steps for proper enforcement of the Securitization Act and bring in State specific amendments or recommend such amendment to Government of India. **Pending that the Committee recommends that the State Government may issue a clear cut guideline to the field level implementing agencies for prompt follow up action on execution applications from cooperative banks against decree or certificates under the Securitisation Act.**

Revival package for UCBs with –ve CRAR

The list of the 10 banks along with required additional capital for CRAR compliance as on 31-03-2007 is reproduced below.

Required Additional Capital for CRAR Compliance in respect of Banks Having - CRAR								
Sl No.	Name of the Banks	Present Capital	Current RWA	Present CRAR	Tier II Capital	Eligible Tier II Capital	Required Capital for 9% CRAR	Required Additional Capital for CRAR Compliance
1	Bally CB Ltd.(Gr.IV)	-585.25	356.11	-164.35%	9.89	4.45	32.05	612.85
2	Bantra CB Ltd.(Gr.IV)	-988.91	1630.59	-60.65%	207.88	20.38	146.75	1115.28
3	Bhatpara Naihati CB Ltd.(Gr.IV)	-272.05	1709.68	-15.91%	61.1	21.37	153.87	404.55
4	Kasundia CB Ltd.(Gr.IV)	-973.92	1867.86	-52.03%	61.21	23.35	168.11	1116.68
5	Ranaghat CB Ltd.(Gr.IV)	-44.51	1268.68	-3.51%	59.64	15.86	114.18	142.83
6	Panihati CB Ltd.(Gr.IV)	-12.27	990.03	-1.24%	7.52	7.52	89.1	93.85
7	Baranagar CB Ltd.(Gr.IV)*	-362.77	3421.56	-10.60%	5.58	5.58	307.94	665.13
8	Boral Union CB Ltd.(Gr.IV)*	-536.91	4808.63	-12.46%	196.68	53.86	387.79	870.84
9	Ramkrishnapur CB Ltd.(Gr.IV)*	-1488.24	4802.95	-30.99%	18.05	18.05	432.27	1902.46
10	Suri Friends' CB Ltd.(Gr.IV)*	-10.21	289.5	-3.53%	0.36	0.36	26.06	35.91
	Total							6980.38
*Assessed position as on March 31, 2007 taken into account								
Note: Figures provided by Reserve Bank of India								

It transpires that present CRAR Level of these 10 banks ranges from (-) 164.35% to (-) 1.24%. Naturally with this low level of dismal CRAR % these banks have no surplus funds either to augment their business or absorb any risks arising out of loss assets. It has been discussed earlier that the UCBs have limitation in raising additional capital-i.e. they can raise capital from members and that source has also been limited in case of 3 banks out of the above 10, following imposition of restriction by RBI of issuance of fresh Loans and Advances. Even raising deposits from public is also restricted. Now they have to depend only on recovery of loans given to the members. So in totality there is inadequacy of capital to augment their business level. Under such situation the expert committee feels that these banks should be provided with assistance for the safety and security of the share holders. And such assistance will also strengthen the equity base of the above 10 banks which will ultimately help them to build up their capital and reserves gradually and the banks with the help of this assistance will turnaround within 3 to 4 years.

The Committee recommends that the State Govt. should provide these 10 banks with one time grant of Rs. 6980.38 lakhs preferably within 31-3-2009 to achieve 9% CRAR initially. The fund will be released only after completion of statutory audit of the accounts of the above banks as on 31/03/07 supported by a receipt of certificate from

RBI with assessment of additional requirement of fund to reach 9% CRAR from the existing level as on 31/03/07.

The committee further suggests that if these banks through concerted efforts improve their respective CRAR by 1% from 9% level within 1 year from the receipt of this fund, the State Govt. should encourage and support them by providing further financial grant to raise the level of CRAR by 1% each in the succeeding 2 years till they reach the 13% CRAR.

The tentative projection of RWA of these banks along with requirement of fund in the shape of incentive for 1% CRAR improvement is given here in under.

Internal Table - 30

Year	RWA	Required Incentive for 1% CRAR improvement
2010-2011	22908 lakh	229 lakh
2011-2012	25198 lakh	251 lakh
2012-2013	30236 lakh	302 lakh

Contribution to the Share Capital of the UCBs

The Committee is not in favour of any infusion in the share capital of the UCBs from the government. This Committee fully agrees with the sentiments expressed by the Vaidyanathan Task Force and opines that such injection of Government share capital into UCBs should be discouraged and considered only in the rarest of rare cases. The Committee recommends that such an option can be considered only in the following circumstances:-

- 1) That the paid up share capital of the UCB has suddenly gone below 10 percent of its last audited returns due to reasons beyond the control of the UCB management, or
- 2) For reasons not attributable directly to the concerned bank, the accumulated deposits of the Bank has suddenly been withdrawn in such a manner so as to make it impossible for the Bank to manage its day to day banking operations

Government share contribution to the UCBs may be considered only under existence of either of the above situations and even this contribution can remain maximum for a period of three years.

Incentive for performing UCBs

During its examination of the performance of the UCBs the Committee has found that there are some banks that have performed extraordinarily both to raise deposits and also to extend its loan base to cover low or middle income groups as its loanee members against very stiff competition from commercial banks. Since this serves the basic principle of cooperation and implement the Government policy to make available banking facilities as well as small amounts of credit on easy terms to the lower income groups through institutional arrangements **the Committee is of the opinion that there should be a system of incentives to the performing UCBs. Such incentive will encourage performing UCBs to achieve higher heights while inspire other non performing USBs to greater efforts.** The types of incentives and the modalities for their disbursement are noted below:

Deposit Incentive – The Committee has discussed the disparity in the growth of deposits between commercial banks and the UCBs and feels that outstanding efforts at deposit

mobilization on part of UCBs should be recognized and rewarded. The Committee therefore recommends that the State Government may provide incentive amounting to 0.5 percent (half percent) interest on all savings and current deposits but not on term deposits exceeding Rs. 10.00 crores at the end of the financial year provided the percentage of such savings and current deposit shall not be less than 45% of the total deposit of that UCB at the end of the financial year. Further in case of such deposits exceeding Rs. 100 crores the incentive will be made available to the entire amount of deposit without any entry point. The modalities for disbursement will be simple. The concerned UCB will apply to RCS along with audited balance sheet and a certificate from statutory auditors after end of each financial year. RCS will recommend release of the incentive amount to the Cooperation Department after satisfying himself that the deposits as claimed are correct. It will be for the concerned banks to decide if the incentive will be passed on to the deposit holders or retained by them for their development needs.

Incentive on loans to Weaker Sections – Since the declared policy of the Government is to make available small amounts of loans to lower income groups and small entrepreneurs on easy terms and with minimum of hassle the Committee resolves that UCBs doing this socially beneficial work but with prudent banking norms should be rewarded. **The Committee therefore recommends that amount of loans up to Rs. 1.00 lakhs extended to persons from BPL category but against acceptable security will be provided with incentive @ 1(one) per cent p.a. subject to the following conditions:**

- a. **The loanee has to produce a certificate from the competent authority that he/she / they belong to BPL family**
- b. **The total loan amount extended to a family does not exceed Rs. one lakh**
- c. **The total of such loans extended to BPL families does not fall below 25% of the total deposits in the bank in concerned financial year**
- d. **Necessary certificate from the statutory auditors that adequate and acceptable security has been obtained from loans above Rs. 25,000/ and that total of such loans extended to loanees from BPL families are not less than 25% of the total deposits of the bank in that financial year.**
- e. **The eligible amount of loan for this incentive will not be more than Rs. 50.00 crores per bank per year**

The modality for disbursement will be the same i.e. the concerned UCB will apply to RCS along with BPL and auditor's certificate in terms of Para 'a' and 'd' above. The RCS, on being satisfied that the claim for incentive satisfy all the criteria as above, shall recommend the application to the Cooperation Department.

Incentive on opening new Bank Branches in uncovered and or remote areas -

The Committee had observed the absence of UCBs in six districts of West Bengal and their concentration in and around the urban pockets of Kolkata, Howrah, Hooghly, N. 24 Parganas and Bardhaman. While there is at present restrictions imposed by RBI on opening of new UCBs the restrictions on opening of new branches is relaxed on individual cases. The committee is of the opinion that RBI should reconsider its earlier decision on restriction of opening of new bank branches by UCBs as without horizontal spread it has become very difficult for these banks to become viable entities. Therefore the Committee feels that there is an opportunity for strong UCBs to open new branches in previously uncovered areas. The Committee is of the opinion that such efforts need be encouraged. **It therefore recommends that there will a reward- incentive of Rs.2.00 lakhs flat for setting up viable new branch opened in an urban pocket which was not previously covered by the bank. The incentive will be subject to the following conditions:**

- a. **The opening of the Branch has been duly approved by RBI**

- b. The area is a statutory urban area.
- c. The Branch has a minimum total deposit of not less than Rs. 1.00 crore within one year from the date of opening of the bank branch.
- d. The Branch has a staff strength of not less than 3 heads.

The modality of disbursement will be the same and the Bank will apply to the RCS with supporting papers on 'a' and 'b' and statutory auditors certificate on 'c' and 'd' above. RCS will recommend the claim to the Government after being satisfied as to its genuineness.

Incentive for Prudent and Profitable Management – The Committee has deliberated and found that the major reason that ails the UCBs is not so much the competition from the commercial banks but its own non-professional approach and mismanagement. Thus the Committee is of the opinion that those UCBs which observe prudential banking norms yet deploy their resources skillfully to earn profits need be recognized and their efforts rewarded. **The Committee therefore recommends that those Banks who earn profit before tax on a scale of Rs. 10.00 lakhs to Rs. 100.00 lakh should be appropriately rewarded as per scale suggested below:**

- 1) Profit after tax between Rs. 1.00 lakhs to Rs. 10.00 lakhs – 5 percent of the profit amount
- 2) Profit after tax between Rs. 10.00 lakhs - 20.00 lakhs - 4 percent of the profit amount
- 3) Profit after tax between Rs.20.00lakhs -50.00 lakhs - 3 percent of the profit amount
- 4) Profit after tax above Rs.50.00 lakhs - 2 percent of the profit amount

The incentive will be subject to the following conditions

- a. The CRAR of the bank is not less than 15% as per Basel II norms and calculated by competent statutory auditors
- b. The profit is also duly calculated by competent statutory auditors
- c. The Bank has been running with profit after tax for the previous three years and its CRAR has not fallen below 10% in any of the previous three years

The modalities for disbursement will be the same as earlier mentioned. The Bank will apply to RCS with necessary audit certificate from statutory auditors on all the points 'a' to 'c' above and RCS will recommend the claim to the Government after satisfying himself as to the genuineness.

Staff Position, Recruitment and VRS Package

Over the years the management of UCBs, except very few exceptions, has not made conscious efforts towards job oriented staff utilization and economy in staff recruitment and utilization. This has resulted in accumulation of staff grossly disproportionate to the normal business of the bank. It will be evident that per branch average staff strength is 19.5 as on 31.03.2007. Compared to this high staff strength the average deposit per employee works out to be only Rs. 106.37, loans and advances per employee work out to be Rs. 44.52 while average profit per employee is a mere Rs. 1.88 as on 31.03.2008. On the other hand there are also examples of UCBs who run without any formal staff recruitment and members themselves discharge the banking operations on a rotational basis. Kolkata Mahila Cooperative bank, Jiaganj Cooperative bank and Bhatpara Cooperative banks are examples of this cooperative spirit. But a balance has to be struck between these two approaches and it has to be ensured that UCBs with surplus staff bring them down to industry standards. **For this purpose the Committee feels that the State Government may engage a reputed**

management consultant with experience in banking operations to analyze the staff requirement of each UCB based on best industry practices and to find out how computerization may help in reduction of manual work. The Consultant may also report on the surplus staff available in each bank and recommend a VRS package for reduction of the surplus staff. The Committee has also found that sometimes scarce capital assets of the banks have been sold to pay out the VRS package leading to further erosion of the capital base of the banks. The Committee therefore feels that a VRS fund may be created by the State Government to help the UCBs to implement the VRS package recommended by the government appointed Consultant without sudden outflow from their capital base. **The Committee therefore recommends that the State Government create a VRS Fund for UCBs with an initial capital contribution of Rs. 10.00 crores which may go up to Rs. 50.00 crores within next four years. The VRS fund may be entrusted to a reputed financial institution like LIC who will provide loans at minimal interest of 5 per cent to the UCBs to implement the VRS package as per recommendations of the Consultant.** It will also have to ensure that the fund becomes self sustaining within a period of five years and the State government will not have to make any further payment after the initial capital of Rs. 10.00 crores and subsequent capital infusion, if required, not exceeding Rs. 50 Crores over a period of next four years. Once the requirement of VRS is completed the fund will have to be wound up and the financial institution will return the balance to the State Government with full and complete accounts.

The selection of staff to the UCBs is now being done by the Cooperative Service Selection Commission. The Committee feels that this ensures absence of any bias in selection of candidates and recommends that this process should continue and include all categories of staff including Group 'D' staff. During discussions with the Committee some of the banks suggested that as the new recruits resign and go away to avail of better opportunities some local residential qualification should be incorporated in the selection process. The Committee feels that this is a general problem which should not be handled through incorporation of any residential qualification. In any case such a clause will be against the Constitutional provision and policy of the Government. **Instead the Committee is of the opinion that the UCBs should revise their pay scales in accordance with general industry standards so that attrition can be avoided. The Board of each UCB should try to attract best available talent so that the workforce is small but efficient.**

Administrative Support for Loan Recovery through Pay Bills

The Committee had spoken about the need for an institutional mechanism to ensure smooth recovery of loans extended by the UCBs to salaried employees of Government, semi Government institutions and organizations. In fact the State Government had issued such a Notification in 1998 covering loans from all banks including commercial banks but subsequently withdrew the same. The problem was with reimbursement of the deducted amount to the concerned bank branch and secondly sometimes the deductions were stopped at the request of the salaried loanee. Since small loans to salaried employees of schools, colleges, small retail businessmen, workers of offices, factories etc form an important component of loanee members of UCBs **the Committee is of the opinion that some mechanism must be found to ensure smooth recovery of the loan amount without recourse to the Securitization Act. The Committee is of the opinion that a legally valid agreement between the UCB and the loanee with the former agreeing to provide the loan amount on condition that the loanee shall request his/her DDO to deduct the loan**

installment till full recovery as per the given schedule and the latter giving his/her irrevocable consent to this arrangement may help the cooperative banks to extend loans to these category of employees. Once this option is exercised and the agreement is signed there will be an irrevocable obligation on part of the loanee as well as his DDO to go on recovering the loan installment till final recovery. On its part the UCB will also have to agree to collect the deduction from the DDO In cash or cheque as per convenience of the DDO. The Committee recommends that such recovery be also institutionalized as recovery of cooperative dues through an amendment in the West Bengal Cooperative Societies Act.

Statutory Audit

One of the major inputs for proper annual appraisal and monitoring of the performance of the UCBs is the Annual Statutory audit. None reflected the dual control over these banks so glaringly than the annual audit. As per Banking Regulation Act, RBI conducts annual inspection of UCBs, as required. The inspection reports of RBI form the major basis for follow up action to ensure that the banks use their deposit in a prudent manner as per existing RBI instructions or guideline. At the same time the Directorate. of Audit under the Cooperation Deptt. Conducts a statutory audit on annual basis and also conducts a running audit. The Committee had examined some of the audit reports by the Directorate of Audit and hardly found any evidence of improvement from the inspection report of the RBI. This apart some of the UCBs reported to the Committee that the audit conducted by the Directorate are generally delayed which affects their performance. It may be mentioned here that under the terms of the MOU signed by the State Government audit of all UCBs with a deposit of Rs. 25.00 crores and above will now be conducted by a Chartered Accountant firm to be appointed in consultation with RBI. Since the Directorate of Cooperative Audit is preoccupied with auditing of numerous non-banking cooperatives and in order to avoid duplication of work the **Committee recommends that auditing of all UCBs should be done by the panel of Chartered Accountants appointed by RBI irrespective of the size of deposit. However in order to ensure that the RCS is also kept appraised of the performance of the UCBs and take necessary follow up action relating to the administrative matters RBI is to be requested to ensure that a copy of the audit report is invariably endorsed to RCS. Such audit conducted by RBI panel of Chartered Accountants is to be treated statutory audit through an amendment of the Cooperative Societies Act.**

Application of Co-operative governance in the UCBs

The Committee has highlighted the immediate need for institutionalization of a set norms of cooperative governance to guide the day to functioning of the banks which will be similar but not entirely in line with the 'Bankers' Fair Practice Code' as circulated by the AIBA. The Committee strongly feels that such a code should be formulated on a priority basis and observance of the code is to be made obligatory for the UCBs though appropriate direction from the RCS. The Committee therefore recommends **that the State Government has to prevail over the RBI to formulate such a universally acceptable fair practice code for the cooperative banks. Such a code of conduct is to guide not only the day to day operations of the UCBs but at the same time stress the cooperative characteristics of transparency, democracy, cooperative values, participatory management and equality for all the share holders.**

Steps for Improvement of Internal Management in the UCBs

The Committee has observed the urgent need for improving the internal functioning of the UCBs. The Committee recommends that the State Government may take immediate follow up action on the suggestions made by the Committee which are reproduced below:

- 1) **Provision for at least two nominated Directors with voting rights and with suitable banking experience or with graduate or post graduate degree holders in the field of accountancy or management should be made for all the UCBs through appropriate amendment in the WBCS Act.**
- 2) **RBI should arrange orientation training course at least twice in a year for all the Directors so as to facilitate increase the level of their banking knowledge and the level of competition now prevailing in the banking sector.**
- 3) **Study tour of the Directors to successful banks within and outside the state should be arranged by the RBI and State Federation of UCBs jointly – such exposures will help them to broaden their outlook**
- 4) **The chairman should be a whole timer and for this due honorarium be paid to him out of the funds of the banks.**
- 5) **Good Directors/Co-operators should be rewarded by the State Federation of the UCBs and if possible by the RBI and the State Govt.**
- 6) **Quarterly meeting of the UCBs should be convened by the State Co-operative Banks for review of its progress on different financial parameters till the State Federation of the UCBs gets strengthened by the joint efforts of the State Govt., WBSCB and RBI.**
- 7) **The Urban Banking Division of the State Cooperative Bank is to be strengthened so that they are in better position to monitor the functioning of the UCBs and give necessary advice and help wherever required.**
- 8) **Similarly, arrangement of training of staffs and officers is made by the banks at a recognized banking training institutions either at the national level or state level or at the level of RBI. This process of training will be a continuous approach.**
- 9) **The training in computer education especially officers of all grades and staffs who are connected with the banking operation must be completed within a specific time frame.**
- 10) **Recruitment to the post of Chief Executive and the second in command below the CE should as far as practicable be made from qualified professionals as per RBI Guideline through Service Commission but where the competent professional officers are already in existence may be promoted to the post of CE and ranks below to the C.E.**
- 11) **Promotion to other posts should be based on a written examination maintaining a minimum standard as will be decided by the BODs.**
- 12) **Recruitment of sub-staff should not rest with the BODs – it should also be left to the Co-operative Service Commission.**
- 13) **For the guidance of officers and staffs the UCB should prepare comprehensive work manual which are not in vogue in almost all the UCBs. The State Cooperative Bank and its urban Banking Division is to be entrusted with the task of preparation of an Working Manual within next six months and provisions of the Manual is to be given mandatory force through a direction from the RCS to enforce performance of obligation u/s 131 of the WBCS Act and incorporating the obligation to follow the Manual through an amendment in Chapter VIII of the Act**
- 14) **UCBs as financial institution should have a system of rotation of duties on monthly/quarterly/half-yearly/yearly to enrich the knowledge of the staffs and**

officers about various natures of works on the one hand and to remove the monotony on the other. Such practices of rotation will also help to curb frauds/irregularities.

Credit Risk Management in UCBs

The Committee has analyzed the various risk factors in credit management in the UCBs. The Committee is of the view that unreasonable and imprudent management of the credit risks is the most important single factor which has impaired the functioning of the UCBs in this State. The Committee therefore recommends that the State Government may immediately implement the suggestions of the Committee given elsewhere in this report which are reproduced below:

- 1. Every bank must draft a well defined Loan Policy detailing various factors in mind while processing the credit appraisal viz, managerial competence of the entrepreneur, the honesty, integrity and past background of the entrepreneur over and above the technical feasibility, marketability, requirement of quantum of credit for acquiring fixed assets and working capital. For the preparation of the Loan Policy, the bank may utilize its own expertise or hire the expertise of banking experts, Lawyers, CA etc. and get it approved by the BODs.**
- 2. Every bank should publish the Loan Policy in its website, if any, for access of the Regulatory Authority for not only for their information but also for inviting suggestions from them for further improvement of the loan policy.**
- 3. The approved loan policy should be circulated to all the banks in the state for their mutual benefit.**
- 4. Officers and supervisory staffs working in the loan and the advance section must be given proper training by RBI on pre credit appraisal and post credit supervision.**
- 5. The same training to be imparted at least once in a year to the BODs of the bank and twice in a year to the loan sub-committee members.**
- 6. The last but not the least the bank should know from MIS regarding spreads of loans and advance portfolio. The bank should not extend major share of loans and advances to a particular loan basket. Diversifying the loan portfolio should be the motto of the BODs for better Credit Risk Management.**

In this case also the Committee recommends that this is to be given a mandatory effect through a direction from the RCS

Post Credit Management in UCBs

The Committee has spoken about the present status of post credit management and has stressed the importance of this aspect in recovery of NPAs. The recommendations made by the committee are reproduced below for immediate implementation:

- 1) **The Post Credit Supervision Cell/Recovery Cell – cum – Legal Cell be set up under a senior officer at the helm of affairs supported by two senior staffs. They should not be tagged with other duties.**
- 2) **That the Chairman and CEO of the bank will hold a meeting on monthly basis along with the loan subcommittee members to review the performance and progress of the Recovery Cell in present of the concerned officer/s who have/has recommended such loans.**
- 3) **Where the strength of the officers and staffs are inadequate in relation to work load, the bank may engaged one or two recovery agency as enlisted by RBI with the approval of the BODs and renew or cancel the agreement with the recovery agency depending on its performance.**
- 4) **Officers and staffs posted in this cell should be given proper training in the field of CRM as well as training in the field of law matters pertaining to such recovery.**
- 5) **Delegates are to be involved in the recovery process**
- 6) **Holding of evening meetings involving the delegates**

The enforcements of the above obligations are also to be given mandatory effect through issuance of appropriate direction by the RCS.

Asset Liability Management in UCBs

The Committee has laid stress on development of a Management Information System (MIS) which may help the BOD and the higher functionaries of the UCBs to take important and vital decisions credit and investment. Such an MIS is presently almost non existent in the UCBs checked by this Committee. **The Committee therefore recommends that all the UCBs are to develop a comprehensive MIS which among others will take care of providing accurate information to the top level management to take appropriate and correct decision in the matter of quantum of loan and advance as well as investments in terms of repayment period or maturity period as the case may be. Since this will be a part of the software towards computerization of the functioning of the UCBs the Committee recommends that the State Government may take up with RBI the necessity for a uniform software for all the UCBs. This is also a part of the recommendations of the Expert Committee appointed by RBI to go into the question of computerization of the functioning of the UCBs.**

Customer Service

The Committee has stressed the importance of proper and adequate customer service. The Committee recommends that the various steps suggested by it and reproduced below are to be immediately implemented through a general direction to be issued by the RCS. This is to be followed up through a point in the routine inspection of these banks by RCS officials. Failures to implement any of the following directions are to be treated as violation of statutory obligation to direction from RCS u/s 131 of the WBCS Act.

- 1.** That the particular month in which the number of transaction is highest in the year before last should be selected in the following year as a month of “Customer Service Census or Customer Service Audit month” – where selected members of the BODs along with an intermediate level of officers will interview all the customers to identify

the deficiencies of the banks and to note the suggestions of the customers towards improvement of customer service.

2. A review be made by the BODs/other officers over the existing Customer Service provided by the commercial or private banks within the area of operation of the bank and take note the fields where their bank is lacking in comparison to other banks surrounds it.
3. Computerization of loan account and deposit account and updating of pass book, through machine be ensured by all the banks in a time frame.
4. Ambiance of the business place of the bank is comfortable with provisions of sufficient light/fan and sitting arrangements so that the customers feel comfort and also have a feeling that the banks offer due regard and importance to the customers.
5. One window service of receipts and payments for various denominations be introduced.
6. Service to the senior citizens be something special – the BODs according to the staff strength and business space may reserve a separate counter in times of rush for the senior citizens.
7. The bank should ensure that on the day of deposit as C.C/F.D or other investors may get the certificate of investment either on the same day or by the next working day.
8. The banks should develop a fair practice code to guide proper customer service

Investment Policy in the UCBs

The Committee has stressed the importance of all the UCBs to conform to the investment policy as per RBI guideline. The Committee has also observed that in many cases the investments made by the UCBs are not in conformity with the RBI guideline. The Committee therefore recommends that a clear direction should be issued by the RCS U/S131 to all the UCBs to strictly follow the RBI guideline in their individual investment policies and in particular on the points noted below:

1. The BODs of the UCBs where no such policy is framed should go for drafting of such policy by keeping the directives and guidelines of RBI/circular of RCS if any in mind with immediate effect and get it approved in the BODs meeting with a rider that such policy be revised every year according to the needs and directives of RBI likely to be issued from time to time.
2. A copy of the approved policy along with certified copy of the relevant extract of the resolution of the BODs where such policy was approved be forwarded (a) to the RCS through Range Asst. RCS and (b) to RBI directly.
3. The UCBs should not be allowed to invest their funds as deposits with any private banks.

Computerization and Up gradation of Technology

The Committee has given the present status of computerization and up gradation of technology in the UCBs. The Committee has also noted that under the MOU signed between the State Government and the RBI on 8th. August, 2007 the latter has agreed to facilitate IT initiative in the UCBs. The Committee has also taken account of the recommendations of the Working Group (Gandhi Working Group) for IT initiative in the UCBs recommend that the State Government to take up with GOI as well as RBI immediate implementation of the

Gandhi Group recommendations. In particular the Committee recommends that the following points need be implemented immediately:

- 1. A separate fund under the head “IT usage in UCB sector” may be created by Govt. of India/RBI for this purpose.**
- 2. The banks which have to adopt ASP model, flow of grant and loan may have from RBI through IDRBT (Institute for Development and Research in Banking Technology) as suggested by the Working Group. The committee also endorsed strongly the views of the Working Group that IDRBT be entrusted with the duty for preparing Systems Requirement Specification, selection of vendors and also to prepare development/testing, implementation plans and vetting the Service Level Agreement between the UCBs and the Service Provider to ensure sound and proper implementation and post installation support by the vendor.**
- 3. TAFCUB should ensure implementation of the usage of Information Technology in right earnest within the year 2009-2010 in all the UCBs in the state irrespective of its grade.**

Inspection of UCBs

The Committee has noted the present status of inspection of the UCBs by RBI and RCS. The Committee has also emphasized that such inspection should not be a routine or fault finding trip but to be undertaken in a spirit of helping the UCBs to properly manage their banking operation. In particular the Committee recommends the following points for implementation:

- 1. Inspection of RBI should be annual in respect of all banks irrespective of its Grade and twice in a year in case of Grade IV banks.**
- 2. Inspection by RCS should be annual in respect of all banks and twice in a year in case of Grade IV banks. The inspection of RCS may be confined to inspect the proceedings of the BODs meeting sanctioning loans and advances and to identify the irregularities, if any, committed by the management of the bank in violation of the approved loan policy of the bank read with RBI guidelines, documentation part of the borrowing members and to see the steps taken by the banks and the matter of recovery of loans etc including the investment by the banks in various sectors.**
- 3. The Urban division under the RCS is to be strength and given the responsibility of follow up action based on the inspection reports**
- 4. All such follow up action are to be discussed at the TAFCUB so that both the regulating agencies coordinate their efforts logical settlement of all the issues raised in the inspection reports.**

Legislative Reforms in the Central and the State Statutes for Better Functioning of the UCBs

At Chapter- 4 of this Report the Committee has given detailed account of legislative measures that, it feel, are necessary for better functioning of the UCBs. These are summarized below:

Central Sector

1. Section 5 (CCV) of the B.R. Act, 1949 (AACS) may be amended in the opinion of the Expert Committee. Moreover Section 5 (3)(CCV) of the B.R. Act also be amended by permitting the UCB to enroll certain types of Primary Co-operative Societies in housing, industrial, service sector as a member subject to the permission of RCS.
2. The applicability of Section 30 of the B.R. Act, 1949 (AABC) may be extended to all UCBs.
3. The UCBs particularly the unit UCBs should prepare an action plan in the matter of extending area of operation as well as area of membership in order to increase the member base, deposit base and business base.
4. Area of operation of all UCBs be extended to the whole district for better growth and expansion of UCBs in the first stage depending on their present performance.
5. The DICGC Act, 1961 be suitably amended so as to facilitate payment up to 70% or Rs.50 thousand which ever is less be paid to the depositors as a part payment.

State Sector

1. A separate chapter on UCB (and on primary co-operative credit society other than primary agricultural co-operative credit society), as UCBs have special characteristics derived from the B.R. Act in respect of banking operations.
2. Co-operative Election Authority as laid down in Section 35 of the State Act should be activated for the transparency of election of BODs of the Co-operative Societies as mentioned in the Fifth Schedule of the State Acts.
3. Section 65 (Reserve fund) is to be amended for upward revision by substituting the words “not less than 10%” by “not less than 20%” of its profit to a reserve fund in case of all types of co-operative banks including UCBs. The Proviso to Section 65 is also to be suitably amended by including State Cooperative Bank and Central Cooperative Bank for Investment.
4. Section 77 relating to restriction on interest of member of co-operative society with limited liability and share capital is to be amended by a Proviso for non applicability of this section in case of non scheduled UCBs or all types of UCBs. There should not be any ceiling on the value of individual share holding in UCBs as this is the one and only one means of raising share capital in case of nonscheduled UCBs, as they are not permitted by RBI to raise subordinate debts such as bonds and debentures. Such withdrawal of arbitrary ceiling of individual share holding will not affect the democratic fabric of the UCBs especially when the WBCS Act has a provision “one person one vote” irrespective of the number of share holding of any individual.

5. A new clause is to be inserted under section 69 (1) conferring membership status to the depositors to protect their interest .
6. The power of the RCS under Section 131 to enforce performance of obligations set out in Chapter XIV is a very wide one and the specific provision is to be included in this chapter setting up an obligation on part of the UCBs to comply with written directions from the RCS in respect of proper operation of their banking business.

Chapter – I

1. Introduction

Cooperative movement with its vast network and horizontal and vertical connections had flourished in the country in the late nineteenth century and connected all sections of the people under different sectors with the purpose specially to improve the livelihood of rural and urban poor including marginal farmers, farm labours, industrial labours, artisans, small salaried employees and to save them from the usurers. One of these fast developing cooperative sectors was fuelled by the urban cooperative movement. Cooperative movement in India has evolved over a century after enactment of the Cooperative Societies Act in 1904. One of the objectives of the legislation was to promote cooperative movement and its benefits to the rural and urban poor including artisans, small salaried employees and small businessmen and retailers. The joint stock Banks who had opened in the urban and semi urban areas did not yet cater to these small depositors. This absence of banking and credit facilities forced these groups to go to unscrupulous money lenders and private mortgagers who used to charge exorbitant interests or imposed almost non-repayable terms. The urban cooperative credit movement flourished in India under this background in contrast to rural cooperatives which were largely initiated and supported by the State machinery.

The urban cooperative banking sector in India was the pioneer at micro credit dispensation in urban and semi urban areas and emerged as an important instrument in the Banking Sector. Their main objective was to provide the banking and credit requirements of these marginalized groups. Since inception of the Cooperative Banks the small depositors and investors felt these banks as their home banks because of their emotional and financial attachment with middle and lower income groups. Their procedural simplicity, close contact, informal atmosphere and local involvement became their inherent strength which attracted small depositors. The urban cooperative credit societies and urban cooperative banks in India were set up primarily with the intention of meeting the credit requirements of small and retail businessmen and other weaker sections and to protect them from the exploitation of money lenders. While most of the urban cooperative banks flourished in Tamil Nadu, Andhra Pradesh, Gujrat and Maharashtra, West Bengal was also not lacking in this innovative localized banking. Small groups of dedicated individuals established such urban cooperative credit societies or banks mainly in the outskirts of Kolkata, Howrah, 24 Parganas, Hooghly, Burdwan and Midnapur. In 1966 the Banking Regulation Act was made applicable to the Urban Cooperative Banks (UCBs) and credit Societies. Till about 2001 UCBs in West Bengal also grew up with the rest of the country though they were still confined to 11 of the 18 districts with most concentration in Kolkata and Howrah and the adjoining districts. However involvement of some of the UCBs in Gujrat and Andhra Pradesh in the share market scam in 2001 greatly lowered the level of public confidence in these banks. The spread of commercial Banks in almost every nook and corner of the urban areas since liberalization in 1991 also eroded the reach and the clientele of the Urban Cooperative Banks. Further in spite of their strength the Urban Cooperative Banks also have a weakness in terms of generation of share capital. A good number of primary UCBs had come under the direction of RBI because they were not in a position to comply the provisions regarding minimum share capital in terms of Section 11(I) of the Banking Regulation (BR) Act, 1949 (AACS) when the real or exchangeable value of paid up share capital and reserves had fallen below the stipulated level of Rs. 1 lakh. West Bengal is also not an exception to the country wide problems faced by the UCBs and a number of them had come under the RBI scanner. Thus the UCB sector is presently on a crossroad with these Banks finding it increasingly difficult to maintain their heterogeneous and unique cooperative character with the requirements of a strict regulatory regime and

prudent banking norms as has been insisted upon by the RBI in the aftermath of the Gujrat and Andhra Pradesh experiences. It has, however, been felt at various Central and State levels that there is a need to preserve the unique character and poor, small and retail business oriented nature of these banks. In 2005 RBI has come up with a Vision Document for streamlining and relaxation of regulatory control for further development of these banks. But so far concrete steps are yet to emerge to revitalize these Banks as serving a very vital sector of the economy.

1.1 Constitution of the Expert Committee on Urban Cooperative Banks

Considering the vital role played by the UCBs in mobilizing deposits and providing financial support to the people in the middle and lower income groups and the marginalized sections of the society Government of West Bengal has constituted an Expert Committee on Urban Cooperative Banks in terms of memo number 3922-F dated 28/05/2008 to go into the problems in the functioning of Urban Cooperative Banks and to suggest a suitable revival package for them taking into consideration the revival package now under implementation for the short term Cooperative Credit Structure and the like. The Committee was constituted with the following members:

- | | | | |
|----|---|---|------------------|
| 4. | Shri Ashok Bandopadhyaya
Chairman, WBIDFC &
Ex-Chairman, WBSCB. | - | Chairman |
| 5. | Shri Vikram Sen,
Special Secretary to the Govt. of WB,
Finance Department. | - | Member |
| 6. | Shri Asok Kumar Ghosh
Dy. R.C.S. (Urban Credit)
Cooperation Directorate,
Govt. of West Bengal. | - | Member-Secretary |

1.2 Terms of Reference

The Terms of Reference of the Expert Committee was as follows:

- a) To identify problems & causes of decline in business in UCBs.
- b) To identify problems in management & administration of UCBs.
- c) To ascertain the present financial status of UCBs in the state.
- d) To recommend a plan of action for reviving the UCBs.
- e) To suggest an appropriate regulatory framework including the necessary amendments in the existing laws.
- f) To make an assessment of the financial assistance that the UCBs will require for revival.
- g) To recommend any other measure required for improving the efficiency & viability of UCBs with a special focus on the management & administration of UCBs.

1.3 Methodology Adopted by the Committee

1) In its 1st meeting held on 10/06/2008, the Expert Committee (EC) discussed issues relating to its approach and methodology. The committee devised a set of questionnaire on financial, managerial, business parameters and sent the same to all the 48 UCBs in the State with a request to send the same expeditiously so as to facilitate the Expert Committee to take stock of the present performance of the UCBs. A copy of the questionnaire sent to the UCBs is placed at **Annexure 1** for perusal.

2) Apart from the above the Committee also decided to meet the following cross sections of individuals and organizations who are either related to the UCBs or have intimate knowledge about the functioning of these Banks:

- a) Board of Directors of about 10 UCBs across the geographical spread and their different performance status
- b) Eminent persons in the field of cooperative movement or administrative background who have personal knowledge about the functioning of these Banks including representatives from RBI, Registrar of Cooperative Societies, Director of Cooperative Audit, State level functionaries of Federation of UCBs, Trade Union wings of the UCBs at the State level etc.
- c) Any other Groups or Individuals which had either requested the Committee for a hearing or had submitted a written representation for its consideration.
of

3) The Committee also visited some of the UCBs across various functional status to observe at first hand the day to day working process of these banks, maintenance of records, staff utilization, public grievance handling and the progress of computerization in these Banks.

4) Finally the Committee also studied and consulted various reports, suggestions, publications feedbacks, data and connected papers which it considered relevant for the purpose of the report.

Chapter – II

2. Level of Current Performance

The first observation of the Committee was with regard to maintenance of updated records and timely submission of reports which was not found to be very satisfactory. Out of 48 UCBs in the State, only 29 UCBs have responded by submitting the data on financial, managerial and other aspects as asked for by the E.C. The data generally relates to a period of three years from 2004-2005 to 2006-2007. But on certain parameters the committee asked the bank to submit the data for a period of two years from 2005-2006 to 2006-2007 relating to the Inspection Reports of R.B.I. However the Committee had taken the help of the RBI (Urban Bank Division) Kolkata, to provide certain important data as far as available with them in respect of such defaulter banks so that across the board comparisons can be made.

2.1 The level of current performance of the UCBs as revealed from the data submitted by them as well as those received from the RBI are detailed herein below item wise:

2.2 Share Capital

One of the most important constituent of capital fund of an UCB is its Share Capital along with its reserves and surpluses. In the West Bengal Cooperative Society (WBCS) Act and Rules there under there is a provision of share linking with the borrowings. A member of an UCB has to subscribe to a minimum share capital as per State Act read with the byelaws of the society. The extent and eligibility of the loan amount is linked to the percentage of share capital contribution that a member contributes to the bank. At the same time RBI guide lines stipulate minimum of 2.5% of the loan amount as the share capital contribution in case of a secured advance and 5% of the loan amount in case of an unsecured advance. The nominal member, however, is allowed loan without any share linkage but has to pay a token sum as an admission fee. The UCBs' only option to raise share capital from their members, as the non-scheduled UCBs are not permitted to go for public issue like the commercial banks. The shares of the UCBs may also decrease over the years as any member can redeem his share in case of resignation.

A look at the share capital of 31 reporting Banks for the year 2005-2006 and 2006-2007 (Table 01) will indicate the following features :-

- 1) All the reporting banks on the year 2005-2006 show positive growth rate excepting three UCBs which have –ve growth rate.
- 2) The highest recorded growth rate is 30.59% and lowest growth rate is 0.14% and value of total share capital is Rs. 4409.39 Lakh which reflects an overall growth of 8.79% as compared to the previous year's figure.
- 3) The figure on this account for the year 2006-2007 reflects +ve growth rate of all reporting banks except two. The growth rate ranges in between 19.45% to 0.13% and total value of share capital stands Rs. 4693.22 Lakh thereby registering an overall growth of 6.44% as against 8.79% in the previous year.

4) In 2005-06 the overall growth rate of share capital 18 of UCBs (out of 31, for which figures are available) are below the state average while 19 UCBs are below the average growth rate in 2006-2007.

2.2.1 Since the scope of augmenting the share capital of the UCBs are rather limited as compared to the commercial Banks the Committee feels that various ways have to be explored to allow these Banks to raise their share capital which would enable the banks to function with much greater degree of freedom from the constant threat of withdrawal of deposits. A Group constituted by the Reserve Bank recently suggested the following avenues for augmenting the share capital of the UCBs.

1. Unsecured, subordinated, non-convertible redeemable debentures/ bonds,
2. Special shares those are non-voting in nature (as opposed to shares with membership rights) which could be issued even at a premium,
3. Redeemable cumulative preference shares, and
4. Long term subordinated deposits with maturity in excess of 15 years.

The Group has also recommended that the issue of Special shares without voting rights as per option '2' above could be treated as Tier I capital while the other three could be Tier II capital. While agreeing with the Group on the avenues for raising of capital the Committee has observed the various restrictions imposed u/s 44 and 46 and Rules there under of the WBCS Act for issuance of debentures and bonds by the cooperative societies. Since UCBs are basically banking institutions with basic purpose of providing credit to their members the Committee is of the opinion that these two provisions under the Act should be made more flexible in their application to the UCBs. Similarly there is as yet no provision in the WBCS Act providing for issuance of non-voting special shares without membership rights and cumulative preference shares. In this case also the Committee is of the opinion that the existing Act need be amended to provide for such unorthodox ways for raising of capital. We shall provide suggested amendments along with our recommendations.

2.2.2 Infusion of Government Share

While we have spoken about the need for amendments in the existing provisions of the WBCS Act to make way for raising the share capital of the UCBs there is, however, an existing provision which has been rarely used in case of UCBs but are not unknown to rural credit institutions. Section 48 of the Act provides power to the State Government to grant loans and to take shares or give financial assistance in any other form to any Cooperative Society. The Committee has considered this provision for injection of Government share capital as an avenue for increasing the share capital base of the UCBs. But the Committee is of the opinion that such injection of untied capital will only pave the way for irresponsible credit management and will not be in the long term interest of these Banks. The Committee has also noted the strong reservations expressed by the Vaidyanathan Task Force to such infusion of Government share capital in respect of the Rural Cooperative Credit Societies as making way for greater government control and dilution of the cooperative spirit and its recommendation that all such forms of Government equity share should be returned, if necessary by providing for soft loans. This Committee also fully agrees with the sentiments expressed by the Vaidyanathan Task Force and opines that such injection of Government share capital into UCBs should be discouraged and considered only in the rarest of rare cases.

The Committee recommends that such an option can be considered only in the following circumstances:-

1) That the paid up share capital of the UCB has suddenly gone below 10 percent of its last audited returns due to reasons beyond the control of the UCB management, or

2) For reasons not attributable directly to the concerned bank, the accumulated deposits of the Bank has suddenly been withdrawn in such a manner so as to make it impossible for the Bank to manage its day to day banking operations.

Government share contribution to the UCBs may be considered only under existence of either of the above situations and even this contribution can remain maximum for a period of three years.

2.3 Reserves

In terms of section 64 of the WBCS Act every cooperative society shall transfer in every cooperative year not less than 10% of its profit to Reserve Fund.

Now the present position of Reserve Fund of all the reporting banks for the year 2005-2006 and 2006-2007 can be assessed from the Table 02.

1. The total Reserve stands Rs. 17056.77 lakh of all the 31 UCBs as on 31/03/2005. All the reporting banks excepting 1 has the +ve growth rate.
2. The total Reserve stands Rs. 18779.20 lakh as on 31/03/2006 against Rs. 17056.77 lakh in the last year thereby registering an overall growth rate of result of 10.09%.

In this year also, all the reporting banks have registered +ve growth rate excepting 2 which has -ve growth rate. Moreover the rate of growth of 18 banks falls below the state average.

3. As on 31/03/2007 the total reserve of all 31 reporting UCBs stands Rs. 20258.96 lakh as against Rs. 18779.20 lakh as on 31/03/2006 - thus registering overall growth rate of 7.87% or otherwise this year's growth rate lowers by 2.22% as against the preceding year. But in this year, 3 banks registered a -ve growth rate against 2 in the previous year. Moreover the rate of growth of 19 banks falls below the state average. The growth rate of UCBs during the year 2005-2006 and 2006-2007 is heterogeneous in terms of percentage and size which may be seen from the following exhibits.

Internal Table: 1

UCBs growth range of Reserve in Terms of %	No. of Banks fallings within this range	
	2006	2007
70% to 100%	2	NIL

25% to 35%	4	3
20% to 25%	1	3
10% to 20%	6	3
5% to 10%	7	9
1% to 5%	3	6
Below 1%	6	4
-ve growth	2	3

Internal Table: 2

UCBs with Reserve in Lakh	No. of Banks coming in the zone (year wise)	
	2006	2007
Above 6700 lakh	1	1
From 1700 lakh to 3500 lakh	2	2
From 501 lakh to 1000 lakh	3	4
From 301 lakh to 500 lakh	6	5
From 101 lakh to 300 lakh	7	7
From 41 lakh to 100 lakh	2	2
From 3 lakh to 40 lakh	10	10

The Committee feel concerned at the falling growth of reserves of the UCBs. Prudent banking norms dictate that steady growth of reserves is to be encouraged so as to prepare for future contingencies. The Committee is therefore of the view that in case of the UCBs an amendment to Section 65 of the WBCS Act is to be introduced to increase the minimum limit of ten percent of the net profit to fifteen percent to be transferred into the Reserve Fund.

2.4. Deposits

The central pillar of all the Banking Institutions specially the UCBs is deposit of various types and this element constitute more than 90% of the working capital of the UCBs in the State. In fact the 'Deposit' is the key element of banking business and this core capital element is the backbone of economic development of the country. In case of UCBs this is even more important as they reflect the savings of the middle and low income groups and similar weaker sections of the society. The UCBs like other Banks keep their windows open to the public to accept their money in the term of deposit on condition to pay interest along with sum deposited with due protection and utilize it by extending loans & advances to the members according to their needs. To all Banks deposit mobilization is considered vital. This particularly so in case of UCBs as the deposits form the major source of working capital of these Banks. At the same time mobilization of low cost deposits like savings or current deposits are more important to them than high cost term deposits and care has to be taken to encourage them to go all out for such low cost deposit mobilization by various value addition schemes in order to reap higher margin of profit. The data on total deposits with percentage growth rate for

the 31 UCBs who have replied to the questionnaire can be seen at **Table-3**. The category wise deposits with ratio for the years 2004-05, 2005-06 and 2006-07 can be seen at **Table 4A, 4B and 4C** respectively. From analysis of data in these Tables the following conclusions can be drawn:

2.4.1 The total deposits of the 31 UCBs as on 31/03/2005 stands Rs. 113088.15 lakh. And the overall ratio of Low Cost: High Cost is 1:1.634. Out of 31 UCBs 9 UCBs exceed the average ratio indicating unfavorable and 10 UCBs indicate very good ratio with indication of higher trend of low cost deposit. Only 3 UCBs have very high cost deposit which consists of nearly 75% – 90% deposit and the total deposit of these 3 UCBs shares 10% of the total deposit of the responding UCBs (**Table 03, Table 04**).

2.4.2 Total deposits of 31 UCBs as on 31/03/2006 stands Rs. 114962.54 lakh thus registering a meager 1.66% growth of deposit against last year's performance. The overall ratio of Low Cost: High Cost (deposit) is 1:1.478 with indication of favorable low cost deposit growth against last year's ratio of 1:634. Out of 31 UCBs only seven UCBs exceeds the average ratio with unfavorable trend and 14 UCBs have a reflection of low cost deposit growth. This year also 3 same UCBs have failed to check the growth of high cost deposits (**Table 03, Table 04A**).

2.4.3 Total deposits of 31 UCBs as on 31/03/2007 stands Rs. 119553.98 lakh registering a growth of 3.99% as against Rs. 114962.54 lakh as on 31/03/2006 (**Table 03**).

The overall ratio of Low Cost: High Cost is 1:1.412 with indication of further favorable low cost deposit as against previous year's ratio which was 1:1.478 (**Table 04B**).

Out of 31 UCBs only six UCBs exceed the average ratio with unfavorable trend and fourteen UCBs have a reflection of low cost deposit growth.

In this year the same 3 UCBs failed to check the growth of high cost deposit.

2.4.4 Growth rate of deposit bank wise with percentage increase of deposit from 2004-2005 to 2006-2007 (**Table 05**).

2.4.5 The Committee had considered it vital to collect the deposit data of all the UCBs and compare the same with that of the commercial Banks and had sought the help of the SLBS and the RBI for this data including the current data. From an examination of this data it is observed that one major area of concern is stagnation of deposits in the UCBs in West Bengal. The year wise Deposits for UCBs and commercial Banks in West Bengal for the last five years are given below:

Internal Table -3

Year	Deposits of UCBs (Rs/ crore)	Deposits of Commercial Banks (Rs/ crore)
2002-03	1579	68,758
2003-04	1750	77,975
2004-05	1741	89,612
2005-06	1836	1,07,305

2006-08	1901	1,33,403
2007-08	2109	1,62,432

Source: UBI, Lead Bank Division, RBI

Thus it will be seen while the increase of deposits with UCBs has been growing at an average of 6.0 per cent p.a. during last five years that of commercial banks have been growing at an annual average of 18.4 per cent during the same period. If we take the deposits in UCBs as percentage of total deposits in the banking sector we shall find the following scenario:

Internal Table – 4

Year	Total Deposits in the in the UCBs (Rs. / crore)	Percentage of deposit to total Deposit
2002-03	77,058	2.1
2003-04	87,312	2.0
2004-05	99,205	1.8
2005-06	1,17,364	1.6
2006-07	1,44,364	1.3
2007-08	1,74,945	1.2

Source: UBI, Lead Bank Division, RBI

It will be seen from the above Table that there have been steady decline in the deposits of the UCBs as compared to the total deposits in the banking sector in the State. From a share of 2.1 percent of the total deposits in 2002-03 it has gone down to 1.2 per cent in 2007-08. The decline has been steady in all the five year period on review and in 2004-05 the growth of deposits was in the negative side. The committee has found that there are five major reasons for such stagnation in the growth of deposits in the UCBs. These are discussed below:

2.4.6 Consolidation of commercial Bank branches

The last ten years have seen tremendous increase in the reach of commercial banks in the urban areas. Whereas in the rural areas there is a bank branch per 25,000 populations in West Bengal the urban areas now boast of a bank branch per each 5,000 population. However, UCBs have a bank branch per 197 lakh population as on 31.03.2008. There is no UCB in the districts of Coochbihar, Jalpaiguri, Derjeeling, Purulia, Dinajpur (N), Dinajpur (S), and Maldah. There are only 103 bank branches with 31 out of 50 banks being single branch unit banks. This compares poorly with all India average of one UCB branch per an urban population of 38,390 (28,61,19,689 / 7453). While the members and clientele of UCBs have traditionally been from a close knit faithful social or professional groups the membership or depositor data suggest even this strong support base is be eroded with the extension of branches and facilities being offered by the commercial banks. On the other hand the membership or depositor data would suggest that conscious effort to increase their support or membership base has also been lacking except one or two exceptions.

2.4.7 Erosion of credibility

Some of the recent occurrences of scam or other fraudulent activities of certain urban cooperative banks have considerably eroded the credibility of the UCBs in the estimation of general public. The widely reported scam of Madhavpura Mercantile co-operative Bank at the all-India level and improper and injudicious loans by certain local urban cooperative banks have created serious apprehensions about safety of their deposits in the minds of the

depositors in the UCBs. Even the existence of the Deposit Insurance and Credit Guarantee Corporation (DICGC) under RBI and the assurances given by the Central and the State Governments have not been fully successful in removing fears in the minds of the depositors. In some of the banks examined by the Committee it was evident that even any indication of any irregular activity has led to mass withdrawal of deposits. The mutual reliance and faith between the bank and its depositors which are cornerstone of the success of cooperative banks in India have been eroded due to events since 2001. Even conservative UCBs with solid membership base have not been able to increase their deposits.

2.4.8 Dependence on High cost Term Deposits

An analysis of the deposits of UCBs would reveal their dependence on high interest bearing time deposits rather on small savings as the major share of their deposits. The year wise percentage break up of deposits are given below:

Internal Table- 5

SECTOR WISE SOURCE WISE PERCENTAGE BREAK UP OF DEPOSITS			
<u>Year</u>	Current Deposit <u>% to total</u>	Savings Deposit <u>% to total</u>	Term Deposit <u>% to total</u>
2004-05	1.84	36.12	62.04
2005-06	2.04	38.32	59.64
2006-07	2.87	38.59	58.54

From the above analysis of the deposits with the UCBs it will be found that the high cost term deposits constituted about 62% of the total deposits in the UCBs in 2004-05. On the other hand savings deposits formed 36% while current deposits from less than 2% of the total deposits in the banks. Such dependence on high cost term deposits has not only encroached upon the profit margin of the UCBs but has also made them unwilling to go out in their area of operation to seek new membership and new low cost deposits among the low income groups. However it will be seen that in subsequent years there is a small but clear trend to increase savings and current deposits. The Committee feels that this trend has to be strengthened by encouraging the UCBs to increase their deposit base among the urban poor.

2.4.9 Lack of Drive to Increase Membership and Deposit Base

The factor which separates a cooperative bank operating in urban areas with other commercial banks is unconventional homely outdoor approach. Since the bank is conceived to be their own by the members they actively participate in the membership drive among the residents of the area. Thus steady growth of small deposits is ensured. The Committee feels that in many cases this cooperative approach for common good has been missing in the present management set up. In order to compete with the commercial banks the UCBs have tended to follow the indoor office approach of the conventional banking system and have lost their inherent strength. This will be evident from the fact that in almost all cases the membership of the UCBs is limited to less than one percentage of the town population and the same has been kept constant over the years. The Committee is of the opinion that unless the UCBs go back to their basic strength of cooperative banking it will be very difficult for

them to compete commercially with the big commercial banks. The Committee therefore strongly feels that all encouragement and incentive should be offered to the UCBs to increase their membership base and opening of small savings and current deposits.

2.4.10 Lack of Publicity on the Virtues of Cooperative Banking

In this modern age of publicity and explosion of information technology the Cooperative banks are increasingly becoming isolated and unknown to the members of the public. As a corollary to lack of cooperative membership drive public knowledge about existence of cooperative banks and their advantages like flexible banking hours, personalized service and friendly atmosphere are generally unknown to the ordinary residents. When the commercial banks use various means like press, radio and the electronic as well as internet medium to attract customers UCBs do not have the means to reach the public view except through personal efforts of a few dwindling number of members. The Committee is of the opinion that measures have to be taken to educate the members in various success stories of cooperative banking in other States and encourage them to act as publicity agents for their own bank and the message of cooperative banking by the word of mouth.

2.5 Working Capital

Working capital, also known as **net working fund**, is a financial metric which represents [operating liquidity](#) available to a Bank. It is calculated as [current assets](#) minus [current liabilities](#). The Working Capital or working fund is the key fund round which the whole banking business is operated. The heterogeneity of the UCBs is also evident in the data on working capital available to these Banks in 2005-06 and 2006-07 along with its growth at **Table - 06**. In this connection it is to be noted that the number of responding UCBs have failed to submit this vital element from 2005-2006 to 2006-2007 and the committee has worked on the figure provided by RBI for 2005-2006 & 2006-2007. It is seen the total working fund of 46 UCBs **Table 06** in 2005-2006 was Rs. 1996.69. crores which was reduced to Rs. 1644.35croresin 2006-2007. However as four banks did not submit the working fund data for 2006-07 but only for 2005-2006,for the purpose of comparative study of overall growth of working fund the data of those four banks may not be taken into account in respect of 2005-2006. Accordingly the modified total working fund in respect of 42 UCBs in 2005-06 stands at Rs.{199669.3 – (31405.34 + 3634.99 + 2758.87 + 5316.86)} = Rs.156553.24 thereby indicating a registered +ve growth rate of 5.03% during 2006-07 The following conclusions can be drawn from the working capital data of the UCBs for 2005-06 and 2006-07:

2.5.1 The average ratio of Income to Working Capital is 1:12.35 (**Table 07**) Calculations of ratios based on data of 30 UCBs in 2005-2006 & the same is 1:12.35 in 2006-2007 for the same banks (**Table 08**).

2.5.2 Average ratio of Profit/Loss: Working Capital is given in **Tables 09 and 10** where the ratio can also be seen to be heterogeneous average ratio of Income to Working Capital in 2005-2006 & 2006-2007 are 1: -88.74 & 1: -74.073.

2.5.3 Average ratio of Deposit from the Working Capital data given at **Tables 11 and 12** it will be seen that for the year 2005-2006 and 2006-2007 the average ratio of deposit in respect of 30 UCBs is 1:1.26 & 1:1.30 respectively. **2.5.4** Average ratio of (Reserve Fund + Accumulated Profit/Loss) to Working Capital for the year 2005-2006 for 23 UCB (**Table 13**) reflects ratios as 1:8.85 & for 34 UCBs for the year 2006-2007 (**Table 14**) the same ratio is 1:13.68.

2.6 Investments

Data on percentage of investment in Govt. Securities to NDTL from 2004-2005 to 2006-2007 in respect of 26 UCBs who had replied to our questionnaire may be seen at Table-15. , Out of 26 UCBs the number of banks that failed to maintain the required percentage of Govt. Securities to NDTL is 3, none and 1 in 2004-2005, 2005-2006 and 2006-2007 respectively (**Table 15**). The number of banks invested above the prescribed minimum is 20. On an average in all the years the NON-SLR investment percentage to last year deposit is more or less within the range of 11% with few exceptions in all the years as referred above.

Investment beyond prescribed minimum is indirectly depriving the prospective borrowers specially the small and marginal borrowers in getting credit at a reasonable rate and thus affects the CD ratio, which ultimately minimize the profit margin. Thus a large number of banks failed to maintain a proper balance between investment and loans and advances and thereby failed to play the desired role of a localized cooperative bank. The Committee is of the opinion that there should be a clear investment policy at each UCB level and approved by their respective BODs. The investment policy is to clearly indicate the following parameters:

1. Investment in Govt. and approved securities meeting the minimum requirements of SLR.
2. Investment in PSU bonds & other trustee securities within the prescribed limit by RBI.
3. Investment of funds in State Cooperative Banks or Fixed Deposits/Other Deposits towards meeting the requirements of SLR.
4. Investment of day surplus funds in providing credits to the members for better returns.

It has been observed by the Committee that in most of the Banks there is no approved Investment Policy which is essential to ensure maximization of profit with minimum risk apart from ensuring compliance of statutory obligation and directions of RBI

2.7 Loans & Advances

One of the most important sources of income of the UCB is its Loans & Advance Portfolio. It is one of the major functions or service of the Bank towards the economic growth of the country more particularly in its area of operation. The major objective of an urban cooperative bank is to promote a sense of enterprise in their members and to provide funds for micro or small enterprise and businesses among them. Ideally they are to mobilize savings from the middle and lower income groups and provide frill less credit to the small borrowers and weaker sections of the society. But from an analysis of the lending pattern of the UCBs for the last few years it may be seen that such ideals are not being implemented across the board. The sector wise percentage break up of loans during 2005-06 and 2007-08 are noted below:

Internal Table – 6

SECTOR WISE PERCENTAGE LENDING BY UCBS

Year 2005-06		Year 2006-07		
% to	% to	% to N.	% to	% to
				% to N.Priority

	Total	Priority	Priority	Total	Priority	
1.Priority	67.7	100.0	N.A.	64.1	100.0	N.A.
a. Micro	17.1	25.2	N.A.	15.09	23.6	N.A.
b. Small	2.6	3.9	N.A.	3.4	5.3	N.A.
c. Retail Trade & Small Business	13.6	20.1	N.A.	14.3	22.3	N.A.
d. Other Priority	34.4	50.8	N.A.	31.3	48.87	N.A.
2. Non Priority	32.3	N.A.	100.0	35.94	N.A.	100.0
a. Medium or large Industries	0.6	N.A.	1.9	0.4	N.A.	1.1
b. Other non Priority	31.7	N.A.	98.1	35.5	N.A.	98.9

It will be seen from the above Table that though the lending to the priority sector has been over the stipulated minimum of 60 per cent it is not equally spread across the entire spread. The lending to the micro sector is 17.1 percent of the total but the Bank wise lending data at **Table – 18** will indicate that among all the UCBs in the above two years it is only one Bank namely the Contai Cooperative Bank which has only provided micro finance to large number of borrowers. No other bank has provided any credit to this sector. In fact out of its total lending Contai had made 82.6% loans to the priority sector out of which 46.6 % was in the micro sector in 2005-06. During 2006-07 also Contai provided 81.3% of its total loans to the priority sector and 44.4% to the micro sector. It is unfortunate that no other Bank thought it fit to emulate these laudable efforts by Contai Cooperative Bank to explore new avenues in micro finance. In case of loans to small sector enterprises also the above table will reveal that in 2005-06 only 2.6% of the total and 3.9% of the priority sector loans were provided to this sector. In 2006-07 lending to this sector slightly increased to 3.4 and 5.3 percent respectively. But even then the Committee is of the opinion that lending to micro and small sectors form a very negligible share of the total lending of the UCBs and ways must be found to reverse this trend if UCBs in West Bengal are to go back to the basic purpose of their existence. One encouraging feature of the lending trend is off course the increasing trend to provide credit to the retail trade and small business. It will be seen from the above Table that this sector received 13.6 per cent and 14.3 of the total lending of the UCBs in 2005-06 and 2006-07 respectively. The Committee considers this to be in line with the professed purpose of the cooperative Banks and incentive to such lending is necessary. In spite of these three priority sectors ‘other priority’ sector lending form the major share of lending in the priority sector and if the lending of Contai Cooperative Bank is taken out this omnibus demarcation forms the overwhelming share of lending of the UCBs. The Committee is of the opinion that this not an entirely satisfactory state of affairs and lending to the micro, small and retail business should be the major thrust area in among the priority sector credits of these Banks.

2.7.1 Another disturbing trend is the revelation that medium or large enterprise credit is almost non-existent in most of the cooperative Banks. Instead the trend is to go for nonproductive loans like consumer or car loans. Here the commercial Banks are definitely much more aggressive and it will be difficult for the UCBs to increase their market share

unless they are able to diversify their loan policy to include productive manufacturing areas.

2.7.2 A peculiar feature of the lending trend in UCBs is that less than 50% of the deposits in the UCBs are being going out as loans to the priority or non-priority sectors and most of the deposits are either in government securities or in bonds. This is much more than the statutory requirement of 15% as stipulated by the RBI. While this may a very secure and conservative investment it is doubtful if this in keeping with the principles of cooperative Banking. Apprehensions of poor recovery and erosion of the capital base may be the most likely cause for this cautious approach. The Committee feels that the UCBs should be encouraged come out of this conservatism and provide more loans to their members for setting up micro or small enterprises. When micro finance agencies are rendering such important economic service and have a recovery rate of more than 95% there is no reason why the UCBs cannot repeat this feat in a much more sheltered playing field.

2.7.3 Now let us concentrate on the total Loans & Advances outstanding portfolio of the 25 UCBs who have submitted the data in this regard (**Table 16**). The total Loans & Advance outstanding of these 25 UCBs is Rs. 44335.02 lakh; Rs. 50240.96 and Rs. 5223.29 in the year 2004-2005, 2005-2006 and 2006-2007 respectively registering an increase of LA outstanding as 13.32% in 2006 and 3.96% in 2007. In terms of issuance of loan, the committee finds on the basis of submitted data (**Table 17**) of 29 UCBs that percentage of growth of loan and advance is 6.95% & 7.95% in the year 2005-2006 and 2006-2007 respectively. While 15 UCBs have higher growth rate of advances in 2005-2006 the no. of banks dropped from 15 to 13 on the same count in 2006-2007. i.e. roughly 50% of the UCBs have failed to increase the loans and advance portfolio both in 2005-2006 & 2006-2007. In terms of increase in number of loan A/c it registered a growth of 17.73% in 2006-2007 as against 2005-2006.

2.7.4 Now let us have a look of the CD ratio of 29 banks in respect of 2004-2005 & 2005-2006 (**Table 20**) and of 43 banks for 2006-2007 (**Table 18**). Further scanning of Table 20, the CD ratio base of 29 banks and 40 banks is highlighted below in two exhibits (Exhibit1 & Exhibit2).

Internal Table - 7

UCBs CD ratio base	No. of Banks fallings within this range	
	2004-2005	2005-2006
Above 60	8	8
Above 50 below 60	5	4
Above 40 below 50	2	6
Above 30 below 40	6	2
Above 20 below 30	1	2
Below 20	7	7

NB: 1) In 2004-2005 the CD ratio of the reporting banks (48% of the reporting banks) is below 40.

2) In 2005-2006 the CD ratio of the reporting banks (38% of the reporting banks) is below 40.

Internal Table - 8

UCBs CD ratio base	No. of Banks fallings within this range
	2006-2007
Above 60	10
Above 50 below 60	11
Above 40 below 50	7
Above 30 below 40	2
Above 20 below 30	4
Below 20	6

NB: 1) In the year 2006-2007 nearly 67.5% of the banks have CD ratio above 40. Or otherwise 32.5% of the banks have CD ratio falls below 40.

While stressing importance of better CD ratio with increase in credit flow to the borrowers as per their requirement the banks for better profit and quality service to the people as well as the economy of the country should be careful in the qualitative aspects of lending. The flow of credit cannot go without elements of risk. A true banker should adopt sound practice of lending as a part of its banking business. The bank has to identify risks and take adequate and timely measures to minimize these risks. For various reasons or factors viz., under financing or over financing, failure to judge the character and the sincerity of the entrepreneur to implement the project, non-assessment of the repaying capacity of the borrower, market factors, lack of post credit supervision etc. the recovery of loan may be affected. And when a bank fails to recover the loan installment within time the respective loan account will come under NPA. A proper and scientific system for recognition of income and classification of asset under 4 heads as prescribed by RBI (viz. standard, sub-standard, doubtful and loss asset) on a prudential basis be made by a bank. Poor recovery of loan or rather poor recovery efficiency of a bank may lead it to a position of high NPA. This will result a problem of liquidity, reduction in earnings with erosion of the share, reserve and ultimately the deposits of the bank.

2.7.5 Now let us examine the level of Gross NPA, Net NPA and their respective percentage in case of 33 banks from 2005-2006 to 2006-2007 (**Table 21**).

a) In the year 2006-2007 out of 28 banks (5 banks failed to submit the data), 15 banks' gross NPA increases as against 2005-2006 and the rest 13 banks have managed to minimize the NPA in 2006-2007 as against 2005-2006 - that is more than 50% banks gross NPA is increased.

In terms of percentage out of 30 banks (3 banks failed to submit the data), 9 banks' gross NPA increases and the rest 21 banks or otherwise 70% of the banks have minimized the gross NPA percentage in the year 2006-2007 as against 2005-2006.

b) Out of 24 banks (7 banks have not submitted data), net NPA has increased in case of 7 banks while the same has been reduced in case of 17 banks.

However the present position of net NPA percentage in respect of all the UCBs in the state for 2006-2007 has been collected by the Committee from the Cooperative Directorate, Govt of West Bengal and compiled at **Table 22**. A percentage wise break up the number of UCBs as per Net NPA is given below:

Internal Table 9

Net NPA % base	No. of Banks fallings within this range
Below 0%	17
Below 5% above 0%	12
Below 10% above 5%	7
Below 15% above 10%	3
Below 20% above 15%	1
Below 30% above 20%	5
Below 50% above 30%	3
Total	48

It will be seen from above that out of total 48 banks 39 UCBs have Net NPA below 15% level. However the Committee is of the view that more than the Net NPA the gross NPA is a better reflection of the actual status of bad loans without any provision. In the Table below the Bank wise names as per percentage break up of Gross NPA has been given:

Internal Table 10

Gross NPA % base	No. of Banks	Name of the Banks
Positive but Below 10%	16	<ol style="list-style-type: none"> 1. Eastern Railway Employees Cooperative Bank Ltd. 2. Bank Employees Cooperative Bank Ltd. 3. A.V.B. Employees Cooperative Bank Ltd. 4. Dhakuria Cooperative Bank Ltd 5. Duragpur Mahila Coperative Bank Ltd. 6. Durgapur Steel Peoples Cooperative Bank Ltd. 7. E & NF Rly. Cooperative Bank Ltd 8. Hooghly Cooperative Credit Bank Ltd 9. Kharda Cooperative Bank Ltd 10. Kolkata Police Cooperative Bank Ltd. 11. Ranigunge Cooperative BANK Ltd. 12. Samata Coperative Bank Ltd 13. Sri Chaitanya Cooperative Bank Ltd. 14. United Cooperative Bank Ltd. 15. Midnapore Peoples' Cooperative Bank Ltd. 16. WBG Press Cooperative Bank Ltd.

Above 10% Below 15%	9	1. Baidyabati Sheoraphulli Co-op Bank Ltd 2. Baltikuri Co-op Bank Ltd 3. Budge Budge Nungi Co-op Bank 4. Konnagar Samabay Bank Ltd 5. Santragachi Co-op Bank 6. Liluah Cooperative Bank 7. Nabagram Peoples Cooperative Bank 8. Nabapally Cooperative Bank 9. National Insurance Employees Cooperative Credit and Banking Society Ltd.
Above 15% Below 20%	5	* 1. Bhatpara Naihati Co-operative Bank Ltd, * 2. Boral Union Co-op Bank Ltd, 3. Kalna Town Credit Co-op Bank Ltd, 4. Kolikata Mahila Co-op Bank Ltd, 5. Nabadwip Co-op Bank Ltd.
Above 20% Below 30%	7	1. Bankura Town Co-operative Bank Ltd., 2. Bishnupur Town Co-op Bank Ltd, 3. Contai Co-operative Bank Ltd., 4. Khatra People's Co-operative Bank Ltd., 5. Krishnanagar City Co-operative Bank Ltd., 6. Union Co-op Bank Ltd. 7. Uttarpara Co-op Bank Ltd.
Above 30% Below 40%	4	* 1. Baranagar Co-op Bank Ltd. 2. Ghatal Peoples' Co-op Bank Ltd * 3. Panihati Co-operative Bank Ltd. 4. Shibpur Co-operative Bank Ltd.
Above 40% Below 50%	5	1. Joynagar Mozilpur Co-op Bank Ltd, * 2. Kasundia Co-op Bank Ltd, * 3. Ramkrishnapur Co-op Bank, * 4. Ranaghat Peoples' Bank Ltd, * 5. Suri Friends' Union Co-operative Bank Ltd.
Above 50%	2	* 1. Bally Co-op Bank Ltd, * 2. The Bantra Co-oprative Bank Ltd.
Total	48	

NB: Banks mark * have –ve CRAR; -ve Net worth and Accumulated Losses.

On an analysis of Table 23 & Table 24 the percentage of NPA accounts to total NPA accounts sector wise is assessed and exhibited below:

Internal Table 11

Year	Micro	Small-scale	Retail-trade	Other priority	Non priority
2005-2006	8.33%	3.99%	13.39%	42.54%	31.75%
2006-2007	7.09%	5.76%	14.50%	42.57%	30.07%

On a cross examination of **Table 23** & **Table 24** with **Table 25** it is revealed that percentage of loan account turns NPA is 23% & 20% in 2005-2006 & 2006-2007 respectively.

2.7.6 In view of this serious problems of accumulation of NPAs which are eating into the margins of these Banks the Committee is of the

opinion that some relief has to be provided to ensure that some of the banks do not have to close their operation due to persistently high NPAs. The Committee has also noted that the Vaidyanathan Task Force had earlier recommended that entire losses due to non payment of loans to priority sectors like agriculture and other retail business, individual loans for other purposes like consumer goods, housing, gold loans etc, and losses on account of non credit business like the Public Distribution System, procurement of food grains and for sale of fertilizers etc should be wiped out. But as discussed earlier the Committee has found that many of the losses suffered by the UCBS are due to sanction of loans without due scrutiny or were in the nature of imprudent investment. The Committee is of the opinion that straight wiping out of these losses may breed further irresponsibility and pursuit of imprudent credit policy by some of the banks. Further though the Vaidyanathan Task Force the had mentioned that it does not recommend writing off the entire losses and that that the cooperative credit institutions will have to continue to make effort towards recover the loans, it has not set forth any mechanism to ensure that the recovery efforts are vigorously pursued and that result oriented recovery drives are properly rewarded. **The Committee therefore considers that providing for administrative support mechanism, taking care of negative CRAR and rewarding recovery of long overdue NPAs may serve as a better option for long term viability of these Banks.**

2.8 Income

Data on the source of Income of the UCBS and their percentage in 2005-06 and 2006-07 can be seen at **Table 26 and 27** respectively. There are three broad heads of Income viz. Interest Income on loans and advances, Income from investments and other incomes. The bank wise percentage break up of the different sources of income to total for 2005-06 and 2006-07 can be seen at **Tables 28 and 29** respectively.

2.8.1 Analysis of **Tables 26 and 27** would reveal that as a whole the banks' income from interests earned on investments is slightly higher than their income from interests on loans and advances in 2005-2006. This will again indicate the dependence of these banks on investments on safe Government securities where the interest is lower rather than on higher interest bearing loans and advances. But in 2006-2007 the trend has been somewhat reversed with interest income on loans being slightly higher than income on investment.

The overall percentage of different income heads for 2005, 2006 & 2007 are as follows:

Internal Table – 12

Year	% of interest income on LA	% of interest income on Investment	% of interest income on Others
2005-2006	46.76%	50.16%	3.08%
2006-	50.62%	47.13%	2.25%

2007			
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2.8.2 Another important feature of the above data is the indication of very feeble attempts by the UCBs to increase their income from 'other sources'. One of the increasing trends in modern Banking strategy is to diversify their source of income with 'other income' becoming an important source of revenue. The UCBs are encouraged to try diversified channels of income like Collection of Treasury bills, issuance drafts through arrangements with other commercial Banks having all India presence such as SBI, collection of insurance bills through arrangements with LIC or other insurance companies, distribution of PAN and Voter ID cards, distribution of various application forms for academic courses and employment application forms, collection centres for electricity, municipal telephone and similar bills and / or renewal coupons etc. The committee is of the opinion that the State Government should take the role of a catalyst and take up with the concerned municipalities, electricity distribution companies, BSNL and other telephone service providers, election and tax collection authorities to include the UCBs as one of their distribution centres.

2.9 Expenditure

The banks have to incur expenditure on various heads, the main head is (a) Interest Expenses mainly paid to the Depositors & (b) Non Interest Expenses in the form Staff Cost & (c) Other Expenses. Data on Expenditure heads with ratio analysis of different heads to total expenditure for 2005-2006 & 2006-2007 is appended in **Table 30 and Table 31**. The banks have heterogeneous deposit base, staff base and the volume of interest expenditure, other expenditure and staff cost.

2.9.1 In terms of percentage of interest expenditure to total expenditure the following Table has been prepared for 2005-06 and 2006-07 in case of the 31 UCBs who have replied to our queries:

Internal Table – 13

% of Interest Expenditure base	No. of Banks fallings within this range	
	2005-2006	2006-2007
Above 90%	1	1
Above 80% Below 90%	7	6
Above 70% Below 80%	7	7
Above 60% Below 70%	11	9
Above 50% Below 60%	1	5
Above 40% Below 50%	2	2
Below 40%	2	1
Total	31	31

On an analysis of the above exhibit it is seen that percentage of Interest Expenditure base of nearly half of the UCBs is within a range of 70 to 90 per cent while it is within a range of 40 to 60 per cent in the rest.

2.9.2 In terms of percentage of other expenditure the following picture is obtained in respect of 31 UCBs for 2005-2006 & 2006-2007 from the following exhibit.

Internal Table – 14

% of other Expenditure base to total Expenditure	No. of Banks fallings within this range	
	2005-2006	2006-2007
Above 45% Below 50%	1	NIL
Above 30% Below 40%	2	1
Above 20% Below 30%	3	9
Above 10% Below 20%	12	9
Below 10%	13	12
Total	31	31

i.e. 80% of the banks' percentage of other expenditure in 2005-2006 is below 20% of the total expenditure & 67% of the bank percentage of other expenditure in 2006-2007 is below 20% of the total expenditure.

In terms of percentage of staff cost to total cost the following picture is obtained in respect of 31 UCBs in 2005-2006 & 2006-2007 from the following exhibit.

Internal Table – 15

% of staff cost base	No. of Banks fallings within this range	
	2005-2006	2006-2007
Above 30% Below 40%	3	3
Above 20% Below 30%	8	7
Above 15% Below 20%	4	8
Above 10% Below 15%	9	5
Below 10%	7	8
Total	31	31

From the above Table it will be seen that nearly 64.52% banks manage staff cost within below 20% level in 2005-2006 and this has extended to 67.75% of the banks in 2006-2007. Nearly 32% to 35% of the banks have percentage of staff cost within a range of 21% to 30% plus. This is considered too high and unacceptable for the UCBs and the Committee is of the opinion that the expenditure on staff salaries and allied expenses has to be progressively brought down below 10 percent of the total expenditure within a period of three years in case of all UCBs. For this purpose the excess staff in all these banks need be identified through a detailed survey and such unutilized excess staff is to be retired through a VRS package. Since most of the Banks may not be in a position to finance such VRS package the **Committee recommends creation of a VRS Fund for the UCBs by the State Government to provide soft loans to finance the package and to ensure that the work of restructuring is carried out within the specified time limit of three years.**

2.10 CRAR, Real Net worth & Accumulated Profit / Loss

2.10.1 The Basle Committee on Banking Supervision has stressed importance on three major issues one of which is the minimum capital requirement against various risks as the business of credit and Investment always carries an element of risk. The revised accord (Basel II) completely overhauls the 1988 Basel Accord and is based on three mutually supporting concepts, or "pillars," of capital adequacy. The first of these pillars is an explicitly defined regulatory capital requirement, a minimum capital-to-asset ratio equal to at least 8% (9% in case of UCB) of risk-weighted assets. Second, bank supervisory agencies, such as the RBI, have authority to adjust capital levels for individual banks above the 8% (9% in case of UCB) minimum when necessary. The third supporting pillar calls upon market discipline to supplement reviews by banking agencies. A profit making bank with a high volume of deposit coupled with huge amount of loans & advances and investment may be declared weak if its BODs take wrong decisions in the matter of loans and advances or investment for reasons which are not in the best banking interest. . If such situation continues it is likely that one day the BODs will discover that the realizable value of its assets will not be able to meet its liability of paying to the depositors and the creditors. Such state of insolvency is termed as –ve net worth stage in the modern banking language. . Adequacy of capital has been recognized as a symbol of banking strength, as in times of need or crisis it acts as a shock absorber. Banks having –ve worth must concentrate their strength to generate own funds by augmenting their share capital, generate more profit by profitable investment or loans and advance, try their best to recover the overdue from the borrowers which has come under NPAs through better NPA management and build up reserves and surpluses from the profits. Capital adequacy of bank will have +ve impact upon its share holders and depositors.

2.10.2 The term Capital Adequacy Ratio (CAR) otherwise known as "Capital to Risk Weighted Assets Ratio (CRAR)." is a measure of a bank's capital. It is expressed as a percentage of a bank's risk weighted credit exposures. This ratio is used to protect depositors and promote the stability and efficiency of financial systems around the world. Two types of capital are measured: Tier-I capital, which can absorb losses without a bank being required to cease trading, and tier two capital, which can absorb losses in the event of a winding-up and so provides a lesser degree of protection to depositors. However in case of UCBs only eligible Tier-II capital is taken into account while calculating the CRAR. Though not used by the known term the concept of risk weighted capital was there in case of cooperative banks since their birth. The cooperative Act and Rules have a unique and long standing provision of linking the lending of Cooperative institutions as percentage of share holding by the borrowing members. But in case of cooperative this share holding is not sufficient to take care of the elements of risk in various types of its assets in the balance sheet. So for the continued financial stability of UCBs the CRAR norms was introduced since 31 March 2002 the present level of minimum CRAR of non scheduled UCBs stands 9%. The RBI judges the financial health of the UCB on these two vital parameters Real Net worth & CRAR. Based on above two important parameters RBI used to consider renewal of license and imposition of restrictions on the functioning of a bank. Banks should have a positive CRAR & it should be a minimum 9% as prescribed by RBI. A high CRAR means that the bank is sound & capable to absorb any unforeseen risks that may arise out of loss assets.

Based on the above discussions let us have a review of the position of CRAR, Net Worth and Accumulated Profit / Loss of the UCBs in West Bengal during 2006-07 (Table-32)

2.10.3 CRAR:

It is seen that out of 48 banks

- a) 37 UCBs has CRAR above 9% i.e. above the prescribed minimum.
- b) 1 UCB has +ve CRAR below 9%.
- c) 10 UCBs have -ve CRAR.

Further the number of UCBs coming under various levels of CRAR as on 31/03/2007 is also given in the Table below:

Internal Table- 16

Banks with CRAR Base	No. of Banks fallings within this range as on 31.03.07
Above 100%	1
Above 65% Below 100%	2
Above 50% Below 70%	4
Above 40% Below 50%	4
Above 30% Below 40%	1
Above 15% Below 30%	14
Above 9% Below 15%	11
Below 9%	1
Below 0%	10
Total	48

It is therefore clear that it is the 10 Banks having negative CRAR that have been the potential of causing serious damage to the entire UCB scenario in the State and the Committee is of the view that immediate efforts have to be undertaken to bring them back to the main stream with Government help. The list of these 10 UCBs with negative CARs as on 31.03.2007 is given below:

Internal Table - 17

UCBs With Negative CRAR as on 31.03.2007

Bank Name	CRAR (%)	Real Net Worth (Rs. / lakh)	Acc. Profit/Loss (Rs. / lakh)
1. Bally Co-op Bank Ltd	-164.35	-451.02	-603.83
2. Baranagar Co-op Bank Ltd	-10.6	-357.19	253.02
3. Bhatpara Naihati Co-operative Bank Ltd	-15.91	96.59	-573.81
4. Boral Union Co-op Bank Ltd	-12.46	-340.23	-755.49
5. Kasundia Co-op Bank Ltd	-52.03	-738.94	-871.15
6. Panihati Co-operative Bank Ltd.	-1.24	-4.75	-151.34
7. Ramkrishnapur Co-op Ltd.	-30.99	-1470.19	-1938.26
8. Ranaghat Peoples' Bank	-3.51	-29.7	-149.96

Ltd			
9.Suri Friends' Union Co-operative Bank Ltd	-3.53	-8.97	-99.3
10. The Bantra Co-oprative Bank Ltd.	-60.65	-1079.09	-1079.09
TOTAL		-4383.49	-5969.21

Source: RBI, Co-operative Directorate, West Bengal

Further apart from the above ten Banks having negative CRAR there were also two other Banks who had net accumulated losses in spite of having a positive CRAR. Similarly it will be seen that Baranagar Cooperative Bank (Sl. no. 2 in the above Table) does not have net accumulated losses. The details of these two banks who have accumulated losses despite positive CRAR have been given below:

Internal Table - 18

UCBs having Accumulated Losses Despite Positive CRAR			
Bank Name	CRAR	Real Net Worth	Acc. Profit/Loss
	(%)	(Rs. / lakh)	(Rs. / lakh)
1. Bankura Town Co-operative Bank Ltd.	18.99	118.15	-3.31
2. Krishnanagar City Co-operative Bank Ltd.	13.17	171.89	-46.02
TOTAL		290.04	-49.33

It will be seen from the above Table that as on 31.03.2007 the accumulated losses of the ten Banks having negative CRAR is about Rs. 40.77 Crores. Further if we take into account the losses sustained by the two Banks having positive CRAR the total losses come to Rs.41.26 crores. This figure represents the actual losses for which no provision could be made. In absence of the audited figures for 2007-08 the Committee, in its recommendations will have rely on this figure to work out the strategy for revival package for these twelve loss making UCBs

2.10.4 Real Net Worth

Out of 48 UCBs 8 banks have got (-ve) Net worth, the relevant data is not available in case of 7 UCBs. Other 33 UCBs have got +ve Net worth. Table-32A will reflect the position of required additional capital for CRAR in respect of 10 UCBs.

2.10.5 Accumulated Profit / Loss Position

Accumulated profit or undistributed profit constitutes an important source of working capital funds arising out of banking business and also an important factor for enhancement of net worth as it is reinvested in the next year as an addition of working capital. As it does not burden the business with external obligations so it is widely accepted the most desirable source of working capital. The data on Bank wise Accumulated profit loss for 2005-6 has been given at Table 33. From analysis of data in this Table the following conclusions can be drawn:

- 1) In the year 2004-2005 (**Table 33**) out of 31 responding UCBs the following 8 banks registered accumulated loss viz.
 - a) Bansabati Cooperative Bank Ltd.
 - b) Bankura Town Co-operative Bank Ltd.
 - c) Suri Friends' Union Co-operative Bank Ltd.
 - d) Bally Co-op Bank Ltd.
 - e) Kasundia Co-op Bank Ltd.
 - f) Rahuta Union Co-operative Bank Ltd.
 - g) Boral Union Co-op Bank Ltd.
 - h) Bhatpara Naihati Co-operative Bank Ltd.

The 2 UCBs did not report the position. Other banks have accumulated profit.

Amount of overall position of the 31 UCBs in terms of Accumulated Profit stands Rs. 646.23 lakh. Amount of Accumulated Loss of the above 8 banks stands Rs. 2887.11 lakh.

2) It is seen that in the year 2005-2006 out of 34 UCBs 9 banks has registered accumulated losses (**Table 34**). In this year a new bank viz. Ranaghat Peoples' Bank Ltd. has incurred loss. Total amount of loss of these 9 banks stands Rs. 3504.18 lakh as against Rs. 2887.11 lakh in the year 2004-2005.

3) In the year 2006-2007 (**Table 32**) reflected Accumulated Loss of 12 banks as against 9 banks in the year 2005-2006. Total amount of loss of these 12 banks stands Rs. 5299.38 lakh as against Rs. 3504.18 lakh

2.11 Per employee Deposit, LA, Profit & Other Important Ratios

Data on the present level of deposit, LA and profit per employee for the year 2005-2006 & 2006-2007 has been given at Table 35 parameters

On analysis of Table 35 we may have the following scenario in respect of all the three per employee parameters from the following three Tables:

Internal Table -19

Per Employee Deposit Base	No. of Banks	
	2005-2006	2006-2007
Above 350 lakh	Nil	1
Above 250 lakh Below 300 lakh	1	Nil

Above 200 lakh Below 250 lakh	Nil	3
Above 150 lakh Below 200 lakh	2	3
Above 100 lakh Below 150 lakh	5	4
Above 50 lakh Below 100 lakh	11	10
Above 20 lakh Below 50 lakh	2	5
Total	21	26

NB: Number of reporting banks in 2005-2006 is 21
Number of reporting banks in 2006-2007 is 26.

Nearly 57% to 60% banks fall within range of Rs. 20 lakh to Rs. 100 lakh in terms of per employee deposit.

Internal Table – 20

Per Employee Loans & Advance Base	No. of Banks	
	2005-2006	2006-2007
Above 115 lakh	1	2
Above 70 lakh Below 100 lakh	4	4
Above 50 lakh Below 70 lakh	2	4
Above 40 lakh Below 50 lakh	1	1
Above 30 lakh Below 40 lakh	4	6
Above 20 lakh Below 30 lakh	6	3
Above 15 lakh Below 20 lakh	2	5
Below 15 lakh	1	1
Total	21	26

NB: Number of reporting banks in 2005-2006 is 21
Number of reporting banks 2006-2007 is 26

Nearly 57% to 62% banks fall within range of Rs. 15 lakh to Rs. 40 lakh in terms of per employee Loans & Advance.

Internal Table – 21

Per Employee Profit Base	No. of Banks	
	2005-2006	2006-2007
Above 12 lakh	1	Nil
Above 5 lakh Below 12 lakh	1	1
Above 3 lakh Below 5 lakh	2	4

Above 2 lakh Below 3 lakh	4	3
Above 1.5 lakh Below 2 lakh	1	1
Above 1 lakh Below 1.5 lakh	1	5
Within 1 lakh	5	9
Total	15	23

NB: Reporting banks in 2005-2006 are 18. (Out of 18, 3 banks registered loss Rs. -7.12 lakh, Rs. -5.36 lakh and Rs. -12.88 loss per employee).

Number of reporting banks in 2006-07 are 23.

In 2005-2006 nearly 44% and in 2006-2007 nearly 65% banks' per employee profit falls within a range of Rs. 0.50 lakh to Rs. 1.50 lakh.

2.11.1 Although Deposit and Advance per employee for 2005-2006 and 2006-2007 has already been discussed in respect of only 21 and 26 banks respectively but the Expert Committee had also collected data on this point from the Cooperative Directorate and RBI in respect of 42 UCBs which is annexed at **Table 36**. The following Tables will focus an overall view of per employee loans and advance base and per employee deposit base for the year 2006-2007 in respect of 42 UCBs.

Internal Table22

Per Employee Loans & Advance Base	No. of Banks
	2006-2007
Above 300 lakh	1
Above 100 lakh Below 160 lakh	2
Above 50 lakh Below 100 lakh	13
Above 30 lakh Below 50 lakh	10
Above 20 lakh Below 30 lakh	10
Above 15 lakh Below 20 lakh	4
Below 10 lakh	2
Total	42

It will be seen from the above **Table 38** of the banks has per employee LA within a range of below Rs. 10 lakh to below Rs. 30 lakh. Similarly the Table below will help to assess the per employee deposit base of 42 banks for 2006-2007.

Internal Table – 23

Per Employee Deposit Base	No. of Banks
	2006-2007
Above 200 lakh Below 360 lakh	2

Above 150 lakh Below 200 lakh	5
Above 100 lakh Below 150 lakh	11
Above 70 lakh Below 100 lakh	9
Above 50 lakh Below 70 lakh	7
Above 30 lakh Below 50 lakh	6
Below 30 lakh	2
Total	42

It is evident that in 57% of banks per employee deposit base falls within a range of below Rs. 30 lakh to below Rs. 100 lakh. Thus both the per employee status of loaned as well as deposits suggest serious under utilization of the existing staff strength and emphasize the need for immediate restructuring of the existing work force.

2.12 Income Expenditure Ratio

Data on the Income-Expenditure ratio of the 31 Banks which responded to our questionnaire has been given at **Table – 37**. Out of 31 UCBs it as seen from Table 37 that in 2006-07 expenditure is higher than income in respect of 11 UCBs, in case of 12 UCBs expenditure is near to their income level or otherwise it can be said there is marginal +ve difference between income and expenditure. Remaining 8 UCBs have more or less reasonable +ve difference between the income and expenditure heads. The following are the list of banks whose expenditure is higher than their income in the year 2006-2007.

1. Kolkata Police Co-operative Bank Ltd.
2. Ranaghat Peoples' Bank Ltd.
3. Raniganj Co-operative Bank Ltd.
4. Khardah Co-op Bank Ltd.
5. Suri Friends' Union Co-operative Bank Ltd.
6. Durgapur Mahila Co-op Bank Ltd.
7. Bally Co-op Bank Ltd.
8. Nabagram Peoples Co-operative Credit Bank Ltd.
9. Rahuta Union Co-operative Bank Ltd.
10. The Bantra Co-operative Bank Ltd.
11. Kasundia Co-op Bank Ltd.

2.13 Architecture of the UCBs in the State

2.13.1 The number of UCBs functioning in the state is 48. Information about the number of branches is as follows.

Internal Table – 24

Banks with branch base	
UCBs having single branch/unit office	31

UCBs having one branch apart from HO branch	2
UCBs having more than 2 branches	4
UCBs having more than 3 branches	5
UCBs having more than 4 branches	6
Total	48

2.13.2 For regulatory purpose UCBs are classified under 2 categories- Tier-I and Tier-II. Unit banks and banks having multiple branches within a single district with deposits up to Rs. 100 crores are Tier-I banks. The other banks are classified as Tier-II banks. Out of 48 UCBs in the states 45 banks are under Tier-I category and 3 banks (Contai Co-operative Bank Ltd., Durgapur Steel Peoples Co-op Bank Ltd., The Eastern Railway Employees Co-op Bank Ltd.) are Tier-II banks.

Depending on the percentage of CRAR, percentage of NPA, net profit with adequate provision against NPA and maintenance of CRR and SLR as on 31st March of any particular year, the UCBs are classified under 4 grades.

The breakup of UCBs in the state grade wise is given below—

Internal Table – 25

Banks with Grade base	
Grade	No. of banks
Grade - I	24
Grade - II	13
Grade - III	1
Grade - IV	10
Total	48

It is pertinent to note here that banks whose CRAR falls below 4.5% against the prescribed minimum of 9% and net NPA of 15% as on 31st March or net losses for the last three consecutive financial years come under the category of Grade – IV.

Following are the list of banks which at present are under Grade – IV category by RBI.

Internal Table – 26

Bally Co-op Bank Ltd
Baranagar Co-op Bank Ltd

Bhatpara Naihati Co-operative Bank Ltd
Boral Union Co-op Bank Ltd
Kasundia Co-op Bank Ltd
Panihati Co-operative Bank Ltd.
Ramkrishnapur Co-op Bank
Ranaghat Peoples' Bank Ltd
Suri Friends' Union Co-operative Bank Ltd
The Bantra Co-operative Bank Ltd.

The policy of RBI in deciding on the future set up of Grade – IV banks has been clearly spelt out in the year 2003 through a circular which are as follows:

The concerned bank should draw and submit an Action Plan to the concerned R.O. of the RBI within 6 weeks from the date of receipt of advice from the RBI highlighting the steps to be taken to improve the level of CRAR within 6 months to more than 50% of the prescribed level and the bank's revival within a period of 2 years of rectification of other defective features caused the bank to place it in Grade – IV. The concerned bank is supposed to submit quarterly progress report in the light of their drawn up Action Plan for its revival to the RBI for its review.

There are Grade – IV banks who are not even complying the provision of Section 11(1) of the B.R. Act, 1949 (AACS), with their erosion of paid of capital & reserve to such an extent that the aggregate value of the two components falls below the level of Rs. 1 lakh. The policy of RBI in respect of such banks is to weed out such weak Banks if their revival is not feasible. **The Committee is also of the opinion that Banks which will not be able to comply with the turnaround requirements should either be amalgamated with stronger units as per direction of the State Government. Otherwise the State Government as well as the RBI will have to take appropriate action for winding of such banks as per procedure laid down under the BR Act as well as the WBCS Act.**

2.14 MOU with RBI

On 08/08/2007 an M.O.U. was signed between the RBI and the Govt. of WB to decide on the future set up of UCBs and facilitating proper measures for their development into strong and vibrant entities.

As per the M.O.U. the State Government and the RBI have undertaken to constitute a State Level Task Force for UCBs which is now functioning under the aegis 'TAFCUB' with RCS

and the Regional Director RBI as the Co-Chairman; representative of the State Govt., central office of RBI, National Federation of UCB and representatives from the State Federation of UCB as members. RBI has also undertaken in that M.O.U. to facilitate development of human resources of the bank and to take initiative for the usage of IT improvement.

The State Govt. has undertaken to introduce long form audit report for statutory audit and modify audit ratings model in alignment with the gradation system adopted by RBI for all UCBs and to arrange for Statutory Audit by CA to be appointed in consultation with RBI for such UCBs whose deposit base exceeds Rs. 25 crores and to put in place 'fit and proper criteria' for the Chief Executive, based of the guidelines of the bank.

1. Out of 48 UCBs 9 UCBs are now not in a position to comply the provision of Section 11 (1) of B.R. Act 1949 (AACS).
2. And 3 banks namely (The Bantra Co-operative Bank Ltd. , Kasundia Co-op Bank Ltd., Bally Co-op Bank Ltd.) came under the direction of RBI with effect from 12/11/2001, 15/11/2004 and 14/11/2006 respectively.
3. The management of UCBs normally rests with the elected BODs. Out of 48 UCBs, 46 have elected BODs; 2 are under B.O.A.s for a long time and 1 each is managed by the Special Officers and the Chief Executive of the bank.
4. Regarding professional management the Committee has got the information from the Cooperative Directorate based on information from RBI in respect of 41 UCBs which is annexed as Table 38.

The Directors' information as submitted to the Committee in respect of 23 institutions as regards to their educational qualification is reflected in **Table 39**.

A review of **Table 40** which exhibits certain information about the existing strength of the officers, their age profile and strength of officers trained in banking and academic qualification.

On study of 27 UCBs it is seen that percentage of officials trained in banking is 43.80; percentage of undergraduate officers is 28.10; percentage of graduate officers is 68.60, percentage of postgraduate degree holders is 2.48 and percentage professionally qualified officers is 4.13. The overall age of officers is 49.45.

Chapter – III

3. Nature of Impairment of UCBs and Remedial Measures

The Expert Committee has reviewed the financial and managerial data on several counts to assess present performance of the UCBs with a special reference to the financial operations. For this work the Expert Committee has depended mainly on the data provided by the banks. However, as the number of reporting banks is just above 60% of the total strength of the UCBs in the state, the committee, as already mentioned, has taken help from RBI and in some cases from the Co-operation Directorate of the State Govt. In this chapter the committee has tried to identify the main causes of impairment of the functioning of the UCBs.

3.1 Impairment of Governance

Dual Control Regime - The application of certain provisions of the B.R. Act, 1935(AABCS) to UCB in 1966 has opened up the gate of what is known as the dual control regime. Urban co-operative banks are regulated and supervised by both, the State Governments, through the Registrar of Co-operative Societies, and by the Reserve Bank of India. The Registrar exercises powers in regard to incorporation, registration, management, amalgamation, reconstruction or liquidation. The banking related functions such as issue of license to start new banks or branches, matters relating to interest rates, policies on loans and investments, prudential norms etc. are regulated and supervised by the Reserve Bank of India. In fact the control of RBI over the UCBs originates out of a necessity felt by the Govt. of India for safeguarding the deposits of the depositors under DICGS scheme. RBI is functioning since then as a main regulator along with the R.C.S of the respective states and, in case of UCBs coming under the purview of Multi State Co-operative Act, along with central R.C.S. Further in West Bengal the audit of the UCBs are looked after by a separate Audit Directorate called the Directorate. of Cooperative Audit which functions independently of both R.C.S. and the RBI. Obviously such multiplication of Regulatory agencies needs a very detailed framework setting out the separate jurisdiction of each and also providing for concerted action and exchange of information between the three agencies which, unfortunately have not been forthcoming till very recently.

In terms of the WBCS Act,1983 the Registrar is vested with many powers like registration, management, amalgamation, sanction of staffs and officers, liquidation and arbitration of dispute cases. The Act has further entrusted Co-operative Service Commission for recruitment of officers and staffs in all the Co-operative Institutions including Urban Co-operative Banks leaving only the recruitment of the Group-D staffs with the BOD of the bank. This has often resulted imbalance in the recruitment of Group 'D' and other categories of staff often to the detriment of the prudent banking interests. The minimum prescribed qualification, age of recruitment and retirement etc. are laid down in the State Co-operative Act. In the matters of loans and advances, borrowings as well as investment of fund and writing off the assets and bad debts there are specific provisions in the State Cooperative Act.

The banking activities of the UCBs as we know come under the Jurisdiction of RBI. But the fact remains that in the matters of loans and advances, investment of fund, etc. are very much part of banking activities over which dual control still remains. Further follow up actions on the basis of inspection reports, audit reports etc. had also been delayed due multiplication of regulatory bodies. This is one of the major causes of impairment in the matter of governance of the UCBs.

In fact the problem of dual/multi control originates from the provision of Article 246 of the Constitution of India where the areas of legislation of Co-operative Credit Societies doing banking business fall within the Concurrent List.

The question is whether the UCB should be recognized first as a bank and then as a Co-operative Society or both at the same time. But once they are recognized as a bank by RBI there is no scope but to accept the reality in the interest of the banks as well as its' members and depositors there should be one regulator so far regulation of financial or banking activities are concerned – that is unequivocally the RBI. Otherwise the very purpose of financial control and supervision over the overall activities may be frustrated. However with the joint Consultative mechanism that has now come into effect with the signing of the MOU between the State Government and RBI it is expected that many of these jurisdictional and follow up problems will be resolved through the joint consultative machinery of the TAFUCB.

3.1.1 The Expert Committee has examined the issues involved and is of the view that even with the existence of TAFUCB there should be a clear demarcation of powers and function between RBI and the State Govt. or R.C.S. with 'Dos and Don'ts' as suggested below

Jurisdiction of RBI

1. All issues relating to loans and advances, investments and all financial statements and examination thereof.
2. Inspection and actions to be initiated based on inspection report.
3. To conduct inspection or enquiry or receipt of allegation on financial irregularities from any quarter and to initiate action thereof.
4. Branch licensing and area of operation.
5. Permission of acquisition of all types of assets that may require to carrying out the banking business.
6. Prescribing minimum qualification for appointment of CEOs
7. Super session of BODs and appointment of Administrator/s in accordance with the MOU signed between the State Government and the RBI.
8. Appointment of auditor and to see compliance of audit objections as noted in the audit report in accordance with the MOU.
9. Amalgamation of any UCB with another UCB and all other banking related activities.

Jurisdiction of R.C.S.

1. Registration of Urban Co-operative Banks.
2. Amendment of bye-laws.
3. Change of name and address.
4. Annual general meeting.
5. Election of Directors of the Board and other related matters regarding election of office bearers barring cooption of Directors in the BOD.
6. Membership issues and protection of members' right.
7. Access to document.
8. Power to enforce attendance of witness and production of documents.
9. Power to direct conditional attachment.
10. Charge and surcharge.
11. Power of arbitration and institution of a prosecution.
12. Inspection and follow up on audit reports so far as any of the matter concerning hereinabove
13. Appointment of Chartered Accountants for overseeing the liquidation process.

The Committee is of the view that the above demarcation of responsibilities are to be clearly established through appropriate amendments in the WBCS Act and also through a Exchange of Notes between the State Government and the RBI. But this does not mean that the unique consultative machinery that has been created as TAFUCB will become insignificant. Rather the Committee expects that such clear demarcation of responsibilities will help in the deliberations at the TAFUCB with the respective authorities having veto power over their respective jurisdictions as outlined. During the short duration of functioning of TAFUCB in this State one of the main criticism that has been leveled against it is that it has done more of a policeman's job rather than trying to develop the inherent strength of the Cooperative Banking Institutions in accordance with the lofty principles that has been set for it under the Vision Document prepared by the RBI.

3.1.2 At the same time the Committee is of the view that no amount of regulatory control can ensure better governance in the UCBs unless there are proper guidance and tools available to the management to follow the practices of good cooperative governance in their respective Banks. It has to be remembered here that although being banks the UCBs cannot or are not expected to ignore their cooperative character with emphasis on the principles of self reliance, equity, social responsibility, accountability, transparency and participatory. Thus the governing principles and goals between a commercial bank and a cooperative bank has to be by their very nature different and sometimes opposing. The principles of corporate governance may not always apply in case of cooperative governance. While we have a host of committee recommendations on corporate governance like that of the Kumar Mangalam Committee and the Narayan Murthy Committee there is no such acceptable recommendations on the principles of cooperative governance applicable particularly to the banking sector. This has resulted in a situation where the principles of corporate governance has been institutionalized through clause 49 of the listing agreement with SEBI in case of the corporate sector and through introduction of the 'Bankers' Fair Practice Code' by the Indian Bankers' Association (IBA). But similar defacto binding principles are yet to

emerge in case of cooperative banking with most of the cooperative banks not accepting the fair practice code of the IBA. The Committee therefore is of the view that the State Government has to prevail over the RBI to formulate such a universally acceptable fair practice code for the cooperative banks. Such a code of conduct is to guide not only the day to day operations of the UCBs but at the same time stress the cooperative characteristics of transparency, democracy, cooperative values, participatory management and equality for all the share holders.

3.2 Impairment in Management

The Committee has observed that most of the UCBs are managed by the Board of Directors (BOD). No Directors are nominated by the State Govt. to the BOD of any bank in the form of a Govt. nominee. No Govt. Officers are deputed in any capacity to manage the affairs of the banks. Everything is managed by the officials and staffs under the control of BODs. It is not possible for RBI or R.C.S. as Regulatory Authority to ensure efficient management because the management of a Co-operative bank are elected through a democratic election mechanism where any share holder irrespective of his academic background can compete for election as a delegate and ultimately as a Director of a bank. And may win in the election for managing the affairs of the bank. The Committee has found that in case of some of the UCBs the BODs although democratically elected has eventually become a one man show with other Directors assuming a passive role for themselves... It is true that often majority of the Directors have little knowledge about the guidelines, rules and regulations of the regulatory authority and the statutes related to banking function. To manage the affairs of the bank vis-à-vis to supervise the works of the officers and the staffs of the banks, members of the BODs have to have sufficient knowledge about the working principles of a bank as a controlling authority. The Directors are sometimes not properly briefed prior to taking decisions in the field of investment of surplus fund, loans and advances, cost of fund, CD ratio, yield on assets, staff cost etc. from the officers of higher strata. Often vital decisions are taken based on their personal thinking and experience of the Directors which have sometimes put the Banks in very serious trouble. In other words the BOD control over the management of the Banks has been lacking and, in extreme cases, has contributed to mismanagement and imprudent decision making. . In some cases the Committee has observed that many banks now turned weak because of indiscriminate sanction of loans and advances by flouting the loan policy of the bank, unwise investment of funds in such institution which should not have been relied upon and above all by creation of non banking assets which are now lying idle and cannot be disposed off due to lack of clear title of land and building. The Committee is of the opinion that members of BODs have to share equal responsibility for imprudent banking decisions.

3.2.1 Thus it would be not unreasonable to say that apart from low level of professionalism or lack of professionalism, lack of commitment and integrity of some of the BODs is one of the causes of impairment in management of the UCBs. But the only silver line is that the percentage of such BODs is not very high. Unfortunately even a single instance of failure of a cooperative Bank has a domino effect on the reliability of other UCBs in the same area. Once a bank comes under direction of RBI following mismanagement by the unscrupulous BODs the nearest UCB, however strong it may be can not go unaffected by the waves of mistrust and whisper spread across the public that deposition of money in a Co-operative bank is not safe. The resultant effect is low growth of deposit with high growth rate of NPA – which are both detrimental to the interest the cooperative Banks, The Committee is of the opinion that all UCBs should prepare a vision document at least for the next ten years followed by a five year Perspective Plan of Action on business, HRD and other allied matters.

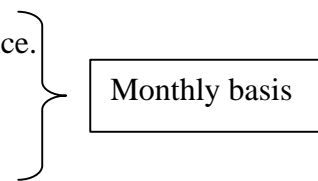
3.2.2 The success and sustainable growth of any organization particularly a financial organization like UCB depends largely on the efficacy of strategic regulations with vision and mission. The level of professional management is certainly an essential factor for attaining the desired goal but professionalism alone without social commitment is meaningless. The Co-operators must have a strong will within their hearts to build up a good image of the bank and at the same time inculcate the spirit of devotion and sincerity among the officers and the staffs of the bank so that they may feel it as their own.

3.2.3 Although RBI in its circular has stressed that the BODs should meet at periodical intervals for drawing appropriate business plan, monitors such plan apart from its routine duties as laid down in the WBCS Acts and Rules they are often complied with by the word of mouth than through concrete action.

RBI has forwarded to all the UCBs an exhaustive list of reviews by the BODs and their periodicity of reviews as follows –

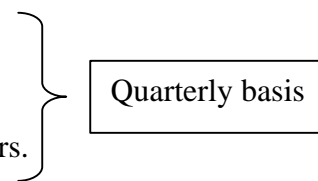
3.2.4 Monthly Basis

- (1) Funds Management, Investments of funds, CRR and SLR compliance.
- (2) Position of deposits and advances.
- (3) Income and Expenditure Statement.
- (4) Position of NPAs.



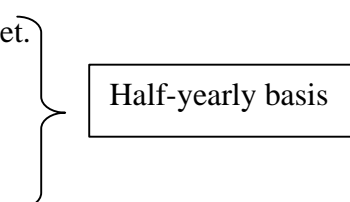
3.2.5. Quarterly Basis

- (1) Compliance with CRAR.
- (2) Review deposit mobilization/target and achievement.
- (3) Branch wise performance of deposits and advances and other matters.



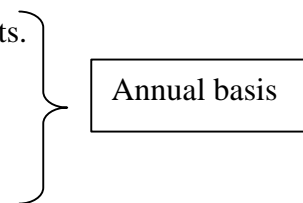
3.2.6 Half Yearly Basis

- (1) Review of capital expenditure in relation to capital budget.
- (2) Review of Deposit and Advance ratio and CD ratio.
- (3) Review of action taken on audit.
- (4) Review of NPAs and their classification.
- (5) Review of customer service.



3.2.7 Annual Basis

- (1) Review of Bank's Balance Sheet, Profit and Loss Account, Working results.
- (2) Review of Loss making Banks.
- (3) Review of HRD and training of officers and staffs.
- (4) Review of computerization.
- (5) Review of Annual Business Plan.
- (6) Review of Statutory Audit Report/IR.



But it is a matter of regret that BODs of most of the banks are not doing justice to their duties. The Committee has observed that even in the BODs meeting no agenda notes are prepared and circulated to the Directors by the officers of respective section not to speak of in time which is essential for taking effective decision and for such lapses the mismanagement of loans and advances, investments etc. can not be averted. Lists of “Dos and Don’ts” have also been prescribed by the RBI for the BODs. Most probably they are not aware of all such guidelines.

It is seen that even though the loan sub-committees are functioning in most of the UCBs – whatever may their quality of functioning. But the audit committee setup by the Board hardly functions –.

3.2.8 Let us now touch upon the question of officers and the staffs of the UCBs. Prior to the function of Co-operative Service Commission, the recruitment of the officers and the staffs were made by the BODs through a process of written examination or interview or both. In most of the cases the process of examination and recruitment was not transparent. In some cases such recruitment was local and confined within the family members, relatives or distant relatives of the Directors or delegates in power or similar other pressure groups. To ensure better recruitment in the Co-operative banks the State Govt. has enacted the WBCS Act with provision of forming a Co-operative Service Commission. On analysis of data as provided by 27 UCBs it is found that 28.10% officers of the UCBs are not even graduates and just 2.48% officers are post graduate degree holders. This information will reflect the level and quality of recruitment prior to functioning of the Co-operative Service Commission. Majority of the bank employees do not have a complete knowledge about the various functions and organs of the bank and its importance thereof for further improvement of the financial condition of the bank.. This lack of awareness eats at the very vital of the daily working of these Banks.

But things have started changing with recruitment of quality officers and staffs by the same BODs through the Co-operative Service Commission. But still using the loopholes of the WBCS Act and Rules the BOD of some banks has a tendency of recruiting Group-D staffs/Casual staffs sometimes with sanction or without sanction of R.C.S. This tendency of backdoor entry of should be plugged for averting dilution of quality of staffs. **For this reason the Committee is of the opinion that even the ‘D’ group staff of the UCBs is to be recruited through the Cooperative Service Commission.**

3.2.9 The committee is of the view that the measures are to be adopted by the Government to check the impairment of management in UCBs:

- 1) **Provision for at least two nominated Directors with voting rights and with suitable banking experience or with graduate or post graduate degree holders in the field of accountancy or management should be made for all the UCBs through appropriate amendment in the WBCS Act.**
- 2) **RBI should arrange orientation training course at least twice in a year for all the Directors so as to facilitate increase the level of their banking knowledge and the level of competition now prevailing in the banking sector.**
- 3) **Study tour of the Directors to successful banks within and outside the state should be arranged by the RBI and State Federation of UCBs jointly – such exposures will help them to broaden their outlook**
- 4) **The chairman should be a whole timer and for this due honorarium be paid to him out of the funds of the banks.**
- 5) **Good Directors/Co-operators should be rewarded by the State Federation of the UCBs and if possible by the RBI and the State Govt.**
- 6) **Quarterly meeting of the UCBs should be convened by the State Co-operative Banks for review of its progress on different financial parameters till the State Federation of the UCBs gets strengthened by the joint efforts of the State Govt., WBSCB and RBI.**

- 7) **The Urban Banking Division of the State Cooperative Bank is to be strengthened so that they are in better position to monitor the functioning of the UCBs and give necessary advice and help wherever required.**
- 8) **Similarly, arrangement of training of staffs and officers is made by the banks at a recognized banking training institutions either at the national level or state level or at the level of RBI. This process of training will be a continuous approach.**
- 9) **The training in computer education especially officers of all grades and staffs who are connected with the banking operation must be completed within a specific time frame.**
- 10) **Recruitment to the post of Chief Executive and the second in command below the CE should as far as practicable be made from qualified professionals as per RBI Guideline through Service Commission but where the competent professional officers are already in existence may be promoted to the post of CE and ranks below to the C.E.**
- 11) **Promotion to other posts should be based on a written examination maintaining a minimum standard as will be decided by the BODs.**
- 12) **Recruitment of sub-staff should not rest with the BODs – it should also be left to the Co-operative Service Commission.**
- 13) **For the guidance of officers and staffs the UCB should prepare comprehensive work manual which are not in vogue in almost all the UCBs. The State Cooperative Bank and its urban Banking Division is to be entrusted with the task of preparation of an Working Manual within next six months and provisions of the Manual is to be given mandatory force through a direction from the RCS to enforce performance of obligation u/s 131 of the WBCS Act and incorporating the obligation to follow the Manual through an amendment in Chapter VIII of the Act**
- 14) **UCBs as financial institution should have a system of rotation of duties on monthly/quarterly/half-yearly/yearly to enrich the knowledge of the staffs and officers about various natures of works on the one hand and to remove the monotony on the other. Such practices of rotation will also help to curb frauds/irregularities.**

3.3 Impairment in Credit Risk Management

One of the main businesses of the bank is to provide loans and advances to its share holder members, prospective members and nominal members as an interest rate higher than the average rate of interest to be paid to its depositors and creditors. But like all business, the business of loans and advance bears certain risk element. So, one of the cardinal principle of banking is to identify the risk element and adopt measures and technique to limit the risk to a minimum possible. The management of risk in the loans and advance sector is generally known as Credit Risk Management (CRM). One of the important tools of the CRM is the existence of a comprehensive loan policy of any financial institution with wide coverage of contents on different aspects. And it should be drafted by a group of officers and staffs experienced in the CRM. Keeping the following principles of lending namely safety, liquidity, profitability and object and over and above all the risk spread in mind, a bank should draft the loan policy in consonance with the directives of RBI issued in this regard from time to time. The loan policy should clearly mentions the names of field /sector where a bank is generally used to give loan; the terms and conditions of category wise loan including fixing of Promoters' contribution, Debt-Equity and Debt-Service ratio; the amount and kind of securities and guarantees that may require; the necessary papers and documents to be

submitted to the bank and the rate of interest as well as mechanism of calculating the interest etc. Apart from the above it will cover exposure limit on various sector as prescribed by the Regulatory Authority; appraisal, delegation of power, documentation, renewal, post credit supervision etc. In absence of a well laid out Loan Policy, a bank can not perform better in the field of recovery which is very vital to arrest the growth of NPA to a minimum level. It should be borne in mind that good appraisal often ensures at least fifty percent recovery.

3.3.1 In most of the UCBs in the state, there is virtually no Loan Policy not to speak off a comprehensive well laid out Loan Policy. On a study of some Loan Policies of UCBs, it is seen that either they are not aware of the contents of a Modern Loan Policy or reluctant to draft a well laid out policy for ultimate approval by the BODs of the bank. Whatever document is there in the name of a Loan Policy is not revised on a regular basis based on directives issued by RBI from time to time.

The most important part of Loan Policy is the pre-credit appraisal part which is absent in the so called Loan Policy of many banks. The Loan Policy should clearly spelt out the process of submission of loan proposal and scrutiny there of, loan appraisal, recommendation/rejection if any before submitting the same to the loan sub-committee/BODs for sanction along with clear delegation of powers of officers/staffs by designation of the bank for such receipt, scrutiny, credit appraisal and recommendation or otherwise including the delegation of powers and the matters of documentation and disbursement of loans so as to fix up accountability in case the loan is subsequently found fake or the project is over financed. Accountability of the loan sub-committee members or the officers or both while recommending and sanctioning loan by flouting the provision of the existing loan policy of the banks further read with guidelines of RBI should be clearly spelt out. In case of sanction of loans by the BODs directly bypassing the officers of this bank with or without the violation of Loan Policy should also be accountable to the general body. The Committee has observed that in a large number of banks the sanctioning power of loan is highly centralized and not fully democratic. A bank can not expect to manage the risk in credit unless it is ascertained through a process of appraisal of the feasibility of the project and the character, ability and integrity of the borrower. The ultimate result of this type of mismanagement in and non appraisal of the risk in credit is non recovery of loans and assets and standard assets trickling down to substandard, doubtful and non-recoverable loss.

A glance of the **Table 22** on the level of NPAs of the UCBs in the state will establish the same though absence of Loan Policy is not the only reason for the high level of NPAs in all the banks.

There is another important aspect that can not be overlooked even if the banks have a well laid out Loan Policy with a pre-credit appraisal system. That is the quality and experience of the staff and officers given the task of loan application appraisal. An inexperienced officer or an officer without having a suitable training in this field will hardly do justice to the bank in doing a quality appraisal of the loan proposal. We should not forget the quality of appraisal determines in the long run the quality of **assets**.

3.3.2 In order to check impairment in Credit Risk Management, the Expert Committee gives importance to the following directions to be issued by the RCS –

- 1) Every bank must draft a well defined Loan Policy detailing various factors in mind while processing the credit appraisal viz, managerial competence of the entrepreneur, the honesty, integrity and past background of the entrepreneur over and above the technical feasibility, marketability, requirement of quantum**

of credit for acquiring fixed assets and working capital. For the preparation of the Loan Policy, the bank may utilize its own expertise or hire the expertise of banking experts, Lawyers, CA etc. and get it approved by the BODs.

- 2) Every bank should publish the Loan Policy in its website, if any, for access of the Regulatory Authority for not only for their information but also for inviting suggestions from them for further improvement of the loan policy.**
- 3) The approved loan policy should be circulated to all the banks in the state for their mutual benefit.**
- 4) Officers and supervisory staffs working in the loan and the advance section must be given proper training by RBI on pre credit appraisal and post credit supervision.**
- 5) The same training to be imparted at least once in a year to the BODs of the bank and twice in a year to the loan sub-committee members.**
- 6) The last but not the least the bank should know from MIS regarding spreads of loans and advance portfolio. The bank should not extend major share of loans and advances to a particular loan basket. Diversifying the loan portfolio should be the motto of the BODs for better Credit Risk Management.**

In this case also the Committee is of the view that this is to be given a mandatory effect through a direction from the RCS

3.4 Impairment in Post Credit Management

Post credit management for supervision is another important aspect of Credit Risk Management. The committee finds that almost all the UCBs in the state have very high level of NPAs which otherwise indicates the poor recovery efficiency of the banks. But days are gone when a bank's performance was judged by its volume of deposits, loans and advance and profit. With the introduction of NPA norms the strength of a bank is determined by its low level of percentage of NPA preferably below 9%. The lower the percentage of NPA below the tolerable limit of 15% higher will be the strength of the bank. A high percentage of NPA will not only reduce its earnings but brings the bank into a liquidity problem culminating failure to meet the demands of the depositors. A bank can not keep its eye closed so far as setting up of a Recovery – cum – Law cell under the direct supervision of the Chairman and the Chief Executive. It has already been discussed the poor appraisal of loan proposals may lead the bank into stage of non recovery of loans. Poor appraisal may give birth to under financing or over financing of a project and there by casting a shadow of the repayment capabilities or willingness of the borrowers. So, the banks should remember the old adage, 'Prevention is better than cure'. But even after taking adequate prevention some loan account may go bad for some reasons or others.

3.4.1 The Recovery and Law cell of the bank should supervise such sensitive loan accounts and prescribed separate medicines with proper doses depending on the merit of the case. Borrower should not be taken primarily as a party in opposition rather borrower should be taken into confidence. Assistance and guidance in times of need may embolden the relationship of the two which indirectly widens the possibility of loan recovery with ease. Sometime a small dose of working capital to the borrower may save him from possible loss. Sometime rescheduling of loans may require depending on the income generation capacity of the borrower at the material point of time. Bank may consider rehabilitation package in case

of potentially sick units. Regular assessment of performance of certain enterprises is necessary because of their special nature where fluctuation and changes in the market situation may adversely affect the profitability of the business. In such cases bank should ring alarm to the enterprise but at the same time provide it with timely advice to check default of loans. Very often it is seen that a large number of small borrowers have diverted the loan for other purposes – the situation can be averted only if there is a system or a machinery to look after all these things.

3.4.2 But the UCBs in spite of their sharp increase of gross NPA have not yet taken any effective measures/steps for the recovery of loan and at the same time reduce the NPA. Like yesteryears they are running the affairs of the banks without setting up an exclusive Recovery Cell or Post Credit Supervision Cell under the control of a senior officer. Although there are no dearth of officers in some banks as they have recruited much more officers and staffs than required. The Committee feels that BODs should prepare a comprehensive loan recovery policy including organization of evening meetings of the borrower-members in different areas of their operation and involving delegates of the banks in these meetings.

3.4.3 The Expert Committee recommends the following to check impairment in Post Credit Management –

- 1. The Post Credit Supervision Cell/Recovery Cell – cum – Legal Cell is to be set up under a senior officer at the helm of affairs supported by two senior staffs. They should not be tagged with other duties.**
- 2. That the Chairman and CEO of the bank will hold a meeting on monthly basis along with the loan subcommittee members to review the performance and progress of the Recovery Cell in present of the concerned officer/s who have/has recommended such loans.**
- 3. Where the strength of the officers and staffs are inadequate in relation to work load, the bank may engaged one or two recovery agency as enlisted by RBI with the approval of the BODs and renew or cancel the agreement with the recovery agency depending on its performance.**
- 4. Officers and staffs posted in this cell should be given proper training in the field of CRM as well as training in the field of law matters pertaining to such recovery.**
- 5. Delegates are to be involved in the recovery process**
- 6. Holding of evening meetings involving the delegates**

The enforcement of the above obligations is also to be given mandatory effect through issuance of appropriate direction by the RCS.

3.5 Impairment in Asset Liability Management

In banking business there are mainly two aspects. Bank is taking deposits from the depositors as well as borrowing funds from other financing agencies on the one hand and the other it is extending loans and advances to the borrowers and making long term and short term investments in different Govt. securities or in PSUs or scheduled cooperative or nationalized commercial banks.

So, in one hand bank has liability to pay the money of the depositors and borrowers as and when demanded and on the other hand the bank has assets largely in the forms of loans and advances as well as investments on short term, medium term and long term basis which are supposed to be good and realizable with adequate returns coupled with elements of risk. It may happen that a particular bank used to tap deposit on short and medium term deposits whereas loans and advances and investment made for a long term basis coupled with “lock in

period” in case of investment. This situation may create a severe mismatch between the liabilities and assets and eventually the bank will not be able to pay the depositors money on demand. Assets and Liabilities match is therefore a vital area to be looked into by the bank management.

And for this purpose the bank should develop ALM Information System which should be available in times of need and the information should be a correct one.

3.5.1 The committee suggests the following –

- 1. The bank should develop a comprehensive two-way MIS which will take care of providing all time accurate information to the top level management to take appropriate and correct decision in the matter of quantum of loan and advance as well as investments in terms of repayment period or maturity period as the case may be while percolating such information also to the lower levels.**
- 2. The Banks should formulate an Asset Liability Management Policy in accordance with existing guidelines of RBI**

3.6 HRD Management

HRD should be viewed in a wider perspective considering the functions of the UCBs, the details of which have been discussed earlier. The EC will try to concentrate here mainly on in-house man power resources available with the banks. The process of recruitment of staffs and officers as requisitioned by the Co-operative banks with prescribed qualification and experience etc. are now with Co-operative Service Commission. The BODs of a number of banks with whom the EC had a sitting on various issues unequivocally acknowledge the integrity of Co-operative Service Commission and they have expressed satisfaction with the quality of staffs and officers recruited by the Service Commission. Some of them expressed concern that such quality recruits after their joining in the bank use to depart after a small period as and when they get the better job else where.

3.6.1 But such direct recruits staffs and officers through Service Commission constitute a small percentage of the total employees of the banks. So, the banks should start initially an exercise of census of competency at all levels right from the officers to Grade-IV categories. In this process the bank may find qualified officers or staff already with it in the field of Law, Accountancy, Computer Science and other experienced officers and staffs having specific attitude and aptitude in managing the various sections of the bank. The combination of such a team may be a great strength of the bank and may be utilized to a maximum level if the BODs and top level officers have knowledge about the quality and the qualification of the staffs and officers working under their control. Only knowledge in this regard will not suffice but the intention and the commitment to pick the proper man in proper time and put them in proper place is more than essential for the betterment of the Human Resources. More over in case of a few banks where per employee deposit, advance, profit are low because of excessive recruitment of staffs and officers by the unscrupulous and imprudent BODs, the present management should try to depute such extra heads in the field of off – banking business like insurance, organization of SHGs, payment of electric bills and telephone bills etc. The existing weakness of the staffs and officers may be improved to a great extent

through training in banking and in computer application so that afterwards such staffs can be deployed for management in internal control and for developing MIS

3.6.2 Therefore the committee recommends that –

- 1. The State Government should engage an experienced Consultancy Firm for conducting a study and submit suggestions/actions to increase the productivity of the officers, staffs as well as the directors by ascertaining various factors such as technological up gradation, development of physical infrastructure and up gradation of customer service and there after take appropriate measures to implement the suggestions as will be made by the consultancy firm.**
- 2. The banks should formulate an Internal Control System (ICS) following the existing guideline of RBI which may act as the internal immunity system guarding against future pitfalls.**

3.7 Internal Control Management

The need for timely internal checking of business transaction can never be over emphasized.

Following are the list of fields of Internal Checking –

- 1) Checking daily transactions with high value receipts and payments; proper accounting of inward and outward cash remittances.**
- 2) Checking transaction of receipts and payments on deposit account; random checking of calculation of interest paid on deposits with a special eye to large deposits.**
- 3) Balancing of accounts, ledgers, cash book and G.L. and registers of cheque books and accounts thereof with a special reference to return of checks and bills and reasons thereof; reconciliation of entries outstanding in the inter and intra bank accounts, suspense accounts and sundry deposit accounts.**
- 4) Verification of process of appraisal of loan, recommendation, thereof and sanction of loan and detect violation if any of the approved loan policy; verification of documents and securities receipt and registered; verify steps taken by the branch as post disbursement follow up and verify the nature of payment and the extent of default.**

In fact, in spite of standard and prescribed guidelines of RBI on internal control system not a single bank in the state has adopted a complete internal control system.

Although the banks are inspected twice in a year in case of Grade-I, Grade-II and Grade-III banks and once in a year in case of a Grade-IV banks by RBI and although the accounts of all the banks are audited every year by the auditors by the Co-operative Directorate there may be a possibility of some errors or irregularities in financial transaction if such Internal Control System is not introduced or allowed to work by the bank management.

So, the Expert Committee recommends the BODs will invariably develop the ICS as per existing RBI guideline either by its own officers and staffs and if not possible, by outside agencies and review its functioning on quarterly basis.

3.8 Customer Service

One of the essential parts of corporate governance is to provide better service to the Customers – it has strong relevance in the UCBs due to their nature of business and fiduciary responsibilities. It is with the depositors' money that the bank is doing business. So, the banks should not forget especially in a competitive environment that the banks are not doing depositor a favour with service but the reverse is a blatant reality.

To assess the present level of customer service the committee apart from visiting three banks, had sent a questionnaire to the UCBs. (A set of questionnaire is enclosed in the form of Annex 1 with this report). The analysis shows that in all the UCBs the level of Customer Service is more or less satisfactory although there is no scope of self complacency on the part of the UCBs. There is enough scope to improve it further with complete computerization.

The Committee recommends after careful consideration of all the aspects to improve the Customer Service as follow:

- 1. That the particular month in which the number of transaction is highest in the year before last should be selected in the following year as a month of “Customer Service Census or Customer Service Audit month” – where selected members of the BODs along with an intermediate level of officers will interview all the customers to identify the deficiencies of the banks and to note the suggestions of the customers towards improvement of customer service.**
- 2. A review be made by the BODs/other officers over the existing Customer Service provided by the commercial or private banks within the area of operation of the bank and take note the fields where their bank is lacking in comparison to other banks surrounds it.**
- 3. Computerization of loan account and deposit account and updating of pass book, through machine be ensured by all the banks in a time frame.**
- 4. Ambiance of the business place of the bank is comfortable with provisions of sufficient light/fan and sitting arrangements so that the customers feel comfort and also have a feeling that the banks offer due regard and importance to the customers.**
- 5. One window service of receipts and payments for various denominations be introduced.**
- 6. Service to the senior citizens be something special – the BODs according to the staff strength and business space may reserve a separate counter in times of rush for the senior citizens.**
- 7. The bank should ensure that on the day of deposit as C.C/F.D or other investors may get the certificate of investment either on the same day or by the next working day.**
- 8. The banks should develop a fair practice code to guide proper customer service**

3.9 Investment Policy

Like policy of Loans and Advance UCBs should have an Investment Policy and be updated in each year and approved in the BODs meeting. The fact remains most of the UCBs has no policy of Investment. They are making investments based on their experience and on the basis of circulars and guidelines issued by the RBI from time to time but there are instances of violation of directives of RBI by some banks in the past by purchasing securities from fake brokers and ultimately the officers are entrapped in fraud case and money invested is turned into loss assets.

.RBI has more or less confined the Investment Policy of all UCBs with –

1. Statutory investment for minimum SLR holding in Govt. and the approved securities.
2. Investment in Govt. and other approved securities as non statutory investments with no restriction of limit.
3. Investment in public sector undertaking up to 10% of their deposits as non statutory investment subject to compliance of a number of conditions.
4. Restrictions on holding of shares in other Co-operative societies other than SCB/DCCB.

There is complete prohibition of investments of funds by UCBs as deposit with companies/corporations etc.

3.9.1 The Committee is of the view that a direction is to be given by the RCS on the following points:

- 1. The BODs of the UCBs where no such policy is framed should go for drafting of such policy by keeping the directives and guidelines of RBI/circular of RCS if any in mind with immediate effect and get it approved in the BODs meeting with a rider that such policy be revised every year according to the needs and directives of RBI likely to be issued from time to time.**
- 2. A copy of the approved policy along with certified copy of the relevant extract of the resolution of the BODs where such policy was approved be forwarded (a) to the RCS through Range Asst. RCS and (b) to RBI directly.**
- 3. The UCBs should not be allowed to invest their funds as deposits with any private banks.**

3.10 Computerization and Upgradation of Technology

The issues discussed earlier viz. Development of MIS, HRD and offering customer service quickly with efficiency, management of assets in general and loans & advances and investments in particular and Management of Internal control can not be implemented in true sense of the term unless Computerization of the UCBs is completed.

During the course of meeting with Federation of UCBs of the state it was brought to the knowledge of the Expert Committee that although the banks have purchased computers but Computerization in real sense barring few banks is a distant dream. The Federation of UCBs of the State ventilated their grievances that in terms of technological up gradation the UCBs in the state are lacking to a great extent as compared to the Commercial banks. And in a complex competitive environment they are mismatch to their competitors in terms of technological up gradation apart from enviable back premises that the commercial banks have. Despite all such odds as claimed by the Federation, the UCBs are playing an important role in the retail marketing sector.

The Committee was told by the BEFI that lack of efforts vis-a-vis fund constrained is the main reasons for technical up gradation. It was suggested by them the Federation of UCBs and Credit Society Ltd. Should jointly take effort for technical up gradation of all the banks with common networking facility in the Co-operative Sector with WBSCB Ltd. as a Nodal

Agency. Common software, they suggested, may be used by all the UCBs. It is their suggestion the companies with good reputation may be entrusted in this regard.

The Expert Committee had an interaction with the RBI Officials of the Urban Bank Division – where the committee elicits the views and suggestions of RBI in the matter of IT usage. It was told by the officials that a vision document for UCBs with proposal of signing of MOU between RBI and Central and respective State Govt. was released in March'2005 for establishing a consultative approach for supervision and regulation of UCBs and in consonance with the vision. An MOU was signed by the RBI and Govt. of West Bengal on 8/8/2007 for the development of the UCBs in the state as strong and vibrant entities wherein it was undertaken inter alia to facilitate human resources development and initiatives.

In the light of that vision document RBI has constituted a 9 members' Working Group on 19/12/2007 with Shree R. Gandhi, Regional Director RBI, New Delhi as the Chairman, Shree Asok Narain as the Member Secretary, RCS of Maharashtra and Karnataka, other officials of RBI and official of NAFCUB and one Director of an UCB of Gujarat as members with the following terms of reference.

1. To review the current level and use of IT Infrastructure in UCBs.
2. To structure a model/benchmark level of IT Infrastructure for UCBs in general or for identified sub groups of UCBs.
3. To prepare a suggested roadmap of building such as infrastructure by the UCBs.
4. To identify areas and ways in which IT support may be provided by RBI.
5. To make recommendation on the nature, scope and delivery mechanism for IT support to UCBs by the RBI.

And happy news is that the working group has meanwhile submitted their recommendations which include the following in the field IT Infrastructure.

- (a) Computerized front end or customer interface.
- (b) Automatic backend accounting (through software).
- (c) Computerized MIS reporting and
- (d) Automated regulator reporting.

The report recommends -

- (a) **Percentage coverage of the UCB irrespective of its size and financial position.**
- (b) **Nature of support with (1) Application Service provider model and (2) outright purchased model if bank opts to go for outright purchase of the core banking including data centre, the cost would be in the range of 1.5 crores to 2 crores for 5-10 branches per bank.**

And the Working Group attempted to reach an estimate of financial support of 1762 UCBs in the country as exhibited here in under.

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	For Unit banks, Small UCBs with branches up to 10 and other big UCBs who are eligible for only the ASP model (about 1650 banks).	For big UCBs who are eligible to choose outright purchase model (about 100 banks)
Software	Up to Rs.480 Crores	Rs.400 Crores
Hardware	Up to Rs.90 Crores	
Data centre	Nil	
Recurring cost (to be borne by the banks)	From Rs.1.20 to Rs.3.60 Lakh per branch per annum.	About 8-10% AMC depreciation cost, staff of IT department, Data centre maintenance.

The Expert Committee has expressed satisfaction on the initiatives taken by RBI of IT coverage in UCBs and endorsed the views of the working group so far as acceptance of the necessity of usage of IT in UCBs for their survival on growth but differs with the delivery mechanism and also with their opinion to the effect that financial support in the form of a grant may reduce the seriousness regarding the end use of fund especially when the State Govt. and RBI has signed MOU with the aim inter alia to facilitate Human Resources Development and IT initiatives of the UCBs. Since RBI is to take necessary initiative in this regard the Committee at this stage does not recommend any State Govt. involvement in computerization of UCBs. **The Committee however would like to make the following observations in this regard:**

- 1. A separate fund under the head “IT usage in UCB sector” may be created by Govt. of India/RBI for this purpose.**
- 2. The banks which have to adopt ASP model, flow of grant and loan may have from RBI through IDRBT (Institute for Development and Research in Banking Technology) as suggested by the Working Group. The committee also endorsed strongly the views of the Working Group that IDRBT be entrusted with the duty for preparing Systems Requirement Specification, selection of vendors and also to prepare development/testing, implementation plans and vetting the Service Level. Agreement between the UCBs and the Service Provider to ensure sound and proper implementation and post installation support by the vendor.**
- 3. TAFCUB should ensure implementation of the usage of Information Technology in right earnest within the year 2009-2010 in all the UCBs in the state irrespective of its grade.**

3.11 Inspection by RBI and Inspection/Enquiry by RCS

In terms of provision of B.R. Act, 1949 (AACS) , the RBI conducts inspection of Grade IV banks once in a year and in case of banks other than Grade IV once in two years. The periodicity of such inspection should be once in a year in respect of all the banks irrespective of its Grade. Otherwise such banks’ financial mismanagement may not come to the knowledge of RBI in time. As a result the banks’ financial condition might have been deteriorated further especially when there is no system of regular inspection or enquiry on the part of RCS.

While scrutiny of the Inspection Reports of many banks it has come to the knowledge of the Expert Committee that so far as financial analysis is concerned the Inspection Report is good but there is hardly any indication of violation of the provisions of B.R. Act or directives of RBI or violation of the WBCS Act and Rules or of the existing loan policy of the bank etc.

Moreover strategy for improvement for CD Ratio, Growth Rate of Deposit, Coverage of Membership and its growth, Deficiencies in Loans and Advance Portfolio, Customer Service, Computerization and HRD are not mentioned in the reports.

3.11.1 In view of the above the Expert Committee recommends the following:

- 1. Inspection of RBI should be annual in respect of all banks irrespective of its Grade and twice in a year in case of Grade IV banks.**
- 2. Inspection by RCS should be annual in respect of all banks and twice in a year in case of Grade IV banks. The inspection of RCS may be confined to inspect the proceedings of the BODs meeting sanctioning loans and advances and to identify the irregularities, if any, committed by the management of the bank in violation of the approved loan policy of the bank read with RBI guidelines, documentation part of the borrowing members and to see the steps taken by the banks and the matter of recovery of loans etc including the investment by the banks in various sectors.**
- 3. The Urban division under the RCS is to be strength and given the responsibility of follow up action based on the inspection reports**
- 4. All such follow up action are to be discussed at the TAFCUB so that both the regulating agencies coordinate their efforts logical settlement of all the issues raised in the inspection reports.**

3.12 Audit by Director of Co-operative Audit

In terms of WBCS Act and Rules the Director of Co-operative Audit conducts the audit of the accounts of the UCBs. The Expert Committee has gone through the Audit Reports conducted by the director of co-operative audit. The audit lacks uniform standard so far quality is concerned. In the Audit report the Audit Officers although records their noting of defalcation/financial irregularities/lapses on the part of the management in the field of investment and the loans and advances but have not fixed up the responsibility by name of officers or staffs or the directors of the bank. As a result of which RCS or RBI or subsequent bank management failed to initiate legal action against the negligent office bearers or officers of the bank.

So, the Expert Committee is of the opinion that the terms of the MOU between RBI and the Sate Govt. should be extended so as to cover audit of UCB having deposits base below 25 Crores.

Chapter – IV

4. Legislative Reform in Central Statute

4.1 The RBI has so far constituted a number of committees in the past (K. Madhav Das Committee in 1977; S. S. Marathe Committee in 1991 and K. Madhab Rao Committee in 1999 and others). All these three Committees made a number of recommendations for amendments in the Central and State Act related to the affairs of Co-operative Banks particularly in respect of B.R. Act, 1949 and State Co-operative Society Act of different states – but a major portion of their recommendation still remain unheard. After careful consideration of the difficulties now being faced by the UCBs throughout the country with a particular reference of the state of West Bengal. The Experts Committee recommends the following amendments, a major portion of which is a repetition of the earlier recommendations of the above three committees’ particularly in respect of B.R. Act, 1949.

For a long time Cooperators of all the states in the country demands deletion of the word 'Primary' as a part of the name of the UCB because the very word 'Primary' synchronizes with the word 'Small'. Although a good number of UCBs are not small at all in terms of their size, volume of business, volume of deposits over and above their area of operation and area of membership. Even they are bigger than CCB or DCCB in certain areas. It is not out of place to mention here that not a single UCB in West Bengal has the word 'Primary' as a part of its name.

So, Section 5 (CCV) of the B.R. Act, 1949 (AACS) may be amended in the opinion of the Expert Committee. Moreover Section 5 (3)(CCV) of the B.R. Act also be amended by permitting the UCB to enroll certain types of Primary Co-operative Societies in housing, industrial, service sector as a member subject to the permission of RCS.

4.1.1 The matter of conducting Audit in UCBs by an Audit Officer desires that he should have professional qualification in the field of Accounts. The engagement of a professional qualified auditor in the matter of conducting audit of an UCB has got a special relevance. So, many Committees appointed by RBI in the past, recommended that the B.S. and P/L Account of UCB has to be Audited by a duly qualified professional under any law for the time being in force. Further RBI should have a legal base to exercise control over the auditing performance and its quality thereof. It is not out of place to note here that in terms of Section 30 of the B.R. Act, 1949 (As Applicable to Banking Companies) the B.S. and P/L of a bank has to be audited by C.A. with due approval of RBI although these banking companies are registered under the Companies Act, 1956 by the Registrar of Companies. Once a C-operative institution comes under the purview of the B.R. Act, 1949, its financial and banking activities including the audit of accounts be controlled by RBI and the views of conducting audit by C.A. Firm of such co-operative banks of a deposit base of Rs.25 Crores and above has already been endorsed in the MOU signed between the Govt. of West Bengal and RBI. As a follow up action the Co-operation department has very recently issued an appropriate order with direction to the Director of Co-operative Audit to appoint RBI enlisted C.A. Firm for auditing the accounts of such bank.

In the above perspective the Expert Committee endorses the action of the State Govt. and at the same time recommends that the applicability of Section 30 of the B.R. Act, 1949 (AABC) may be extended to all UCBs.

4.1.2 RBI has indirect powers on the strength of the provisions of Section 2 (99)(IV) of the Deposit Insurance and Credit Guarantee Act, 1961 to ask the RCS to pass an order for super session of the Board and appointment of Administrator or order for amalgamation or merger in respect of insured UCBs. Experience speaks the very purpose of such super session of the Board and appointment of Administrator usually gets delayed as such actions from RCS is either delayed for execution or have got involved in litigation. Similarly, the merger of weak banks with a strong bank in this state like many other states is the need of the hour.

4.1.3 In a competitive environment the UCBs in the state should have a greater area of operation as well as area of membership be extended; otherwise their survival will be at stake. Experience shows that RBI and more particularly RCS are very reluctant to look into this aspect. The banks are also very reluctant to

approach to extend the area of operation to RBI and to extend the area of membership to RCS.

In this situation the Expert Committee recommends –

1. The UCBs particularly the unit UCBs should prepare an action plan in the matter of extending area of operation as well as area of membership in order to increase the member base, deposit base and business base.

2. Area of operation of all UCBs be extended to the whole district for better growth and expansion of UCBs in the first stage depending on their present performance.

4.1.4 The Expert Committee observes that even after cancellation of license by RBI followed by issuance of notification of liquidation by the State Govt. in respect of UCB, the depositors of the UCB although they belong to lower income group or middle income group, are not getting their money back in time due to legal problems or procedural delays by the DICGC.

So, in the opinion of the Expert Committee, the DICGC Act, 1961 be suitably amended so as to facilitate payment up to 70% or Rs.50 thousand whichever is less be paid to the depositors as a part payment.

4.2 Legislative Reform in State Statute

4.2.1 As the RBI is empowered to look after the financial matter and the matters relating to banking business the following sections of the WBCS Act needs to be amended for better regulation of the UCBs or to avoid dual control system now prevailing in the state.

4.2.2 The expert committee is of the opinion that Section 62 regarding investment of funds and Chapter X in the matters of conducting audit of the WBCS Act 1983 may be suitably amended in respect of UCBs by vesting such powers with RBI.

4.2.3 Apart from the above the Committee further recommends that the State Govt. may suitably amend the WBCS Act to provide for the following:

- 1. A separate chapter on UCB (and on primary co-operative credit society other than primary agricultural co-operative credit society), as UCBs have special characteristics derived from the B.R. Act in respect of**

2. Co-operative Election Authority as laid down in Section 35 of the State Act should be activated for the transparency of election of BODs of the Co-operative Societies as mentioned in the Fifth Schedule of the State Acts.
3. Section 65 (Reserve fund) is to be amended for upward revision by substituting the words “not less than 10%” by “not less than 20%” of its profit to a reserve fund in case of all types of co-operative banks including UCBs. The Proviso to Section 65 is also to be suitably amended by including State Cooperative Bank and Central Cooperative Bank for Investment.
4. Section 77 relating to restriction on interest of member of co-operative society with limited liability and share capital is to be amended by a Proviso for non applicability of this section in case of non scheduled UCBs or all types of UCBs. There should not be any ceiling on the value of individual share holding in UCBs as this is the one and only one means of raising share capital in case of nonscheduled UCBs, as they are not permitted by RBI to raise subordinate debts such as bonds and debentures. Such withdrawal of arbitrary ceiling of individual share holding will not affect the democratic fabric of the UCBs especially when the WBCS Act has a provision “one person one vote” irrespective of the number of share holding of any individual.
5. The lion share of working capital of UCB comes from the depositors whereas the share holder contribution as a part working capital is very negligible – so, the depositors’ concern is more than the share holders in case the bank turns sick; but ironically the depositors have got no share in the management of the banks although banking upon the depositors’ money the whole business revolves. Although to protect the interest of the depositor RBI emerges as a regulator with extension of deposit insurance to this sector of banking but depositors’ right to the members of the UCB was not thought of by the State Legislatures by any state in the country. Accordingly a new clause is to be inserted under section 69 (1) to protect the interest of the depositors. The Expert Committee is of the opinion that the depositors should be a part of democratically elected management and in this way responsibility for using resources of banks efficiently and prudently be ensured – so, need of the hour is to confer membership status of all the depositors of the UCB resides in the area of membership of the bank by suitably amending the State Co-operative Act.
6. The power of the RCS under Section 131 to enforce performance of obligations set out in Chapter XIV is a very wide one and the a specific provision is to be included in this chapter setting up an obligation on part of the UCBs to comply with written directions from the RCS in respect of proper operation of their banking business.

Chapter – V

5. Recommendations

5.1 Dual Control and the need to specify areas of such control

The Committee has earlier pointed out the existence of dual control of the State Government and the RBI to be one of the grey areas in exercise of supervision over the UCBs. The Committee feels that signing of the MOU between the State Government and the RBI and creation of TAFCUB will pave the way for coordinated supervision and joint consultations between the two supervising authorities in a structured manner. But at the same time **the Committee feels that that area of operation between these two supervising authorities need be clearly defined and demarcated. The Committee has already prescribed a detailed list of functional demarcation between the RBI and the RCS which is reproduced below:**

Jurisdiction of RBI

10. All issues relating to loans and advances, investments and all financial statements and examination thereof.
11. Inspection and actions to be initiated based on inspection report.
12. To conduct inspection or enquiry or receipt of allegation on financial irregularities from any quarter and to initiate action thereof.
13. Branch licensing and area of operation.
14. Permission of acquisition of all types of assets that may require to carrying out the banking business.
15. Prescribing minimum qualification for appointment of CEO of the UCB in accordance with RBI Guideline.
16. Super session of BODs and appointment of Administrator/s in accordance with the MOU signed between the State Government and the RBI.
17. Appointment of auditor and to see compliance of audit objections as noted in the audit report in accordance with the MOU.
18. Amalgamation of any UCB with another UCB and all other banking related activities.

Jurisdiction of R.C.S.

14. Registration of Urban Co-operative Banks.
15. Amendment of bye-laws.
16. Change of name and address.
17. Annual general meeting.
18. Election of Directors of the Board and other related matters regarding election of office bearers barring cooption of Directors in the BOD.
19. Membership issues and protection of members' right.
20. Access to document.
21. Power to enforce attendance of witness and production of documents.
22. Power to direct conditional attachment.
23. Charge and surcharge.
24. Power of arbitration and institution of a prosecution.
25. Inspection and follow up on audit reports so far as any of the matter concerning hereinabove
26. Appointment of Chartered Accountants for overseeing the liquidation process.

The Committee is of the view that the above demarcation of responsibilities are to be clearly established through appropriate amendments in the WBCS Act and also through a Exchange of Notes between the State Government and the RBI. But this does not mean that the unique consultative machinery that has been created as TAFUCB will become insignificant. Rather the Committee expects that such clear demarcation of responsibilities will help in the deliberations at the TAFUCB with the respective authorities having veto power over their respective jurisdictions as outlined.

5.2 Revival of weak and Loss Making UCBs

From the earlier discussions on performance and accumulated NPAs it will be seen that at present there are at present 6 weak and loss making banks among the total

48 UCBs with considerable assets blocked Gross NPA and accumulated losses over Rs. 500.00 crores as on 31.03.2007. The names of the six weak banks are noted below with their individual NPAs and accumulated loss as on 31.03.2007:

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Name of Bank	Gross NPA As on 31.03.2007(Rs./cr)	Accumulated loss As on 31.03.2007 (Rs./cr)
1. Kasundia Co-op Bank	617.04	(-)871.15
2. Bally Co-op Bank	740.89	(-) 603.83
3. Boral Union Co-op Bank	382.01	(-) 755.49
4. Ramkrishnapur Cooperative Bank Ltd.	2145.84	(-) 1938.26
5. Bhatpara Naihati Cooperative Bank Ltd.	420.18	(-) 573.81
6. Bantra Co-op Bank	484.55	(-) 1079.09

From our analysis of the reasons for decline and huge accumulation of NPAs it will be seen that in almost all cases the accumulation of NPAs and losses have been due to improper and reckless investments and / or imprudent loans sanctioned sometimes with fraudulent intent by the prevailing management. Under such circumstances the Committee does not find it reasonable to recommend any bail out package for these weak or loss making banks so as to not to put any premium on mismanagement, inefficiency or, worse, corruption. But at the same time the Committee is of the opinions that as these banks serve an important social cause they should be accorded all administrative support for any genuine effort to come out of the red. Basically any revival strategy for these weak UCBs has to concentrate on two immediate goals – a) Immediate and sustained efforts for recovery of the NPAs and b) to ensure that the banks are placed under competent professional management and the management is able to take all necessary efforts towards not only recovery of NPAs but to reduce existing operational costs including reduction of staff strength through an appropriate VRS package. Each of these banks has to be examined on case to case basis and has to be closely monitored and supervised over a long period of time for the revival effort to succeed. But neither the State Government nor the RBI has the resources or manpower to effectively supervise the daily functioning of these banks for a sustained period. One of the reasons for constitution of TAFUCB in the States signing MOU with RBI was to classify such weak UCBS as either viable or non-viable entities based on their current assets and future prospects for recovery of NPAs and for suggesting suitable revival strategy for the viable ones and a non-disruptive exit route for the former. Since MOU with RBI has already been signed in the State and the TAFUCB has been constituted with the above objective in mind. **The Committee feels that distinguishing the viable and non-viable banks and formulating appropriate revival path should best be left to this jointly constituted body. Instead of creating additional machinery for revival of weak and non-performing UCBs the State Government may fully support the revival strategy arrived through the consultative process of TAFUCB.**

5.2.1 But there is another aspect which requires immediate attention. One of the terms of the MOU signed between RBI and the State Government is to remove a director or even super

session the entire board in case of gross violation of RBI guideline. But this is a negative condition which may prevent future transgressions but may not help day to day functioning of the weak or loss making banks. **The Committee is of the opinion that appointment of a full time professional CEO in case of the six loss making banks to implement a turnaround strategy for a minimum period of three years will go a long way to improve the regular banking functions of these banks.** The CEO must have proven professional banking expertise and working with any scheduled commercial bank with experience in cooperative banking. He is to be nominated by the State Government for appointment to the specified bank and will be on deputation to the State Government for appointment as CEO to the specified bank to be supported by a resolution of the Board of Directors of the concerned bank. While he will be reporting to the Board of Directors he will also be responsible for implementation of the revival package. Since the banks themselves may not be in a position to fully bear the salaries of the concerned official his full salary may be reimbursed to the concerned bank as outright grant. The State Government will also have the power to recall or replace the nominated CEO on the recommendations of TAFCUB.

5.2.2 During discussions with the UCBs including the loss making UCBs the Committee found that there is a common problem with execution of the decree or certificate on assets / mortgages given as security against NPAs and in general proper enforcement of the Securitization Act, 2002. Since this is a common problem faced by all banking institutions and not related particularly to the UCBs the Committee is reluctant to make any specific recommendation on this point. But the Committee feels that the State Government may consult with legal experts, RBI, Recovery Officers of Banks and field level implementation agencies to consider steps for proper enforcement of the Securitization Act and bring in State specific amendments or recommend such amendment to Government of India. **Pending that the Committee recommends that the State Government may issue a clear cut guideline to the field level implementing agencies for prompt follow up action on execution applications from cooperative banks against decree or certificates under the Securitisation Act.**

5.3 Revival package for UCBs with –ve CRAR

In our earlier discussions we had mentioned cases of 10 banks with –ve CRAR. The list of the 10 banks along with required additional capital for CRAR compliance as on 31-03-2007 is reproduced below.

Internal Table – 29

Required Additional Capital for CRAR Compliance in respect of Banks Having - CRAR								
Sl No.	Name of the Banks	Present Capital	Current RWA	Present CRAR	Tier II Capital	Eligible Tier II Capital	Required Capital for 9% CRAR	Required Additional Capital for CRAR Compliance
1	Bally CB Ltd.(Gr.IV)	-585.25	356.11	-164.35%	9.89	4.45	32.05	612.85
2	Bantra CB Ltd.(Gr.IV)	-988.91	1630.59	-60.65%	207.88	20.38	146.75	1115.28
3	Bhatpara Naihati CB Ltd.(Gr.IV)	-272.05	1709.68	-15.91%	61.1	21.37	153.87	404.55
4	Kasundia CB Ltd.(Gr.IV)	-973.92	1867.86	-52.03%	61.21	23.35	168.11	1116.68

5	Ranaghat CB Ltd.(Gr.IV)	-44.51	1268.68	-3.51%	59.64	15.86	114.18	142.83
6	Panihati CB Ltd.(Gr.IV)	-12.27	990.03	-1.24%	7.52	7.52	89.1	93.85
7	Baranagar CB Ltd.(Gr.IV)*	-362.77	3421.56	-10.60%	5.58	5.58	307.94	665.13
8	Boral Union CB Ltd.(Gr.IV)*	-536.91	4808.63	-12.46%	196.68	53.86	387.79	870.84
9	Ramkrishnapur CB Ltd.(Gr.IV)*	-1488.24	4802.95	-30.99%	18.05	18.05	432.27	1902.46
10	Suri Friends' CB Ltd.(Gr.IV)*	-10.21	289.5	-3.53%	0.36	0.36	26.06	35.91
	Total							6980.38
*Assessed position as on March 31, 2007 taken into account								
Note: Figures provided by Reserve Bank of India								

5.3.1 It transpires that present CRAR Level of these 10 banks ranges from (-) 164.35% to (-) 1.24%. Naturally with this low level of dismal CRAR % these banks have no surplus funds either to augment their business or absorb any risks arising out of loss assets. It has been discussed earlier that the UCBs have limitation in raising additional capital-i.e. they can raise capital from members and that source has also been limited in case of 3 banks out of the above 10, following imposition of restriction by RBI of issuance of fresh Loans and Advances. Even raising deposits from public is also restricted. Now they have to depend only on recovery of loans given to the members. So in totality there is inadequacy of capital to augment their business level. Under such situation the expert committee feels that these banks should be provided with assistance for the safety and security of the share holders. And such assistance will also strengthen the equity base of the above 10 banks which will ultimately help them to build up their capital and reserves gradually and the banks with the help of this assistance will turnaround within 3 to 4 years.

5.3.2 The Committee recommends that the State Govt. should provide these 10 banks with one time grant of Rs. 6980.38 lakhs preferably within 31-3-2009 to achieve 9% CRAR initially. The fund will be released only after completion of statutory audit of the accounts of the above banks as on 31/03/07 supported by a receipt of certificate from RBI with assessment of additional requirement of fund to reach 9% CRAR from the existing level as on 31/03/07.

5.3.3 The committee further suggests that if these banks through concerted efforts improve their respective CRAR by 1% from 9% level within 1 year from the receipt of this fund, the State Govt. should encourage and support them by providing further financial grant to raise the level of CRAR by 1% each in the succeeding 2 years till they reach the 13% CRAR.

The tentative projection of RWA of these banks along with requirement of fund in the shape of incentive for 1% CRAR improvement is given here in under.

Internal Table – 30

Year	RWA	Required Incentive for 1% CRAR improvement
2010-2011	22908 lakh	229 lakh
2011-2012	25198 lakh	251 lakh
2012-2013	30236 lakh	302 lakh

5.4 Contribution to the Share Capital of the UCBs

As already mentioned at paragraph 2.2 the Committee is not in favour of any infusion in the share capital of the UCBs from the government. This Committee fully agrees with the sentiments expressed by the Vaidyanathan Task Force and opines that such injection of Government share capital into UCBs should be discouraged and considered only in the rarest of rare cases. The Committee recommends that such an option can be considered only in the following circumstances:-

- 1) That the paid up share capital of the UCB has suddenly gone below 10 percent of its last audited returns due to reasons beyond the control of the UCB management, or
- 2) For reasons not attributable directly to the concerned bank, the accumulated deposits of the Bank has suddenly been withdrawn in such a manner so as to make it impossible for the Bank to manage its day to day banking operations

Government share contribution to the UCBs may be considered only under existence of either of the above situations and even this contribution can remain maximum for a period of three years.

5.5 Incentive for performing UCBs

During its examination of the performance of the UCBs the Committee has found that there are some banks that have performed extraordinarily both to raise deposits and also to extend its loan base to cover low or middle income groups as its loanee members against very stiff competition from commercial banks. Since this serves the basic principle of cooperation and implement the Government policy to make available banking facilities as well as small amounts of credit on easy terms to the lower income groups through institutional arrangements **the Committee is of the opinion that there should be a system of incentives to the performing UCBs. Such incentive will encourage performing UCBs to achieve higher heights while inspire other non performing USBs to greater efforts.** The types of incentives and the modalities for their disbursement are noted below:

5.5.1 Deposit Incentive – The Committee has discussed earlier the disparity in the growth of deposits between commercial banks and the UCBs and feels that outstanding efforts at deposit mobilization on part of UCBs should be recognized and rewarded. The Committee therefore recommends that the State Government may provide incentive amounting to 0.5 percent (half percent) interest on all savings and current deposits but not on term deposits exceeding Rs. 10.00 crores at the end of the financial year provided the percentage of such savings and current deposit shall not be less than 45% of the total deposit of that UCB at the end of the financial year. Further in case of such deposits exceeding Rs. 100 crores the incentive will be made available to the entire amount of deposit without any entry point. The modalities for disbursement will be simple. The concerned UCB will apply to RCS along with audited balance sheet and a certificate from statutory auditors after end of each financial year. RCS will recommend release of the incentive amount to the Cooperation Department after satisfying himself that the deposits as claimed are correct. It will be for the concerned banks to decide if the incentive will be passed on to the deposit holders or retained by them for their development needs.

5.5.2 Incentive on loans to Weaker Sections – Since the declared policy of the Government is to make available small amounts of loans to lower income groups and small entrepreneurs on easy terms and with minimum of hassle the Committee resolves that UCBs doing this socially beneficial work but with prudent banking norms should be

rewarded. **The Committee therefore recommends that amount of loans up to Rs. 1.00 lakhs extended to persons from BPL category but against acceptable security will be provided with incentive @ 1(one) per cent p.a. subject to the following conditions:**

- f. **The loanee has to produce a certificate from the competent authority that he/she / they belong to BPL family**
- g. **The total loan amount extended to a family does not exceed Rs. one lakh**
- h. **The total of such loans extended to BPL families does not fall below 25% of the total deposits in the bank in concerned financial year**
- i. **Necessary certificate from the statutory auditors that adequate and acceptable security has been obtained from loans above Rs. 25,000/ and that total of such loans extended to loanees from BPL families are not less than 25% of the total deposits of the bank in that financial year.**
- j. **The eligible amount of loan for this incentive will not be more than Rs. 50.00 crores per bank per year**

The modality for disbursement will be the same i.e. the concerned UCB will apply to RCS along with BPL and auditor's certificate in terms of Para 'a' and 'd' above. The RCS, on being satisfied that the claim for incentive satisfy all the criteria as above, shall recommend the application to the Cooperation Department.

5.5.3 Incentive on opening new Bank Branches in uncovered and or remote areas -

The Committee has earlier commented on the absence of UCBs in six districts of West Bengal and their concentration in and around the urban pockets of Kolkata, Howrah, Hooghly, N. 24 Parganas and Bardhaman. While there is at present restrictions imposed by RBI on opening of new UCBs the restrictions on opening of new branches is relaxed on individual cases. The committee is of the opinion that RBI should reconsider its earlier decision on restriction of opening of new bank branches by UCBs as without horizontal spread it has become very difficult for these banks to become viable entities. Therefore the Committee feels that there is an opportunity for strong UCBs to open new branches in previously uncovered areas. The Committee is of the opinion that such efforts need be encouraged. **It therefore recommends that there will a reward- incentive of Rs.2.00 lakhs flat for setting up viable new branch opened in an urban pocket which was not previously covered by the bank. The incentive will be subject to the following conditions:**

- e. **The opening of the Branch has been duly approved by RBI**
- f. **The area is a statutory urban area.**
- g. **The Branch has a minimum total deposit of not less than Rs. 1.00 crore within one year from the date of opening of the bank branch.**
- h. **The Branch has a staff strength of not less than 3 heads.**

The modality of disbursement will be the same and the Bank will apply to the RCS with supporting papers on 'a' and 'b' and statutory auditors certificate on 'c' and 'd' above. RCS will recommend the claim to the Government after being satisfied as to its genuineness.

5.5.4 Incentive for Prudent and Profitable Management – The Committee has deliberated and found that the major reason that ails the UCBs is not so much the competition from the commercial banks but its own non-professional approach and mismanagement. Thus the Committee is of the opinion that those UCBs which observe prudential banking norms yet deploy their resources skillfully to earn profits need be recognized and their efforts rewarded. **The Committee therefore recommends that those Banks who earn profit before tax on a scale of Rs. 10.00 lakhs to Rs. 100.00 lakh should be appropriately rewarded as per scale suggested below:**

- 5) Profit after tax between Rs. 1.00 lakhs to Rs. 10.00 lakhs – 5 percent of the profit amount
- 6) Profit after tax between Rs. 10.00 lakhs - 20.00 lakhs - 4 percent of the profit amount
- 7) Profit after tax between Rs.20.00lakhs -50.00 lakhs - 3 percent of the profit amount
- 8) Profit after tax above Rs.50.00 lakhs - 2 percent of the profit amount

The incentive will be subject to the following conditions

- d. The CRAR of the bank is not less than 15% as per Basel II norms and calculated by competent statutory auditors
- e. The profit is also duly calculated by competent statutory auditors
- f. The Bank has been running with profit after tax for the previous three years and its CRAR has not fallen below 10% in any of the previous three years

The modalities for disbursement will be the same as earlier mentioned. The Bank will apply to RCS with necessary audit certificate from statutory auditors on all the points 'a' to 'c' above and RCS will recommend the claim to the Government after satisfying himself as to the genuineness.

5.6 Staff Position, Recruitment and VRS Package

5.6.1 It will be seen from the discussions at paragraph 3.7 that over the years the management of UCBs, except very few exceptions, has not made conscious efforts towards job oriented staff utilization and economy in staff recruitment and utilization. This has resulted in accumulation of staff grossly disproportionate to the normal business of the bank. It will be evident that per branch average staff strength is 19.5 as on 31.03.2007. Compared to this high staff strength the average deposit per employee works out to be only Rs. 106.37, loans and advances per employee work out to be Rs. 44.52 while average profit per employee is a mere Rs. 1.88 as on 31.03.2008. On the other hand there are also examples of UCBs who run without any formal staff recruitment and members themselves discharge the banking operations on a rotational basis. Kolkata Mahila Cooperative bank, Jiaganj Cooperative bank and Bhatpara Cooperative banks are examples of this cooperative spirit. But a balance has to be struck between these two approaches and it has to be ensured that UCBs with surplus staff bring them down to industry standards. **For this purpose the Committee feels that the State Government may engage a reputed management consultant with experience in banking operations to analyze the staff requirement of each UCB based on best industry practices and to find out how computerization may help in reduction of manual work. The Consultant may also report on the surplus staff available in each bank and recommend a VRS package for reduction of the surplus staff.** The Committee has also found that sometimes scarce capital assets of the banks have been sold to pay out the VRS package leading to further erosion of the capital base of the banks. The Committee therefore feels that a VRS fund may be created by the State Government to help the UCBs to implement the VRS package recommended by the government appointed Consultant without sudden outflow from their capital base. **The Committee therefore recommends that the State Government create a VRS Fund for UCBs with an initial capital contribution of Rs. 10.00 crores which may go up to Rs. 50.00 crores within next four years. The VRS fund may be entrusted to a reputed financial institution like LIC who will provide loans at minimal interest of 5 per cent to the UCBs to implement the**

VRS package as per recommendations of the Consultant. It will also have to ensure that the fund becomes self sustaining within a period of five years and the State government will not have to make any further payment after the initial capital of Rs. 10.00 crores and subsequent capital infusion, if required, not exceeding Rs. 50 Crores over a period of next four years. Once the requirement of VRS is completed the fund will have to be wound up and the financial institution will return the balance to the State Government with full and complete accounts.

5.6.2 The Committee had earlier mentioned that selection of staff to the UCBs is now being done by the Cooperative Service Selection Commission. The Committee feels that this ensures absence of any bias in selection of candidates and recommends that this process should continue and include all categories of staff including Group 'D' staff. During discussions with the Committee some of the banks suggested that as the new recruits resign and go away to avail of better opportunities some local residential qualification should be incorporated in the selection process. The Committee feels that this is a general problem which should not be handled through incorporation of any residential qualification. In any case such a clause will be against the Constitutional provision and policy of the Government. **Instead the Committee is of the opinion that the UCBs should revise their pay scales in accordance with general industry standards so that attrition can be avoided. The Board of each UCB should try to attract best available talent so that the workforce is small but efficient.**

5.7 Administrative Support for Loan Recovery through Pay Bills

The Committee had spoken about the need for an institutional mechanism to ensure smooth recovery of loans extended by the UCBs to salaried employees of Government, semi Government institutions and organizations. In fact the State Government had issued such a Notification in 1998 covering loans from all banks including commercial banks but subsequently withdrew the same. The problem was with reimbursement of the deducted amount to the concerned bank branch and secondly sometimes the deductions were stopped at the request of the salaried loanee. Since small loans to salaried employees of schools, colleges, small retail businessmen, workers of offices, factories etc form an important component of loanee members of UCBs **the Committee is of the opinion that some mechanism must be found to ensure smooth recovery of the loan amount without recourse to the Securitization Act. The Committee is of the opinion that a legally valid agreement between the UCB and the loanee with the former agreeing to provide the loan amount on condition that the loanee shall request his/her DDO to deduct the loan installment till full recovery as per the given schedule and the latter giving his/her irrevocable consent to this arrangement may help the cooperative banks to extend loans to these category of employees.** Once this option is exercised and the agreement is signed there will be an irrevocable obligation on part of the loanee as well as his DDO to go on recovering the loan installment till final recovery. On its part the UCB will also have to agree to collect the deduction from the DDO In cash or cheque as per convenience of the DDO. The Committee recommends that such recovery be also institutionalized as recovery of cooperative dues through an amendment in the West Bengal Cooperative Societies Act.

5.8 Statutory Audit

One of the major inputs for proper annual appraisal and monitoring of the performance of the UCBs is the Annual Statutory audit. None reflected the dual control over these banks so glaringly than the annual audit. As per Banking Regulation Act, RBI conducts annual inspection of UCBs, as required. The inspection reports of RBI form the major basis for follow up action to ensure that the banks use their deposit in a prudent manner as per existing RBI instructions or guideline. At the same time the Directorate. of Audit under the Cooperation Deptt. Conducts a statutory audit on annual basis and also conducts a running audit. The Committee had examined some of the audit reports by the Directorate of Audit and hardly found any evidence of improvement from the inspection report of the RBI. This apart some of the UCBs reported to the Committee that the audit conducted by the Directorate. are generally delayed which affects their performance. It may be mentioned here that under the terms of the MOU signed by the State Government audit of all UCBs with a deposit of Rs. 25.00 crores and above will now be conducted by a Chartered Accountant firm to be appointed in consultation with RBI. Since the Directorate of Cooperative Audit is preoccupied with auditing of numerous non-banking cooperatives and in order to avoid duplication of work the **Committee recommends that auditing of all UCBs should be done by the panel of Chartered Accountants appointed by RBI irrespective of the size of deposit. However in order to ensure that the RCS is also kept appraised of the performance of the UCBs and take necessary follow up action relating to the administrative matters RBI is to be requested to ensure that a copy of the audit report is invariably endorsed to RCS. Such audit conducted by RBI panel of Chartered Accountants is to be treated statutory audit through an amendment of the Cooperative Societies Act.**

5.9 Application of Co-operative governance in the UCBs

At paragraph 3.1. the Committee has highlighted the immediate need for institutionalization of a set norms of cooperative governance to guide the day to functioning of the banks which will be similar but not entirely in line with the 'Bankers' Fair Practice Code' as circulated by the AIBA. The Committee strongly feels that such a code should be formulated on a priority basis and observance of the code is to be made obligatory for the UCBs through appropriate direction from the RCS. The Committee therefore recommends **that the State Government has to prevail over the RBI to formulate such a universally acceptable fair practice code for the cooperative banks. Such a code of conduct is to guide not only the day to day operations of the UCBs but at the same time stress the cooperative characteristics of transparency, democracy, cooperative values, participatory management and equality for all the share holders.**

5.10 Steps for Improvement of Internal Management in the UCBs

At paragraph 3 the Committee has spoken in detail about the urgent need for improving the internal functioning of the UCBs. The Committee recommends that the State Government may take immediate follow up action on the suggestions made by the Committee which are reproduced below:

- 15) Provision for at least two nominated Directors with voting rights and with suitable banking experience or with graduate or post graduate degree holders in the field of accountancy or management should be made for all the UCBs through appropriate amendment in the WBCS Act.**

- 16) RBI should arrange orientation training course at least twice in a year for all the Directors so as to facilitate increase the level of their banking knowledge and the level of competition now prevailing in the banking sector.
- 17) Study tour of the Directors to successful banks within and outside the state should be arranged by the RBI and State Federation of UCBs jointly – such exposures will help them to broaden their outlook
- 18) The chairman should be a whole timer and for this due honorarium be paid to him out of the funds of the banks.
- 19) Good Directors/Co-operators should be rewarded by the State Federation of the UCBs and if possible by the RBI and the State Govt.
- 20) Quarterly meeting of the UCBs should be convened by the State Co-operative Banks for review of its progress on different financial parameters till the State Federation of the UCBs gets strengthened by the joint efforts of the State Govt., WBSCB and RBI.
- 21) The Urban Banking Division of the State Cooperative Bank is to be strengthened so that they are in better position to monitor the functioning of the UCBs and give necessary advice and help wherever required.
- 22) Similarly, arrangement of training of staffs and officers is made by the banks at a recognized banking training institutions either at the national level or state level or at the level of RBI. This process of training will be a continuous approach.
- 23) The training in computer education especially officers of all grades and staffs who are connected with the banking operation must be completed within a specific time frame.
- 24) Recruitment to the post of Chief Executive and the second in command below the CE should as far as practicable be made from qualified professionals as per RBI Guideline through Service Commission but where the competent professional officers are already in existence may be promoted to the post of CE and ranks below to the C.E.
- 25) Promotion to other posts should be based on a written examination maintaining a minimum standard as will be decided by the BODs.
- 26) Recruitment of sub-staff should not rest with the BODs – it should also be left to the Co-operative Service Commission.
- 27) For the guidance of officers and staffs the UCB should prepare comprehensive work manual which are not in vogue in almost all the UCBs. The State Cooperative Bank and its urban Banking Division is to be entrusted with the task of preparation of an Working Manual within next six months and provisions of the Manual is to be given mandatory force through a direction from the RCS to enforce performance of obligation u/s 131 of the WBCS Act and incorporating the obligation to follow the Manual through an amendment in Chapter VIII of the Act
- 28) UCBs as financial institution should have a system of rotation of duties on monthly/quarterly/half-yearly/yearly to enrich the knowledge of the staffs and officers about various natures of works on the one hand and to remove the monotony on the other. Such practices of rotation will also help to curb frauds/irregularities.

5.11 Credit Risk Management in UCBs

At paragraph 3.4 the Committee has analyzed the various risk factors in credit management in the UCBs. The Committee is of the view that unreasonable and imprudent management of the credit risks is the most important single factor which has impaired the functioning of the UCBs in this State. The Committee therefore recommends that the State Government may immediately implement the suggestions of the Committee given elsewhere in this report which are reproduced below:

- 7. Every bank must draft a well defined Loan Policy detailing various factors in mind while processing the credit appraisal viz, managerial competence of the entrepreneur, the honesty, integrity and past background of the entrepreneur over and above the technical feasibility, marketability, requirement of quantum of credit for acquiring fixed assets and working capital. For the preparation of the Loan Policy, the bank may utilize its own expertise or hire the expertise of banking experts, Lawyers, CA etc. and get it approved by the BODs.**
- 8. Every bank should publish the Loan Policy in its website, if any, for access of the Regulatory Authority for not only for their information but also for inviting suggestions from them for further improvement of the loan policy.**
- 9. The approved loan policy should be circulated to all the banks in the state for their mutual benefit.**
- 10. Officers and supervisory staffs working in the loan and the advance section must be given proper training by RBI on pre credit appraisal and post credit supervision.**
- 11. The same training to be imparted at least once in a year to the BODs of the bank and twice in a year to the loan sub-committee members.**
- 12. The last but not the least the bank should know from MIS regarding spreads of loans and advance portfolio. The bank should not extend major share of loans and advances to a particular loan basket. Diversifying the loan portfolio should be the motto of the BODs for better Credit Risk Management.**

In this case also the Committee recommends that this is to be given a mandatory effect through a direction from the RCS

5.12 Post Credit Management in UCBs

At Paragraph 3.5 above the Committee has spoken about the present status of post credit management and has stressed the importance of this aspect in recovery of NPAs. The recommendations made by the committee are reproduced below for immediate implementation:

- 7) The Post Credit Supervision Cell/Recovery Cell – cum – Legal Cell be set up under a senior officer at the helm of affairs supported by two senior staffs. They should not be tagged with other duties.**
- 8) That the Chairman and CEO of the bank will hold a meeting on monthly basis along with the loan subcommittee members to review the performance and progress of the Recovery Cell in present of the concerned officer/s who have/has recommended such loans.**

- 9) Where the strength of the officers and staffs are inadequate in relation to work load, the bank may engaged one or two recovery agency as enlisted by RBI with the approval of the BODs and renew or cancel the agreement with the recovery agency depending on its performance.
- 10) Officers and staffs posted in this cell should be given proper training in the field of CRM as well as training in the field of law matters pertaining to such recovery.
- 11) Delegates are to be involved in the recovery process
- 12) Holding of evening meetings involving the delegates

The enforcements of the above obligations are also to be given mandatory effect through issuance of appropriate direction by the RCS.

5.13 Asset Liability Management in UCBs

At paragraph 3.6 the Committee has laid stress on development of a Management Information System (MIS) which may help the BOD and the higher functionaries of the UCBs to take important and vital decisions credit and investment. Such an MIS is presently almost non existent in the UCBs checked by this Committee. **The Committee therefore recommends that all the UCBs are to develop a comprehensive MIS which among others will take care of providing accurate information to the top level management to take appropriate and correct decision in the matter of quantum of loan and advance as well as investments in terms of repayment period or maturity period as the case may be. Since this will be a part of the software towards computerization of the functioning of the UCBs the Committee recommends that the State Government may take up with RBI the necessity for a uniform software for all the UCBs. This is also a part of the recommendations of the Expert Committee appointed by RBI to go into the question of computerization of the functioning of the UCBs.**

5.14 Customer Service

At paragraph 3.9 the Committee has stressed the importance of proper and adequate customer service. The Committee recommends that the various steps suggested by it and reproduced below are to be immediately implemented through a general direction to be issued by the RCS. This is to be followed up through a point in the routine inspection of these banks by RCS officials. Failures to implement any of the following directions are to be treated as violation of statutory obligation to direction from RCS u/s 131 of the WBCS Act.

1. That the particular month in which the number of transaction is highest in the year before last should be selected in the following year as a month of “Customer Service Census or Customer Service Audit month” – where selected members of the BODs along with an intermediate level of officers will interview all the customers to identify the deficiencies of the banks and to note the suggestions of the customers towards improvement of customer service.
2. A review be made by the BODs/other officers over the existing Customer Service provided by the commercial or private banks within the area of operation of the bank and take note the fields where their bank is lacking in comparison to other banks surrounds it.
3. Computerization of loan account and deposit account and updating of pass book, through machine be ensured by all the banks in a time frame.

4. Ambiance of the business place of the bank is comfortable with provisions of sufficient light/fan and sitting arrangements so that the customers feel comfort and also have a feeling that the banks offer due regard and importance to the customers.
5. One window service of receipts and payments for various denominations be introduced.
6. Service to the senior citizens be something special – the BODs according to the staff strength and business space may reserve a separate counter in times of rush for the senior citizens.
7. The bank should ensure that on the day of deposit as C.C/F.D or other investors may get the certificate of investment either on the same day or by the next working day.
8. The banks should develop a fair practice code to guide proper customer service

5.15 Investment Policy in the UCBs

At paragraph 3.10 the Committee has stressed the importance of all the UCBs to conform to the investment policy as per RBI guideline. The Committee has also observed that in many cases the investments made by the UCBs are not in conformity with the RBI guideline. The Committee therefore recommends that a clear direction should be issued by the RCS U/S131 to all the UCBs to strictly follow the RBI guideline in their individual investment policies and in particular on the points noted below:

4. The BODs of the UCBs where no such policy is framed should go for drafting of such policy by keeping the directives and guidelines of RBI/circular of RCS if any in mind with immediate effect and get it approved in the BODs meeting with a rider that such policy be revised every year according to the needs and directives of RBI likely to be issued from time to time.
5. A copy of the approved policy along with certified copy of the relevant extract of the resolution of the BODs where such policy was approved be forwarded (a) to the RCS through Range Asst. RCS and (b) to RBI directly.
6. The UCBs should not be allowed to invest their funds as deposits with any private banks.

5.16 Computerization and Up gradation of Technology

At paragraph 3.11 the Committee has given the present status of computerization and up gradation of technology in the UCBs. The Committee has also noted that under the MOU signed between the State Government and the RBI on 8th. August, 2007 the latter has agreed to facilitate IT initiative in the UCBs. The Committee has also taken account of the recommendations of the Working Group (Gandhi Working Group) for IT initiative in the UCBs recommend that the State Government to take up with GOI as well as RBI immediate implementation of the Gandhi Group recommendations. In particular the Committee recommends that the following points need be implemented immediately:

- 4. A separate fund under the head “IT usage in UCB sector” may be created by Govt. of India/RBI for this purpose.**
- 5. The banks which have to adopt ASP model, flow of grant and loan may have from RBI through IDRBT (Institute for Development and Research in Banking Technology) as suggested by the Working Group. The**

committee also endorsed strongly the views of the Working Group that IDRBT be entrusted with the duty for preparing Systems Requirement Specification, selection of vendors and also to prepare development/testing, implementation plans and vetting the Service Level Agreement between the UCBs and the Service Provider to ensure sound and proper implementation and post installation support by the vendor.

6. TAFUCB should ensure implementation of the usage of Information Technology in right earnest within the year 2009-2010 in all the UCBs in the state irrespective of its grade.

5.17 Inspection of UCBs

At paragraph 3.12 the Committee has noted the present status of inspection of the UCBs by RBI and RCS. The Committee has also emphasized that such inspection should not be a routine or fault finding trip but to be undertaken in a spirit of helping the UCBs to properly manage their banking operation. In particular the Committee recommends the following points for implementation:

5. Inspection of RBI should be annual in respect of all banks irrespective of its Grade and twice in a year in case of Grade IV banks.
6. Inspection by RCS should be annual in respect of all banks and twice in a year in case of Grade IV banks. The inspection of RCS may be confined to inspect the proceedings of the BODs meeting sanctioning loans and advances and to identify the irregularities, if any, committed by the management of the bank in violation of the approved loan policy of the bank read with RBI guidelines, documentation part of the borrowing members and to see the steps taken by the banks and the matter of recovery of loans etc including the investment by the banks in various sectors.
7. The Urban division under the RCS is to be strength and given the responsibility of follow up action based on the inspection reports
8. All such follow up action are to be discussed at the TAFUCB so that both the regulating agencies coordinate their efforts logical settlement of all the issues raised in the inspection reports.

5.18 Legislative Reforms in the Central and the State Statutes for Better Functioning of the UCBs

At Chapter- 4 of this Report the Committee has given detailed account of legislative measures that, it feel, are necessary for better functioning of the UCBs. These are summarized below:

5.18.1. Central Sector

1. Section 5 (CCV) of the B.R. Act, 1949 (AACS) may be amended in the opinion of the Expert Committee. Moreover Section 5 (3)(CCV) of the B.R. Act also be amended by permitting the UCB to enroll certain types of Primary Co-operative Societies in housing, industrial, service sector as a member subject to the permission of RCS.

2. The applicability of Section 30 of the B.R. Act, 1949 (AABC) may be extended to all UCBs.

3. The UCBs particularly the unit UCBs should prepare an action plan in the matter of extending area of operation as well as area of membership in order to increase the member base, deposit base and business base.

4. Area of operation of all UCBs be extended to the whole district for better growth and expansion of UCBs in the first stage depending on their present performance.

5. The DICGC Act, 1961 be suitably amended so as to facilitate payment up to 70% or Rs.50 thousand which ever is less be paid to the depositors as a part payment.

5.18.2. State Sector

1. A separate chapter on UCB (and on primary co-operative credit society other than primary agricultural co-operative credit society), as UCBs have special characteristics derived from the B.R. Act in respect of banking operations.
2. Co-operative Election Authority as laid down in Section 35 of the State Act should be activated for the transparency of election of BODs of the Co-operative Societies as mentioned in the Fifth Schedule of the State Acts.
3. Section 65 (Reserve fund) is to be amended for upward revision by substituting the words “not less than 10%” by “not less than 20%” of its profit to a reserve fund in case of all types of co-operative banks including UCBs. The Proviso to Section 65 is also to be suitably amended by including State Cooperative Bank and Central Cooperative Bank for Investment.
4. Section 77 relating to restriction on interest of member of co-operative society with limited liability and share capital is to be amended by a Proviso for non applicability of this section in case of non scheduled UCBs or all types of UCBs. There should not be any ceiling on the value of individual share holding in UCBs as this is the one and only one means of raising share capital in case of nonscheduled UCBs, as they are not permitted by RBI to raise subordinate debts such as bonds and debentures. Such withdrawal of arbitrary ceiling of individual share holding will not affect the democratic fabric of the UCBs especially when the WBCS Act has a provision “one person one vote” irrespective of the number of share holding of any individual.
5. A new clause is to be inserted under section 69 (1) conferring membership status to the depositors to protect their interest .
6. The power of the RCS under Section 131 to enforce performance of obligations set out in Chapter XIV is a very wide one and the specific provision is to be included in this chapter setting up an obligation on part of the UCBs to comply with written directions from the RCS in respect of proper operation of their banking business.

Chapter – VI

6. Financial Requirement for Implementing the Recommendations of the Committee

In calculating the financial implications for implementations of the Committee we have taken into account the immediate as well as the long term requirements on an annualized basis. These are given below:

6.1 Immediate Requirements

6.1.1 Salaries of the CEOs of the six weak and loss making UCBs as per paragraph 5.2.2

We have calculated deputation pay of the six CEOs including all allowances to be average of Rs. 75,000/ pm or Rs. 9.00 lakhs per annum. Thus the financial requirement for providing a professional CEO with the six weak and loss making UCB will come to Rs. 54.00 lakhs p.a. for the next three years. The Committee further clarifies that the requirement on salaries of the CEOs on deputation from commercial banks to the State Government is indicative only and the actual pay will be governed by existing norm of such deputation i.e. grade pay + deputation pay + allowances as admissible.

6.1.2 Revival Package for Banks with negative CRAR as per paragraph 5.3

We have calculated the total requirement of funds at Rs. 69.80 crores for the stated 10 UCBs as stipulated the above fund is to be released to all the UCBs in one go as per modalities stipulated at paragraph 5.3. taking into consideration that observance of these modalities may take some times the committee assumes that the requirement of 69.80 crores will have to be released in the next financial year 2009-2010. Further in order to bring the CRAR to 13% for these 10 banks the requirement will be Rs. 2.29 crores in FY 2010-11, 2.51 crores in 2011-12 and 3.02 crores in 2012-13. The year wise financial requirement is noted below:

Internal Table – 31

Year	Required Amount (Rs/crore)
2009-10	69.80
2010-11	2.29
2011-12	2.51
2012-13	3.02

6.1.3 Deposit Incentive as per paragraph 5.4.1 -

It will be seen from paragraph 4.1 that as on 31.03.2008 the total deposits of UCBs in West Bengal is Rs. 2109 crores or average of Rs. 43.93 crores for each of the present 48 UCBs. Thus it will be seen that most of the UCBs will not be able to avail of this incentive unless vigorous deposit drive is undertaken by them to avail of this incentive. But the Committee feels that with the various package of incentives suggested by it significant enthusiasm will be generated so that about 50% of the deposits will come under the minimum incentive entry point of Rs. 10 00 crores. The Committee further assumes that with the expected drive towards deposit generation the growth rate will increase from the present 6 percent to around 20 percent p.a. in the next five years. The Committee further assumes from the present trends that out of the 50% of the deposits being eligible for incentive having crossed the threshold limit of Rs. 10.00 crores around 90 percent will be eligible for incentive only on the incremental amount of over Rs.10.00 crores to Rs.100.00 crores and about 10 percent will be eligible for incentive on the full amount without any entry point having crossed the ceiling of Rs. 100.00 crores. Taking these considerations into account the following incentive requirement is calculated for the next five years starting from 2008-09:

Internal Table – 32

Year	Incentive Amount (Rs./ crore)
2008-09	2.06
2009-10	2.44
2010-11	2.93
2011-12	3.51
2012-13	4.27

The detailed calculation sheet is placed at Annexure -2 of this report

6.1.4 Incentive on loans to weaker sections in terms of paragraph 5.4.2_-

In calculating the requirement of funds for incentive against loans to the weaker sections the Committee has assumed that on average this will be about 25 percent of the total deposit in the UCBs with the annual deposit growth rate at 20% for the next five years. Based on present performance the Committee further assumes that about 30 percent of such loans will be eligible for incentive. Based on these considerations the Committee has calculated the requirement on incentives to loans to the weaker sections for the next five years:

Internal Table – 33

Year	Incentive Amount (Rs. / Crore)
2008-09	1.9
2009-10	2.3
2010-11	2.7
2011-12	3.2
2012-13	3.9

The calculation sheet has been given at Annexure – 3 of this report.

6.1.5 Incentive on opening of new Bank branches in uncovered or remote areas as per paragraph 5.4.3

Because of restrictions on opening of new branches by UCBs as imposed by RBI the Committee feels that not many Banks will be able to claim this subsidy as per the conditions imposed. However the committee expects the strong banks to try and take advantage of this incentive from 2009-10 and it is felt that opening of 3 new branches per year from then on is a reasonable target. Since the proposed incentive is Rs. 2.00 lakhs per branch at flat rate the year wise simple calculation from 2009-10 for three years is given below. The Committee feels that success of these newly opened branches can only encourage more Banks to follow suit in subsequent years.

Internal Table – 34

Year	Incentive Amount (Rs. / lakhs)
2008-09	Nil
2009-10	6.0
2010-11	6.0
2011-12	6.0
2012-13	6.0

6.1.6 Incentive for Prudent and Profitable Management as per paragraph 5.4.4

The Committee has considered the present performance of the UCBs to calculate the financial requirement for this incentive. As on 31.03 2007 only 5 Banks had net profit after tax at more than Rs. 50.00 lakhs but 2 among them had negative CRAR and hence not entitled to any incentive on this count. Six Banks had net profit between Rs. 20.00 lakhs to Rs. 50.00 lakhs but one among them had less than 15% CRAR and hence is not eligible for the proposed incentive. Two banks had net profit between 10.00 to 20.00 but one among them had CRAR less than 15.00 %. Similarly 6 Banks had net profit over 1.00 lakhs to 10.00 lakhs but one among them had negative CRAR while for two others it was less than 15%. Based on this data and

assuming a better performance rate of 10% p.a. the Committee has arrived at the following financial requirement.

Internal Table – 35

Year	Incentive Amount (Rs./ lakhs)
2008-09	12.6
2009-10	13.9
2010-11	15.25
2011-12	16.77
2012-13	18.45

The calculation sheet has been given at Annexure- 4 of this report

6.1.7 Requirement on Account of Functional Study as per paragraph 5.5

At paragraph 5.5.1 the Committee has recommended that the State Government may engage a reputed management consultant with experience in banking operations to analyze the staff requirement of each UCB based on best industry practices and to find out how computerization may help in reduction of manual work. The Consultant may also report on the surplus staff available in each bank and recommend a VRS package for reduction of the surplus staff. The Committee recommends that the consultant firm will be appointed for each of these 48 UCBs and the Consultants' fees will be have to be borne by the State Government and the process of selection also will have to be made by the State Government through a transparent process. The selected Consultants/es will have to submit their report within the next financial year. Since there is no ready calculation tool available for calculating of the fees for the Consultant the Committee has taken into account the charges that are being paid by the State Government for undertaking such studies in respect of restructuring of weak State Government undertakings. Although the consultancy charges depend on the size of the undertaking the State Government has obtained rates through an open tender process at rates ranging from Rs. 10.00 Lakhs to Rs. 20.00 lakhs. Since most of the UCBs are single unit Banks the Committee is of the opinion that calculating the Consultancy charges at an average of Rs. 10.00 lakhs per bank will serve the purpose of bringing out the approximate requirement on account of the consultancy charges. Thus for all the 48 Banks we may take the approximate requirement to be Rs. 4.80 crores spread over next one year. Since the present financial year is already coming to a close we may put the requirement in the next financial year 2009-10 as selection process for appointment of the consultant may take some time. The Committee recommends that such selection be made through a transparent tender process

6.1.8 Total Short Term Requirement of Funds

The total immediate requirement of short term funds is given below:

Internal Table - 36

Year	Consolidated Short Term Requirement of Funds							
	CEO Salary (Rs./Lakhs)	(-) CRAR (Rs./Lakhs)	Deposit incentive (Rs./Lakhs)	Incentive for Loans to Weaker Sections (Rs./Lakhs)	Incentive for new branches (Rs./Lakhs)	Prudent Management Insentive (Rs./Lakhs)	Functional Study (Rs./Lakhs)	Year wise Total (Rs./Lakhs)
2008-09	0.00	0.00	206.00	190.00	0.00	12.60	0.00	408.60
2009-10	9.00	6980.00	244.00	230.00	6.00	13.90	480.00	7962.90
2010-11	9.00	229.00	293.00	270.00	6.00	15.25	0.00	822.25
2011-12	9.00	251.00	351.00	320.00	6.00	16.77	0.00	953.77
2012-13	0.00	302.00	427.00	390.00	6.00	18.45	0.00	1143.45
Total	27.00	7762.00	1521.00	1400.00	24.00	76.97	480.00	11290.97

6.2 Long Term Requirements - Creation of VRS Fund as paragraph 5.5

The Committee has considered that the initial funds for creation of the VRS Fund will be possible only in the next financial year due to procedural constraints. Accordingly the Committee has calculated the initial fund requirement of Rs. 10.00 crores for F.Y. 2009-10 and thereafter R. 5.00 crores every year till the full corpus of Rs. 50.00 crores is reached when the fund will be self sustaining. Since the fund will be utilized for providing soft interest loans to the UCBs to fund the VRS package the Committee is of the view that this is not a net outgo for the State Govt. and the entire amount will be subject to return by LIC or the selected financial institute once the fund is wound up. The financial requirement is shown below:

Internal Table – 37

Year	Fund Requirement (Rs. / Crore)
2008-09	Nil
2009-10	10.00
2010-11	5.00
2011-12	5.00
2012-13	5.00
2013-14	5.00
2014-15	5.00
2015-16	5.00
2016-17	5.00
2017-18	5.00

6.3 Year wise Total requirement of Funds

The year wise total requirement of funds on immediate and long terms proposals is worked as below:

Internal Table – 38

Year	Immediate (Rs. / lakhs)	Long-term (Rs. / lakhs)	Total (Rs. / lakhs)
2008-09	408.60	Nil	408.60
2009-10	7962.90	1000.00	8962.90
2010-11	822.25	500.00	1322.25
2011-12	953.77	500.00	1453.77
2012-13	1143.45	500.00	1643.45
2013-14	To be reviewed	500.00	500.00
2014-15	To be reviewed	500.00	500.00
2015-16	To be reviewed	500.00	500.00
2016-17	To be reviewed	500.00	500.00
2017-18	To be reviewed	500.00	500.00

Total **Rs. 162, 90, 97, 000**

Rs. One hundred fifty eight crores ten lakhs and ninty seven thousand only.

Chapter - VII

7. Other Related Issues

Some of the issues that could not be put directly as a recommendation but which the Committee feels that needs application of mind and remedial action are noted below:

1. An authority like deposit insurance and credit guarantee corporation may be formed by the State Govt. to cover the deposits of all types of non – agricultural primary co-operative credit society in order to protect the interest of the depositors of such credit societies who are eligible to submit prayer for a banking license in terms of Section 11 of the B.R. Act.

2. In true sense of the term the UCBs is one tier organization in the co-operative setup. Because the District Central Co-operative Banks and the State Co-operative Banks have virtually no or little attention about the problems now being faced by the UCBs. Everybody with this present setup is busy with themselves. WBSCB has no extra hands to supervise the activities of the UCBs and thereby offer suggestion for the improvement of the functioning of the UCBs. As reiterated earlier above the Committee strongly feels that the Urban Banking Division should be created or strengthened, if already in existence by posting of adequate and experienced staff and officials.

3. In the light of their problem spreads and complexity, the UCBs need a platform of interaction with RBI, Co-operative Directorate and State Federation of UCBs. The fact remains that unless the State Federation of UCBs becomes strong the creation of such a platform of meetings of the UCBs for discussion of their problems, redressed of their grievances and over and above all the supervision of Annual Action Plan of the UCBs can not take a shape. Therefore there is urgent need to develop the Federation as a strong Umbrella organization for the RBI has realized the gravity of this problem and has very recently constituted a Working Group under the Chairmanship of Shree V.S. Das, Executive Director and RBI to suggest measures to establish strong Umbrella Organization(s) in the State with suitable regulatory and supervisory framework. The Working Group has also been asked to look into the issues concerning creation of a Revival Fund. In this perspective the Expert Committee strongly recommends that both Central Govt. and State Govt. should take sincere efforts by allotting fund in the shape of grant to create the necessary infrastructure for the State Federation of UCBs in each State.

4. While discussing the revival package foe UCBs the Committee has deliberately omitted Rahuta Cooperative Bank where the banking license has already been cancelled by RBI due to gross irregularities. Thus it can no longer be treated as a bank and is not within the terms of reference of the Committee. But the Committee is given to understand that an appeal against this cancellation order is pending. In the event the cancellation order is revoked on appeal Rahuta will again be entitled to be termed as a cooperative Bank and naturally will be eligible to revival package recommended herein. The financial implication will in that event have to be recalculated to include this bank in the revival Package.

ACKNOWLEDGEMENT

The Expert Committee expressed thanks to the UCBs of the State. Who have provided the necessary information and submitted other documents to study the problems of the banks apart from providing valuable suggestions for the improvement of the functioning of the UCBs across the State, RBI, Cooperation Directorate, Cooperation Audit Directorate who have enriched the E.C. on various aspects of the UCBs apart from providing certain important financial information of the defaulter UCBs who had not provided any information to the E.C. The Expert Committee further acknowledges the suggestions of the State Federation of UCBs and suggestions of **BAFI** and All Bengal Co-operative Bank Employees' Federation with thanks for the betterment of the UCBs.

The Expert Committee records its appreciation and thanks to the officials of NIC, officials of WBIDFC who have helped the Expert Committee in many ways to complete the task entrusted by the State Govt.

(Ashok Bandopadhyaya)

(Vikram Sen)

(Asok Kumar Ghosh)

ANNEXURE – 1
(Paragraph 1.3 of the Report)

Basic information regarding customer service

1. Whether the employees take their respective seats exactly at the commencement of business hours? (Yes/No)
2. Whether the employees attend all the customers who are in the branch prior to the close of the business hours? (Yes/No)
3. Whether the employees at the counters undertake non-cash transaction in the extended business hours? (Yes/No)
4. Whether the bank ensures arrangement/rearrangement of employees and officers so that no counter remains unattended during the business hour? (Yes/No)
5. Whether the bank has got counter like 'May I help you' or 'Enquiries'? (Yes/No)
6. Whether there is any arrangement of customer meet. If yes, note frequency.
7. Whether the branch has maintained complaint register. If yes, whether those complaints are being looked into by the officers of the Bank.
8. Whether the account opening forms are different or composite?
9. Whether the bank has device controls to ensure that the passbooks are updated on ongoing basis? (Yes/No)
10. Whether the bank provides guidance to customers in the area of investment of funds in the various deposit schemes vis-à-vis the requirement of customers? (Yes/No)
11. Whether the bank has got safe deposit locker? (Yes/No)
12. Whether the rent of the locker fixed is commercially viable? (Yes/No)
13. Whether the fair practices codes are being observed by the bank by proper display on the following counts?

A. Services rendered free of charge

B. Others

- (i) Minimum balances to be maintained in the S/B account
- (ii) Charges leviable for non-maintenance of minimum balance in the S/B account
- (iii) Charges for collection of outstation cheques.
- (iv) Charges for issue of D.D.
- (v) Charges for issue of chequebooks.
- (vi) Charges for account statement.
- (vii) Charges for account closure.
- (viii) Charges for deposit/withdrawal at ATM counter.

C. Display of business hours

D. Business Hours

- (i) From Monday to Friday : From Hrs. toHrs.
 - (ii) Saturday Hrs. Hrs.
14. Whether the bank has collected A/c Payee Cheques for any person other than the payee constituent? (Yes/No)
15. Whether the bank pays adequate attention for crediting outstation and local cheques with minimum time? (Yes/No)
16. Whether the bank maintains separate register for local cheques and outstation cheques sent for collection? (Yes/No)
17. Whether the day to day monitoring of the liquidity of the bank are ensured through maintenance of a register showing the daily position of Cash Reserve & Liquid Asset under section 18 & 24 of the BR act, 1949? (Yes/No)

Basic information of officers and staffs

Category	Sanctioned Strength (by RCS)	Existing Strength	Average Age	No. trained employees in Banking	Graduate	Undergraduate	MBA/CA/C AIB/LLB
Officer							
Staff							

Basic information of directors

No. of directors:

Out of which postgraduates:

Out of which graduates:

Out of which undergraduates:

Out of which professional qualification holders:

Out of which MPs / MLAs / Councilors etc:

Out of which businessman:

Out of which contractor:

Out of which building contractor and developer:

No. of relatives * of directors who are defaulter:

Amount of default:

Relative means father, mother, son's wife, daughter, daughter's husband, brother, brother's wife, sister, sister's husband

OTHER INFORMATION REGARDING BANKING TRANSACTIONS AS ON 31.03.2008

Rs. in lakh.

Item	No. of Accounts	Amount
Cash Deposit		
Deposit by Cheque		
Withdrawal by Cheque		
Withdrawal by Cash		
Issuance of Pay Order or DD		
Updating of Passbooks		
Any other Transactions		

ANNEXURE-2					
Financial Requirement for Deposit Incentives for UCBs for 2008-08 to 2012-13 (Paragraph 6.1.3)					
1	2	3	4	5	6
YEAR	Total deposit with 20% annual growth rate (Rs. / Crore)	Qualifying deposit @ 50% of total (Rs. / Crore)	Amount of incentive @.5% on Deposits eligible for incentive on the incremental amount in excess of Rs. 10 cr @ 90% of col. 3 with average deosit of Rs. 75 cr. (Rs./ Crore)	Amount of incentive @.5% on Deposits eligible for incentive on the full amount @ 10% of col 3 with average deosit of Rs. 125 cr. (Rs./ Crore)	Total Incentive amount (4+5) (Rs. / Crore)
2007-08	2109.0	N.A	N.A	N.A	N.A
2008-09	2503.8	1265.4	1.42	0.64	2.06
2009-10	3004.6	1502.3	1.69	0.75	2.44
2010-11	3605.5	1802.8	2.03	0.90	2.93
2011-12	4326.6	2163.3	2.43	1.08	3.51
2012-13	5191.9	2596.0	2.92	1.35	4.27

ANNEXURE - 3**Financial Requirement for incentive on loans to BPL families (Para 6.1.4) of Report**

YEAR	Total deposit with 20% annual growth rate (Rs. / Crore)	Loans to BPL families @ 25% of total (Rs. / Crore)	Actual amount of loan qualifying for incentive' @ 30% of col. 3 (Rs. / Crore)	Incentive amount @ 1% of col.4 (Rs. / Crore)
2007-08	2109.0	N.A	N.A	N.A
2008-09	2503.8	625.95	187.8	1.9
2009-10	3004.6	751.2	225.3	2.3
2010-11	3605.5	901.4	270.4	2.7
2011-12	4326.6	1081.7	324.5	3.2
2012-13	5191.9	1298.0	389.4	3.9

ANNEXURE - 4

Calculation of Incentives to UCBs on account of Incentive on Prudent and Profitable Management (Para – 6.1.6)						
1. Banks having net profit over 1.0 lakhs to 10.0 lakhs with above 15% CRAR Projected incentive (Rs)	No.	5% Incentive for 2008-09 at average profit of 5.0 lakhs per Bank -	Incentive for 2009-10 with 10% annual increase	Incentive for 2010-2011 with 10% annual increase	Incentive for 2011-2012 with 10% annual increase	Incentive for 2011-2012 with 10% annual increase
	3	75,000	82,500	90,750	99,825	1,09,808
2. Banks having net profit over 10.0 lakhs to 20.0 lakhs with CRAR above 15% Projected incentive (Rs)		4% Incentive for 2008-09 at average profit of 15.0 lakhs per Bank				
	1	60,000	66,000	72,600	79,860	87,846
3. Banks having net profit over 20.0 to 50.0 lakhs with Projected incentive (Rs)		3% Incentive for 2008-09 at average profit of 35.0 lakhs per Bank				
	5	5,25,000	5,77,500	6,35,250	6,98,775	7,68,653
4. Banks having net profit over CRAR above 15% Projected incentive (Rs)		2% Incentive for 2008-09 at average profit of 100.0 lakhs per Bank				
	3	6,00,000	6,60,000	7,26,000	7,98,600	8,78,460
Total (Rs / lakhs)		12.6	13.9	15.25	16.77	18.45

Table 01:

Share Capital ; % Increase & Overall % Increase						
SL NO.	Bank Name	Share Capital			% Increase	
		2005	2006	2007	2006	2007
		1	Baidyabati Sheoraphulli Co-op Bank Ltd	64.82	75.99	87.75
2	Bally Co-op Bank Ltd	47.92	47.63	45.24	-0.6	-5.28
3	Bankura Town Co-operative Bank Ltd.	84.42	86.64	89.73	2.63	3.57
4	Bansabati Cooperative Bank Ltd.	26.05	34.02	34.74	30.59	2.11
5	Bhatpara Naihati Co-operative Bank Ltd	114.98	117.29	118.12	1.97	0.7
6	Boral Union Co-op Bank Ltd	92.77	107.76	111.81	16.16	3.76
7	Contai Co-operative Bank Ltd.	783.1	859.81	926.26	9.8	7.73
8	Dhakuria Co-op Bank Ltd	61.57	73.18	81.65	18.86	11.57
9	Durgapur Mahila Co-op Bank Ltd.	19.74	22.93	27.39	16.16	19.45
10	Durgapur Steel Peoples Co-op Bank Ltd	398.82	457.01	501.45	14.59	9.72
11	Hooghly Co-op Credit Bank Ltd	110.7	127.08	132.71	14.8	4.43
12	Jiaganj Co-oprative Bank Ltd.	6.34	7.47	7.38	0	0
13	Kasundia Co-op Bank Ltd	67.68	50.5	49.21	0	0
14	Khardah Co-op Bank Ltd	55.67	61.93	70.61	11.24	14.02
15	Khatra People's Co-operative Bank Ltd.	54.04	53.83	55.39	-0.39	2.9
16	Kolikata Mahila Co-op Bank Ltd	52.58	52.64	52.97	0.14	0.63
17	Kolkata Police Co-operative Bank Ltd.	662.31	748.09	810.08	12.95	8.29
18	Konnagar Samabay Bank Ltd.	65.02	69.6	75.02	7.04	7.79
19	Krishnanagar City Co-operative Bank Ltd.	141.55	145.14	146.94	2.47	1.22
20	Liluah Co-operative Bank Ltd	109	112	117	0	0
21	Nabagram Peoples Co-operative CreditBank Ltd.	38.75	41.12	42.52	6	3
22	Nabapalli Co-operative Bank Ltd	50.15	51.21	52.71	2.11	2.93
23	Panihati Co-operative Bank Ltd.	79.32	90.67	93.61	14.31	3.24
24	Rahuta Union Co-operative Bank Ltd.	118.3	119.48	119.66	1	0.15
25	Ranaghat Peoples' Bank Ltd	36.5	38.68	40.28	5.64	3.98
26	Raniganj Co-operative Bank Ltd.	71.05	74.11	78.55	4.23	5.99
27	Samata Co-op Dev. Bank Ltd	92.74	100.3	103.75	8.15	3.44
28	Shibpur Co-operative Bank Ltd.	132.54	137.18	140.52	3.5	2.43
29	Suri Friends' Union Co-operative Bank Ltd	81.4	81.66	78.15	0.31	-4.29
30	The Bank Employees' Co-op Bank Ltd	255.48	287.37	324.85	12.48	13.04
31	The Bantra Co-oprative Bank Ltd.	77.78	77.07	77.17	-0.91	0.13
A	Grand Total	4053.09	4409.39	4693.22		
B	Overall % Intrease of Share Capital	'05-'06	8.79%			
		'06-'07	6.44%			

Table 02

Reserve ; % Increase & Overall % Increase						
SL NO.	Bank Name	Reserve			% Increase	
		2005	2006	2007	2006	2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	812.03	821	883.54	1.09	7.07
2	Bally Co-op Bank Ltd	35.57	69.27	73.94	94.74	6.74
3	Bankura Town Co-operative Bank Ltd.	135.67	142.17	152.68	4.79	7.39
4	Bansabati Cooperative Bank Ltd.	10.49	13.94	14.96	32.88	7.31
5	Bhatpara Naihati Co-operative Bank Ltd	517	504.28	510.06	-2.52	1.13
6	Boral Union Co-op Bank Ltd	460.34	468.53	512.19	1.78	9.32
7	Contai Co-operative Bank Ltd.	6755.03	7692.6	8386.19	13.88	9.02
8	Dhakuria Co-op Bank Ltd	91.83	127.87	113.6	27.87	-13.6
9	Durgapur Mahila Co-op Bank Ltd.	3.66	4.78	6.12	30.6	28.03
10	Durgapur Steel Peoples Co-op Bank Ltd	2683.43	2926.51	3054.07	9.05	4.35
11	Hooghly Co-op Credit Bank Ltd	227.85	241.7	277.58	6.08	14.84
12	Jiaganj Co-oprative Bank Ltd.	3.98	7.16	9.67	79.89	35.05
13	Kasundia Co-op Bank Ltd	375.98	367.79	469.4	-2.17	27.62
14	Khardah Co-op Bank Ltd	92.24	105.33	109.89	14.19	4.33
15	Khatra People's Co-operative Bank Ltd.	229.59	250.83	244.07	9.25	-2.7
16	Kolikata Mahila Co-op Bank Ltd	3.05	3.22	3.22	5.57	0
17	Kolkata Police Co-operative Bank Ltd.	356.87	386.87	448.76	8.41	16
18	Konnagar Samabay Bank Ltd.	273.53	326.88	375.76	19.5	14.95
19	Krishnanagar City Co-operative Bank Ltd.	24.74	24.93	24.93	0.76	0
20	Liluah Co-operative Bank Ltd	1732	1932	2060	11.54	6.2
21	Nabagram Peoples Co-operative CreditBank Ltd.	113.27	122.77	124	8.38	1
22	Nabapalli Co-operative Bank Ltd	441.72	444.19	483.69	7.1	8.89
23	Panihati Co-operative Bank Ltd.	31.17	36.9	37.78	18.38	0.88
24	Rahuta Union Co-operative Bank Ltd.	13.83	13.84	13.84	0.07	0
25	Ranaghat Peoples' Bank Ltd	33.9	33.9	35.4	0	4.24
26	Raniganj Co-operative Bank Ltd.	63.67	78.84	94.71	19.24	20.13
27	Samata Co-op Dev. Bank Ltd	20.59	25.83	32.04	25.44	24.04
28	Shibpur Co-operative Bank Ltd.	799.05	888.46	984.99	11.19	10.86
29	Suri Friends' Union Co-operative Bank Ltd	8.46	8.51	8.91	0.59	4.7
30	The Bank Employees' Co-op Bank Ltd	249.85	251.29	256.01	0.58	1.88
31	The Bantra Co-oprative Bank Ltd.	456.38	457.01	456.96	0.01	-0.01
A	Grand Total	17056.77	18779.20	20258.96		
B	Overall % Intrease of Reserve	'05-'06	10.09%			
		'06-'07	7.87%			

Table 03

Deposit ; % Increase & Overall % Increase						
SL NO.	Bank Name	Deposit			% Increase	
		2005	2006	2007	2006	2007
		1	Baidyabati Sheoraphulli Co-op Bank Ltd	3834.75	3887.28	3896.92
2	Bally Co-op Bank Ltd	2418.07	2061.15	1533.05	0	0
3	Bankura Town Co-operative Bank Ltd.	1338.3	1379.68	1460.44	3.09	5.85
4	Bansabati Cooperative Bank Ltd.	811.34	800.13	699.99	-1.38	-12.51
5	Bhatpara Naihati Co-operative Bank Ltd	4812.4	4819.11	4773.59	0	0
6	Boral Union Co-op Bank Ltd	6252.17	6756.42	7308.3	8.07	8.17
7	Contai Co-operative Bank Ltd.	27079.23	26402.8	28436.82	-2.5	7.7
8	Dhakuria Co-op Bank Ltd	2261.82	2473.24	2736.62	0	0
9	Durgapur Mahila Co-op Bank Ltd.	171.59	211.15	250.53	23.05	18.65
10	Durgapur Steel Peoples Co-op Bank Ltd	8617.32	8645.14	9619.22	0.32	11.27
11	Hooghly Co-op Credit Bank Ltd	2442.83	2809.38	3338.18	15	18.8
12	Jiaganj Co-oprative Bank Ltd.	80.29	124.2	143.37	0	0
13	Kasundia Co-op Bank Ltd	4099.18	3625.45	2902.9	0	0
14	Khardah Co-op Bank Ltd	1550.59	1581.2	1751.31	0	0
15	Khatra People's Co-operative Bank Ltd.	2004.42	2179.68	2324.75	8.58	5.63
16	Kolikata Mahila Co-op Bank Ltd	122.99	120.73	152.43	0	26.26
17	Kolkata Police Co-operative Bank Ltd.	3413.71	3493.29	3496.3	2.33	0.09
18	Konnagar Samabay Bank Ltd.	2159.6	2196.24	2243.2	1.7	2.14
19	Krishnanagar City Co-operative Bank Ltd.	1826.42	1759.73	1521.4	5.19	13.62
20	Liluah Co-operative Bank Ltd	7701	8091	8273	0	0
21	Nabagram Peoples Co-operative CreditBank Ltd.	2857.15	3011.9	2875.66	5.41	-4.52
22	Nabapalli Co-operative Bank Ltd	2056.77	2094.95	2282.59	1.86	8.96
23	Panihati Co-operative Bank Ltd.	2045.51	2206.94	2232.12	7.89	1.14
24	Rahuta Union Co-operative Bank Ltd.	1776.28	1493.57	1359.52	0	0
25	Ranaghat Peoples' Bank Ltd	4465.08	4694.3	4991.59	4.88	5.96
26	Raniganj Co-operative Bank Ltd.	1160.33	1293.15	1288.17	0	0
27	Samata Co-op Dev. Bank Ltd	496.93	538.69	694.2	8.4	28.8
28	Shibpur Co-operative Bank Ltd.	3345.25	3508.46	3699.27	4.88	5.43
29	Suri Friends' Union Co-operative Bank Ltd	527.81	555.62	549.37	0	0
30	The Bank Employees' Co-op Bank Ltd	4599.51	5221.64	5981.54	13.53	14.55
31	The Bantra Co-oprative Bank Ltd.	6759.51	6926.32	6737.63	0	0
A	Grand Total	113088.15	114962.54	119553.98		
B	Overall % Increase of Deposit	'05-'06	1.66%			
		'06-'07	3.99%			

Table 04

Deposit, Deposit Mixup, Growth Rate in 2004-2005						
Sl. No.	Bank Name	Total Deposit	Current A/C	SB A/C	TD A/C	(SB + CD) : TD
1	Contai Co-operative Bank Ltd.	27079.23	392.34	7111.4	19575.5	1 : 2.609
2	Durgapur Steel Peoples Co-op Bank Ltd	8617.32	20.73	2684.6	5911.95	1 : 2.185
3	Liluah Co-operative Bank Ltd	7701	561	3248	3892	1 : 1.022
4	The Bantra Co-oprative Bank Ltd.	6759.51	396.57	3710.3	2652.68	1 : 0.646
5	Boral Union Co-op Bank Ltd	6252.17	101.03	2843.8	3307.35	1 : 1.123
6	Bhatpara Naihati Co-operative Bank Ltd	4812.4	78.69	1737.6	2996.1	1 : 1.65
7	The Bank Employees' Co-op Bank Ltd	4599.51	15.29	429.13	4155.09	1 : 9.349
8	Ranaghat Peoples' Bank Ltd	4465.08	57.37	1377.2	3030.5	1 : 2.112
9	Kasundia Co-op Bank Ltd	4099.18	79.12	1799.8	2220.3	1 : 1.182
10	Baidyabati Sheoraphulli Co-op Bank Ltd	3834.75	47.08	2434	1353.67	1 : 0.546
11	Kolkata Police Co-operative Bank Ltd.	3413.71	0	478.87	2934.84	1 : 6.129
12	Shibpur Co-operative Bank Ltd.	3345.25	7.62	1477.2	1860.46	1 : 1.253
13	Nabagram Peoples Co-operative CreditBank Ltd.	2857.15	10.97	1198.5	1647.72	1 : 1.362
14	Hooghly Co-op Credit Bank Ltd	2442.83	20.42	1085.8	1336.66	1 : 1.208
15	Bally Co-op Bank Ltd	2418.07	35.86	1300.1	1082.15	1 : 0.81
16	Dhakuria Co-op Bank Ltd	2261.82	41.54	1162.1	1058.23	1 : 0.879
17	Konnagar Samabay Bank Ltd.	2159.6	0	1040.8	1118.84	1 : 1.075
18	Nabapalli Co-operative Bank Ltd	2056.77	12.94	1102.6	941.26	1 : 0.844
19	Panihati Co-operative Bank Ltd.	2045.51	18.3	600.67	1426.54	1 : 2.305
20	Khatra People's Co-operative Bank Ltd.	2004.42	0.57	443.08	1560.77	1 : 3.518
21	Krishnanagar City Co-operative Bank Ltd.	1826.42	20.37	678.9	1127.15	1 : 1.612
22	Rahuta Union Co-operative Bank Ltd.	1776.28	5.73	230.99	1539.56	1 : 6.504
23	Khurdah Co-op Bank Ltd	1550.59	5.65	944.39	600.55	1 : 0.632
24	Bankura Town Co-operative Bank Ltd.	1338.3	1.21	490.47	846.62	1 : 1.722
25	Raniganj Co-operative Bank Ltd.	1160.33	45.1	286.1	829.13	1 : 2.503
26	Bansabati Cooperative Bank Ltd.	811.34	0	421.37	389.97	1 : 0.925
27	Suri Friends' Union Co-operative Bank Ltd	527.81	0.12	155.98	371.71	1 : 2.381
28	Samata Co-op Dev. Bank Ltd	496.93	83.3	235.12	178.51	1 : 0.561
29	Durgapur Mahila Co-op Bank Ltd.	171.59	5.76	83.7	82.13	1 : 0.918
30	Kolikata Mahila Co-op Bank Ltd	122.99	1.63	29	92.36	1 : 3.015
31	Jiaganj Co-oprative Bank Ltd.	80.29	17.78	28.22	34.29	1 : 0.745
GRAND TOTAL		113088.15	2084.09	40849.43	70154.63	
Average Ratio of (SB + CD) : TD						1 : 1.634

Table 04A

Deposit, Deposit Mixup, Growth Rate in 2005-2006						
Sl. No.	Bank Name	Total Deposit	Current A/C	SB A/C	TD A/C	(SB + CD) : TD
1	Baidyabati Sheoraphulli Co-op Bank Ltd	3887.28	48.51	2565.3	1273.4	1 : 0.487
2	Bally Co-op Bank Ltd	2061.15	71.25	1097.2	892.68	1 : 0.764
3	Bankura Town Co-operative Bank Ltd.	1379.68	1.08	588.34	790.26	1 : 1.341
4	Bansabati Cooperative Bank Ltd.	800.13	0	440.79	359.34	1 : 0.815
5	Bhatpara Naihati Co-operative Bank Ltd	4819.11	76.4	1922.9	2819.8	1 : 1.41
6	Boral Union Co-op Bank Ltd	6756.42	78.01	3236.3	3442.1	1 : 1.039
7	Contai Co-operative Bank Ltd.	26402.8	398.55	7443.7	18561	1 : 2.367
8	Dhakuria Co-op Bank Ltd	2473.24	73.39	1265	1134.8	1 : 0.848
9	Durgapur Mahila Co-op Bank Ltd.	211.15	12.91	98.82	99.42	1 : 0.89
10	Durgapur Steel Peoples Co-op Bank Ltd	8645.14	21.73	2771.7	5851.7	1 : 2.095
11	Hooghly Co-op Credit Bank Ltd	2809.38	36.16	1368.7	1404.5	1 : 1
12	Jiaganj Co-oprative Bank Ltd.	124.2	19.2	50.8	54.2	1 : 0.774
13	Kasundia Co-op Bank Ltd	3625.45	74.93	1838.4	1712.1	1 : 0.895
14	Khardah Co-op Bank Ltd	1581.2	9.76	989.06	582.38	1 : 0.583
15	Khatra People's Co-operative Bank Ltd.	2179.68	1.39	500.87	1677.4	1 : 3.34
16	Kolikata Mahila Co-op Bank Ltd	120.73	1.7	27.07	91.96	1 : 3.196
17	Kolkata Police Co-operative Bank Ltd.	3493.29	0	500.58	2992.7	1 : 5.978
18	Konnagar Samabay Bank Ltd.	2196.24	0	1138	1058.3	1 : 0.93
19	Krishnanagar City Co-operative Bank Ltd.	1759.73	17.58	697.65	1044.5	1 : 1.46
20	Liluah Co-operative Bank Ltd	8091	653	3666	3772	1 : 0.873
21	Nabagram Peoples Co-operative CreditBank Ltd.	3011.9	14.1	1321.5	1676.3	1 : 1.255
22	Nabapalli Co-operative Bank Ltd	2094.95	18.27	1146.6	930.04	1 : 0.798
23	Panihati Co-operative Bank Ltd.	2206.94	45.8	685.24	1475.9	1 : 2.019
24	Rahuta Union Co-operative Bank Ltd.	1493.57	4.21	220.54	1268.8	1 : 5.645
25	Ranaghat Peoples' Bank Ltd	4694.3	39.78	1543.4	3111.1	1 : 1.965
26	Raniganj Co-operative Bank Ltd.	1293.15	67.42	385.6	840.13	1 : 1.855
27	Samata Co-op Dev. Bank Ltd	538.69	48.45	256.64	233.6	1 : 0.766
28	Shibpur Co-operative Bank Ltd.	3508.46	8.05	1541	1959.4	1 : 1.265
29	Suri Friends' Union Co-operative Bank Ltd	555.62	0.12	187.67	367.83	1 : 1.959
30	The Bank Employees' Co-op Bank Ltd	5221.64	12.15	462.58	4746.9	1 : 9.999
31	The Bantra Co-oprative Bank Ltd.	6926.32	490.63	4096.8	2338.9	1 : 0.51
	GRAND TOTAL	114962.54	2344.53	44054.83	68563.18	
	Average Ratio of (SB + CD) : TD					1 : 1.478
	Average Increase of % of Deposit	1.66				

Table 04B

Deposit, Deposit Mixup, Growth Rate in 2006-2007						
Sl. No.	Bank Name	Total Deposit	Current A/C	SB A/C	TD A/C	(SB + CD) : TD
1	Baidyabati Sheoraphulli Co-op Bank Ltd	3896.92	39.78	2609	1248.19	1 : 0.471
2	Bally Co-op Bank Ltd	1533.05	66.19	858.66	608.2	1 : 0.658
3	Bankura Town Co-operative Bank Ltd.	1460.44	0.89	604.54	855.01	1 : 1.412
4	Bansabati Cooperative Bank Ltd.	699.99	0	374.59	325.4	1 : 0.869
5	Bhatpara Naihati Co-operative Bank Ltd	4773.59	92.66	1980.8	2700.09	1 : 1.302
6	Boral Union Co-op Bank Ltd	7308.3	92.03	3730.2	3486.11	1 : 0.912
7	Contai Co-operative Bank Ltd.	28436.82	1121.46	7888.9	19426.5	1 : 2.156
8	Dhakuria Co-op Bank Ltd	2736.62	93.91	1390.8	1251.92	1 : 0.843
9	Durgapur Mahila Co-op Bank Ltd.	250.53	5.5	117.25	127.78	1 : 1.041
10	Durgapur Steel Peoples Co-op Bank Ltd	9619.22	13.78	2995.9	6609.57	1 : 2.196
11	Hooghly Co-op Credit Bank Ltd	3338.18	29.7	1559.1	1749.4	1 : 1.101
12	Jiaganj Co-oprative Bank Ltd.	143.37	18.63	72.64	52.1	1 : 0.571
13	Kasundia Co-op Bank Ltd	2902.9	81.94	1537.2	1283.77	1 : 0.793
14	Khardah Co-op Bank Ltd	1751.31	11.1	1112.9	627.32	1 : 0.558
15	Khatra People's Co-operative Bank Ltd.	2324.75	0.75	587.37	1736.63	1 : 2.953
16	Kolikata Mahila Co-op Bank Ltd	152.43	20.67	27.11	104.65	1 : 2.19
17	Kolkata Police Co-operative Bank Ltd.	3496.3	0	499.67	2996.63	1 : 5.997
18	Konnagar Samabay Bank Ltd.	2243.2	0	1206	1037.19	1 : 0.86
19	Krishnanagar City Co-operative Bank Ltd.	1521.4	27.94	618.29	875.17	1 : 1.354
20	Liluah Co-operative Bank Ltd	8273	745	3899	3629	1 : 0.781
21	Nabagram Peoples Co-operative CreditBank Ltd.	2875.66	21.87	1257.2	1596.57	1 : 1.248
22	Nabapalli Co-operative Bank Ltd	2282.59	21.11	1291.5	969.98	1 : 0.739
23	Panihati Co-operative Bank Ltd.	2232.12	97.47	723.1	1411.55	1 : 1.72
24	Rahuta Union Co-operative Bank Ltd.	1359.52	2.12	136.14	1221.26	1 : 8.833
25	Ranaghat Peoples' Bank Ltd	4991.59	38.05	1718.1	3235.4	1 : 1.842
26	Raniganj Co-operative Bank Ltd.	1288.17	148.08	510.18	629.91	1 : 0.957
27	Samata Co-op Dev. Bank Ltd	694.2	57.5	313.35	323.35	1 : 0.872
28	Shibpur Co-operative Bank Ltd.	3699.27	9.52	1592.6	2097.11	1 : 1.309
29	Suri Friends' Union Co-operative Bank Ltd	549.37	0.12	184.21	365.04	1 : 1.98
30	The Bank Employees' Co-op Bank Ltd	5981.54	13.31	510.46	5457.77	1 : 10.42
31	The Bantra Co-oprative Bank Ltd.	6737.63	565.51	4229.5	1942.67	1 : 0.405
	GRAND TOTAL	119553.98	3436.59	46136.17	69981.22	
	Average Ratio of (SB + CD) : TD					1 : 1.412
	Average Increase of % of Deposit	3.99				

Table 05

Growth Rate of Deposit (Bankwise)							
Sl. No.	Bank Name	Total Deposit			% Increase		
		2005	2006	2007	2005	2006	2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	3834.75	3887.28	3896.92	2.3	1.37	0.25
2	Bally Co-op Bank Ltd	2418.07	2061.15	1533.05	0	-14.76	-25.62
3	Bankura Town Co-operative Bank Ltd.	1338.3	1379.68	1460.44	2.2	3.09	5.85
4	Bansabati Cooperative Bank Ltd.	811.34	800.13	699.99	-0.52	-1.38	-12.52
5	Bhatpara Naihati Co-operative Bank Ltd	4812.4	4819.11	4773.59	0	0.14	-0.94
6	Boral Union Co-op Bank Ltd	6252.17	6756.42	7308.3	4.66	8.07	8.17
7	Contai Co-operative Bank Ltd.	27079.23	26402.8	28436.82	-0.85	-2.50	7.70
8	Dhakuria Co-op Bank Ltd	2261.82	2473.24	2736.62	0	9.35	10.65
9	Durgapur Mahila Co-op Bank Ltd.	171.59	211.15	250.53	32.38	23.05	18.65
10	Durgapur Steel Peoples Co-op Bank Ltd	8617.32	8645.14	9619.22	1.16	0.32	11.27
11	Hooghly Co-op Credit Bank Ltd	2442.83	2809.38	3338.18	9	15.01	18.82
12	Jiaganj Co-oprative Bank Ltd.	80.29	124.2	143.37	0	54.69	15.43
13	Kasundia Co-op Bank Ltd	4099.18	3625.45	2902.9	0	-11.56	-19.93
14	Khardah Co-op Bank Ltd	1550.59	1581.2	1751.31	0	1.97	10.76
15	Khatra People's Co-operative Bank Ltd.	2004.42	2179.68	2324.75	5.98	8.74	6.66
16	Kolikata Mahila Co-op Bank Ltd	122.99	120.73	152.43	2.38	-1.84	26.26
17	Kolkata Police Co-operative Bank Ltd.	3413.71	3493.29	3496.3	0.26	2.33	0.09
18	Konnagar Samabay Bank Ltd.	2159.6	2196.24	2243.2	5.1	1.70	2.14
19	Krishnanagar City Co-operative Bank Ltd.	1826.42	1759.73	1521.4	2.14	-3.65	-13.54
20	Liluah Co-operative Bank Ltd	7701	8091	8273	0	5.06	2.25
21	Nabagram Peoples Co-operative Credit Bank Ltd.	2857.15	3011.9	2875.66	-0.1	5.42	-4.52
22	Nabapalli Co-operative Bank Ltd	2056.77	2094.95	2282.59	5.15	1.86	8.96
23	Panihati Co-operative Bank Ltd.	2045.51	2206.94	2232.12	0	7.89	1.14
24	Rahuta Union Co-operative Bank Ltd.	1776.28	1493.57	1359.52	0	-15.92	-8.98
25	Ranaghat Peoples' Bank Ltd	4465.08	4694.3	4991.59	2.43	5.13	6.33
26	Raniganj Co-operative Bank Ltd.	1160.33	1293.15	1288.17	0	11.45	-0.39
27	Samata Co-op Dev. Bank Ltd	496.93	538.69	694.2	47.25	8.40	28.87
28	Shibpur Co-operative Bank Ltd.	3345.25	3508.46	3699.27	4	4.88	5.44
29	Suri Friends' Union Co-operative Bank Ltd	527.81	555.62	549.37	0	5.27	-1.12
30	The Bank Employees' Co-op Bank Ltd	4599.51	5221.64	5981.54	12.34	13.53	14.55
31	The Bantra Co-oprative Bank Ltd.	6759.51	6926.32	6737.63	0	2.47	-2.72

Table 06

Analysys on Working Fund of 2006 and 2007				
Sl. No.	Bank Name	Working Fund (2006)	Working Fund (2007)	% incr/decr in 06-07
1	AVB Emp. Co-op BK	307.4	325.15	5.77
2	Baidyabati Sheoraphulli Co-op Bank Ltd	5686.58	5814.25	2.25
3	Bally Co-op Bank Ltd	2755.64	2014.44	-26.90
4	Baltikuri Co-op Bank Ltd	5316.86	NYI	NYI
5	Bankura Town Co-operative Bank Ltd.	1779.1	1898.46	6.71
6	Baranagar Co-op Bank Ltd	5251.79	5513.08	4.98
7	Bhatpara Naihati Co-operative Bank Ltd	5668.27	5673.74	0.10
8	Bishnupur Town Co-op Bank Ltd	3393.92	3662.28	7.91
9	Boral Union Co-op Bank Ltd	7702.28	8350.09	8.41
10	Budge Budge Nanghi Co-op Bank	835.7	914.19	9.39
11	Dhakuria Co-op Bank Ltd	2794.82	3076.5	10.08
12	Durgapur Mahila Co-op Bank Ltd.	258.62	306.97	18.70
13	Durgapur Steel Peoples Co-op Bank Ltd	12424.71	16182.42	30.24
14	E & NF Rly Co-op Bank Ltd	12840.02	15132.92	17.86
15	Ghatal Peoples' Co-op Bank Ltd	2758.87	NYI	NYI
16	Hooghly Co-op Credit Bank Ltd	3483.53	4071.12	16.87
17	Joynagar Mozilpur Co-op Bank Ltd	1523.11	1588.34	4.28
18	Kalna Town Credit Co-op Bank Ltd	3679.38	4141.74	12.57
19	Kasundia Co-op Bank Ltd	2628.26	1672.94	-36.35
20	Khardah Co-op Bank Ltd	1957.46	2063.88	5.44
21	Khatra People's Co-operative Bank Ltd.	3110.86	3186.47	2.43
22	Kolikata Mahila Co-op Bank Ltd	211.51	236.5	11.82
23	Kolkata Police Co-operative Bank Ltd.	5339	5487.51	2.78
24	Konnagar Samabay Bank Ltd.	2894.8	NYI	NYI
25	Krishnanagar City Co-operative Bank Ltd.	1917.69	1668.38	-13.00
26	Liluah Co-operative Bank Ltd	10695	11316	5.81
27	Midnapore Peoples' Co-op Bank Ltd	4165.1	4409.57	5.87
28	Nabadwip Co-op Bank Ltd	2448.07	2662.69	8.77
29	Nabagram Peoples Co-operative CreditBank Ltd.	3634.99	NYI	NYI
30	Nabapalli Co-operative Bank Ltd	2764.39	2983.85	7.94
31	National Insurance Emp. Co-op Credit Bkg Ltd	1360.86	1506.41	10.70
32	Panihati Co-operative Bank Ltd.	2794.26	2801.29	0.25
33	Ramkrishnapur Co-op Bank	5025.96	6312.49	25.60
34	Ranaghat Peoples' Bank Ltd	5259.11	5626.29	6.98

To be continued

Table 06

Analysys on Working Fund of 2006 and 2007				
Sl. No.	Bank Name	Working Fund (2006)	Working Fund (2007)	% incr/decr in 06-07
35	Raniganj Co-operative Bank Ltd.	1589.67	1595.39	0.36
36	Samata Co-op Dev. Bank Ltd	751.26	916.57	22.00
37	Santragachi Co-op Bank	3587.94	3966.24	10.54
38	Shibpur Co-operative Bank Ltd.	4897.43	5117.19	4.49
39	Sree Chaitanya Co-op Bank	114.15	127.11	11.35
40	Suri Friends' Union Co-operative Bank Ltd	658.86	633.18	-3.90
41	The Bank Employees' Co-op Bank Ltd	6301.95	7020.41	11.40
42	The Bantra Co-oprative Bank Ltd.	8135.2	7751.95	-4.71
43	The Eastern Railway Employees Co-op Bank Ltd	31405.34	NYI	NYI
44	Union Co-op Bank Ltd	1089.55	1162.82	6.72
45	United Co-op Bank Ltd	300.33	347.74	15.79
46	Uttarpara Co-op Bank Ltd	6169.7	5196.98	-15.77
A	Grand Total	199669.3	164435.54	
B	% of Increase or Decrease on overall Working Capital in 06-07	-17.65		

N.B: As serial no. 4, 15, 29 & 43 have no submitted data for 2005-2006 their aggregate total was not taken into account while calculating the average growth rate of 42 UCBs in 2006-2007 as against 2005-2006. So considering the no. of banks as 42 the registered growth rate of working fund in 2006-2007 is +5.03%.

Table 07

Ratio of Total Income to Working Capital (05 - 06)				
Sl. No.	Bank Name	Total Income	Working Capital	Total Income : Working Capital
1	Baidyabati Sheoraphulli Co-op Bank Ltd	426.79	5686.58	1 : 13.324
2	Bally Co-op Bank Ltd	211.66	2755.64	1 : 13.019
3	Baltikuri Co-op Bank Ltd	362.01	5316.86	1 : 14.687
4	Bankura Town Co-operative Bank Ltd.	149.06	1779.1	1 : 11.935
5	Bhatpara Naihati Co-operative Bank Ltd	465.37	5668.27	1 : 12.18
6	Boral Union Co-op Bank Ltd	526.27	7702.28	1 : 14.636
7	Dhakuria Co-op Bank Ltd	198.59	2794.82	1 : 14.073
8	Durgapur Mahila Co-op Bank Ltd.	19.97	258.62	1 : 12.95
9	Durgapur Steel Peoples Co-op Bank Ltd	1006.49	12424.71	1 : 12.345
10	Ghatal Peoples' Co-op Bank Ltd	216.86	2758.87	1 : 12.722
11	Hooghly Co-op Credit Bank Ltd	275.57	3483.53	1 : 12.641
12	Kasundia Co-op Bank Ltd	451.59	2628.26	1 : 5.82
13	Khardah Co-op Bank Ltd	140.24	1957.46	1 : 13.958
14	Khatra People's Co-operative Bank Ltd.	273.44	3110.86	1 : 11.377
15	Kolikata Mahila Co-op Bank Ltd	18.7	211.51	1 : 11.311
16	Kolkata Police Co-operative Bank Ltd.	479.27	5339	1 : 11.14
17	Konnagar Samabay Bank Ltd.	227.87	2894.8	1 : 12.704
18	Krishnanagar City Co-operative Bank Ltd.	204.27	1917.69	1 : 9.388
19	Liluah Co-operative Bank Ltd	854	10695	1 : 12.523
20	Nabagram Peoples Co-operative CreditBank Ltd.	259.66	3634.99	1 : 13.999
21	Nabapalli Co-operative Bank Ltd	187.64	2764.39	1 : 14.732
22	Panihati Co-operative Bank Ltd.	253.88	2794.26	1 : 11.006
23	Ranaghat Peoples' Bank Ltd	650.72	5259.11	1 : 8.082
24	Raniganj Co-operative Bank Ltd.	137.9	1589.67	1 : 11.528
25	Samata Co-op Dev. Bank Ltd	64.25	751.26	1 : 11.693
26	Shibpur Co-operative Bank Ltd.	437.16	4897.43	1 : 11.203
27	Suri Friends' Union Co-operative Bank Ltd	54.24	658.86	1 : 12.147
28	The Bank Employees' Co-op Bank Ltd	524.29	6301.95	1 : 12.02
29	The Bantra Co-oprative Bank Ltd.	640.34	8135.2	1 : 12.705
30	The Eastern Railway Employees Co-op Bank Ltd	2231.43	31405.34	1 : 14.074
A	Grand Total	11949.53	147576.32	
B	Average Ratio of Income to Working Capital			1 : 12.35

Table 08

Ratio of Total Income to Working Capital (06 - 07)				
Sl. No.	Bank Name	Total Income	Working Capital	T I : WC
1	AVB Emp. Co-op BK	26.44	325.15	1 : 12.298
2	Baidyabati Sheoraphulli Co-op Bank Ltd	462.3	5814.25	1 : 12.577
3	Bally Co-op Bank Ltd	189.81	2014.44	1 : 10.613
4	Bankura Town Co-operative Bank Ltd.	156.41	1898.46	1 : 12.138
5	Baranagar Co-op Bank Ltd	481.4	5513.08	1 : 11.452
6	Bhatpara Naihati Co-operative Bank Ltd	447.95	5673.74	1 : 12.666
7	Bishnupur Town Co-op Bank Ltd	285.13	3662.28	1 : 12.844
8	Boral Union Co-op Bank Ltd	654.01	8350.09	1 : 12.768
9	Budge Budge Nanghi Co-op Bank	75.38	914.19	1 : 12.128
10	Dhakuria Co-op Bank Ltd	222.33	3076.5	1 : 13.838
11	Durgapur Mahila Co-op Bank Ltd.	22.29	306.97	1 : 13.772
12	Durgapur Steel Peoples Co-op Bank Ltd	1079.31	16182.42	1 : 14.993
13	E & NF Rly Co-op Bank Ltd	1546.37	15132.92	1 : 9.786
14	Hooghly Co-op Credit Bank Ltd	311.55	4071.12	1 : 13.067
15	Joynagar Mozilpur Co-op Bank Ltd	119.99	1588.34	1 : 13.237
16	Kasundia Co-op Bank Ltd	221.73	1672.94	1 : 7.545
17	Khurdah Co-op Bank Ltd	159.56	2063.88	1 : 12.935
18	Khatra People's Co-operative Bank Ltd.	384.34	3186.47	1 : 8.291
19	Kolikata Mahila Co-op Bank Ltd	18.86	236.5	1 : 12.54
20	Kolkata Police Co-operative Bank Ltd.	487.4	5487.51	1 : 11.259
21	Krishnanagar City Co-operative Bank Ltd.	172.77	1668.38	1 : 9.657
22	Liluah Co-operative Bank Ltd	867	11316	1 : 13.052
23	Midnapore Peoples' Co-op Bank Ltd	348.12	4409.57	1 : 12.667
24	Nabadwip Co-op Bank Ltd	201.25	2662.69	1 : 13.231
25	Nabapalli Co-operative Bank Ltd	189.13	2983.85	1 : 15.777
26	Panihati Co-operative Bank Ltd.	264.06	2801.29	1 : 10.609
27	Ranaghat Peoples' Bank Ltd	538.2	5626.29	1 : 10.454
28	Raniganj Co-operative Bank Ltd.	154.53	1595.39	1 : 10.324
29	Samata Co-op Dev. Bank Ltd	76.41	916.57	1 : 11.995
30	Santragachi Co-op Bank	301.41	3966.24	1 : 13.159
31	Shibpur Co-operative Bank Ltd.	373.87	5117.19	1 : 13.687
32	Sree Chaitanya Co-op Bank	9.66	127.11	1 : 13.158

To be continued

Table 08

Ratio of Total Income to Working Capital (06 - 07)				
Sl. No.	Bank Name	Total Income	Working Capital	T I : WC
33	Suri Friends' Union Co-operative Bank Ltd	47.08	633.18	1 : 13.449
34	The Bank Employees' Co-op Bank Ltd	563.04	7020.41	1 : 12.469
35	The Bantra Co-operative Bank Ltd.	266.91	7751.95	1 : 29.043
36	Union Co-op Bank Ltd	89.41	1162.82	1 : 13.005
37	United Co-op Bank Ltd	21.65	347.74	1 : 16.062
A	Grand Total	11837.06	147277.92	
B	Average Ratio of Income to Working Capital	1 : 12.442		

Table 09

Ratio of Total Profit & Loss to Working Capital (05 - 06)				
Sl. No.	Bank Name	Profit / Loss	Working Capital	Profit / Loss : Working Capital
1	Baidyabati Sheoraphulli Co-op Bank Ltd	48.28	5686.58	1 : 117.783
2	Bally Co-op Bank Ltd	-476.48	2755.64	1 : -5.783
3	Bankura Town Co-operative Bank Ltd.	-160.82	1779.1	1 : -11.063
4	Bhatpara Naihati Co-operative Bank Ltd	59.73	5668.27	1 : 94.898
5	Boral Union Co-op Bank Ltd	-508.96	7702.28	1 : -15.133
6	Dhakuria Co-op Bank Ltd	8.52	2794.82	1 : 328.031
7	Durgapur Mahila Co-op Bank Ltd.	-2.89	258.62	1 : -89.488
8	Durgapur Steel Peoples Co-op Bank Ltd	302.65	12424.71	1 : 41.053
9	Hooghly Co-op Credit Bank Ltd	58.1	3483.53	1 : 59.957
10	Kasundia Co-op Bank Ltd	15.99	2628.26	1 : 164.369
11	Khardah Co-op Bank Ltd	-82.68	1957.46	1 : -23.675
12	Khatra People's Co-operative Bank Ltd.	39.54	3110.86	1 : 78.676
13	Kolikata Mahila Co-op Bank Ltd	3.92	211.51	1 : 53.957
14	Kolkata Police Co-operative Bank Ltd.	-83.57	5339	1 : -63.887
15	Konnagar Samabay Bank Ltd.	43.74	2894.8	1 : 66.182
16	Krishnanagar City Co-operative Bank Ltd.	40.76	1917.69	1 : 47.048
17	Liluah Co-operative Bank Ltd	216	10695	1 : 49.514
18	Nabagram Peoples Co-operative CreditBank Ltd.	57.94	3634.99	1 : 62.737
19	Nabapalli Co-operative Bank Ltd	20.03	2764.39	1 : 138.012
20	Panihati Co-operative Bank Ltd.	15.53	2794.26	1 : 179.927
21	Ranaghat Peoples' Bank Ltd	-266.09	5259.11	1 : -19.764
22	Raniganj Co-operative Bank Ltd.	-44.8	1589.67	1 : -35.484
23	Samata Co-op Dev. Bank Ltd	28.42	751.26	1 : 26.434
24	Shibpur Co-operative Bank Ltd.	115.19	4897.43	1 : 42.516
25	Suri Friends' Union Co-operative Bank Ltd	-38.69	658.86	1 : -17.029
26	The Bank Employees' Co-op Bank Ltd	65.05	6301.95	1 : 96.879
27	The Bantra Co-oprative Bank Ltd.	-692.58	8135.2	1 : -11.746
A	Grand Total	-1218.17	108095.25	
B	Average Ratio of Profit/Loss to Working Capital			1 : -88.736

Table 10

Ratio of Total Profit & Loss to Working Capital (06 - 07)				
Sl. No.	Bank Name	Profit / Loss	Working Capital	Profit / Loss : Working Capital
1	Baidyabati Sheoraphulli Co-op Bank Ltd	48.36	5814.25	1 : 120.228
2	Bally Co-op Bank Ltd	-185.03	2014.44	1 : -10.887
3	Bankura Town Co-operative Bank Ltd.	-165	1898.46	1 : -11.506
4	Bhatpara Naihati Co-operative Bank Ltd	42.77	5673.74	1 : 132.657
5	Boral Union Co-op Bank Ltd	-222.55	8350.09	1 : -37.52
6	Dhakuria Co-op Bank Ltd	13.19	3076.5	1 : 233.245
7	Durgapur Mahila Co-op Bank Ltd.	-6.3	306.97	1 : -48.725
8	Durgapur Steel Peoples Co-op Bank Ltd	279.11	16182.42	1 : 57.979
9	Hooghly Co-op Credit Bank Ltd	54.23	4071.12	1 : 75.071
10	Kasundia Co-op Bank Ltd	-225.34	1672.94	1 : -7.424
11	Khurdah Co-op Bank Ltd	-66.08	2063.88	1 : -31.233
12	Khatra People's Co-operative Bank Ltd.	147.68	3186.47	1 : 21.577
13	Kolikata Mahila Co-op Bank Ltd	0.77	236.5	1 : 307.143
14	Kolkata Police Co-operative Bank Ltd.	-34.83	5487.51	1 : -157.551
15	Krishnanagar City Co-operative Bank Ltd.	0.37	1668.38	1 : 4509.135
16	Liluah Co-operative Bank Ltd	148	11316	1 : 76.459
17	Nabapalli Co-operative Bank Ltd	9.34	2983.85	1 : 319.47
18	Panihati Co-operative Bank Ltd.	5.62	2801.29	1 : 498.45
19	Ranaghat Peoples' Bank Ltd	-360.69	5626.29	1 : -15.599
20	Raniganj Co-operative Bank Ltd.	-14.18	1595.39	1 : -112.51
21	Samata Co-op Dev. Bank Ltd	15.97	916.57	1 : 57.393
22	Shibpur Co-operative Bank Ltd.	35.79	5117.19	1 : 142.978
23	Suri Friends' Union Co-operative Bank Ltd	-49.3	633.18	1 : -12.843
24	The Bank Employees' Co-op Bank Ltd	73.92	7020.41	1 : 94.973
25	The Bantra Co-oprative Bank Ltd.	-996.63	7751.95	1 : -7.778
A	Grand Total	-1450.81	107465.79	
B	Average Ratio of Profit/Loss to Working Capital			1 : -74.073

Table 11

Ratio of Deposit to Working Capital (05 - 06)				
Sl. No.	Bank Name	Deposit	Working Capital	Deposit : Working Capital
1	Baidyabati Sheoraphulli Co-op Bank Ltd	3887.28	5686.58	1 : 1.463
2	Bally Co-op Bank Ltd	2061.15	2755.64	1 : 1.337
3	Baltikuri Co-op Bank Ltd	4439.89	5316.86	1 : 1.198
4	Bankura Town Co-operative Bank Ltd.	1379.68	1779.1	1 : 1.29
5	Bhatpara Naihati Co-operative Bank Ltd	4819.11	5668.27	1 : 1.176
6	Boral Union Co-op Bank Ltd	6756.42	7702.28	1 : 1.14
7	Dhakuria Co-op Bank Ltd	2473.24	2794.82	1 : 1.13
8	Durgapur Mahila Co-op Bank Ltd.	211.15	258.62	1 : 1.225
9	Durgapur Steel Peoples Co-op Bank Ltd	8645.14	12424.71	1 : 1.437
10	Ghatal Peoples' Co-op Bank Ltd	2087.23	2758.87	1 : 1.322
11	Hooghly Co-op Credit Bank Ltd	2809.38	3483.53	1 : 1.24
12	Kasundia Co-op Bank Ltd	3625.45	2628.26	1 : 0.725
13	Khardah Co-op Bank Ltd	1581.2	1957.46	1 : 1.238
14	Khatra People's Co-operative Bank Ltd.	2179.68	3110.86	1 : 1.427
15	Kolikata Mahila Co-op Bank Ltd	120.73	211.51	1 : 1.752
16	Kolkata Police Co-operative Bank Ltd.	3493.29	5339	1 : 1.528
17	Konnagar Samabay Bank Ltd.	2196.24	2894.8	1 : 1.318
18	Krishnanagar City Co-operative Bank Ltd.	1759.73	1917.69	1 : 1.09
19	Liluah Co-operative Bank Ltd	8091	10695	1 : 1.322
20	Nabagram Peoples Co-operative CreditBank Ltd.	3011.9	3634.99	1 : 1.207
21	Nabapalli Co-operative Bank Ltd	2094.95	2764.39	1 : 1.32
22	Panihati Co-operative Bank Ltd.	2206.94	2794.26	1 : 1.266
23	Ranaghat Peoples' Bank Ltd	4694.3	5259.11	1 : 1.12
24	Raniganj Co-operative Bank Ltd.	1293.15	1589.67	1 : 1.229
25	Samata Co-op Dev. Bank Ltd	538.69	751.26	1 : 1.395
26	Shibpur Co-operative Bank Ltd.	3508.46	4897.43	1 : 1.396
27	Suri Friends' Union Co-operative Bank Ltd	555.62	658.86	1 : 1.186
28	The Bank Employees' Co-op Bank Ltd	5221.64	6301.95	1 : 1.207
29	The Bantra Co-oprative Bank Ltd.	6926.32	8135.2	1 : 1.175
30	The Eastern Railway Employees Co-op Bank Ltd	24017.91	31405.34	1 : 1.308
A	Grand Total	116686.87	147576.32	
B	Average Ratio of Deposit to Working Capital			1 : 1.265

Table 12

Ratio of Deposit to Working Capital (06 - 07)				
Sl. No.	Bank Name	Deposit	Working Capital	Deposit : Working Capital
1	AVB Emp. Co-op BK	269.38	325.15	1 : 1.207
2	Baidyabati Sheoraphulli Co-op Bank Ltd	3896.9	5814.25	1 : 1.492
3	Bally Co-op Bank Ltd	1533.1	2014.44	1 : 1.314
4	Bankura Town Co-operative Bank Ltd.	1460.4	1898.46	1 : 1.3
5	Baranagar Co-op Bank Ltd	4283.3	5513.08	1 : 1.287
6	Bhatpara Naihati Co-operative Bank Ltd	4773.6	5673.74	1 : 1.189
7	Bishnupur Town Co-op Bank Ltd	2904	3662.28	1 : 1.261
8	Boral Union Co-op Bank Ltd	7308.3	8350.09	1 : 1.143
9	Budge Budge Nanghi Co-op Bank	753.8	914.19	1 : 1.213
10	Dhakuria Co-op Bank Ltd	2736.6	3076.5	1 : 1.124
11	Durgapur Mahila Co-op Bank Ltd.	250.53	306.97	1 : 1.225
12	Durgapur Steel Peoples Co-op Bank Ltd	9619.2	16182.42	1 : 1.682
13	E & NF Rly Co-op Bank Ltd	9982	15132.92	1 : 1.516
14	Hooghly Co-op Credit Bank Ltd	3338.2	4071.12	1 : 1.22
15	Joynagar Mozilpur Co-op Bank Ltd	1298.1	1588.34	1 : 1.224
16	Kasundia Co-op Bank Ltd	2902.9	1672.94	1 : 0.576
17	Khordah Co-op Bank Ltd	1751.3	2063.88	1 : 1.178
18	Khatra People's Co-operative Bank Ltd.	2324.8	3186.47	1 : 1.371
19	Kolikata Mahila Co-op Bank Ltd	152.43	236.5	1 : 1.552
20	Kolkata Police Co-operative Bank Ltd.	3496.3	5487.51	1 : 1.57
21	Krishnanagar City Co-operative Bank Ltd.	1521.4	1668.38	1 : 1.097
22	Liluah Co-operative Bank Ltd	8273	11316	1 : 1.368
23	Midnapore Peoples' Co-op Bank Ltd	3243.8	4409.57	1 : 1.359
24	Nabadwip Co-op Bank Ltd	2118	2662.69	1 : 1.257
25	Nabapalli Co-operative Bank Ltd	2282.6	2983.85	1 : 1.307
26	Panihati Co-operative Bank Ltd.	2232.1	2801.29	1 : 1.255
27	Ranaghat Peoples' Bank Ltd	4991.6	5626.29	1 : 1.127
28	Raniganj Co-operative Bank Ltd.	1288.2	1595.39	1 : 1.238
29	Samata Co-op Dev. Bank Ltd	694.2	916.57	1 : 1.32
30	Santragachi Co-op Bank	3158.1	3966.24	1 : 1.256
31	Shibpur Co-operative Bank Ltd.	3699.3	5117.19	1 : 1.383
32	Sree Chaitanya Co-op Bank	89.44	127.11	1 : 1.421

To be continued

Table 12

Ratio of Deposit to Working Capital (06 - 07)				
Sl. No.	Bank Name	Deposit	Working Capital	Deposit : Working Capital
33	Suri Friends' Union Co-operative Bank Ltd	549.37	633.18	1 : 1.153
34	The Bank Employees' Co-op Bank Ltd	5981.5	7020.41	1 : 1.174
35	The Bantra Co-oprative Bank Ltd.	6737.6	7751.95	1 : 1.151
36	Union Co-op Bank Ltd	977.62	1162.82	1 : 1.189
37	United Co-op Bank Ltd	288.35	347.74	1 : 1.206
A	Grand Total	113161	147277.92	
B	Average Ratio of Deposit to Working Capital	1 : 1.301		

Table 13

Ratio of (Reserve Fund + Accu. Profit-Loss) to Working Capital (05 - 06)						
Sl. No.	Bank Name	Reserve Fund	Accu. Profit/Loss	RF + Accu. P/L	Working Capital	(RF + Accu. P/L) : Working Capital
1	Baidyabati Sheoraphulli Co-op Bank Ltd	821	862.77	1683.77	5686.58	1 : 3.377
2	Bally Co-op Bank Ltd	69.27	-525.66	-456.39	2755.64	1 : -6.038
3	Bankura Town Co-operative Bank Ltd.	142.17	-15.64	126.53	1779.1	1 : 14.061
4	Bhatpara Naihati Co-operative Bank Ltd	504.28	-590.39	-86.11	5668.27	1 : -65.826
5	Boral Union Co-op Bank Ltd	468.53	799.12	1267.65	7702.28	1 : 6.076
6	Durgapur Mahila Co-op Bank Ltd.	4.78	4.24	9.02	258.62	1 : 28.672
7	Durgapur Steel Peoples Co-op Bank Ltd	2926.51	414.92	3341.43	12424.71	1 : 3.718
8	Hooghly Co-op Credit Bank Ltd	241.7	124.41	366.11	3483.53	1 : 9.515
9	Kasundia Co-op Bank Ltd	367.79	-544.34	-176.55	2628.26	1 : -14.887
10	Khurdah Co-op Bank Ltd	105.33	1.59	106.92	1957.46	1 : 18.308
11	Kolikata Mahila Co-op Bank Ltd	3.22	6.32	9.54	211.51	1 : 22.171
12	Kolkata Police Co-operative Bank Ltd.	386.87	90.15	477.02	5339	1 : 11.192
13	Konnagar Samabay Bank Ltd.	326.88	43.24	370.12	2894.8	1 : 7.821
14	Krishnanagar City Co-operative Bank Ltd.	24.93	11.24	36.17	1917.69	1 : 53.019
15	Liluah Co-operative Bank Ltd	1932	602	2534	10695	1 : 4.221
16	Nabapalli Co-operative Bank Ltd	444.19	20.03	464.22	2764.39	1 : 5.955
17	Panihati Co-operative Bank Ltd.	36.9	41.33	78.23	2794.26	1 : 35.719
18	Ranaghat Peoples' Bank Ltd	33.9	-222.11	-188.21	5259.11	1 : -27.943
19	Samata Co-op Dev. Bank Ltd	25.83	37.63	63.46	751.26	1 : 11.838
20	Shibpur Co-operative Bank Ltd.	888.46	149.66	1038.12	4897.43	1 : 4.718
21	Suri Friends' Union Co-operative Bank Ltd	8.51	-70.21	-61.7	658.86	1 : -10.678
22	The Bank Employees' Co-op Bank Ltd	251.29	49.07	300.36	6301.95	1 : 20.981
23	The Bantra Co-oprative Bank Ltd.	457.01	-802.7	-345.69	8135.2	1 : -23.533
A	Grand Total	10471.35	486.67	10958.02	96964.91	
B	Average Ratio of (RF + Accu. P/L) to Working Capital	1 : 8.849				

Table 14

Ratio of (Reserve Fund + Accu. Profit-Loss) to Working Capital (06 - 07)						
Sl. No.	Bank Name	Reserve Fund	Accu. Profit/Loss	RF + Accu. P/L	Working Capital	(RF + Accu. P/L) : Working Capital
1	AVB Emp. Co-op BK	7.83	6.08	13.91	325.15	1 : 23.375
2	Baidyabati Sheoraphulli Co-op Bank Ltd	883.54	862.91	1746.45	5814.25	1 : 3.329
3	Bally Co-op Bank Ltd	73.94	-603.83	-529.89	2014.44	1 : -3.802
4	Bankura Town Co-operative Bank Ltd.	152.68	-3.31	149.37	1898.46	1 : 12.71
5	Baranagar Co-op Bank Ltd	101.94	253.02	354.96	5513.08	1 : 15.532
6	Bhatpara Naihati Co-operative Bank Ltd	510.06	-573.81	-63.75	5673.74	1 : -89
7	Bishnupur Town Co-op Bank Ltd	57.58	19.99	77.57	3662.28	1 : 47.213
8	Boral Union Co-op Bank Ltd	512.19	-755.49	-243.3	8350.09	1 : -34.32
9	Budge Budge Nanghi Co-op Bank	18.72	13.97	32.69	914.19	1 : 27.965
10	Durgapur Mahila Co-op Bank Ltd.	6.12	2.66	8.78	306.97	1 : 34.962
11	Durgapur Steel Peoples Co-op Bank Ltd	3054.07	340.35	3394.42	16182.42	1 : 4.767
12	E & NF Rly Co-op Bank Ltd	443.64	342.62	786.26	15132.92	1 : 19.247
13	Hooghly Co-op Credit Bank Ltd	277.58	115.15	392.73	4071.12	1 : 10.366
14	Joynagar Mozilpur Co-op Bank Ltd	28.71	4.17	32.88	1588.34	1 : 48.307
15	Kasundia Co-op Bank Ltd	469.4	-871.15	-401.75	1672.94	1 : -4.164
16	Khardah Co-op Bank Ltd	109.89	3.56	113.45	2063.88	1 : 18.192
17	Kolikata Mahila Co-op Bank Ltd	3.22	5.1	8.32	236.5	1 : 28.425
18	Kolkata Police Co-operative Bank Ltd.	448.76	85.8	534.56	5487.51	1 : 10.265
19	Krishnanagar City Co-operative Bank Ltd.	24.93	-46.02	-21.09	1668.38	1 : -79.108
20	Liluah Co-operative Bank Ltd	2060	283.72	2343.72	11316	1 : 4.828
21	Midnapore Peoples' Co-op Bank Ltd	113.09	12.87	125.96	4409.57	1 : 35.008
22	Nabadwip Co-op Bank Ltd	22.16	16.08	38.24	2662.69	1 : 69.631
23	Nabapalli Co-operative Bank Ltd	483.69	9.34	493.03	2983.85	1 : 6.052
24	Panihati Co-operative Bank Ltd.	37.78	41.81	79.59	2801.29	1 : 35.197
25	Ranaghat Peoples' Bank Ltd	35.4	-149.96	-114.56	5626.29	1 : -49.112
26	Raniganj Co-operative Bank Ltd.	94.71	19.16	113.87	1595.39	1 : 14.011
27	Samata Co-op Dev. Bank Ltd	32.04	30.24	62.28	916.57	1 : 14.717
28	Santragachi Co-op Bank	51.16	23.5	74.66	3966.24	1 : 53.124
29	Shibpur Co-operative Bank Ltd.	984.99	86.47	1071.46	5117.19	1 : 4.776
30	Sree Chaitanya Co-op Bank	2.14	5.57	7.71	127.11	1 : 16.486

To be continued

Table 14

Ratio of (Reserve Fund + Accu. Profit-Loss) to Working Capital (06 - 07)						
Sl. No.	Bank Name	Reserve Fund	Accu. Profit/Loss	RF + Accu. P/L	Working Capital	(RF + Accu. P/L) : Working Capital
31	Suri Friends' Union Co-operative Bank Ltd	8.91	-99.3	-90.39	633.18	1 : -7.005
32	The Bank Employees' Co-op Bank Ltd	256.01	37.53	293.54	7020.41	1 : 23.916
33	The Bantra Co-operative Bank Ltd.	456.96	-1079.09	-622.13	7751.95	1 : -12.46
34	Union Co-op Bank Ltd	20.13	1.6	21.73	1162.82	1 : 53.512
A	Grand Total	11843.97	-1558.69	10285.28	140667.21	
B	Average Ratio of (RF + Accu. P/L) to Working Capital	1 : 13.677				

Table 15

Investment-SLR_Non SLR(04-05 to 06-07)							
Srl No.	Bank Name	Govt. Securities % to NDTL			Non SLR % to Last Year Deposit		
		2005	2006	2007	2005	2006	2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	39.7	38.55	13.08	23.22	10.14	9.79
2	Bally Co-op Bank Ltd	36.51	34.22	33.32	0.81	0	0
3	Bankura Town Co-operative Bank Ltd.	35.62	34.95	32.7	3.82	10.46	10.87
4	Bansabati Cooperative Bank Ltd.	26.53	26.75	30.4	79.58	78.89	69.98
5	Bhatpara Naihati Co-operative Bank Ltd	22.3	22.16	21.92	0	0	0
6	Boral Union Co-op Bank Ltd	6.24	15.85	14.29	0	0	0
7	Contai Co-operative Bank Ltd.	19.13	20.74	19.87	1.19	0.74	0.76
8	Durgapur Mahila Co-op Bank Ltd.	46.45	38.17	32.22	5.24	7.51	5.38
9	Durgapur Steel Peoples Co-op Bank Ltd	41.54	48.63	43.49	11.74	5.72	7.42
10	Hooghly Co-op Credit Bank Ltd	15.17	13.41	10.62	0.0004	0.0004	0.0004
11	Khurdah Co-op Bank Ltd	23.25	23.7	21.04	0	0	0
12	Khatra People's Co-operative Bank Ltd.	23.88	25.39	24.88	3.01	2.86	2.69
13	Kolikata Mahila Co-op Bank Ltd	13.72	13.47	12.09	0	0	0.04
14	Kolkata Police Co-operative Bank Ltd.	14.94	15.65	14.7	0	0	0
15	Konnagar Samabay Bank Ltd.	15.52	25.17	24.86	10.71	8.8	8.65
16	Krishnanagar City Co-operative Bank Ltd.	11.17	11.83	13.7	0	0	0
17	Nabagram Peoples Co-operative CreditBank Ltd.	0	31.59	0	0	0	0
18	Nabapalli Co-operative Bank Ltd	17.28	17.2	16.03	1.46	1.43	1.31
19	Panihati Co-operative Bank Ltd.	0	0	23.32	0	0	0
20	Rahuta Union Co-operative Bank Ltd.	16.52	19.59	21.64	0	0	0
21	Ranaghat Peoples' Bank Ltd	0	16.03	12.16	0	0	0
22	Samata Co-op Dev. Bank Ltd	9.07	10.31	7.99	0	0	0
23	Shibpur Co-operative Bank Ltd.	22.74	39.3	37.38	7.21	4.48	4.28
24	Suri Friends' Union Co-operative Bank Ltd	15.1	13.96	14.12	0	0	0
25	The Bank Employees' Co-op Bank Ltd	19.09	18.93	17.2	0.24	0.22	0
26	The Bantra Co-oprative Bank Ltd.	0	21.93	20.67	1.7	0.7	0.4

Table 16

Total Loan & Adv. outstanding with +- Growth						
Srl No.	Bank Name	Total Loans & Adv.			% Increases/Decrease	
		2005	2006	2007	2006	2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	1374.49	1815.75	2150.26	32.10	18.42
2	Bally Co-op Bank Ltd	1373.98	1305.19	985.35	-5.01	-24.51
3	Bhatpara Naihati Co-operative Bank Ltd	2401.89	2318.34	2213.94	-3.48	-4.50
4	Boral Union Co-op Bank Ltd	2570.61	2702.59	2009.63	5.13	-25.64
5	Contai Co-operative Bank Ltd.	16509.14	18726.11	19797.3	13.43	5.72
6	Dhakuria Co-op Bank Ltd	749.55	1118.8	1302.48	49.26	16.42
7	Durgapur Mahila Co-op Bank Ltd.	44.36	102.46	154.31	130.97	50.61
8	Durgapur Steel Peoples Co-op Bank Ltd	4115.48	5503.15	5928.38	33.72	7.73
9	Hooghly Co-op Credit Bank Ltd	1144.72	1440.18	1716.69	25.81	19.20
10	Kasundia Co-op Bank Ltd	1885.51	1623.07	1450.45	-13.92	-10.64
11	Khardah Co-op Bank Ltd	502.76	708.87	826.26	41.00	16.56
12	Khatra People's Co-operative Bank Ltd.	1210.99	1305.6	1293.49	7.81	-0.93
13	Kolikata Mahila Co-op Bank Ltd	100.14	94.9	104.17	-5.23	9.77
14	Konnagar Samabay Bank Ltd.	298.27	301.02	326.83	0.92	8.57
15	Krishnanagar City Co-operative Bank Ltd.	1230.26	1106.57	958.8	-10.05	-13.35
16	Nabagram Peoples Co-operative CreditBank Ltd.	444.32	475.46	472.72	7.01	-0.58
17	Nabapalli Co-operative Bank Ltd	285.29	443.42	526.63	55.43	18.77
18	Panihati Co-operative Bank Ltd.	638.74	1257.03	1393.02	96.80	10.82
19	Rahuta Union Co-operative Bank Ltd.	788.74	554.12	511.62	-29.75	-7.67
20	Ranaghat Peoples' Bank Ltd	824.67	805.62	819.19	-2.31	1.68
21	Samata Co-op Dev. Bank Ltd	332.02	461.04	531.62	38.86	15.31
22	Shibpur Co-operative Bank Ltd.	674.13	713.74	721.07	5.88	1.03
23	Suri Friends' Union Co-operative Bank Ltd	395.17	348.37	286.26	-11.84	-17.83
24	The Bank Employees' Co-op Bank Ltd	3236.91	4286.08	4934.63	32.41	15.13
25	The Bantra Co-oprative Bank Ltd.	1202.88	723.48	817.19	-39.85	12.95
	Grand Total	44335.02	50240.96	52232.29		

Table 17

Total Loans & Adv. Issued with % growth during the year						
Srl No.	Bank Name	Total Loans & Advances Issued During the Yr.			% of Growth of Loan & Adv.	
		2005	2006	2007	2006	2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	97.1	344.16	334.51	254.44	-2.80
2	Bally Co-op Bank Ltd	1034.87	707.85	349.79	-31.60	-50.58
3	Bankura Town Co-operative Bank Ltd.	262.6	263.14	317.1	0.21	20.51
4	Bansabati Cooperative Bank Ltd.	158.56	201.66	144.75	27.18	-28.22
5	Bhatpara Naihati Co-operative Bank Ltd	2514.62	2671.76	2478.18	6.25	-7.25
6	Boral Union Co-op Bank Ltd	1665.35	1175.65	1226.75	-29.41	4.35
7	Contai Co-operative Bank Ltd.	17844.45	18621.19	23472.48	4.35	26.05
8	Dhakuria Co-op Bank Ltd	162.15	327.91	460.3	102.23	40.37
9	Durgapur Mahila Co-op Bank Ltd.	39.3	87.86	106.51	123.56	21.23
10	Durgapur Steel Peoples Co-op Bank Ltd	575.61	1007.71	428.2	75.07	-57.51
11	Hooghly Co-op Credit Bank Ltd	642.13	686.44	746.09	6.90	8.69
12	Jiaganj Co-operative Bank Ltd.	135.35	152.74	138.64	12.85	-9.23
13	Kasundia Co-op Bank Ltd	411.7	332.4	290.94	-19.26	-12.47
14	Khurdah Co-op Bank Ltd	604.69	327.41	383.74	-45.85	17.20
15	Khatra People's Co-operative Bank Ltd.	1006.85	1066.76	953.95	5.95	-10.58
16	Kolikata Mahila Co-op Bank Ltd	56.13	39.98	56.57	-28.77	41.50
17	Kolkata Police Co-operative Bank Ltd.	2474.84	3473.65	2865.7	40.36	-17.50
18	Konnagar Samabay Bank Ltd.	157.95	157.39	177.31	-0.35	12.66
19	Krishnanagar City Co-operative Bank Ltd.	261.18	266.5	146.29	2.04	-45.11
20	Nabagram Peoples Co-operative CreditBank Ltd.	227.35	203.46	176.96	-10.51	-13.02
21	Nabapalli Co-operative Bank Ltd	182.6	219.41	256.3	20.16	16.81
22	Panihati Co-operative Bank Ltd.	75.89	192.34	-31.6	153.45	-116.43
23	Ranaghat Peoples' Bank Ltd	453.5	399.85	438.58	-11.83	9.69
24	Raniganj Co-operative Bank Ltd.	667.61	425.36	300.37	-36.29	-29.38
25	Samata Co-op Dev. Bank Ltd	450.89	1153.8	966.39	155.89	-16.24

To be continued

Table 17

Total Loans & Adv. Issued with % growth during the year						
Srl No.	Bank Name	Total Loans & Advances Issued During the Yr.			% of Growth of Loan & Adv.	
		2005	2006	2007	2006	2007
26	Shibpur Co-operative Bank Ltd.	243.82	258.79	239.26	6.14	-7.55
27	Suri Friends' Union Co-operative Bank Ltd	109.63	73.31	33.74	-33.13	-53.98
28	The Bank Employees' Co-op Bank Ltd	582	467.17	648.55	-19.73	38.83
29	The Bantra Co-operative Bank Ltd.	0	94.42	107.76	DNF	14.13
A	Grand Total	33098.72	35400.07	38214.11		
B	Overall % Growth of Loans & Adv.	2005-2006	6.95			
		2006-2007	7.95			

* DNF: - Data Not Found

Table 18

Table 18: CD Ratio & % of Prio Sec. LA to total LA. (2006-2007)			
Sl. No.	Bank Name	CD Ratio	% of Prio Sec. to Total L & Adv.
1	AVB Emp. Co-op BK	47.29	NA
2	Baidyabati Sheoraphulli Co-op Bank Ltd	55.18	68.04
3	Bally Co-op Bank Ltd	59.01	60.05
4	Bankura Town Co-operative Bank Ltd.	36.52	89.1
5	Bansabati Cooperative Bank Ltd.	44.55	NA
6	Baranagar Co-op Bank Ltd	54.89	64.34
7	Bhatpara Naihati Co-operative Bank Ltd	46.37	66.64
8	Bishnupur Town Co-op Bank Ltd	37.84	81.27
9	Boral Union Co-op Bank Ltd	27.5	72
10	Budge Budge Nanghi Co-op Bank	54.02	100
11	Contai Co-operative Bank Ltd.	69.62	81.27
12	Dhakuria Co-op Bank Ltd	47.59	79.68
13	Durgapur Mahila Co-op Bank Ltd.	61.59	84.51
14	Durgapur Steel Peoples Co-op Bank Ltd	61.63	74.76
15	E & NF Rly Co-op Bank Ltd	125.42	NA
16	Hooghly Co-op Credit Bank Ltd	51.05	61.08
17	Jiaganj Co-oprative Bank Ltd.	0	NA
18	Joynagar Mozilpur Co-op Bank Ltd	24.59	97.53
19	Kasundia Co-op Bank Ltd	49.97	72.82
20	Khardah Co-op Bank Ltd	45.14	78.33
21	Khatra People's Co-operative Bank Ltd.	55.64	61.57
22	Kolikata Mahila Co-op Bank Ltd	68.35	90.77
23	Kolkata Police Co-operative Bank Ltd.	1.18	NA
24	Konnagar Samabay Bank Ltd.	0	61.65
25	Krishnanagar City Co-operative Bank Ltd.	63.02	60.99
26	Liluah Co-operative Bank Ltd	18.84	100
27	Midnapore Peoples' Co-op Bank Ltd	64.74	74.82
28	Nabadwip Co-op Bank Ltd	43.09	72.07
29	Nabagram Peoples Co-operative CreditBank Ltd.		74.63
30	Nabapalli Co-operative Bank Ltd	23.13	81.9

To be continued

Table 18

Table 18: CD Ratio & % of Prio Sec. LA to total LA. (2006-2007)			
Sl. No.	Bank Name	CD Ratio	% of Prio Sec. to Total L & Adv.
31	Panihati Co-operative Bank Ltd.	63.36	68.08
32	Rahuta Union Co-operative Bank Ltd.	0.37	99.47
33	Ranaghat Peoples' Bank Ltd	16.56	62.96
34	Raniganj Co-operative Bank Ltd.	50.4	NA
35	Samata Co-op Dev. Bank Ltd	76.57	68.57
36	Santragachi Co-op Bank	50.2	74.12
37	Shibpur Co-operative Bank Ltd.	19.49	73.32
38	Sree Chaitanya Co-op Bank	54.33	95.12
39	Suri Friends' Union Co-operative Bank Ltd	50.52	70.42
40	The Bank Employees' Co-op Bank Ltd	82.47	NA
41	The Bantra Co-operative Bank Ltd.	13.76	70.05
42	Union Co-op Bank Ltd	20.23	87.19
43	United Co-op Bank Ltd	78.99	90.01

Table 19

Breakup of Total LA in terms of PR & Non PR Sector etc.							
Srl No.	Bank Name	Total Priority		Total LA		% of Prio. Sec. to Total LA.	
		2006	2007	2006	2007	2006	2007
1	Contai Co-operative Bank Ltd.	15460.45	16089.83	18726.1	19797.3	82.56	81.27
2	Durgapur Steel Peoples Co-op Bank Ltd	3385.28	4432.18	5503.15	5928.38	61.52	74.76
3	Boral Union Co-op Bank Ltd	1958.2	1446.93	2702.59	2009.63	72.46	72.00
4	Bhatpara Naihati Co-operative Bank Ltd	1415.1	1475.35	2318.34	2213.94	61.04	66.64
5	Baidyabati Sheoraphulli Co-op Bank Ltd	1230.46	1463.1	1815.75	2150.26	67.77	68.04
6	Kasundia Co-op Bank Ltd	1152.12	1056.21	1623.07	1450.45	70.98	72.82
7	Dhakuria Co-op Bank Ltd	907.78	1037.84	1118.8	1302.48	81.14	79.68
8	Panihati Co-operative Bank Ltd.	905.23	948.33	1257.03	1393.02	72.01	68.08
9	Hooghly Co-op Credit Bank Ltd	882.25	1048.55	1440.18	1716.69	61.26	61.08
10	Bally Co-op Bank Ltd	850.05	591.73	1305.19	985.35	65.13	60.05
11	Khatra People's Co-operative Bank Ltd.	796.67	796.4	1305.6	1293.49	61.02	61.57
12	Krishnanagar City Co-operative Bank Ltd.	666.7	584.82	1106.57	958.8	60.25	60.99
13	Khardah Co-op Bank Ltd	589.06	647.2	708.87	826.26	83.10	78.33
14	Rahuta Union Co-operative Bank Ltd.	550.94	508.9	554.12	511.62	99.43	99.47
15	Shibpur Co-operative Bank Ltd.	523.81	528.68	713.74	721.07	73.39	73.32
16	Ranaghat Peoples' Bank Ltd	497.41	515.79	805.62	819.19	61.74	62.96
17	The Bantra Co-oprative Bank Ltd.	421.46	572.43	723.48	817.19	58.25	70.05
18	Nabapalli Co-operative Bank Ltd	397.49	431.32	443.42	526.63	89.64	81.90
19	Nabagram Peoples Co-operative CreditBank Ltd.	359.04	352.78	475.46	472.72	75.51	74.63
20	Samata Co-op Dev. Bank Ltd	311.6	364.52	461.04	531.62	67.59	68.57
21	Suri Friends' Union Co-operative Bank Ltd	241.06	201.59	348.37	286.26	69.20	70.42
22	Konnagar Samabay Bank Ltd.	192.1	201.5	301.02	326.83	63.82	61.65
23	Durgapur Mahila Co-op Bank Ltd.	91.94	130.4	102.46	154.31	89.73	84.51
24	Kolikata Mahila Co-op Bank Ltd	78.45	94.56	94.9	104.17	82.67	90.77
25	The Bank Employees' Co-op Bank Ltd	0	0	4286.08	4934.63	NA	NA
A	Grand Total	33864.65	35520.94	50240.96	52232.29		
B	Overall % Growth of Priority Sector Adv.	4.89					
C	Overall % of Priority Sector Adv. To Total Adv.						
	2006	67.40					
	2007	68.01					

Table 20

CD Ratio				
Srl No.	Bank Name	CD Ratio		
		2005	2006	2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	38.38	46.71	55.18
2	Bally Co-op Bank Ltd	56.04	59.64	59.01
3	Bankura Town Co-operative Bank Ltd.	33.95	35.33	36.52
4	Bansabati Cooperative Bank Ltd.	31.3	39.6	44.55
5	Bhatpara Naihati Co-operative Bank Ltd	65.58	48.11	46.37
6	Boral Union Co-op Bank Ltd	41.12	40	27.5
7	Contai Co-operative Bank Ltd.	66.16	70.92	69.62
8	Dhakuria Co-op Bank Ltd	33.14	45.24	47.59
9	Durgapur Mahila Co-op Bank Ltd.	34.11	48.53	61.59
10	Durgapur Steel Peoples Co-op Bank Ltd	53.83	63.65	61.63
11	Hooghly Co-op Credit Bank Ltd	50.44	50.92	51.05
12	Kasundia Co-op Bank Ltd	42.87	44.77	49.97
13	Khurdah Co-op Bank Ltd	37.65	42.97	45.14
14	Khatra People's Co-operative Bank Ltd.	58.99	59.9	55.64
15	Kolikata Mahila Co-op Bank Ltd	80.35	78.68	68.35
16	Kolkata Police Co-operative Bank Ltd.	0.95	1.14	1.18
17	Krishnanagar City Co-operative Bank Ltd.	66.48	62.83	63.02
18	Liluah Co-operative Bank Ltd	19.2	18.27	18.84
19	Nabagram Peoples Co-operative CreditBank Ltd.	15.53	15.79	16.53
20	Nabapalli Co-operative Bank Ltd	17.98	21.22	23.13
21	Panihati Co-operative Bank Ltd.	61.45	65.28	63.36
22	Rahuta Union Co-operative Bank Ltd.	0.34	0.37	0.37
23	Ranaghat Peoples' Bank Ltd	18.63	17.26	16.56
24	Raniganj Co-operative Bank Ltd.	59.6	61.72	50.4
25	Samata Co-op Dev. Bank Ltd	75.3	85.74	76.57
26	Shibpur Co-operative Bank Ltd.	20.15	20.34	19.49
27	Suri Friends' Union Co-operative Bank Ltd	66.4	59.47	50.52
28	The Bank Employees' Co-op Bank Ltd	83.03	82.08	82.47
29	The Bantra Co-oprative Bank Ltd.	16.32	15.01	13.76

Table 21

Gross NPA,Gross NPA %,Net NPA,Net NPA %(05-06 & 06-07)									
Srl No.	Bank Name	Gross NPA		Gross NPA %		Net NPA		Net NPA %	
		2006	2007	2006	2007	2006	2007	2006	2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	257.29	292.02	14.17	13.58	- 121.24	NA	NA	NA
2	Baltikuri Co-op Bank Ltd	189.23	NA	18.3	NA	39.69	NA	4.49	NA
3	Bally Co-op Bank Ltd	700.3	673.11	53.66	73.29	284.97	234.47	30.98	48.92
4	Bankura Town Co-operative Bank Ltd.	150.2	145.5	30.81	27.28	NA	28.77	9.03	6.91
5	Bansabati Cooperative Bank Ltd.	70.66	88.56	22.3	28.4	59.37	76.26	18.73	23.61
6	Bhatpara Naihati Co-operative Bank Ltd	470.9	420.18	20.31	18.98	NA	3.8	6.34	3.8
7	Boral Union Co-op Bank Ltd	0	0	22.16	19.01	262.74	37.15	11.1	2.23
8	Contai Co-operative Bank Ltd.	4740.69	4206.85	25.32	21.25	-617.9	- 1345.5	-4.62	-9.45
9	Dhakuria Co-op Bank Ltd	92.92	85.75	8.31	6.58	18.98	9.81	1.81	0.8
10	Durgapur Mahila Co-op Bank Ltd.	6.88	8.12	6.72	5.27	1.65	2.53	1.69	1.7
11	Durgapur Steel Peoples Co-op Bank Ltd	303.19	371.87	5.51	6.27	0	0	0	0
12	Ghatal Peoples' Co-op Bank Ltd	390.96	NA	27.43	NA	181.01	NA	14.89	NA
13	Hooghly Co-op Credit Bank Ltd	155.74	169.63	10.81	9.88	36.28	36.98	2.75	2.33
14	Kasundia Co-op Bank Ltd	350.77	617.4	21.61	42.57	167.54	332.69	11.64	28.54
15	Khardah Co-op Bank Ltd	84.03	75.17	11.85	9.1	33.99	20.44	5.16	2.65
16	Khatra People's Co-operative Bank Ltd.	314.25	321.51	24.07	24.86	104.62	90.55	89.11	90.55
17	Kolikata Mahila Co-op Bank Ltd	20.75	18.02	21.84	17.29	7.69	4.22	8.49	4.07
18	Kolkata Police Co-operative Bank Ltd.	181.47	177.04	4.54	4.25	NA	-99.99	-2.2	-3
19	Konnagar Samabay Bank Ltd.	38.81	45.44	12.89	13.9	-40.49	-46.59	- 40.49	- 46.59
20	Krishnanagar City Co-operative Bank Ltd.	202.18	339.3	18.27	35.39	98.76	194.73	9.84	23.92
21	Liluah Co-operative Bank Ltd	180	168	12.15	10.79	-292	-303	-234	-325
22	Nabagram Peoples Co-operative CreditBank Ltd.	44.76	51.93	9.41	10.98	-80.96	NA	- 23.15	-21.9
23	Nabapalli Co-operative Bank Ltd	22.12	63.32	12.42	12.02	0	0	0	0
24	Panihati Co-operative Bank Ltd.	593.65	0	41.21	0	421.64	332.08	33.23	0
25	Rahuta Union Co-operative Bank Ltd.	356.61	386.61	64.35	75.57	236.19	77.15	50.4	38.16

To be continued

Table 21

Gross NPA,Gross NPA %,Net NPA,Net NPA %(05-06 & 06-07)									
Srl No.	Bank Name	Gross NPA		Gross NPA %		Net NPA		Net NPA %	
		2006	2007	2006	2007	2006	2007	2006	2007
26	Ranaghat Peoples' Bank Ltd	326.84	330.67	40.58	40.36	301.03	330.67	26.46	25.85
27	Raniganj Co-operative Bank Ltd.	13.27	28.76	1.6	4.27	-9.47	-3.2	-9.47	-3.2
28	Samata Co-op Dev. Bank Ltd	52.31	49.47	11.34	9.3	25.63	8.76	5.9	3.41
29	Shibpur Co-operative Bank Ltd.	218.9	223.51	30.67	31	129.63	-154.3	35.49	44.95
30	Suri Friends' Union Co-operative Bank Ltd	155.14	140.39	44.53	49.04	29.61	0	13.29	6.22
31	The Bank Employees' Co-op Bank Ltd	60.04	50.04	1.42	1.01	-46.53	-56.53	-1.11	-1.17
32	The Bantra Co-oprative Bank Ltd.	566.39	475.76	54.48	51.32	46.37	35.78	8.92	7.35
33	The Eastern Railway Employees Co-op Bank Ltd	193.1	NA	0.85	NA	46.1	NA	0.2	NA

Table 22

Gross NPA,Gross NPA %,Net NPA,Net NPA %(05-06 & 06-07)									
Srl No.	Bank Name	Gross NPA		Gross NPA %		Net NPA		Net NPA %	
		2006	2007	2006	2007	2006	2007	2006	2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	257.29	292.02	14.17	13.58	-	NA	NA	NA
2	Baltikuri Co-op Bank Ltd	189.23	NA	18.3	NA	39.69	NA	4.49	NA
3	Bally Co-op Bank Ltd	700.3	673.11	53.66	73.29	284.97	234.47	30.98	48.92
4	Bankura Town Co-operative Bank Ltd.	150.2	145.5	30.81	27.28	NA	28.77	9.03	6.91
5	Bansabati Cooperative Bank Ltd.	70.66	88.56	22.3	28.4	59.37	76.26	18.73	23.61
6	Bhatpara Naihati Co-operative Bank Ltd	470.9	420.18	20.31	18.98	NA	3.8	6.34	3.8
7	Boral Union Co-op Bank Ltd	0	0	22.16	19.01	262.74	37.15	11.1	2.23
8	Contai Co-operative Bank Ltd.	4740.69	4206.85	25.32	21.25	-617.9	-	-4.62	-9.45
9	Dhakuria Co-op Bank Ltd	92.92	85.75	8.31	6.58	18.98	9.81	1.81	0.8
10	Durgapur Mahila Co-op Bank Ltd.	6.88	8.12	6.72	5.27	1.65	2.53	1.69	1.7
11	Durgapur Steel Peoples Co-op Bank Ltd	303.19	371.87	5.51	6.27	0	0	0	0
12	Ghatal Peoples' Co-op Bank Ltd	390.96	NA	27.43	NA	181.01	NA	14.89	NA
13	Hooghly Co-op Credit Bank Ltd	155.74	169.63	10.81	9.88	36.28	36.98	2.75	2.33
14	Kasundia Co-op Bank Ltd	350.77	617.4	21.61	42.57	167.54	332.69	11.64	28.54
15	Khardah Co-op Bank Ltd	84.03	75.17	11.85	9.1	33.99	20.44	5.16	2.65
16	Khatra People's Co-operative Bank Ltd.	314.25	321.51	24.07	24.86	104.62	90.55	89.11	90.55
17	Kolikata Mahila Co-op Bank Ltd	20.75	18.02	21.84	17.29	7.69	4.22	8.49	4.07
18	Kolkata Police Co-operative Bank Ltd.	181.47	177.04	4.54	4.25	NA	-99.99	-2.2	-3
19	Konnagar Samabay Bank Ltd.	38.81	45.44	12.89	13.9	-40.49	-46.59	-	-
20	Krishnanagar City Co-operative Bank Ltd.	202.18	339.3	18.27	35.39	98.76	194.73	9.84	23.92
21	Liluah Co-operative Bank Ltd	180	168	12.15	10.79	-292	-303	-234	-325
22	Nabagram Peoples Co-operative CreditBank Ltd.	44.76	51.93	9.41	10.98	-80.96	NA	-	-21.9
23	Nabapalli Co-operative Bank Ltd	22.12	63.32	12.42	12.02	0	0	0	0
24	Panihati Co-operative Bank Ltd.	593.65	0	41.21	0	421.64	332.08	33.23	0
25	Rahuta Union Co-operative Bank Ltd.	356.61	386.61	64.35	75.57	236.19	77.15	50.4	38.16

To be continued

Table 22

Gross NPA,Gross NPA %,Net NPA,Net NPA %(05-06 & 06-07)									
Srl No.	Bank Name	Gross NPA		Gross NPA %		Net NPA		Net NPA %	
		2006	2007	2006	2007	2006	2007	2006	2007
26	Ranaghat Peoples' Bank Ltd	326.84	330.67	40.58	40.36	301.03	330.67	26.46	25.85
27	Raniganj Co-operative Bank Ltd.	13.27	28.76	1.6	4.27	-9.47	-3.2	-9.47	-3.2
28	Samata Co-op Dev. Bank Ltd	52.31	49.47	11.34	9.3	25.63	8.76	5.9	3.41
29	Shibpur Co-operative Bank Ltd.	218.9	223.51	30.67	31	129.63	-154.3	35.49	44.95
30	Suri Friends' Union Co-operative Bank Ltd	155.14	140.39	44.53	49.04	29.61	0	13.29	6.22
31	The Bank Employees' Co-op Bank Ltd	60.04	50.04	1.42	1.01	-46.53	-56.53	-1.11	-1.17
32	The Bantra Co-oprative Bank Ltd.	566.39	475.76	54.48	51.32	46.37	35.78	8.92	7.35
33	The Eastern Railway Employees Co-op Bank Ltd	193.1	NA	0.85	NA	46.1	NA	0.2	NA

Table 23

No. of Loan Accounts of NPAs in 05-06								
Sl. No.	name	Priority Sector					Non Priority Sector	Grand Total
		Micro	Small Scale	Retail Trade	Other	Total	Total	
1	Baidyabati Sheoraphulli Co-op Bank Ltd	NA	10	85	238	333	41	374
2	Bally Co-op Bank Ltd	NA	NA	123	2030	2153	1162	3315
3	Bhatpara Naihati Co-operative Bank Ltd	NA	1	108	343	452	847	1299
4	Boral Union Co-op Bank Ltd	NA	26	759	2136	2921	1120	4041
5	The Bank Employees' Co-op Bank Ltd	NA	NA	NA	NA	NA	92	92
6	Contai Co-operative Bank Ltd.	2615	325	1645	1152	5737	1422	7159
7	Dhakuria Co-op Bank Ltd	NA	NA	246	1565	1811	355	2166
8	Durgapur Mahila Co-op Bank Ltd.	NA	44	NA	NA	44	NA	44
9	Durgapur Steel Peoples Co-op Bank Ltd	NA	NA	95	25	120	363	483
10	Hooghly Co-op Credit Bank Ltd	NA	NA	129	7	136	244	380
11	Khurdah Co-op Bank Ltd	NA	199	45	705	949	NA	949
12	Kolikata Mahila Co-op Bank Ltd	NA	NA	33	23	56	NA	56
13	Konnagar Samabay Bank Ltd.	NA	NA	92	199	291	169	460
14	Krishnanagar City Co-operative Bank Ltd.	NA	2	267	398	667	486	1153
15	Kolkata Police Co-operative Bank Ltd.	NA	NA	NA	NA	NA	815	815
16	Nabapalli Co-operative Bank Ltd	NA	NA	119	209	328	98	426
17	Ranaghat Peoples' Bank Ltd	NA	NA	357	2062	2419	1061	3480
18	Raniganj Co-operative Bank Ltd.	34	NA	NA	NA	34	39	73
19	Samata Co-op Dev. Bank Ltd	NA	NA	151	87	238	65	303
20	Shibpur Co-operative Bank Ltd.	NA	661	NA	2338	2999	1709	4708
A	Grand Total	2649	1268	4254	13517	21688	10088	31776

NA : Not Available

Table 24

No. of Loan Accounts of NPAs in 06-07

Sl. No.	name	Priority Sector					Non Priority Sector	Grand Total
		Micro	Small Scale	Retail Trade	Other	Total	Total	
1	Baidyabati Sheoraphulli Co-op Bank Ltd	NA	10	100	252	362	62	424
2	Bally Co-op Bank Ltd	NA	NA	108	1204	1312	726	2038
3	The Bantra Co-operative Bank Ltd.	NA	596	322	1766	2684	368	3052
4	Bhatpara Naihati Co-operative Bank Ltd	NA	1	83	302	386	605	991
5	Boral Union Co-op Bank Ltd	NA	20	581	1635	2236	857	3093
6	The Bank Employees' Co-op Bank Ltd	NA	NA	NA	NA	NA	82	82
7	Contai Co-operative Bank Ltd.	2316	335	1657	1028	5336	1685	7021
8	Dhakuria Co-op Bank Ltd	NA	NA	308	1387	1695	699	2394
9	Durgapur Mahila Co-op Bank Ltd.	NA	63	NA	NA	63	NA	63
10	Durgapur Steel Peoples Co-op Bank Ltd	NA	NA	89	163	252	273	525
11	Hooghly Co-op Credit Bank Ltd	NA	NA	143	11	154	260	414
12	Khurdah Co-op Bank Ltd	NA	189	44	802	1035	NA	1035
13	Kolikata Mahila Co-op Bank Ltd	NA	NA	31	19	50	NA	50
14	Konnagar Samabay Bank Ltd.	NA	NA	82	227	309	155	464
15	Krishnanagar City Co-operative Bank Ltd.	NA	2	256	387	645	495	1140
16	Kolkata Police Co-operative Bank Ltd.	NA	NA	NA	NA	NA	745	745
17	Nabapalli Co-operative Bank Ltd	NA	NA	127	179	306	101	407
18	Ranaghat Peoples' Bank Ltd	NA	NA	681	2139	2820	1059	3879
19	Samata Co-op Dev. Bank Ltd	NA	10	128	88	226	81	307
20	Shibpur Co-operative Bank Ltd.	NA	656	NA	2326	2982	1576	4558
A	Grand Total	2316	1882	4740	13915	22853	9829	32682

NA : Not Available

Table 25

Number of Loan Acc. In Total Loans & Advances			
Sl. No.	name	Total Loan Accounts in 05-06	Total Loan Accounts in 06-07
1	Baidyabati Sheoraphulli Co-op Bank Ltd	3577	NA
2	Bally Co-op Bank Ltd	3315	2038
3	Bankura Town Co-operative Bank Ltd.	NA	11114
4	Bansabati Cooperative Bank Ltd.	581	595
5	Bhatpara Naihati Co-operative Bank Ltd	NA	8523
6	Boral Union Co-op Bank Ltd	18178	13913
7	Budge Budge Nanghi Co-op Bank	NA	NA
8	Contai Co-operative Bank Ltd.	37938	41636
9	Dhakuria Co-op Bank Ltd	2166	2394
10	Durgapur Mahila Co-op Bank Ltd.	365	379
11	Durgapur Steel Peoples Co-op Bank Ltd	12597	12637
12	Hooghly Co-op Credit Bank Ltd	3254	3705
13	Kasundia Co-op Bank Ltd	6303	4819
14	Khardah Co-op Bank Ltd	1274	1269
15	Khatra People's Co-operative Bank Ltd.	7619	8605
16	Kolikata Mahila Co-op Bank Ltd	163	184
17	Kolkata Police Co-operative Bank Ltd.	NA	10562
18	Konnagar Samabay Bank Ltd.	3063	3085
19	Krishnanagar City Co-operative Bank Ltd.	3192	2856
20	Liluah Co-operative Bank Ltd	5279	4980
21	Nabapalli Co-operative Bank Ltd	1241	1248
22	Panihati Co-operative Bank Ltd.	2561	2130
23	Rahuta Union Co-operative Bank Ltd.	NA	1123
24	Ranaghat Peoples' Bank Ltd	6432	6562
25	Raniganj Co-operative Bank Ltd.	1325	1189
26	Samata Co-op Dev. Bank Ltd	1192	1727
27	Shibpur Co-operative Bank Ltd.	4708	4558
28	Suri Friends' Union Co-operative Bank Ltd	2247	1893
29	The Bank Employees' Co-op Bank Ltd	5921	6041
30	The Bantra Co-oprative Bank Ltd.	2081	1022
A	Grand Total	136572	160787

NA : Not Available

Table 26

Mixup of Interest Income & Other Incomes(05-06)					
Sl. No.	Bank Name	On LA	On Investment	Other Incomes	Total Income
1	Baidyabati Sheoraphulli Co-op Bank Ltd	148.36	265.06	13.37	426.79
2	Bally Co-op Bank Ltd	115.45	72.92	23.29	211.66
3	Bankura Town Co-operative Bank Ltd.	59.76	86.35	2.95	149.06
4	Bansabati Cooperative Bank Ltd.	38.06	30.66	2.33	71.05
5	Bhatpara Naihati Co-operative Bank Ltd	235.6	165.84	63.93	465.37
6	Boral Union Co-op Bank Ltd	370.24	107.34	48.69	526.27
7	Contai Co-operative Bank Ltd.	2107.7	1737.05	76.85	3921.61
8	Dhakuria Co-op Bank Ltd	101.82	88.73	8.04	198.59
9	Durgapur Mahila Co-op Bank Ltd.	9.68	9.5	0.79	19.97
10	Durgapur Steel Peoples Co-op Bank Ltd	502.57	486.54	17.38	1006.49
11	Hooghly Co-op Credit Bank Ltd	150.59	118	6.98	275.57
12	Jiaganj Co-oprative Bank Ltd.	24.4	0.71	1.36	26.47
13	Kasundia Co-op Bank Ltd	251.57	162.64	37.38	451.59
14	Khardah Co-op Bank Ltd	71.26	68.02	0.96	140.24
15	Khatra People's Co-operative Bank Ltd.	170.05	99.47	3.92	273.44
16	Kolikata Mahila Co-op Bank Ltd	12.61	5.52	0.57	18.7
17	Kolkata Police Co-operative Bank Ltd.	386.94	91.79	0.54	479.27
18	Konnagar Samabay Bank Ltd.	37.83	186.23	3.81	227.87
19	Krishnanagar City Co-operative Bank Ltd.	135.37	65.51	3.39	204.27
20	Liluah Co-operative Bank Ltd	151	684	19	854
21	Nabagram Peoples Co-operative CreditBank Ltd.	46.56	210.28	2.82	259.66
22	Nabapalli Co-operative Bank Ltd	40.12	143.55	3.97	187.64
23	Panihati Co-operative Bank Ltd.	174	74.57	5.31	253.88
24	Rahuta Union Co-operative Bank Ltd.	38.73	39.95	1.93	80.61
25	Ranaghat Peoples' Bank Ltd	94.65	551.11	4.96	650.72
26	Raniganj Co-operative Bank Ltd.	76.14	51.17	10.59	137.9
27	Samata Co-op Dev. Bank Ltd	47.73	13.88	2.64	64.25
28	Shibpur Co-operative Bank Ltd.	76.11	357.61	3.44	437.16
29	Suri Friends' Union Co-operative Bank Ltd	39.01	13.98	1.25	54.24

To be continued

Table 26

Mixup of Interest Income & Other Incomes(05-06)					
Sl. No.	Bank Name	On LA	On Investment	Other Incomes	Total Income
30	The Bank Employees' Co-op Bank Ltd	393.48	130.53	0.28	524.29
31	The Bantra Co-oprative Bank Ltd.	82.87	522.42	35.05	640.34
	Total	6190.27	6640.93	407.77	13238.97
	N.B.				
	% of Interest Income on LA to Total Income	46.76			
	% of Interest Income on Investment to Total Income	50.16			
	% of Interest Income on Others to Total Income	3.08			

Table 27

Mixup of Interest Income & Other Incomes(06-07)					
Sl. No.	Bank Name	On LA	On Investment	Other Incomes	Total Income
1	Baidyabati Sheoraphulli Co-op Bank Ltd	181.38	276.79	4.13	462.3
2	Bally Co-op Bank Ltd	113.2	60.85	15.76	189.81
3	Bankura Town Co-operative Bank Ltd.	64.13	89.59	2.69	156.41
4	Bansabati Cooperative Bank Ltd.	37.32	26.2	1.27	64.79
5	Bhatpara Naihati Co-operative Bank Ltd	231.34	186.96	29.65	447.95
6	Boral Union Co-op Bank Ltd	363.24	284.49	6.28	654.01
7	Contai Co-operative Bank Ltd.	2101.5	1690.57	83.3	3875.38
8	Dhakuria Co-op Bank Ltd	120.56	93.42	8.35	222.33
9	Durgapur Mahila Co-op Bank Ltd.	12.9	7.66	1.73	22.29
10	Durgapur Steel Peoples Co-op Bank Ltd	601.5	453.28	24.53	1079.31
11	Hooghly Co-op Credit Bank Ltd	171.09	130.7	9.76	311.55
12	Jiaganj Co-oprative Bank Ltd.	24.72	0.32	3.54	28.58
13	Kasundia Co-op Bank Ltd	140.11	67.85	13.77	221.73
14	Khardah Co-op Bank Ltd	91.07	67.36	1.13	159.56
15	Khatra People's Co-operative Bank Ltd.	272.05	109.36	2.93	384.34
16	Kolikata Mahila Co-op Bank Ltd	12.45	5.96	0.45	18.86
17	Kolkata Police Co-operative Bank Ltd.	421.91	65	0.49	487.4
18	Konnagar Samabay Bank Ltd.	37.21	196.15	4.02	237.38
19	Krishnanagar City Co-operative Bank Ltd.	108.88	59.77	4.12	172.77
20	Liluah Co-operative Bank Ltd	155	698	14	867
21	Nabagram Peoples Co-operative CreditBank Ltd.	48.72	205.28	2.71	256.71
22	Nabapalli Co-operative Bank Ltd	49.03	134.83	5.27	189.13
23	Panihati Co-operative Bank Ltd.	183.8	76.8	3.46	264.06
24	Rahuta Union Co-operative Bank Ltd.	41.13	32.9	2.12	76.15
25	Ranaghat Peoples' Bank Ltd	146.67	385.52	6.01	538.2
26	Raniganj Co-operative Bank Ltd.	101.12	38.99	14.42	154.53
27	Samata Co-op Dev. Bank Ltd	59.4	14.69	2.32	76.41
28	Shibpur Co-operative Bank Ltd.	69.68	301.34	2.85	373.87
29	Suri Friends' Union Co-operative Bank Ltd	29.84	15.84	1.4	47.08

To be continued

Table 27

Mixup of Interest Income & Other Incomes(06-07)					
Sl. No.	Bank Name	On LA	On Investment	Other Incomes	Total Income
1	Baidyabati Sheoraphulli Co-op Bank Ltd	181.38	276.79	4.13	462.3
30	The Bank Employees' Co-op Bank Ltd	464.3	98.45	0.29	563.04
31	The Bantra Co-oprative Bank Ltd.	59.5	190.38	17.03	266.91
	Total	6514.76	6065.3	289.78	12869.84
	N.B.				
	% of Interest Income on LA to Total Income	50.62			
	% of Interest Income on Investment to Total Income	47.13			
	% of Interest Income on Others to Total Income	2.25			

Table 28

% of Different Income Heads to Total Income (05-06)					
Srl No.	Bank Name	Total Income	% of Int. Inc. on LA.	% of Int. Inc. on Inv.	% of Other Inc.
1	Baidyabati Sheoraphulli Co-op Bank Ltd	426.79	34.76	62.11	3.13
2	Bally Co-op Bank Ltd	211.66	54.55	34.45	11.00
3	Bankura Town Co-operative Bank Ltd.	149.06	40.09	57.93	1.98
4	Bansabati Cooperative Bank Ltd.	71.05	53.57	43.15	3.28
5	Bhatpara Naihati Co-operative Bank Ltd	465.37	50.63	35.64	13.74
6	Boral Union Co-op Bank Ltd	526.27	70.35	20.40	9.25
7	Contai Co-operative Bank Ltd.	3921.61	53.75	44.29	1.96
8	Dhakuria Co-op Bank Ltd	198.59	51.27	44.68	4.05
9	Durgapur Mahila Co-op Bank Ltd.	19.97	48.47	47.57	3.96
10	Durgapur Steel Peoples Co-op Bank Ltd	1006.49	49.93	48.34	1.73
11	Hooghly Co-op Credit Bank Ltd	275.57	54.65	42.82	2.53
12	Jiaganj Co-oprative Bank Ltd.	26.47	92.18	2.68	5.14
13	Kasundia Co-op Bank Ltd	451.59	55.71	36.01	8.28
14	Khardah Co-op Bank Ltd	140.24	50.81	48.50	0.68
15	Khatra People's Co-operative Bank Ltd.	273.44	62.19	36.38	1.43
16	Kolikata Mahila Co-op Bank Ltd	18.7	67.43	29.52	3.05
17	Kolkata Police Co-operative Bank Ltd.	479.27	80.74	19.15	0.11
18	Konnagar Samabay Bank Ltd.	227.87	16.60	81.73	1.67
19	Krishnanagar City Co-operative Bank Ltd.	204.27	66.27	32.07	1.66
20	Liluah Co-operative Bank Ltd	854	17.68	80.09	2.22
21	Nabagram Peoples Co-operative Credit Bank Ltd.	259.66	17.93	80.98	1.09
22	Nabapalli Co-operative Bank Ltd	187.64	21.38	76.50	2.12
23	Panihati Co-operative Bank Ltd.	253.88	68.54	29.37	2.09
24	Rahuta Union Co-operative Bank Ltd.	80.61	48.05	49.56	2.39
25	Ranaghat Peoples' Bank Ltd	650.72	14.55	84.69	0.76
26	Raniganj Co-operative Bank Ltd.	137.9	55.21	37.11	7.68
27	Samata Co-op Dev. Bank Ltd	64.25	74.29	21.60	4.11
28	Shibpur Co-operative Bank Ltd.	437.16	17.41	81.80	0.79
29	Suri Friends' Union Co-operative Bank Ltd	54.24	71.92	25.77	2.30
30	The Bank Employees' Co-op Bank Ltd	524.29	75.05	24.90	0.05
31	The Bantra Co-oprative Bank Ltd.	640.34	12.94	81.58	5.47

Table 29

% of Different Income Heads to Total Income (06-07)					
Srl No.	Bank Name	Total Income	% of Int. Inc. on LA.	% of Int. Inc. on Inv.	% of Other Inc.
1	Baidyabati Sheoraphulli Co-op Bank Ltd	462.3	39.23	59.87	0.89
2	Bally Co-op Bank Ltd	189.81	59.64	32.06	8.30
3	Bankura Town Co-operative Bank Ltd.	156.41	41.00	57.28	1.72
4	Bansabati Cooperative Bank Ltd.	64.79	57.60	40.44	1.96
5	Bhatpara Naihati Co-operative Bank Ltd	447.95	51.64	41.74	6.62
6	Boral Union Co-op Bank Ltd	654.01	55.54	43.50	0.96
7	Contai Co-operative Bank Ltd.	3875.38	54.23	43.62	2.15
8	Dhakuria Co-op Bank Ltd	222.33	54.23	42.02	3.76
9	Durgapur Mahila Co-op Bank Ltd.	22.29	57.87	34.37	7.76
10	Durgapur Steel Peoples Co-op Bank Ltd	1079.31	55.73	42.00	2.27
11	Hooghly Co-op Credit Bank Ltd	311.55	54.92	41.95	3.13
12	Jiaganj Co-oprative Bank Ltd.	28.58	86.49	1.12	12.39
13	Kasundia Co-op Bank Ltd	221.73	63.19	30.60	6.21
14	Khurdah Co-op Bank Ltd	159.56	57.08	42.22	0.71
15	Khatra People's Co-operative Bank Ltd.	384.34	70.78	28.45	0.76
16	Kolikata Mahila Co-op Bank Ltd	18.86	66.01	31.60	2.39
17	Kolkata Police Co-operative Bank Ltd.	487.4	86.56	13.34	0.10
18	Konnagar Samabay Bank Ltd.	237.38	15.68	82.63	1.69
19	Krishnanagar City Co-operative Bank Ltd.	172.77	63.02	34.60	2.38
20	Liluah Co-operative Bank Ltd	867	17.88	80.51	1.61
21	Nabagram Peoples Co-operative Credit Bank Ltd.	256.71	18.98	79.97	1.06
22	Nabapalli Co-operative Bank Ltd	189.13	25.92	71.29	2.79
23	Panihati Co-operative Bank Ltd.	264.06	69.61	29.08	1.31
24	Rahuta Union Co-operative Bank Ltd.	76.15	54.01	43.20	2.78
25	Ranaghat Peoples' Bank Ltd	538.2	27.25	71.63	1.12
26	Raniganj Co-operative Bank Ltd.	154.53	65.44	25.23	9.33
27	Samata Co-op Dev. Bank Ltd	76.41	77.74	19.23	3.04
28	Shibpur Co-operative Bank Ltd.	373.87	18.64	80.60	0.76
29	Suri Friends' Union Co-operative Bank Ltd	47.08	63.38	33.64	2.97
30	The Bank Employees' Co-op Bank Ltd	563.04	82.46	17.49	0.05
31	The Bantra Co-oprative Bank Ltd.	266.91	22.29	71.33	6.38

Table 30

Mixup of Expenditure Heads with Ratio Analysis of Diff. Heads to Total Expenditure(05-06)								
Sl. No.	Bank Name	Int. Exp.	Staff Cost	Other Exp.	Total Exp.	% of Int. Exp.	% of Staff Cost	% of Oth. Exp. To Tot Exp.
1	Baidyabati Sheoraphulli Co-op Bank Ltd	183.77	70.51	124.23	378.51	48.55	18.63	32.82
2	Bally Co-op Bank Ltd	254.55	100.18	333.41	688.14	36.99	14.56	48.45
3	Bankura Town Co-operative Bank Ltd.	266.18	22.84	20.86	309.88	85.90	7.37	6.73
4	Bansabati Cooperative Bank Ltd.	38.3	15.03	3.52	56.85	67.37	26.44	6.19
5	Bhatpara Naihati Co-operative Bank Ltd	256.86	89.26	59.52	405.64	63.32	22.00	14.67
6	Boral Union Co-op Bank Ltd	895.42	72.24	67.57	1035.23	86.49	6.98	6.53
7	Contai Co-operative Bank Ltd.	2179.18	433.1	521.26	3133.54	69.54	13.82	16.63
8	Dhakuria Co-op Bank Ltd	121.98	45.79	22.3	190.07	64.18	24.09	11.73
9	Durgapur Mahila Co-op Bank Ltd.	16.23	1.01	5.62	22.86	71.00	4.42	24.58
10	Durgapur Steel Peoples Co-op Bank Ltd	450.56	141	112.28	703.84	64.01	20.03	15.95
11	Hooghly Co-op Credit Bank Ltd	158.71	25.66	33.1	217.47	72.98	11.80	15.22
12	Jiaganj Co-oprative Bank Ltd.	13.15	1.03	2.51	16.69	78.79	6.17	15.04
13	Kasundia Co-op Bank Ltd	226.2	145.43	63.97	435.6	51.93	33.39	14.69
14	Khardah Co-op Bank Ltd	188.92	23.11	10.89	222.92	84.75	10.37	4.89
15	Khatra People's Co-operative Bank Ltd.	177.9	41.03	14.97	233.9	76.06	17.54	6.40
16	Kolikata Mahila Co-op Bank Ltd	3.77	5.6	5.41	14.78	25.51	37.89	36.60
17	Kolkata Police Co-operative Bank Ltd.	461.25	70.24	31.35	562.84	81.95	12.48	5.57
18	Konnagar Samabay Bank Ltd.	133.17	25.4	25.56	184.13	72.32	13.79	13.88
19	Krishnanagar City Co-operative Bank Ltd.	102.55	55.84	5.12	163.51	62.72	34.15	3.13
20	Liluah Co-operative Bank Ltd	401	119	118	638	62.85	18.65	18.50
21	Nabagram Peoples Co-operative CreditBank Ltd.	157.56	20.86	23.3	201.72	78.11	10.34	11.55
22	Nabapalli Co-operative Bank Ltd	115.39	39.91	12.31	167.61	68.84	23.81	7.34
23	Panihati Co-operative Bank Ltd.	160.12	25.65	52.58	238.35	67.18	10.76	22.06
24	Rahuta Union Co-operative Bank Ltd.	181.12	15.01	7.27	203.4	89.05	7.38	3.57
25	Ranaghat Peoples' Bank Ltd	881	31.94	3.87	916.81	96.09	3.48	0.42
26	Raniganj Co-operative Bank Ltd.	153.33	9.84	19.53	182.7	83.92	5.39	10.69
27	Samata Co-op Dev. Bank Ltd	17.19	9.74	8.9	35.83	47.98	27.18	24.84
28	Shibpur Co-operative Bank Ltd.	199.97	91.07	30.93	321.97	62.11	28.29	9.61
29	Suri Friends' Union Co-operative Bank Ltd	56.93	25.47	10.53	92.93	61.26	27.41	11.33
30	The Bank Employees' Co-op Bank Ltd	336.16	81.05	42.03	459.24	73.20	17.65	9.15
31	The Bantra Co-oprative Bank Ltd.	1136.53	193.93	2.46	1332.92	85.27	14.55	0.18

Table 31

Mixup of Expenditure Heads with Ratio Analysis of Diff. Heads to Total Expenditure(06-07)								
Sl. No.	Bank Name	Int. Exp.	Staff Cost	Other Exp.	Total Exp.	% of Int. Exp.	% of Staff Cost	% of Oth Exp. To Tot Exp.
1	Baidyabati Sheoraphulli Co-op Bank Ltd	171.02	82.85	160.07	413.94	41.32	20.01	38.67
2	Bally Co-op Bank Ltd	210.11	85.69	79.04	374.84	56.05	22.86	21.09
3	Bankura Town Co-operative Bank Ltd.	270.7	22.63	28.08	321.41	84.22	7.04	8.74
4	Bansabati Cooperative Bank Ltd.	58.9	15.55	3.82	78.27	75.25	19.87	4.88
5	Bhatpara Naihati Co-operative Bank Ltd	238.88	103.68	62.62	405.18	58.96	25.59	15.45
6	Boral Union Co-op Bank Ltd	753.97	73.68	48.91	876.56	86.01	8.41	5.58
7	Contai Co-operative Bank Ltd.	1904.16	560.06	676.07	3140.29	60.64	17.83	21.53
8	Dhakuria Co-op Bank Ltd	130.16	50.48	28.5	209.14	62.24	24.14	13.63
9	Durgapur Mahila Co-op Bank Ltd.	21.08	1.77	5.74	28.59	73.73	6.19	20.08
10	Durgapur Steel Peoples Co-op Bank Ltd	509.43	159.71	131.06	800.2	63.66	19.96	16.38
11	Hooghly Co-op Credit Bank Ltd	176.75	41.54	39.03	257.32	68.69	16.14	15.17
12	Jiaganj Co-oprative Bank Ltd.	18.7	1.08	3.29	23.07	81.06	4.68	14.26
13	Kasundia Co-op Bank Ltd	187.36	158.51	101.2	447.07	41.91	35.46	22.64
14	Khardah Co-op Bank Ltd	187.78	26.56	11.3	225.64	83.22	11.77	5.01
15	Khatra People's Co-operative Bank Ltd.	183.15	38.06	15.45	236.66	77.39	16.08	6.53
16	Kolikata Mahila Co-op Bank Ltd	6.56	6.45	5.08	18.09	36.26	35.66	28.08
17	Kolkata Police Co-operative Bank Ltd.	413.13	76.72	32.38	522.23	79.11	14.69	6.20
18	Konnagar Samabay Bank Ltd.	142.23	28.02	18.97	189.22	75.17	14.81	10.03
19	Krishnanagar City Co-operative Bank Ltd.	114.81	53.59	4	172.4	66.60	31.08	2.32
20	Liluah Co-operative Bank Ltd	392	137	190	719	54.52	19.05	26.43
21	Nabagram Peoples Co-operative CreditBank Ltd.	154.73	22.82	67.37	244.92	63.18	9.32	27.51
22	Nabapalli Co-operative Bank Ltd	116.13	45.3	18.36	179.79	64.59	25.20	10.21
23	Panihati Co-operative Bank Ltd.	156.78	30.15	71.51	258.44	60.66	11.67	27.67
24	Rahuta Union Co-operative Bank Ltd.	145.68	16.22	6.23	168.13	86.65	9.65	3.71
25	Ranaghat Peoples' Bank Ltd	854.86	34.95	9.08	898.89	95.10	3.89	1.01
26	Raniganj Co-operative Bank Ltd.	134.5	12.62	21.59	168.71	79.72	7.48	12.80
27	Samata Co-op Dev. Bank Ltd	31.87	11.97	16.6	60.44	52.73	19.80	27.47
28	Shibpur Co-operative Bank Ltd.	209	97.84	31.24	338.08	61.82	28.94	9.24
29	Suri Friends' Union Co-operative Bank Ltd	55.71	26.11	14.56	96.38	57.80	27.09	15.11
30	The Bank Employees' Co-op Bank Ltd	355.28	87.62	46.22	489.12	72.64	17.91	9.45
31	The Bantra Co-oprative Bank Ltd.	1088.24	171.34	3.96	1263.54	86.13	13.56	0.31

Table 32

Position of CRAR, Real NetWorth and Acc. Profit-Loss of 06-07				
Sl. No.	Bank Name	CRAR %	Real Net Worth	Acc. Profit/Loss
1	AVB Emp. Co-op BK	16.54	37.32	6.08
2	Baidyabati Sheoraphulli Co-op Bank Ltd	50.19	1765.99	862.91
*3	Bally Co-op Bank Ltd	-164.35	-451.02	-603.83
**4	Baltikuri Co-op Bank Ltd.	16.13	272.11	NA
5	Bankura Town Co-operative Bank Ltd.	18.99	118.15	-3.31
*6	Baranagar Co-op Bank Ltd	-10.6	-357.19	253.02
*7	Bhatpara Naihati Co-operative Bank Ltd	-15.91	96.59	-573.81
8	Bishnupur Town Co-op Bank Ltd	11.7	320.55	19.99
*9	Boral Union Co-op Bank Ltd	-12.46	-340.23	-755.49
10	Budge Budge Nanghi Co-op Bank	15.54	72.28	13.97
11	Contai Co-operative Bank Ltd.	24.08	6514.01	551.25
12	Dhakuria Co-op Bank Ltd	9.48	NA	NA
13	Durgapur Mahila Co-op Bank Ltd.	24.39	37.05	2.66
14	Durgapur Steel Peoples Co-op Bank Ltd	42.92	3221.53	340.35
15	E & NF Rly Co-op Bank Ltd	22.13	2683.65	342.62
**16	Ghatal Peoples' Co-op Bank Ltd.	11.55	244.36	NA
17	Hooghly Co-op Credit Bank Ltd	22.7	NA	115.15
18	Joynagar Mozilpur Co-op Bank Ltd	17.86	102.6	4.17
**19	Kalna Town Bank Ltd.	19.07	477.22	NA
*20	Kasundia Co-op Bank Ltd	-52.03	-738.94	-871.15
21	Khardah Co-op Bank Ltd	16.71	168.89	3.56
22	Khatra People's Co-operative Bank Ltd.	10.32	125.85	NA
23	Kolikata Mahila Co-op Bank Ltd	72.39	62.95	5.1
24	Kolkata Police Co-operative Bank Ltd.	28.16	NA	85.8
25	Konnagar Samabay Bank Ltd.	46.47	493.44	77.51
26	Krishnanagar City Co-operative Bank Ltd.	13.17	171.89	-46.02
27	Liluah Co-operative Bank Ltd	68.02	2345.26	283.72
28	Midnapore Peoples' Co-op Bank Ltd	9.2	394.02	12.87
29	Nabadwip Co-op Bank Ltd	8.55	140.02	16.08
30	Nabagram Peoples Co-operative CreditBank Ltd.	36.16	501.26	3.86
31	Nabapalli Co-operative Bank Ltd	55.01	465.91	9.34

To be continued

Table 32

Position of CRAR, Real NetWorth and Acc. Profit-Loss of 06-07				
Sl. No.	Bank Name	CRAR %	Real Net Worth	Acc. Profit/Loss
**32	National Insurance Emp. Co-op Bank Ltd.	10.18	111.97	NA
*33	Panihati Co-operative Bank Ltd.	-1.24	-4.75	-151.34
*34	Ramkrishnapur Co-op Ltd.	-30.99	-1470.19	-46.01
35	Rahuta Union Co-operative Bank Ltd.	-111.45	-696.31	-920.9
*36	Ranaghat Peoples' Bank Ltd	-3.51	-29.70	-149.96
37	Raniganj Co-operative Bank Ltd.	19.99	206.31	19.16
38	Samata Co-op Dev. Bank Ltd	54.67	179.04	30.24
39	Santragachi Co-op Bank	11.57	274.16	23.5
40	Shibpur Co-operative Bank Ltd.	41.45	866.54	86.47
41	Sree Chaitanya Co-op Bank	105.87	28.95	5.57
*42	Suri Friends' Union Co-operative Bank Ltd	-3.53	-8.97	-99.3
43	The Bank Employees' Co-op Bank Ltd	11.3	583.87	37.53
**44	The Eastern Rly Emp. Co-op Bank Ltd.	26.46	NA	NA
*45	The Bantra Co-oprative Bank Ltd.	-60.65	-1079.09	-1079.09
46	Union Co-op Bank Ltd	14.42	1.6	1.6
47	United Co-op Bank Ltd	48.75	NA	NA
**48	Uttarpara Co-op Bank Ltd.	11.49	NA	NA
**49	WBG Press Co-op Bank Ltd.	9.59	NA	NA

N.B:CRAR

i) Present CRAR marked * is Assessed by RBI

ii) Present CRAR marked ** is supplied by the Banks to the Co-op Directorate

iii) Remaining CRAR supplied by Banks to the Expert Committee

NB: Assessed Network

i) In aspect of Sl. No. 4, 12, 17, 27, 47 are based on 2005-2006 of RBI IR

ii) In aspect of Sl. No. 2, 15, 21, 24, 29, 33, 39, 40, 50 are based on 2007-2008 of RBI IR

And the rest are based on 2006-2007 of RBI IR

Total Accumulated Losses of 12 banks stands Rs. 5299.38

Table 32A

Required Additional Capital for CRAR Compliance in respect of Banks Having - CRAR								
Sl No.	Name of the Banks	Present Capital	Current RWA	Present CRAR	Tier II Capital	Eligible Tier II Capital	Required Capital for 9% CRAR	Required Additional Capital for CRAR Compliance
1	Bally CB Ltd.(Gr.IV)	-585.25	356.11	-164.35%	9.89	4.45	32.05	612.85
2	Bantra CB Ltd.(Gr.IV)	-988.91	1630.59	-60.65%	207.88	20.38	146.75	1115.28
3	Bhatpara Naihati CB Ltd.(Gr.IV)	-272.05	1709.68	-15.91%	61.1	21.37	153.87	404.55
4	Kasundia CB Ltd.(Gr.IV)	-973.92	1867.86	-52.03%	61.21	23.35	168.11	1116.68
5	Ranaghat CB Ltd.(Gr.IV)	-44.51	1268.68	-3.51%	59.64	15.86	114.18	142.83
6	Panihati CB Ltd.(Gr.IV)	-12.27	990.03	-1.24%	7.52	7.52	89.1	93.85
7	Baranagar CB Ltd.(Gr.IV)*	-362.77	3421.56	-10.60%	5.58	5.58	307.94	665.13
8	Boral Union CB Ltd.(Gr.IV)*	-536.91	4808.63	-12.46%	196.68	53.86	387.79	870.84
9	Ramkrishnapur CB Ltd.(Gr.IV)*	-1488.24	4802.95	-30.99%	18.05	18.05	432.27	1902.46
10	Suri Friends' CB Ltd.(Gr.IV)*	-10.21	289.5	-3.53%	0.36	0.36	26.06	35.91
	Total							6980.38
	*Assessed position as on March 31,2007 taken into account							
	Note: Figures provided by Reserve Bank of India							

Table 33

Accumulated Profit/Loss (2004-2005)		
Srl No.	name	accumulated_prft_loss
1	Baidyabati Sheoraphulli Co-op Bank Ltd	847.24
2	Bally Co-op Bank Ltd	-174.17
3	Bankura Town Co-operative Bank Ltd.	-20.64
4	Bansabati Cooperative Bank Ltd.	-5.45
5	Bhatpara Naihati Co-operative Bank Ltd	-623.08
6	Boral Union Co-op Bank Ltd	-806.23
7	Contai Co-operative Bank Ltd.	455.49
8	Dhakuria Co-op Bank Ltd	0
9	Durgapur Mahila Co-op Bank Ltd.	1.12
10	Durgapur Steel Peoples Co-op Bank Ltd	413.7
11	Hooghly Co-op Credit Bank Ltd	92.98
12	Jiaganj Co-oprative Bank Ltd.	1.32
13	Kasundia Co-op Bank Ltd	-548.76
14	Khardah Co-op Bank Ltd	4.54
15	Khatra People's Co-operative Bank Ltd.	0
16	Kolikata Mahila Co-op Bank Ltd	6.28
17	Kolkata Police Co-operative Bank Ltd.	48.61
18	Konnagar Samabay Bank Ltd.	13.81
19	Krishnanagar City Co-operative Bank Ltd.	9.03
20	Liluah Co-operative Bank Ltd	386.36
21	Nabagram Peoples Co-operative CreditBank Ltd.	68.83
22	Nabapalli Co-operative Bank Ltd	36.55
23	Panihati Co-operative Bank Ltd.	39.24
24	Rahuta Union Co-operative Bank Ltd.	-638.57
25	Ranaghat Peoples' Bank Ltd	36.94
26	Raniganj Co-operative Bank Ltd.	14.09
27	Samata Co-op Dev. Bank Ltd	22.12
28	Shibpur Co-operative Bank Ltd.	171.3
29	Suri Friends' Union Co-operative Bank Ltd	-70.21
30	The Bank Employees' Co-op Bank Ltd	59.19
31	The Bantra Co-oprative Bank Ltd.	804.6

Table 34

Net Profit/Loss; Assessed Net Profit/Loss & Acc. Profit/Loss							
Srl No.	Bank Name	Net Profit/Loss		Assessed Net Profit		Accumulated Profit/Loss	
		2005-2006	2006-2007	2005-2006	2006-2007	2005-2006	2006-2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	48.28	48.36	48.28	32.08	862.77	862.91
2	Bally Co-op Bank Ltd	-476.48	-185.03	-351.49	-78.16	-525.66	-603.83
4	Bankura Town Co-operative Bank Ltd.	-160.82	-165	6.76	12.33	-15.64	-3.31
5	Bansabati Cooperative Bank Ltd.	14.2	-13.48	0	0	-1.91	-20.28
6	Bhatpara Naihati Co-operative Bank Ltd	59.73	42.77	59.73	22.96	-590.39	-573.81
7	Boral Union Co-op Bank Ltd	-508.96	-222.55	-317.21	58.27	799.12	-755.49
8	Contai Co-operative Bank Ltd.	788.07	735.09	733.66	0	568.61	551.25
9	Dhakuria Co-op Bank Ltd	8.52	13.19	0	0	0	0
10	Durgapur Mahila Co-op Bank Ltd.	-2.89	-6.3	1.38	2.22	4.24	2.66
11	Durgapur Steel Peoples Co-op Bank Ltd	302.65	279.11	302.65	203.2	414.92	340.35
13	Hooghly Co-op Credit Bank Ltd	58.1	54.23	58.1	35.29	124.41	115.15
14	Jiaganj Co-operative Bank Ltd.	9.78	5.51	12.39	9.49	10.54	17.59
15	Kasundia Co-op Bank Ltd	15.99	-225.34	0	0	-544.34	-871.15
16	Khurdah Co-op Bank Ltd	-82.68	-66.08	14.19	16.57	1.59	3.57
17	Khatra People's Co-operative Bank Ltd.	39.54	147.68	15.51	10.69	0	0
18	Kolikata Mahila Co-op Bank Ltd	3.92	0.77	1.72	-1.13	6.32	5.19
19	Kolkata Police Co-operative Bank Ltd.	-83.57	-34.83	120.31	114.51	90.15	85.8
20	Konnagar Samabay Bank Ltd.	43.74	48.16	43.24	48.16	43.24	77.51
21	Krishnanagar City Co-operative Bank Ltd.	40.76	0.37	0	0	11.24	-3.31
22	Liluah Co-operative Bank Ltd	216	148	215.91	148.02	602	283.72
23	Nabagram Peoples Co-operative Credit Bank Ltd.	57.94	11.79	0	0	0	3.86
24	Nabapalli Co-operative Bank Ltd	20.03	9.34	20.03	9.34	20.03	9.34
25	Panihati Co-operative Bank Ltd.	15.53	5.62	7.5	5.96	41.33	41.81
26	Rahuta Union Co-operative Bank Ltd.	-122.79	-91.98	0	0	-731.22	-920.9
27	Ranaghat Peoples' Bank Ltd	-266.09	-360.69	0	72.15	-222.11	-149.96
28	Raniganj Co-operative Bank Ltd.	-44.8	-14.18	21.56	24.66	0	19.16
29	Samata Co-op Dev. Bank Ltd	28.42	15.97	25.72	7.74	37.63	30.24

To be continued

Table 34

Net Profit/Loss; Assessed Net Profit/Loss & Acc. Profit/Loss							
Srl No.	Bank Name	Net Profit/Loss		Assessed Net Profit		Accumulated Profit/Loss	
		2005-2006	2006-2007	2005-2006	2006-2007	2005-2006	2006-2007
30	Shibpur Co-operative Bank Ltd.	115.19	35.79	0	0.88	149.66	86.47
31	Suri Friends' Union Co-operative Bank Ltd	-38.69	-49.3	0	0	-70.21	-99.3
32	The Bank Employees' Co-op Bank Ltd	65.05	73.92	65.52	37.92	49.07	37.53
33	The Bantra Co-oprative Bank Ltd.	-692.58	-996.63	0	0	-802.7	-1079.09
34	Ramkrishnapur Co-op Bank Ltd.						-46.01
Total						332.69	-2552.33
	Grand Total of Losses of 9 Banks of 2005-2006	-3504.18					
	Grand Total of Losses of 11 Banks of 2006-2007	-5126.44					

Table 35

Deposit, L & Adv. And Profit Per Employee										
Sl. No.	Bank Name	Deposit Per Employee			Loans & Adv. Per Employee			Profit Per Employee		
		2005	2006	2007	2005	2006	2007	2005	2006	2007
1	Baidyabati Sheoraphulli Co-op Bank Ltd	-	-	177.13	-	-	97.74	-	-	2.2
2	Bally Co-op Bank Ltd	-	62.53	49.11	-	37.29	28.98	-	-	-
3	Bankura Town Co-operative Bank Ltd.	-	72.61	73.02	-	25.65	26.67	-	0.36	1.06
4	Bansabati Cooperative Bank Ltd.	-	-	48.05	-	-	20.62	-	-	-1.22
5	Boral Union Co-op Bank Ltd	-	187.68	208.81	-	75.07	57.42	-	-7.12	1.66
6	Contai Co-operative Bank Ltd.	123.66	123.39	-	81.81	87.51	-	2.79	3.68	-
7	Dhakuria Co-op Bank Ltd	-	117.77	124.39	-	53.28	59.2	-	0.41	0.33
8	Durgapur Mahila Co-op Bank Ltd.	-	52.79	50.11	-	25.62	30.86	-	1.22	0.47
9	Durgapur Steel Peoples Co-op Bank Ltd	-	144.09	235.64	-	91.72	119.21	-	5.04	4.06
10	Hooghly Co-op Credit Bank Ltd	-	-	129.34	-	-	66.03	-	-	1.36
11	Kasundia Co-op Bank Ltd	-	47.69	44.96	-	23.78	15.74	-	-5.36	-3.27
12	Khurdah Co-op Bank Ltd	-	78.45	87.45	-	33.76	39.35	-	0.73	0.84
13	Khatra People's Co-operative Bank Ltd.	-	-	129	-	-	72	-	-	0.59
14	Kolikata Mahila Co-op Bank Ltd	-	20.12	25.4	-	15.83	17.36	-	0.25	-
15	Kolkata Police Co-operative Bank Ltd.	-	69.36	71.89	-	78.31	85.2	-	2.36	2.59
16	Konnagar Samabay Bank Ltd.	98.16	99.83	-	13.56	13.68	-	2.21	1.97	-
17	Krishnanagar City Co-operative Bank Ltd.	-	58.71	54.34	-	36.89	34.24	-	0.038	-0.52
18	Liluah Co-operative Bank Ltd	-	145.13	204.62	-	27.34	38.09	-	2.6	4.62
19	Nabagram Peoples Co-operative CreditBank Ltd.	168.07	177.17	-	27.56	27.97	-	4.05	3.41	-
20	Nabapalli Co-operative Bank Ltd	-	-	152.17	-	-	35.2	-	-	0.94

To be continued

Table 35

Deposit, L & Adv. And Profit Per Employee										
Sl. No.	Bank Name	Deposit Per Employee			Loans & Adv. Per Employee			Profit Per Employee		
		2005	2006	2007	2005	2006	2007	2005	2006	2007
21	Panihati Co-operative Bank Ltd.	-	66.65	66.59	-	43.66	42.21	-	0.47	0.18
22	Rahuta Union Co-operative Bank Ltd.	-	87.88	87.88	-	32.6	32.6	-	-	-
23	Ranaghat Peoples' Bank Ltd	-	293.4	356.54	-	50.33	58.51	-	-12.88	5.15
24	Raniganj Co-operative Bank Ltd.	-	-	134.08	-	-	75.2	-	-	3.8
25	Samata Co-op Dev. Bank Ltd	-	-	99.17	-	-	75.95	-	-	1.11
26	Shibpur Co-operative Bank Ltd.	-	77.97	88.08	-	15.86	17.17	-	2.56	0.85
27	Suri Friends' Union Co-operative Bank Ltd	-	32.68	34.33	-	20.49	17.89	-	-	0.24
28	The Bank Employees' Co-op Bank Ltd	-	143.73	164.7	-	119.34	145.8	-	2.05	2.27
29	The Bantra Co-oprative Bank Ltd.	-	-	81.46	-	-	11.48	-	-	-1.31

Table 36

Total (Deposit, L/A); Depo & Adv. Per employee & ratio of deposit (L:H)						
Sl. No.	Bank Name	Total Deposit	Total Loans & Adv.	Depo/Emp.	Adv. / Emp.	Low Cost : High Cost
1	AVB Emp. Co-op BK	269.38	127.42	33.67	15.93	01:01.2
2	Baidyabati Sheoraphulli Co-op Bank Ltd	3896.92	2150.26	177.13	97.74	01:00.5
3	Bally Co-op Bank Ltd	1533.05	1335.14	49.11	28.98	01:00.7
4	Bankura Town Co-operative Bank Ltd.	1460.44	804.53	73.02	26.67	01:01.4
5	Bansabati Cooperative Bank Ltd.	699.99	461.62	46.66	20.79	01:00.9
6	Baranagar Co-op Bank Ltd	4283.31	2351.17	64.9	35.62	01:01.3
7	Bhatpara Naihati Co-operative Bank Ltd	4773.59	4796.52	81.38	40.27	01:01.3
8	Bishnupur Town Co-op Bank Ltd	2903.98	1098.93	132	49.95	01:00.9
9	Boral Union Co-op Bank Ltd	7308.3	3236.38	208.81	57.42	01:00.9
10	Budge Budge Nanghi Co-op Bank	753.8	407.19	62.82	33.93	01:01.4
11	Contai Co-operative Bank Ltd.	28436.82	42198.59	136.06	94.72	01:02.2
12	Dhakuria Co-op Bank Ltd	2736.62	1762.78	124.39	59.2	01:00.8
13	Durgapur Mahila Co-op Bank Ltd.	250.53	208.97	50.11	30.86	01:01.0
14	Durgapur Steel Peoples Co-op Bank Ltd	9619.22	5931.35	192.38	118.57	01:02.2
15	E & NF Rly Co-op Bank Ltd	9981.95	12519.24	33.5	421.01	01:06.5
16	Hooghly Co-op Credit Bank Ltd	3338.18	2186.27	129.34	66.03	01:01.1
17	Joynagar Mozilpur Co-op Bank Ltd	1298.06	319.23	118	29.02	01:01.0
18	Kasundia Co-op Bank Ltd	2902.9	1914.01	46.82	23.4	01:00.8
19	Khardah Co-op Bank Ltd	1751.31	1092.61	93.22	37.35	01:00.6
20	Khatra People's Co-operative Bank Ltd.	2324.75	2259.56	129.17	71.86	01:03.0
21	Kolikata Mahila Co-op Bank Ltd	152.43	151.57	25.4	17.36	01:02.2
22	Kolkata Police Co-operative Bank Ltd.	3496.3	6859.74	71.35	84.96	01:06.0
23	Konnagar Samabay Bank Ltd.	2243.2	504.13	99.89	17.2	01:00.9
24	Krishnanagar City Co-operative Bank Ltd.	1521.4	1252.79	59.34	34.24	01:01.4
25	Liluah Co-operative Bank Ltd	8273	1559	145.14	27.35	01:00.8
26	Midnapore Peoples' Co-op Bank Ltd	3243.77	2100.12	115.85	75	01:01.0
27	Nabadwip Co-op Bank Ltd	2118.01	911.43	124.7	53.73	01:03.1
28	Nabagram Peoples Co-operative CreditBank Ltd.	2875.66	652.41	169.17	27.81	01:01.2
29	Nabapalli Co-operative Bank Ltd	2282.59	699.45	152.19	35.2	01:00.7
30	Panihati Co-operative Bank Ltd.	2232.12	831.8	66.59	42.21	01:01.7

To be continued

Table 36

Total (Deposit, L/A); Depo & Adv. Per employee & ratio of deposit (L:H)						
Sl. No.	Bank Name	Total Deposit	Total Loans & Adv.	Depo/Emp.	Adv. / Emp.	Low Cost : High Cost
31	Rahuta Union Co-operative Bank Ltd.	1359.52	554.13	79.97	30.1	01:08.8
32	Ranaghat Peoples' Bank Ltd	4991.59	1257.77	356.54	58.51	01:01.8
33	Raniganj Co-operative Bank Ltd.	1288.17	973.66	133.59	67.33	01:01.0
34	Samata Co-op Dev. Bank Ltd	694.2	1427.39	99.17	65.86	01:00.9
35	Santragachi Co-op Bank	3158.08	1585.99	131.63	66.08	01:00.6
36	Shibpur Co-operative Bank Ltd.	3699.27	960.33	88.08	17.17	01:01.3
37	Sree Chaitanya Co-op Bank	89.44	48.59	18.15	9.65	01:02.1
38	Suri Friends' Union Co-operative Bank Ltd	549.37	382.11	58.1	28.62	01:02.0
39	The Bank Employees' Co-op Bank Ltd	5981.54	4934.63	186.92	154.21	01:10.4
40	The Bantra Co-oprative Bank Ltd.	6737.63	1215.08	58.09	7.79	01:00.4
41	Union Co-op Bank Ltd	977.62	206.37	97.76	20.64	01:01.4
42	United Co-op Bank Ltd	288.35	245.54	32.04	25.31	01:02.1

Table 37

Ratios relative to Income, Expenditure & Profit/Loss for 06-07.				
SL No.	Bank Name	Income to Expenditure	Income to Profit/Loss	Expenditure to Profit/Loss
1	Contai Co-operative Bank Ltd.	1 : 0.81	1 : 0.19	1 : 0.234
2	Durgapur Steel Peoples Co-op Bank Ltd	1 : 0.741	1 : 0.259	1 : 0.349
3	Liluah Co-operative Bank Ltd	1 : 0.829	1 : 0.171	1 : 0.206
4	Kolkata Police Co-operative Bank Ltd.	1 : 1.071	1 : 0.235	1 : 0.219
5	Ranaghat Peoples' Bank Ltd	1 : 1.67	1 : 0.134	1 : 0.08
6	Boral Union Co-op Bank Ltd	1 : 0.911	1 : 0.089	1 : 0.098
7	The Bank Employees' Co-op Bank Ltd	1 : 0.868	1 : 0.132	1 : 0.152
8	Baidyabati Sheoraphulli Co-op Bank Ltd	1 : 0.895	1 : 0.105	1 : 0.117
9	Konnagar Samabay Bank Ltd.	1 : 0.797	1 : 0.203	1 : 0.255
10	Shibpur Co-operative Bank Ltd.	1 : 0.904	1 : 0.096	1 : 0.106
11	Hooghly Co-op Credit Bank Ltd	1 : 0.826	1 : 0.113	1 : 0.137
12	Bhatpara Naihati Co-operative Bank Ltd	1 : 0.905	1 : 0.071	1 : 0.079
13	Raniganj Co-operative Bank Ltd.	1 : 1.092	1 : 0.241	1 : 0.22
14	Khurdah Co-op Bank Ltd	1 : 1.414	1 : 0.111	1 : 0.079
15	Dhakuria Co-op Bank Ltd	1 : 0.941	1 : 0.059	1 : 0.063
16	Bankura Town Co-operative Bank Ltd.	1 : 0.921	1 : 0.079	1 : 0.086
17	Khatra People's Co-operative Bank Ltd.	1 : 0.616	1 : 0.028	1 : 0.045
18	Jiaganj Co-oprative Bank Ltd.	1 : 0.807	1 : 0.332	1 : 0.411
19	Nabapalli Co-operative Bank Ltd	1 : 0.951	1 : 0.049	1 : 0.052
20	Samata Co-op Dev. Bank Ltd	1 : 0.791	1 : 0.101	1 : 0.128
21	Panihati Co-operative Bank Ltd.	1 : 0.979	1 : 0.021	1 : 0.022
22	Suri Friends' Union Co-operative Bank Ltd	1 : 2.047	1 : 0.083	1 : 0.04
23	Durgapur Mahila Co-op Bank Ltd.	1 : 1.283	1 : 0.105	1 : 0.082
24	Bally Co-op Bank Ltd	1 : 1.975	1 : -0.412	1 : -0.209
25	Nabagram Peoples Co-operative CreditBank Ltd.	1 : 0.953	1 : 0.048	1 : 0.05
26	Rahuta Union Co-operative Bank Ltd.	1 : 2.208	1 : 2.491	1 : 1.128
27	Kolikata Mahila Co-op Bank Ltd	1 : 0.959	1 : -0.06	1 : -0.062
28	Bansabati Co-op Bank Ltd.	1 : 1.208	1 : -0.284	1 : -0.235
29	Krishnanagar City Co-operative Bank Ltd.	1 : 0.998	1 : -0.084	1 : -0.084
30	The Bantra Co-oprative Bank Ltd.	1 : 2.175	1 : -1.035	1 : -0.476
31	Kasundia Co-op Bank Ltd	1 : 2.016	1 : -1.474	1 : -0.731

Table 38

Position on "Professionalisation of Management" of 41 UCBs (Source: RBI's Circular,21 Apr'2008)				
Type of Management	No. of Banks	No. of Banks having atleast 2 professional Administrators/ Spl. Officers/Directors	No. of Banks having One Professional Administrators/ Spl. Officers/Directors	No. of Banks having No Professional Administrators/ Spl. Officers/Directors
BOA	2	1	1	NIL
Spl. Officers	2	NIL	Nil	2
BOD	37	19	6	12
TOTAL	41	20	7	14

Table 39

Directors' Information					
Srl No.	Bank Name	No. Of Directors & Qualification			
		Existing Strength	Graduate	Post Graduate	Professionally Qualified
1	Khardah Co-op Bank Ltd	12	5	7	2
2	Bhatpara Naihati Co-operative Bank Ltd	15	7	6	1
3	Contai Co-operative Bank Ltd.	17	9	4	2
4	The Bank Employees' Co-op Bank Ltd	12	8	3	0
5	Kolikata Mahila Co-op Bank Ltd	12	8	3	0
6	Nabapalli Co-operative Bank Ltd	9	9	3	2
7	Durgapur Mahila Co-op Bank Ltd.	14	4	2	2
8	Hooghly Co-op Credit Bank Ltd	15	4	2	1
9	Liluah Co-operative Bank Ltd	10	5	2	1
10	Nabagram Peoples Co-operative CreditBank Ltd.	12	8	2	2
11	Raniganj Co-operative Bank Ltd.	17	0	2	2
12	Durgapur Steel Peoples Co-op Bank Ltd	14	13	1	2
13	Konnagar Samabay Bank Ltd.	15	5	1	1
14	Kolkata Police Co-operative Bank Ltd.	16	6	1	0
15	Panihati Co-operative Bank Ltd.	9	4	1	2
16	Baidyabati Sheoraphulli Co-op Bank Ltd	3	1	0	1
17	Bankura Town Co-operative Bank Ltd.	18	6	0	1
18	The Bantra Co-oprative Bank Ltd.	15	8	0	0
19	Boral Union Co-op Bank Ltd	3	3	0	0
20	Jiaganj Co-oprative Bank Ltd.	10	10	0	1
21	Kasundia Co-op Bank Ltd	12	9	0	3
22	Khatra People's Co-operative Bank Ltd.	9	2	0	0
23	Samata Co-op Dev. Bank Ltd	13	6	0	2

Table 40

Information about officer's qualification and age								
Srl No.	Bank Name	Existing Strength	Avg. Age	Trained in Banking	U Grad.	Grad.	P Grad.	Prof. Qual.
1	Baidyabati Sheoraphulli Co-op Bank Ltd	9	51	1	2	7	0	1
2	Bally Co-op Bank Ltd	2	44	2	0	0	2	0
3	Bankura Town Co-operative Bank Ltd.	3	50	0	0	3	0	0
4	Bansabati Cooperative Bank Ltd.	2	49	0	0	2	0	0
5	Boral Union Co-op Bank Ltd	16	53	16	12	4	0	0
6	Durgapur Mahila Co-op Bank Ltd.	2	30	0	0	2	0	0
7	Durgapur Steel Peoples Co-op Bank Ltd	9	53	9	0	9	1	0
9	Kasundia Co-op Bank Ltd	6	55	2	1	5	0	0
10	Khardah Co-op Bank Ltd	5	36	4	1	4	0	1
11	Khatra People's Co-operative Bank Ltd.	3	50	1	0	3	0	0
12	Kolikata Mahila Co-op Bank Ltd	1	39	1	0	1	0	0
13	Kolkata Police Co-operative Bank Ltd.	15	54	0	4	11	0	0
14	Konnagar Samabay Bank Ltd.	5	50	0	1	4	0	0
15	Krishnanagar City Co-operative Bank Ltd.	5	50	0	1	4	0	0
19	Panihati Co-operative Bank Ltd.	3	47	0	1	2	0	0
20	Rahuta Union Co-operative Bank Ltd.	1	42	1	0	1	0	0
21	Ranaghat Peoples' Bank Ltd	4	52	1	0	4	0	0
22	Raniganj Co-operative Bank Ltd.	3	37	3	0	3	0	1
23	Samata Co-op Dev. Bank Ltd	2	40	2	0	2	0	0
25	Suri Friends' Union Co-operative Bank Ltd	1	56	1	0	1	0	0
26	The Bank Employees' Co-op Bank Ltd	10	54	0	8	2	0	0
27	The Bantra Co-oprative Bank Ltd.	14	44	9	3	9	0	2
	Total	121	1036	53	34	83	3	5
	Overall Average Age of Officers	49.45						
	% of Officials Trained in Banking	43.80						
	% of Officials Under Graduate	28.10						
	% of Officials Graduate	68.60						
	% of Officials Post Graduate	2.48						
	% of Officials Professionally Qualified	4.13						