



**KASHMIR  
MERCANTILE CO-OP BANK LTD.**  
H.O: Tehsil Road Sopore Kashmir (J&K)

**Annual**  
**WORKING REPORT**  
**FOR THE YEAR - 2018**

**IDENTITY STATEMENT:**

Kashmir Mercantile Co-Operative Bank Ltd. Sopore is a Primary (Urban) Co-Operative Bank, registered under the provisions of J&K Co-Operative Societies Act, 1960 and licensed by Reserve Bank of India under the Banking Regulations Act, 1949 (AACS). The Bank commenced its business on 10<sup>th</sup> of October, 1987 as a **Unit Bank** in town Sopore. Registered Office of the Bank is situated at Sopore and its area of operation is entire North Kashmir which includes District Baramulla, District Kupwara and District Bandipora.

**SHORT NAME:**

Bank has adopted "**KAMCO BANK**" as short name in addition to its full name for quick and easy identification by public in general and clients of the bank in particular.

**MISSION:**

Mission of the bank is to emerge as a strong, democratically controlled, member owned and ethically managed banking Institution offering banking services to the Common Man, essentially to the middle class, lower middle and marginalized sections of the society in its area of operation.

**VISION:**

Our vision is to become the most preferred high-tech Co-Operative Bank in the State with branch network spread to all urban and semi urban centres of the State of Jammu and Kashmir.

**LOGO:**

Logo of the Bank comprises of the colours of rainbow, blended together to indicate hope, Growth, Prosperity and Co-operation.

**SLOGAN:**

The slogan of the Bank "**TOGETHER WE STAND**" is a call for unity to all sections of the society irrespective of any social/ cultural or religious diversity, to promote an environment conducive for a new economic system based on equity and social justice.

## **MANAGEMENT**

The Management / Administrative control of the bank rests with its Board of Directors. The elected Board of the Bank completed its tenure in February, 2018 and presently it is working under the control of Board of Administrators appointed by the Registrar Cooperative Societies J&K vide order No.27-RCS/SS/of 2018 dated: 08-03-2018 comprising of following Officers:

S.No	Name of the Officer	Designation
1	Additional Deputy Commissioner Sopore.	Administrator
2	Deputy Registrar Cooperative Societies Bandipora	Member
3	Deputy Registrar Cooperative Societies Baramulla.	Member
4	Managing Director / CEO KAMCO Bank Sopore	Member Secretary

## **COMPUTERIZATION:**

Accounts of the Bank are fully computerized; ours is the first Cooperative Bank of the State to have joined the CBS platform. All branches are currently operating on-line with technology support from Saraswat InfoTech Ltd. (SIL), a Mumbai based Software Company, fully owned subsidiary of the Saraswat Cooperative Bank, the No.1 Primary (Urban) Cooperative Bank of the Country, the software Swiftcore is specifically customized by it to cater the needs of Urban Cooperative Banks. The Bank is providing NEFT/RTGS facilities and ATM service to customers with SMS facility and it is also listed for **Direct Benefit Transfer** scheme of Govt. of India for LPG and other subsidies.

## **BUSINESS TIE-UPS:**

Bank has established business and service tie-ups with following organizations in order to offer best service to its customer:-

S.No	Facility	Service provider
1	CBS	Saraswat Info-tech Mumbai
2	CMS	HDFC Bank
3	Treasury Operations	J&K Bank
4	NEFT/ RTGS	HDFC Bank
5	IFS Code	HDFC Bank
6	Cheque Pay Arrangement (CPA)	HDFC Bank
7	DBTL	HDFC Bank
8	Credit Information	CIBIL, CRIF
9	Deposit Insurance	DICGCI
10	Network Connectivity to Data Centre	BSNL Lease – Line/ Airtel

11	PMJJBY	LIC India
12	PMSBY	NIC India

**AUDIT:**

The Statutory audit of accounts of the bank is conducted by Chartered Accountants nominated/ appointed by the Registrar Cooperatives J&K from the panel approved by the Reserve Bank of India. The annual Balance Sheet and Profit and Loss accounts of the Bank are published in local press for the information of general public after proper verification and approval by auditors.

**INSPECTION:**

The Statutory inspection of the Bank is conducted biennially by Officers of the Reserve Bank of India (RBI) under Section 35 of the banking Regulations Act (AACS) 1949. Latest inspection of the bank was conducted by RBI in the month of November, 2017 with respect to the financial position of the Bank as on March 31, 2017. The inspecting team of RBI has expressed its satisfaction on over all working of the Bank.

**BUDGETTING:-**

Bank has a proper system of budgeting. Expenditures are made strictly according to the budgetary estimates/ allocations approved by the Board. The audit of the Bank is conducted update and compliance to audit observations is submitted on time. Prompt action is taken on the issues pointed out by the audit.

**ANNUAL ACTION PLAN:**

Each year Bank prepares an Annual Action Plan which is thoroughly discussed in the Board/ Budget meeting of the Bank. Performance of each branch is periodically reviewed as per targets fixed for various activities under the annual plan.

**DEPOSIT INSURANCE:**

Deposits of the Bank are insured with **Deposit Insurance and Credit Guarantee Corporation of India** as admissible under its deposit insurance scheme applicable to Banks.

**ACHIEVEMENTS OF FY – 2018;**

- Bank launched DBTL Service in tie up with HDFC Bank.
- Bank Launched Insurance Schemes PMJJY and PMSBY.
- Bank Launched CPA in tie up with HDFC Bank.
- Bank launched ATM service under tie –up with NPCI and HDFC Bank.
- Added Rs. 5.18 Crore to its Deposit base of Rs. 48. Crore.

**PRESENT POSITION OF THE BANK:**

The Bank is operating through a network of five (5) branches, with its two branches at Sopore and one each at Baramulla, Bandipora and Kupwara, it is working in close competition with Commercial banks including the new generation private sector banks like HDFC, ICICI and Axis bank. The financial position of the Bank as on 31<sup>st</sup> March, 2018 is as under: -

1. (Amount in Lakh)

S.No	Particulars	Position on 31-03-2018
<b>1</b>	<b>Membership</b>	<b>5441</b>
	Individual	5440
	Govt.	1
<b>2</b>	<b>Paid up Capital</b>	<b>147.57</b>
	Individual	142.07
	Govt.	5.50
<b>3</b>	<b>Reserves</b>	<b>326.64</b>
<b>4</b>	<b>Owned Funds (2+3)</b>	<b>474.21</b>
<b>5</b>	<b>Deposits</b>	<b>5395.77</b>
<b>6</b>	<b>CASA</b>	<b>66%</b>
<b>7</b>	<b>Loans Advances</b>	<b>2386.08</b>
	NPA (Gross)	6.7%
	NPA (Net)	1.7%
<b>8</b>	<b>CD Ratio</b>	<b>45%</b>
<b>9</b>	<b>Investments</b>	<b>2947.90</b>
	Govt. Securities	2000.00
	FD's in Various Banks	947.90
<b>10</b>	<b>CRAR</b>	<b>12.5%</b>
<b>11</b>	<b>Borrowing</b>	<b>Nil</b>
<b>12</b>	<b>Profit</b>	<b>17.38</b>

**STAFF POSITION:**

The current staff position of the Bank is as under: -

S.No.	Rank	Strength
1	Managing Director and CEO	1
2	Chief Manager	5
3	Manager	5
4	Assistant Managers	11
5	Cashier/ Clerk	4
6	Cashier/ Clerk / Business Promoters	8
<b>Sub-Staff</b>		
1	Asstt. Clerks	3
2	Attendants	7

3	Driver	1
<b>Total:</b>		<b>45</b>

### **ETHICAL POLICY OF THE BANK:**

Bank has framed an ethical business policy to keep certain activities out of its lending portfolio because of their adverse effect on environment and the society as a whole. The list of such activities is as under: -

- Units engaged in sale or manufacturing of Cigarette, Pan, and Tobacco.
- Units engaged in sale or manufacturing of Arms, Ammunition and explosive.
- Units engaged in sale or manufacturing of liquor.
- Units engaged in sale or manufacturing of polythene.
- Units engaged in sale or manufacturing of harmful Chemicals.
- Units engaged in promotion of Casino/ Gambling places/ Dancing or night clubs.
- Units engaged in sale and production of Fire Crackers.

### **PLAN FOR FY-2018-19:**

During the current year that is the financial year 2018-19, the bank is poised to cross the deposit level of Rs. 60 Crore. Its advances will reach to Rs. 30Crore and the membership will increase by 500 individual members. The NPA will be reduced by 50%, the CRAR will increase to 13.5% and CD ratio to 60%. We will persuade the Government for a capital infusion of Rs.2 Crore and grant of financial assistance of Rs. 1 Crore for technology up-gradation.We will get the area of operations of the bank extended to Srinagar, Budgam and Ganderbal. We plan to seek permission for opening of two more branches of the bank during the current year one at Handwara and another at Srinagar. We will also switch over to Mobile Banking Service with IMPS facility and Aadhaar enabled Payment System (AEPS) in tie up with HDFC Bank.

### **MID TERM PLAN:**

The KAMCO Bank has a bright future; it is the only Primary (Urban) Co-Operative Bank operating in north Kashmir, organized under the Co-Operative Credit Movement to cater the credit needs of Common Man. The Bank has prepared a five year Business Development Plan **Vision- 2022** for its further growth and development. During the next five years we intend to spread the branch network of the bank to all urban centres in north Kashmir, get the area of operation of the Bank extended to the districts of Srinagar, Budgam and Ganderbal open a branch of the bank at the District headquarters of Srinagar, Budgam and Ganderbal in addition to Handwara and Uri. We also aspire to become the most preferred high - tech Cooperative bank of the state. In

the next five years we aim at raising our individual membership level to 10000, paid up Capital to Rs.5.00 Crore, Deposits level to Rs.100 Crore, Advances to Rs. 60 Crore, Investments to Rs.40 Crore, Business to Rs.150 Crore, Net profit to Rs.1.00 Crore, No. of branches to 10 (minimum) and No. of employees to 100. We have also resolved to bring the Gross NPA down to 0% by sticking to a healthy lending policy.

### **LONG TERM PLANNING:**

In the long run we plan to promote the bank as a scheduled Urban Cooperative Bank offering all banking solutions to the Common Man combined with up-to-date technology, to fill up the gap between the credit and the Common Man in urban, semi-urban and the rural areas of the country. The Bank has the potential to grow as a Multistate Cooperative Bank and expand its business to entire country. It can offer gold loans, Exchange facilities, Locker facilities, NRI account, Net banking and many other banking products. It can establish separate branches for women customers handled by women exclusive. It can introduce fully automated banking shops housing therein cash dispensers, coin dispensers etc. It can also introduce small saving daily deposit schemes by providing handheld machines to business correspondents, business facilitators or banking attendants. It can also provide POS machines to shopkeepers and other service outlets. Besides it can open up employment opportunities for educated unemployed youth and offer part time jobs to student community as bank boys.

### **WEBSITE:**

The website of the Bank can be reached at "**kamcobank.com**" where the details regarding the product and services offered by the bank are available.

Help us to serve the community better.

### **Email**

The email id of the bank is:-

1. [kamcobank@rediffmail.com](mailto:kamcobank@rediffmail.com),
2. [info@kamcobank.com](mailto:info@kamcobank.com)