

## Message from CEO

*“Three basic ingredients of Success are persistent Learning, Earning and Yearning and Successful men are influenced by desire for pleasing results”.*

*I am glad to present before you the excellent performance of the bank for the year ended March, 2010 with the patronage of share holders, dedication of employees, loyalty of customers, resilient trust of depositors and public at large and with the same passion of the bank to be at the top on the Co-operative Banking Sector of the nation.*

*Your bank has laid strong foundation in terms of its membership, resources, assets and profits by its sustained and assiduous efforts over 30 years after its inception and achieved phenomenon growth.*

*Let us take brief review of progress report of your bank during the last 10 years.*

### **Performance Highlights**

*Our goal is to translate response of our valued stakeholders into results.*

*The financial performance during the fiscal year 2009-10, remained healthy. The Bank's total balance sheet increased by **20.64 %** over that on March 31, 2009 to **Rs.867.69 crores** as on **March 31, 2010**.*

*With the patronage of **40,033** shareholders as on **31.03.2010**, your bank's owned capital is increased by **Rs.25.48 crores** and crossed the amount of **Rs. 132.08 crores** as on 31.03.2010 from **Rs. 106.60 crores** in the fiscal year 2009.*

*The total business of the bank was **Rs 896.68 crores** in the fiscal year **2009** which has grown by **27.53%** and crossed the amount of **Rs 1143.55 crores** as on **31<sup>st</sup> March, 2010**. Total deposits increased from **Rs.600.32 crores** as on **31.03.2009** to **Rs 723.60 crores** as on **March 31, 2010** registering the growth of **20.54%**.*

*With Savings account deposits at **Rs. 210.68 crores** and current account deposits at **Rs. 94.30 crores**, demand (CASA) deposits were around **42.15%** of total deposits as of **March 31, 2010**.*

*Gross advances grew by **41.71%** and cross the amount of **Rs. 419.95 crores** in the fiscal year 2010 as compared to **Rs.296.35 crores** in the fiscal year 2009.*

***Net NPA of your bank is “ZERO” since 1990 and Gross NPA amounts to only 0.49% of the total advances as on 31<sup>st</sup> March, 2010.***

*Recovery department has proved their excellent performance this year as well by achieving the recovery of **99.99%**. Overdue of only **Rs. 95,798/-** is recorded with only **11** accounts.*

**Advance to the directors of the Bank is ZERO adhering to RBI guidelines.**

Investments are raised by **8.43%** over the last year and crossed the amount of **Rs.347.64 crores.**

It is remarkable to note that your bank has achieved the significant profit amounting to **Rs.21.04 crores** in the fiscal year 2010 as compared to **Rs.17.90 crores** in the fiscal year 2009 due to exceptional quality of our people and their extraordinary efforts to take your bank forward.

Total revenue has registered a growth of **23.69%** amounting to **Rs. 78.27 crores** in the current year. The revenue growth was driven by both an increase in interest income and other income by **16.49%** and **144.65%** respectively.

**23.44%** rise in the interest expense has witnessed the persistent trust of the depositors and public at large in your bank. Operating (non-interest) expenses increased from **Rs. 11.03 crores** in fiscal year 2009 to **Rs.14.84 crores** in the fiscal year 2010 due to organic expansion in the Branch network and commencement of branch at city of Jamnagar.

### **Branch Expansion & Merger and Acquisition**

*Larger the rainbow the more it shines, I am pleased to announce you that your bank is successful in enlarging its branch rainbow at various areas of Rajkot city like Sahakar Society, Raiya Road, Mavdi Chokdi, at Junagadh, at Ahmedabad by merger of Mahila Utkarsh Nagarik Sahakari Bank Ltd with its five branches and at Surendranagar by merger of the unit bank namely The Amruta Mahila Co-op.Bank Ltd during last 10 years.*

*Successful businessmen always have vision to identify the opportunity in every threat which is proved by shifting of Gurukul and C G Road Branches at Ahmedabad to Mavdi Chokdi branch at Rajkot and at Jamnagar respectively having the highest business potential.*

*At present your bank has fully computerized, modernly equipped 17 branches with safe deposit vault facility. Out of 17 branches, 11 branches offer ATM facility and thereby provide Any Branch Banking facility as all ATMs are interconnected.*

### **Brand Equity**

*Your bank enjoys strong brand equity. YoY growth of the bank high lights the strong corporate image of the bank. Customers, shareholders and every entity associated with your bank has "**Sense of Belonging**" towards the bank. The phenomenon growth of deposits of the merged bank due to merger into your bank represents the sound brand image of the bank even in new business areas.*

## **Customer Value added Services**

*Your bank has recognized the changing trend of “Crazy Banking” in place of “Lazy Banking” and conscious about the changing needs and expectations of the customers and all stakeholders and aspires to fulfill the same by offering excellent customer services with smile and a wide range of innovative banking products with unflinching gusto and aplomb.*

*Your bank provides valuable consultancy to its clients for General insurance and Life insurance. The bank has earned commission of **Rs. 50.36 lacs** from this value added business during the fiscal year 2009-10.*

*Your bank regularly pays the advance premium to DICGC for securing the interests of depositors and also provides the safe Fixed Deposit Investment plan in line with DICGC guidelines.*

*Your bank has proposed 15% Dividend to Share holders amounting to **Rs. 327 lacs** for the year ended 31<sup>st</sup> March, 2010. Your bank rewards the share holders by providing Gifts (useful household items) to them since last 10 years and continued the tradition this year also the bank has already announced the valuable gift for its stake/ share holders.*

*Your bank has installed **11 ATMs** to provide **ATM** facility with **Multiple ATM Card** facility and provides **any branch banking** facility through **ATMs**.*

## **Teamwork**

*As against per employee cost of **Rs. 3.52 lacs** only, per employee profit is **Rs. 12.83 lacs** as on 31.03.2010 which proves dedication and sincerity of my team of **164** employees towards their work. As against the rise of **12.75%** in the staff cost, business per employee is **Rs. 697.29 lacs** as on 31.03.2010.*

*At this juncture I sincerely recognize the significant contribution of my team and their **PAINs** i.e. **Positive Approach In Negative Situations** and can take proud to say “**Together Everyone Can Achieve More**” is real achievement of intelligent human resource of your bank.*

## **Conclusion**

*Let me conclude by saying that the Bank is in good shape, with strong financials. I and my team are passionately committed to take the Bank to greater heights and to reach out new horizons of growth and excellence in the years to come as well. In this endeavor, I solicit your co-operation and continued patronage.*

*“..... **A beginning is only the start of a journey to another beginning**”*