DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors takes the pleasure in presenting the 50th Annual Report along with the Audited Statement of Accounts for the Financial Year ended 31.03.2026.

GLOBAL SCENARIO

According to the World Bank's Global Economic Prospects, the global economy is projected to grow at 2.6% in 2026, with growth expected to improve marginally to 2.7% in 2027. During FY 2025-26, inflation moderated in many countries however, energy crisis and trade tariff issues created renewed pressure on inflation.

The International Monetary Fund, in its World Economic Outlook, has revised global growth for 2026 to 3.10% from 3.30%, primarily on account of the conflict in West Asia and the resulting surge in crude oil prices. Global inflation is projected at 4.40% for 2026, largely due to higher commodity prices. The IMF has cautioned that if geopolitical tensions persist, risks to the global outlook remain tilted to the downside.

Both reports indicate that the global economic outlook remains largely positive with downside risks of ongoing geopolitical uncertainty, elevated public debt levels and volatility in commodity prices due to disruption in supply chain. Notwithstanding these risks, the world economy continues to grow but at a slower pace.

INDIAN ECONOMY

India continued to be the one of the world's fastest-growing major economies in FY 2025–26. Growth was broad-based, driven by robust private consumption, strong public capital expenditure, steady services exports and improving rural income. The domestic economy demonstrated considerable strength in the face of global headwinds and geopolitical uncertainties.

The Economic Survey 2025-26 released by the Ministry of Finance estimates India's GDP growth for FY 2025–26 at 7.4%, supported by strong domestic demand, continued public capital expenditure and resilience in the services sector. The Survey highlights that stable macroeconomic fundamentals, improving rural consumption and ongoing structural reforms are expected to sustain growth momentum, while also flagging risks from global uncertainties. As per the Second Advance Estimates released by the National Statistical Office, India's GDP growth for FY 2025-26 is estimated at 7.6%, reflecting steady performance across agriculture, industry and the service sectors.

The World Bank, in its Global Economic Prospects, projected India's GDP growth estimate for FY 2025-26 at 7.2%, citing robust private consumption and the positive impact of income tax and GST reforms on household spending.

The Reserve Bank of India in its Monetary Policy Committee (MPC) meeting held in April 2026, has estimated GDP growth for FY 2025-26 at 7.6%, reflecting sustained momentum in economic activity supported by robust consumption and investment, along with policy support. GDP growth for FY 2026 -27 is projected at 6.9%, indicating some moderation amid evolving global economic conditions.

India's retail inflation declined significantly during the financial year, averaging 2.07%. The Reserve Bank of India Monetary Policy Committee (MPC) during its meeting held on April 2026 has projected inflation at 4.6% for FY 2026 -27. During FY 2025-26, the repo rate was reduced by 100bps cumulatively to 5.25%. Reserve Bank of India also injected liquidity in banking system by reducing cash reserve ratio, conducting open market operations and Forex swaps.

FINANCIAL PERFORMANCE

The key financial highlights of the Bank for the year ended 31.03.2026:

Amount (₹ in Crore)

PARTICULARS	YEAR	
	31.03.2026	**31.03.2025**
Paid up Capital	183.97	187.70
Reserves	1,547.56	1,541.95
Working Capital	14,779.14	13,995.82
Total Business	19,845.79	18,492.03
Deposits	11,845.05	10,995.69
Advances	8,000.74	7,496.34
Gross Income	1,120.09	1,101.84
Net Profit	77.01	36.05
CRAR	14.17%	14.14%

- DEPOSITS increased by ₹ 849.36 Crore i.e. 7.72%
- ADVANCES increased by ₹ 504.40 Crore i.e. 6.73%
- NET PROFIT stood at ₹ 77.01 Crore as compared to ₹ 36.05 Crore in the previous year.
- BUSINESS PER EMPLOYEE stood at ₹ 13.60 Crore.

PROFIT

The operating profit for the FY 2025-26 is ₹ 144.51 Crore. However, the Net Profit for the year is ₹ 77.01 Crore after provisioning towards Bad and Doubtful Debts Reserve, Security Receipts and other required provisions totally amounting to ₹ 38.82 Crore and tax amounting to ₹ 28.68 Crore.

APPROPRIATION OF PROFITS

In accordance with RBI guidelines and the provisions of section 63 of Multi-State Co-operative Societies Act 2002, the following appropriation of the Net Profit is recommended to the General Body for approval:

PARTICULARS	2025-26	2024-25
Profit for last year brought forward	48,41,83,239.00	38,13,98,191.00
Net profit for the year	77,00,59,400.00	36,04,52,216.00
Net profit available for Appropriation	**1,25,42,42,639.00**	**74,18,50,407.00**
Less: Proposed Appropriations		
Statutory Reserve	19,25,15,000.00	9,01,13,000.00
Special Reserve	7,70,05,940.00	3,60,45,200.00
Contribution to Education Fund of N.C.U.I	77,00,594.00	36,04,522.00
Exgratia to employees	7,94,82,000.00	-
Dividend	-	12,79,04,446.00
Balance carried forward	**89,75,39,105.00**	**48,41,83,239.00**

DIVIDEND

The Net Profit of the Bank for the year under report is ₹77.01 Crore, which is subject to statutory appropriations. The Board of Directors recommended a dividend @ 10% for the F.Y. 2025-26. While proposing the dividend, the Board has kept in mind the need to balance the objectives of not only rewarding the shareholders, but also ploughing back profits into the business to maintain a healthy CRAR. The Board seeks co-operation from members in its endeavours to strengthen capital base to power future growth.

PROVISION FOR INCOME TAX

Provision for tax in the FY 2025-26 is computed after considering items allowable/ inadmissible as per the Income Tax Act 1961. The estimated tax outflow for the FY 2025-26 is ₹23.31 Crore. The net provision for taxes after giving effect to the Deferred Tax Liability arising out of the timing differences and provisioning in accordance with the Accounting Standards AS-22 is ₹28.68 Crore as detailed hereunder :

PARTICULARS	(₹ in Crore)
Net Tax Liability for the year	23.31
ADD : Tax paid for the earlier year	(0.72)
ADD : Deferred Tax Liability	6.09
Provision made in Profit & Loss Account	**28.68**

AWARDS/RECOGNITIONS

The Bank has received the following awards during FY 2025-26 in recognition of its initiatives.

- Best Digital Sales Award by Indian Banks' Association.
- Best IT Risk Management Award by Indian Banks' Association.
- Best Cyber Security Award at All India Co-operative Banking Summit 2025 by NAFCUB & Banking Frontiers.
- Best Risk Management Award at All India Co-operative Banking Summit 2025 by NAFCUB & Banking Frontiers.
- Iconic Leaders - Youth Chairman Award 2025 at the Co-operative Banks' Summit.
- IBSi Global Fintech Innovation Award (GFIA) 2025 for Best in Class Cyber Security Deployment.

CAPITAL TO RISK WEIGHTED ASSETS

Bank has consistently maintained a healthy Capital to Risk Weighted Assets Ratio (CRAR). The CRAR of the Bank is 14.17% as on 31.03.2026.

MEMBERSHIP

The number of members of the Bank as on 31.03.2026 is as under:

Type of Membership	As on 31.03.2025	Deletion of members during the year	Admission of new members during the year	As on 31.03.2026
Regular Membership	1,78,926	1,538	3,857	1,81,245
Nominal Membership	7,952	1,120	1,356	8,188

BRANCH NETWORK

The Bank renders services through 101 branches, 3 extension counters, 97 on-site ATM centers, and 2 off-site ATM centers across the states of Maharashtra, Karnataka and Gujarat.

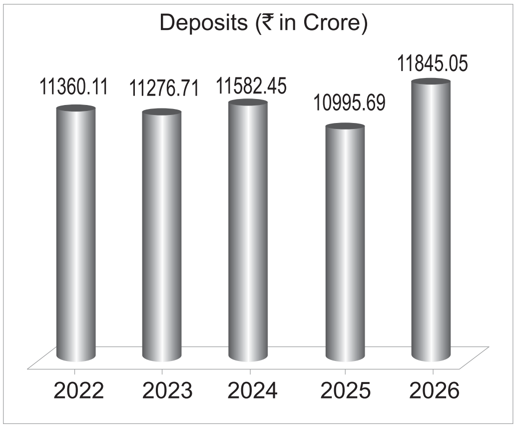
During the year, the Bank shifted the business activities of the Jogeshwari East, Mahakali Caves Road (Andheri East), and Fort branches in Mumbai, as well as the Belthangady (Ujire) branch in Karnataka, to more suitable premises to enhance customer convenience and service efficiency.

DEPOSIT INSURANCE

The deposits of customers continue to be insured up to ₹5 Lakh with the Deposit Insurance & Credit Guarantee Corporation (DICGC). The Bank is regular and prompt in paying premium to DICGC.

DEPOSITS

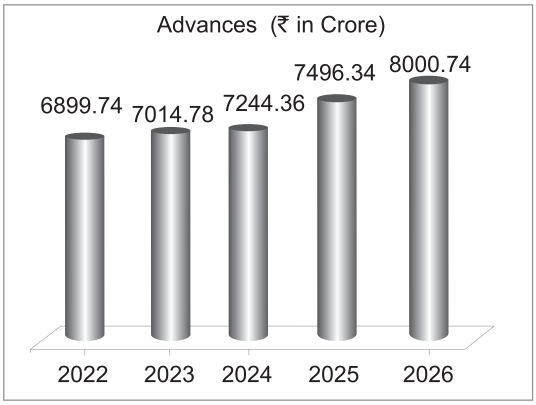
Deposits of the Bank were ₹11,845.05 Crore as on 31.03.2026 as compared to ₹10,995.69 Crore as on 31.03.2025. During the year the Bank continued to focus on mobilizing low-cost and retail term deposits to improve its profitability. This approach has helped the Bank to contain the cost of deposits and also widen the customer base.



ADVANCES

The Bank's advances portfolio increased to ₹8,000.74 Crore as on 31.03.2026 from ₹7,496.34 Crore as on 31.03.2025.

The Credit-Deposit (CD) ratio stood at 67.55% as on 31.03.2026, as compared to 68.18% in the previous year.



The Bank is working towards bridging the 7.7% gap in the Small Value Loan segment to meet the stipulated 50% threshold (42.30% as on 31.03.2026). The Bank is undertaking focused initiatives to strengthen its outreach, simplify procedures, and enhance credit-monitoring mechanisms to drive sustainable growth in the coming period.

Advances to Micro Enterprises constituted 22.80% of total advances, significantly exceeding the prescribed target of 7.50%. Similarly, advances to the Weaker Sections stood at 13.45%, surpassing the regulatory target of 12%.

Priority Sector Lending (PSL) remained a key focus area, with the Bank achieving 70.27% of total advances under this category, well above the stipulated requirement of 60% of Adjusted Net Bank Credit (ANBC) / Credit Equivalent of Off-Balance Sheet Exposure (CEOBE).

The Bank continues to make concerted efforts to ensure the quality and health of its advances portfolio with prudent lending practices.

NON PERFORMING ASSETS

The Bank refers disputes relating to recovery of dues in the state of Maharashtra to Justice Shri. Rajan Jodharaj Kochar (Retd.), High Court of Bombay, Shri Vasant Narayan Lothey (Patil), Ex-Presiding Officer (Judge), Debt Recovery Tribunal-III, Mumbai, Debt Recovery Tribunal II, Ahmedabad and Shri Kailashchandra L. Vyas, Advocate & Retd. District Judge; who were appointed as Arbitrators by the Commissioner for Co-operation and Registrar of Co-operative Societies, Maharashtra State.

Disputes relating to recovery of dues in the State of Karnataka are referred to Shri C.N. Badrinath, Additional Registrar of Co-operative Societies (Retd.) and Central Arbitrator & Ex- Member, Karnataka Appellate Tribunal, who was appointed as Arbitrator by the Central Registrar of Co-operative Societies.

Office of the Central Registrar of Co-operative Societies (CRCS) vide Order dated 30.09.2025 has authorised bank officials as Sales officer u/s 97 of the Multi-State Co-operative Societies Act, 2002 for a period of two years to execute the Awards/Decree passed by the Hon'ble Arbitrator u/s 84 of The Multi State Co-operative Societies Act, 2002 against the Judgement Debtors for recovery of Bank's dues in accordance with the provisions of the Act and rules framed there under.

Continuous recovery measures through various channels including actions under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, Recovery of Debts and Bankruptcy Act, 1993 (RDB Act), Insolvency & Bankruptcy Code 2016 (IBC), The Multi -State Co-operative Societies Act - 2002 and consistent efforts towards the recovery of loan dues enabled the Bank to contain the NPAs.

The Gross NPA stood at ₹ 503.55 Crore forming 6.29 % of total advances as on 31.03.2026. Net NPA of the bank were ₹ 175.55 Crore which constitutes 2.29 % of net advances.

Classification of Assets and Provisioning made against Non-Performing Assets as on 31st March, 2026

(₹ in Lakh)

Classification of Assets	No. of A/Cs	Amount Outstanding	% of Col.3 to Total Loans Outstanding	Provision required * to be made		Existing provision at the beginning of the year	Provisioning made during the year under report	Total provisions as at the end of the year	Remarks
				%	Amount				
1.	2.	3.	4.	5.		6.	7.	8.	9.
Total Loans and Advances	**28747**	**800074.25**							
of which :									
A. Standard Assets	**27439**	**749718.85**	**93.71**	**0.40 to 5**	**3175.00**	**2975.00**	**200.00**	**3175.00**	
B. Non-Performing Assets						**32280.03**	**519.92**	**32799.95**	
1. Sub-Standard	**88**	**7665.20**	**0.96**	**10**	**766.52**				
2. Doubtful									
(i) Upto 1 year									
a) Secured	53	5495.76	0.69	20	637.05				
b) Unsecured	14	3862.30	0.48	100	3862.30				
(ii) Above 1 year and upto 3 years									
a) Secured	127	8141.86	1.02	30	2438.15				
b) Unsecured	45	3620.03	0.45	100	3620.03				
(iii) Above 3 years									
a) Secured	718	17847.77	2.23	100	17727.25				
b) Unsecured	242	2145.88	0.27	100	2145.88				
Total Doubtful Assets (i + ii + iii)	**1199**	**41113.60**	**5.14**		**30430.66**				
a) Secured	898	31485.39	3.94		20802.45				
b) Unsecured	301	9628.21	1.20		9628.21				
3. Loss Assets	**21**	**1576.60**	**0.19**	**100**	**1576.60**				
Gross NPA's (B1+B2+B3)	**1308**	**50355.40**	**6.29**		**32773.78**	**32280.03**	**519.92**	**32799.95**	

* Provisioning required is excluding balance held under Interest Capitalization for FITL accounts.

(₹ in Lakh)

Sr. No.	Particulars	31.03.2026	31.03.2025
1	Gross Advances	800074.25	749633.94
2	Gross NPAs	50355.40	48964.98
3	Gross NPAs as a percentage to Gross Advances	6.29	6.53
4	Deductions	---	---
	- Balance in interest suspense account / OIR	---	---
	- DICGC/ ECGC claims received and held pending adjustment	---	---
	- Part payment on NPA account received and kept in suspense account	---	---
5	Total NPA provisions held (BDDR, Special BDDR Balance after appropriation)	32799.95	32280.03
6	Net advances (1-4-5)	767274.30	717353.91
7	Net NPA (2-4-5)	17555.45	16684.95
8	Net NPAs as percentage of net advances	2.29	2.33

FOREIGN EXCHANGE BUSINESS

Bank has been providing Foreign Exchange services since 2009 as AD-Category-I Bank. Over the years, Bank has evolved to be one of the top establishments in Co-operative Banking sector to cater to customers' Trade Finance requirements. Foreign Exchange transactions of the customers are undertaken through Bank's 'B-Category' branches located at Goregaon (East) and Fort. The foreign exchange merchant turnover stood at ₹ 2,595.24 Crore for FY 2025-26.

To facilitate foreign trade and remittances the Bank is maintaining Nostro Accounts in 8 major currencies viz USD, EURO, GBP, SGD, AED, JPY, AUD and CAD with International Banks. The Bank is also maintaining correspondent relationship with reputed overseas Banks for smooth trade transactions.

The Bank offers wide range of forex products including issuance of Import Letter of Credit, Inward/Outward remittances, issuance of foreign bank guarantees, foreign currency term loan. The Bank encourages the customers to book forward contracts to help them to mitigate foreign exchange risks. The Bank also offers clients to maintain Exchange Earner's Foreign Currency account (EEFC) in major currencies.

The Bank offers Export Finance in Indian Rupee and Foreign Currency (PCFC/PSCFC) and discounting of export bills drawn under LCs. Bank also extends Interest Subvention Scheme under Government of India's Export Promotion Mission (Niryat Protsahan) on Pre and Post Shipment Rupee Export Credit to all the eligible exporters.

The Bank is offering deposit products such as Non-Resident External (NRE) accounts, Non-Resident Ordinary (NRO) accounts and Foreign Currency Non-Resident (FCNR-B) deposits at competitive interest rates to Non-Resident Indians.

CUSTOMER SERVICE

Customer Service continued to remain a key focus area of the Bank during the year. The Bank is committed to providing prompt, transparent, courteous and efficient banking services to all customers through its branches and digital channels. Continuous efforts were made to strengthen customer grievance redressal mechanisms, improve service delivery standards and enhance customer satisfaction. Customer complaints received during the year were attended to promptly and resolved within the prescribed timelines. In the FY 2025-26, a total of 684 complaints were received across all the channels. An analysis of all complaints was done to address the cause and take corrective steps if required.

The Bank accords special attention to senior citizens, differently abled and physically handicapped customers to ensure inclusive banking services without any discrimination. Branches have been sensitized to extend priority service and necessary assistance to such customers for carrying out banking transactions comfortably and conveniently. Wherever feasible, facilities such as easy branch access, assistance at counters, doorstep services as per policy are made available for such customers.

TREASURY

The Bank's investment portfolio stood at ₹4,900.31 Crore as on 31.03.2026, of which ₹ 2,828.94 Crore was invested in government and other approved securities. This accounted for 23.41% of Net Demand and Time Liabilities (NDTL). The Treasury Department ensured compliance with regulatory norms, managed liquidity and interest rate risk throughout the year along with maximizing profitability.

During the financial year yield on the 10 year benchmark Government Security moved higher from 6.58% to 7.03%. Reserve Bank of India, Monetary Policy Committee cumulatively cut the repo rate by 100bps cumulatively during FY 2025-26. Bond yields hardened during the last quarter moving higher to 7.03% driven by heightened global uncertainties and rising crude oil prices.

BANCASSURANCE

The Bank is registered as a Corporate Agent under a license issued by IRDAI, offering a wide range of insurance products across all branches under the Bancassurance model.

The Bank has tie-up arrangements with insurance partners in the following segments:

Segment	Name of Insurance Partners
Life Insurance	Life Insurance Corporation of India
	HDFC Life Insurance Company Limited
	Aditya Birla Sun Life Insurance Company Limited
	Shriram Life Insurance Company Limited
General Insurance	Pramerica Life Insurance Limited
	The New India Assurance Company Limited
	Bajaj Allianz General Insurance Company Limited

During the FY 2025-26, the Bank earned revenue of ₹ 4.22 Crore from the sale of third-party insurance products, as against ₹ 3.50 Crore in the FY 2024-25.

AUDIT & INSPECTION

The Bank has a sound and comprehensive audit mechanism in place which plays a crucial role in the maintenance and assessment of the effectiveness of Bank's internal control system and procedures. Audit activities are guided by Audit Policy of the Bank which is reviewed on an annual basis. The Bank's audits are carried out by external agencies as well as the in-house audit team.

RBI INSPECTION

The officials of the RBI have carried out inspection of the Bank covering the period upto 31.03.2025 under Section- 35 of the Banking Regulation Act, 1949 (as applicable to Co-operative Societies).

STATUTORY AUDIT

The appointment of M/s. Sarda & Pareek LLP, Chartered Accountants, was approved by the RBI on 10.06.2025 and subsequently endorsed by the shareholders at the 49th Annual General Meeting held on 22.08.2025 to carry out the Statutory Audit of the Bank.

RISK BASED INTERNAL AUDIT

From FY 2022-23 onwards the Internal Audit of the Bank is conducted by the officials in the Audit Department in adherence to RBI Circular bearing Ref. No.DoS.CO.PPG./sec.05/11.01.005/2020-21 dated 03.02.2021, regarding Risk Based Internal Audit. RBIA of all the branches were conducted during the financial year.

CONCURRENT AUDIT

Branches of the Bank have been categorized as High, Medium and Low Risk based on risk perception and volume of business. Out of 101 branches of the Bank, 63 Branches are under Concurrent Audit conducted by various Chartered Accountant firms. Furthermore the Forex, Investment, Treasury function, DEAF, KYC, AML functions are also covered by concurrent Audit.

Other Audits : Besides above, Bank has been conducting IS audit to evaluate and secure Bank's technology infrastructure, Stock audits of limits above ₹350.00 Lac to ensure quality and quantity of the hypothecated securities, Legal Audit of Credit limits above ₹100.00 Lac to verify validity of loan documents, authenticate collateral titles to ensure that Bank's security interests are fully enforceable, mitigate credit risk, prevent fraud in compliance with regulatory guidelines.

IT & SECURITY ENHANCEMENTS

The Bank's IT strategy prioritizes customer convenience, regulatory compliance, and cyber resilience. The Bank's Data Center features state-of-the-art smart racks with multi-layer redundancies, ensuring high availability and seamless scalability. Recent hardware upgrades further align our infrastructure with future digital growth.

The Bank is focused on working towards continuous enhancements to ensure customer satisfaction, security, and competitiveness. By prioritizing these enhancements, the Bank is in the process of building a future-ready digital ecosystem that is secure and customer-centric and which will position the bank to meet evolving expectations while maintaining a strong competitive edge.

The Bank has updated our Core Banking System (CBS) to the latest version, creating a robust, future-ready environment for superior service and digital integration. Additionally, the Bank's digital applications are undergoing continuous improvement, highlighted by the launch of a feature-rich Internet Banking platform designed for an enhanced user experience.

To counter evolving cyber threats, the Bank has strengthened its security posture by implementing a Zero-Trust architecture. This modernization ensures a secure, compliant, and customer-centric digital ecosystem, maintaining the Bank's competitive edge while providing a safe banking experience.

COMPLIANCE FUNCTION

The Bank has established a resilient compliance function, headed by a Chief Compliance Officer (CCO). The compliance function plays a pivotal role in ensuring adherence to all applicable laws, regulations, guidelines, and internal policies thereby, safeguarding the Bank from regulatory and reputational risks. The compliance function continues to evolve with a focus on leveraging technology, strengthening internal controls, and aligning with emerging regulatory expectations to support the Bank's sustainable growth.

RISK MANAGEMENT

In an evolving regulatory and economic environment, particularly under the prudential framework prescribed by the Reserve Bank of India, the Bank ensures that risks are proactively identified, measured, monitored, and controlled within its defined risk appetite.

The Bank has a comprehensive risk management policy in place and is managing key risk areas, including credit, market, liquidity, operational, reputation, compliance and technology risks. The Bank continuously reviews its risk exposure against regulatory and internal thresholds. Regular risk assessments, stress testing and portfolio reviews are conducted to ensure timely identification of vulnerabilities and to support informed decision-making. The overall risk management framework is guided by Board-approved policies and oversight mechanisms.

The risk management function works in co-ordination with various departments in the Bank to strengthen risk awareness and promote a sound risk culture across the Bank, thereby supporting stable and responsible growth while safeguarding the interests of depositors and members.

HUMAN RESOURCE MANAGEMENT

The total employee strength of the Bank stood at 1,459 as on 31.03.2026. The Bank continued its efforts towards building a competent, efficient and diverse workforce aligned with business objectives while fostering an inclusive work culture. During the year, emphasis was placed on capability building through training & development initiatives and fostering employee engagement to support improved performance & productivity.

The Bank continued to maintain a positive work environment through well-defined HR policies and practices. The Bank remains committed to upholding its core values of integrity, discipline and professionalism across all levels.

LEARNING & DEVELOPMENT

The Bank continues to lay emphasis on strengthening the knowledge base and skill sets of its employees with a view to enhancing overall efficiency and effectiveness. Training programmes were conducted during the year covering various functional and operational aspects at the Bank's Learning Centres situated at Goregaon (Mumbai) & Surathkal (Karnataka). These training programmes play a key role in imparting structured training across various cadres of the employees.

The Bank adopts a blended approach to training through a combination of in-house & external programmes and digital learning platforms, enabling wider access and flexibility in learning. Employees were also encouraged to participate in knowledge enhancement initiatives through the in-house Learning Management System.

The Bank nominated employees and members of the Board for various external training programs conducted by reputed training institutions. Some of the learning initiatives are detailed below:-

Training Programmes on -

- Cybercrime Awareness & Public Outreach-Ministry of Home Affairs, Government of India
- Risk Management
- Guidelines Regarding Priority Sector Lending
- Money Market & Risk Management
- Financial Leadership
- Vigilance Matters & Disciplinary Inquiry Proceedings
- Women Empowerment
- Directors Governance Conclave for Urban Co-operative Banks

EMPLOYEE ENGAGEMENT

The Bank continues to promote a conducive work environment that fosters a sense of belonging, cooperation and employee well-being. Various initiatives were undertaken during the year under the aegis of the Staff Welfare Club with a view to maintain employee morale and encourage a spirit of togetherness across the organization.

Activities such as medical screening camps, interactive sessions, sports events, get-togethers and competitions were organized by the Bank to promote employee wellness & interpersonal relationships thereby supporting the overall development and engagement of its employees.

The Bank continues to accord due importance to employee welfare and development by reinforcing a positive work environment.

EMPLOYEE RELATIONS

The Board of Directors places on record their appreciation for the contribution of all employees in providing sincere and dedicated service. The Board endeavours to build and maintain cordial relations with the employees, Bharat Bank Officers' Association and Bharat Bank Employees' Union and will continue to undertake employee-centric initiatives to boost employee morale and promote healthy employer-employee relations.

The Bank maintains zero tolerance towards sexual harassment at the workplace and is committed in ensuring a safe, secure and harmonious working environment for all its employees.

AMENDMENTS TO BYE-LAWS

The Board of Directors had proposed an amendment to Bye-law No. 36.1.e) of the Bank concerning disqualifications for being a member of the Board, which was unanimously approved at the Annual General Meeting held on 22.08.2025.

The Office of Central Registrar of Co-operative Societies, New Delhi vide letter dated 22.12.2025 has informed that the proposed amendment to the Bye-law was not considered, as the same was not as per the provisions of section 43(1) (e) of the MSCS Act.

The Board of Directors of the Bank proposes to amend Bye-law Nos.1.(ii), 5.(i), 29.c), 46.3 of the Bank, as reproduced on page nos. 77 and 78 for deliberations and members' approval.

CO-OPTION OF DIRECTORS

In terms of section 41(3) of the Multi-State Co-operative Societies Act, 2002 and Bye-law No.31 (ii) of the Bank, the Board of Directors has co-opted Shri Gouresh R. Kotian and Smt. Jayshree M. Hejmadi as Directors of the Bank and the tenure of the said Directors will be co-terminus with the tenure of the present Board.

BOARD OF MANAGEMENT

The Board of Directors at the meeting held on 18.10.2023 had constituted the Board of Management (BoM) in accordance to the guidelines issued by Reserve Bank of India and as per the Bye-laws of the Bank.

The Board of Management (BoM) consists of following members:

Shri Prajwal J. Poojari	Chairman
Shri Somnath B. Amin	Member
Smt Jayalaxmi P. Salian	Member
Shri Ashok K. Kotian	Member
Shri Nityanand D. Kotian	Member
Shri Vidyanand S. Karkera	Managing Director & CEO

The Members of the BoM have varied range of experience in the fields of Law, Finance, IT, Banking and Co-operation. The guidance and support from the BoM has assisted the Bank in performing well during the year under report.

The Board of Management met on 36 occasions during the year under report.

CORPORATE GOVERNANCE

Adhering to the guidelines of Section- 53 of Multi-State Co-operative Societies Act, 2002, the Committees of the Board formed during the previous fiscal year continued this year.

EXECUTIVE COMMITTEE OF THE BOARD	
Shri Suryakant J. Suvarna	Chairman
Shri Somnath B. Amin	Member
Shri Bhaskar M. Salian	Member
Shri Gangadhar J. Poojary	Member
Shri Ashok M. Kotian	Member
Shri Mohandas G. Poojary	Member
Shri Ganesh D. Poojary	Member
Smt. Jayalaxmi P. Salian	Member
Shri Vidyanand S. Karkera	MD & CEO

AUDIT & ETHICS COMMITTEE OF THE BOARD	
Shri Bhaskar M. Salian	Chairman
Shri Suryakant J. Suvarna	Member
Shri Chandrashekar S. Poojari	Member
Shri Niranjan L. Poojari	Member
Shri Santosh K. Poojari	Member
Smt. Asha R. Bangera	Member
Smt. Jayshree M. Hejmadi	Member
Shri Vidyanand S. Karkera	MD & CEO

LOAN COMMITTEE OF THE BOARD	
Shri Somnath B. Amin	Chairman
Shri Gangadhar J. Poojary	Member
Shri Suresh B. Suvarna	Member
Smt. Asha R. Bangera	Member
Smt. Jayalaxmi P. Salian	Member
Shri Vidyanand S. Karkera	MD & CEO

SPECIAL COMMITTEE OF THE BOARD FOR MONITORING AND FOLLOW-UP OF CASES OF FRAUD (SCBMF)	
Shri Suryakant J. Suvarna	Chairman
Shri Somnath B. Amin	Member
Shri Bhaskar M. Salian	Member
Smt. Asha R. Bangera	Member
Shri Vidyanand S. Karkera	MD & CEO

IT STRATEGY, STEERING & SECURITY COMMITTEE OF THE BOARD	
Smt. Jayalaxmi P. Salian	Chairperson
Shri Suryakant J. Suvarna	Member
Shri Gouresh R. Kotian	Member
Shri Vidyanand S. Karkera	MD & CEO

RISK MANAGEMENT COMMITTEE OF THE BOARD	
Shri Suryakant J. Suvarna	Chairman
Shri Chandrashekar S. Poojari	Member
Shri Harish V. Poojary	Member
Smt. Asha R. Bangera	Member
Shri Gouresh R. Kotian	Member
Shri Vidyanand S. Karkera	MD & CEO

RECOVERY COMMITTEE OF THE BOARD	
Shri Suryakant J. Suvarna	Chairman
Shri Bhaskar M. Salian	Member
Shri Gangadhar J. Poojary	Member
Shri Naresh K. Poojari	Member
Shri Dayanand R. Poojary	Member
Shri Narayan L. Suvarna	Member
Shri Anbalagan C. Harijan	Member
Shri Gouresh R. Kotian	Member
Smt. Jayshree M. Hejmadi	Member
Shri Vidyanand S. Karkera	MD & CEO

The above Committees of the Board met from time to time to carry out the responsibilities entrusted to them for the qualitative business growth.

The Bank continuously strives to achieve excellence in corporate governance by balancing the interests of shareholders and customers, compliance to the statutory & legal requirements and transparency in all activities. The Bank ensures adherence to these attributes, in addition to prudent banking systems and procedures.

The Bank maintains the highest level of ethical standards, professional integrity & corporate governance. The Bank practices the cardinal principles of business ethics, accountability, responsibility, transparency and effective supervision, which serve as the basic approach to corporate governance.

As a part of good corporate governance, meetings of the Board, Board of Management and its various committees held during the year are as under:

Meeting	No. of meetings held
Board	24
Executive Committee of the Board	14
Audit & Ethics Committee of the Board	13
Loan Committee of the Board	33
Recovery Committee of the Board	11
Risk Management Committee of the Board	4
It Strategy, Steering & Security Committee of the Board	4
Special Committee of the Board for Monitoring and Follow-Up of Cases of Fraud (SCBMF)	6

STAFF EXECUTIVE COMMITTEES

The Staff Executive Committees comprising of senior executives of the Bank are:

- Asset Liability Management Committee
- Investment Committee
- Executives' Loan Committee
- Staff Accountability Committee

OBITUARY

The Board of Directors, with a deep sense of sorrow, records its profound regret at the demise of the following former directors of the Bank during the year under report Shri Suresh S. Poojari on 04.06.2025, Shri Gopal A. Jathan on 07.10.2025 and Shri K. Bhojraj on 07.12.2025.

Shri Suresh S. Poojari was co-opted as the Director of the Bank for the period from 25.08.1995 to 17.02.1997 and he was the Director of the Bank for the period from 1997 to 2000.

Shri Gopal A. Jathan was associated with the Bank for the period from 2003 to 2008 as a Director.

Shri K. Bhojraj was associated as Director of the Bank for the year 1989-90.

The Board of Directors places on record the services rendered by Shri Suresh S. Poojari, Shri Gopal A. Jathan and Shri K. Bhojraj during their tenure as the Directors of the Bank.

ACKNOWLEDGEMENT

The Board of Directors expresses gratitude to The Billawar Association, Mumbai, and its members for extending their support from time to time. The Board of Directors thanks all the members, customers, employees, service providers, well-wishers and institutions for extending their whole-hearted support and co-operation in the growth and development of the Bank. The Board of Directors also wishes to place on record the assistance, guidance and co-operation extended by the following institutions and other authorities:

1. The Reserve Bank of India.
2. Central Registrar of Co-operative Societies, Government of India, New Delhi.
3. Commissioner for Co-operation and Registrar for Co-operative Societies, Maharashtra State.
4. Registrar of Co-operative Societies, Karnataka State.
5. Registrar of Co-operative Societies, Gujarat State.

6. Officials of Revenue Department at all levels in Maharashtra, Karnataka and Gujarat States.
7. Statutory Auditors, Concurrent Auditors, Information Systems Auditors, Tax Auditors and all other Auditors, Legal Advisors, Valuers and Company Secretaries.
8. National Federation of Urban Co-operative Banks and Credit Societies Ltd., New Delhi.
9. National Urban Co-operative Finance and Development Corporation Ltd., New Delhi (NUCFDC).
10. Maharashtra Urban Co-operative Banks Federation Ltd.
11. Brihanmumbai Nagari Sahakari Banks Association Ltd., Mumbai.
12. The Maharashtra State Co-operative Banks' Association Ltd., Mumbai.
13. Indian Banks' Association.
14. Foreign Exchange Dealers Association of India (FEDAI).
15. Insurance Regulatory and Development Authority of India (IRDAI).
16. National Payments Corporation of India (NPCI).
17. Print & Electronic Media.

For and on behalf of the Board of Directors

Place : Mumbai
Dated :13th May, 2026

SURYAKANT J. SUVARNA
CHAIRMAN