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**OFFER DOCUMENT  
ISSUE OF LONG TERM SUBORDINATED BONDS (LTSB) 2024-25 (Series - X)  
AS A PART OF LOWER TIER - II CAPITAL.**

**1. PREAMBLE:**

The Reserve Bank of India (RBI) has permitted Saraswat Co-operative Bank Ltd. to raise funds to the tune of ₹350 crore (Rupees Three Hundred Fifty Crore only) through the instrument of LTSB for augmenting Lower Tier II Capital of the Bank. This permission has been granted by RBI vide their communication dated 19<sup>th</sup> December 2024.

**2. ABOUT THE BANK:**

- Saraswat Co-operative Bank Ltd. was registered on 14th September 1918, initially as a Co-operative Credit Society and later on in the year 1933 was converted into a full fledged Co-operative Bank.
- With the network of branches spread across the country, operating on the Core Banking Solution platform, the Bank is the largest Scheduled Urban Co-operative Bank in India.
- Equipped with the state-of-the-art technology, the Bank offers a wide range of services to its customers through Any Branch Banking, ATMs, Internet Banking, SMS Banking, Debit / Credit Cards, Mobile Banking etc.
- The Bank has a permanent license to deal in Foreign Exchange as Authorized Dealer Category I.
- The total business of the Bank as on 31.03.2024 stood at ₹ 82,024.77 crore and net profit after tax was at ₹ 502.99 crore and CRAR was at 17.28%.
- Behind this splendid progress of the Bank, stands the support and guidance of our experienced, highly qualified and professional Board of Directors.

Performance highlights of the Bank for last two years are as follows:

### PERFORMANCE HIGHLIGHTS

(₹ in crore)

Particulars	FOR THE YEAR ENDED		
	31.03.2024	31.03.2023	% change
Total Income	4,443.17	3,967.44	11.99
Less: Total Expenditure	3,656.74	3,079.96	18.73
Operating Profit	786.43	887.48	-11.39
Less: Provisions (net)	-	365.14	-
Add: Reversal of Provisions earlier made (net)	40.22	-	-
Less: Floating Provision for Advances	125.00	-	-
Profit Before Tax and Exceptional Items	701.65	522.34	34.33
Less: Exceptional Items	-	32.50	-
Profit Before Tax and After Exceptional Items	701.65	489.84	43.24
Less: Income Tax	198.66	138.14	43.81
<b>Profit after Tax carried to Balance Sheet</b>	<b>502.99</b>	<b>351.70</b>	<b>43.02</b>
<b>AT THE YEAR END</b>			
<b>Own Funds</b>	<b>5,118.87</b>	<b>4,758.99</b>	<b>7.56</b>
Share Capital - (Refer Note below)	335.00	345.00	-2.90
Reserves and Surplus	4,783.87	4,413.99	8.38
<b>Deposits</b>	<b>49,457.31</b>	<b>44,501.76</b>	<b>11.14</b>
Current	3,531.50	3,237.14	9.09
Savings	11,321.14	10,739.93	5.41
Term	34,604.67	30,524.69	13.37
<b>Advances</b>	<b>32,567.46</b>	<b>31,057.13</b>	<b>4.86</b>
Secured	32,222.89	30,599.37	5.31
Unsecured	344.57	457.76	-24.73
<b>Total Business</b>	<b>82,024.77</b>	<b>75,558.89</b>	<b>8.56</b>
<b>Priority Sector (average)</b>	<b>22,006.98</b>	<b>19,511.10</b>	<b>12.79</b>
<b>% to Adjusted Net Bank Credit (ANBC)</b>			
Priority	62.85%	70.19%	
of which (a) Micro	7.90%	7.99%	
of which (b) Weaker	11.69%	11.62%	
<b>Working Capital</b>	<b>58,581.22</b>	<b>53,539.02</b>	<b>9.42</b>
<b>Investments</b>	<b>17,788.50</b>	<b>15,840.84</b>	<b>12.30</b>
<b>Borrowings and Refinance</b>	<b>1,826.72</b>	<b>2,211.67</b>	<b>-17.41</b>
<b>Net NPAs (%)</b>	<b>0.00</b>	<b>0.00</b>	
<b>Provision Coverage Ratio (%)</b>	<b>98.34</b>	<b>98.98</b>	
<b>Capital Adequacy (%)</b>	<b>17.28</b>	<b>16.01</b>	
<b>Number of Members</b>			
Regular (Shareholders holding 50 shares & above)	2,69,147	2,58,926	
Nominal	1,28,645	1,31,659	
<b>Number of Branches</b>	<b>302</b>	<b>289</b>	
Number of Employees	4,545	4,650	
Business per Employee (₹ in crore)	17.87	16.11	
Net Profit per Employee (₹ in lac)	11.07	7.56	
Return on Average Assets (%)	0.91	0.68	
CD RATIO (%)	65.85	69.79	
NIM (%)	2.97	3.10	
Cost to Income Ratio (%)	58.89	54.13	

**Note :**

March 2024 - In accordance with the RBI permission received for exercising call option for redemption of Perpetual Non - Cumulative Preference Shares (PNCPS), an amount of ₹33.75 crore maturing upto 31.03.2024 is not considered for calculation of Own Funds. Hence, there is a reduction in the Share Capital over March 2023.

**3. OBJECTS OF THE ISSUE :**

The proposed issue of Long Term Subordinated Bonds (LTSB) is being made for augmenting the Lower Tier II Capital of the Bank to take care of the growing business needs.

**4. ISSUE SIZE :**

In line with Bye law no. 25 of the Bank, Saraswat Co-operative Bank Ltd. proposes to raise up to ₹350 crore through issue of Long Term Subordinated Bonds (LTSB) 2024-25 (Series - X) under Lower Tier II Capital. In the process, the members of the public and other eligible entities would get an opportunity to participate in the LTSB issue of the Bank.

**SALIENT FEATURES OF THE LONG TERM SUBORDINATED BONDS (LTSB)  
2024-25 (Series - X)**

Sr. No.	Salient Features
I	The minimum amount of LTSB Bond is ₹50,000/- (Rupees Fifty Thousand) and thereafter in the multiples of ₹25,000/- (Rupees Twenty Five Thousand) and the maximum amount is ₹10,00,00,000/- (Rupees Ten Crore).
II	The tenure of Long Term Subordinated Bonds (LTSB) will be 120 months from the date of issuance.
III	Long Term Subordinated Bonds (LTSB) will be accepted from individuals (singly or jointly), partnership firms, companies, HUF, charitable trusts etc., who are members as well as non-members residing within the area of operations of the Bank i.e. entire Union of India.
IV	<b>Urban Co-operative Banks / District Central Co-operative Banks cannot invest in the Long Term Subordinated Bonds (LTSB). Further a minor below the age of 18 is also not eligible to invest in Long Term Subordinated Bonds (LTSB).</b>
V	<b>Submission of PAN Number by the Sole LTSB holder / all the Joint holders of a LTSB at the time of investing in LTSB is compulsory.</b>
VI	The LTSB issue shall remain open till a date of closure is notified by the Bank. The date of closure of the LTSB issue will be notified by the Bank on its website <a href="http://www.saraswatbank.com">www.saraswatbank.com</a> and on the notice board of the Bank's offices.
VII	Interest will be payable quarterly at fixed rate of 10% p.a. (i.e. Calendar Quarter) on amount accepted under LTSB.
VIII	Acceptance of funds under Long Term Subordinated Bonds (LTSB) 2024-25 (Series - X) will be stopped by the Bank on receipt of the total amount of ₹350 crore. The Bank reserves the right to accept lesser amount of Bond without assigning any reasons.
IX	Long Term Subordinated Bonds (LTSB) are unsecured and shall not be transferable.
X	LTSB is a part of Tier II capital and is not a normal "deposit" and would not mature for redemption before ten years. Repayment of Long Term Subordinated Bonds (LTSB) at maturity shall be made by the Bank only after obtaining prior approval of the Reserve Bank of India.

Sr. No.	Salient Features
XI	Long Term Subordinated Bond (LTSB) is not a “deposit” and hence nomination facility under section 45ZA of the Banking Regulation Act, 1949 (AACSB) is not available. However, nomination facility for Long Term Subordinated Bond (LTSB), being capital instrument, is available to the members and nominal members of the Bank, under the respective provisions of Multi-State Co-operative Societies Act’ 2002 and Bye-Laws of Saraswat Co-operative Bank Ltd. Hence, only such LTSB holders, who are members / Nominal members, of our bank can avail the LTSB nomination facility.
XII	The Long Term Subordinated Bonds (LTSB) holder/s, who is a member/nominal member, may by signing a LTSB Nomination Form nominate any person to receive the Long Term Subordinated Bonds (LTSB) from the Bank on the death of the sole Long Term Subordinated Bond (LTSB) holder / death of the last surviving (LTSB) holder as available under the provisions of Multi State Co-operative Societies Act, 2002 and the Bye laws of Saraswat Co-operative Bank Ltd.
XIII	If any non-member holder/s of LTSB intends to avail nomination facility, then such holder/s has / have to apply for nominal membership of our bank for the purpose of the LTSB Nomination.
XIV	If there is no nomination, the Bank shall transfer the said Long Term Subordinated Bonds (LTSB) to any such person or persons as may appear to the Board of Directors to be entitled to receive the same as heir/s or legal representative/s of the deceased Long Term Subordinated Bonds (LTSB) holder/s, a sum representing the value of such LTSB / bond as ascertained in accordance with the Bye-Laws of the Bank on his/her executing a deed of indemnity to the Bank and the Bank shall thereupon be absolved from all liability in respect of such bond / LTSB.
XV	Interest income from Long Term Subordinated Bonds (LTSB) is subject to Tax deduction at Source (TDS) as per the Income Tax Act, 1961 as applicable from time to time.
XVI	<b>No advances / overdrafts will be granted against the security of Long Term Subordinated Bonds (LTSB) issued by the Bank.</b>
XVII	<b>Facility of premature withdrawal/closure for these Long Term Subordinated Bonds (LTSB) is not available.</b>
XVIII	<b>The Bank will not recognize any lien, charge or other encumbrance on the Long Term Subordinated Bonds (LTSB).</b>
XIX	<b>Long Term Subordinated Bonds (LTSB) is not a “deposit” and hence Investors of LTSB will not be eligible for insurance cover from the Deposit Insurance &amp; Credit Guarantee Corporation (DICGC).</b>
XX	<b>The option of “Cumulative” interest on bond is not available under Long Term Subordinated Bonds (LTSB).</b>
XXI	<b>LTSB Issue 2024-25 Series - X shall not have a " Put Option" or a " Step Up Option".</b>
XXII	Interest on LTSB bonds ceases to be payable from the date of maturity of Long Term Subordinated Bonds.

Sr. No.	Salient Features
XXIII	In case of LTSB holder, holding LTSB with our Bank, interest will be credited to the savings/current account of such LTSB holder. In case of LTSB holder maintaining an account with other bank, the interest will be paid by National Electronic Clearing Services (NECS) to the LTSB holder.
XXIV	In case any interest payment date(s) and /or date(s) of redemption fall on a holiday, Sunday or any public holiday declared under the Negotiable Instrument Act 1881, the interest/redemption of principal will be made on the next working day (i.e. a day on which banks are open for business).
XXV	On maturity, the repayment of principal amount of Long Term Subordinated Bonds (LTSB) will be made by credit to the savings / current account of the LTSB account holders or by NECS in the case of non-account holders.
XXVI	Long Term Subordinated Bonds (LTSB) will be subordinated to the claims of depositors and other creditors but would rank senior to the claims of investors in instruments eligible for inclusion in Tier I capital and holders of preference shares (both Tier I and Tier II). Among investors of instruments included in Lower Tier II (including outstanding LTSB's if any), the claims shall rank pari-passu with each other.
XXVII	The Long Term Subordinated Bonds (LTSB) Certificate will be issued only in physical form.
XXVIII	Investors in Long Term Subordinated Bonds (LTSB) will not have voting rights.
XXIX	All disputes / transactions are subject to the jurisdiction with the competent courts in Mumbai, India.

## 5. HOW TO APPLY ?

- Each applicant (including the joint applicants) should mention his/her PAN Number on the application form.
- Bond under LTSB would be subject to adherence to the KYC guidelines.
- Cheque(s) / Demand Draft(s) should be drawn in favour of "Saraswat Co-operative Bank Ltd. LTSB 2024-25 Series - X" and crossed "Account Payee Only" payable at any center where the Bank's branches are located.
- The full value of the Long Term Subordinated Bonds (LTSB) applied for is to be paid along with the said application form.
- Applicant should indicate the application number and name of first applicant on the reverse of Cheque(s) / Demand Draft(s) through which the payment is made.
- The Cheque(s) / Demand Draft returned unpaid by other bank will not be relodged and the said LTSB application form will stand rejected.
- The Bank reserves the right to reject incomplete application form without assigning any reasons thereof.

**6. DISCLAIMER :****GENERAL DISCLAIMER:**

This Offer Document is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in accordance with the stipulations issued by the Reserve Bank of India vide Circular No.RBI/2024-25/09 DOR.CAP.REC.5/09.18.201/2024-25 dated April 01, 2024. The Bank certifies that the disclosures made in this document are generally adequate and are in conformity with the Reserve Bank of India regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue.

**DISCLAIMER OF THE ISSUER :**

The Bank confirms that the information contained in this Offer Document is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Bank has been made available in this Offer Document for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Bank accepts no responsibility for statements made otherwise than in this Offer Document and anyone placing reliance on any other source of information would be doing so at his/her/their own risk. No person other than the Bank's authorized employees has been authorized to give any information or to make any representations not confirmed in this Offer Document in connection with this Offer. Any information or representations not contained herein must not be relied upon as having been authorized by the Bank.

This Offer Document sets forth concisely the information about the LTSEB's that a prospective investor ought to know before investing. Investors should carefully read the Offer Document before making an investment decision. This Offer Document remains effective until a material change occurs. As required, a copy of this Offer Document has been submitted to the Reserve Bank of India.

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**Arti Patil**  
Managing Director & CEO