

The Chandigarh State Cooperative Bank Limited Chandigarh
BALANCE SHEET AS ON 31.03.2019

CAPITAL & LIABILITIES

PROPERTY AND ASSETS

Amount as on 31.3.18 (In Rs.)	PARTICULARS	Amount as on 31.03.19 (In Rs.)	TOTAL	Amount as on 31.03.18 (In Rs.)	PARTICULARS	Amount as on 31.03.19 (In Rs.)	TOTAL
	i) Authorized Capital 500000 Shares of Rs.100/- each share			53009214.00	1 Cash in Hand. With Reserve Bank of India, State Bank of India, State Cooperative Bank, Central Cooperative Bank and Nationalized Banks	47512950.00	47512950.00
16081600.00	ii) Subscribed Capital of 168766 shares of Rs.100/-each less calls unpaid of (iii) above held by	16876600.00			2 Balance with other Banks		
1481700.00	a) Individuals	1481700.00		222542209.91	i) Current deposit	212386822.47	
825900.00	b) Cooperative Societies	825900.00		-	ii) Saving deposits	-	
13774000.00	c) State Government	14559000.00	16876600.00	-	iii) Fixed deposit	-	
780000.00	2 Nominal Membership fees	813800.00	813800.00	7825.00	iv) P.B. Lahore account	7825.00	212394647.47
	3 RESERVE FUND & OTHER RESERVES			-	3 Money at call short notice	-	
251555.55	i) Statutory Reserve	251555.55			4 Investments		
259286.00	ii) Agricultural credit stabilization fund	287065.00		708402500.00	i) In central and state Govt. securities (at book value) Market value Rs.	896447215.00	
60086703.00	iii) Building fund	60086703.00		200060.00	ii) Other Trustee securities	200000.00	
2101.00	iv) Dividend equalization fund	2101.00		-	iii) Shares in Cooperative institution other than in item(5) below	-	
5560.00	v) Special bad and doubtful debts	5560.00		2133965000.00	iv) Others	2570000000.00	3466647215.00
163475307.00	vi) Bad & doubtful debts reserve (Provisions)	163475307.00	224088291.55		5 INVESTMENT OUT OF THE PRINCIPAL/ SUBSIDIARY STATE PARTNERSHIP FUND		
	OTHER FUNDS & RESERVES				In share of		
101606667.51	a) Reserve fund	101606667.51		-	i) Central Coop Banks	-	-
947.34	b) Share Transfer Fund	947.34		-	ii) Primary Agr. Credit societies	-	-
8527.00	c) Depreciation Reserve Fund	8527.00		-	iii) Other societies	-	-
11078358.50	d) Common good Fund	11078358.50		-	iv) Share of Industrial Fin. Corporations	-	-
1768.50	e) Cooperative Propaganda Fund	1768.50			6 Advances		
535.50	f) Cooperative Development Fund	535.50		601369920.70	i) Short term loans cash credit, overdraft and bill discounted of which secured against	607172335.68	-
178.20	g) Appreciation on Building	178.20	112696982.55		a) Govt. & other approved securities -		
	4 PRINCIPLE/SUBSIDIARY STATE PARTNERSHIP FUND A/C				b) Other tangible securities of Rs.71961681.92 of the advances and other secured loans of Rs.533700000.00 amount due from Individuals Rs. 607168626.66 of the advances amount over dues Rs 9115613.36 considered bad and doubtful of Rs.3959135.76 of recovery		
	For share capital of:-						
	a) Central Coop. Bank	-	-				
	b) Primary Agr. Credit Societies	-	-				
	c) Other Societies	-	-				
	5 DEPOSIT OF OTHER ACCOUNTS						
	i) FIXED DEPOSITS						
1437468239.00	a) Individuals	1602106447.00					
	b) Central Cooperative banks	-					
242981122.00	c) Other Societies	302322898.00	1904429345.00				
	ii) SAVING BANK DEPOSIT						
2031934917.89	a) Individuals	2437986132.81					
	b) Central Cooperative Banks	-					
129885353.19	c) Other Societies	133128000.18					
5605.96	d) S.B Reserve fund	5605.96	2571119738.95				
4195914333.14	Total		4830024758.05	3118126748.91	Total		3726554812.47

CAPITAL & LIABILITIES

PROPERTY AND ASSETS

Amount as on 31.3.18(In Rs.)	PARTICULARS	Amount as on 31.03.19(In Rs.)	TOTAL	Amount as on 31.3.18(In Rs.)	PARTICULARS	Amount as on 31.03.19 (In Rs.)	TOTAL
4195914333.14	B/F		4830024758.05	3118126748.31	B/F		3726554812.47
	iii) Current Deposits				ii) Medium Term Loans		
66843566.71	a) Individuals	62301898.45		256883048.37	Of which secured against	245295063.31	
-	b) Central Cooperative Banks	-			a) Govt. & other approved securities -		
1957383.05	c) Other societies	781384.05	63083282.50		b) Other tangible securities of Rs.134063932.81		
1009603.00	iv) Money at call short Notice	816303.00	816303.00		of the advances amount due from Individuals		
	6 BORROWINGS				of Rs.244605319.65 of the advances amount over		
-	i) From the Reserve Bank of India,State/Central Coop. Banks	-	-		dues Rs.35223391.91 considered bad and doubtful		
	a)Short Term loans,cash credit and overdraft of which secured against				of Rs.26356853.91 of recovery		
-	A) Govt. and other approved securities	-	-				
-	B) Other tangible securities	-	-		iii) Long Term Loans		
-	b) Medium Term Loans of which secured against:	-	-	437639482.50	Of which secured against	412386467.58	
-	A) Govt. & other approved securities	-	-		a) Govt. & other approved securities -		
-	B) Other tangible securities	-	-		b) Other tangible securities of Rs.412386467.58		
-	c) Long term loans of which secured against:	-	-		of the advances amount due from Individuals		
-	A) Govt and other approved securities	-	-		of Rs. 412386467.58 of the advances amount over		
-	B) Other tangible securities	-	-		dues Rs.2688000.00 considered bad and doubtful		
-	ii) From the State Bank of India	-	-		of Rs.1424244.00 of recovery		1264853866.57
	a)Short Term loans,cash credit and overdraft of which secured against	-	-		7 INTEREST RECOVERABLE		
-	A) Govt. and other approved securities	-	-	14316039.52	Of which overdues Rs.1731855.66 considered bad and doubtful of recovery	14484523.52	14484523.52
-	B) Other tangible securities	-	-	227053.00	8 Bills receivable being bills for collection as per contra	27053.00	27053.00
-	b) Medium Term Loans of which secured against:	-	-	0.00	9 BRANCH ADJUSTMENT	0.00	0.00
-	A) Govt. & other approved securities	-	-	10179880.92	10 PREMISES LESS DEPRECIATION	9579592.92	9579592.92
-	B) Other tangible securities	-	-	12656467.06	FURNITURE AND FIXTURE LESS DEPRECIATION		
-	c) Long term loans of which secured against:	-	-	1643834.00	(of which Plant & Machinery Rs.5120623.89)	12204094.07	12204094.07
-	A) Govt and other approved securities	-	-		12 VEHICLE A/C	1400360.00	1400360.00
-	B) Other tangible securities	-	-	522.00	13 OTHER ASSETS:		
-	iii) From the State Govt.	-	-	8976.90	a) Postage Imprest Account	1129.00	
	a)Short Term loans,cash credit and overdraft of which secured against				b) Library	8976.90	
-	A) Govt. and other approved securities	-	-	91.00	c) Stock of books for sale	91.00	
-	B) Other tangible securities	-	-	166860.60	d) Security of Electricity ,Telephone & water Meter.	166860.60	
-	b) Medium Term Loans of which secured against:	-	-	9575.60	e) Advance a/c	9575.60	
-	A) Govt. & other approved securities	-	-	85.00	f) Advance to liquidator	85.00	
-	B) Other tangible securities	-	-	0.00	g) Intt payable on FD Deposit	0.00	
-	c) Long term loans of which secured against:	-	-	9871800.00	h) Advance tax paid	20301500.00	
-	A) Govt and other approved securities	-	-	163168.00	i) TDS deducted on investment	1109102.00	
-	B) Other tangible securities	-	-		j) Recoverable Income Tax (2013-14 659450.00,2014-15 1437890.00,(4000000.00 CITappeal pending),2015-16 1000000.00 (CITappeal pending),2016-17 2260.00, 2017-18 5318170.00	12417770.00	
-		-	-	12417770.00	k) TDS Recovery	39009.00	
-		-	-	15785.00	l) RTGS/NEFT	0.00	
-		-	-	820517.26	m) ATM Acquirer settlement	1338500.00	
-		-	-	1797100.00	n) Deaf A/c	776961.00	
-		-	-	178059.00	o) Borrowings against FDR with Bank	0.00	36169560.10
-		-	-	0.00			
4265724885.90	Total		4893924343.55	4478492784.34	Total		5065273862.65

CAPITAL & LIABILITIES			PROPERTY AND ASSETS				
Amount as on 31.3.18 (In Rs.)	PARTICULARS	Amount as on 31.03.19 (In Rs.)	TOTAL	Amount as on 31.3.18(In Rs.)	PARTICULARS	Amount as on 31.03.19 (In Rs.)	TOTAL
4265724885.90	B/F		4893924343.55	4478492784.34	B/F		5065273862.65
227053.00	7 Bills for collection being bills receivable as per contra	27053.00	27053.00	8129810.00	o) Interest Accrued But Not Due SLR	21974546.00	21974546.00
0.00	8 Branch adjustments	0.00	0.00	27298356.00	p) Interest Accrued But Not Due Non SLR	99873930.00	99873930.00
1731855.66	9 a. Overdue Interest reserve	1731855.66		375000.00	Q) Security of Building	375000.00	375000.00
1389480.78	b. Interest receivable (NPA Interest)	1389480.78	3121336.44	48550.96	R) IMPS	102576.00	102576.00
2978846.95	10 Interest payable	3384436.34	3384436.34	818584.69	S) GST recoverable	2350440.86	2350440.86
	11 Other liabilities						
1609254.28	I) Sundry A/c	1610619.43					
150000.00	II) Audit fee payable	200000.00					
45900.00	III) Share purchase	45900.00					
12473703.00	IV) Demand draft	9943644.52					
0.00	V) Deaf Fund A/c	0.00					
28.00	VI) Cash Credit Limit	0.00					
602060.00	VII) Dividend payable to share holders	602060.00					
46892.80	VIII) Limit Against FDR	46892.80					
1550521.35	IX) ATM Issuer Settlement	668102.06					
705838.00	X) Application money by recruitment	705838.00					
143940.34	XI) GST Payable	127392.21					
11195.00	XII) Service Tax Payable ATM/POS	0.00					
318.00	XIII) APY Contribution	0.00					
227566.00	XIV) Limit Agn NSC	0.00					
10411423.00	XV) Provision for Income Tax	21169550.00					
0.00	XVI) Govt audit Fee Collection	500.00					
0.00	XVII) Service Tax Payable	27800.00					
0.00	XVIII) Earnest money	50000.00					
0.00	XIX) Clearing	30000.00	35228299.02				
	12. PROFIT AND LOSS						
159408376.49	Profit as per Last Balance sheet	214843080.93					
	Profit for the year 2017-18 Rs.55723947.44						
	Less: Tax paid (10700666-10411423) Rs. 289243.00						
	Balance of profit Rs. 55434704.44						
	Yearwise detail of Profit after tax as under :-						
	31.03.12 Rs.29992193.55						
	and 31.03.13 Rs.22060298.67						
	and 31.03.14 Rs.27773187.32						
	and 31.03.15 Rs.32917944.15						
	and 31.03.16 Rs.27744302.45						
	and 31.03.17 Rs.18920450.35						
	and 31.03.18 Rs.55434704.44						
	Total Rs.214843080.93						
55723947.44	Add. Profit & loss for the year brought from the profit and loss account	39421806.23	254264887.16				
4515163085.99	GRAND TOTAL		5189950355.51	4515163085.99	GRAND TOTAL		5189950355.51

(3)

Sd/-
Baljit Singh
Accountant

Sd/-
Kuldeep Kaur
Assistant Manager

Sd/-
Jagdish Chander
Inspector(Audit) GR-I
Coop. Societies, Chandigarh

Sd/-
Kuldeep Kaur
General Manager

Sd/-
Nazuk Kumar (IAS)
Administrator

For Navneet & Company
Chartered Accountants
Firm Reg. No. 016128N
Navneet Gupta
FCA Partner
M. No. 096786

THE CHANDIGARH STATE COOPERATIVE BANK LIMITED, CHANDIGARH
PROFIT AND LOSS A/C FOR THE YEAR ENDING 31.03.2019

EXPENDITURE				INCOME			
Amount as on 31.03.18 (In Rs.)	PARTICULARS	Amount as on 31.03.19 (In Rs.)	TOTAL	Amount as on 31.03.18 (In Rs.)	PARTICULARS	Amount as on 31.03.19 (In Rs.)	TOTAL
179165591.48	1 Interest on deposit	196446066.39	196446066.39	136712467.91	1 Interest on advances and discount	131821106.16	131821106.16
85256.20	2 Interest on borrowing (Agst FDR)	107608.00	107608.00	201218914.00	2 Interest and dividend on investment	220952330.00	220952330.00
73871654.95	3 Salaries, allowances, provident fund & gratuity etc	77308010.00	77308010.00	3201132.93	3 Commission exchange and brokerage	3360539.90	3360539.90
0.00	4 Directors & local committee members fee & allowances	0.00	0.00	-	4 Subsidies and donations	-	-
5882962.00	5 Rent, taxes, insurance, lighting etc.	6220696.00	6220696.00	-	5 Income from non banking assets and profit from sale or dealing with such non-banking assets	-	-
424250.87	6 Postage, telegrams and telephone charges	410095.66	410095.66	-	6 Other receipts (Specify)	-	-
261172.00	7 Law charges	238840.00	238840.00	1164400.00	a) Locker rent	671930.83	
98500.00	8 Audit Fee	150890.00	150890.00	0.00	b) Misc. income	0.00	
2896780.00	9 Depreciation (on Bldg.600288+on veh.247124+ on Fur & Fix 1294680.89+ on plant & Mach. 873886.82)	3015989.71	3015989.71	20520.00	c) Application fee	27743.00	
917309.00	10 Stationery printing and advertisements	460464.75	460464.75	1058169.10	d) Income on ATM / POS	1958628.37	
-	11 Loss from sale of or dealing with non- banking assets	-	-	10349.00	e) REIMB of admn expns	8569.00	
0.00	12 Provisions for bad & doubtful debts (NPA)	0.00	0.00	0.00	f) Incentive on APY	2400.00	2669271.20
10411423.00	13 Provision for Income Tax	21169550.00	21169550.00				
	14 OTHER EXPENDITURE (SPECIFY)						
812568.06	a) General charges	903355.19					
549056.04	b) Entertainment	521730.26					
661135.31	c) Clearing charges	662339.41					
70817.00	d) T.A. to staff	105870.00					
107716.43	e) Vehicle expenses	107810.00					
212734.00	f) Petrol/Diesel charges	234438.00					
99310.57	g) Water charges	101262.73					
230000.00	h) Membership Fee NAFSCOB	218000.00					
5750.00	i) Membership fee paid to IIBF	5900.00					
14783.00	j) Lease Money A/c ground rent	14783.00					
3916025.94	k)CBS expenses	4347671.74					
431073.00	l) Sweeper Charges	423696.00					
409000.00	m) DICGC Premium paid	3984328.39					
58700.00	n)Conveyance Charges	56800.00					
5450.00	o)CKYC Expenses	22737.50					
642188.00	p) ATM Expenses	546889.72					
0.00	q) Training Fees	0.00					
40597.97	r) Credit Info Co Expenses	42050.00					
1645273.00	s)Service Charges Paid On SBI FCC	1386274.81					
1495.00	t) POS Machine expenses	0.00					
27592.68	u) ATM Issuer Fees	1995.77					
3780.00	v)GST Paid	21498.60					
0.00	w) Professional Fees	126359.40					
21060.00	x)Building Repair	17440.00	13853230.52				
55723947.44	y)Profit during the year	39421806.23	39421806.23				
343385952.94	GRAND TOTAL		358803247.26	343385952.94	GRAND TOTAL		358803247.26

(4)

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Sd/-
Jagdish Chander
Inspector (Audit) GR-
Coop. Societies, Chandigarh

THE CHANDIGARH STATE COOPERATIVE BANK LTD., CHANDIGARH

ASSETS CLASSIFICATION DURING THE YEAR 2018-19

(Amount In Rs.)

1	ASSETS CLASSIFICATION	AMOUNT	Provision Reqd.	Provision Outstanding as on 31.03.2019
	LOANS			
A}	Standard	976068975	3904276	
	Standard	216300000	10815000	
B}	Sub Standard			
	i)Sub Standard Secured	25634572	2563457	
	ii)Sub Standard Un-Secured	15110086	15110086	
C}	Doubtful Secured			
1	3-4 Years	574446	114889	
2	4-6 Years	1874036	562211	
3	Above 6 years	2420697	2420697	
D}	Doubtful Unsecured (Above 3 Years)	25244152	25244152	
E}	Loss Assets	1626903	1626903	
	TOTAL {1}	1264853867	62361671	83475307
2	OTHER ASSETS			
i)	Investments	80000000	80000000	80000000
	TOTAL (2)	80000000	80000000	80000000
	TOTAL {1+2}	1344853867	142361671	163475307

CS)

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Accountant

Sd/-
Kuldeep Kaur
Assistant Manager

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For Navneet & Company
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THE CHANDIGARH STATE COOPERATIVE BANK LIMITED, CHANDIGARH

NOTES TO THE ACCOUNTS

(Fig. Rs. in Lakh)

Sr. No	Particulars	Position of the bank as on 31.03.2019
1	Investments – (only SLR) – with break-up under permanent and current category – Under current category with the following break-up	-
	(a) Book Value and Face Value of Investments	8964.47
	(b) Market Value of Investments	-
	[Further, as regards Non-SLR investments, instructions for disclosure already issued vide RBI Circular RPCD.CO.RF.BC.No. 65/07.02.03/ 2003-04 dated February 23, 2004 should be strictly adhered to]	25702.00
	▷ All the investments are in temporary category till maturity.	-
	▷ Book value and face value are same.	-
	▷ Bank is not trading in SLR and Non SLR investments.	-
2	Advances to directors, their relatives, companies/firms in which they are interested.	
	(a) Fund-based	101.03
	(b) Non-fund based (Guarantors, L/C, etc.)	-
3	Cost of Deposits – Average cost of Deposits	4.20
4	NPAs	
	(a) Gross NPAs	724.85
	(b) Net NPAs	41.96
	(c) Percentage of gross NPAs to total advances	5.73%
	(d) Percentage of Net NPAs to net advances	0.36%
5	Movement of NPAs	-13.37
6	Profitability	
	(a) interest income as a percentage of working funds	7.54
	(b) Non-Interest income as a percentage of working funds	0.12
	(c) Operating profit as a percentage of working funds	1.29
	(d) Return on Assets	0.84
	(e) Business (Deposits + Advances) per employee	691.57
	(f) Profit per employee	4.99

Sr. No.	Particulars	Position of the bank as on 31.03.2019
7	Provisions	
	(a) Provisions on NPAs required to be made	623.62
	(b) Provisions on NPAs actually made	834.75
	(c) Provisions required to be made in respect of overdue interest taken into income account, gratuity fund, provident fund, arrears in reconciliation of inter-branch account etc.	0.00
	(d) Provisions actually made in respect of overdue interest taken into income account, gratuity fund, provident fund, arrears in reconciliation of inter-branch account etc.	0.00
	(e) Provisions required to be made on depreciation in investments	800.00
	(f) Provisions actually made on depreciation in investments.	800.00
8	Movement in Provisions	
	(a) Towards NPAs	-27.51
	(b) Towards depreciation on investments	-
	(c) Towards standard assets	-4.73
	(d) Towards all other items under 7 above	-32.24
9	Payment of insurance premium to the DICGC, including arrears, if any	39.84
10	Penalty imposed by RBI for any violation	0.00
11	Information on extent of arrears in reconciliation of inter-bank and inter-branch accounts.	-
12	CRAR	34.22%

Contingent Liability

Bank Gurantee

(Figure in Rs.)

Outstanding as on 31.03.2019	4567495.00	
DEAF	Current Year 2018-19	Previous Year 2017-18
Opening balance of amounts transferree to DEAF	9641169.00	9186768.00
Add: Amounts transferred to DEAF during the year	1150209.00	457260.00
Less: Amounts reimbursed by DEAF towards claims	11500.00	2859.00
Closing balance of amounts transferred to DEAF	10779878.00	9641169.00

THE CHANDIGARH STATE COOPERATIVE BANK LIMITED, CHANDIGARH

(i) Issuer Composition of Non-SLR Securities

As on
31.03.2019

(Fig. Rs. in Lakh)

Sr. No.	Issuer	Amount	Extent of below investment grade Securities	Extent of uprated Securities already invested	Extent of unlisted Securities
(1)	(2)	(3)	(4)	(5)	(6)
1	PSUs	0.00	0.00	0.00	0.00
2	FIs	0.00	0.00	0.00	0.00
3	Public Sector Banks	24900.00	0.00	0.00	0.00
4	Mutual Funds	0.00	0.00	0.00	0.00
5	Others	802.00	0.00	0.00	0.00
6	Provision held towards depreciation	800.00	0.00	0.00	0.00
	Total	24902.00	0.00	0.00	0.00

(ii) Non-performing Non-SLR Investments

Sr. No.	Particulars	Amount (Rs. in Lakh)
1	Opening Balance	800.00
2	Addition during the year since 1st April	0.00
3	Reduction during the above period	0.00
4	Closing Balance	800.00
5	Total provision held	800.00

(₹)

Sd/-
Baljit Singh
Accountant

Sd/-
Kuldeep Kaur
Assistant Manager

Sd/-
Kuldeep Kaur
General Manager

Sd/-
Nazuk Kumar (IAS)
Administrator

Sd/-
Jagdish Chander
Inspector (Audit) GR-I
Coop. Societies, Chandigarh

For Navneet & Company
Chartered Accountants
Firm Reg. No. 016128N
Navneet Gupta
FCA Partner
M. No. 096786

AUDITOR'S CERTIFICATE

We, the undersigned Auditors of the Chandigarh State Cooperative Bank Limited, Chandigarh report on the Balance Sheet and Accounts of the Bank as on 31st March 2019

We have examined the foregoing balance sheet of the Chandigarh State Cooperative Bank Limited, Chandigarh as on 31st March 2019 and Profit and Loss Accounts, Assets Classification and Annexure (as per format specified by RBI) of the Bank for the year ended upon that date with accounts relating thereto of Head Office and branches and with the returns submitted and certified by the Branch Managers, which returns have been incorporated in the foregoing Balance Sheet and Accounts:-

Subject to our annexed observations, we report that:-

1. In our opinion, the Balance Sheet drawn is a full and fair one containing all the necessary particulars and is properly drawn up so as to exhibit a true and correct view of affairs of the bank accounting to the best of our information and explanations given to us and as shown by the books of the Bank.
2. Where we have called for any explanation and information such explanation and information have been given to us, which found satisfactory.
3. The transactions of the Bank which have come to our notice have been within the competence of the Bank.
4. The Profit and Loss Account shows a true balance of profits for the year covered by such account.
5. Head-wise NPAs prepared by the Bank have been checked and found correct and provisions made as per RBI norms.
6. In our opinion, Balance Sheet and Profit and Loss Account are drawn up in conformity with laws.
7. In our opinion, Books of Accounts have been kept by the Bank as required by law.

(9)

sd
**Inspector (Audit) GR-1
Cooperative Societies
U.T., Chandigarh**

INDEPENDENT AUDITOR'S REPORT

To The Administrator of

The Chandigarh State Co-operative Bank Limited

Auditor's Opinion

We have audited the financial statements of The Chandigarh State Co-operative Bank Limited which comprise the balance sheet as at 31st March 2019, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies..

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters specified in the basis for qualified opinion paragraph and in Long Form Audit Report, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

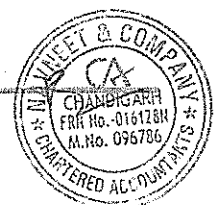
- a) In the case of the Balance Sheet, of the state of affairs of the Bank as at March 31, 2019;
- b) In the case of the Profit and Loss, profit for the period April 01, 2018 to March 31, 2019.

Basis for Qualified Opinion

1. Appropriation of the profits to statutory reserves & other reserves has not been made by the bank. This has resulted in showing of excess profits available for dividend.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Management's Responsibility for the standalone Financial Statements.

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the entity in accordance with the Banking Regulation Act, 1949, complying with Reserve Bank of India guidelines issued from time to time, regulatory norms prescribed by NABARD. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditors' Responsibility

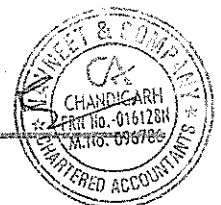
Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Bank's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Report on Other Legal and Regulatory Requirements

1. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949;
2. Subject to the limitations of the audit as indicated in the paragraphs above, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Bank sofar as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss dealt with by this report are in agreement with the books of Account.

For Navneet & Company
Chartered Accountants
Firm Reg. No.: 016128N

Sd-

Navneet Gupta
FCA. Partner
M. No. 096786
UDIN: 19096786AAAADD8972

Place: Chandigarh
DATE: 16-09-2019