

TIRUPATI URBAN CO-OP. BANK LTD., NAGPUR

Particulars	Current Year 31.03.2023	(Amt in Rs.) Previous Year 31.03.2022
VI. Income earned by way of dividends, etc. from subsidiaries / companies and / or joint ventures abroad / in India	5,100.00	5,100.00
VII. Miscellaneous Income	-	-
i. Excess Provision of Investment Fluctuation Fund	-	-
ii. Bad Debts earlier written of, now recovered	541,400.00	469,163.00
iii. Excess Investment Deprecation Reserve reversed	9,287,870.00	-
iv. Excess Provision for Ex-Gratia Interest reversed	1,000,000.00	-
v. Excess Provision any other, written back (Standard Assets)	-	2,500,000.00
Total	47,105,473.70	36,610,548.28
(Note: Under items II to V loss figures shall be shown in brackets)		
Schedule 15 - Interest Expended – on Deposits & Borrowings		
I. Interest on deposits	349,270,809.23	448,712,715.42
II. Interest on Reserve Bank of India/Inter-bank borrowings	4,299,304.00	264,886.00
III. Others	-	-
Total	353,570,113.23	448,977,601.42
Schedule 16 - Operating Expenses		
I. Payments to and provisions for employees, as above - -		
a. Salary & Allowances	68,469,961.00	58,281,461.40
b. Bonus & Ex-Gratia	6,850,000.00	7,695,000.00
c. Employee Group Gratuity	2,424,521.00	2,209,923.00
d. Provident Fund Contribution	6,861,914.00	6,382,732.00
e. Others	5,654,373.00	51,12,141.00
II. Rent, taxes and lighting	22,521,347.00	21,461,058.04
III. Printing and stationery	1,812,745.53	1,712,895.03
IV. Advertisement and publicity	4,846,597.29	3,335,672.41
V. Depreciation on bank's property	7,508,024.83	7,767,274.28
VI. Director's fees, allowances and expenses	341,690.00	292,340.00
VII. Auditors' fees and expenses (including branch auditors)	2,996,140.00	3,311,295.00
VIII. Legal & Professional charges	11,764,147.83	6,379,492.36
IX. Postages, Telegrams, Telephones, etc.	785,195.02	1,421,481.13
X. Repairs and maintenance	9,487,553.97	5,962,307.14
XI. Insurance	10,004,243.18	9,893,930.48
XII. GST Paid	5,311,336.48	4,607,017.31
XIII. Other expenditure	93,066,056.73	1,53,76,435.81
Total	260,705,846.86	161,202,456.39
Schedule 17 - Provisions & Contingencies		
1) Prov.For Restructured Standard Assets	-	15,000,000.00
2) Provision For Sub-Standard Assets.	13,000,000.00	21,000,000.00
3) Provision For Leave Encashment.	5,500,000.00	3,700,000.00
4) Goi Premium Amortisation	2,961,005.00	3,023,552.00
5) Special Res. For Long Term Finance	1,000,000.00	1,000,000.00
6) Provision Investment Depreciation Reserve	-	51,251,258.64
7) Provision For NPI (Investment)	-	19,000,000.00
8) Provision For Ex-Gratia (Interest)	-	1,000,000.00
Total	22,461,005.00	114,974,810.64

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Tirupati Urban Co-operative Bank Ltd.,

issued by the Registrar of Cooperative Societies, Maharashtra, the Maharashtra Co-operative Societies Act, 1960, and the Maharashtra Co-operative Societies Rules, 1961, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Report on the Financial Statements

1. We have audited the accompanying financial statements of Tirupati Urban Co-operative Bank Ltd (the Bank) as at 31st March 2023, (GSTN : 27AAAAT5051D12S) which comprise the Balance Sheet as at 31st March 2023, and the Profit and Loss Account, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The returns of 16 branches audited by us are incorporated in these financial statements.

8. 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 for the year ended March 31st 2023. These matters were addressed in the context of our audit of financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be Key Audit Matters to be communicated in our report:

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Banking accordance with the Banking Regulation Act, 1949 (as applicable to co-operative societies), the guidelines issued by the Reserve Bank of India and the guidelines issued by the, the Registrar of Cooperative Societies, Maharashtra, the Maharashtra Co-operative Societies Act, 1960, and the Maharashtra Co-operative Societies Rules, 1961, (as applicable) and generally accepted accounting principles in India so far as applicable to the Bank. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Key Audit Matters

Classification of Advances, Income Recognition, Identification of and provisioning for non-performing Advances.
Considering the nature of the transactions, regulatory requirements, exiting business environment, estimation / judgment involved in valuation of securities, it is a matter of high importance for the intended users of the Financial Statements. Considering these aspects, we have determined this as a Key Audit Matter.

How the matters was addressed in our audit

Our audit approach towards advances with reference to the IRAC norms and other related circulars / directives issued by the RBI and also internal policies and procedures of the Bank includes the testing of the following:

- The accuracy of the data input in the system for income recognition, classification in to performing and non performing Advances and provisioning in accordance with the IRAC norms in respect of the bank.
- Existence and effectiveness of monitoring mechanisms such as Internal Audit, System Audit, Stock Audit & Concurrent Audit as per the policies and procedures of the Bank.
- Examination of advances including stressed advances on a sample basis with respect to compliance with the RBI Master Circulars / Guidelines.
- In carrying out substantive procedures of the bank, we have examined all large advances and other advances on a sample basis.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the 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 misstatements.

4. 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 control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Report on Other Legal & Regulatory Requirements

9. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949 and provisions of the Maharashtra Co-operative Societies Act, 1960 and the Maharashtra Co-operative Societies Rules 1961.

Opinion

6. 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 matter described in the Basis for Qualified Opinion section of our report the aforesaid financial statements together with the Notes thereon give the information required by the Banking Regulation Act, 1949 (as applicable to co-operative societies) and also as amended by the Banking Regulation (Amendment) Act, 2020, the Maharashtra Cooperative Societies Act, 1960, the Maharashtra Cooperative Societies Rules, 1961) and the guidelines issued by Reserve Bank of India and Registrar of Cooperative societies, Maharashtra 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 state of affairs of the Bank as at 31st March 2023;

(b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

10. We report that:

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found to be satisfactory;
- In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches/offices;
- The transactions of the Bank which have come to our notice are within the powers of the Bank;
- The Balance Sheet and the Profit and Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of account and the returns;
- The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to Banks.

11. The details as required by the Rule 69(6) of Maharashtra Co-operative Societies Rules 1961 are given in the audit memorandum separately.

12. We further report that for the year under audit, the Bank has been awarded "A" classification.

For Kumar & Jayakrishnan
Chartered Accountants
FRN: 113708W

--Sd/--

CA. G. Vishwamber Kumar
Partner Membership No: 100861
UDIN: 23100861BGUZW1449
Place of Signature: Nagpur Date: 28-06-2023

Basis of Opinion

7. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. We are independent of the Bank in ethical requirements that are relevant to our audit in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and other relevant provisions of the Banking Regulation Act 1949 (as applicable to co-operative societies), the guidelines issued by the Reserve Bank of India and the guidelines