



# Ramesh Sunil & Associates

Chartered Accountants

## Audit Classification

We have audited the Balance Sheet of **The Chiplun Urban Co-Operative Bank Ltd., Chiplun** as on **31<sup>st</sup> March, 2018** and also Profit & Loss Account annexed thereto for the year ended on that date and we report that audit class '**A**' has been given to the bank for the year **2017-2018**, as per norms prescribed for audit classification of Urban Co-Op. Banks by the Registrar of Co-Operative Societies, Maharashtra.

For Ramesh Sunil & Associat  
Chartered Accountants  
(Firm Reg. No. 114473W)

Place: Chiplun  
Date: 12/07/2018



CA Sunil R. Shetty  
Partner  
Membership No. 047559  
Panel No. 10297



PARTNERS

**RAMESH B. SHETTY** B.Com., F.C.A.

**SUNIL R. SHETTY** B.Com., F.C.A. D.I.S.A. (I.C.A)

*Ramesh Sunil & Associates*

**CHARTERED ACCOUNTANTS**

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## INDEPENDENT AUDITOR'S REPORT

To,

**The Members of**

**The Chiplun Urban Co-operative Bank Ltd., Chiplun**

**Bazar Peth, Chiplun, Maharashtra - 415 605.**

### **Report on the Financial Statements as a Statutory Auditor**

We have audited the accompanying financial statements of **The Chiplun Urban Co-operative Bank Ltd., Chiplun**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018 and the Statement of Profit and Loss for the year ended, and a summary of significant accounting policies and other explanatory information. Incorporated in these financial statements are the returns of the Head Office and 18 Branches audited by us.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with provisions of the Banking Regulation Act, 1949, Maharashtra Co-operative Societies Act, 1960, guidelines issued by the RBI and accounting principles generally accepted in India including the Accounting Standards issued by The Institute of Chartered Accountants of India. This responsibility includes the 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the applicable Standards by The Institute of Chartered Accountants of India and under the Maharashtra Co-operative Societies Act / Banking Regulation Act / RBI guidelines. 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 our 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, we consider 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 entities 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.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give the information required by the Banking Regulation Act, 1949, Maharashtra Co-operative Societies Act 1960, guidelines issued by the RBI in the manner so required for the bank, subject to the below mentioned points:

- *Not conducting Migration Audit & Systems Audit on implementation of new system of Core Banking Solutions &;*
- *Writing off the entire cost of new CBS software instead of amortising it over a period of 3 years, whereby the profit of the bank is understated by ₹25,16,667/-*

Subject to the above, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Bank as at 31<sup>st</sup> March, 2018;
- ii. in the case of the Statement of Profit and Loss of the profit for the year ended on that date;

### Report on Other Legal and Regulatory Requirements

We report that:

- i. 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;
- ii. In our opinion, proper books of accounts 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 purpose of our audit have been received from the branches of the bank.