PEOPLE'S URBAN CO-OPERATIVE BANK LTD. NO: 51, TRIPUNITHURA

BALANCE SHEET AS AT 31st MARCH 2018

		As on 31.03.2018 Rs.	As on 31.03.2017 Rs.				As on 31.03.2018 Rs.	As on 31.03.2017 Rs.
1	Capital and Liabilities Capital:			1	Property and Assets			
(i)	Authorised capital	19,00,00,000.00	19,00,00,000.00	1	Cash In hand and with Reserve Bank			
	1,40,00,000 (76,00,000) 'A' Class shares of Rs. 25/- each 30,000 (10,000) 'B' Class shares of Rs. 1000/- each 8,00,000 (Nil)' D' Class shares of Rs. 25/-	1,00,00,000.00 2,00,00,000.00	1,00,00,000.0 0		of India, State Bank of India State Co-operative Bank			
		22,00,00,000.00	20,00,00,000.00		and Central Co-operative Bank		1,37,58,07,139.85	1,29,51,94,925.73
(ii)	Subscribed capital			2 (i)	Balances with other banks Current deposits		15,70,47484.48	13,79,11,022.32
	80,48,865 (72,83,399) 'A' Class shares of Rs. 25/- each 7,841 (7,355) 'B' Class shares of Rs. 1000/- each	20,12,21,635.00 78,41,000.00	18,20,84,985.00 73,55,000.00	(ii)	Savings bank deposits		215.00	215.00
		20,90,62,635.00	18,94,39,985.00	3	Money at call and short Notice		15,70,47,699.48	13,79,11,237.32
(iii)	Amount called and paid up			4	Investments		-	-
(,	80,48,865 (72,83,399) A' Class shares of Rs. 25/- each each less calls unpaid	20,12,21,635.00	18,20,84,985.00	(i)	In Central and State Government securities (at book value)		1,70,37,18,948.00	1,17,75,73,308.00
	on0 shares at Rs 0 each less calls unpaid				Face value	Rs. 1,72,08,30,000.00	1,1 0,01,10,010.00	1, 11 ,1 0,1 0,000.00
	Of (iii) above held by (a) individuals 20,12,21,635.00			(ii)	Market value Other Trustee securities	Rs. 1,71,48,08,006.00	_	-
	(b) Co-operative institutions - (c) State Government -			(iii)	Shares in co-operative institutions other than in item (5) below		125,000.00	1,25,000.00
	7,841 (7,355) 'B' Class shares of Rs. 1000/- each	78,41,000.00 20,90,62,635.00	73,55,000.00 18,94,39,985.00	(iv)	Other investments (SBI Debt Mutual fund)		-	-
2	Reserve Fund and other reserves:	, , ,	, , , , ,				1,70,38, 43,948.00	1,17,76,98,308.00
8	Statutory Reserve Agricultural (Credit Stabilization Fund)	9,81,60,046.50	8,47,37,156.14	5 (i)	Investments out of the Principal/Subsidiary State partnership Fur Central Co-operative Bank	nd In shares of-		
(iii) (iv)	Building Fund Dividend Equalization Fund	4,80,43,564.54 1,56,32,013.11	4,80,43,564.54 1,56,32,013.11	(ii)	Primary Agricultural Credit Societies.		_	
(V) (Vi)	Special Bad Debts Reserve Bad and Doubtfuldebts reserve	12,33,85,129.66	12,70,00,129.66	6 (iii)	Other Societies Advances:		-	_
(vií) (viii)	Investment and Depreciation Reserve Other funds and Reserves	25,49,500.00	25,49,500.00	(i)	Short-term loans, cash credits, overdrafts and bills			
	Capital Reserve Investment Fluctuation Reserve	3,23,387.00 4,22,50,714.29	3,23,387.00 1,93,60,946.42		discounted		1,02,75,06,951.38	89,80,76,361.88
	Reserve for Computer Recoupment Special Reserve u/s 36 (1) (viii) of I.T. Act	27,66,630.00 1,23,55,368.00	27,66,630.00 94,23,652.00		Of which secured against - (a) Government and other			
	Staff Welfare Fund Common Good Fund	29,76,544.29 23,10,993.97	19,21,761.29 18,94,922.55		approved securities	-		
	Vehicle Recoupment Fund Revaluation Reserve	11,68,901.20 2,15,10,605.55	11,68,901.20 2,15.10,605.55		(b) Other tangible securities Of the advances, amount due from	-		
	Contingent Provision against Standard Assets Members Relief fund	3,68,09,353.75 1,00,000.00	3,29,67,706.75 1,00,000.00		Individuals Of the advances, amount overdue	•		
3	Dringinal/Cubaidiany State Destructain Fund Accounts	41,03,42,751.86	36,94,00,876.21	-	Considered bad and doubtfulf of			
4 (i)	Principal/Subsidiary State Partnership Fund Account: Deposits and other accounts: Elvad Deposits	•	-	(ii)	recovery * Medium-term loans	Rs. 37,84,800.00	2,06,97,08,685.37	1,85,83,93,764.00
(1)	Fixed Deposits (a) Individuals (b) Control Connective Replice	5,20,63,31,093.05	4,47,55,95,888.05	()	Of which secured against -			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
(ii)	(b) Central Co-operative Banks (c) Other Societies	32,48,27,595.00	4,56,30,954.00		(a) Government and other approved securities			
(ii)	Savings bank deposits (a) Individuals (b) Central Co-operative Banks	72,32,50,864.42	76,74,41,614.87		(b) Other tangible securities Of the advances, amount due from	-		
(iii)	(c) Other Societies	12,905.44	-		Individuals			
(111)	Current deposits (a) Individuals (b) Control Connection Replic	3,47,09,423.96	3,36,01,558.93		Of the advances, amount overdue Considered bad and doubtful of			
	(b) Central Co-operative Banks (c) Other societies	1,61,24,142.39	1,42,87,102.00		recovery *	Rs. 8,21,10,672.00		
5	Borrowings	6,30,52,56,024.26	5,33,65,57,117.85	(iii)	Long-term loans Of which secured against and		80,07,28,592.07	73,06,24,611.65
6 7	Bills for collection being bills receivable as per contra Branch adjustments (Net)	25,76,240.31	15,91,639.57		(a) Government and other approved securities			
8	Overdue interest Reserve Interest payable	3,71,74,710.00 13,84,92,054.00	3,65,46,131.00 12,32,10,774.00		(b) Other tangible securities			
10	Other Liabilities Bills payable	74,27,883.31	25.90.714.57		Of the advances, amount due from Individuals			
	Unclaimed dividends and proposed dividend payable Suspense	2,09,79,106.00 9,14,185.50	1,95,43,727.00 9,90,147.50		Of the advances, amount overdue			
(iv)	Sundries	33,54,394.54 10,47,39,747.00	27,95,832.79 9,77,56,755.00		Considered bad and doubtful of recovery *	Rs. 1,04,73,837.00		
(vi) (vii)	Provision for Non performing Assets Provision for Leave benefit to employees Provision for Salary Revision	1,78,43,894.00	1,54,44,107.00				3,89,79,44,228.82	3,48,70,94,737.53
(viii) (ixi)	Provision for Gratuity Provision for Income Tax	3,80,21,640.00	2,49,43,670.00	7	Interest receivable Of which overdue:		11,62,55,616.00	9,96,05,671.00
(x)	Deferred tax liability	39,24,976.00 19,72,05,826.35	31,07,962.00 16,71,72,915.86	-	Considered bad and doubtful of			
11	Profit and Loss		10,11,12,910.00	8	recovery Bills receivable being bills for	Rs. 3,71,74,710.00		
	Profit as per last Balance Sheet Profit as per profit and loss account	2,56,61,880.00 6,43,25,572.23	3,37,38,108.49	9	collection as per contra		25,76,240.31	15,91,639.57 15,54,454.57
	Add Transfer from Special Bad Debts Reserve	36,15,000.00 9,36,02,452.23	3,37,38,108.49	10	Branch adjustments Premises	2,68,86,122.66	19,43,167.31	
	Less Appropriations: Statutory Reserves	96,48,836.23	50,60,716.49	44	less depreciation	22,50,906.06	2,46,35,216.60	2,47,67,369.67
	Education Fund Building Fund	60,000.00	60,000.00	11	Furniture and fixtures less depreciation	4,31,16,617.23 3,92,19,059.34	38,97,557.89	50,59,852.31
	Members relief fund Dividend equilisation Fund	1,00,000.00	1,00,000.00	12	Other assets (to be specified) Vehicles	28,14,013.00		
	Special Bad debts Reserve Special Reserve (Sec 36 (1) (viii) of IT ACT)	29,31,716.00	19,32,186.00		less depreciation	24,32,013.85	3,81,999.15	5,94,220.90
	Staff Welfare Fund Common good Fund	15,00,000.00 10,00,000.00	7,00,000.00		Advance Income Tax Other Assets		2,72,34,000.00 23,86,719.37	1,62,34,572.00 22,74,330.89
	Computer Recoupment fund Capital Reserve	-	2,23,326.00	13	Non-banking assets acquired in			
	Investment Fluctuation fund Reserve Vehicle Recoupment Fund	2,28,89,768.00	-		satisfaction of claims (stating mode of valuation) At cost. Asset taken over as per the valuation of approved valuer		1,59,66,961.00	-
	Dividend for the year 2016-17	2,56,61,880.00 2,98,10,252.00	2,56,61,880.00	14 15	Profit and Loss Deferred Tax assets		-	•
Contingent	t Liabilities Outstanding Liabilities	2,00,10,202.00	2,00,01,000.00					_
"	for guarantees issued Guarantees given on behalf of constituents in India Claim against the Bank not acknowledged (Refer note No. Part B 6)	45,00,000.00 15,53,820	45,00,000.00 55,53,820.00					
(ii)	Others Depositor Education And Awareness Fund (DEAF-2014)	12,81,030.71	10,18,701.00					
	Total	7,32,99,20,493.78	6,24,95,81,319.49		Total		7,32,99,20,493.78	6,24,95,81,319.49
			, , , ,					
	PROFIT AND LOSS ACCO	UNT FOR THE YEAR	R ENDED 31st N	MARCH	2018	INDEPENDENT AUDITOR'S REF To The Members of People's U Report on the Financial States	Jrban Co-Operative Bank Limited, Tripi	unithura.
	31.03.2018 September 1.05 September	31.03.2017 Rs.		ncome	31.03.2018 31.03.2017 Rs. Rs.	We have audited the accompanying Bank"), which comprise the Balance	financial statements of the People's Urban Co e Sheet as at 31st March , 2018, the Profit a	o-Operative Bank L imited ("the and Loss Account and the Cash

	Expenditure	31.03.2018 Rs.	31.03.2017 Rs.		Income	31.03.2018 Rs.	31.03.2017 Rs.
1	Interest on deposits, borrowing, etc.	464,052,434.81	425,198,066.95	1	Interest and discount	666,391,178.27	600,489,603.9
2	Salaries and allowances and provident fund	68,667,733.00	65,490,069.79	2	Commissions exchange and brokerage	128,824.00	162,168.0
3	Director's and local committee			3	Subsidies and donations	-	-
4	member's fees and allowances Rent, taxes, insurance, lighting etc.	673,314.00 22,324,912.15	711,857.00 19.460.090.10	4	Income from non banking assets and profit from sale of or dealing with such assets		
5	Law charges	140,000.00	33,000.00	5	Other receipts		
6	Postage, telegrams and telephone charges	1,134,539.16	1,113,286.50		Profit on sale of Investments(net) Provison for NPA no longer required	9,223,891.00	1,113,000.0
7	Auditor's fees	3,681,907.00	4,125,330.00		reversed	-	-
8	Depreciation and repairs to property Stationery, printing and advertisement, etc.	5,679,741.99 2,073,641.78	5,249,700.75 1,560,495.18		Profit on sale of Units of Mutual Funds Profit on sale of fixed assets	5,811,210.02	3,317,401.5
10	Loss from sale of or dealing with	2,073,641.76	1,560,495.16		Rent	_	-
	non-banking assets	-	-		Investment Depreciation Reserve		
11	Other expenditure	12,137,231.87	8,170,177.61		(Excess Provision Reversed) Miscellaneous Income	15,398,996.70	12,420,529.8
12	Provisions & contingencies Provision for standard assets Provision for Non Performing assets Provision for Gratuity Provision for Overdue interest	3,841,647.00 6,982,992.00 -	5,720,382.00 20,710,790.00 -				
	Provision for Leave benefit to Employees Provision for Salary revision	2,399,787.00	641,180.00				
	Provision for Incometax(Income tax expenses) Provision for Deferred tax liability/(Assets)	38,021,632.00 817,014.00	24,897,539.00 682,630.00				
13	Net Profit/(Loss) carried to Balance sheet	64,325,572.23	33,738,108.49				
	Total Basic and Diluted earning per share (Rs.) (Ref. Note No. B. 4 of Notes on Accounts)	696,954,099.99 7.69	617,502,703.37		Total	696,954,099.99	617,502,703.3

General Manager

(sd/-)

a) Depreciation on Buildings is provided at a flat rate of 2.50% on Straight Line Method. A.Significant Accounting Policies
1. GENERAL

b) Depreciation on Furniture and Fixtures is provided at a flat rate of 10% on Straight Line Method.
c) Depreciation on Computer & Computer Software is provided at a flat rate of 33.33% on Straight The Financial Statements have been prepared under the historical cost convention on accrual The Financial Statements have been prepared under the historical cost convention on accrual basis of accounting except for items recognized on cash basis and according to relevant requirements prescribed under Banking Regulation Act, 1949.

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosures of contingent liabilities at the date of the financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

2. INVESTMENTS Line Method d) Depreciation on Motor Vehicles is provided at a flat rate of 30% in the year of addition, 25% for the second year, 20% for the third year, 15% for the fourth year and 10% for the fifth year on Straight Line Method.

5. STAFF BENEFITS

1) Employees of the Bank are covered by Provident Fund to which bank makes a defined contribution measured as a fixed percentage of Basic Salary and Dearness Allowance.

b) Defined Benefit Plans:
1) Gratuity to Employees is covered under The Group Gratuity Scheme of LIC of India and the premium paid is charged to Profit and Loss Account.

ii) Leave benefits to employees is provided on the basis of accumulated leave to the credit of the employees on the basis of eligible salary at the year end. a) In terms of RBI guidelines, the entire investments portfolio has been classified under three categories for valuation purpose, viz., "Held to Maturity", "Available for sale" and "Held for Trad-

i) Employees of the Bank are covered by Provident Fund to which bank makes a defined contribution

6. INCOME RECOGNITION a. Interest / discount on advances / bills are recognized on accrual basis except on non- performing

a. Interest / discount of advances / bills are recognized on accrual basis except on non-performing assets where the income is recognized only on realization.

b. Exchange, Brokerage, Commission & Rent on lockers are recognized on cash basis.

c. Income from Investments (other than income from mutual funds and income from non-performing investments) is recognized on accrual basis.

7. PROVISION FOR TAXATION

a) Provision for Income Tax of Rs. 380,21.632/- is net of Current year provision for income tax of Rs. 380,21.632/- is net of Current year provision for income tax of Rs.

8. AMOUNT TRANSFERRED TO DEAF

For N.Satheesan & Co. Chartered Accountants Firm's Reg No.014973S (sd/-) N. Satheesan

(M.No.027736)

		(Amount in Lakhs
	2017-18	2016-17
Opening balance of amounts transferred to DEAF	10.19	10.21
Add: Amounts transferred to DEAF during the year	2.62	-
Less: Amounts reimbursed by DEAF towards claims	-	0.02
Claster belongs of amounts transferred to DEAE	12.01	10.10

B. OTHER NOTES ON ACCOUNTS

In Reconciliation Initial reconciliation of the inter-branch/office accounts has been completed as on 31.03.2018. Steps have been taken to eliminate the outstanding entries and in the bank's opinion, consequential impact on Profit and Loss Account will not be material.

Investments
respect of Investments in 'Held to Maturity' category, the amount of amortization of excess of
quisition cost over face value for the year is Rs.5.49 lakhs, (previous year Rs. 12.59 lakhs) and i
etted against Income on investment, grouped under the head 'Interest and discount' income.
Expenditure includes Rs.177.22 lakhs, (previous year Rs. 38.75 lakhs) being expenses incurre
iring the year under various expenditure heads exceeding the approved annual budget an
ence objected to by the Registrar of Co-Operative societies.
Earnings per share (AS – 20)

We have audited the accompanying financial statements of the People's Urban Co-Operative Bank L imited ("the Bank"), which comprise the Balance Sheet as 431" March, 2018, 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.

Management's Responsibility for the Financial Statements

The Bank's 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 flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act 1949, Accounting Standards issued by the Institute of

provisions of Section 29 of the Banking Regulation Act 1949. Accounting Standards issued by the Institute of Chartered Accountants of India in so far as they apply to the banks and the Guidelines issued by the Reserve Bank of India. This responsibility includes the design, implementation and maintenance of internal controls 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.

Auditor's Responsibility

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

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 control relevant to the Bark's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the 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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read with the accounting policies followed by the Bank and Notes thereon give the information required by the Banking Regulation Act, 1949 in the manner so required for Co-operative banks and the Guidelines issued by Reserve Bank of India from time to time 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 31rd March, 2018; and 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 period ended on that date.

Report on Other Legal and Regulatory Requirements (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) the transactions of the Bank, with alva come to our notice, have been within the powers of the Bank. (iii) the returns received from the offices and branches of the Bank have been found adequate for the purposes

of our audit.

(iv) in our opinion, proper books of account, as required by law, have been kept by the bank so far as appears from our examination of those books, and we further report that the Balance Sheet and the Profit and Loss account and the Cash Flow dealt with in this report are in agreement with the books of accounts and returns.

(v) in our opinion, the Balance Sheet and Profit and Loss account and Cash Flow statement, dealt with by this

Vanious opiniorii, in 2 usanive une de control sissued by the institute of Chartered Accountants with deal find a read with report comply with the accounting standards issued by the institute of Chartered Accountants find a read with report comply to the bank except with regard to teave salary provision and provision for Gratuity (Ref. Note Nos. A.5(b)(ii)) which is not provided on the basis of

Pace :Ernakulam Date: 29-08-2018

For N.SATHEESAN & Co. Chartered Accountants F.R.No. 014973S (Sd/-) N.Satheesan FCA

Net profit as reported (Rs. In Lakhs)	643.26	337.38
Average number of shares outstanding 'A' class shares of Rs. 25/- each and 'B' class shares of Rs. 1,000/- each (converted to Common Denomination of Rs. 25/- each)	83,62,505	75,77,599
Basic Earnings per share (Rs.)	7.69	4.45
Diluted Earnings Per Share (Rs.)	7.69	4.45

onents of Deferred Tax Assets and Deferred Tax Liability arising out of timir

Particulars	As on 31.03.2018 (Rs.)	As on 31.03.2017 (Rs.)
Deferred Tax Liability (DTL) /(Assets) –(DTA)		
Opening Balance	31,07,962	24,25,332
Provision made During the Year		
i)On difference between book depreciation and depreciation as per Income tax	(1,97,595)	(32,357)
ii)On deduction w/s 36(1)(viii) of the Income Tax Act, 1961	10,14,609	7,14,987
Closing DTL /- (DTA) (Net)	39,24,976	31,07,962

b) Valuation of Securities:
i) Investments in "Held to Maturity" category are accounted for at acquisition cost. In case the cost is higher than the face value, the premium is amortised over the period remaining to maturity using ii) Securities classified as "Available for Sale" are valued scrip-wise on a quarterly basis and net ii) Securities classified as Available for sale are valued sorp-wise on a quartery basis and net depreciation is provided for, while net appreciation is ignored.

iii) Securities in "Held for Trading" category are revalued as on the last day of every month at the market price and the depreciation, if any, is provided for.

3. ADVANCES

Provision for Non-Performing Assets has been made based on asset classification and provisioning provision for Non-Performing Assets has been made based on asset classification and provisioning provision to the provision of the p

requirement under the prudential accounting norms laid down by the RBI and the same is included under Other Liabilities under Other Clabinities.
Contingent Provision against Standard Assets is maintained as per RBI guidelines and the same is included under Reserve fund and other reserves 4. FIXED ASSETS Premises and other fixed assets are stated at historical cost.

3,80.21,840/- and write back of excess provision of previous years of Rs.8/-.
b) Deferred Tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred Tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realised in future.

The numerators and denominators used to calculate the earnings per share as per Accounting Standard – 20 issued by the Institute of Chartered Accountants of India are as under: