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

BALANCE SHEET AS AT 31st MARCH 2017

	D	ALANC		I AS	AI	3151 1	MARCH	2017			
			As on 31.03.2017 Rs.	As on 31.03.2016 Rs.						As on 31.03.2017 Rs.	As on 31.03.2016 Rs.
1	Capital and Liabilities Capital:				1	Property and Assets Cash					
(i)	Authorised capital 7600000 'A' Class shares of Rs. 25/- each 10000 'B' Class shares of Rs. 1000/- each		19,00,00,000.00 1,00,00,000.00	19,00,00,000.00 1,00,00,000.00	'	In hand and with Reserve of India, State Bank of Ind					
(ii)	Subscribed capital		20,00,00,000.00	20,00,00,000.00		State Co-operative Bank and Central Co-operative				1,29,51,94,925.73	1,51,32,10,846.24
(")	7283399 'A' Class shares of Rs. 25/- each 7355 'B' Class shares of Rs. 1000/- each		18,20,84,985.00 73,55,000.00	15,24,64,685.00 35,61,000.00	2	Balances with other ban					
/iii\	Amount called and naid up		18,94,39,985.00	15,60,25,685.00	(ii)	Current deposits Savings bank deposits				13,79,11,022.32 215.00	8,18,55,724.67 215.00
(iii)	Amount called and paid up 7283399 'A' Class shares of Rs. 25/- each each less calls unpaid		18,20,84,985.00	15,24,64,685.00	2	Money at call and short	Notice			13,79,11,237.32	8,18,55,939.67
	on0 shares at Rs 0 each less calls unpaid				4	Investments In Central and State	Notice			-	-
	Of (iii) above held by (a) individuals (b) Co-operative institutions	8,20,84,985.00			(1)	Government securities (at	book value)	D- 440.00	20.000.00	1,17,75,73,308.00	1,03,68,72,166.00
	(c) State Government 7,355 'B' Class shares of Rs. 1000/- each	<u> </u>	73,55,000.00	35,61,000.00		Face value Market value		Rs. 1,19,08,7 Rs. 1,25,25,7			
,	Reserve Fund and other reserves:		18,94,39,985.00	15,60,25,685.00	(II) (iii)	Other Trustee securities Shares in co-operative ins				125,000.00	1,25,000.00
(1)	Statutory Reserve Agricultural (Credit Stabilization Fund)		8,47,37,156.14	7,56,38,499.78	(iv)	other than in item (5) below Other investments (SBI De				_	_
(iii)	Building Fund Dividend Equalization Fund Special Bad Debts Reserve		4,80,43,564.54 1,56,32,013.11 12,70,00,129.66	4,80,43,564.54 1,56,32,013.11 12,70,00,129.66	_		2			1,17,76,98,308.00	1,03,69,97,166.00
(vi)	Bad and Doubtfuldebts reserve Investment and Depreciation Reserve Other funds and Reserves		25,49,500.00	25,49,500.00) (i)	Central Co-operative Bank		rtnersnip Fund in snares of-		_	_
(viii)	Capital Reserve		3.23.387.00	3.23.387.00	(II) (iii)	Primary Agricaltural Credit Other Societies	t Societies.			_	
	Investment Fluctuation Reserve Reserve for Computer Recoupment Special Reserve u/s 36 (1) (viii) of I.T. Act		1,93,60,946.42 27,66,630.00 94,23,652.00	1,93,60,946.29 25,43,304.00 74,91,466.00	6 (i)	Advances: Short-term loans, cash cre	edits,				
	Staff Welfare Fund Common Good Fund		19,21,761.29 18,94,922.55	16,88,761.29 19,02,457,55		overdrafts and bills discounted				89,80,76,361.88	86,50,86,171.63
	Vehicle Recoupment Fund Revaluation Reserve Contingent Provision against Standard Assets		11,68,901.20 2,15,10,605.55 3,29,67,706.75 1,00,000.00	11,68,901.20 2,15.10,605.55 2,72,47,324.75 1,00,000.00	Of which	secured against - (a) Government and other					
	Contingent Provision against Standard Assets Members Relief fund		1,00,000.00 36,94,00,876.21	1,00,000.00	-	approved securities (b) Other tangible securities					
3 4	Principal/Subsidiary State Partnership Fund Account: Deposits and other accounts:		-	-	-	Of the advances, amount Individuals			-		
(i)	Fixed Deposits (a) Individuals		4,47,55,95,888.05	3,97,22,65,537.05		Of the advances, amount Considered bad and doub					
(ii)	(b) Central Co-operative Banks (c) Other Societies Savings bank deposits		4,56,30,954.00	4,76,54,700.00	(ii)	recovery * Medium-term loans		Rs. 58,	23,700.00	1,85,83,93,764.00	1,36,64,07,080.40
(")	(a) Individuals (b) Central Co-operative Banks		76,74,41,614.87	66,53,61,238.28	(")	Of which secured against (a) Government and other				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
(iii)	(c) Other Societies Current deposits		2 26 04 559 02	11,922.44		approved securities (b) Other tangible securities					
	(a) Individuals (b) Central Co-operative Banks (c) Other societies		3,36,01,558.93 1,42,87,102.00	2,55,63,035.44 31,70,023.01		Of the advances, amount Individuals					
_			5,33,65,57,117.85	4,71,40,26,456.22		Of the advances, amount Considered bad and doub			•		
6 7	Borrowings Bills for collection being bills receivable as per contra Branch adjustments (Net)		15,91,639.57	88,71,644.70	(iii)	recovery *	olidi Oi	Rs. 6,16,	61,438.00		
8 9	Overdue interest Resèrvé Interest payable Other Liabilities		3,65,46,131.00 12,32,10,774.00	2,32,26,792.00 12,46,90,927.00	(iii)	Long-term loans Of which secured against (a) Government and other				73,06,24,611.65	54,83,87,416.55
10	Other Liabilities Bills payable Unclaimed dividends and proposed dividend payable		25,90,714.57 1,95,43,727.00	2,24,61,037.70 3,74,67,442.00 10,10,757.50		approved securities					
(iii) (iv)	Suspense Sundries		9,90,147.50 27.95.832.79	20,20,286.07		(b) Other tangible securities Of the advances, amount			-		
	Provision for Non performing Assets Provision for Leave benefit to employees Provision for Salary Revision		9,77,56,755.00 1,54,44,107.00	7,70,45,965.00 1,48,02,927.00 1,04,76,926.00		Individuals Of the advances, amount			-		
(viii) (ixi)	Provision for Gratuity Provision for Income Tax		2,49,43,670.00	83,463.00 2,62,32,020.00 24,25,332.00		Considered bad and doub recovery *	ottul of	Rs. 35,	5,673.00		
(x)	Deferred tax liability		731,07,962.00 16,71,72,915.86	24,25,332.00 19,40,26,156.27	7	Interest receivable				3,48,70,94,737.53 9,96,05,671.00	2,77,98,80,668.58 9,11,70,188.00
11	Profit and Loss Profit as per last Balance Sheet		0.07.00.400.40	0.00.00.400.40	1	Of which overdue: Considered bad and doub	atful of			3,30,03,071.00	3,11,70,100.00
	Profit as per profit and loss account Add Transfer of Overdue Interest Reserve no longer required		3,37,38,108.49	2,90,89,130.43		recovery		Rs. 3,65,4	6,131.00		
	Less Appropriations: Statutory Reserves		50,60,716.49		0	Bills receivable being bi collection as per contra				15,91,639.57	88,71,644.70
	Educatión Fund Building Fund		60,000.00	43,63,369.56 60,000.00	10	Branch adjustments Premises		2,68,86,12		15,54,454.57	66,68,832.00
	Members relief fund Dividend equilisation Fund Special Bad debts Reserve		1,00,000.00	1,00,000.00	11	less depreciation Furniture and fixtures		21,18,75 4,10,94,72		2,47,67,369.67	2,48,99,522.74
	Special Reserve (Sec 36 (1) (viii) of ITACT) Staff Welfare Fund		19,32,186.00 7,00,000.00	15,33,602.00 7,00,000.00	12	less depreciation Other assets (to be spec	cified)	3,60,34,87	3.66	50,59,852.31	69,94,736.89
	Common good Fund Computer Recoupment fund Capital Reserve		2,23,326.00	2,23,326.00 35,500.00		Vehicles less depreciation		28,14,013 22,19,792		5,94,220.90	
	Investment Fluctuation fund Reserve Vehicle Recoupment Fund			19,12,410.87		Advance Income Tax Other Assets				1,62,34,572.00 22,74,330.89	2,10,06,169.00 15,12,808.09
	Proposed Dividend		2,56,61,880.00	2,01,60,922.00	13	Non-banking assets acq satisfaction of claims (s	•				
(i)	Contingent Liabilities Outstanding Liabilities for guarantees issued Guarantees given on behalf of constituents in India		45,00,000.00	45,00,000.00	14	of valuation) Profit and Loss	-			-	
(ii)	Claim against the Bank not acknowledged (Refer note No. Part B 6) Others		55,53,820.00	40,00,000.00	15	Deferred Tax assets				-	-
	Depositor Education And Awareness Fund (DEAF-2014)		10,18,701.00	10,20,989.00							
	Total		6,24,95,81,319.49	5,57,30,68,521.91			Total			6,24,95,81,319.49	5,57,30,68,521.91
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2017								Independent Auditors' To The Members of People's Urban Co-Operat	Report tive Bank Limited, Tripunithura		
		31.03.2017	31.03.2016				24 02 2047			I Statements I Statements I panying financial statements of the People ise the Balance Sheet as at 31st March,	's Urban Co-operative Bank Limited
	PENDITURE	Rs.	Rs.	INCOME			31.03.2017 Rs.	31.03.2016 Rs.	and the Cash Flow Statem and other explanatory info	ent for the year then ended and a summa	ry of significant accounting policies
	erest on deposits, borrowing, etc aries and allowances and	42,51,98,066.95	38,60,37,226.65	4 Interest or	ما ماء ا	n4	60 04 90 602 02	E4 00 40 0EE 04	The Bank's Management is and fair view of the financi	s responsible for the preparation of these fi ial position, financial performance and cas	sh flows of the Bank in accordance
	vident fund ectors' and local committee members'	6,54,90,069.79	5,43,29,082.00	1. Interest an	a aiscour	ıı	60,04,89,603.93	54,20,42,955.91	the Institute of Chartered A issued by the Reserve Ba	ion 29 of the Banking Regulation Act, 194 Accountants of India in so far as they app ank of India. This responsibility includes	ly to the banks and the Guidelines is the design, implementation and
fee	s and allowances	7,11,857.00	6,73,529.00	Commission brokerage		inge and	1,62,168.00	1,12,335.00	that give a true and fair vi Auditor's Responsibilit		ent, whether due to fraud or error.
5 Lav	nt, taxes, insurance, lighting etc. v charges	1,94,60,090.10 33,000.00	1,72,56,988.36			Ľ	1,02,100.00	1,12,000.00	our audit in accordance wit of India. Those Standards	ess an opinion on these financial statement th the Standards on Auditing issued by the require that we comply with ethical requi	Institute of Chartered Accountants rements and plan and perform the
	stage, telegrams and telephone charges ditor's fees	11,13,286.50 41,25,330.00	14,09,701.20 26,77,240.00	3. Subsidies 4. Income fro			-	-	misstatement. An audit involves performin	e assurance about whether the financial ng procedures to obtain audit evidence abo	out the amounts and disclosures in
8 De	preciation and repairs to property	52,49,700.75	47,49,502.95	assets and	profit fro	m sale			the financial statements. assessment of the risks of error. In making those risk	The procedures selected depend on the f material misstatement of the financial st k assessments, the auditor considers inte	auditor's judgment, including the atements, whether due to fraud or rnal control relevant to the Bank's
	tionery, printing and advertisement, etc. ss from sale of or dealing with non-banking assets	15,60,495.18	14,67,471.50	of or dealir assets	ig with St		_	-	preparation and fair presen appropriate in the circumst	ntation of the financial statements in order tances. An audit also includes evaluating onableness of the accounting estimates ma	to design audit procedures that are the appropriateness of accounting

	PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2017									
1	EXPENDITURE Interest on deposits, borrowing, etc	31.03.2017 Rs. 42,51,98,066.95	31.03.2016 Rs. 38,60,37,226.65	INCOME	31.03.2017 Rs.	31.03.2016 Rs.				
3	Salaries and allowances and provident fund Directors' and local committee members'	6,54,90,069.79	5,43,29,082.00	1. Interest and discount	60,04,89,603.93	54,20,42,955.91				
4 5	fees and allowances Rent, taxes, insurance, lighting etc. Law charges	7,11,857.00 1,94,60,090.10 33,000.00	6,73,529.00 1,72,56,988.36	Commissions exchange and brokerage	1,62,168.00	1,12,335.00				
6 7 8	Postage, telegrams and telephone charges Auditor's fees Depreciation and repairs to property	11,13,286.50 41,25,330.00 52,49,700.75	14,09,701.20 26,77,240.00 47,49,502.95	Subsidies and donations Income from non banking assets and profit from sale	-	-				
9 10 11		15,60,495.18 - 81,70,177.61	14,67,471.50 - 78,80,656.85	of or dealing with such assets	-	-				
12		57,20,382.00 2,07,10,790.00	33,46,018.03 1,15,18,355.00 62,745.00	5. Other receipts Profit on sale of Investments(net) Provision for NPA no longer required reversed	11,13,000.00	-				
	Provision for Overdue interest Provision for Leave benefit to Employees Provision for salary revision Provision for Incometax (Income tax expenses)	6,41,180.00 - 2,48,97,539.00	21,61,191.00 29,09,926.00 3,14,68,367.00	Profit on sale of Units of Mutual Funds Profit on sale of fixed assets Rent	33,17,401.59	64,983.54 35,500.00				
13	Provision for Deferred tax liability (Assets)	6,82,630.00 3,37,38,108.49	12,03,174.00 2,90,89,130.43	Investment Depreciation Reserve (Excess Provision Reversed) Miscellaneous Income	1,24,20,529.85	1,59,84,530.52				
AT.		04 75 00 700 07	EE 00 10 00 1 0 7							

55,82,40,304.97 4.45 4.66

61,75,02,703.37

6. INCOME RECOGNITION

would be realized in future.

As per our report of even date

Basic and Diluted earning per share (Rs.) (Ref. Note No. B 4 of Notes on Accounts) Chairman

General Manager

Chartered Accountants Firm's Reg. No. 014973S Place: Ernakulam Date: 30.08.2017

For N. Satheesan & Co.

Total

N. Satheesan (M No. 027736) Proprietor

61,75,02,703.37

Date: 30.8.2017

is provided for, while net appreciation is ignored.

Premises and other fixed assets are stated at historical cost.

4.FIXED ASSETS

Place: Tripunithura

NOTES ON ACCOUNTS FOR THE YEAR 2016-17 A. SIGNIFICANT ACCOUNTING POLICIES 1.GENERAL The Financial Statements have been prepared under the historical cost convention on accrual basis of

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.

accounting except for items recognized on cash basis and according to relevant requirements prescribed

Total

2.INVESTMENTS 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 Trading". 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 Constant Yield ii) Securities classified as "Available for Sale" are valued scrip-wise on a quarterly basis and net depreciation

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 requirement under the prudential accounting norms laid down by the RBI and the same is included under

Contingent Provision against Standard Assets is maintained as per RBI guidelines and the same is included under Reserve fund and other reserves

a) Depreciation on Buildings is provided at a flat rate of 2.50% on Straight Line Method. b) Depreciation on Furniture and Fixtures is provided at a flat rate of 10% on Straight 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. a) Defined Contribution Plan: (i) Employees of the Bank are covered by Provident Fund to which bank

c) Depreciation on Computer & Computer Software is provided at a flat rate of 33.33% on Straight Line

makes a defined contribution measured as a fixed percentage of Basic Salary and Dearness Allowance. (i) 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. (iii) Employees who were not covered under the Group Gratuity Scheme of LIC of India till last year are now covered under the scheme. Provision for Gratuity made in respect of such employees till last year has been transferred to Group Gratuity Premium account.

a) Interest / discount on 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. 2,49,97,539/- is net of Current year provision for income tax of Rs. 2,49,43,670/- and write back of excess provision of previous years of Rs. 46,131/-. 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

8. AMOUNT TRANSFERRED TO DEAF

(Amount in Lakhs) 2016-17 2015-16 Opening balance of amounts transferred to DEAF 10.21 9.14 Add: Amounts transferred to DEAF during the 1.07 Less: Amounts reimbursed by DEAF towards 0.02 Closing balance of amounts transferred to DEAF 10.19 10.21

B. OTHER NOTES ON ACCOUNTS Reconciliation

Initial reconciliation of the inter-branch/office accounts has been completed as on 31.03.2017. 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 In respect of Investments in Held to Maturity category, the amount of amortization of excess of acquisition cost over face value for the year (including entire premium paid of Rs. 4.88 Lakhs at the time of purchase of two new securities which was fully amortised during the year) is Rs.12.59 lakhs, (previous year Rs. 7.72 lakhs) and is netted against Income on investment, grouped under the head "Interest and discount" income.

3. Expenditure includes Rs.38.75 lakhs, (previous years.65.00 lakhs) being expenses incurred during the

year under various expenditure heads exceeding the approved annual budget and hence objected to by the

55,82,40,304.97

Date: 30.08.2017 Registrar of Co-Operative societies. 4. Earning per share (AS - 20) The numerators and denominators used to calculate the earning per share as per Accounting

F.R. No. 014973S (Sd/-) N. Satheesan FCA Place: Ernakulam Proprietor M.No. 027736

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

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 Cooperative banks and the Guidelines issued by Reserve Bank of India from time to time and give a true

a) in the case of the Balance Sheet, of the state of affairs of the Bank as at 31st March, 2017, 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 year ended on that date.

(i) we have obtained all the information and explanations which, to the best of our knowledge and belief

(ii) the transactions of the Bank, which have 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 (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

(v) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by this report comply with the Accounting Standards issued by the Institute of Chartered Accountants of India read with guidelines issued by the Reserve Bank of India in so far as they apply to the bank except

with regard to leave salary provision and provision for Gratuity (Ref. Note Nos. A.5 (b) (ii) which is not

(vi) The disclosure with respect to the holdings or dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016, as required under amendment to Schedule III to the Companies Act, 2013 is not applicable as the financial statements of the Bank are prepared under section

For N. Satheesan & Co.

4.45

4.66

Chartered Accountants

and fair view in conformity with the accounting principles generally accepted in India:

evaluating the overall presentation of the financial statements.

Report on Other Legal and Regulatory Requirements

were necessary for the purpose of our audit;

provided on the basis of actuarial valuation.

29 and Third Schedule of the Banking Regulation Act, 1949.

our audit opinion. Opinion

we report that:

Standard - 20 issued by the Institute of Chartered Accountants of India are as under: ended ended 31.03.2017 31.03.2016 Net profit as reported (Rs. In Lakhs) 337.38 290.89 Average number of shares outstanding 'A' class shares of 75,77,599 62,41,027 Rs. 25/- each and 'B' class shares of Rs. 1,000/- each (converted to Common Denomination of Rs. 25/- each) Basic Earnings per share (Rs.)

Diluted Earnings Per Share (Rs.) 4.45 4.66 5. AS 22 - Accounting for Taxes on Income a) The components of Deferred Tax Assets and Deferred Tax Liability arising out of timing difference are as follows: Particulars As on As on

31.03.2017 31.03.2016 (Rs.) (Rs.) Deferred Tax Liability (DTL) /(Assets) -(DTA) Opening Balance 24,25,332 12,22,158 Provision made During the Year (32,357)(3,27,778) i)On difference between book depreciation and depreciation as per Income tax ii)On deduction u/s 36(1)(viii) of the Income Tax Act, 7,14,987 15,30,952 1961 Closing DTL /- (DTA) (Net) 31,07,962 24,25,332