STATUTORY AUDITOR'S REPORT

Report on Financial Statements

1. We have audited the accompanying Financial Statements of the Imphal Urban Co-operative Bank Ltd., which comprises the Balance Sheet as at 31st March, 2025, Profit and Loss Account and the cash flow statement for the year ended, to be read with other annexed statements.

Management's Responsibility for the Financial Statements

2. Management of the Bank is responsible for the preparation of these financial statements that a give true and fair view of the financial position, financial performance and cash flow of the Bank in accordance with the Manipur Co-operative Societies Act, 1976 and the rules made there under and the Banking Regulation Act, 1949 complying with Reserve Bank of India Guidelines from time to time and generally accepted accounting principles in India so far as applicable to the bank. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility for the audit of the Financial Statements.

3. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error also
4. As part of an audit in accordance with SAs, we had exercised professional judgment and maintained professional scepticism throughout the audit. We also:
   - Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
   We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Opinion

5. In our opinion, and to the best of our information and according to the explanations given to us, the financial statements together with the notes thereon give the information required by the Banking Regulation Act, 1949 (AACS), the Manipur Co-operative Societies Act, 1976 and the guidelines issued by Reserve Bank of India 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 31st March, 2025; and
   b. In the case of 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 cash flows for the year ended on that date.

Report on other Legal and Regulatory requirements.

6. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949,), the Manipur Co-operative Societies Act, 1976 and the rules made there under;
7. We report that:
   a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit and have found them to be satisfactory.
   b. The transactions of the bank which have come to our notice have been within the powers of the Bank.
   c. The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of accounts returns;
   d. 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.
   8. We further report that for the year under audit, the bank has been awarded "B" Classification.

For,
S.L. Gangwal & Co.
Chartered Accountants,

Sd/-
CA Mehul Jain,
Partner (Imphal Branch)
Firm Regn. No. 004649C,
Mem. No. 313107,
UDIN No.25313107BMJAYC3310

Date:20/09/2025
Place: Imphal.

The Imphal Urban Co-operative Bank Ltd.
Administrative Office, M.G. Avenue, Imphal
BALANCE SHEET AS ON 31.03.2025

As on 31-3-2024	CAPITAL AND LIABILITIES		As on 31-3-2025	As on 31-3-2024	PROPERTY AND ASSETS		As on 31-3-2025
62826550.00	1. CAPITAL:		65112800.00	56327801.00	1. CASH :		43733932.00
	a) Authorised capital of 2000000				a) On hand	39988832.00	
	shares of Rs.50/- each Rs.100000000.00				b) At A.T.M	3745100.00	
	b) Subscribed capital of 1302256					43733932.00	
	shares of Rs.50/- each Rs. 6512800			64318984.18	2.BALANCE WITH R.B.I, S.B.I & OTHER CO-OPERATIVE BANK :		48470530.23
	c) Amount called up 1302256				a) Current deposits	48470530.23	
	shares at Rs.50/- each Rs. 65112800				b) In other Accounts (FD & SD)	0.00	
	(less: calls unpaid)					48470530.23	
	Of (c) above held by:-			185579515.47	3. BALANCE WITH OTHER BANKS & MONEY AT CALL AND SHORT NOTICE		141660021.78
	i) Individual	64172800.00			a) Current deposits	111660021.78	
	ii) Co-op. Institutions	0.00			b) In other Accounts (FD & SD)	30000000.00	
	iii) State Government	940000.00				141660021.78	
		65112800.00					
682567559.04	2.RESERVE FUND AND OTHER RESERVES :		658976118.82				
	a) Statutory Reserve	30254356.29		1526409217.11	4. INVESTMENTS :		1424023392.72
	b) Agricultural (Credit stabilization fund)	0.00					
	c) Building Fund	19291245.66			(i) In Manipur State Dev. Loan		
	d) Dividend Equalization Fund	0.00			face value Rs. 00		
	e) Special Bad Debts Reserve	0.00			market value Rs. 0.00		
	f) Bad & Doubtful Debts Reserve	24441871.41			(ii) In Central & State Govt.Securities	1420970392.72	
	g) Investment Depreciation Reserve	56428617.72			face value Rs. 1414980000		
	h) Investment Fluctuation Reserve	45740520.21			book value Rs. 1420970392.72		
	i) Interest Remission	350000.00			market value Rs. 1395843039		
	(J) Other Funds and Reserves :- (to be specified)				(iii) In Bonds of PSUs	0.00	
					(SBI Mutual fund,ICICI, UTI Bonds)		
	i) Staff Welfare Fund	156567.17			(iv) Shares in Co-operative Institution other than in item (5) below, MSCB Ltd.	53000.00	
	ii) Share Redemption Fund	2240928.99			(v) MSLDCB Ltd	3000000.00	
	iii) Non-Performing Assets Reserve	440200671.87				1424023392.72	
	iv) Contingent Provision Against Standard Assets	3460693.61			5. INVESTMENT OUT OF THE PRINCIPAL / SUBSIDIARY STATE PARTNERSHIP FUND		Nil
	v) Surplus from valuation of land	31000000.00					
	vi) Contingent Fund Reserve	3500000.00					
	vii) Provision against Branch Adjustment	1910645.89					
		658976118.82					
745394109.04			724088918.82	1832635517.76			1657887876.73
As on 31-3-2024	CAPITAL AND LIABILITIES		As on 31-3-2025	As on 31-3-2024	PROPERTY AND ASSETS		As on 31-3-2025
745394109.04	B/F		724088918.82	1832635517.76			1657887876.73
Nil	3. PRINCIPAL/SUBSIDIARY STATE PARTNERSHIP FUND ACCOUNT		Nil	Nil			
2300973187.98	4. DEPOSITS AND OTHER ACCOUNTS :		2151253692.45				
	i) Term Deposits:-			1137736157.19	6. ADVANCES :		1155191499.37
	a) Fixed Deposits(Individuals)	536088735.00			A. Short Term Loans, Cash Credits,	617846640.83	
	b) Fixed Deposits(Firms & Institutions)	123161110.00			Overdrafts & Bills discounted		
	c) Staff Security Deposits	443499.80			Of which secured against :-		
	d) Social Security Deposits	548734.00			i) Govt. & Other approved securities	Nil	
	e) Recurring Deposits	51481860.00			ii) Other tangible securities of the advances amount due from individuals	314351763.18	
	f) CELLDS				iii) Of the advances amount overdue	303494877.65	
	g) Senior Citizen	39898724.00					
	h) Central Cooperative Banks	0.00			B. Medium Term Loans	537344858.54	
	i) Pigmy Deposits	0.00			Of which secured against:		
	j) Cash Certificates	208105705.49			i) Govt. and other approved securities	0.00	
	k) UKAL	0.00					
	l) URBAN TERM DEPOSITS	0.00			ii) Other tangible securities of the advances	344140164.04	
		959728368.29					
	ii) Savings Bank Deposits :				iii) Of the advances amount overdue	193204694.50	
	a) Individuals	481295204.63					
	b) BSA Principal	253236.85					
	c) Inoperative Saving Accounts	433.23			C. Long Term Loans	Nil	
	d) Firms & Institutions	64054598.76					
	e) Home Savings Save A/C	4999.68		371055135.59	7. INTEREST RECEIVABLES		335977067.56
	f) Zero Balance/No Frills Savings A/c.	4078408.09			i) Loans and advances	311247909.99	
	g) Exhibition Savings	3210.00			ii) Investments	24729157.57	
	h) PM Janadhan Principal	10467.49			iii) B.S.N.L. Bill Collection	Nil	
		549700558.73					
	iii) Current Deposits :				iv) Considered bad & doubtful of recovery	Nil	
	a) Individuals	170949679.05			a) Short Term		
	b) Inoperative Current Accounts	198.18			b) Medium Term		
	c) Other Societies	2100171.07				335977067.56	
	d) Firms & Institutions	254377421.98					
		427427470.28					
	iv) Money at Call & Short Notice						
	a) Short Deposits/Bankers Cheque	179426492.94					
	b) Sundry Deposits	0.00					
	c) Deposit- at -call	34966760.93					
	d) Matured Fixed Deposits	0.00					
	e) C.G.S. Claim Deposits	4041.28					
	g) BSNL Telephone Bill	0.00					
	h) BSNL Mobile Bill	0.00					
		214397295.15					
3046367297.02			2875342611.27	3341426810.54			3149056443.66
As on 31-3-2024	CAPITAL AND LIABILITIES		As on 31-3-2025	As on 31-3-2024	PROPERTY AND ASSETS		As on 31-3-2025
3046367297.02	B/F		2875342611.27	3341426810.54	B/F		3149056443.66
	5. BORROWINGS		Nil				
	i) From State Co-op. Bank.	Nil		71096.00	8. BILLS RECEIVABLE BEING BILLS FOR	51217.00	51217.00
	a) Short Term Loans, Cash Credits and	Nil			COLLECTION AS PER CONTRA		
	Overdrafts.	Nil					
	b) Medium Term Loans	Nil		36752602.44	9. PREMISES (Less Depreciation)	36473035.44	36473035.44
	(Under SIDBI Refinance Scheme)	Nil					
	c) Long Term Loans.	Nil					
				7205499.44	10. FURNITURE & FIXTURES(Less Depreciation)	6617995.42	6617995.42
71096.00	6. Bills for collection		51217.00				
	Being Bills Receivable as per Contra.	51217.00					
0.00	7. BRANCH ADJUSTMENTS	0.00	0.00				
				1780315.54	11. BRANCH ADJUSTMENTS	2186888.54	2186888.54
				14799135.60	12. OTHER ASSETS		9780726.95
343732155.73	8. OVERDUE INTEREST RESERVE (OIR)	311247909.99	311247909.99		a) Stock & Stationery	1970109.90	
					b) Vehicle A/c	2411169.00	
16659.95	9. INTEREST PAYABLE	16659.95	16659.95		c) Prepaid Telephone	21798.00	
					d) Books & Periodical	28190.00	
7047701.63	10. OTHER LIABILITIES		8927306.88		e) Computer & Peripherals Stocks	243720.02	
	a) Payment Order A/c	1802200.00			f) ATM Hardware	500042.00	
	b) Leave Encashment Payable	1691966.00			g) Prepaid JIO Security Deposit	3500.00	
	c) ATM Project Payable	327314.00			h) GST Input & RCM	1243896.77	
	d) Govt. Security Guard payable	546540.34			i) Advance Income Tax AY 2024-25	3000000.00	
	e) IT Return & Filing payable	10000.00			j) CKYC Wallet	10000	
	f) TDS payable	1433222.00			k) MICR Cheque printing software	37042	
	g) Arbitration Fee Payable	36500.00			l) BEPG Software	37042	
	h) Statutory Audit Fee	710000.00			m) Tokenisation Software	37042	
	i) Tax Audit Fee	0.00			n) Merchant POS Machine	44452	
	j)Trust Audit Fee	20000.00			o) ATM Anti Skimming Devices	40215	
	k) System Audit Fee	145082.00			p) Website	100020.5	
	l) Concurrent audit fee payable	10000.00			q) DKE & MACING Software	52453	
	m) Income Tax Payable A/C	0.00			r) TDS RECEIVABLE	34.76	
	n) GST Output and RCM	414684.54					
	o) DD Payable	1779798.00				9780726.95	
		8927306.88					
3397234910.33			3195585705.09	3402035459.56			3204166307.01