









# THE GEORGE TOWN CO-OPERATIVE BANK LTD., REGD NO.8512

No.2/62, KRISHNAPPA AGRAHAM STREET, CHENNAI - 600 079. PH: 25205992, 25205993, 25201143

## ANNEXURE I

### FORM A

#### Form of Balance Sheet - FINAL AUDIT 2024-2025

BALANCE AS ON 31/03/2025

(000's omitted)

Capital and Liabilities	Schedule	As on 31/03/2025	As on 31/03/2024
Capital	1	39,514	41,029
Reserves And Surplus	2	324,861	283,283
Deposits	3	1,995,662	2,033,712
Borrowings	4	3,810	5,079
Other Liabilities And Provisions	5	643,561	671,006
<b>TOTAL</b>		<b>3,007,407</b>	<b>3,034,108</b>
<b>Assets</b>			
Cash And Balances With Reserve Bank Of India	6	48,766	47,626
Balance With Banks And Money At Call And Short Notice	7	293,939	487,412
Investments	8	457,721	520,204
Advances	9	1,807,175	1,582,827
Fixed Assets	10	6,343	4,279
Other Assets	11	393,463	391,761
<b>TOTAL</b>		<b>3,007,407</b>	<b>3,034,108</b>
Contingent liabilities	12	29,970	29,970
Notes and Significant Accounting policies forming part of our report of even dated annexed			

## ANNEXURE I

### FORM B

#### Form of Profit and Loss Account

#### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31/03/2025

(000's omitted)

I. Income	Schedule	As on 31/03/2025	As on 31/03/2024
Interest expended	13	226,903	223,751
Other Income	14	31,346	5,158
<b>Total</b>		<b>258,249</b>	<b>228,909</b>
<b>II. Expenditure</b>			
Interest expended	15	124,360	120,736
Operating expenses	16	81,112	77,926
Provisions and contingencies		-	-
<b>Total</b>		<b>205,472</b>	<b>198,661</b>
<b>III. Profit/Loss</b>			
Net Profit/Loss(-) for the year		52,777	30,247
Profit/Loss(-) brought forward		-	-
<b>Total</b>		<b>52,777</b>	<b>30,247</b>
<b>IV. Appropriations</b>			
Transfer To Statutory Reserves		-	-
Transfer To Other Reserves		-	-
Transfer To Government/ Proposed Dividend		-	-
Balance Carried Over To Balance Sheet		52,777	30,247
Notes and Significant Accounting policies forming part of our report of even dated annexed			

#### CERTIFICATE OF STATUTORY AUDITOR ON COMPLIANCE OF PRUDENTIAL NORMS

This is to certify that THE GEORGE TOWN CO-OPERATIVE BANK LTD ITED., REGD.NO. 8512., CHENNAI - 600 079, has followed scrupulously the Prudential Norms (IRAC Norms) as prescribed by Reserve Bank of India (RBI) in closing of Final Accounts of the Bank for the Year 2023-2024 with regard to the following:

1. Income Recognition
2. Asset Classification
3. Provision on NPAs and
4. Capital Adequacy Norms.

#### Independent Auditor's Report

To,  
The Members,  
THE GEORGE TOWN CO-OPERATIVE BANK LIMITED., REGD.NO. 8512.,  
CHENNAI-600079.

Report on the Financial Statements

#### Qualified Opinion

1. We have audited the accompanying financial statements of THE GEORGE TOWN CO-OPERATIVE BANK LIMITED, REGD.NO. 8512., Chennai-600079 as at 31 March 2025, which comprises the Balance Sheet as at 31 March 2025, and the Profit and Loss Account, summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effect of the matters described in the basis of qualified opinion paragraph, the aforesaid financial statements together with the Notes thereon give the information required by the Banking Regulation Act, 1949 (as applicable to Co-operative Banks) and also amended by the Banking Regulation (Amendment) Act, 2020, and guidelines issued thereunder, and subject to the requirement to strengthen the Internal control system and subject to the deviations detailed in our Long Form Audit Report, 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.

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

#### Basis for Qualified Opinion

2. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

During the year, the Bank migrated to Core banking system through a new software. However, we have observed that the Bank has not conducted a post-migration audit or a system audit to assess the adequacy, security, and integrity of the new CBS environment. In the absence of such an audit, we are unable to obtain sufficient and appropriate audit evidence regarding the effectiveness of controls and the reliability of data migrated to the new system. Accordingly, our opinion is qualified in this respect

#### Key audit matters

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors' report thereon

4. The Bank's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information Management's Responsibility for the Financial Statements

5. 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 the guidelines issued by the Reserve Bank of India and Co-operative societies act 1961. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Bank financial reporting process.

#### Auditor's Responsibility

6. Our objectives are to obtain reasonable assurance about whether the financial objectives are to obtain reasonable assurance about whether the 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 and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

#### 7. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 on the Company'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 that may cause the Company 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 identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal & Regulatory Requirements

10. Balance Sheet and the Profit and Loss Account have been drawn up in Form "A" and Form "B" respectively of the Third Schedule to the Banking Regulation Act, 1949.
11. Except for the matters described in the Basus for Qualified opinion section of our audit report indicated in Paragraphs 1 & above

#### 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 our audit and have found them to be satisfactory.
- b. 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;
- c. The transactions of the Bank which have come to our notice are within the powers of the Bank;
- d. The Balance Sheet and the Profit and Loss Account dealt with by this Report are in agreement with the books of account and the returns.
- e. 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;
12. We further report that for the year under audit, the Bank has been awarded "C" Classification.

#### NOTES ON ACCOUNTS

##### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

###### 1.1 AS - 1: Disclosure of Basis of Accounting

The financial Statements have been prepared under the historical cost convention and on accrual basis of accounting except where stated otherwise and conform to the statutory provisions and practices prevailing within the Banking Industry in India. The Bank has complied with the accounting standard, prescribed by the Institute of Chartered Accountants of India to the extent permissible under the laws and regulations governing Co-operative Banks. The accounts have been prepared on the Principles applicable to 'Going Concern'.

###### 1.2 AS - 5: Net profit / Loss for the period and the prior period items:

All items of income and expenses pertaining to the year are included in arriving at the net Profit for the year, unless specifically mentioned elsewhere in the financial statement or as required by any accounting standard.

###### 1.3 AS - 6: Depreciation Accounting

Depreciation has been provided at the rate of 2.5% in respect of Building, 10 % in respect of Furniture & Fixtures and 33.33 % in respect of Computer under Tamil Nadu Co-Operative Societies Act.

###### 1.4 AS - 9: Revenue Recognition

###### A) Income:

1. Interest income on all advances/Performing Assets is recognised on Accrual basis. In respect of Nonperforming Assets/Non-performing Investments interest income is recognised on realisation.
2. Recovery in NPA Accounts is first appropriated towards charges, interest and the balance, if any, towards principal except in the case of Suit Filed Accounts, Stagnant Advances and Advances settled under one time settlement scheme.
3. Commission, Exchange, Brokerage, Locker rentals, and Dividends on Investments are accounted for on Realisation.

###### B) Expenditure:

Expenditure is accounted for on accrual basis except the following, which are accounted for on payment basis:

1. Interest on overdue deposits not renewed.
2. Annual maintenance contracts payments.
3. Group Insurance premium in lieu of EDLI payment

###### C) Net profit:

The net profit is arrived at after:

1. Provisions on Non Performing Assets
2. Adjustments to the value of investments.
3. Provision for Standard Assets,
4. Other usual and necessary provisions,
5. Taxation.

###### 1.5 AS - 10: Accounting for Fixed Assets

Premises and other fixed assets are accounted for on the historical cost basis less accumulated depreciation.

###### 1.6 AS - 15: Accounting for Employee Benefits

- 1) The Bank is making Regular contributions to the Provident Fund/Pension Fund and these are charged to Revenue.
- 2) Liability towards Leave encashment has been provided.

3) The Liability towards Gratuity is funded with Life Insurance Corporation of India under the Group Gratuity Cash accumulation scheme. Liability towards Gratuity is provided based on the valuation received from Life Insurance Corporation of India the Fund Balance as on 31.03.2025 is Rs. 192.41 Lakhs.

###### 1.7 AS - 28: Impairment of Assets:

An asset is impaired when the carrying amount of the asset exceeds its recoverable amount and impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. An impairment loss recognized in a prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

###### 1.8 AS - 29: Provisions, Contingent Liabilities and Contingent Assets

A Provision is recognised when the Bank has a Present Obligation as a result of Past event and it is Probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not provided for unless a reliable estimate of probable outflow to the Bank exists as at the Balance sheet date. Contingent Liabilities are disclosed in the Notes







