

● VICTIM OF MISAPPROPRIATION, ZEE WROTE ON JUNE 11

# Sebi: Urgent action needed against Chandra, Goenka

VIVEAT SUSAN PINTO  
Mumbai, June 18

**THE SECURITIES AND**  
Exchange Board of India (Sebi) has said barring Essel Group chairman Subhash Chandra and Zee Entertainment MD & CEO Punit Goenka from holding key managerial positions is needed to protect investors.

In its reply to the Securities Appellate Tribunal (SAT) regarding its June 12 interim order barring the two, Sebi also said urgent action is required in the matter. Chandra and Goenka's lawyers had argued there is no urgency needed, since the matter dates back to 2019.

Chandra and Goenka moved the SAT last week for a stay on Sebi's interim, ex parte order. The matter will be heard and disposed of on Monday.

Sebi had said in its June 12 order that Chandra and Goenka had carried out sham transactions to divert funds to associate entities. The diversion was of ₹200 crore.

"We have a situation before us where the chairman emeritus and the MD & CEO of this large listed company are involved in a myriad of different schemes and transactions through which vast amounts of public money belonging to listed companies are diverted to private entities owned and controlled by these persons. The appellant's conduct is



Subhash Chandra and (right) Punit Goenka

## WHAT THEY ARGUED

■ Sebi said Chandra and Goenka are involved in myriad schemes through which vast amounts of public money was diverted

■ Zee said repetitive investigation into the same case could potentially impact its proposed merger with Sony

telling in this regard. Not only have there been violations, but also the issuance of multiple false disclosures and submission of statements to cover up such wrongdoings," Sebi said in its 197-page affidavit to SAT on Sunday.

A day before Sebi's interim order, however, Zee had written a letter to the markets regulator, saying it was a victim of misappropriation by Yes Bank, where the bank had adjusted the fixed deposit of ₹200 crore against certain receivables of

borrower entities of Zee. The media company also said it was never privy to loan arrangements between borrower entities and Yes Bank and the lender had acted unilaterally without any action on the part of Zee.

Zee said repetitive investigation into the same case could potentially impact its proposed merger with Sony.

Zee is currently seeking approvals for its merger with Sony, which has been delayed for some time. The merger,

which will create a \$10-billion company, was deferred by the National Company Law Tribunal (NCLT) on Friday to June 26.

Chandra and Goenka had moved SAT last week, asking for Sebi's order to be stayed, saying the principles of natural justice had been violated.

"Please note that the said merger is at an advanced stage post receipt of approvals from various regulators. The scheme has also been approved by 99.9% of the equity shareholders of Zee Entertainment. It is beyond our comprehension as to why the present matter is being re-investigated when the cause of action is around four years old," Zee said in its letter to Sebi.

Goenka's lawyer and senior counsel Janak Dwarkadas had argued last week in front of the tribunal that the Sebi order had rendered Zee headless. Chandra's lawyer Somsekharan Sundaresan, on the other hand, had said Chandra was not a director in any listed company and the direction by Sebi was not needed at all.

Countering the arguments on Sebi's behalf, senior advocate Darius Khambata had said the allegations were baseless. "They have not yet proved how the investigation is a sham," he had said.

SAT had granted no relief in the matter on Thursday, posting the matter for Monday.

**Tata Steel earmarks ₹16,000 cr as capex this fiscal**

PRESS TRUST OF INDIA  
New Delhi, June 18

**INDUSTRY GIANT TATA** Steel is planning a consolidated capital expenditure (capex) of ₹16,000 crore for its domestic and global operations during the current financial year, according to its top management.

Of the planned amount, Tata Steel has earmarked ₹10,000 crore towards standalone operations and ₹2,000 crore for its subsidiaries in India, the company's CEO & MD T V Narendran, and executive director & CFO Koushik Chatterjee said.

"The projected capital expenditure (capex) for FY24 is set at ₹16,000 crore on a consolidated basis which is intended to be financed through internal accruals over the full year," the executives said in the company's annual report for 2022-23.

Of this, ₹10,000 crore has been earmarked towards Tata Steel standalone operations, of which the Kalinganagar project will account for approximately 70%, they said.

"Our other Indian subsidiaries, currently in an expansion phase with value accretive projects, especially in downstream operations which are important to service customer needs and improve our value-added product mix, will have a capex of about ₹2,000 crore," they said.

The projected capital expenditure (capex) for FY24 is set at ₹16,000 crore on a consolidated basis which is intended to be financed through internal accruals over the full year," the executives said in the company's annual report for 2022-23.

Tea makers such as Dhunseri Tea & Industries and MK Shah Exports, who are interested in buying the tea gardens, said they are studying the proposal.

But for McLeod, selling tea gardens to reduce its debt or striking the proposed OTS with lenders would raise serious doubts about its extent of profitability with fewer gardens, according to analysts.

It has not so far been clear how many tea gardens McLeod would sell and how much haircut the lenders would take for the debt restructuring. But

# Carbon fiasco: McLeod Russel in a catch-22

MITHUN DASGUPTA  
Kolkata, June 18

**DEBT-LADEN TEA MAJOR** McLeod Russel finds itself in a catch-22 after its pact with Carbon Resources fell apart.

Carbon Resources sold all its shares in Khatians-led McLeod last Thursday after talks between the two companies on extending their exclusivity agreement did not fructify.

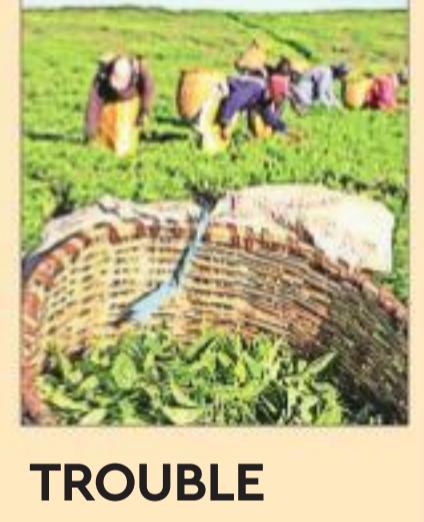
McLeod's board had approved execution of the exclusivity agreement with Carbon Resources, owned by the Jalans, in January. The firm was negotiating and evaluating a mutually agreeable mechanism for it to offer a proposed one-time settlement (OTS) of its debt to lenders. Its debt stands at over ₹1,700 crore.

After the talks with Carbon collapsed, the Khatians have reached out to tea companies to sell 13-14 of its tea estates for the proposed OTS, sources with direct knowledge told FE.

Tea makers such as Dhunseri Tea & Industries and MK Shah Exports, who are interested in buying the tea gardens, said they are studying the proposal.

But for McLeod, selling tea gardens to reduce its debt or striking the proposed OTS with lenders would raise serious doubts about its extent of profitability with fewer gardens, according to analysts.

It has not so far been clear how many tea gardens McLeod would sell and how much haircut the lenders would take for the debt restructuring. But



## TROUBLE BREWING

■ McLeod Russel has reached out to tea companies to sell 13-14 tea estates

■ Analysts say buyers would be interested in buying profitable gardens

■ Fewer gardens would raise serious doubts about the firm's profitability

situation," the analyst said.

The company at present has 33 tea estates which produce over 40 million kg of the brew.

CK Dhanuka, chairman, Dhunseri Group, said the group intends to buy some gardens from McLeod Russel. "But, first we will have to consider the profitability of each gardens. We will not buy only for the sake of buying. Our people have gone for inspection. Let us see how it goes," Dhanuka told FE.

A source at MK Shah Exports said the company is studying McLeod's proposal and has not yet arrived at a decision.

"We are interested in buying gardens. We will consider it. We will only be interested in the estates where it makes sense for us," the person said.

Carbon Resources on June 15 exited McLeod Russel, having sold all its shares in the company through open market transactions. Carbon had picked up a 5.03% stake in McLeod from the open market in September last year. "We sold all our shares of McLeod Russel. We exited today (last Thursday)," Abhinav Jalan, director, Carbon Resources, had told FE.

"In all practical purposes our exclusivity agreement with McLeod had expired as the company went into insolvency proceedings. When the company came out of the insolvency proceedings recently, we held a meeting with Khatians. They were not interested in honouring the agreement that we had. So, we exited," Jalan had said.

The buyers would be interested in buying only premium and profitable gardens. "It would put more stress on the residual operation of the company and its Ebitda. If some debt remains for the company, it would be even more unviable. The company is in a catch-22

SAMEER RANJAN BAKSHI  
Bengaluru, June 18

**MACROECONOMIC HEADWINDS** Along with emerging technologies like Generative AI and Low Code are posing a challenge to the outsourcing business offered by Indian IT companies.

Last week, Transamerica ended its \$2 billion 10-year deal with Tata Consultancy Services two years ahead of schedule and is now reportedly planning to reduce its dependence on third party IT vendors.

IT industry executives say it's early days to tell what kind of trends would emerge, but one thing is certain — some of the deals may face harder scrutiny with changing technologies and insourcing may



gain traction.

V Balakrishnan, chairman of Exfinity Ventures and former CEO of Infosys, said, "It is too early to say whether this is indicative of a trend or not. We had not seen any meaningful cancellation of large deals in

the recent past."

He said that typically, insourcing happens if the customer is in a better position to handle it more efficiently than the outsourced vendors. The advances in AI technologies is automating lot of IT work

# Physics Wallah to pick up 50% in Xylem for ₹500 cr over three years

PRESS TRUST OF INDIA

New Delhi, June 18

## UNICORN EDTECH FIRM

Physics Wallah will acquire 50% stake in Kerala-based edtech firm Xylem Learning for ₹500 crore in phases over three years, a top official of the company said on Sunday.

The partnership is aimed at strengthening the presence of Physics Wallah (PW) in the southern market. Physics Wallah will acquire 50% in Xylem Learning in a phased manner over a period of three years," PW founder and CEO Alakh

Pandey told PTI. The partnership propels us closer to our strategic goal of becoming the leading education platform in south India

ALAKH PANDEY, CEO, PHYSICS WALLAH



but also "propels us closer to our strategic goal of becoming the leading education platform in south India".

"In three years, we will invest ₹500 crore to propagate the brave and unique 'XYLEM' model of Hybrid Learning" to

other adjoining sister states - it is a special result-oriented plan of learning which has specially impressed me.

"To do this it will require robust team building, content development, technological innovation, expansion in other categories and hybrid centres. We will also look at mergers and acquisitions in the south."

Founded by 26-year-old MBBS graduate Ananthu S, Xylem Learning claims to have a strong presence in Kerala and plans to now expand to Tamil Nadu, Andhra Pradesh, and other southern markets.

(THIS IS ONLY A ADVERTISEMENT FOR INFORMATION PURPOSE AND NOT A PROSPECTUS ANNOUNCEMENT. NOT FOR DISTRIBUTION OUTSIDE INDIA)



## MAGSON RETAIL AND DISTRIBUTION LIMITED

Our company was incorporated as Magson Retail & Distribution Private Limited on December 10, 2018 under Companies Act, 2013. Further the name of the company was subsequently changed to "Magson Retail & Distribution Limited" pursuant to a special resolution passed by the shareholders of the company at the Annual General Meeting held on 30 September, 2022. A fresh certificate of incorporation consequent upon change of name was issued on 20th December 2022 by the Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identity Number of our Company is U7499GJ2018PLC105533. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter "History and Certain Corporate Matters" on page no. 120 of this Prospectus

Tel No.: +91 9978607507; Email : cs.magson@gmail.com Website : www.magson.in

Contact Person: Ms. Atula Patel, Company Secretary and Compliance Officer.

Our Promoters: Mr. Rajesh Emmanuel Francis, Mrs. Jennifer Rajesh Francis and Mr. Manish Shivnarayan Pancholi.

## THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 21,14,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF MAGSON RETAIL AND DISTRIBUTION LIMITED (THE "COMPANY" OR "MRD" OR "THE ISSUER") FOR CASH AT AN ISSUE PRICE OF ₹ 65 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 55 PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGRGATING TO ₹ 1374.10 LAKHS ("THE ISSUE"), OF WHICH UPTO 1,06,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 20,08,000 EQUITY SHARES OF ₹ 10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.93% AND 25.58%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS RS. 10 AND THE ISSUE PRICE IS 6.5 TIME OF THE FACE VALUE. THE ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF SEBI (ICDR) REGULATIONS, 2018 AS AMENDED FROM TIME TO TIME.

For further information please refer the section titled "Issue Information" on Page no. 217 of the Prospectus.

MINIMUM APPLICATION SIZE OF 2,000 EQUITY SHARES AND IN MULTIPLES OF 2,000 EQUITY SHARES THEREAFTER.

## ISSUE

OPENS ON : 23<sup>rd</sup>, June, 2023

CLOSES ON : 27<sup>th</sup>, June, 2023

ASBA

Simple, Safe, Smart way of Application - Make use of it!!!! \*Application supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same.

For details check section on ASBA below. Mandatory in Public Issue from January 01, 2016 No cheques will be accepted.

UPI Now mandatory in ASBA for Retail Investors applying through Registered Brokers, DPs & RTA. Retail Investors also have the options to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account.

Important Notice: Under the prevailing circumstances, Investors are requested to use the ASBA facility, including UPI mechanism, for making their applications. Further all the Applicants are advised to submit their Applications one day prior to the issue Closing Date as far as possible.

The issue is being made through the Fixed Price process wherein 50% of Net Issue of the Equity Shares offered are reserved for allocation to Retail Individual Applicants. The issue comprises a Net Issue to Public of 20,08,000 Equity Shares of ₹ 10 each ("the Net Issue") and a reservation of 1,06,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion"). The issue and the Net Issue will constitute 26.93% AND 25.58% respectively of the Post Issue Paid Up Equity Share Capital of the Company. Allocation to all the categories shall be made on a proportionate basis subject to valid Application received at or above the Issue Price. Under Subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any would be affected in accordance with applicable laws, rules, regulations and guidelines. All Investors shall participate in this issue only through ASBA process. For details in this regard, specific attention is invited to "Issue Procedure" on Page No. 227 of the Prospectus. Applicants should ensure that DP ID, PAN, UPI ID (if applicable, in case of RTIs) and the Client ID are correctly filled in the Application Form. The DP ID, PAN and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository Database, otherwise, the Application Form is liable to be rejected. Applicant should ensure that the beneficiary account provided in the Application Form is active. Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrars to the issue, any requested Demographic Details of the Applicant as available on the records of the Depositories. These Demographic Details may be used, among other things, for any correspondence(s) related to the issue. Applicants are advised to update any changes to their Demographic Details as available in the records of the Depositories. Any delay resulting from failure to update the Demographic Details would be at the Applicant's Sole Risk.

## PROMOTERS OF THE COMPANY

MR. RAJESH EMMANUEL FRANCIS, MRS. JENNIFER RAJESH FRANCIS AND MR. MANISH SHIVNARAYAN PANCHOLI.

## જનતા સહકારી બँક લિ., પુણે



(મલ્ટીસ્ટેટ શેડ્યુલ બંક)

મુખ્ય કાર્યાલય : ૪૫૫૫, શુક્રાવર પેથ, થોલે ગારીયા સર્ટ., પુણે ४૧૧૦૦૨.

ફોન : ૦૨૦-૨૪૪૩૨૫૦૮ / ૨૫-૨૪૫૫૧૩૦

૩૧ માર્ચ ૨૦૨૨ અનેરવા તાલેબદ

## JANATA SAHAKARI BANK LTD., PUNE

(Multistate Scheduled Bank)

Head Office: 1444, Shukrawar Peth, Tholre Bajirao Road, Pune 411002.

Ph.: 020-24453258 / 59, Fax: 020-24453430

Balance sheet as on 31st March 2022

## d) Disclosures Regarding Priority Sector Lending Certificates (PSLCs)\*

Detail of Priority Sector Lending Certificates (PSLC) Purchased by the Bank as per RBI Circular FIDC.CP.Plan.BC/23/04.09.01/2016 DATED 7th April, 2016, are set out below:

(Amount in ₹ Crore)

Sr. No.	Item	31.03.2023	31.03.2022
1	PSLC General	0.00	400.00
2	PSLC Agriculture	0.00	0.00
3	PSLC Small and Marginal Farmers	0.00	0.00
4	PSLC Micro Enterprises	0.00	0.00

## Priority Sector Lending Certificates Sold

Sr. No.	Item	31.03.2023	31.03.2022
1	PSLC General	0.00	0.00

## e) Provisions and Contingencies

(Amount in ₹ Crore)

Sr. No.	Provision Debited to Profit and Loss Account	31.03.2023	31.03.2022
i)	Provisions for NPI	0.00	21.00
ii)	Provision Towards NPA	15.00	27.13
iii)	Provision Made Towards Income Tax	0.00	0.00
iv)	Special Reserve as per Income Tax Act	0.00	3.00
v)	Other Provisions and Contingencies (With Details)		
a)	Contingent Prov for Std Assets	(0.55)	(0.50)
b)	For Restructural Loan	1.08	8.02
c)	Covid 19 Impact	0.00	0.00
d)	Prov for FITL	0.00	0.00
e)	For Restructural Loan under Covid 1	(1.36)	0.71
f)	For Restructural Loan under Covid 2	(3.30)	8.90
g)	For Other Receivable	(0.08)	0.37
h)	BDDR for ARC	0.00	11.79
i)	Provisions for Depreciation on Investment	89.71	13.80
j)	Provision for Non Banking Asset	41.29	0.00

## f) Payment of DICGC Insurance Premium

(Amount in ₹ Crore)

Sr. No.	Particulars	31.03.2023	31.03.2022
i)	Payment of DICGC Insurance Premium	10.85	11.07
ii)	Arrears in payment of DICGC premium	0.00	0.00

## g) Disclosure of Facilities Granted to Directors and Their Relatives

(Amount in ₹ Crore)

Sr. No.	Particulars	31.03.2023	31.03.2022
i)	To Relatives of Directors (Against FDR)	0.00	0.20
ii)	To Relatives of Directors (Other)	0.25	0.00

## h) MSME

The information in respect of their registration under Micro, Small, Medium Enterprises Development Act 2006 is not received from suppliers / service providers by the Bank. Hence, information relating to the cases of delays if any, in payments to such enterprises or of interest payments due to such delays could not be given.

## i) Market Risk in Trading Book as on 31.03.2023:

Investment portfolio of the bank is subject to market risk as the value of investments may witness volatility over the period of time due to various factors such as global and domestic changes, economic and political issues etc. Market risk is associated with valuation of individual securities considering its other risks such as credit risks and also with entire portfolio considering the interest rate risk.

The Bank manages the market risk in trading book on continuous basis and risk calculation is done on monthly basis. Market value for the investments is calculated as per the RBI guidelines issued from time to time.

The Bank uses various parameters for market risk identification, assessment and mitigation. The parameters such as Modified Duration/Convexity, Net Open Position Limits and Gap Limits are calculated and analysed on monthly basis. The bank also uses Duration Management techniques for overall blending of portfolio according to perceived yield curve movement in the near future.

## 16. Additional Provision for Bad and Doubtful Debt Reserve (BDDR)

The bank has made additional provision of Rs. 16.22 crores for Reserve for Bad and Doubtful Debts over and above statutory requirement as per Master Circular of RBI on Income Recognition, Asset Classification, Provisioning and Other Related Matters based on expected delinquency by the management in few borrowal accounts.

## 17. Provision for Income Tax

No provision is made for taxes on income as there is no taxable profit as per provisions of income tax act 1961.

## 18. Disputed Tax matters:

Two Income Tax cases are pending before CIT (Appeals) and High Court amounting to Rs. 232.30 Lakh (Previous year 4 cases involving amount of Rs. 3964.07 Lakh). One Service tax case is pending before adjudicating officer involving amount of Rs. 388.00 Lakh for the period from 2012-13 to 2016-17. One GST case under DRCI amounting to Rs. 7.48 Lakh for FY 2019-20.

19. The figures of previous years have been regrouped / rearranged to confirm with the current year's presentation.

Notes on Accounts : As per our report attached

N. S. Pandit  
Deputy General Manager  
Accounts-MISC. S. Sathe  
General ManagerN. D. Dhawlikar  
Chief General ManagerA. V. Sohoni  
Chief General ManagerFor HMA & Associates  
Chartered Accountant  
FRN No-100537W  
(Anand Dilip Joshi)  
Partner  
M. No: 113805  
Statutory AuditorPlace: Pune  
Date: 15th April 2023

:: Directors ::

K. V. Gandhi (Director) P. D. Kamble (Director) M. R. Mate (Director) A. V. Petkar (Vice Chairman) R. B. Hejib (Chairman) J. P. Kashyap (Officiating Chief Executive Officer)

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members,  
Janata Sahakari Bank Ltd., Pune

## REPORT ON FINANCIAL STATEMENTS

## Opinion

1. We have audited the accompanying financial statements of Janata Sahakari Bank Limited, Pune ('the Bank'), which comprises the Balance Sheet as at 31st March 2023, Profit and Loss Account and the Cash Flow Statement for the year ended on 31st March 2023, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949, the Multi-State Cooperative Societies Act, 2002 and the Rules made thereunder, the guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement.

When we read the Report of Board of Directors including other explanatory information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the members in the Annual General Meeting.

## Management's Responsibility for the Financial Statements

5. The Bank's Board of Directors is responsible for 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 accounting policies specified in the Accounting Standards issued by ICAI and provisions of Banking Regulation Act, 1949 and the rules made thereunder, and the provisions of Multi-State Cooperative Societies Act, 2002 and the Rules made thereunder and the guidelines issued by the Reserve Bank of India ('RBI') from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as 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 Bank or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Bank's Financial Reporting process.

## Auditor's Responsibilities for the audit of the Financial Statements

6. Our 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates 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 it appears likely that the Bank will 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.

• 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 ethical requirements and other regulations 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.

## Report on Other Legal and Regulatory Requirements

7. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms A and B respectively of Third Schedule to the Banking Regulation Act, 1949 and the Multi State Co-operative Societies Act, 2002 of the Multi State Co-operative Societies Rules, 2002.

8. As required by Section 73(4) of the Multi State Co-operative Societies Act, 2002, 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, have been within the powers of the Bank.

d) The Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with in this report agree with the books of account and with 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.

f) In our opinion and according to the information and explanations given to us, we have not noticed any material inappropriateness or irregularity in the expenditure or in the realization of money due to the Bank.

g) As per the information and explanations given to us and based on our examination of the books of account and other record, we report as under on the matters specified in clause (a) to (f) of Rule 27(3) of the Multi State Co-operative Societies Rules, 2002-

a) We have not come across any transactions which appear to be contrary to the provisions of the Multi-State Cooperative Societies Act, 2002, the rules or the byelaws of the Bank.

b) We have not come across any material or significant transactions which appear to be contrary to the guidelines issued by the Reserve Bank of India.

c) Based on our examination of the books of account and other records and as per the information and explanations given to us, the money belonging to the Bank which appears to be bad or doubtful of recovery are detailed below:

Category	Principal Outstanding as on March 31, 2023 (Rs. In Lakhs)

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