[*See* section 81 and rule 69 (*3*)]

An Illustrative Format of Report of the Auditor of Co-operative Bank

INDEPENDENT AUDITOR’S REPORT

To,

The Chairman/Secretary/Chief Executive Officer

The \_\_\_\_\_\_\_\_\_\_ Urban Co-operative Bank Ltd. / DCCB / SCB,

Address, City Name

*Ref*. :- Appointment Letter Reference No.-------- Dated ------------

**Report on the Financial Statements as a Statutory Auditor**

1. We have audited the accompanying financial statements of the -------- Urban Co-operativeBank Ltd. / DCCB / SCB, which comprise the Balance Sheet as at 31st March 20XX and the Statement of Profit and Loss for the year ended, and a summary of significant accounting policies and other explanatory information incorporated in these financial statements of the Bank alongwith its Branches and Extension counters audited by us for the period 1st April 20YY to 31st March20XX. \*

**Management’s Responsibility for the Financial Statements**

2. Management is responsible for the preparation of these financial statements in accordance with Maharashtra Co-operative societies Act, 1960, Banking Regulation Act, 1949 (A.A.C.S.) and RBI / NABARD Guidelines. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are

free from material misstatement, whether due to fraud or error.

**Auditor’s Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.*We conducted our audit in accordance with the applicable Standards by The Institute of CharteredAccountants of India and under the MCS Act / BR Act / RBI guidelines.* Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether the financial statements are free from material misstatement, whether dueto fraud or error.

4. 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 Bank’s preparation and fair presentation of the financial statements inorder to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the

financial statements.

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

**Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give the information required by the Banking Regulation Act, 1949 (A.A.C.S.) as well as the Maharashtra Co-operative Societies Act, 1960, the Maharashtra Co-operative Societies Rules 1961, and any other applicable Acts, and or circulars

issued by the Registrar, in the manner so required for the bank and give a true and fair view inconformity with the accounting principles generally accepted in India:

(*i*) in the case of the Balance Sheet, of the state of affairs of the Bank as at 31st March,2\_\_\_;

(*ii*) in the case of the Statement of profit and loss of the profit/loss for the year ended onthat date; and

**Report on Other Legal and Regulatory Matters**

7. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance withthe provisions of Section 29 of the Banking Regulation Act, 1949 read with provisions of theMaharashtra Co-operative Societies Act, 1960 & Maharashtra Co-operative Societies Rules 1961.

8. **We report that :**

(*a*) We have obtained all the information and explanations which, to the best of ourknowledge and belief, were necessary for the purpose of our audit and have found them to besatisfactory.

(*b*) The transactions of the Bank, which have come to our notice, have been within thepowers of the Bank.

(*c*) The returns received from the offices and branches of the Bank have been foundadequate for the purposes of our audit.

9. In our opinion, the Balance Sheet and Profit and Loss Account comply with applicable Accounting Standards.

10. **We further report that :**

(*i*) The Balance Sheet and Profit and Loss Account dealt with by this report, are in agreement with the books of account and the returns.

(*ii*) In our opinion, proper books of account as required by law have been kept by theBank so far as appears from our examination of those books.

(*iii*) The reports on the accounts of the branches audited by us / branch auditors havebeen dealt with in preparing our report in the manner considered necessary by us.

(*iv*) for the year under audit, the bank has been awarded “\_\_” classification.

Signature

(Name of the Member Signing the Audit Report / Name of Auditor)

(Designation)

Membership Number

Firm Registration Number

Audit Panel Number

Place of Signature :

Date of Report :

**Note :- In case the auditor have not audited all branches or taken assistance of other auditor or branches are audited by another auditor appointed by bank, following lines should be inserted in above report.**

\*These unaudited branches account for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ per cent of advances,\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ per cent of deposits, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ per cent of interest income and\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ per cent of interest expense.