



MANIPUR RURAL BANK

(A GOVERNMENT ENTERPRISE)

HO: KEISHAMPAT, IMPHAL

Publication of Balance Sheets, Profit & Loss Accounts & Auditor's Report
for the year ended on 31st March 2018 under Section 31 of the Banking Regulation Act, 1949.

Balance Sheet as at 31st March 2018

(000 omitted)

CAPITAL & LIABILITIES	As at 31.03.2018		ASSETS	As at 31.03.2018	
1. Authorised Capital (2000000000 shares of Rs.10/- each)		20000000	1. Cash Balance	7689	7689
2. Issued & Subscribed Capital (53880300 shares of Rs.10/- each) from:		538803	2. Balance with RBI	103282	103282
a) Govt of India	269401				
b) Govt of Manipur	80821				
c) United Bank of India	188581				
3. Share Capital Deposits		0	3. Balances with Banks		829530
a) Govt of India			a) In current account	578669	
b) Govt of Manipur			b) In fixed deposits	250861	
c) United Bank of India					
4. Reserves & Surplus	53850	53850	4. Investment in Govt Securities	1189339	1189339
5. Deposits:		2824342	5. Loans & Advances		1235610
a) Demand Deposits	386679		a) Priority sector	1162524	
b) Saving Bank Deposits	1656743		b) Non Prisec	73086	
c) Term Deposits	780920				
6. Borrowings:		408492	6. Fixed Assets	5683	5683
a) NABARD	181952				
b) Other Inst. & Agencies(Lien on	209140				
c) Hybrid Debt Capital Instrument (136 instrument of Rs.100000 each)	17400				
7. Other Liabilities :		303262	7. Other Assets:		757616
a) Bills payable	4367		a) Interest accrued	22557	
b) Intersol Cheque Collection	110		b) Tax paid in advance / TDS	1000	
c) Interest accrued	17680		c) Stationery and Stamp	289	
d) IBPC Payable	260000		d) IBPC Recieivable	260000	
e) NPS Trust MRB APY	80		e) IMPS/UPI receivable	325	
f) Marginal Deposit	64		f) AEPS Receivable	1546	
g) GST payable	1		g) Security deposits - Telephone	27	
h) Subsidy reserve fund	14844		h) Festival Advances	998	
i) Provisions - for Std assets	3033		i) Suspense Account	151	
- for Audit Fee	200		j) Cumulative losses upto current year	468121	
j) ATM payable	2862		k) NEFT in Transit	2476	
k) CERSAI Registration fee	21		l) Temp Advance	30	
			m) FLC Receivable	96	
Total		4128749			4128749

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31 MARCH 2018

INCOME	As at 31.03.2018	EXPENDITURE	As at 31.03.2018
Interest/Discount on Advances/Bill	120636	Interest paid on deposits	107215
Interest on FD	11763	Interest paid on borrowings	16585
Income on Investments	104327	Payment to & provisions for Employees	71891
Commission, Exchange & Brokerage	6278	Rent, taxes & lighting	3139
Misc. Income	5855	Printing & Stationery	2437
Processing charges	1799	Director's fee	14
Shadow recovery	896	Advertisement and Publicity	54
Supervision charges	4070	Depreciation on Bank's Property	992
Other Interest Income (Bonanza)	58	Audit fees and allowances	205
Others Income	717	Postage, Telegram, Telephone	4896
		Repairs and Maintenance	3436
		Insurance	3515
		Loss on revaluation of Investment	48809
		Other expenditure	28305
		(i) Administrative Charges	124
		(ii) Recovery Agent's/ BF's Commission	555
		(iii) Clearing House Charges	28
		(iv) Newspaper and Periodicals	13
		(v) Sanitation	356
		(vi) Entertainment	68
		(vii) Travelling Expenses	294
		(viii) Conveyance Expenses	182
		(ix) Misc. Loss written off	227
		(x) Freight, coolie and labour charges	108
		(xi) Service Charges	35
		(xii) Meeting Expenses	43
		(xiii) Provision for Standard assets	173
		(xiv) Provisions for bad Debt	18985
		(xv) Hiring Charges for vehicles	121
		(xvi) Staff Training Expenses	66
		(xvii) Misc. Expenses	1619
		(xviii) Business Development Exp.	3257
		(xix) Computer Maintenance	3
		(xxi) AEPS Charges	115
		(xxii) Remittance Expenses	1472
		(xxiii) Organisation Cost	359
		(xxiv) Examination Cost	102
Total	256399	Total	291493
		Profit before tax	-35094

Sd/- Chairman



Independent Auditor's Report

To the Members of
Manipur Rural Bank

Report on the Financial Statements

1. We have audited the accompanying financial statements of **MANIPUR RURAL BANK** ("the Bank") which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information which are incorporated the returns of 13 (thirteen) branches audited by us and returns of un-audited 11 (eleven) branches which are certified by the Branch Managers. These branches audited by us have been selected by the Bank under the guidelines of Reserve Bank of India.

Management's Responsibility for the Financial Statements

- 2 The Bank's management is responsible for the 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 requirements of the Reserve Bank of India, the provisions of the Banking Regulation Act, 1949 and recognised accounting policies and practices, including the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). This responsibility of the management includes the design, implementation and maintenance of internal controls and risk management systems relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In making those risk assessments, the management has implemented such internal controls that are relevant to the preparation of the financial statements and designed procedures that are appropriate in the circumstances so that the internal control with regard to all the activities of the Bank is effective.

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 Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
- 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 of the financial statements 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. 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. We report that

(i) *The bank does not recognise current obligations of long term employee benefits on the basis of actuarial valuation using the prescribed method in AS 15 " Accounting for Employee Benefits" issued by the Institute of Chartered Accountant of India (ICAI). Expenses on long term employee benefits namely Gratuity & Leave Encashment are recognised only to the extent of contributions made to plan asset maintained with Life Insurance Corporation of India (LIC). Hence employee benefit expenses and liabilities are not correctly recognised in the profit & loss account and balance sheet respectively. The extent by which expenses and liability are not correctly recognised cannot be quantified in the absence of information on actuarial valuation.*

7. In our opinion, as shown by books of the Bank, and to the best of our information and according to the explanations given to us subject to our qualification stated above:

- (i) the Balance Sheet, read with the significant accounting policies and the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at 31st March 2018 in conformity with accounting principles generally accepted in India
- (ii) the Profit and Loss Account, read with the significant accounting policies and the notes thereon shows a true balance of profit, in conformity with accounting principles generally accepted in India, for the year covered by the account; and
- (iii) the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

8. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act 1949, these give information as required to be given by virtue of the provisions of the Banking Regulation Act, 1949.

9. Subject to limitations of the audit indicated in paragraphs 1 to 5 above and as required by the Banking Regulation Act, 1949 and The Regional Rural Bank Act, 1976 and subject also to the limitations of disclosure required therein, 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 purposes of our 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 returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.
10. In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the applicable accounting standards *except as disclosed in the notes on account.*

Imphal

Date 15.5.2018

For Kunjabi & Co
Chartered Accountants
FRN 309115E

Kshetrimayum Kunjabi Singh
Partner
M.N. 016593