

**MADHYA BIHAR GRAMIN BANK, HEAD OFFICE, PATNA****(Sponsored by Punjab National Bank)****BALANCE SHEET AS ON 31.03.2018****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2018**

(Rs.000 Omitted)

<u>CAPITAL &amp; LIABILITIES</u>	AS ON 31.03.2018	AS ON 31.03.2017
Capital	633237	633237
Reserves & Surplus	5429667	5410547
Deposits	111806467	103928248
Borrowings	22766510	18413113
Other Liabilities & Provisions	2162852	2236848
<b>Total</b>	<b>142798733</b>	<b>130621993</b>
<b>ASSETS</b>		
Cash & Balance with Reserve Bank of India	5423298	5221459
Balance with Banks & Money at Call & Short Notice	30864746	39699138
Investments	50884522	41445166
Advances	49270458	39816150
Fixed Assets	367308	281699
Other Assets	5988401	4158381
<b>Total</b>	<b>142798733</b>	<b>130621993</b>
Contingent Liabilities	273550	1216978
Bills for Collection	133680	389802

<u>PARTICULARS</u>	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
<b>INCOME</b>		
Interest Earned	10374154	10056215
Other Income	16291	607239
<b>Total</b>	<b>10390445</b>	<b>10663454</b>
<b>EXPENDITURE</b>		
Interest Expended	6118176	6091623
Operating Expenses	2596758	2638659
Provisions & Contingencies	1640543	1230031
<b>Total</b>	<b>10355477</b>	<b>9960313</b>
<b>PROFIT/LOSS</b>		
Net profit/Loss(-)	34968	703141
Less, Provision for Tax liabilities	30402	205037
<b>Profit after Tax</b>	<b>4566</b>	<b>498104</b>
Deferred Tax Adjustment (net)	14554	(9857)
Balance	19120	488247
<b>Appropriation</b>		
Transfer to Investment Fluctuation Reserve	0	48526
Transfer to Other Reserve	19120	439721
<b>Total</b>	<b>19120</b>	<b>488247</b>
Earnings per Share (FV Rs.10/- per Share) Rs.	<b>0.30</b>	<b>7.87</b>

FOR M/s. R. M. ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 Sd/-  
 (CA M. RAHMAN)  
 Partner

FOR MADHYA BIHAR GRAMIN BANK  
 Sd/-  
 (NASIM AHAMAD)  
 CHAIRMAN

**AUDITORS REPORTS****Report On The Financial Statements:**

- We have audited the accompanying financial statements of MADHYA BIHAR GRAMIN BANK as at 31st March, 2018, which comprise the Balance Sheet as at March 31, 2018 and Profit and Loss Account and the Cash Flow statement for the year then ended and a summary of significant accounting policies and other explanatory information in the Notes on Accounts. Incorporated in these financial statements are the returns of 20 Branches audited by us and 9 Regional Offices audited by us and 498 Branches audited by other Branch Auditors. The Branches Audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued by the NABARD. Also incorporated in the Balance Sheet and the Statement of Profit and Loss Account and Cash Flow Statement are the returns from 184 branches which have not been subjected to audit. These unaudited branches account for 24.35% of advances, 25.09% of deposits, 11.37% of interest income and 18.28% of interest expenses.

**Management's Responsibility for the Financial Statements:**

- Management of the Bank is responsible for the preparation of these Financial Statements that give true and fair view of the financial position and financial performance of the Bank in accordance with the Banking Regulation Act, 1949, Regional Rural Bank Act, 1976 and complying with Reserve Bank of India and National Bank for Agriculture and Rural Development guidelines from time to time. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements so that they are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility:**

- 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.
- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, 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 in order 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.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion:**

- In our opinion, as shown by Books of Bank, and to the best of our information and according to the explanations given to us:
  - the Balance Sheet, read with 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;
  - the Profit and Loss Account, read with 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
  - 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:**

- The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Banking Regulation Act, 1949, Regional Rural Bank Act, 1976 and complying with Reserve Bank of India and National Bank for Agriculture and Rural Development guidelines from time to time;
- Subject to the limitations of the audit indicated in Paragraph 1 above and subject to;
  - Note no. 2 of Schedule-18 regarding pending Income Tax Assessment;
  - Note no. 3.a of Schedule-18 regarding valuation of securities with respect to advances.

We report that;

- We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of Audit and have found them to be satisfactory.
  - The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
  - The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.
- In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the applicable accounting standards.

For M/s. R. M. Associates  
 Chartered Accountants  
 Sd/-  
 (CA M. RAHMAN)  
 Partner