



To,

The Members of Punjab Gramin bank

REPORT ON THE FINANCIAL STATEMENTS

**Opinion**

We have audited the attached Financial Statements, comprising of the Balance Sheet as at 31 March 2024, Statement of Profit and Loss for the year ended on that date and a summary of Significant Accounting Policies and other explanatory information herein referred as ("the financial statements") of Punjab Gramin Bank, comprising, 446 Branches. This Statement, which is the responsibility of the Bank's management and approved by the Board of Directors, has been prepared in accordance with the Regional Rural Banks Act, 1976, the Banking Regulation Act, 1949 and other Banking Laws in India, accounting principles generally accepted in India along with recognition and measurement principles laid down in the Accounting Standards Issued by The Institute of Chartered Accountants of India so far as they are applicable to the Bank and National Bank Of Agriculture and Rural Development ("NABARD") guidelines from time to time.

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 Banking Regulation Act, in the manner so required for bank and are in conformity with the accounting principles generally accepted in India and give:

- a. true and fair view in case of the Balance Sheet, of the State of Affairs of the Bank as at 31st March 2024; and
- b. true balance of Profit in case of Profit & Loss Account for the year ended on that date.

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by The Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the '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 together with ethical requirements that are relevant to our audit of the Financial Statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibility of Management and those charged with governance for the financial statements**

The Bank's management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position and financial performance of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting standards issued by the Institute of Chartered Accountants of India, and Form 'A' and 'B' of the Third Schedule of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') National Bank Of Agriculture and Rural Development ("NABARD") from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgements and estimates that are reasonable and prudent relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Bank'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 Bank or to cease operations or has no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to express our opinion on the financial statements based on our audit. An Audit involves performing procedures 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 it 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 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 Skepticism throughout the audit. 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Incorporated in these Financial Statements are the returns of 57 branches audited by us and 252 branches audited by Statutory Branch Auditors. Also Incorporated in the Balance Sheet and the Profit and Loss Account are the returns from 137 branches which have not been subjected to Audit.

#### **OTHER MATTERS**

The financial statements / financial information of 252 branches which have been audited by the branch auditors whose reports have been furnished to us, in our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

#### **Report on other Legal & Regulatory requirements**

- The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of Banking Regulation Act, 1949;
- Subject to the limitations of the Audit indicated in paragraphs above and as required by Regional Rural Banks Act, 1976 and subject also to the limitations of the disclosures required therein and as required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and they have been found satisfactory.
  - b. The transactions of the Bank which, have come to our notice or have been within the powers of the Bank; and
  - c. The returns, received from the offices and branches of the Bank have been found adequate for the purpose of Audit.

#### **We further report that:**

- i) 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 purpose of our audit have been received from branches not visited by us;
- ii) the Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;
- iii) The reports on the accounts of the branch offices audited by branch auditors of the Bank under section 29 of the Banking Regulation Act, 1949 have been sent to us and have been properly dealt with by us in preparing this report; and



iv) In our opinion, the Balance Sheet and the Profit and Loss Account comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by the relevant authorities.

For Jasminder Singh & Associates  
Chartered Accountants

CA Jasminder Singh,  
Partner  
Membership No. 096895  
Firm Registration No. 016192N  
UDIN – **24096895BKALLS1474**  
Place of Signature: Kapurthala  
Date of Report: 08.05.2024

