Sankpal Kulkarni & Associates
Chartered Accountants

Independent Auditors' Report

(Under Section 75 of The Goa Co-operative Societies Act, 2001 and Section 30 of the Banking Regulation Act, 1949)

To
The Members of
The Goa State Co-operative Bank Ltd., Panaji

Report on Audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of **The Goa State Co-operative Bank Ltd., Panaji** which comprise the Balance Sheet as of **31st March 2026**, the statement of Profit and Loss, and the statement of the Cash flows for the year then ended, and notes to financial statements including a summary of significant accounting policies and other explanatory information, in which are included the returns for the year ended on that date of 54 Branches certified by the branch management and Head office. The top 20 branches audited by us have been selected in accordance with the guidelines issued by the RBI in Appendix III of circular.

2. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, read together with significant accounting policies, and notes forming part of accounts, gives the information required by The Goa Co-operative Societies Act, 2001 and by the Banking Regulation Act, 1949 as applicable to the Cooperative Societies, in the manner so required, and are in conformity with the accounting principles generally accepted in India and give a true & fair view:

   a) in the case of the Balance Sheet, of the state of affairs of the Bank as at **31st March 2026**; and

   b) in the case of the Profit and Loss Account, of the ***Profit*** for the year ended on that date;

   c) In the case of the Cash flow statement, of the ***Cash flow*** for the year ended on that date;

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SA'S) issued by the Institute of Chartered Accountants of India ("ICAI"). 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 ICAI together with the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Sankpal Kulkarni & Associates Kolhapur 416 008 Chartered Accountants

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Responsibilities of Management and those charged with Governance for the Financial Statements

4. The Bank's Board of Directors is responsible with respect to 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 accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, and provisions of the section 29 Banking Regulation Act, 1949 as applicable to Co-operative Societies, and circulars and guidelines issued by Reserve Bank of India, NABARD and the provisions of The Goa Co-operative Societies Act, 2001 and The Goa Co-operative Societies Rules, 2003. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of The Banking Regulation Act, 1949 as applicable to Co-operative Societies for the safeguard of the 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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give 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 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.

Auditors' Responsibilities for the Audit of the Financial Statements

5. 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

   i) 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.

   ii) 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 Bank's internal control systems.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management

iv) 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 Bank'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 our auditor's report date. However, future events or conditions may cause the Bank to cease to continue as a going concern

v) 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.

7. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

8. As required by Section 75 of The Goa Co-operative Societies Act, 2001 and subject to the limitations of the audit mentioned in the paragraph above and our comments, qualifications, and observations contained in the ***Audit Memorandum*** read with other notes in the *annexure to the auditor's report and Long Form Audit Report,* we further report that:

   a) In our opinion, proper books of account as required by the The Goa Co-operative Societies Act, 2001 and the Banking Regulation Act, 1949 as applicable to cooperative societies, have been kept by the Bank so far as appears from our examination of those books, and proper return/information, explanations are adequate for the purpose of our audit, have been received to us.

b) 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 the audit, and have found them to be satisfactory.

c) The Balance Sheet and Profit & Loss Account of the Bank is drawn as per the Banking Regulation Act, 1949 (as applicable to Co-operative Societies) and are in agreement with the books of accounts and records maintained by the Bank.

d) Branches not audited by us have been considered on the basis of information, returns submitted and certified by the Management.

e) In our opinion, bank should strengthen the internal control procedures, commensurate with the size of the Bank and nature of its business.

Other Matters

9. The bank has been awarded an ***'B'*** Audit classification for the year ended on **31st March 2026.**

For Sankpal Kulkarni & Associates
Chartered Accountants,
FRN 121256W

Sankpal Kulkarni & Associates
Kolhapur
416 008
Chartered Accountants

CA. A N Sankpal
Partner, MRN 104718
UDIN: 26104718XDSENA9336

Place: Panaji
Date: 23rd June 26