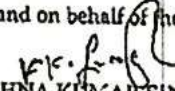
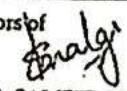



Particulars	Note No.	(In ₹ thousands)	
		Figures as at 31st March, 2021	Figures as at 31st March, 2020
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
a) Share Capital	1	300,000	300,000
b) Reserves and Surplus	2	(125,615)	(138,362)
c) Money received against share warrants		-	-
(2) Share Application Money Pending Allotment		-	-
(3) Non - Current Liabilities			
a) Long term borrowings		-	-
b) Deferred Tax Liabilities (net)		-	-
c) Other Long Term Liabilities	3	624,363	624,363
d) Long Term Provisions	4	501	315
(4) Current Liabilities			
a) Short term borrowings		-	-
b) Trade payables		-	-
c) Other Current Liabilities	5	6,839	1,639
d) Short Term Provisions	6	235	-
TOTAL		806,323	787,955
II. ASSETS			
(1) Non - Current Assets			
a) Property, Plant & Equipment			
i) Tangible assets	7	112	78
ii) Intangible assets		-	-
iii) Capital work in progress		-	-
b) Non Current Investments		-	-
c) Deferred tax assets (net)		-	-
d) Long -term loans and advances	8	-	-
e) Other non-current assets	9	246,547	250,363
(2) Current Assets			
a) Current Investments	10	36	36
b) Inventories		200	200
c) Trade receivables	11	-	-
d) Cash and cash equivalents	12	-	-
e) Short term loans and advances		527,891	535,833
f) Other current assets	13	-	-
TOTAL		806,323	787,955

See accompanying notes to the financial statements.


For and on behalf of the Board of Directors of


KRISHNA KUMAR SINGH
Senior Vice President/
Chief Financial Officer


SNEHA SAMEER WADAPPI
Company Secretary


RAJESH RAJAN
Executive Director
(DIN 08845036)

VIJAY MEHTA
Independent Director
(DIN 07203788)


P SANTHOSH
Director
(DIN 08515964)

As per our report of even date

For ABS & Co.,
Chartered Accountants
Firm Regn No: 0082005


H GANAND

Partner
Membership No: 206226

UDIN: 21206226AAAAY6240

PLACE: BANGALORE

DATE: 01.05.2021

PROFIT AND LOSS STATEMENT FOR 31st March, 2021

(₹ in Thousands)

Sl. No.	Particulars	Note No.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
I	Revenue from operations		-	-
II	Other Income	14	39,512	842,989
III	Total Revenue (I + II)		39,512	842,989
IV	EXPENSES :	15		
	Employee Benefit expense		4,728	3,980
	Prior Period Expense		-	95,717
	Depreciation & Amortization expense		41	71
	Other Expenses		9,277	15,483
	Total Expenses		14,046	115,251
V	Profit before exceptional and extordinary items and tax (III- IV)		25,466	726,738
VI	Exceptional items:			
	a) Court Settlements			
	a. i) Expenditure		(15)	-
	ii) Income		-	-
	b. Prior Period adjustments (Net)		372	493
	c. CSR Expenses		5,265	-
VII	Profit before extraordinary items and tax (V - VI)		19,844	727,231
VIII	Extraordinary items		-	1
IX	Profit before tax (VII - VIII)		19,844	727,230
X	Tax Expense			
	Less: 1) Current tax		7,097	133,342
	2) Tax - Earlier years		-	1,516
	3) Deferred Tax		-	-
	Add: 4) MAT Credit Entitlement		-	29,788
XI	Profit/(Loss) from continuing operations (IX + X)		12,747	622,260
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(Loss) from Discontuing operations (after tax)(XII-XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		12,747	622,260
XVI	Earnings Per Equity Share			
	- Basic (in ₹)		1	21
	- Diluted (in ₹)		1	21
	Nominal Value Per Share (in ₹)		10	10

See accompanying notes to the financial statements.

For and on behalf of the Board of Directors of

KRISHNA KUMAR SINGH
Senior Vice President/
Chief Financial Officer

SNEHA SAMEER WADAPPI
Company Secretary

RAJEEV RANJAN
Executive Director
(DIN 08847996)

VIJAY MEHTA
Independent Director
(DIN 07203788)

P SANTHOSH
Director
(DIN 0851964)

As per our report of even date

For ABS & Co.,
Chartered Accountants
Firm Regn No: 0082035

H G ANAND
Partner

Membership No: 206226

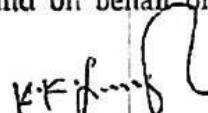
UDIN: 21206226AAAAFY6240

PLACE: BANGALORE

DATE: 01.05.2021

Particulars	₹ (in Thousands)	
	Figures as at 31.03.2021	Figures as at 31.03.2020
A CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit Before Tax	19,844	727,230
Adjustment for :-		
- Depreciation	41	71
- Interest on Income Tax	-	-
- Asset Reclassification	(15)	-
- Sale of fixed assets	-	1
Operating Profit before changes in operating assets	19,870	727,302
(Increase)/ Decrease in Operating Assets:		
- Fixed assets	-	-
- Longterm Loans and Advances	-	-
- Other Non- Current Assets	3,816	(29,787)
- Other Current Assets	(30,092)	7,204
- Current Investments	(0)	(8)
Increase/(Decrease) in Operating Liabilities:		
- Other long-term liabilities	-	(80,000)
- Long Term Provisions	186	(851)
- Other Current liabilities	5,200	970
- Short Term Provisions	235	(7,224)
Net Cash from Operating Activities before Income Tax	(786)	617,606
Taxes refund/(paid)	7,097	133,242
Tax Expense of Earlier years	-	1,516
MAT Credit Entitlement	-	29,788
Net Cash Flows from Operating Activities	(7,883)	512,636
B CASH FLOWS FROM INVESTING ACTIVITIES:		
- Purchase of Fixed Assets	(60)	-
- Sale of Investments	-	-
Net Cash Flows from Investing Activities	(60)	-
C CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Increase/Decrease in cash and cash equivalents	Nil	Nil
Cash and Cash Equivalent at the beginning of the year	(7,943)	512,636
Cash and Cash Equivalent at the end of the year	535,833	23,197
Cash and Cash Equivalent at the end of the year	527,890	535,833

For and on behalf of the Board


KRISHNA KUMAR SINGH
Senior Vice President/
Chief Financial Officer

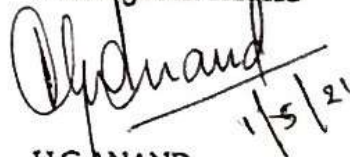

SNEHA SAMEER WADAPPI
Company Secretary


RAJEEV KANTAN
Executive Director
DIN 08847996


VIJAY MEHTA
Independent Director
(DIN 07203788)


P SANTHOSH
Director
(DIN 08515964)

As per our report of
Even Date
For ABS & Co.,
Chartered Accountants
Firm Regn No: 008103S


H G ANAND
Partner
Membership No: 206226
UDIN:21206226AAAFY

INBANK FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS

₹ (in thousand)

Particulars	Figures as at 31st March, 2021	Figures as at 31st March, 2020
Note 1 - Share Capital		
(a) The number and amount of shares authorized:-		
i. 100,000,000 Equity shares	1,000,000	1,000,000
ii. 5,000,000 Preference shares	50,000	50,000
Total	<u>1,050,000</u>	<u>1,050,000</u>
(b) The number of shares issued, subscribed and fully paid, and subscribed but not fully paid:-		
i. Equity Shares		
30,000,000 Equity shares fully paid up	<u>300,000</u>	<u>300,000</u>
ii. Preference Shares		
No shares have been issued	-	-
(c) Par value per share	10/-	10,
(d) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.		
No. of shares outstanding at the beginning	30,000,000	30,000,000
No. of shares outstanding at the end of the reporting period	30,000,000	30,000,000
(e) the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital	-	-
(f) shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:		
(g) shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held		
(h) shares reserved for issue under options and contracts commitments for the sale of shares/investment including the terms and amount	NIL	
(i) for the period of five years immediately preceding the date of balance sheet:-		
i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	NIL	
ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares	NIL	
iii) Aggregate number and class of shares bought back	NIL	
(j) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date	NIL	
(k) Calls unpaid (showing aggregate value of calls unpaid by directors and officers)	NIL	
(l) Forfeited shares (amount originally paid up)	NIL	

Out of 3,00,00,000 Equity shares, Canara Bank, a Nationalized Bank is holding 29999940. Equity shares & balance 60 Equity shares are held by 6 Executives of Canara Bank as beneficial owners as per Section 89 of the Co. Act., 2013.

Total 2,99,99,940 Equity shares held by Canara Bank

NOTES TO FINANCIAL STATEMENTS

Canbank 20-21

₹ (in thousands)

Particulars	Figures as at 31st March,2021	Figures as at 31st March ,20
Note 2 - Reserves & Surplus		
Balance in Profit & Loss statement :-		
Opening Balance as on 01.04.2020	(138,362)	(760,62)
Less : Profit for the year as per Profit and loss statement	12,747	622,26
	<u>(125,615)</u>	<u>(138,36)</u>
Note 3 - Other Long- Term Liabilities		
- Payable to PMS	624,363	624,363
- Other liabilities	-	-
	<u>624,363</u>	<u>624,36</u>
Note 4 - Long Term Provisions		
i. Provision for employee's benefits		
Leave Salary & Gratuity	501	31
	<u>501</u>	<u>31</u>
Note 5 - Other Current Liabilities		
Sundry creditors for expenses	623	806
TDS Payable	265	313
GST Payable	515	380
APOB - Dividend	171	140
CSR Payable	5,265	-
	<u>6,839</u>	<u>1,63</u>
Note 6 - Short Term Provisions		
i. Others		
Income Tax	235	-
	<u>235</u>	<u>-</u>
Note 8 - Long Term Loans and Advances		
<i>(unsecured, Considered good; except as otherwise stated)</i>		
i. Bridge Finance		
a. Secured considered good	-	-
b. Unsecured : - Considerd good	-	-
c. Doubtful	-	-
Less: Allowance for doubtful Advances	-	-
	<u>-</u>	<u>-</u>
ii. Sundry Adv. / Deb. Redemption proceeds receivables		
a. Secured considered good	-	-
b. Unsecured : - Considerd good	150	150
c. Doubtful	2,246	2,246
	<u>2,396</u>	<u>2,396</u>
Less: Allowance for doubtful Advances	2,246	2,246
	<u>150</u>	<u>15</u>
iii. Other Loans & Advances		
MAT Credit	246,397	250,21
	<u>246,547</u>	<u>250,36</u>

NOTES TO FINANCIAL STATEMENTS

Canbank 20-21

₹ (in thousands)

Particulars	Figures as at 31st March, 2021	Figures as at 31st March, 2020
Note 9 - Other Non Current Assets		
Interest and dividend accrued		
- On Investments		
- Considered Doubtful	2	2
Less : Allowance for doubtful	2	2
FD - SLR	36	-
	<u>36</u>	<u>-</u>
Note 10 - Current Investments		
a. Investment in equity Instruments		
Quoted	200	200
Unquoted	-	-
b. Investment in Government or trust securities	75,593	75,593
	<u>75,793</u>	<u>75,793</u>
Aggregate provision for diminution in value of investments	200	200
	<u>200</u>	<u>200</u>
i. Aggregate amount of quoted investments and market value thereof	45,372	12,972
<p><i>11.5% GOI Loan, 2008 of book value Rs.7,55,93,148 (Previous Year Rs.7,55,93,148) valued at Re.1. This security was purchased from Bank of Karad (under liquidation). The Company is holding Bankers Receipt (BR) issued by Bank of Karad (under liquidation).</i></p>		
Note 11 - Trade Receivables (Unsecured-Doubtful)		
Trade Receivables outstanding for a period of exceeding 6 months from the date they are due for payment	4,136	4,136
Less: Provision for doubtful debts	4,136	4,136
Net Trade Receivables	<u>0</u>	<u>-</u>
Note 12 - Cash and Cash Equivalents		
Balance with Banks		
i. Current Account	322	526,833
ii. Fixed deposit	527,564	9,000
Cash on hand	5	0
	<u>527,891</u>	<u>535,833</u>
Note 13 - Other Current Assets		
IT Refund 2019-20/ ADV TAX AY 2021-22	932	927
Interest accrued on deposits	30,527	437
Claims Receivable	78	81
Prepaid expenses	-	-
	<u>31,537</u>	<u>1,445</u>

CANBANK FINANCIAL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS

Cr. 20-21

NOTE NO. 7 - Property, Plant and Equipments

(₹ in thousands)

Sl no	Particulars	Gross Block as on 01.04.2020	Additions	Sub Total	Deletion	Gross Block as on 31.03.2021	Cumulative Dep. as on 01.04.2020	Dep. for the year	Reclassification of Assets	Dep. on Deletion	Cumulative Dep. as on 31.03.2021	Net carrying Value	Provision reversed	Net Carryin Value after Provision
1	Plant & Equipments													
	Own	-	-	-	-	-	-	-	-	-	-	-	-	-
	Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Office Equipment													
	Own	335	-	335	-	335	326	-	8	-	318	17	-	1
	Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Vehicles													
	Own	-	-	-	-	-	-	-	-	-	-	-	-	-
	Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Furniture & Fixtures													
	Own	564	-	564	-	564	543	-	7	-	536	28	-	2
	Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Others													
	a. Computers													
	Own	121	60	181	-	181	93	36	-	-	129	52	-	5
	Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	b. Electrical Fittings													
	Own	167	-	167	-	167	147	5	-	-	152	15	-	1
	Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL - 31.03.2021	1,187	60	1,247	-	1,247	1,109	41	15	-	1,135	112	-	11
	As on 31.03.2020	1,223	-	1,223	(36)	1,187	1,072	71	-	(34)	1,109	78	-	7

(₹n thousands)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
NOTE NO. 14 - OTHER INCOME		
a. Interest Income		
- On Bank Deposits	33,606	1,688
b. Dividend Income	2,328	750
c. Net gain on sale of investment	-	234
d. Other income	3,578	840,317
Total	39,512	842,989
NOTE NO. 15 - EXPENSES		
(a) EMPLOYEE BENEFIT EXPENSES		
- Salaries & wages	4,410	3,796
- Contribution to Provident Fund & other funds	310	180
- Staff Welfare Expenses	8	4
	4,728	3,980
(b) OTHER EXPENSES		
- Director's Sitting Fees	224	240
- Rent	514	336
- Electricity	102	85
- Insurance	2	2
- Telephone and Telex	37	44
- Postage, Telegram and Courier charges	8	17
- Repairs & Maintenance	57	45
- Travelling Expenses	39	373
- Conveyance	192	283
- <u>Payment to Auditor</u>		
- Statutory Auditor		
- Statutory Audit	50	50
- For Tax Audit	40	40
- For other Services	16	15
- For Internal Audit	45	42
- Advertisement & Publicity	12	14
- Printing & Stationery	41	40
- Subscription and Membership	8	9
- Legal Expenses, Filing Fees & Consultancy charges	6,634	10,835
- GST - Expenses	-	2,052
- Business Development Expenses	33	18
- Brokerage & Taxes	24	21
- Miscellaneous Expenses	221	200
- Payment- Service Contract	978	721
TOTAL	9,277	15,483

CANBANK FINANCIAL SERVICES LIMITED

Q. No. 18 (a) (b) (c)

ANNEXURE -

STATEMENT SHOWING DEPRECIATION FOR THE YEAR 2020-21 AS PER I.T. ACT, 1961

Particulars	Rate Of Depreciation	W.D.V As At 01.04.2020	Additions during the year and used for		Deletion	Total Value As on 31.03.2021	Depreciation for the Year 2020-21		W.D.V. As At 31.03.2021
			>180 DAYS	<180 DAYS			Normal	Additional	
Furniture & Fittings	10%	1,179,809	-	-	-	1,179,809	117,981	-	1,061,828
Plant & Machinery	15%	1,475,342	-	-	-	1,475,342	221,301	-	1,254,041
Plant & Machinery	40%	385	17,700	42,330	-	60,415	15,700	-	44,715
Total		2,655,536	17,700	42,330	-	2,715,566	354,982	-	2,360,584

CANBANK FINANCIAL SERVICES LIMITED

16. SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2021:

a) PROPERTY, PLANT & EQUIPMENTS

Property, Plant & Equipments is stated at historical cost, net of accumulated Depreciation, and Provisions.

b) INVESTMENTS

i. Investments comprising of Government Securities, Shares, Debentures, Bonds, Mutual Funds and UTI Instruments, etc., are stated category-wise and further classified into "Long Term" and "Current" depending upon whether they are meant for Holding/Trading.

ii. Investments are valued individually as detailed below:-

➤ Both current and long term investments are valued at costs less diminution other than temporary. Such a diminution is worked out after considering the factors such as market quote, book value or in the absence of book value, at a nominal value of Re.1/- per share or market value whichever is less.

➤ On a prudence concept based on the above valuation, if the resultant figure is depreciation, the same is charged to the Profit and Loss Account, and if it is appreciation, the same is ignored.

➤ In respect of investments, both long term and current, if in the opinion of the Management, the value there of has been permanently impaired, then full provision has been made to the extent of such impairment.

c) REVENUE RECOGNITION

Income is generally recognized on accrual basis, except in respect of Non-Performing Assets which is recognized on actual realization as per RBI guidelines issued from time to time.

d) DEPRECIATION

Depreciation in respect of Property, Plant & Equipments are provided to the extent and in the manner specified in Schedule II to the Companies Act, 2013.

e) RETIREMENT BENEFITS

Provision for Gratuity and leave salary for the year in respect of Deputed officials is charged to the Profit & Loss account in tune with the AS 15 (revised) as determined by the Parent Bank.

The Company follows mercantile system of accounting and comply with generally accepted accounting principles in India and Accounting Standards specified u/s. 133 of the Companies Act, 2013, read with Rule 7 of the (Companies Accounts) Rules 2014. Accounts are prepared ongoing concern basis in spite of the fact that the Company is not carrying out the primary NBFC activities. The financial statements comply with the requirements of Sch III of the Companies Act., 2013, as amended from time to time.

17. A GENERAL:

1. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

i) Contingent Liabilities : Rs.150.00 crores may be the contingent liability as it may be payable to MTNL and Rs.83.83 Crores as per Order of Special Court, Mumbai against the recovery received in the Case No. MA 77/2007 and under taking given by the Company(Previous year: 233.83 crores)

ii) Other claims include:

a. 5 cases (previous year 7), wherein the Company is cited as defendant/one of the defendants.

b. 1 (previous year 1) complaint filed in Consumer Courts against Canbank Mutual Fund and others where the Company is also made a party, as the Company was then the share transfer agent.

In all the 6 cases as mentioned in (a) and (b) above, there are no financial implications likely on the Company as on the date of the financial statement.

iii) COMMITMENTS: - Nil-(Previous year NIL)

2. PORTFOLIO MANAGEMENT SCHEME (PMS):

Canara Bank sought to revive its Writ Petition (C) No. 560/1995 before the High Court, Delhi against cancellation of MTNL Bonds. The Delhi High Court on 16.09.2011 ordered for settlement through arbitration and on 21.10.2011 appointed Mr. A P Shah Ex-Chief Justice of Delhi High Court as Arbitrator. The Arbitrator vide order dated 11.04.2012 declined MTNL's request to implead Canfina as a party to arbitration in the absence of a subsisting/pending suit for claim against Canfina. MTNL's application CM No.8100/2012 in the disposed of WP (C) No.560/1995 seeking clarification on including Canfina as a party was disposed by Delhi High Court on 05.07.2013 as not pressed. MTNL's subsequent application No. CM 324/2014 with identical prayers was also declined/disposed of by Delhi HC on 10.01.2014. MTNL has preferred SLP (Civil) 6717-6719/2014 in March 2014 before Supreme Court. The Supreme Court has passed orders on 08.08.2019 and directed to join arbitral

proceedings to all parties viz. MTNL, Canara Bank, and Canfinia. Meanwhile, MTNL filed appeal (M.A. No. 2034 -2037 of 2019) in Supreme Court for modification in judgment and Court (order dated 17.10.2019) had directed to approach AMRCD i.e. Administrative Mechanism for Resolution of CPSEs Disputes. Further it directed that if the disputes are not resolved by 15th January 2020, then disputes will be resolved through pending arbitration proceedings as directed vide judgment and order dated 08.08.2019. As the proceedings before AMRCD not taken place, all the three parties have approached Arbitrator for further proceedings. The Arbitration Proceeding is already in its final stage and Arbitrator has given dt.19.05.2021, 20.05.2021 & 22.05.2021 for oral arguments/evidence between the parties (advocates).

3. UNCLAIMED DIVIDENDS/ SHARES:

During the year the Company received dividends on unclaimed shares amounting to Rs.1,71,070/- including TDS of Rs. 5636/- (previous year Rs.1,40,190/-). The Company during the year received dividend on shares from various companies, which are payable to others, subject to claim received by them. Hence these amounts are classified under APOB.

Note:-The Company also took up with various companies [in whose registers the shares are held in the name of Canfina] to transfer the shares to Demat account of Canfina on the basis of the records available/dividends received. The Company was able to ascertain and transfer these shares and also physical scripts of shares of similar nature to the Company's Demat account.

The balance held among the above shares is accounted in the books of Company at nominal Re.1 /- per share or market value whichever is less.

4. Accounting for Taxes on income – Accounting Standard 22

i. Deferred Tax:

Deferred tax is not accounted in terms of Para 17 of AS 22 issued by ICAI as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

ii. Income Tax:

a. **MAT:** As per the provisions of Sec. 115JAA of the Income Tax Act, 1961 the Company is entitled to avail tax credit for the taxes paid under section 115JB of the Act and set off the same when the Company is liable to pay tax under the normal provisions of the Act subject to payment of minimum tax under section 115JB of the Act.

b. **Current Year Tax:** Current Tax payable reflected in the Balance sheet

NAME OF THE RELATED PARTY	RELATIONSHIP
Canara Bank	Parent Bank
Canara Bank Computer Services Ltd.	Subsidiary of Canara Bank

Details of Expenditure reimbursed to Canara Bank:

- a) Personnel Cost on account of officers on Deputation Rs.44,10,220/-* (Previous year 31.3.2020 Rs. 36,43,416/-).
* Gratuity and Leave encashment paid from provisioned amount. Hence not included.
- b) Rent for office premises and Staff quarters (net) Rs. 5,14,084/- (Previous year 31.3.2020 Rs. 3,35,500/-)
- c) The amount kept with Canara Bank as on 31.03.2021 is Rs.52,75,63,834/- in Fixed Deposit (Previous year Rs. 90,00,000/-) and Current Account Rs. 3,22,424.90/- (Previous year Rs. 52,68,33,194/-) Interest earned on the above deposits for the current year is Rs 3,36,05,748. /- (previous year Rs. 16,88,054/-).
- d) During the year Rs.1,222/- (Previous Year Rs. 1,357/-) paid to Canara Bank Securities Ltd. towards brokerage/Demat charges and Rs.22,786/- to Canara Bank Computer Services Ltd. towards R&T Charges(previous year Rs. 20,064 /-).

6. Employee benefits- Accounting Standard 15(revised)

Employee Benefits of the deputed staff of Parent Bank have been accounted as required under AS 15 (revised) as determined by the Parent Bank.

7. Segmental Reporting – Accounting Standard 17

The Company is not carrying on business activity except follow up of recovery through Court Cases/ realization of assets. As such there are no other reportable segments; hence no separate segmental report is prepared as defined by the Accounting Standard 17.

8. Discontinuing operations- Accounting Standard 24

The Company was previously registered under U/s 45-IA of the Reserve Bank of India Act, 1934. Since the Company was not doing any NBFC activities, the Reserve Bank of India has not renewed the Company's registration U/s 45-IA of the RBI Act and communicated vide letter Ref. No. DOS(BG)No.654/03.02.238/2019-20 dated 13.02.2020 that as Company is not meeting Principal Business Criteria (PBC) as on 31.03.2019. Hence, the extension of time limit for disposal of financial assets and winding of NBFC

The Company is not carrying its primary NBFC activities, since Company's net worth was negative as at 31.3.2019. Company's net worth has become positive in the financial year 2019-20 and continued positive for the FY 2020-21. Company has also met the Principal Business Criteria (PBC) as per RBI guidelines as on 31.03.2021 to commence NBFC Activities. The Company will approach the Reserve Bank of India to revive the Company's activities/other activities within the framework of RBI guidelines subject to approval from the Board of Company as well as Board of the Canara Bank. The accounts have been prepared adopting the going concern concept under AS 1 subject to the above.

7. B. BALANCE SHEET:

(i) Portfolio Management Scheme: The Company continues to hold funds accepted in earlier years for and on behalf of the customers under PMS. The cases in respect of disputed securities are in various courts of law. Considering its nature and dispute except for an amount of Rs. 62,43,62,983/- which is explained in point no 2 of 17A above, the corresponding assets do not form part of the Company and as such the same have not been incorporated in the accounts of the Company.

(ii) Non-Current Liabilities These include, A sum of Rs.62,43,62,983.00 (Previous Year Rs.62,43,62,983.00) under PMS account.

Dues to Small Scale Industries (SSIs) Unit of value exceeding Rs.1.00 lakh and for more than 45 days are NIL (Previous year NIL). There are no payables to Micro, Small and Medium Enterprises, as required to be disclosed under the "Micro, Small and Medium Enterprise Development Act, 2006" (MSMED) on the basis of information available with the company.

7. C. PROFIT & LOSS ACCOUNT

a) The Executive Director is on secondment from Canara Bank and his remuneration is paid /provided in accordance with the Service Rules of the said Bank and within the limits prescribed under Section 197 and 198 read with Schedule V of the Companies Act, 2013.

Included in the Profit & Loss account is remuneration paid to the Executive Director Rs.17,91,247.84 (previous year Rs.20,56,561.21) including contribution to Provident Fund Rs.94,145.00 (previous year Rs.90,023.83), leave salary Rs.1,08,821.82 (Previous Year Rs.1,69,313.29), Gratuity Rs. 0.00 (Previous Year Rs. Nil) and other allowances Rs. 24,195.00 (previous year Rs.10,800.00) reimbursed separately.

b) Depreciation:

During the year ending 31.03.2021, the Company provided depreciation on written down value Method as per Companies Act 2013, (Schedule II) and

c) Corporate Social Responsibility and Corporate Social Spending :


As per Section 135 of Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was required to spend Rs.52,64,567/- during the financial year 2020-21 and the company has provided the same in the books of account and shall transfer the unspent amount to funds specified under Schedule VII of the Companies Act, 2013 up to 30.09.2021.


d) Interest Income:-

Rs.3,36,05,748/- (Previous year Rs. 16,88,054/-) - being the interest on fixed deposits with Canara Bank including accruals.


For and on behalf of the Board


In terms of our Report of even date attached



KRISHNA KUMAR SINGH
Senior Vice President/
Chief Financial Officer

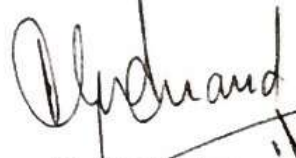

SNEHA SAMEER WADAPPI
Company Secretary

For ABS & Co.,
Chartered Accountant
[Firm Regn No. 008203.]


RAJEEV RAMAN
Executive Director
(DIN 08847996)


VIJAY MEHTA
Independent Director
(DIN 07203788)


P SANTHOSH
Director
(DIN 08515964)


CA. H G ANAND
Partner
M.No. (206226)
UDIN:
2120 6226 AAAA FY 2021

PLACE : BANGALORE

DATE : 01.05.2021