

INDEPENDENT AUDITORS' REPORT

To the Members of CANBANK COMPUTER SERVICES LIMITED

Opinion

We have audited the accompanying financial statements of CANBANK COMPUTER SERVICES LIMITED, ('the Company'), which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and the Cash flow Statement for the period then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 The Act, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India including Accounting Standards ('AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021 and its Profit for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the company are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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.

A further description of the auditor's responsibilities for the audit of the financial statements is included in Annexure A. This description forms part of our auditor's report.

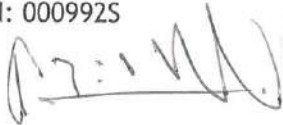
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The balance sheet and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;



- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, referred to our separate report in Annexure C;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations give to us;
- i) The company has disclosed the impact of pending litigations on its financial position in the financial statements - Refer Note No 37 to the financial statements.
 - ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the investor's education and protection fund by the company.
3. As per the directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act, we give in Annexure D, a statement on matters specified therein.

For B R V Goud & Co.,
Chartered Accountants
FRN: 000992S



(A B Shiva Subramanyam)
Partner

Membership no.201108

UDIN: 21201108AAAAIW5470

Bangalore, 20th April, 2021

ANNEXURE A TO THE AUDITORS' REPORT

Auditor Responsibility Statement

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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Company 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in 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.

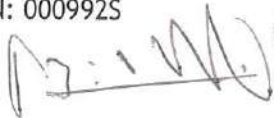


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

For B R V Goud & Co.,
Chartered Accountants
FRN: 000992S



(A B Shiva Subramanyam)
Partner
Membership no.201108

Bangalore, 20th April, 2021

ANNEXURE B TO THE AUDITORS' REPORT

Annexure B refer to in our independent auditors report to the members of CANBANK COMPUTER SEVICES LIMITED on the financial statements for the year ended 31st March 2021 we report that:

- I. In respect of Fixed Assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us all the fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us there are no immovable properties of land and buildings held in the name of the company as at the balance sheet date.
- II. In respect of Inventories:
 - a) The company is a service company primarily engaged in BPO, Software Development, Training and R&T services and ATM site preparations and maintenance. The company holds physical inventory of ATM Consumables. As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, there were no material discrepancies noticed on physical verification.
- III. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties listed in the register maintained under section 189 of the Act.
- IV. According to the information and explanations given to us the Company has no loans, investments, guarantees, and security which would attract provisions of section 185 and 186 of the Act, hence clause (iv) of the Order is not applicable to the Company.
- V. According to the information and explanations given to us, the company has not accepted any deposits from the public to which the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder would apply.
- VI. The central govt has not prescribed maintenance of cost records under section 148(1) of the ACT in respect of any of the services rendered by the company and hence reporting under clause (6) of the CARO 2016 is not applicable



VII. According to the records of the Company and the information and explanations given to us in respect of statutory and other dues:

- a) The Company was regular in depositing provident fund, employees state insurance, income-tax, sales -tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, GST, cess and any other statutory dues with the appropriate authorities and there were no arrears outstanding for the period of more than six months as on the date of balance sheet.
- b) According to the records of the company undisputed statutory dues including Income tax, Sales Tax, Wealth Tax, Customs Duty, GST, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities.
- c) Details of dues of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Customs duty, Excise duty and value added tax which have not been deposited as on account of disputes is given below:

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount (Rs)
The ESI Act, 1948	ESI Contribution	Karnataka High Court	01/01/1997 to 30/06/2013	12,80,208 /-

VIII. According to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of loans or borrowings to any banks, Government and financial institutions.

IX. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and no term loans obtained during the year and hence reporting under clause (ix) of the CARO 2016 is not applicable

X. To the best of our knowledge and belief and according to the information and explanations given to us, and during the course of our audit and examination of the records of the Company, no fraud on or by the Company was noticed or reported during the year.

XI. In our opinion and according to the information and explanations given to us the company has provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the companies Act 2013.

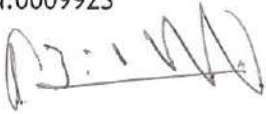
XII. The Company not being a Nidhi company, clause (xii) of the Order is not commented upon.

XIII. All transactions with the related parties are in compliance with section 188 of the Act, wherever applicable.



- XIV. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence clause (xiv) of the Order is not commented upon.
- XV. The Company has not entered into any non-cash transactions with the directors or persons connected with him and hence clause (xv) of the Order is not commented upon.
- XVI. In view of the nature of business carried on, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B R V Goud & Co.,
Chartered Accountants
FRN:000992S



(A B Shiva Subramanyam)
Partner
Membership no.201108

Bangalore, 20th April, 2021

ANNEXURE C TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 143 of the Companies Act, 2013 ('The Act')

We have audited the internal financial controls over financial reporting of **Canbank Computer Services Limited** ('the Company') as of 31 March 2021 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on internal financial controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of the Management and directors of the Company;
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

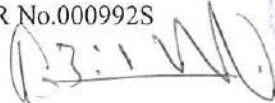
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B.R.V. Goud & Co.,

Chartered Accountants,
F R No.000992S



(A.B. Shiva Subramanyam)

Partner

Membership no.201108

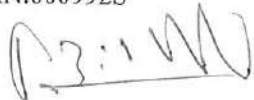
Bangalore, 20th April, 2021

ANNEXURE D TO THE INDEPENDENT AUDITOR'S REPORT

Directions under Sec143(5) of Companies Act 2013("The Act")

Sl no	Directions from Comptroller and Auditor General	Audit comments
1	Whether the company has system in place to process all the accounting transactions through IT systems? If yes, the implications of processing of accounting transactions outside IT systems on integrity of accounts along the financial implications, if any, may be stated	No. Only core accounting transactions are recorded and maintained in Tally software. All supporting functions to the accounting such as Inventory, Purchase orders, Sales orders etc. are maintained manually.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	During the year, the Company does not have any loans, hence restructuring of an existing loan or cases of waiver does not arise.
3	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	During the year, the Company did not receive any funds for specific schemes from Central/ State agencies, Hence the case of utilization of the same does not arise.

For B R V Goud & Co.,
Chartered Accountants
FRN:000992S



(A B Shiva Subramanyam)
Partner
Membership no.201108

Bangalore, 20th April, 2021



BALANCE SHEET AS AT 31st March 2021

(Amount in Rs.)

PARTICULARS	Note no.	As at 31st March 2021	As at 31st March 2020
EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
a. Share capital	4	32,400,000	32,400,000
b. Reserves and surplus	5	435,262,092	401,224,408
		467,662,092	433,624,408
2. Share application money pending allotment		-	-
3. NON CURRENT LIABILITIES			
a. Deferred tax liability		-	-
b. Long term provisions	6	1,434,394	1,103,159
		1,434,394	1,103,159
4. CURRENT LIABILITIES			
a. Trade payables	7		
i) Total outstanding dues to MSMEs		-	-
ii) Total outstanding dues to other than MSMEs		17,623,225	31,710,393
b. Other current liabilities	8	47,569,147	6,617,579
c. Short term provisions	9	73,754	385,605
		65,266,126	38,713,577
TOTAL		534,362,612	473,441,144
ASSETS			
1. NON CURRENT ASSETS			
a. Property, Plant & Equipment	10		
i) Tangible assets		122,107,427	4,381,041
ii) Intangible Assets		-	-
b. Long term loans and advances	11	3,325,648	4,118,411
c. Deferred tax asset	12	1,944,174	3,663,603
		127,377,249	12,163,055
2. CURRENT ASSETS			
a. Inventories	13	35,420	40,008
b. Trade receivables	14	41,972,588	47,205,659
c. Cash and Cash Equivalents	15	315,419,021	381,902,557
d. Short term loans and advances	16	2,825,677	2,802,557
e. Other current assets	17	46,732,656	29,327,306
		406,985,362	461,278,087
TOTAL		534,362,612	473,441,144
The notes referred to above form an integral part of the financial statements.			
 A Manimekhalai Chairperson DIN 08411575	 S K Senapati Managing Director DIN 08139117	M Jagan Mohan Director DIN 07517204	As per our report of even date, For B R V Goud & Co., Chartered Accountants Firm Reg. No. 0009925 A B Shiva Subramanyam Partner M.No. 201108
K Srinivasa Rao Director DIN 08601155 Date : 20.04.2021 Place : Bangalore			



STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2021

(Amount in Rs.)

PARTICULARS	Note no.	As at 31st March 2021	As at 31st March 2020
INCOME			
Revenue from operations	18	208,987,863	180,443,742
Other income	19	21,878,514	26,513,669
		230,866,377	206,957,411
EXPENDITURE			
Cost of materials consumed	20	328,808	837,792
Employee benefit expense	21	18,544,881	15,003,018
Outsourcing & material expenses	22	149,631,843	127,447,642
Other expenses	23	15,274,883	15,433,884
Depreciation and amortization expenses	10	1,103,787	888,860
		184,884,203	159,611,196
PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS			
		45,982,174	47,346,215
Exceptional and extraordinary Items		-	-
Prior Period income/(expenses)		-	1,059,672
PROFIT BEFORE TAX			
		45,982,174	48,405,887
TAX EXPENSE			
Current tax		9,402,000	13,499,637
Earlier year tax		823,061	(3,550,913)
Deferred tax	12	1,719,429	(927,145)
TOTAL TAX EXPENSE			
		11,944,490	9,021,580
PROFIT/(LOSS) FOR THE PERIOD			
		34,037,684	39,384,307
EARNINGS PER SHARE (32,40,000 Equity share, par value Rs. 10 each)			
Basic		10.51	12.16
Diluted		10.51	12.16

The notes referred to above form an integral part of the financial statements.


A Manimekhalai
Chairperson

DIN 08411575



K Srinivasa Rao

Director

DIN 08601155

Date : 20.04.2021

Place : Bangalore


S K Senapati
Managing Director

DIN 08139117

M Jagan Mohan
Director

DIN 07517204



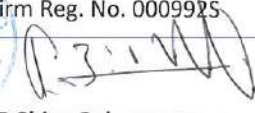
As per our report of even date,

For B R V Goud & Co.,

Chartered Accountants

Firm Reg. No. 0009925




A B Shiva Subramanyam

Partner

M.No. 201108



Canbank Computer Services Limited
(CIN: U85110KA1994PLC016174)


CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST March 2021

(Amount in Rs.)

Particulars	As at 31st March 2021	As at 31st March 2020
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary item	45,982,174	48,405,887
Add: Non Cash/Non-operating expenses		
Provision for depreciation	1,103,787	888,860
	47,085,962	49,294,747
Less: Non Cash/Non-operating income		
Interest Income	21,125,968	26,483,598
Non - Operating Income	741,184	30,071
Gain on Sale of Fixed Assets	11,361	-
	21,878,514	26,513,669
Operating Profit before changes in working capital (i)	25,207,448	22,781,078
Less: Changes In working capital		
Increase/(Decrease) in current assets	(22,415,872)	(26,649,824)
Increase/(Decrease) in Current liabilities	26,552,549	9,601,884
Net Increase/(Decrease) In working capital	4,136,677	(17,047,940)
Security deposits	792,763	
Outstanding Employee benefit	331,235	
Income tax paid	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES (i)-(ii) = [A]	30,468,123	5,733,139
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Asset	(119,001,016)	(910,319)
Interest Income	21,125,968	24,797,673
Proceeds from Sale of Fixed Assets	182,204	-
Non - Operating Income	741,184	30,071
NET CASH FLOW FROM INVESTING ACTIVITIES [B]	(96,951,659)	23,917,425
C) CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividend paid during the year	-	(6,480,000)
Dividend distribution tax paid	-	(1,371,881)
NET CASH FLOW FROM FINANCING ACTIVITIES [C]	-	(7,851,881)
NET CASH FLOW FROM ABOVE ACTIVITIES [A+B+C]	(66,483,536)	21,798,683
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	381,902,557	360,103,874
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	315,419,019	381,902,557


A Manimekhalai
Chairperson
DIN 08411575


S K Senapati
Managing Director
DIN 08139117

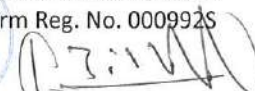

M Jagan Mohan
Director
DIN 07517204


K Srinivasa Rao
Director
DIN 08601155
Date : 20.04.2021
Place : Bangalore



As per our report of even date,
For B R V Goud & Co.,
Chartered Accountants
Firm Reg. No. 000992S




A B Shiva Subramanyam
Partner
M.No. 201108



Canbank Computer Services Limited

Notes Forming Part of Financial Statements for the year ended 31st March 2021

Particulars		As at 31st March 2021 (Rs.)	As at 31st March 2020 (Rs.)
NOTE 4 :: SHARE CAPITAL			
Authorised			
1,00,00,000 Equity Shares of Rs.10 each		100,000,000	100,000,000
Issued , Subscribed and Fully paid up Capital			
32,40,000 Equity Shares of Rs.10 each fully paid up, outstanding at the beginning		32,400,000	32,400,000
a) 22,40,000 Shares are held by Canara Bank out of which 600 shares are held by 6 nominees of Canara Bank holding 100 shares each jointly with Canara Bank.			
b) Details of shareholders holding more than 5% shares:		No. Of Shares	
Name of the Shareholder	% of Shareholding	As at 31st March 2021	As at 31st March 2020
Canara Bank	69.14%	2,240,000	2,240,000
Bank of Baroda	18.52%	600,000	600,000
Karur Vysya Bank Ltd	6.17%	200,000	200,000
The Development Bank of Singapore Limited	6.17%	200,000	200,000
Total	100%	3,240,000	3,240,000
c) Reconciliation of number of shares outstanding at the beginning & end of the Equity Shares			
Outstanding as at the beginning of the reporting period		3,240,000	3,240,000
Fully paid up (Rs.10 each)		3,240,000	3,240,000
Allotment / (buy back) during the period		-	-
Outstanding as at the end of the reporting period		3,240,000	3,240,000
Fully paid up (Rs.10 each)		3,240,000	3,240,000
		3,240,000	3,240,000
NOTE 5 :: RESERVES AND SURPLUS			
a) General reserve			
Opening Balance		42,481,734	38,543,303
Add: Transfer from Profit and loss account		3,403,768	3,938,431
Closing balance of General Reserve		45,885,502	42,481,734
b) Surplus:			
Profit and loss account			
Balance at the Beginning of the period		358,742,674	323,296,798
Add: Net Profit for the period		34,037,684	39,384,307
Profit before appropriation		392,780,358	362,681,105
Less: Dividend		-	-
Less: Transfer to General Reserve		3,403,768	3,938,431
Closing balance at the end of the period		389,376,590	358,742,674
		435,262,092	401,224,408
NOTE 6 :: LONG TERM PROVISIONS			
a) Provision for employee benefits:			
Provision for Gratuity		131,970	80,160
Provision for Leave Encashment		1,216,624	937,199
b) Provision - Others:			
Provision for other contingencies		85,800	85,800
		1,434,394	1,103,159



(Signature)



Particulars	As at 31st March 2021 (Rs.)	As at 31st March 2020 (Rs.)
NOTE 7 :: TRADE PAYABLES		
- Dues to Micro, Small and Medium Enterprises [Refer note below]	-	-
- Other Trade Payables	17,623,225	31,710,393
	17,623,225	31,710,393
Note:		
There are no Micro, Small and Medium enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2021 and 31st March, 2020 . This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company		
NOTE 8 :: OTHER CURRENT LIABILITIES		
Duties and taxes :		
Tax Deducted at Source (Contract)	203,228	470,132
Tax Deducted at Source (Professional)	2,454,713	4,214,594
Tax Deducted at Source (Rent)	45,741	30,596
TDS - Salaries	51,400	23,100
GST	-	287,924
GST -TDS	2,946,739	545,614
Advance from customers :		
Advance from Clients	29,580	29,580
Creditors for expenses :		
Refundable Security Deposits	1,080,055	974,048
Retention Money	40,757,691	41,991
	47,569,147	6,617,579
NOTE 9 :: SHORT TERM PROVISIONS		
a) Provision for employee benefits:		
Provision for Bonus	5,832	5,832
Provision for Leave Encashment	32,922	379,773
b) Provision - Others:		
Provision for Audit fee	35,000	-
	73,754	385,605





Canbank Computer Services Limited

Notes Forming Part of Financial Statement for the year ended 31st March 2021

PARTICULARS	As at 31st March 2021 (Rs.)	As at 31st March 2020 (Rs.)
NOTE 6 :: DEFERRED TAX LIABILITY/ (ASSET)		
a) Timing Difference on account of Depreciation:		
WDV of Assets as per Books	122,107,427	4,381,041
WDV of Assets as per IT Act	114,545,361	6,316,577
Timing Difference on account of Depreciation	7,562,066	1,935,536
Deferred Tax Assets/(Liability)	(2,103,767)	538,466
b) Timing Difference on account of provision for employee benefits:		
i. Provision for Gratuity	131,970	80,150
Less: Gratuity Paid during the year	-	-
Timing Difference on account of Gratuity	131,970	80,150
ii. Provision for Leave Encashment	1,596,397	2,430,142
Less: Leave Encashment Paid during the year	346,851	1,113,170
Timing Difference on account of leave encashment	1,249,546	1,316,972
Net Timing Difference on account of provision for employee benefits	1,381,516	1,397,122
Deferred Tax Assets/(Liability)	384,338	388,679
Summary:		
a) Deferred Tax Assets/(Liability) on account of depreciation	(2,103,767)	538,466
b) Deferred Tax Asset/(Liability) for provision for employee benefits	384,338	388,679
Deferred Tax Income/(Expense) for the Period	(1,719,429)	927,145
Add/(Less) : Deferred Tax Asset/(Liability) as on 31/03/2020	3,663,603	2,736,458
Net Deferred Tax Asset/(Liability) as on 31.03.2021	1,944,174	3,663,603
NOTE 11 :: LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
a) Security deposits:	1,854,548	2,731,311
b) ATMs rental deposits:	1,471,100	1,387,100
	3,325,648	4,118,411





Canbank Computer Services Limited

Notes Forming Part of Financial Statement for the year ended 31st March 2021

PARTICULARS	As at 31st March 2021 (Rs.)	As at 31st March 2020 (Rs.)
NOTE 12 :: DEFERRED TAX ASSET/ (LIABILITY)		
Opening balance as on 01.04.2020	3,663,603	2,736,458
Add/(Less): Deferred tax expenses for the current period	(1,719,429)	927,145
Closing balance as on 31.03.2021	1,944,174	3,663,603
NOTE 13 :: INVENTORIES		
ATM Consumables	35,420	40,008
	35,420	40,008
NOTE 14 :: TRADE RECEIVABLES		
A) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	2,889,883	2,240,545
Less: Provision for doubtful trade receivables	288,988	224,054
Total of (A)	2,600,895	2,016,490
B) Other Trade receivables		
Unsecured, considered good	39,371,693	45,189,169
Total of (B)	39,371,693	45,189,169
Total of (A+B)	41,972,588	47,205,659
NOTE 15 :: Cash and Cash Equivalents		
(i) Cash and cash equivalents		
(a) Balances with banks		
- In Current Accounts	1,643,455	9,466,460
- In Deposit Accounts	313,775,566	372,436,097
(b) Cash on hand	-	-
	315,419,021	381,902,557
NOTE 16 :: SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good, unless stated otherwise)		
a) Loans and advances to employees	145,000	120,000
b) Other advances	2,680,677	2,682,557
	2,825,677	2,802,557
NOTE 17 :: OTHER CURRENT ASSETS		
a) Interest accrued on bank deposits	6,398,103	9,083,992
b) GST Input	24,572,519	1,574,081
c) TDS&TCS receivables	15,444,670	18,272,434
d) Prepaid expenses	317,364	396,799
	46,732,656	29,327,306





PARTICULARS	As at 31st March 2021 (Rs.)	As at 31st March 2020 (Rs.)
NOTE 18 :: REVENUE FROM OPERATIONS		
a) Sale of services:		
i. Software services	3,290,978	4,012,500
ii. Software AMC service	6,293,342	7,310,516
iii. Consultancy service	192,031,752	161,702,761
iv. R & T service	7,371,791	7,417,965
	208,987,863	180,443,742
NOTE 19 :: OTHER INCOME		
a) Interest income		
Interest on fixed deposit	20,364,755	26,483,598
Interest on Income tax refund	761,213	-
b) Other non- operating income	741,184	30,071
c) Gain on sale of Assets	11,361	-
	21,878,514	26,513,669
NOTE 20 :: COST OF MATERIALS CONSUMED		
Opening stock	40,008	233,380
Add: Purchases	324,220	644,420
Less: Closing stock	35,420	40,008
	328,808	837,792
NOTE 21 :: EMPLOYEE BENEFIT EXPENSES		
a) Salaries and wages		
Salary & Other allowances	10,049,667	9,744,652
Salary to Deputed staff - RO	3,545,927	1,912,412
Leave fare concession	783,821	847,266
Leave encashment- CCSL Staff	223,554	217,042
Leave encashment- Deputed Staff	55,871	39,402
Bonus	-	5,832
b) Contributions to Provident and other funds		
Contribution to Provident Fund	1,122,534	1,103,871
PF administration charges	49,172	48,396
Contribution to labour welfare fund	800	880
Gratuity - CCSL Staff	2,019,551	521,061
Gratuity - Deputed Staff	51,810	14,332
c) Staff welfare expenses		
Medical benefits	318,580	199,173
Other Staff welfare expenses	323,594	348,700
	18,544,881	15,003,018





NOTE 22 :: OUTSOURCING & MATERIAL EXPENSES		
Outsourcing and Material Expenses	149,631,843	127,447,642
The Company in pursuit of executing projects under ATM Managed Services and BPO services (Viz., Technical Helpdesk / Call Center) have been engaging the services of third party in the form of outsourcing of the activities. These activities constitute substantial part of their revenue and expenditure.		
	149,631,843	127,447,642
NOTE 23 :: OTHER EXPENSES		
(a) Auditors remuneration		
To Statutory auditors		
- For Audit	35,000	35,000
- For taxation matters	25,000	25,000
Advertisement and publicity	42,930	40,674
Annual maintenance charges	849,582	1,294,372
Bank charges	13,250	65,678
Board meeting expenses	72,519	87,526
Books & Periodicals	41,500	43,333
Business development	57,170	133,179
Commission	133,218	-
Communication expenses	780,521	421,261
Computer consumables & Hire charges	46,772	95,072
Electricity charges	1,832,825	2,011,518
Insurance	662,320	240,664
Legal & Professional fees	356,284	469,291
Software License Fees	425,000	210,006
Miscellaneous expenses	103,652	135,762
Office expenses	226,452	213,987
Out of pocket expenses	1,632,155	1,692,024
Printing & Stationery	100,122	149,527
Provision for bad & doubtful debts	64,934	-
Rates & Taxes	43,835	683,796
Rent	3,572,017	3,691,284
Rent deputed Staff	420,000	300,000
Rent ATM Site	1,775,944	1,661,506
Repairs & Maintenance - ATM	110,320	83,879
Repairs & Maintenance - Premises	1,112,598	986,610
Repairs & Maintenance - Vehicle	82,512	113,099
Repairs & Maintenance - Others	114,286	-
Training & Seminar expenses	-	25,730
Travelling & Conveyance	501,007	459,467
Other Expenses	41,158	64,640
	15,274,883	15,433,884





Canbank Computer Services Ltd

Note No. 10 : Property, Plant, & Equipment

Sl.No.	Asset category	Use full life of Assets	Gross Block		Depreciation Block			Net Block			
			As at 01/04/2020	As at 31/03/2021	Upto Last year	For the year	Deletions	Adjustment	Total	As at 31/03/2021	As at 31/03/2020
A) Tangible Assets :											
1	Plant and Machinery	15 Years	2,362,761	119,527,136	2,015,303	84,992	-	-	2,100,295	117,426,841	347,458
2	Furniture & Fixtures	10 Years	7,388,000	7,388,000	5,715,004	291,955	-	-	6,006,959	1,381,041	1,672,996
3	Vehicles	8 Years	719,663	1,122,592	548,820	129,648	548,820	-	129,648	992,944	170,843
4	Office Equipment	5 Years	1,079,514	1,087,513	931,292	84,980	-	15,298	1,031,570	55,943	148,222
5	Computer & Peripherals	3 Years	14,337,387	15,043,437	13,021,349	440,496	-	-	13,461,845	1,581,592	1,316,038
6	Electrical Installations	5 Years	4,084,870	4,084,870	3,359,386	71,716	-	(15,298)	3,415,804	669,066	725,484
TOTAL			29,972,195	148,253,548	25,591,153	1,103,787	548,820	-	26,146,121	122,107,427	4,381,041
Previous year figures			29,072,554	29,972,192	24,702,293	888,860	-	-	25,591,153	4,381,041	4,370,261

B) Intangible Assets :

Sl.No.	Asset category	Use full life of Assets	Gross Block		Depreciation Block			Net Block	
			As at 01/04/2020	As at 31/03/2021	Upto Last year	For the year	Deletions	Adjustment	Total
NIL									





Canbank Computer Services Limited

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021:

Note No.1.

BACKGROUND:

Canbank Computer Services Limited ('the Company') was incorporated on 31st August, 1994 with its registered office in Bangalore, India. The Company's main business is Software Development, IT Enabled and BPO Services. The Company also undertakes Registrars & Transfer Agency Services for its customers. Functionally, the operations of the Company are divided into following segments:

- 1) Software, Consultancy & Training
- 2) IT enabled Services & Business Process Outsourcing (BPO)
- 3) Registrar and Transfer Agents (R&T)

Note No.2.

BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

a. Accounting Assumptions

The financial statements are prepared in accordance with Indian GAAP under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards referred under section 2(2) & 133 of the companies Act 2013, Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Significant estimates used by management in the preparation of these financial statements include the estimates of the economic useful lives of the fixed assets, provisions for bad and doubtful debts, recognition of deferred tax asset, provision for employee benefits and provision for income taxes.

Note No.3.

SIGNIFICANT ACCOUNTING POLICIES:

a. Revenue Recognition

Revenue for software services are recognized over contractual period or on the basis of milestones of billing for work done as provided in the service contracts. The work in progress is valued on the basis of proportionate cost incurred taking into account the percentage completion of works, estimated project cost and such parameters. Revenue for R&T services is recognized as per the terms provided in the contracts with the clients. Out of Pocket expenses are billed separately and charged to the revenue account.





Canbank Computer Services Limited

b. Expenditure:

Expenses are accounted on accrual basis except reimbursement of employee benefits such as medical expenses which is accounted on cash basis.

c. Procurement of Software:

The procurements of software are treated as revenue expenditure and tools for development of software are treated as fixed assets and dealt with accordingly.

d. Property, Plant & Equipment :

Property, plant & Equipment are stated at cost of acquisition or construction. Depreciation is provided on straight line method on pro rata basis from the date of acquisition, on cost less residual value. The company has adopted the useful life as prescribed by the Companies Act, 2013. Those assets which were completely charged to Profit and Loss a/c in the previous years are not considered for calculation of Depreciation as per The Companies Act, 2013.

e. Retirement and Other Benefits:

Periodical contributions made towards Provident Fund of the employees of the Company are charged to revenue on accrual basis. Directly recruited employees of the Company are covered under the Group Gratuity Scheme of LIC and the contribution made to LIC every year is charged off as expenses. In respect of deputed employees, contributions are made to parent company Canara Bank and necessary provisions are made in the books of accounts.

The leave salary for the directly recruited employees of the company is not forming part of the terminal benefit of the employees. However, full provision has been made in the books for the leave balance of the employees as at 31.03.2021.

f. Earnings per share

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of any extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

g. Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.





Canbank Computer Services Limited

h. Taxes on Income:

Tax expense comprises of Current and Deferred taxes. Provision for current taxes is measured at amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 on the basis of estimated taxable income for the current accounting period. Deferred Income Taxes resulting from timing difference between book and taxable profit is accounted for using the rates and laws that have been enacted or substantially enacted as at the Balance Sheet date. The deferred Tax Asset is recognized and carried forward only to the extent there is a reasonable certainty that the assets can be realized in future.

i. Impairment of assets:

At each balance sheet date, the management reviews the carrying amounts of its assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the profit and loss account.

j. Provisions, Contingent Liabilities and Contingent Assets (AS- 29):

The Company creates provisions when there is present obligation as a result of past event that probably requires an outflow of resources and reliable estimates can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in financial statements.

Note No. 24

The requirements under Clause 5 (ii) (a) of Part II of Schedule III to the Companies Act, 2013 does not apply as the company is not engaged in manufacturing activity.

Note No. 25

Remuneration to the Managing Director from April 2020 included in the Profit and Loss Account is as under:





Canbank Computer Services Limited

The total remuneration paid to the Managing Directors is as under:

Shri S K Senapati – Managing Director

Particulars	Current Year (Rs)	Previous Year (Rs)
Salary & Allowances	32,92,603.00	21,60,453.22
Contribution to Provident Fund	2,53,324.00	96,192.00
Grand total	35,45,927.00	18,03,639.11

Note No. 26

The Company has pledged Fixed Deposit of Rs. 3,76,75,566/- towards security deposit to Canara Bank for various purposes.

Note No. 27

The balances under Trade Receivable, Trade Payable, Advances from Customers, Short Term Deposits, Accrued Interest on Short Term Deposits and other advances are subject to confirmation from respective parties.

Note No.28

Trade Receivable includes the following sums due from Companies under the same management.

Sl. No.	Name of the Party	Balance as at 01.04.2020		Sales / R&T Services during the year 2020-21		Balance as at 31.03.2021	
		RO	R&T	RO	R&T	RO	R&T
1	Canara Bank	RO	3,71,99,157	RO	21,78,35,708	RO	3,01,47,791
		R&T	3,55,800	R&T	18,13,893	R&T	5,95,095
2	Canara Robeco Asset Management Company Limited	R&T	5,18,100	R&T	28,64,929	R&T	5,36,976
3	Canfin Homes Ltd	RO	-	RO	4,04,246	RO	4,04,246
		R&T	2,08,183	R&T	12,36,765	R&T	2,39,239
4	Canbank Factors Ltd	RO	-	RO	-	RO	-
		R&T	5,918	R&T	23,686	R&T	5,924
5	Canbank Financial Services Ltd	RO	-	RO	1,52,639	RO	-
		R&T	5,918	R&T	23,706	R&T	5,924
6	Canbank Venture Capital Fund Ltd	RO	-	RO	-	RO	-
		R&T	5,918	R&T	23,686	R&T	5,924

Canara Bank, the parent bank, along with its nominees holds Rs. 2.24 crores in the equity share capital of the Company.





Canbank Computer Services Limited

Note No. 29

The remuneration including the Provident Fund and Gratuity Liability of the Officers / Executives of the Company who are on secondment from Canara Bank, which is calculated in accordance with the service rules of the Bank has been charged to the accounts on the basis of the advice received from the Bank. The company has been making payments towards Provident Fund in respect of staff directly recruited by the company to the Regional Provident Fund Commissioner's office regularly. As regards gratuity, the company has taken a master policy from LIC of India for covering the gratuity liability of its employees recruited directly and the premium is calculated by LIC of India on actuarial basis as per accounting standard AS 15. The said policy is being renewed every year by paying appropriate premium.

Note No. 30

Retirement Benefits (AS – 15):

Reconciliation of Opening Balance and Closing Balances in Plan Assets:

	(Rupees)		
	Gratuity	Leave Encashment	Bonus
Opening Balance	80,160	13,16,972	5,832
Amount paid during the year	-	3,46,851	-
Net Amount	80,160	9,70,121	-
Provision made during the year	51,810	2,79,425	-
Excess Provision reversed	-	-	-
Closing Balance	1,31,970	12,49,546	5,832





Canbank Computer Services Limited

Segment reporting for the period ended 31st March 2021 – (AS: 17)

(Rupees in lacs)

Business Segment	Software, Consultancy & Training Operations		R&T Activities		Total	
	Year ended 31.03.2021	Previous year ended 31.03.2020	Year ended 31.03.21	Previous year ended 31.03.20	Year ended 31.03.21	Previous year ended 31.03.20
	Revenue	2016.16	1730.26	73.72	74.18	2089.88
Profit before Tax	453.58	475.29	6.24	-1.83	459.2	473.46
Unallocated Provisions						
Income Tax + Fringe Benefit Tax					94.02	135.00
Provisions & Contingencies						
Extraordinary items DTA/DTL					(25.42)	(44.78)
Taxation for earlier years						
Profit after Tax					340.38	393.84
Other Information						
Segment Assets	5328.55	4965.15	15.08	20.18	5343.63	4985.33
Unallocated Corporate Assets						
Total Assets	5328.55	4965.15	15.08	20.18	5343.63	4985.33
Segment Liabilities	339.78	393.34	0.6	0.50	340.38	393.84
Unallocated Corporate Liabilities					326.63	255.25
Capital & Reserves					4676.62	4336.24
Total Liabilities					5343.63	4985.33

Geographical Segment: Nil – As Operations are restricted to India only.





Canbank Computer Services Limited

The transactions with related parties as per Accounting Standard 18-Related Party Disclosures, issued by the Institute of Chartered Accountants of India are furnished below:

(A) Related parties:

Parent Bank

- Canara Bank

Subsidiaries / Joint Ventures of Canara Bank

- Canfin Homes Ltd.
- Canbank Factors Ltd.,
- Canbank Venture Capital Fund Ltd
- Canara Bank Securities Ltd.,
- Canbank Financial Services Ltd.,
- Canara Robeco Asset Management Company Ltd **(JV)**
- Canara HSBC Oriental Bank of Commerce Life Ins. Co Ltd.,**(JV)**

(B) Key Management Personnel :

Shri. S K Senapati - Managing Director

Shri R Raghuveer - Vice President - Projects





Canbank Computer Services Limited

(C) Details of transactions with Canara Bank and other subsidiaries of Canara Bank:

(Amount in Rupees)

Sl No	Nature of Transaction	Related entity	Expenditure	Income	Assets	Liabilities
1	Bank Charges	Canara Bank	13250.00 (PY:65678.00)			
2	Salary & Other Benefits of Deputed staff	Canara Bank	3545927.00 (PY:1912412.00)			107681.00 (PY:261240.00)
3	R&T charges	Canara Bank		1537197.00 (PY:1243659.00)		
		Canara Robeco Asset Mgmt Co Ltd (sub)		2427909.00 (PY:1790241.00)		
		Canbank Secutires Ltd		15000.00 (PY:15000.00)		
		Canbank Factors Ltd		20074.00 (PY:20096.00)		
		Canbank Financial Services Ltd		2009.00 (PY:20064.00)		
		Canbank Venture Capital Fund Ltd		20074.00 (PY:20096.00)		
		Canfin Homes Ltd (sub)		1048103.00 (PY:1074924.00)		
SUB TOTAL				5088447.00 (PY:4184080.00)		
4	Sales	Canara Bank		175133778.00 (PY:148933845.00)		
		Canbank Factors		342581.00 (PY:28000.00)		
		Karnataka Gramin Bank		18445118.00 (PY:11951411.00)		
		Kerala Gramin Bank		3435476.00 (PY:3240534.00)		
		Canbank Financial Ser Ltd		129355.00 (PY:NIL)		
SUB TOTAL				197014372.00 (PY:164153790.00)		
5	Bank balance	Canara Bank			1643455.00 (PY:9466460.00)	
	Fixed deposits	Canara Bank			313775566.00 (PY:359331497.00)	
6	Interest	Canara Bank		20364755.00 (PY:13690358.00)		
7	Dividend	Canara Bank	(PY:44800000.00)			
TOTAL			3559177.00 (PY:6458090.00)	222467574.00 (PY:182028228.00)	315419021.00 (PY:368797957.00)	107681.00 (PY:261240.00)

The Managing Director deputed from Canara Bank is the key Managerial personnel of the Company.





Canbank Computer Services Limited

Note No.33

The Company has taken office premises under operating lease. This is cancelable and hence no specific obligation for renewal. Lease payments are recognized as an expense in the profit and loss account on a straight line basis over the lease term.

- a) The company has recognized the lease expense in the statement of profit and loss for the period Rs. 3572017/-

Note No.34

Earnings per share – (AS- 20):

Particulars	(Rupees)	
	Current Year	Previous Year
Profit After Tax	3,40,37,684	3,93,84,307
Weighted Average number of equity shares	32,40,000	32,40,000
Earning per share (Basic & Diluted)	10.51	12.16
Face Value per share	10.00	10.00

Note No. 35

Accounting for Taxes on Income (AS – 22)

The company has recognized the deferred tax asset to the extent it is reasonably certain that there will be sufficient future taxable income to recover such deferred tax asset.

Note No. 36

Impairments of Assets (AS - 28):

All the fixed assets are in use and not physically damaged and they have useful life recorded in the Fixed Assets Register. In respect of financial and non-financial assets there is no permanent diminution in the value of these assets and all are good and recoverable and do not require any provision.





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Note No. 37

Provision for Contingencies (AS -29):

There is a case (of 1988 – M/s. Ratnakar Bank Limited) pending with Maharashtra State Consumer Dispute Redressal Commission, Mumbai. The Original case was awarded on 14.03.2002 asking the Company to pay along with interest amounting to Rs.85,800/-. But as per the expert legal opinion sought, the terminology of software will not come under the ambit of Consumer items and hence award requires to be quashed. However, as a matter of abundant caution, the Company had made a full provision for this amount during the financial year 2001-02. The Company is confident of winning the case once the hearing resumes and also of the view that this amount will be refunded.

There is an appeal pending with Employee State Insurance Corporation, Bangalore. The principal employer in relation to CCSL failed to pay contribution for the period from 1/1/1997 to 30/06/2013, a Show Cause notice of even no (NO.KAR.INS.I.53-00-00203910000607) dated 01/08/2013 was issued in Form C-18 to show cause within 30 days as to why contributions for the aforesaid period of default. However, the company has paid Rs.3,20,052/- to ESI corporation as a matter of abundant caution.

During financial year 2009-10, the assessee under outsourcing expenses and ATM consumables claimed an amount of Rs. 99,95,044/- and Rs. 13,28,249/- respectively as expenses and the same is disallowed by the income tax authorities u/s 37 of the Income Tax Act, 1963. Due to the disallowance of such expenses, there is an income tax liability of Rs.43,83,815/-. In the financial year 2017-18 our Company has filed an appeal by challenging the said Income Tax Assessment order by paying 20% of income tax liability i.e, Rs. 8,76,763/-.

Note No. 38

Estimated amount of contracts remaining to be executed on capital account and not provided for – NIL

Note No.39

Expenditure in Foreign Currency:

		2020-21	2019-20
1	CIF Value of Imports	Nil	Nil
2	Other Expenditure	Nil	Nil

Note No.40

FOB value of exports and earnings in Foreign Exchange – NIL.





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Note No.41

The figures in paisa are rounded off to nearest rupee.

Note No.42

The Company has transferred 10% of its current year profits to general reserves as per Sec 123 of the Companies Act 2013.

Note No.43

Doubtful Debts

Provision for doubtful debts has been made on the basis of 10% of the debts outstanding for more than 180 days as per policy.

Note No.44 :

TDS Receivable

There is a mismatch of Tax Credit between the Books of Accounts and Form No. 26AS (Income Tax Portal) and the same is subject to reconciliation.

Note No.45:

Previous year figures have been regrouped and recast wherever appropriate and necessary to conform to current year's classification.

A Manimekhalai

Chairperson

DIN 08411575

S K Senapati

Managing Director

DIN 08139117

M Jagan Mohan

Director

DIN 07517204

As per our report of even date,

For B R V Goud & Co.,

Chartered Accountants

Firm Reg. No. 000992S



A B Shiva Subramanyam

Partner

M.No. 201108

K Srinivasa Rao

Director

DIN 08601155

Date : 20.04.2021

Place : Bangalore

