



CANBANK COMPUTER SERVICES LIMITED

(IT Subsidiary of Canara Bank)



2022 - 23



Together in business...

Together we progress...

BOARD OF DIRECTORS



Shri. HARDEEP SINGH AHLUWALIA
Chairman



Shri. RAJU MOHAN
Managing Director



Shri. PUSHKAR SINHA
Director



Shri. S SEKAR
Director



Sl. No.	INDEX	Page No.
1.	Notice of the Twenty Ninth Annual General Meeting (AGM)	3 - 4
2.	Form No. MGT - 11 - Proxy Form	5
3.	Directors' Report	6 - 20
4.	Annexure to Directors' Report	21 - 26
5.	Independent Auditor's Report	27 - 30
6.	Annexure to the Auditor's Report	31 - 39
7.	Comments of the Comptroller and Auditor General of India Under Section 143(6)(b) of the Companies Act, 2013	40
8.	Balance Sheet as at 31 st March, 2023	41
9.	Statement of Profit and Loss for the year ended 31 st March, 2023	42
10.	Cash Flow Statement for the year ended 31 st March, 2023	43
11.	Notes Forming Part of Accounts for the year ended 31 st March, 2023	44 - 64





BOARD OF DIRECTORS

Shri. Hardeep Singh Ahluwalia	Chairman
Shri. Raju Mohan	Managing Director
Shri. Pushkar Sinha	Director
Shri. S Sekar	Director

Registered Office

218, J P Royale, 1st Floor, Sampige Road, (Near 14th Cross)
2nd Main, Malleswaram, Bengaluru-560 003.

Auditor

B.R.V. Goud & Co.

Chartered Accountants

#37/1, 1st Floor, M.N.K. Rao Road, Basavanagudi, Bengaluru-560 004.

Banker

Canara Bank, Kodandarampuram
Malleswaram, Bengaluru-560 003.



NOTICE OF THE TWENTY NINTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWENTY-NINTH ANNUAL GENERAL MEETING** of the members of **CANBANK COMPUTER SERVICES LIMITED** will be held on **Thursday, 20th July 2023** at **2.30pm** at **Canara Bank, Head Office, Conference Hall, 112, J.C. Road, Bengaluru - 560 002** to transact the following business:

A. ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company including the Balance Sheet as at March 31, 2023, the statement of Profit and Loss as at March 31, 2023, the Cash Flow Statement for the year ended on that date along with the Schedules and Notes on Accounts appended thereto, the reports of the Board of Directors and Auditors thereon and the comments of the Comptroller and Auditor General of India under Section 139 of the Companies Act, 2013 thereon.
2. To declare Dividend on the Equity Shares for the financial year ended 31st March 2023 and to confirm the payment of Interim Dividend on the Equity Shares for the financial year ended 31st March 2023.
3. To appoint a Director in place of Shri Shanmugasundaram Sekar (DIN: 09648838), who retires by rotation and being eligible, offers himself for re-appointment.
4. To authorize the Board to fix the remuneration of the Statutory Auditors of the Company to be appointed by Comptroller & Auditor General of India (C&AG) for the financial year 2023-2024 pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act 2013 and the rules framed there under, as amended from time to time.

B. SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Hardeep Singh Ahluwalia (DIN - 09690464) who was appointed by the Board of Directors as an Additional Director (nominated by Canara Bank) of the Company with effect from 21st March 2023 and who holds office upto the date of this 29th Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("the Act"), be and is hereby appointed as Director of the Company."

By order of the Board of Directors

Sd/-

RAJU MOHAN

Managing Director, DIN: 09166141

Date : 01.07.2023

Place : Bengaluru

Registered Office : # 218, J P Royale, 1st Floor, Sampige Road, (Near 14th Cross)
2nd Main, Malleswaram, Bengaluru-560003.

CIN: U85110KA1994PLC016174, GSTIN: 29AAACC5921F1ZU

Phone : 91-80-23469661/62, Fax: 91-80-23469667

Email : ccsl@ccsl.co.in



NOTES:

1. A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the Meeting. However, in terms of MCA Circular 14/2020 dated 8th April 2020 if the general meeting is being held by video conferencing (VC) or other audio-visual means (OAVM) and physical attendance of the members is dispensed with, there is no requirement for appointment of proxies.
2. In view of the applicability of the provisions of Section 139 of the Companies Act, 2013, the Central Government has appointed M/s. B R V Goud & Co., Chartered Accountants, Bangalore (Firm Reg. No. 000992S) as Statutory Auditors to audit the accounts of the Company for the financial year ended 31st March 2023.
3. Since the Company is a subsidiary of Canara Bank (a Government of India undertaking) and pursuant to Section 139 of the Companies Act, 2013, the Statutory Auditors of the Company will be appointed by the Government of India. However, under Section 142 of the Companies Act, 2013, the remuneration of the Statutory Auditors of Government Company is to be fixed in the AGM of the shareholders of the Company and hence the same is proposed in this AGM for the financial year 2022-2023.
4. In terms of Section 160 of the Companies Act, 2013, deposit of amount for the regularization/confirmation of appointment of Additional Directors, if any at the ensuing Annual General Meeting is not applicable with effect from 9th February 2018.
5. MCA has allowed Companies to hold Annual General Meetings (AGMs) through video conferencing (VC) or other audio-visual means (OAVM) if required vide MCA circular dated May 05, 2020.
 - 1) The Director/member willing to participate at the Annual General Meeting by electronic mode has to send an email to ccsl@ccsl.co.in confirming the Director's/member's participation by video conferencing before the date of AGM.
6. The Twenty-Ninth Annual General Meeting is being convened at shorter notice after obtaining consent from all the shareholders pursuant to Section 101(1) of the Companies Act, 2013 and SS-2 on "General Meetings", issued by the Institute of Company Secretaries of India (ICSI).





FORM NO. MGT - 11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN :
 Name of the Company :
 Registered Office :
 Name of the Member(s) :
 Registered Address :
 E-mail ID :
 Folio No. / Client ID :
 DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
 Address :
 E-mail ID :
 Signature :, or failing him

2. Name :
 Address :
 E-mail ID :
 Signature :, or failing him

3. Name :
 Address :
 E-mail ID :
 Signature :, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting/ ~~Extraordinary general meeting of the company~~, to be held on the **20th July 2023** at 2.30 pm at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.
2.
3.

Signed this day of 2023

Signature of Shareholder

Signature of Proxy holder(s)

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





DIRECTORS' REPORT

To The Members

The Directors have pleasure in presenting the **Twenty Ninth Annual Report** of the Company, together with the Audited Financial Statement for the year ended 31st March, 2023.

I. FINANCIAL SUMMARY FOR THE YEAR 2022 - 23

i) FINANCIAL RESULTS & OPERATIONS:

(Amount in Lakhs)

Particulars	2022 - 2023	2021 - 2022
Revenue from operations	6,775.13	3,589.67
Other Income	162.22	62.93
Total Income	6,937.35	3,652.61
Total Expenditure	4,730.60	2,972.50
Net Profit before exceptional and extraordinary items	2,206.76	680.10
Exceptional and Extraordinary Items	-	-
Prior period items	-	-
Profit Before Tax	2,206.76	680.10
Total Tax Expense	581.93	183.86
Profit After Tax	1,624.82	496.24
Earnings per share	50.15	15.32

II) BUSINESS OVERVIEW OF THE COMPANY:

During the year under review the Company has generated revenue from its operations to the tune of Rs. 6,775.13 Lakhs as compared to Rs. 3589.67 Lakhs in the previous year. Further during the year under review your Company has earned profit after taxation of Rs. 1,624.82 Lakhs as compared to profit of Rs. 496.24 Lakhs earned in the previous year.



SOFTWARE DEVELOPMENT AND OTHERS:

Your Company has developed the following Software Packages for Canara Bank.

- Management Audit System.
- Wing Concurrent Regular Audit System.
- Inspection Software - Special Report Module.
- NPA Management Software.
- Credit Audit / Pre-release Audit.
- Staff Accountability Software – Workflow changes in the existing Package.

Your Company has provided Staff Accountability Software to Central Bank of India.

Your Company continues to provide support for the following Web-Based Applications to different user Wings of Canara Bank

- DARPAN (Branch Inspection Software) – Inspection Wing
- WCSR (Web-based Credit Sanctioning Report) – RM Wing
- PSIMS - Printing Stationery Inventory Information Management System - GA Wing-
- PDMS (Premises Data Management System) – GA Wing
- FRMS (Fraud Reporting and Monitoring System) – RLFP Wing
- SWIFT (RDD Conversion Tool) - Technology Operations Wing
- Handover and Takeover Charges – GA Wing
- Target fixation and Profitability Software – SP&D Wing
- DTP (Debentures & Trustee Package) – FM Wing
- FAMS (Fixed Asset Management System) – GA Wing
- DRP (Debt Restructuring Package) – FM Wing
- POA (Power of Attorney Software) – FM Wing



- Application Audit System – Inspection Wing
- Depositors Education Awareness Fund(DEAF)- FM Wing
- FORM 15CC – FMS Wing
- Audit Software for Circle Office - Inspection Wing
- Audit Software for Regional Office - Inspection Wing
- Concurrent Audit Software – Inspection Wing
- Wing Audit System – Inspection Wing
- Branch Visit Reporting System (I-Monitor) - SP&D Wing
- Vigilance Information System – Vigilance Wing
- KCCLMS – Loan application for KCC Karnataka Gramin Bank
- Married Woman Insurance Software – GA Wing
- NBFC Software under SAAS model - Higher Education Financial Agency (HEFA)



Your Company is providing the following Services support to Canara Bank.

CBS-Helpdesk

Your Company is successfully managing the Core Banking Help Desk for L0 (level zero) activities for Canara Bank from May 2010 – 50 Agents and 6 Supervisors.

LAPS –Help Desk

Your Company has contracted to support helpdesk activities for their EWIRM-Canara Loan Application Processing System. It is at present staffed with 25 agents plus 2 Supervisors.

CPPC-Help Desk & Data Entry

Your Company is managing the Helpdesk activity by providing Back Office support for Central Pension Processing Cell. At present it is staffed with 36 Staff.

OBM-Help Desk

Your Company has provided 8 resources to man the Internet & Mobile Banking helpdesk.

GBM – Help Desk

Your Company is managing support to the Government Business Module activities with 4 resources.

Recovery Call Center

Your Company is managing support to the Recovery Call Center with 50 Agents

Cash Recyclers, Note sorting machines and ATM Managed Services for Canara Bank

Your Company is successfully undertaking the ATM Managed Services for 282 ATMs in (16) Circles of Canara Bank and at 38 centers Pan-India. Consequent to take over of the ATMs by the Company, there has been substantial increase in the volume of transactions and there has also been appreciation of the services rendered by us.

Your Company is also maintaining 15 ATMs under OPEX Model in Bangalore and also managing 750 cash recycles in 24 circles & 107 note sorting machines for various currency chests of the Bank.

Your company has set up call center for Canfin homes with 5 Resources

Your company is providing 5 Technical Resources to Karnataka Gramin Bank

Canbank Factors Ltd

Your Company is maintaining Centralized Factoring Package for Canbank Factors Ltd., a subsidiary of Canara Bank.



Canara HSBC Call Center

Your Company provided Call Center Facility for Canara HSBC Call Center with 20 resources including supervisor.

DBS Help Desk

Your Company is managing support to the Digital Banking Services Module activities with 40 resources plus 3 supervisors.

DBS Online Banking – Your Company is managing DBS Online Banking with 1 supervisor and 15 agents.

Treasury wing Mumbai – Your Company is managing support to the Treasury call center with 20 resources

Aadhaar Seva Kendra

Your Company is providing Skilled resources for 116 Aadhaar Seva Kendra for Karnataka Gramin Bank.

E-auction

Your Company is providing support for Online E-auction Platform for e-auctioning for the following Banks / NBFCs under SARFAESI Act & Gold Loan:-

- Canara Bank
- Karur Vysya Bank Limited
- Kerala Gramin Bank
- Tamil Nadu Grama Bank
- Coastal Local Area Bank Ltd
- Andhra Pragathi Grameena Bank
- Karnataka Gramin Bank
- Karnataka Vikas Grameen Bank
- Kerala State Co-Operative Bank
- IDBI Bank Ltd
- Repco Home Finance Ltd

R&T Services

Your Company is continuing to provide Registrar and Transfer Agency Services to 9 Listed and 44 Unlisted Companies and 2 Grameena Banks.



iii) MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT i.e. AFTER 31ST MARCH 2023 BUT BEFORE DATE OF SIGNATURE OF DIRECTORS REPORT:

No Material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financials position of the Company.

iv) ANY CHANGE IN NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the year under review.

v) RESERVES:

The Company has transferred Rs. 162.48 Lakhs to the General Reserves.

vi) DIVIDEND:

The Board of Directors have declared and paid an Interim Dividend to the Equity Shareholders aggregating to Rs.243.00 Lakhs for the financial year 2022-2023.

Further, the Board of Directors have recommended dividend at the rate of 75% on the paid up share capital of the Company aggregating to Rs.243.00 Lakhs for the financial year 2022 2023.

The dividend for the year ended March 31, 2023 as recommended by the Board, if sanctioned at the ensuing Annual General Meeting, will be payable to the shareholders of the Company.

vii) NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR ALONG WITH REASONS:

The Company has no subsidiaries. Further during the year no joint ventures or associate companies were incorporated or ceased.

viii) MAINTENANCE OF BOOKS OF ACCOUNT AND RELEVANT BOOKS AND PAPERS

i)	Books of account of the Company are maintained at -	Registered Office of the Company
ii)	In case the Books of account of the Company are not maintained at Registered Office of the Company.	Not Applicable
iii)	Mode of maintenance of the books of accounts and other books and relevant papers	The books of accounts and other books and relevant papers are maintained in Electronic Mode in accordance with the provisions of second proviso to Section 128(1) of the Companies Act, 2013.
iv)	Complete Postal Address of the Place of maintenance of computer servers (Storing Accounting Data)	Address: Regd. Office: J P Royale, #218, 1 st Floor, 2 nd Main, (Near 14 th Cross), Sampige Road, Malleswaram, Bengaluru - 560 003. State/Union Territory: Karnataka District: Bengaluru ISO Country Code: +91 Country: India Phone: 91-80-23469661/62
v)	Particulars of the service provider (if any) Name of the service provider Internet protocol address of service provider Location of the service provider Whether books of account and other books and papers are maintained on cloud If yes, address as provided by the service provider	NIL

2. DEPOSITS:

In terms of the disclosure required under Section 134(3) read with rule no. 8(5) of the Companies (Accounts) Rules, 2014, it is hereby stated that:

During the year, the Company has not accepted from the public any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

3. NUMBER OF BOARD MEETINGS

During the year under review, the Board of Directors duly met five (5) times respectively on the following dates in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in accordance with the provisions of the Companies Act, 2013 and rules made thereunder and Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) with respect to "Meetings of the Board of Directors":

Sl. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance		
			Number of Directors attended	Names of Directors who attended	% of attendance
1.	20 th April 2022	5	3	1. Ms. A. Manimekhalai 2. Mr. Raju Mohan 3. Mr. Sudhakar Damodar Nayak	60
2.	13 rd July 2022	6	5	1. Mr. Sathyanarayana Raju 2. Mr. Raju Mohan 3. Mr. Pushkar Sinha 4. Mr. Sudhakar Damodar Nayak 5. Mr. S. Sekar	83.33
3.	15 th October 2022	6	4	1. Mr. Sathyanarayana Raju 2. Mr. Raju Mohan 3. Mr. Pushkar Sinha 4. Mr. S. Sekar	66.67
4.	14 th December 2022	6	5	1. Mr. Sathyanarayana Raju 2. Mr. Raju Mohan 3. Mr. Pushkar Sinha 4. Mr. Sudhakar Damodar Nayak 5. Mr. S. Sekar	83.33
5.	16 th January 2023	6	4	1. Mr. Sathyanarayana Raju 2. Mr. Raju Mohan 3. Mr. Pushkar Sinha 4. Mr. Sudhakar Damodar Nayak	66.67

4. DETAILS OF DIRECTORS - APPOINTED / RESIGNED DURING THE YEAR:

The changes in Directorship and the Directors who held office during the year under review were as follows:

Name	DIN	Designation	Date of appointment	Date of resignation
RAMACHANDRA KRISHNAMURTHY GURUMURTHY	07264185	Director	14/10/2015	31/03/2023
SATYANARAYANA RAJU KALIDINDI	08607009	Director (designated as Chairman)	18/06/2022	14/03/2023
ARUMUGAM MANIMEKHALAI	08411575	Director (designated as Chairperson)	04/04/2019	03/06/2022
RAJU MOHAN	09166141	Managing Director	31/05/2021	N.A.
SUDHAKAR DAMODAR NAYAK	09469915	Nominee Director	17/01/2022	31/03/2023
PUSHKAR SINHA	07156184	Nominee Director	23/02/2022	N.A.
SHANMUGASUNDAR AMSEKAR	09648838	Nominee Director	28/06/2022	N.A.
HARDEEP SINGH AHLUWALIA	09690464	Nominee Director (designated as Chairman)	21/03/2023	N.A.

Mr. Shanmugasundaram Sekar (DIN 09648838), retire by rotation and being eligible offer him self for re-appointment. The Board recommends the same for approval of the members at the ensuing Annual General Meeting.

During the year Ms. Arumugam Manimekhalai (DIN:08411575), Mr. Satyanarayana Raju Kalidindi (DIN: 08607009), Sudhakar Damodar Nayakand Mr. Ramachandra Krishnamurthy Gurumurthy resigned from the office of Directorship of the Company and the Company had duly filed requisite E forms effect of the resignations with Registrar of Companies.

Following Directors were appointed during the financial year:

Name	DIN	Designation	Date of appointment	Nominee of
Satyanarayana Raju Kalidindi	08607009	Nominee Director and Chairman	18/06/2022	Canara Bank
Shanmuga sundaram Sekar	09648838	Nominee Director	28/06/2022	Karur Vysya Bank
Hardeep Singh Ahluwalia	09690464	Additional Director and Chairman	21/03/2023	Canara Bank

Mr. Hardeep Singh Ahluwalia was appointed as Additional Director of the Company with effect from 21/03/2023. Pursuant to Section 161(1) of the Companies Act, 2013, he holds office upto the date of forthcoming Annual General Meeting (AGM) of the Company and is eligible for appointment as Director. The Board recommends his appointment and accordingly resolution seeking approval of the members for the appointment of Director is included in the Notice of the forthcoming Annual General Meeting of the Company.

The Company is an unlisted Public Limited Company having a paid-up share capital less than the threshold limit of Rs. 10 Crore as prescribed by Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Consequently, it may be noted that the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, with respect to the appointment of Key Managerial Personnel are not applicable to this Company.

5. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
 - (i) the directors confirm that no frauds were reported by auditors under sub-section (12) of section 143;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)

Your Directors draw attention of the members to Note No. 34 to the financial statements which sets out related party disclosures pursuant to Accounting Standard 18 ("AS-18").

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto are disclosed in **Form No. AOC - 2 (ANNEXURE TO DIRECTORS' REPORT)**.

11. DETAILS OF REMUNERATION OF EMPLOYEES AS REQUIRED TO BE DISCLOSED UNDER SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED

Mr. Raju Mohan is the Managing Director of the Company and has been deputed by Canara bank, the parent bank of the Company. The salary & allowances are being paid by Canara Bank and the same are reimbursed to Bank by the Company. The amount so reimbursed towards his remuneration (salary and allowances) during the year is **Rs. 30,95,129.00** (including contribution to Provident Fund).

During the financial year, the Company has not employed any person with the aggregate remuneration for Rs.1,02,00,000/- per annum if employed throughout the year or Rs. 8, 50,000/- per month if employed for part of the year.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

<p>(A) Conservation of energy: Steps taken / impact on conservation of energy, with special reference to the following:</p> <ul style="list-style-type: none"> (i) Steps taken by the company for utilizing alternate sources of energy including waste generated (ii) Capital investment on energy conservation equipments 	<p>Your Company's operations do not involve any manufacturing or processing activities, the particulars regarding conservation of energy and technology absorption, research & development are not applicable.</p>
<p>(B) Technology Absorption:</p> <ol style="list-style-type: none"> 1. Efforts, in brief, made towards technology absorption. 2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. 3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: <ul style="list-style-type: none"> (a) Details of technology imported. (b) Year of import. (c) Whether the technology been fully absorbed (d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore. 4. Expenditure incurred on Research and Development 	
<p>(C) Foreign exchange earnings and Outgo:</p> <ul style="list-style-type: none"> a) Foreign exchange Earnings b) Foreign exchange Outgo 	<p>NIL NIL</p>





13. AUDITORS

Your Company comes under the purview of Section 139(5) of the Companies Act, 2013. Accordingly, the Auditors of your Company are appointed by Comptroller & Auditor General of India (C&AG). The Central Government has appointed M/s. B R V Goud & Co., Chartered Accountants, Bangalore (Firm Reg. No. 000992S) as the Statutory Auditors of the Company for the year 2022-2023.

14. COMMENTS OF C & AG ON THE ACCOUNTS

Comments of C&AG on the Annual Accounts of the Company for the financial year ended 31st March 2023 is appended along with the Auditor's report.

15. CORPORATE SOCIAL RESPONSIBILITY

In accordance with Rule 9 of the Companies (Accounts) Rules, 2014 & Companies (Corporate Social Responsibility Policy) Rules 2014 the details with regard to Corporate Social Responsibility are annexed herewith (**Annexure II-Report on CSR Activities**).

16. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

The Company is an unlisted Public Limited Company which has not accepted any deposits from the public and has not borrowed money from banks and public financial institutions in excess of fifty crore rupees. Consequently, in terms of Section 177(9) of the Companies Act, 2013 read with rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, establishment of vigil mechanism is not required.

17. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE-

(I) by the auditor in his report;	No qualification, reservation or adverse remarks were made by the Auditors in their Auditors report for the year ended 31 st March 2023.
(II) by the company secretary in practice in his secretarial audit report;	Secretarial Audit is not applicable as the paid-up share capital of the Company was less than the threshold limit of Rs. 50 Crore and the turnover of the Company as on 31 st March 2023 was less than the threshold limit of Rs. 250 Crore.

18. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares with differential rights during the year under review.

19. ISSUE OF SWEAT EQUITY SHARES

The Company has not issued any sweat equity shares during the year under review.

20. EMPLOYEES STOCK OPTION SCHEME:

The Company has not implemented any Employees Stock Option Scheme during the year under review.

21. PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES.

The Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.



22. A STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY

The Company follows well-established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

23. DETAILS OF COMMISSION/REMUNERATION RECEIVED BY A MANAGING DIRECTOR/WHOLE-TIME DIRECTOR OF THE COMPANY FROM THE COMPANY'S HOLDING OR SUBSIDIARY COMPANY

Mr. Raju Mohan was appointed as Managing Director of the Company with effect from 31st May 2021. The Managing Director is deputed by Canara Bank, the parent bank of your Company. During the year the salary & allowances payable to Managing Director were being paid by Canara bank and the same were being reimbursed to Bank by the Company. The amount so reimbursed towards salary and allowances and contribution to Provident Fund during the year is detailed hereunder:

(Amt in Rs)

Name	Raju Mohan Managing Director (1 st April 2022 to 31 st March 2023) (Rs.)
Salary & allowances	29,29,078.00
Contribution to Provident Fund	1,66,051.00
Total	30,95,129.00

24. AUDIT COMMITTEE

The Company is an unlisted Public Limited Company and is exempted from the class of companies stipulated in Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 as the paid-up capital of the Company was less than the threshold limit of Rs. 10.00 Crore, turnover was less than the threshold limit of Rs. 100.00 Crore and the Company does not have in aggregate, any outstanding loans, debentures, deposits exceeding Rs. 50 Crore as on the date of last audited Financial Statements of the Company. Consequently, the Company is not required to set up any Audit Committee.

25. OTHER DISCLOSURES

- a) The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future;

During the year under review no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.



- b) The details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The Company has adequate internal control systems commensurate with the size of the Company and the nature of its business. The Company has a continuous monitoring mechanism which enables the organization to maintain consistent standard of control systems and helps them in managing any default on timely basis because of strong reporting mechanisms followed by the company.

- c) In case of any revision of financial statements or Board's report made during the financial year, detailed reasons for revision of financial statements or Board's report to be disclosed.

No revision of financial statements or Board's report was made during the financial year.

- d) Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the business activities carried out by the Company.

- e) There are no proceedings initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

- f) There was no instance of onetime settlement with any Bank or Financial Institution.

26. EXTRACT OF ANNUAL RETURN AS PRESCRIBED IN FORM MGT-9

The Ministry of Corporate Affairs (MCA) vide Companies (Management and Administration) Rules, 2014 as amended w.e.f. 5th March 2021 has dispensed with the requirement of the extract of the annual return in Form MGT-9.

27. WEB-LINK OF ANNUAL RETURN

The Ministry of Corporate Affairs (MCA) vide Companies Amendment Act, 2017 effective from 28th August 2020 has notified that - "Every company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report."

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 as amended the Annual Return of the Company as on 31st March 2023 is available on the Company's website and can be accessed at the following web-link: www.ccsl.co.in

28. A STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Company is an unlisted Public Limited Company having a paid up share capital less than the threshold limit of Rs. 25.00 Crore calculated at the end of the preceding financial year (31st March 2023). Accordingly the aforesaid statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors is not required.



29. DISCLOSURE PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has formulated a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has also constituted an Internal Complaints Committee (ICC), to inquire into complaints of sexual harassment and recommend appropriate action. The Company has not received any complaint of sexual harassment during the year under review.

30. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India with regard to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

31. ACKNOWLEDGEMENT

The Directors take this opportunity to thank all the Sponsor Banks viz., Canara Bank, Bank of Baroda, The Karur Vysya Bank Ltd., and The Development Bank of Singapore Bank Ltd., for the valuable assistance, guidance and support given from time-to-time and also to the valued customers, for their continued support, patronage and co-operation.

The Directors thank the C&AG Principal Director and their Officials for extending support and guidance. The Directors also thank the Statutory Auditors for their support, guidance and cooperation. The Directors thank Canara Bank for deputing its personnel for the services of the Company. The Directors place on record their appreciation of the dedicated and sincere work of the Officers and Staff of the Company at all levels.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR CANBANK COMPUTER SERVICES LIMITED**

Sd/-
RAJU MOHAN
Managing Director
DIN: 09166141

Sd/-
HARDEEP SINGH AHLUWALIA
Chairman
DIN: 09690464

Date : 21.04.2023
Place : Bengaluru



ANNEXURE TO DIRECTORS' REPORT

Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/arrangements/ transactions	NIL
(c) Duration of the contracts / arrangements/transactions	NIL
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e) Justification for entering into such contracts or arrangements or transactions	NIL
(f) date(s) of approval by the Board	NIL
(g) Amount paid as advances, if any:	NIL
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	Canara Bank and its subsidiaries/joint ventures (as detailed hereunder and in Notes to Accounts to the financial statements as at 31 st March 2023.)
(b) Nature of contracts/arrangements/ transactions	- Software Development & Consultancy Services
(c) Duration of the contracts / arrangements/transactions	Based on the agreements /mutual business arrangements entered into /renewed from time to time.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	The Company receives revenue from the related parties at an agreed mark up on costs as per the terms of the agreements/mutual business arrangements entered into from time-to-time.
(e) Date(s) of approval by the Board, if any:	The related party transactions are in ordinary course of business and at arm's length basis, accordingly necessary approvals have been obtained, wherever applicable.
(f) Amount paid as advances, if any:	NIL

The value of material contracts or arrangement or transactions at arm's length basis for 2022-2023 Details of transactions with Canara Bank and other subsidiaries of Canara Bank are provided in Note 34 of the financial statements as on 31st March 2023:

The Managing Director deputed from Canara Bank is the key Managerial personnel of the Company. (Amt in Rs)

Sl No	Nature of Transaction	Related entity	Expenditure	Income	Assets	Liabilities
1	Bank Charges #	Canara Bank	16,32,685.00 (PY:51,01,483)			
2	Salary & Other Benefits of Deputed staff	Canara Bank	67,48,836 (PY:45,88,823)			11,66,004.00 (PY:4,97,335)
3	R&T charges	Canara Bank		19,19,745 (PY:17,15,058)		
		Canara Robeco Asset Mgmt. Co. Ltd		19,09,032 (PY:18,55,227)		
		Canbank Secutires Ltd		17,000 (PY:15,000)		
		Canbank Factors Ltd		25,080 (PY:35,100)		
		Canbank Financial Services Ltd		20,120 (PY:20,080)		
		Canbank Venture Capital Fund Ltd		20,080 (PY:20,080)		
		Canfin Homes Ltd (sub)		14,42,423 (PY:13,61,989)		
		Synd Bank Services Ltd		11,250 (PY: 26,250)		
		Canara Robeco Demat A/c		12,000 (PY: 12,000)		
		SUB TOTAL				53,76,730.00 (PY:50,60,784.00)
4	Sales	Canara Bank		63,71,42,377 (PY:29,34,87,945)		
		Canbank Factors		4,14,675 (PY:4,40,425)		
		Karnataka Gramin Bank		1,73,49,717 (PY:1,90,36,428)		
		Kerala Gramin Bank		20,54,351 (PY:43,35,377)		
		Canara HSBC		86,40,931 (PY:Nil)		
		Canfin Homes Ltd		19,75,302 (PY: 34,92,572)		
SUB TOTAL				66,75,77,353 (PY:32,08,59,047)		
5	Bank balance	Canara Bank			36,63,263 (PY:31,26,446)	16,61,86,022 (PY: 21,00,80,687)
	Fixed deposits	Canara Bank			25,35,56,065 (PY:17,31,09,745)	
6	Interest	Canara Bank	2,60,63,775 (PY: 80,04,692)	1,27,98,067 (PY:60,55,818)		
7	Dividend	Canara Bank	1,68,00,000 (PY:1,68,00,000)			
TOTAL			5,12,45,296 (PY:3,44,94,935)	68,57,52,150 (PY:33,19,75,649)	25,72,19,328 (PY:17,62,36,191)	16,61,86,022 (PY:21,05,78,022)

**BY ORDER OF THE BOARD OF DIRECTORS
FOR CANBANK COMPUTER SERVICES LIMITED**

Sd/-
RAJU MOHAN
Managing Director, DIN: 09166141

Sd/-
HARDEEP SINGH AHLUWALIA
Chairman, DIN: 09690464

Date : 21.04.2023
Place : Bengaluru



ANNEXURE II TO DIRECTORS' REPORT

Annual Report on CSR Activities

(Pursuant to amended CSR Rules wef 20th September 2022)

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company's CSR policy, includes eradicating extreme hunger and poverty, Promotion of education, promoting gender equality and empowering women, reducing child mortality and improving maternal health, combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases, ensuring environmental sustainability, employment enhancing vocational skills, social business projects, Contributions to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Government for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women and such other activities as may be permissible from time to time.

2. The Composition of the CSR Committee as on year ending **31st March 2023:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Satyanaraya Raju	Chairman	2	2
2.	Mr. Raju Mohan	Managing Director	2	2
3.	Mr. Pushkar Sinha	Director	2	2
4.	Mr. Nayak A Sudhakar D	Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

The Composition of CSR committee, CSR Policy and CSR projects approved by the board is available on the Company's website and can be accessed at web-link: www.ccsli.co.in.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Not Applicable

5.

(a)	Average net profit of the company as per sub-section (5) of section 135	Rs. 5,37,79,527/-
(b)	Two percent of average net profit of the company as per section 135(5)	Rs. 10,75,591/-
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
(d)	Amount required to be set off for the financial year, if any	NIL
(e)	Total CSR obligation for the financial year [(b)+(c) -(d)]	Rs. 10,75,591/-

6.

- a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):
Rs. 6,41,552/-.

Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project		Amount spent for the project (in Rs.).	Mode of implementation-Direct (Yes/No).	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Procured Alan Elsy 360M Machine for Surgical Gastro Enterology		Yes	Karnataka	Bangalore	Rs.3,00,000/-	No	Bangalore Medical College & Research Institute, Bangalore	AAALB057 8JF20147
2.	Procured Defibrillator, 3.00 KVA Stabilizer for Dialysis Machine		Yes	Karnataka	Bangalore	Rs.2,41,552/-	No	Canara Bank Relief & Welfare Society	CSR0000 6960
3.	To operate Book Bank mainly to meet the needs of the students studying in professional courses		Yes	Karnataka	Mysore	Rs.1,00,000/-	No	GSB Bankers Educational & Welfare Trust (R)	AAATG2458B F20210

- b) Amount spent in Administrative Overheads: NIL
 c) Amount spent on Impact Assessment, if applicable: NIL
 d) Total amount spent for the Financial Year [(a) + (b) + (c)]: **Rs. 6,41,552/-**
 e) CSR amount spent or unspent for the Financial Year: **Rs. 4,33,448/-**



Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 6,41,552/-	NA	NA			

f) Excess amount for set-off, if any: **Not Applicable**

Sl. No.	Particulars	Amount (in Rs)
(1)	(2)	(3)
i.	Two percent of average net profit of the company as per section 135(5)	-
ii.	Total amount spent for the Financial Year	-
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **Not Applicable**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If Yes, enter the number of Capital assets created/ acquired: **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.: **Not Applicable**

FOR CANBANK COMPUTER SERVICES LIMITED

Sd/-
RAJU MOHAN
 Managing Director &
 The CSR Committee Member
 DIN: 09166141

Sd/-
HARDEEP SINGH AHLUWALIA
 Director & Chairman of the Committee
 DIN: 09690464

Date : 21.04.2023
 Place : Bengaluru



INDEPENDENT AUDITORS' REPORT

To the members of CANBANK COMPUTER SERVICES LIMITED

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of M/s. CANBANK COMPUTER SERVICES LIMITED (the "Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the Significant Accounting Policies and other explanatory information (herein after referred to as "financial statements").
2. 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 Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of affairs of the Company as at 31st March 2023, and its **Profit** and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements in Annexure-A, which forms part of our Auditors Report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Information Other than the Financial Statements and Auditor's Report Thereon

4. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.
5. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
7. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for Financial Statements

8. 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 of these standalone 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 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibility for the Audit of the Financial Statements

11. 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.

Report on Other Legal and Regulatory Requirements

12. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. 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 purposes 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, the Statement of Profit and Loss and the Cash Flow Statement 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 as amended.
 - e. On the basis of the written representations received from the Directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 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, refer 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 the requirements of section 197(16) of the Act, as amended; In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its Directors during the year is in accordance with the provisions of Section 197 of the Act

- h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in Note 39 of its financial statements.
 - ii. The Company does 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 Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
b) The management has represented, that and to the best of our knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and
c) Based on the audit procedures performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The interim dividend paid by the Company during the year is in compliance with Section 123 of the Companies Act, 2013
4. 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
Firm No.: 000992S

Sd/-

(A B Shiva Subramanyam)

Partner

Membership No. 201108

UDIN : 23201108BGUIQR5326

Date : 21.04.2023

Place : Bengaluru



ANNEXURE A TO THE AUDITORS' REPORT

Auditor Responsibility Statement

As part of an audit in accordance with SAs, we exercise professional judgement 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)(l) 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 upto 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
Firm No.: 000992S

Sd/-
(A B Shiva Subramanyam)
Partner
Membership No. 201108

Date : 21.04.2023
Place : Bengaluru



ANNEXURE B TO THE AUDITORS' REPORT

The Annexure B referred to in the Independent Auditor's Report to the Members of **Canbank Computer Services Limited** for the year ended 31st March 2023, we report that:

I. In respect of Property, Plant and Equipment and Intangible assets:

- a) The Company has maintained proper records showing full including quantitative details and situation of Property, Plant and Equipment.
- b) According to the information and explanations given to us, the Property, Plant and Equipment have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The Company does not own an any immovable property. Therefore, the provisions of sub clause (c) of clause (i) of paragraph 3 of the Order are not applicable.
- d) The Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year.
- e) According to the information and explanations given by the management, no proceedings has been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

II. In respect of Inventories:

- a) The Company is primarily engaged in the business of Software Consultancy & Training, IT enabled Services, Business Process Outsourcing (BPO), Business Support Services and Registrar & Transfer Agents (R&T) and does not carry any inventories other than stationery and hence sub clause (a) of clause (ii) of paragraph 3 of the order is not applicable.
- b) The Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Therefore, the provisions of sub clause (b) of clause (ii) of paragraph 3 of the Order are not applicable.

III. The Company has not provided any guarantee or security and the company has not made any investments or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- a) The Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity during the year.
- b) The company has not made any investments, hence reporting under this sub clause is not applicable.
- c) The Company has not granted any loans and advances in the nature of loans, hence reporting under this sub clause is not applicable.
- d) The Company has not granted any loans and advances in the nature of loans, hence it does not have any overdue amounts. Therefore, reporting under this sub clause is not applicable.

- e) The Company has not granted any loans and advances in the nature of loans, hence, there is no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties. Therefore, reporting under this sub clause is not applicable.
- f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Therefore, reporting under this sub clause is not applicable.

- IV. The Company has not made any investments nor given any loan or guarantee or provided any security to any party covered under Section 185 and 186 of the Act.
- V. The Company has not accepted any deposits or has any amounts which are deemed to be deposits to which the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act rules framed thereunder and the directions issued by the RBI are applicable. Hence paragraph 3 (v) of CARO is not applicable to the company.
- VI. The Central government has not prescribed maintenance of cost records under section 148(1) of the Act for any of the products/services of the Company. Thus paragraph 3(vi) of CARO is not applicable to the Company.

VII. In respect of statutory dues:

- a) The Company has been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues. Further, there were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31st March 2023 for a period of more than six months.
- b) There are no dues of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax or Goods and Services Tax that have not been deposited with the appropriate authorities on account of any dispute.
- c) Details of dues of Provident Fund, Employees State Insurance, Income Tax, Sales tax, Service tax, Custom duty, Excise duty and value added tax which have not been deposited as on account of disputes is given below:

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

Out of Rs.12,80,208 demanded by ESIC, Bengaluru, the company had paid Rs.3,20,052 to ESI Corporation as a matter of abundant caution.

- VIII. We have been informed by the Company, there were no transactions, made by the Company and which are not recorded in the books of account and according to the information provided to us no amount has been surrendered or disclosed as income of the Company during the year (with respect to the above transactions) in the tax assessments under the Income Tax Act, 1961. Therefore, the provisions of clause (viii) of paragraph 3 of the Order are not applicable.



IX. In respect of Repayment of loans and other borrowings:

- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) Based on the information and explanations made available to us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) The Term Loans taken by the company were applied for the purpose for which the loans were obtained.
- (d) Based on the information and explanations made available to us and based on our examination of the books of the Company, no funds were raised on short term basis which have been utilized for long term purposes.
- (e) The Company has no subsidiaries, associates or joint ventures and hence reporting under this clause is not applicable.
- (f) The Company has no subsidiaries, associates or joint ventures and hence reporting under this clause is not applicable.

X. In respect of public offers and allotment of Shares:

- (a) The Company has not raised any money by way of initial public offer or further public offer.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year.

Therefore, the provisions of sub clause (a) & (b) of clause (x) of paragraph 3 of the Order are not applicable.

XI. In respect of Fraud:

- a) No material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- b) Based on the information and explanations made available to us, there are no reports filed under sub-section (12) of section 143 of the Companies Act, by the auditors in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) Based on the information and explanations made available to us, there were no whistle- blower complaints received during the year by the Company.

Therefore, the provisions of sub clause (a) to (c) of clause (xi) of paragraph 3 of the Order are not applicable.

XII. In our opinion, the Company is not a Nidhi Company. Hence, reporting under sub clause (a) to (c) of clause (xii) of Paragraph 3 of CARO 2020 is not applicable to the Company.

XIII. The Company has disclosed all transaction with related parties in the standalone financial statements and all the transactions with related parties are in compliance with section 188 of the Act, and is disclosed in Note 34 of the standalone financial statements as required by the applicable accounting standards. We are informed that the provisions of section 177 of the Act are not applicable to the Company.

XIV. In respect of Internal Audit:

- a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

XV. The Company has not entered in any non-cash transactions with its directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the Order is not required.

XVI. The Company is not a Non-Banking Finance Company; and is not required to register under section 45-IA of Reserve Bank of India Act, 1934. Therefore, the reporting of sub clause (a) to (d) of clause (xvi) of paragraph 3 of Order are not applicable.

XVII. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. Therefore, reporting under clause (xvii) of paragraph 3 of Order is not required.

XVIII. There has not been any change in statutory auditor during the year, Therefore, reporting under clause (xviii) of paragraph 3 of the Order is not required.

XIX. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. In our opinion, no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

XX. In respect to Corporate Social Responsibility (CSR) expenditure:

The Company meets the criteria specified in Section 135 of the Companies Act, 2013, related to corporate social responsibility for the year ended March 31, 2023, as the threshold limit of profit has exceeded the limit of Rs.5 Crores for the first time during the preceding financial year. Accordingly, the Company has spent Rs. 6.42 Lakhs and recorded the balance of Rs. 4.33 Lakhs as a provision for CSR Expenditure.

for **B R V GOUD & CO.,**
Chartered Accountants
Firm No.: 000992S

Sd/-
(A B Shiva Subramanyam)
Partner
Membership No. 201108

Date : 21.04.2023
Place : Bengaluru



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 31st March 2023 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 2023, 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
Firm No.: 000992S

Sd/-
(A B Shiva Subramanyam)
Partner
Membership No. 201108

Date : 21.04.2023
Place : Bengaluru



ANNEXURE D TO THE INDEPENDENT AUDITOR'S REPORT

Directions under section 143(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 transaction outside IT systems on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the company has a system in place to process all the accounting transactions in tally software and other supporting functions in an IT systems with an in-house developed software.
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.	The Company has borrowed Rs. 7.8 Crores from Canara Bank during the year and has an existing loan, both being repaid as per the Repayment Schedule. Hence, the question of restructuring of the Loan 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
Firm No.: 000992S

Sd/-
(A B Shiva Subramanyam)
Partner
Membership No. 201108

Date : 21.04.2023
Place : Bengaluru



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CANBANK COMPUTER SERVICES LIMITED, BANGALORE FOR THE YEAR ENDED 31st MARCH 2023

The preparation of financial statement of Canbank Computer Services Limited, Bangalore for the year ended on 31st March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on the independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 21st April 2023.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Canbank Computer Services Limited, Bengaluru for the year ended 31st March 2023 under Section 143(6)(a) of the Act.

**For and on the behalf of the
Comptroller and Auditor General of India**

**(M.S. Subrahmanyam)
Director General of Commercial Audit
Hyderabad**

**Place: Hyderabad
Date : 16 May 2023**



BALANCE SHEET AS AT 31ST MARCH 2023 (CIN: U85110KA1994PLC016174)

(Rs. In Lakhs)

PARTICULARS	Note no.	As at 31 st March 2023	As at 31 st March 2022
EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
a. Share capital	4	324.00	324.00
b. Reserves and surplus	5	5963.92	4582.10
		6287.92	4906.10
2. Share application money pending allotment		-	
3. NON CURRENT LIABILITIES			
a. Long Term Borrowings	6	1430.60	1882.08
b. Deferred tax liability	7	62.81	29.75
c. Long term provisions	8	58.44	36.41
		1551.85	1948.24
4. CURRENT LIABILITIES			
a. Trade payables	9		
i) Total outstanding Dues to MSMEs		-	-
ii) Total outstanding Dues to other than MSMEs		236.97	208.01
b. Other current liabilities	10	267.87	386.56
c. Short term provisions	11	0.35	0.35
		505.19	594.92
TOTAL		8344.96	7449.26
ASSETS			
1. NON CURRENT ASSETS			
a. Property, Plant & Equipment & Intangible Assets	12		
i) Property, Plant & Equipment		4239.71	3937.65
ii) Intangible Assets		-	-
b. Other Non-Current Assets	13	1788.08	55.03
		6027.79	3992.68
2. CURRENT ASSETS			
a. Inventories	14	0.76	0.83
b. Trade receivables	15	649.58	637.43
c. Cash and Cash Equivalents	16	824.54	1740.76
d. Short term loans and advances	17	4.65	29.06
e. Other current assets	18	837.64	1048.51
		2317.17	3456.59
TOTAL		8344.96	7449.27

Significant accounting policies & other notes to accounts

1 to 50

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

Sd/-

Hardeep Singh Ahluwalia

Chairman

DIN 09690464

Sd/-

Raju Mohan

Managing Director

DIN 09166141

Sd/-

Pushkar Sinha

Director

DIN 07156184

As per our report of even date,

For B R V Goud & Co.,

Chartered Accountants

Firm Reg. No. 0009925

Sd/-

S Sekar

Director

DIN 09648838

Sd/-

A B Shiva Subramanyam

Partner,

Membership No. 201108



Date : 21.04.2023

Place : Bengaluru

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023**
(CIN: U85110KA1994PLC016174)**(Rs. In Lakhs)**

PARTICULARS	Note no.	As at 31st March 2023	As at 31st March 2022
INCOME			
Revenue from operations	19	6775.13	3589.67
Other income	20	162.22	62.93
Total Income		6937.35	3652.60
EXPENSES			
Cost of materials consumed	21	5.85	4.68
Employee benefit expense	22	221.87	199.07
Outsourcing & material expenses	23	3440.76	1987.37
Finance Cost	24	260.64	80.05
Other expenses	25	232.08	210.71
Depreciation and amortization expenses	12	569.40	490.63
Total Expenses		4730.60	2972.50
PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS		2206.75	680.10
Exceptional and extraordinary Items		-	-
PROFIT BEFORE TAX		2206.75	680.10
TAX EXPENSE			
(1) Current tax		548.45	135.63
(2) Earlier year tax		0.44	-0.96
(3) Deferred tax	7	33.05	49.20
TOTAL TAX EXPENSE		581.94	183.87
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		1624.81	496.23
Profit/(loss) from discontinuing operations		0.00	0.00
Tax expense of discontinuing operations		0.00	0.00
Profit/(loss) from Discontinuing operations (after tax)		0.00	0.00
Profit (Loss) for the period		1624.81	496.23
EARNINGS PER SHARE (32,40,000 Equity share, par value Rs. 10 each)			
Basic & Diluted (In Rupees)		50.15	15.32

1 to 50**Significant accounting policies**

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

Sd/-
Hardeep Singh Ahluwalia
Chairman
DIN 09690464

Sd/-
Raju Mohan
Managing Director
DIN 09166141

Sd/-
Pushkar Sinha
Director
DIN 07156184

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

Sd/-
S Sekar
Director
DIN 09648838

Sd/-
A B Shiva Subramanyam
Partner
Membership No. 201108

Date : 21.04.2023
Place : Bengaluru



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023
(CIN: U85110KA1994PLC016174)

(Rs. In Lakhs)

Particulars	As At 31st March 2023	At at 31st March 2022
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit for the period (before tax)	2206.75	680.10
Depreciation	569.40	490.63
Interest Income	(136.84)	(60.56)
Non - Operating Income	(24.51)	(1.93)
Gain on Sale of Fixed Assets	(0.87)	0.00
Operating Profit before changes in working capital (i)	2613.93	1108.25
Changes In working capital		
Adjustments for (increase) / decrease in operating assets:		
Inventories	0.07	(0.47)
Trade receivables	(12.14)	(217.71)
Short term loans and advances	24.41	(0.80)
Long term operating loans and advances	(7.00)	(0.17)
Other current assets	212.34	(345.99)
Total outstanding Dues to other than MSMEs	28.96	31.78
Other current liabilities	(131.24)	(307.85)
Short term provisions	0.00	(0.39)
Outstanding Employee benefit & Other Provisions	22.03	22.07
	137.42	(819.53)
Cash generated from operating activities	2751.35	288.72
Less: Income tax paid	(550.35)	(369.87)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	2201.00	(81.15)
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditure on fixed assets, including capital advances	(871.45)	(3230.97)
Investments made during the year in FDs with more than 12 months maturity	(1726.05)	(4.77)
Interest received	136.84	60.56
Proceeds from sale of Fixed Assets	0.87	0.00
Non - Operating Income	24.51	1.93
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES [B]	(2435.28)	(3173.26)
C) CASH FLOWS FROM FINANCING ACTIVITIES:		
(Re Payment)/ Funding from long-term borrowings	(438.95)	2100.81
Dividends paid	(243.00)	(243.00)
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES [C]	(681.95)	1857.81
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS(A+B+C)	(916.22)	(1396.60)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1740.76	3137.36
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	824.54	1740.76

Significant accounting policies

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

Sd/- Hardeep Singh Ahluwalia Chairman DIN 09690464	Sd/- Raju Mohan Managing Director DIN 09166141	Sd/- Pushkar Sinha Director DIN 07156184	As per our report of even date, For B R V Goud & Co., Chartered Accountants Firm Reg. No. 000992S
Sd/- S Sekar Director DIN 09648838			Sd/- A B Shiva Subramanyam Partner, Membership No. 201108
Date : 21-04-2023 Place : Bengaluru			

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2023:

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 Business Support 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 IT enabled Services & Business Support Services
- 2) 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.



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 re-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 31.03.2023.

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.

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.



Notes Forming Part of Financial Statement for the year ended 31st March 2023

(Rs. In Lakhs unless specifically mentioned otherwise)

Particulars	As at		
	31st March 2023	31st March 2022	
NOTE 4 :: SHARE CAPITAL			
Authorised Capital			
1,00,00,000 (Previous Year: 1,00,00,000) Equity Shares of Rs.10 each	1000.00	1000.00	
Issued, Subscribed and Fully paid up Capital			
32,40,000 (Previous Year: 32,40,000) Equity Shares of Rs.10 each fully paid up, outstanding at the beginning and at the end of the Year.	324.00	324.00	
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 in lakhs			
Name of the Shareholder	% of Shareholding	As at 31st March 2023	As at 31st March 2022
Canara Bank	69.14%	22.40	22.40
Bank of Baroda	18.52%	6.00	6.00
Karur Vysya Bank Ltd	6.17%	2.00	2.00
The Development Bank of Singapore Limited	6.17%	2.00	2.00
Total	100%	32.40	32.40
c) Reconciliation of number of shares outstanding at the beginning & end of the Equity Shares			
Outstanding as at the beginning of the reporting period		32.40	32.40
Fully paid up (Rs.10 each)		32.40	32.40
Allotment / (buy back) during the period		0.00	0.00
Outstanding as at the end of the reporting period		32.40	32.40
Fully paid up (Rs.10 each)		32.40	32.40
		32.40	32.40
(d) Shares held by Promoters at the end of the year			
Promoter Name	No. of shares in lakhs	% total Number of shares	% change during the year
Canara Bank	22.40	69.14%	0
Total	22.40	69.14%	0
NOTE 5 :: RESERVES AND SURPLUS			
a) General reserve			
Opening Balance		508.48	458.86
Add: Transfer from Profit and loss account		162.48	49.62
Closing balance of General Reserve		670.96	508.48
b) Surplus:			
Profit and loss account			
Balance at the Beginning of the period		4073.62	3893.77
Add: Net Profit for the period		1624.82	496.24
Profit before appropriation		5698.44	4390.00
Less: Dividend		243.00	243.00
Transfer to General Reserve		162.48	49.62
Depreciation due to change in useful life of the asset		0.00	23.76
Closing balance at the end of the period		5292.96	4073.62
		5963.92	4582.10
NOTE 6 :: LONG TERM BORROWINGS			
a) Secured Loans (Details provided separately)			
		1430.60	1882.08
		1430.60	1882.08

Notes Forming Part of Financial Statement for the year ended 31st March 2023
(Rs. In Lakhs)

Particulars		
Note - 6 Continued - Details of securities, repayments and interest on term loans from Banks :		
A. Name : CANARA BANK		
Loan No.: 170000588870		
Rate of Interest: 11.95%		
Primary Security: Hypothecation of Cash Recycler Machine & UPS		
Total Repayment Term: 84 Months		
Principal and Instalment		
(a) Total Outstanding as at 31st March 2023 - 907.02 (31 March 2022: 2100.81)		
(b) EMI: 19.02		
(c) No. of Instalment remaining as at 31st March 2023 : 65		
(d) Long Term portion of principal amount due : - As at 31st March 2023 - 776.40 (31st March 2022 - 1882.08)		
(e) Interest Accrued and due : NIL		
(f) Interest Accrued but not due : 11.35		
B. Name : CANARA BANK		
Loan No.: 170006182320		
Rate of Interest: 11.95%		
Primary Security: Hypothecation of Note Sorting Machine		
Total Repayment Term: 96 Months		
Principal and Instalment		
(a) Total Outstanding as at 31st March 2023 - 754.84 31st March 2022 - NIL		
(b) EMI: 8.39 + Applicable interest for the month		
(c) No. of Instalment remaining as at 31st March 2023 : 89		
(d) Long Term portion of principal amount due : - As at 31st March 2023 - 654.19 (31st March 2022 - NIL)		
(e) Interest Accrued and due : NIL		
(f) Interest Accrued but not due : 7.00		
NOTE 7 :: DEFERRED TAX LIABILITY/(ASSET)		
Opening balance	29.75	-19.44
Add/(Less): Deferred tax expenses for the current period	33.05	49.20
	62.81	29.75
NOTE 8 :: LONG TERM PROVISIONS		
a) Provision for employee benefits:		
Provision for Gratuity	3.95	1.69
Provision for Leave Encashment	49.30	33.86
b) Provision - Others:		
Provision for other contingencies	0.86	0.86
CSR Provision	4.34	0.00
	58.44	36.41



Notes Forming Part of Financial Statement for the year ended 31st March 2023

(Rs. In Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
NOTE 9 :: TRADE PAYABLES		
- Payable to Micro, Small and Medium Enterprises [Refer note below]	-	-
- Other Trade Payables	236.97	208.01
	236.97	208.01

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, 2023 and 31st March, 2022**. 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.

Trade Payables Due for Payment

Trade Payables Ageing Schedule for Current

Year : 2022-23

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2years	2-3 Years	More than 3 years	Total
(i) MSME	0	0	0	0	0
(ii)Others	236.97	0	0	0	236.97
(iii)Disputed Dues -MSME	0	0	0	0	0
(iv) Disputed Dues-Others	0	0	0	0	0

Trade Payables Ageing Schedule for Previous

Year : 2021-22

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2years	2-3 Years	More than 3 years	Total
(i) MSME	0	0	0	0	0
(ii)Others	208.01	0	0	0	208.01
(iii)Disputed Dues -MSME	0	0	0	0	0
(iv) Disputed Dues-Others	0	0	0	0	0

NOTE 10 :: OTHER CURRENT LIABILITIES

Duties and taxes :

Tax Deducted at Source (Contract)	6.54	5.68
Tax Deducted at Source (Professional)	6.82	23.79
Tax Deducted at Source (Rent)	1.33	0.52
Tax Deducted at Source (194Q)	0.00	3.22
TDS - Salaries	1.17	0.63
TDS - Dividend	0.00	24.30
GST -TDS	5.45	7.75
Current Maturities of Long Term Borrowings	231.27	218.73
Advance from Clients	0.87	1.12
Creditors for expenses :		
Refundable Security Deposits	14.00	12.28
Retention Money	0.42	88.56
	267.87	386.56

NOTE 11 :: SHORT TERM PROVISIONS

Provision for Statutory Audit fee	0.35	0.35
	0.35	0.35

Note No. 12 : Property, Plant, & Equipment & Intangible Assets as at 31st March 2023
A) Property, Plant, & Equipment :

(Amount Rs. in Lakhs)

Sl.No.	Asset category	Use full life of Assets	At at			Depreciation Block			Net Block				
			As at 01/04/2022	Additions	Disposals	As at 31/03/2023	Upto Last year	For the year	Deletions	Adjustment	Total	As at 31/03/2023	As at 31/03/2022
A) Tangible Assets :													
1	Plant and Equipment-CRM / NSM	8 Years	4384.12	854.19		5238.30	504.04	554.10			1058.15	4180.16	3880.08
2	Plant and Equipment-Others	15 Years	26.56	0.00		26.56	21.12	0.61			21.73	4.82	5.43
3	Furniture & Fixtures	10 Years	73.88	0.00		73.88	62.69	3.26			65.95	7.93	11.19
4	Vehicles	8 Years	11.23	0.00		11.23	2.63	1.33			3.96	7.26	8.60
5	Office Equipment	5 Years	10.88	0.56		11.43	10.33	0.05			10.39	1.05	0.54
6	Computer & Peripherals	3 Years	165.35	14.99		180.35	139.37	8.94			148.31	32.03	25.98
7	Electrical installations	5 Years	40.85	1.72		42.56	35.01	1.10			36.11	6.45	5.84
TOTAL			4712.86	871.45	0.00	5584.31	775.20	569.40	0.00	0.00	1344.60	4239.71	3937.65
Previous year figures			1482.54	3235.42	5.10	4712.86	261.46	490.63	0.65	23.76	775.20	3937.65	1221.07

B) Intangible Assets :

Sl.No.	Asset category	Use full life of Assets	Gross Block			Depreciation Block			Net Block				
			As at 01/04/2021	Additions	Disposals	As at 31/03/2022	Upto Last year	For the year	Deletions	Adjustment	Total	As at 31/03/2022	As at 31/03/2021
Current year figures													
Previous year figures													

Notes Forming Part of Financial Statement for the year ended 31st March 2023

(Rs. In Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022				
NOTE 13 :: OTHER NON - CURRENT ASSETS (Unsecured, considered good)						
a) Security deposits:	18.55	18.55				
b) ATMs rental deposits:	21.88	14.88				
C) Bank Deposit with maturity exceeding 12 Months	1747.65	21.60				
	1788.08	55.03				
NOTE 14 :: INVENTORIES ATM Consumables	0.76	0.83				
	0.76	0.83				
NOTE 15 :: TRADE RECEIVABLES						
A) Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	13.93	24.99				
Less: Provision for doubtful trade receivables	-13.93	-2.50				
Total of (A)	0.00	22.49				
B) Other Trade receivables Unsecured, considered good	649.58	614.94				
Total of (B)	649.58	614.94				
Total of (A+B)	649.58	637.43				
(a) Trade Receivables ageing schedule as on 31 March 2023						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables -considered good	649.58	0.00	0.00	0.00	0.00	649.58
(ii) Undisputed Trade Receivables -considered doubtful	0.00	0.00	0.00	0.00	13.93	13.93
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(a) Trade Receivables ageing schedule as on 31 March 2022						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables -considered good	614.94	0.28	10.45	0.27	11.49	637.43
(ii) Undisputed Trade Receivables -considered doubtful	0.00	0.00	0.00	0.00	2.50	2.50
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
NOTE 16 :: Cash and Cash Equivalents						
(i) Cash and cash equivalents						
(a) Balances with banks						
- In Current Accounts					36.63	31.26
- In Deposit Accounts					787.91	1709.50
(b) Cash on hand					0.00	0.00
					824.54	1740.76
NOTE 17 :: SHORT TERM LOANS AND ADVANCES (Unsecured, considered good, unless stated otherwise)						
a) Loans and advances to employees	1.45					2.25
b) Other advances	3.20					26.81
	4.65					29.06
NOTE 18 :: OTHER CURRENT ASSETS						
a) Interest accrued on bank deposits	56.63					26.58
b) GST Input	341.31					605.00
c) TDS & TCS receivable (Net of Tax provisions)	391.11					389.64
d) Insurance Claim Receivable	13.10					13.68
e) Prepaid expenses	35.49					13.61
	837.64					1048.51

Notes Forming Part of Financial Statement for the year ended 31st March 2023
(Rs. In Lakhs)

PARTICULARS	As at 31st March 2023	As at 31st March 2022
NOTE 19 :: REVENUE FROM OPERATIONS		
a) Sale of services:		
i. Software services	188.57	56.36
ii. Software AMC service	76.56	124.42
iii. Consultancy, Services & Material	6432.18	3332.64
iv. R & T service	77.82	76.25
	6775.13	3589.67
NOTE 20 :: OTHER INCOME		
a) Interest income		
Interest on fixed deposit	126.77	60.56
Interest on Income tax refund	10.07	0.00
b) Other non- operating income	24.51	1.93
c) Sale of Scrap	0.87	0.00
d) Provision no longer required	0.00	0.45
	162.22	62.93
NOTE 21 :: COST OF MATERIALS CONSUMED		
Opening stock	0.83	0.35
Add: Purchases	5.77	5.15
Less: Closing stock	0.76	0.83
	5.85	4.68
NOTE 22 :: EMPLOYEE BENEFIT EXPENSE		
a) Salaries and wages		
Salary & Other allowances	113.96	103.30
Salary to Deputed staff - RO	57.26	31.12
Leave fare concession	9.33	8.20
Leave encashment- CCSL Staff	15.34	24.52
Leave encashment- Deputed Staff	4.43	8.11
b) Contributions to Provident and other funds		
Contribution to Provident Fund	12.54	11.58
PF administration charges	0.52	0.51
Contribution to labour welfare fund	0.01	0.01
Gratuity - CCSL Staff	2.45	0.20
Gratuity - Deputed Staff	2.26	6.33
c) Staff welfare expenses		
Medical benefits	2.19	2.41
Other Staff welfare expenses	1.59	2.79
	221.87	199.07
NOTE 23 :: OUTSOURCING & MATERIAL EXPENSES		
Call Center Suite Licenses	2.21	1.93
Cloud Services	22.12	16.24
NB & IPG Transaction Charges	1.44	2.40
Man Power Supply Services	932.00	1390.49
Professional Charges (Consultants)	125.85	119.23
Rent - Desktops	3.86	2.21
ATM/CRM/Software Maintenance & Replenishment Services	583.76	442.10
Purchase of Recycler cassettes	1758.75	0.00
Other Outsourcing and Material Expenses	10.76	12.76
	3440.76	1987.37

Notes Forming Part of Financial Statement for the year ended 31st March 2023

(Rs. In Lakhs)

PARTICULARS	As at 31st March 2023	As at 31st March 2022
NOTE 24 :: FINANCE COST		
Interest on Term Loan	260.64	80.05
	260.64	80.05
NOTE 25 :: OTHER EXPENSES		
Auditors remuneration		
To Statutory auditors		
` - For Statutory Audit	0.35	0.35
` - For Tax Audit	0.25	0.25
Advertisement and publicity	1.39	0.36
Annual maintenance charges	10.64	9.52
Bank charges	0.24	0.11
Board meeting expenses	0.56	0.39
Books & Periodicals	0.59	0.51
Business development	4.06	1.76
Commission	0.75	1.40
Communication expenses	12.06	6.13
Computer consumables & Hire charges	0.40	0.89
GST Expense	4.97	-
Electricity charges	18.64	17.83
Insurance	22.43	1.76
Legal & Professional fees	2.69	5.87
Software License Fees	0.00	3.60
Office expenses	1.85	1.35
Printing & Stationery	1.21	0.81
Provision for Bad & Doubtful debts	11.43	0.00
Loan Processing Charges	16.09	50.90
Rates & Taxes	0.10	4.69
Rent	36.29	36.33
Rent Deputed Staff	6.91	6.20
Rent ATM Site	19.95	19.01
Repairs & Maintenance - ATM	0.68	1.37
Repairs & Maintenance - Premises	11.10	10.68
Repairs & Maintenance - Vehicle	1.53	0.98
Repairs & Maintenance - Others	0.48	0.42
Stamp Paper Charges	1.73	4.49
Training & Seminar expenses	0.05	0.03
Travelling & Conveyance	8.27	5.88
R&T & OPE	14.54	15.42
Other expenses	6.17	0.00
Corporate Social Responsibility	10.75	0.00
Miscellaneous expenses	2.94	1.42
	232.08	210.71

Note No. 26

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. 27

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

The total remuneration paid to the Managing Directors:

Shri S K SENAPATI - Managing Director till 31.05.2021

Shri Raju Mohan - Managing Director From 31.05.2021

(Rs. in Lakhs)

Particulars	Current Year	Previous Year
Salary & Allowances	24.82	31.23
Contribution to Provident Fund	1.41	1.83
Grand Total	26.23	33.06

Note No. 28

The company has liened Fixed Deposit of Rs. 312.38 lakhs towards security deposit to Canara Bank for various purposes.

Note No. 29

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.30

Trade Receivable includes the following sums due from Companies under the same management.
(Rs. in lakhs)

Sl. No.	Name of the Party	Balance as at 01.04.2022		Sales / R&T Services during the year 2022-23		Balance as at 31.03.2023	
		RO		RO		RO	
1	Canara Bank	RO	560.34	RO	6371.42	RO	574.80
		R&T	6.16	R&T	19.20	R&T	4.98
2	Canara Robeco Asset Management Company Limited	R&T	0.04	R&T	19.09	R&T	5.61
3	Canfin Homes Ltd	RO	5.08	RO	19.75	RO	1.80
		R&T	3.59	R&T	14.42	R&T	2.30
4	Canara HSBC Life Insurance Company Ltd	RO	-	RO	86.41	RO	8.28
5	Canbank Factors Ltd	RO	5.20	RO	4.15	RO	-
		R&T	0.12	R&T	0.25	R&T	0.06
6	Canbank Financial Services Ltd	RO	-	RO	-	RO	-
		R&T	0.18	R&T	0.20	R&T	0.18
7	Canbank Venture Capital Fund Ltd	RO	-	RO	-	RO	-
		R&T	0.06	R&T	0.20	R&T	0.06
8	Canara Bank Securities Ltd	RO	-	RO	-	RO	-
		R&T	-	R&T	0.17	R&T	-
9	Syndbank Services Ltd	RO	-	RO	-	RO	-
		R&T	-	R&T	0.11	R&T	-

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

Note No. 31

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. 32

Retirement Benefits (AS – 15):

Reconciliation of Opening Balance and Closing Balances in Plan Assets:

(Rs. Lakhs)

	Gratuity	Leave Encashment	Bonus
Opening Balance	1.69	33.86	-
Amount paid during the year	-	4.33	-
Net Amount	-	29.53	-
Provision made during the year	2.26	19.77	-
Excess Provision reversed	-	-	-
Closing Balance	3.95	49.30	-



Note No. 33

Segment reporting for the period ended 31st March 2023 – (AS: 17)

(Rs. Lakhs)

Business Segment	Software, Consultancy, Training Operations, ITES & Business Support Services		R&T Activities		Total	
	Year ended 31.03.2023	Previous year ended 31.03.2022	Year ended 31.03.2023	Previous year ended 31.03.2022	Year ended 31.03.2023	Previous year ended 31.03.2022
Revenue	6697.31	3513.43	77.82	76.25	6775.13	3589.68
Profit before Tax	2170.73	671.03	36.03	9.07	2206.76	680.1
Unallocated Provisions	-	-	-	-	-	-
Income Tax + Fringe Benefit Tax	-	-	-	-	548.45	135.63
Provisions & Contingencies	-	-	-	-	-	-
Extraordinary items DTA/DTL	-	-	-	-	33.05	49.2
Taxation for earlier years	-	-	-	-	0.44	-0.96
Profit after Tax	-	-	-	-	1624.82	496.24
Other Information	-	-	-	-	-	-
Segment Assets	8316.87	7420.08	28.08	29.2	8344.95	7449.28
Unallocated Corporate Assets	-	-	-	-	-	-
Total Assets	8314.86	7420.08	28.08	29.2	8344.95	7449.28
Segment Liabilities	260.76	362.49	14.82	13.36	275.58	375.85
Unallocated Corporate Liabilities	-	-	-	-	1783.45	2167.33
Capital & Reserves	-	-	-	-	6285.92	4906.1
Total Liabilities	-	-	-	-	8344.95	7449.28

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



Note No. 34

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)
- Karnataka Gramin Bank.
- Kerala Gramin Bank.

(B) Key Management Personnel :

Shri Raju Mohan	Managing Director from 31.05.2021
Shri R Raghuveer	Vice President – Projects from 16.05.2019



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

(Amount in Lakhs)

Sl No	Nature of Transaction	Related entity	Expenditure	Income	Assets	Liabilities
1	Bank Charges #	Canara Bank	16.33 (PY:51.01)			
2	Salary & Other Benefits of Deputed staff	Canara Bank	67.49 (PY:45.89)			11.66 (PY:4.97)
3	R&T charges	Canara Bank		19.20 (PY:17.15)		
		Canara Robeco Asset Mgmt. Co. Ltd		19.09 (PY:18.55)		
		Canbank Secutires Ltd		0.17 (PY:0.15)		
		Canbank Factors Ltd		0.25 (PY:0.35)		
		Canbank Financial Services Ltd		0.20 (PY:0.20)		
		Canbank Venture Capital Fund Ltd		0.20 (PY:0.20)		
		Canfin Homes Ltd (sub)		14.42 (PY:13.62)		
		Synd Bank Services Ltd		0.11 (PY: 0.26)		
		Canara Robeco Demat A/c		0.12 (PY: 0.12)		
SUB TOTAL				53.77 (PY:50.61)		
4	Sales	Canara Bank		6371.42 (PY:2934.88)		
		Canbank Factors		4.15 (PY:4.40)		
		Karnataka Gramin Bank		173.50 (PY:190.36)		
		Kerala Gramin Bank		20.54 (PY:43.35)		
		Canara HSBC		86.41 (PY:Nil)		
		Canfin Homes Ltd		19.75 (PY: 34.93)		
SUB TOTAL				6675.77 (PY:3208.59)		
5	Bank balance	Canara Bank			36.63 (PY:31.26)	1661.86 (PY: 2100.81)
	Fixed deposits	Canara Bank			2535.56 (PY:1731.10)	
6	Interest	Canara Bank	260.64 (PY: 80.05)	126.77 (PY:60.56)		
7	Dividend	Canara Bank	168 (PY:168)			
TOTAL			512.46 (PY:344.95)	6856.31 (PY:3319.76)	2572.19 (PY:1762.36)	1673.52 (PY:2105.78)

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

Note No. 35

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 of Rs. 36.29 Lakhs (PY Rs. 36.33 Lakhs) in the statement of profit and loss for the period.

Note No. 36

Earnings per share - (AS- 20):

(Amt in Rupees)

Particulars	Current Year	Previous Year
Profit After Tax (Rupees in lakhs)	1624.82	496.24
Weighted Average number of equity shares	32.40	32.40
Earning per share (Basic & Diluted)	50.15	15.32
Face Value per share	10.00	10.00

Note No. 37

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 liability.

Note No. 38

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.

Note No. 39

Provision for Contingencies (AS -29):

- (a) 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.
- (b) 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. The total amount demanded by ESIC, Bengaluru is Rs. 12,80,208 and appeal is filed before Hon'ble Karnataka High Court against the said demand. However, the company has paid Rs.3,20,052/- to ESI corporation as a matter of abundant caution.

Note No. 40

Capital Commitments:

As on 31.03.2023, the company has future capital commitment of Rs. Nil

Note No. 41

Expenditure in Foreign Currency:

		2022-23	2021-22
1	CIF Value of Imports	Nil	Nil
2	Other Expenditure	Nil	Nil

Note No. 42

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

Note No. 43

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

Note No. 44

Doubtful Debts

Provision for doubtful debts has been made as per managements’s assessment.

Note No. 45

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. 46

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

Note No. 47**Expenditure on Corporate social responsibility activities:**

As per section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The threshold limit of Rs.5 Crores had been met for the first time during the Previous Financial year (FY 2021-22). The average net profit of the company for the immediate preceding three financial years works out to Rs.537.79 lakhs and accordingly the company is required to spend Rs. 10.75 lakhs during the current year on the activities specified in Schedule VII of the Companies Act 2013. The company has spent Rs.6.42 lakhs during the year and Rs 4.33 remains to be spent as on 31st March 2023.

Note No. 48**Other Statutory Disclosures**

- a) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- b) The company has not traded or invested in any types of Crypto currency or virtual currency during the financial year.
- c) The company has reviewed transactions, to the extent of information available, for the purpose of identifying the transactions with struck off Companies. Based on the above review there are no transactions with struck off companies in the current financial year.
- d) The company has not been declared a willful defaulter by any bank or financial institution or Government Authority.
- e) The company has not advanced or loaned any funds to any other person(s) or entity(ies) including Foreign entities (including intermediaries) with the understanding that the intermediary shall:
 - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiary) or
 - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiary.
- f) The company has not received any fund from any person(s) or entity(ies) including Foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (iii) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funded Party (Ultimate Beneficiary) or
 - (iv) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiary.



Note No. 49

Ratios:

(Numerator & Denominator in Rs. In Lakhs and Ratios in absolute numbers & percentages)

S No.	Ratio	31 March 2023	31 March 2023	Ratio as on	Ratio as on	Variation	Reason (If <25%)
		Numerator	Denominator	31-Mar-23	31-Mar-22		
(a)	Current Ratio	2317.16	505.19	4.59	5.81	-21%	NA
(b)	Debt-Equity Ratio	1661.86	6287.92	0.26	0.43	-38%	Note 1
(c)	Debt Service Coverage Ratio	2454.86	479.36	5.12	8.40	-39%	Note 2
(d)	Return on Equity Ratio	1624.82	6287.92	26%	10%	155%	Note 2
(e)	Inventory Turnover Ratio	-	-	NA	NA	-	-
(f)	Trade Receivables Turnover Ratio	6775.13	643.50	10.53	6.91	52%	Note 3
(g)	Trade Payables Turnover Ratio	-	-	NA	NA	-	-
(h)	Net Capital Turnover Ratio	6775.13	2336.82	2.90	1.17	149%	Note 4
(i)	Net Profit Ratio	1624.82	6775.13	24%	14%	77%	Note 2
(j)	Return on Capital Employed	2467.40	7839.76	31%	11%	184%	Note 2
(k)	Return on Investment	1624.82	6287.92	26%	10%	155%	Note 2



- Note 1 - The Company has repaid 21% of the outstanding loan amount as at the beginning of the current year and the profitability of the Company has substantially increased.
- Note 2 - The profitability of the Company has increased by 2.27 times.
- Note 3 - The turnover has increased by 89% whereas the outstanding trade receivables have increased by only 2% reflecting more efficient collection.
- Note 4 - The Turnover has increased by 89%.

Note No. 50

The figures appearing in the financial statements are rounded off to nearest lakhs and are shown accordingly in the financial statements unless otherwise stated.

Sd/-
Hardeep Singh Ahluwalia
Chairman,
DIN: 09690464

Sd/-
Raju Mohan
Managing Director
DIN 09166141

Sd/-
Pushkar Sinha
Director
DIN 07156184

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

Sd/-
S Sekar
Director
DIN 09648838

Sd/-
A B Shiva Subramanyam
Partner
Membership No. 201108

Date : 21.04.2023
Place : Bengaluru



List of Products & Services

- 1. Vigilance Information System*
- 2. Premises Data Management System*
- 3. Depositors Education Awareness Fund*
- 4. Fixed Assets Management System*
- 5. Printing and Stationery Inventory Management System*
- 6. Risk Based Internal Audit Software*
- 7. Power of Attorney Software*
- 8. Loan Management System for Kissan Credit Card Scheme (RRBs)*
- 9. Branch Visit Reporting System*
- 10. Quarters Management System*
- 11. Staff Accountability Software*
- 12. Canbank Fee Counter*
- 13. Pre-Dispatch Inspection Services*
- 14. Registrar and Transfer Agency Services*
- 15. E-auction Services*



CANBANK COMPUTER SERVICES LIMITED

(IT Subsidiary of Canara Bank)

No. 218, JP Royale, 1st Floor, Sampige Road, 2nd Main,
(Near 14th Cross), Malleswaram, BENGALURU - 560003.
Tel.: 080-2346 9661 / 62 / 64 / 65 • Fax: 080-2346 9667
Email: ccsl@ccsl.co.in • Website: www.ccsl.co.in

www.ccsl.co.in