

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SYNDBANK SERVICES LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **SYNDBANK SERVICES LIMITED (CIN: U72300KA2006PLC038305)** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss, Statement of Cash Flow, Notes to the Financial Statements and a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "the Financial Statements").

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 (the "Act") in the manner required and give a true and fair view in conformity with the Companies Accounting Standards Rules prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2014, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and the profit and the cash flows for the year ended on that date.

Basis for Opinion

We conducted the audit of the Financial Statements 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the 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 on the Financial Statements.

Key Audit Matters

The Company has not recognised the deferred tax asset of Rs. 34,72,622/- , arising on account of Provisions made for "Claims Receivable" & Provisions made for Contingencies. The management has disclosed the same vide note 18.03 read with note 18.05 & 18.06 of the financial statement. Accordingly the aforesaid item is not recognized in the financial statement by the management as a matter of prudence.

The above matter was addressed in our audit in the following manner:

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We discussed with the officials of the Company the future course of action to be taken by the Company in recovery of the Claims as referred to in note 18.05 & 18.06 of the financial statement, to ascertain the possibility of and/or time that the Company may take in recovery of the amount involved therein and also possibility of claiming the deduction from taxable income, if the Company ends with the option of write off the aforesaid amounts (in full or in part), in the forthcoming year/s. Our opinion is not modified in this connection.

Other Information (other than the Financial Statements & Auditors' Report thereon)

The Company's Board of Directors is responsible for 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 auditors' report thereon. The Board's Report including Annexures to Board's Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Board's Report including Annexures to Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the AS and other accounting principles generally accepted in India. 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.

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.

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



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Auditors' Responsibilities for the Audit of the Financial Statements

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 auditors' 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.

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

- Identify and assess the risks of material misstatements 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 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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, make 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 (i) in 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.



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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 the 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.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As directions issued by the Office of the Comptroller and Auditor General of India, in terms of sub-section (5) of section 143 of the Companies Act, 2013, we give in the 'Annexure B' a statement on the matters so directed, to the extent applicable.
3. 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.
 - e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to adequacy of Internal Financial Control over Financial Reporting of the Company and the operating effectiveness of such control, refer to our separate report in "Annexure C"; and
 - g) With respect to the other matters to be included in Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended :
To the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year and accordingly the question of further reporting thereon does not arise.



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h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company

Place: UDUPI

Date: 17th April 2021

For PAI NAYAK & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm's Registration No.009090S



CA ANANTHANARAYANA PAI K
PARTNER

Membership No. 024541

UDIN:

21024541AAAA008500



ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT
(Issued to SYNDBANK SERVICES LIMITED for the year ending 31st March 2021)
(REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING
"REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS")

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the company have been physically verified by the management. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets. As explained to us, no material discrepancies were noticed on such verification.
- (c) According to the information given to us and on the basis of our examination, the Company does not own any immovable properties. Accordingly, paragraph 3 (i) (c) of the Order is not applicable.
- ii. The Company does not own any physical inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not granted any loans, secured or unsecured to the companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the order are not applicable.
- iv. According to the information and explanations given to us, paragraph 3(iv) of the order is not applicable for the reason that the Company has not made investments, has not granted loans and not given any guarantee/not provided any security for the loans availed by any other person or Corporate.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in terms of the provisions of Section 73 to 76 of the Act and the Companies (Acceptance of Deposit) Rules, 2014. The management has informed us that there are no orders by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal, in respect of deposits. Accordingly paragraph 3 (v) of the order is not applicable.
- vi. The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, income tax, Goods & Services Tax, Duty of Customs, cess, and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities applicable to it.
- (b) According to the records of the company made available to us and as per the information and explanations given, there are no dues of income tax, sales tax, wealth tax, service tax, Goods and Services Tax, Duty of Customs, Duty of Excise and Value Added Tax which have not been deposited on account of any dispute.



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- viii. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to financial institution and/or banks. Repayment of loans to government or repayment of dues to debenture holder does not arise, since no such amounts were outstanding at any time during the year under audit.
- ix. In our opinion, and according to the information and explanation given to us, the company has not raised money by way of initial/further public offer or term loans during the year under audit. Therefore, clause 3(ix) of the Order is not applicable to the Company.
- x. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year under audit nor have we been informed of any such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not paid/provided for any managerial remuneration. Therefore, paragraph 3(xi) of the Order is not applicable.
- xii. The Company is not a Nidhi Company. Therefore paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act wherever applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards. As per the information furnished to us the provisions of the Section 177 of Companies Act 2013 is not applicable to the Company.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore the question of compliance with Section 42 of the Act does not arise. Accordingly, clause 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: UDUPI
Date: 17th April 2021



For PAI NAYAK & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm's Registration No.009090S

CA ANANTHANARAYANA PAI K
PARTNER

Membership No. 024541

UDIN:

21024541 AAAA DD 8500

ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT
(Issued to SYNDBANK SERVICES LIMITED for the year ending 31st March 2021)
(REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING
"REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS")

ISSUED IN PURSUANCE OF DIRECTIONS ISSUED BY THE OFFICE OF THE
COMPTROLLER AND AUDIT GENERAL OF INDIA.

1. Whether the Company has system in place to process all the accounting transaction through IT System? If yes, the implications of processing of accounting transactions outside IT System on the integrity of the accounts along with the financial implications, if any may be stated.

Yes. The integrity of the Computerised accounts verified with the supporting documents. No adverse features found on such verification.

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. Whether such cases are properly accounted for? (In case, lender is a Government Company, then this direction is also applicable for statutory auditor of lender Company)

Not applicable, since there are no such cases.

3. Whether funds (grants/ subsidy etc) received/receivable for specific schemes from central/state agencies were properly accounted for/utilised as per its term and conditions? List the cases of deviation.

Not applicable, since there are no such funds received/receivable.

Place: UDUPI

Date: 17th April 2021

For **PAI NAYAK & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm's Registration No.009090S




CA ANANTHANARAYANA PAI K
PARTNER

Membership No. 024541

UDIN:

21024541 AAAA DD8500

ANNEXURE 'C' TO INDEPENDENT AUDITOR'S REPORT
(Issued to the members of SYNDBANK SERVICES LIMITED, MANIPAL
for the year ending 31st March 2021)
(Referred to in paragraph 3(f) of our report of even date under the heading
"Report on other Legal and Regulatory Requirements")

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **SYNDBANK SERVICES LIMITED** ('the Company') as of March 31, 2021 in conjunction with our audit of the 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 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 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 the timely preparation of reliable financial information as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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17/04/2021

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 auditor's judgment, 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 control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the 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

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) 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 authorisations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention of timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitation 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 the policies or procedures may deteriorate.



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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 March 31, 2021, based on the internal controls 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.

Place: UDUPI

Date: 17th April 2021

For **PAI-NAYAK & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm's Registration No.009090S



CA ANANTHANARAYANA PAI K
PARTNER

Membership No. 024541

UDIN: 21024541 AAAA JJ 2500



SYNDBANK SERVICES LIMITED
(A WHOLLY OWNED SUBSIDIARY OF M/S CANARA BANK)
CIN:U72300KA2006PLC038305
REGISTERED OFFICE : MANIPAL - 576 104
BALANCE SHEET AS AT 31st MARCH 2021

		AMOUNT IN Rs.Ps	
	Notes No.	31.03.2021	31.03.2020
I EQUITY AND LIABILITIES			
1 Shareholders' Fund			
a) Share Capital	2	25,00,000.00	25,00,000.00
b) Reserves & Surplus	3	13,45,18,127.97	13,25,69,801.20
	A.	13,70,18,127.97	13,50,69,801.20
2 Non Current Liabilities			
a) Long Term Provisions	4	7,56,201.96	5,69,776.00
	B.	7,56,201.96	5,69,776.00
3 Current Liabilities			
a) Trade Payables	5		
i. Total outstanding dues of Micro Enterprises and Small Enterprises			
ii. Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		3,26,137.00	16,82,940.00
b) Other Current Liabilities	6	61,45,263.66	49,41,538.00
c) Short Term Provisions	7	11,15,029.00	12,89,843.00
	C.	75,86,429.66	79,14,321.00
TOTAL (A+B+C)		14,53,60,759.59	14,35,53,898.20
II ASSETS			
1 Non Current Asset			
a) Property, Plant & Equipment	8	48,006.00	48,006.00
(i) Tangible Assets	9	10,78,200.00	10,21,113.00
b) Deferred Tax Asset (Net)	10	9,11,109.00	13,25,540.00
c) Long Term Loans and Advances	D.	20,37,315.00	23,94,659.00
2 Current Assets			
a) Cash and Cash Equivalents	11	14,25,62,502.32	14,10,66,892.20
b) Short Term Loans and Advances	12	84,000.00	84,000.00
c) Other Current Assets	13	6,76,942.27	8,347.00
	E.	14,33,23,444.59	14,11,59,239.20
TOTAL (D+E)		14,53,60,759.59	14,35,53,898.20
Corporate Information & Significant Accounting policies	1		
Other Disclosures	18		

For SYNDBANK SERVICES LTD


Atul Kumar
 Director
 DIN:07335776


B.C.S Rao
 Director
 DIN:08781585


K.V.C Janaki Rama Rao
 Director
 DIN:08854378

As per our report of even date
 For PAI NAYAK & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No.009090S


Ananthanarayana Pal K
 Partner
 Membership No.024541



Date:17.04.2021
 Place: Bengaluru

Date : 17/04/2021
 Place: UDUPI



SYNDBANK SERVICES LIMITED
(A WHOLLY OWNED SUBSIDIARY OF M/S CANARA BANK)
CIN:U72300KA2006PLC038305
REGISTERED OFFICE : MANIPAL - 576 104
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2021

	PARTICULARS	Notes No.	AMOUNT IN Rs.Ps	
			2020-2021	2019-2020
	INCOME:			
I.	Revenue From Operation	14	-	4,56,252.00
II.	Other Income	15	1,66,93,393.15	90,95,881.41
III.	TOTAL REVENUE		1,66,93,393.15	95,52,133.41
	EXPENDITURE :			
IV.	Employee Benefit Expenses	16	31,22,457.98	44,97,218.11
	Depreciation	8	-	66,850.00
	Other Expenses	17	2,68,056.40	2,23,89,258.10
V.	TOTAL EXPENSES		33,90,514.38	2,69,53,326.21
VI.	Profit(Loss) Before Exceptional,Extraordinary Items and Tax		1,33,02,878.77	(1,74,01,192.80)
	Exceptional Items (Income)/Expense		-	-
VII.	Profit (Loss) Before Extraordinary items and Tax		1,33,02,878.77	(1,74,01,192.80)
	Extraordinary Items		-	-
VIII.	Profit (Loss) Before Tax		1,33,02,878.77	(1,74,01,192.80)
IX.	TAX EXPENSES			
	- Current tax- Current Year		14,10,805.00	11,20,981.00
	- Earlier Year		834.00	-
	- Deferred Tax Adjustments		(57,087.00)	1,64,840.00
	Total Tax Expenses		13,54,552.00	12,85,821.00
X.	Profit (Loss) for the year		1,19,48,326.77	(1,86,87,013.80)
	Earning Per Share:			
XI.	Basic and Diluted(Face value of Rs.10/-)	17 A	47.79	(74.75)
	Corporate Information & Significant Accounting policies	1		
	Other Disclosures	18		

For SYNDBANK SERVICES LTD


Atul Kumar
 Director
 DIN:07335776


B.C.S Rao
 Director
 DIN:08781585


K.V.C Janaki Rama Rao
 Director
 DIN:08854378

As per our report of even date
 For PAI NAYAK & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No.009090S




Ananthanarayana Pai K
 Partner
 Membership No.024541

Date: 17.04.2021
 Place: Bengaluru

Date: 17/04/2021
 Place: UDUPI



SYNDBANK SERVICES LIMITED
(A WHOLLY OWNED SUBSIDIARY OF M/S CANARA BANK)
CIN:U72300KA2006PLC038305
REGISTERED OFFICE : MANIPAL - 576 104
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021

PARTICULARS	AMOUNT IN Rs.Ps	
	2020-2021	2019-2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT(LOSS) FOR THE YEAR	1,19,48,326.77	(1,86,87,013.80)
Adjustments:		
Depreciation	-	66,850.00
Gratuity/ Leave encashment Provisions	2,65,132.96	65,680.00
Provision for contingencies	-	11,15,029.00
Liabilities no longer payable	-	(57,000.00)
Tax Expense	13,54,552.00	12,85,821.00
Provisions for claim receivable (Provision written back)	(82,43,440.00)	2,04,84,650.00
Interest Income	(84,49,953.15)	(90,38,881.41)
Operating Profit Before Working Capital Changes	(31,25,381.42)	(47,64,865.21)
Adjustments for changes in Working Capital:		
Increase/(decrease) In Trade Payable	(13,56,803.00)	(5,39,500.00)
Increase/(decrease) in other Non Current/Current Liabilities	11,25,018.66	2,07,440.00
Decrease/(increase) in trade receivable	-	-
Decrease/(increase) in long term loans and advances	(10,000.00)	1,500.00
Decrease/(increase) in short term loans and advances	82,43,440.00	(69,075.00)
Decrease/(increase) in other current assets	8,347.00	12,050.00
CASH GENERATED FROM OPERATIONS	48,84,621.24	(51,52,450.21)
Direct Taxes Paid (Net of Refund)	(11,62,022.00)	(11,76,142.00)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	37,22,599.24	(63,28,592.21)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) /Decrease in Term Deposits (Net)	(30,00,000.00)	(30,00,000.00)
Sale of Property, Plant and Equipment	-	7,599.00
Interest Received	77,73,010.88	90,38,881.41
NET CASH FROM INVESTING ACTIVITIES (B)	47,73,010.88	60,46,480.41
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend distributed	(1,00,00,000.00)	-
NET CASH FROM FINANCING ACTIVITIES (C)	(1,00,00,000.00)	-
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	(15,04,389.88)	(2,82,111.80)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	18,66,892.20	21,49,004.00
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	3,62,502.32	18,66,892.20

Refer Note 1: Corporate Information and Significant Accounting Policies
 Note 18: Other Disclosures

Other Notes:

- Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard-3 of Companies (Accounting Standards) Rules.
- Balance of Cash and Cash Equivalent does not include term deposits kept with banks which are kept for maturity period beyond 3 months/ear marked/pledged bank balances.
- Previous year's figures are reworked/regrouped/rearranged and reclassified wherever necessary.

For SYNDBANK SERVICES LTD


 Atul Kumar
 Director

DIN:07335776


 B.C.S Rao
 Director
 DIN:08781585


 K.V.C Janaki Rama Rao
 Director
 DIN:08854378

As per our report of even date
 For PAI NAYAK & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Registration No.0090905




 Ananthanarayana Pai K
 Partner
 Membership No.024541

Date :17.04.2021
 Place: Bengaluru

Date: 17/04/2021
 Place: Udupi



SYNDBANK SERVICES LIMITED
Bengaluru
Wholly owned subsidiary of M/s Canara Bank)
CIN: U72300KA2006PLC038305
Year Ending 31st March 2021

Note 1: Corporate Information and Significant Accounting Policies

A. Corporate Information:

M/s SyndBank Services Limited (the "Company") is a public limited company registered in the State of Karnataka having its registered office at Bangalore. (The registered office of the Company shifted from Manipal to Bangalore during the year.). The main business of the company is providing BPO services mainly to earlier Holding Company M/s Syndicate Bank (since merged with M/s Canara Bank), its sponsored RRBs and other financial institutions. The Company was the wholly owned subsidiary of M/s Syndicate Bank, since the whole of the equity shares of the Company are held by the aforesaid Bank and its nominees. However, the Holding Company M/s Syndicate Bank merged with M/s Canara Bank with effect from 1st April 2020, vide order no. CG-DL-E-04032020-216535 dated 04.03.2020, passed by Government of India. As result of the merger, the Company became the wholly owned subsidiary of M/s Canara Bank, with effect from 1st April 2020 onwards. Accordingly, during the preceding financial year ending 31st March 2020, the Company was the subsidiary of M/s Syndicate Bank.

As per Para 4(i) of Division I of Schedule III to Companies Act 2013, the rounding off of the figures of the Financial Statement is optional. The Company has not opted for rounding off and accordingly made disclosures in the financial statement, without resorting to rounding off.

B. Significant Accounting Policies:

a. Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 i.e. the Companies (Accounting Standard) Rules 2006 read with Companies (Accounting Standard) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

b. Use of Estimates

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts



of assets or liabilities in future periods. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

c. Property, Plant & Equipment and Depreciation

The items of 'Property, Plant and Equipment' are stated at historical cost less accumulated depreciation and accumulated impairment losses if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items such as purchase price, freight, duties and levies. Such cost includes the cost of replacing parts of the 'Property, Plant and Equipment' and the borrowing cost if any, till the date of installation of qualifying asset, and any attributable cost of bringing the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An item of 'Property, Plant and Equipment' and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of 'Property, Plant and Equipment' as a replacement if the recognition criteria are satisfied. Machinery spares which are specific to a particular item of 'Property, Plant and Equipment' and whose use is expected to be irregular are capitalized as 'Property, Plant and Equipment'.

As Property Plant and Equipment held by the Company does not involve decommissioning cost and the cost of removal is not material considering the size of the Company. Considering this aspect, the Company has not made any policies for capitalising the decommissioning cost.

Depreciation on 'Property, Plant & Equipment' generally is provided on the Written Down Method over the useful lives of the assets in terms of Schedule II of the Companies Act, 2013. Depreciation for the assets purchased / sold during the period is proportionately charged. The residual values, useful lives and methods of depreciation of 'Property, Plant and Equipment' are reviewed at each financial year end and adjusted prospectively, if appropriate and under such circumstances the appropriate disclosure will be made in the notes to accounts.

d. Borrowing Costs

Borrowing costs if any, are recognised as an expense in the year in which they are incurred except which are directly attributable to the acquisition and construction of a fixed asset which takes substantial period to get ready for its intended use, in which case borrowing costs are capitalised as a part of the cost of the asset, to the extent they relate to the period till such assets are ready to be put to use.



e. Impairment of Assets

The company has framed the policy of impairing the asset, when carrying cost of assets exceeds its recoverable amount. Accordingly, an impairment loss will be charged to the Statement of Profit and Loss account in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognised in the prior accounting periods is reversed if there is a change in the estimate of recoverable amount. However, the management is of the opinion that the carrying cost of the asset does not exceed its recoverable value. Therefore, the assets are not impaired during the year.

f. Revenue Recognition.

- i) Revenue from Business Process Outsourcing (BPO) services are recognized on time and material, fixed price and unit priced contracts. Revenue on time and material, unit priced contracts is recognized as the related services are rendered. Revenue from fixed price contracts is recognized as per the proportionate completion method with contract cost determining the degree of Completion.
- ii) Services are recognized net of GST.
- iii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

g. Cash Flow Statements and Cash and Cash Equivalents

The Company has prepared the Cash Flow Statement in compliance with the Section 129 read along with the Section 2(40) of the Companies Act, 2013. Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Term Deposits held with a maturity period beyond 3 months, earmarked balances with banks and deposits held as margin money or security against borrowings etc have not been considered as "Cash and Cash Equivalent", in the Cash Flow Statement.

h. Employee Benefits.

The employee benefits are being accounted on accrual basis. Staff of the company are permanent employees of the Holding Company M/s Canara Bank and are on deputation to the company. Accordingly, the Holding Company M/s Canara Bank is raising the Invoice periodically for Salary including Provident Fund Contribution, by charging therein Goods and Service Tax and thus staff salaries cost as disclosed in the statement of profit and loss includes GST. All the employee benefits - statutory contributions to Provident Fund, Pension Fund, Gratuity Fund and Liability towards Leave Encashment are provided based on information given



by the Holding Company. All the relevant disclosures with regard to the employee benefit are being made by the Holding Company. The provision for Gratuity and Leave Encashment of the employees who are still in the service of the Holding Company, considered as long-term provision.

i. Tax on Income:

The Company has charged off the Current Income Tax if any, to the Statement of Profit and Loss. Deferred Tax Assets/Liabilities recognised/ provided in accordance with the Accounting Standard 22. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date, on the timing differences being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax Asset is recognised, subject to the considerations of prudence. Deferred tax asset so recognised, is being netted off to deferred tax liability or vice versa. Advance Income Tax Paid (including Tax deducted at source, tax paid on self-assessment or otherwise) and provision for current Income Tax (if any) are presented in the Balance Sheet after setting off the same against each other.

j. Operating Cycle:

Based on the nature of activities of the Company, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

k. Provisions, Contingent Liabilities and Contingent Assets

Provision

A provision is recognised when an enterprise has a present obligation as a result of past event; It is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

l. Earnings Per Share

Basic Earnings per Share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year. Partly Paid Up Equity Shares are treated as a fraction of an equity share to the extent



that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m. Segment Reporting

The company operates as an outsourcing service provider to its Holding Company. The company provides services of Hardware testing, Retail loan follow-up, Mailer despatch, creating various customer database and other services facilitating banking operations. All these services have similar risk and returns. Thus, there is only one identified reportable segment that is outsourcing service to Holding Company. There is no reportable geographical segment either. However the Company has not carried on any operating activities and the Company concentrated on the recovery of receivables.

n. Leases:

Expenses towards rent if any, towards cancellable operating lease, charged to statement of profit and loss on time proportionate method. The Company has not entered into any non-cancellable operating lease or finance lease.

o. Other Matters:

Goods and Service Tax in respect of materials purchased or services availed by the Company charged to statement of profit and loss by including the same to the respective head of expenses, to the extent the Company is not eligible to claim the credit under GST Act.



SYNDBANK SERVICES LIMITED
(A WHOLLY OWNED SUBSIDIARY OF M/S CANARA BANK)
CIN:U72300KA2006PLC038305
REGISTERED OFFICE : MANIPAL - 576 104
NOTES TO BALANCE SHEET AS AT 31st MARCH 2021

	AMOUNT IN Rs.Ps	
	31.03.2021	31.03.2020
Note No: 2 SHARE CAPITAL (Refer Note 2.01 to 2.04 below)		
Authorised :		
1,00,00,000 equity shares of Rs.10 each (P.Y. 1,00,00,000 equity shares of Rs.10 each)	10,00,00,000.00	10,00,00,000.00
	10,00,00,000.00	10,00,00,000.00
Issued, subscribed and paid up Capital		
2,50,000 equity shares of Rs.10 each fully paid (P.Y.2,50,000 equity shares of Rs.10 each fully paid)	25,00,000.00	25,00,000.00
Total	25,00,000.00	25,00,000.00
NOTE 2.01: Reconciliation of number of Shares		
EQUITY SHARES	As at 31 March 2020	As at 31 March 2019
Shares outstanding at the beginning of the year	2,50,000	2,50,000
Add: Shares Issued during the year	-	-
Less: Shares bought back during the year	-	-
Shares outstanding at the end of the year	2,50,000	2,50,000
NOTE 2.02: Rights, preferences and restrictions attached to shares		
Equity Shares: The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per each share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company (after distribution of all preferential amounts) in proportion to their shareholding.		
NOTE 2.03: Shares held by Holding Company		
EQUITY SHARES	As at 31 March 2021	As at 31 March 2020
M/s Canara Bank & its nominees (P.Y: Syndicate Bank & its nominees)	2,50,000	2,50,000
	2,50,000	2,50,000
Note 2.04: Details of shares held by shareholders holding more than 5% of the aggregate shares in the company		
EQUITY SHARES	As at 31 March 2021	As at 31 March 2020
M/s Canara Bank & its nominee (P.Y: Syndicate Bank & its nominees)	2,50,000	2,50,000
Percentage of holding	100%	100%
Note No. 3 - RESERVES & SURPLUS		
General Reserve:-		
Opening Balance	1,85,47,045.00	1,85,47,045.00
Add:- Amount transferred during the year from Surplus	12,00,000.00	-
Closing Balance (A)	1,97,47,045.00	1,85,47,045.00
Surplus in the Statement of Profit and Loss:-		
Opening Balance	11,40,22,756.20	13,27,09,770.00
Add:- Profit/(loss) for the Year	1,19,48,326.77	(1,86,87,013.80)
	12,59,71,082.97	11,40,22,756.20
Less:- Appropriations (Refer Note 3.01 below)	1,12,00,000.00	-
Net Surplus in the Statement of Profit and Loss A/c (B)	11,47,71,082.97	11,40,22,756.20
TOTAL (A+B)	13,45,18,127.97	13,25,69,801.20
NOTE 3.01: Appropriations		
Transfer to General Reserve	12,00,000.00	-
Interim Dividend at 400% i.e Rs.40 per equity share of Rs.10 each (subject to deduction of tax source under section 194 of Income Tax Act 1961 Rs.7,50,000) (declared by the Board at its meeting held on 31st March 2021, which is subject to ratification by the Company at the ensuing Annual General Meeting)	1,00,00,000.00	-
	1,12,00,000.00	-



SYNDBANK SERVICES LIMITED
(A WHOLLY OWNED SUBSIDIARY OF M/S CANARA BANK)
CIN:U72300KA2006PLC038305
REGISTERED OFFICE : MANIPAL - 576 104
NOTES TO BALANCE SHEET AS AT 31st MARCH 2021

	AMOUNT IN Rs.Ps	
	31.03.2021	31.03.2020
Note No. 4 - LONG TERM PROVISION		
Provision for Gratuity	4,81,928.00	4,44,538.00
Provision for Leave Encashment	2,74,273.96	1,25,238.00
	7,56,201.96^a	5,69,776.00
Note No. 5- TRADE PAYABLE		
(Refer Note 5.01 and 5.02 below)		
<u>Micro Enterprises & Small Enterprises</u>		
For Goods	-	-
For Services	-	-
<u>Other than Micro Enterprises & Small Enterprises</u>		
For Goods	-	-
For Services	3,26,137.00	16,82,940.00
	3,26,137.00	16,82,940.00
<p>Note 5.01: There are no outstanding dues at any time during the year and also at any time during the comparative year to Micro and Small Enterprises. Accordingly there are no other disclosures required to be made, as required under Para FA to "General Instructions for preparation of Balance Sheet" of Division I of Schedule III to Companies Act 2013. The status of Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.</p> <p>Note 5.02: Trade Payable includes amounts payable to related party i.e Holding Company Rs.2,97,000 (P Y Rs.2,97,000)</p>		
Note No. 6 - OTHER CURRENT LIABILITIES		
(Refer Note 6.01 below)		
Employee Benefit payable	3,97,713.66	12,031.00
Statutory Dues Payable	7,64,935.00	37,630.00
Other Liabilities due to the Holding Company.	49,82,615.00	48,91,877.00
	61,45,263.66	49,41,538.00
<p>Note 6.01: Other Liabilities represents amount paid by the Holding Company on behalf of the Company towards PF Rs.17,84,245/- (P Y Rs.17,72,214/-), Gratuity Rs.26,83,051/- (P Y Rs.26,25,501/-) and leave encashment Rs.5,15,319/- (P Y Rs.4,94,162/-)</p>		
Note No. 7 - SHORT TERM PROVISION		
(Refer Note 7.01 and 7.02 below)		
Provision for Current Income Tax	-	1,74,814.00
Provision for Contingencies	11,15,029.00	11,15,029.00
	11,15,029.00	12,89,843.00
<p>Note 7.01: Provision for Current Income Tax is disclosed at net of Advance Tax paid and tax deducted at source.</p> <p>Note 7.02: Refer Note 18.06 for provision for contingencies.</p>		



SYNOBANK SERVICES LIMITED
(A WHOLLY OWNED SUBSIDIARY OF M/S CANARA BANK)
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NOTES TO BALANCE SHEET AS AT 31st MARCH 2021

NOTE 8:

PROPERTY, PLANT & EQUIPMENT

i) Tangible Assets

(Refer Note 8.01 to 8.04 below)

Current Year

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening Balance	Additions during the Year	Sales/Adjust	As on 31.03.2021	Opening Balance	For the Year	Adjustment on Sale/	As on 31.03.2021	As on 31.03.2021	As on 31.03.2020
FURNITURE & FIXTURES	73,214.00	-	-	73,214.00	69,554.00	-	-	69,554.00	3,660.00	3,660.00
ELECTRICAL FITTINGS	24,450.00	-	-	24,450.00	23,227.00	-	-	23,227.00	1,223.00	1,223.00
COMPUTER & PHERIPHERALS	2,75,170.60	-	-	2,75,170.60	2,64,275.60	-	-	2,64,275.60	10,895.00	10,895.00
MOBILE PHONES	19,800.00	-	-	19,800.00	19,800.00	-	-	19,800.00	-	-
VEHICLES- MOTOR CAR	6,44,570.00	-	-	6,44,570.00	6,12,342.00	-	-	6,12,342.00	32,228.00	32,228.00
Total	10,37,204.60	-	-	10,37,204.60	9,89,197.60	-	-	9,89,198.60	48,006.00	48,006.00

Previous Year

(Rs.Ps)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening Balance	Additions during the Year	Sales/Adjustment during the year	As on 31.03.2020	Opening Balance	For the Year	Adjustment on Sale/ Disposal	As on 31.03.2020	As on 31.03.2020	As on 31.03.2019
FURNITURE & FIXTURES	87,214.00	-	14,000.00	73,214.00	78,214.00	5,340.00	14,000.00	69,554.00	3,660.00	9,000.00
ELECTRICAL FITTINGS	24,450.00	-	-	24,450.00	22,450.00	777.00	-	23,227.00	1,223.00	2,000.00
COMPUTER & PHERIPHERALS	7,94,886.00	-	5,19,715.40	2,75,170.60	7,76,392.00	-	5,12,116.40	2,64,275.60	10,895.00	18,494.00
MOBILE PHONES	19,800.00	-	-	19,800.00	19,800.00	-	-	19,800.00	-	-
VEHICLES- MOTOR CAR	6,44,570.00	-	-	6,44,570.00	5,51,609.00	60,733.00	-	6,12,342.00	32,228.00	92,961.00
Total	15,70,920.00	-	5,33,715.40	10,37,204.60	14,48,464.00	66,850.00	5,26,116.40	9,89,198.60	48,006.00	1,22,456.00

Note 8.01

The Net Block of all the Property, Plant and Equipment of the Company are being at the value equal to 5% of the Original Cost or less i.e as provided under Schedule II to Companies Act 2013. Further the management is of the opinion that the carrying value of the asset as aforesaid does not exceed its recoverable value. Accordingly, the question of impairment of tangible fixed assets i.e Property, Plant and Equipment does not arise.

Note 8.02

Disclosures with regard to Measurement, Depreciation Method, Useful life etc. of Property, Plant and Equipment is given vide Note 1.8.c of financial statement.

Note 8.03

No borrowing cost was incurred towards any qualifying asset. Hence, no borrowing cost is being capitalised during the reporting period.

Note 8.04:

No charge is created towards Property, Plant & equipment of the company. All of the items falling under Property, Plant and Equipment have completed the useful life, as provided under Schedule II to Companies Act 2013.



SYNDBANK SERVICES LIMITED
(A WHOLLY OWNED SUBSIDIARY OF M/S CANARA BANK)
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NOTES TO BALANCE SHEET AS AT 31st MARCH 2021

	AMOUNT IN Rs.Ps		AMOUNT IN Rs.Ps	
	31.03.2021		31.03.2020	
Note No. 9- DEFERRED TAX ASSET (Net) (Refer Note 9.01 and 9.02 below)				
On account of Depreciation		50,011.00		61,859.00
On account of Disallowances		10,28,189.00		9,59,254.00
		<u>10,78,200.00</u>		<u>10,21,113.00</u>
<p>Note 9.01: As per Accounting Standard (AS 22) on "Accounting for Taxes on Income", the major components of deferred tax arising on timing differences are given in the above Note. Also refer Note 18.03 to the financial statement. The Company has not recognised asset which is attributable to Provisions as detailed in note 18.03.</p> <p>Note 9.02: Accordingly, a sum of Rs.57,087/- has been recognised (PY Charged off Rs.1,64,840/-) in the Statement of Profit and Loss as Deferred Tax adjustment.</p>				
Note No. 10 -LONG TERM LOANS & ADVANCES (unsecured and considered good) (Refer Note 10.01 below)				
Deposit with NSDL (for demat purposes)		10,000.00		-
Income Tax Refundable (net of provisions)		9,01,109.00		13,25,540.00
		<u>9,11,109.00</u>		<u>13,25,540.00</u>
<p>Note 10.01: No Loans or advances are due from directors or other officers of the company either severally or jointly with any other person. Further, no loan or advances are due from firms or private companies in which any director is a partner, a director or a member.</p>				
Note No. 11 - CASH & CASH EQUIVALENTS (Refer Note 11.01 and 11.02 below)				
A. Cash & Cash Equivalents (as per Accounting Standard 3)				
i. Balance with Scheduled banks in Current Accounts		3,62,502.32		18,66,892.20
ii. Cash in hand		-		-
B. Other Bank Balances				
i. Term deposit with Scheduled Banks		14,22,00,000.00		13,92,00,000.00
		<u>14,25,62,502.32</u>		<u>14,10,66,892.20</u>
<p>Note 11.01: Other Bank Balances shown above is term deposit with scheduled banks with maturity period of more than 3 months but less than 12 months.</p> <p>Note 11.02: Refer Note 1.B.(g) for determining Cash and Cash equivalents as per Clause A above. All above amounts are kept as deposit with the related party i.e the Holding Company M/s Canara Bank (P.Y: M/s Syndicate Bank)</p>				
Note No. 12 - SHORT TERM LOANS & ADVANCES (unsecured and considered good) (Refer Note 12.01 below)				
Staff Festival/House Rent Advance		84,000.00		84,000.00
		<u>84,000.00</u>		<u>84,000.00</u>
<p>Note 12.01: No Loans or advances are due from directors or other officers of the company either severally or jointly with any other person. Further, no loan or advances are due from firms or private companies in which any director is a partner, a director or a member.</p>				
Note No. 13 - OTHER CURRENT ASSETS (unsecured and considered good) (Considered doubtful, duly provided for) (Refer Note 13.01 and 13.02 below)				
Claims paid pending for recovery(CMS Amount)	1,22,41,210.00		2,04,84,650.00	
Less: Provisions Made	1,22,41,210.00		2,04,84,650.00	
Interest on Term Deposit Receivables		6,76,942.27		5,130.00
Other Receivables		-		3,217.00
GST Input Credit receivable		-		-
		<u>6,76,942.27</u>		<u>8,347.00</u>
<p>Note 13.01: No amount due from directors or other officers of the company either severally or jointly with any other person. Further, no amounts are due from firms or private companies in which any director is a partner, a director or a member. Other receivable represents amounts receivable in the ordinary course of business, which are not material in nature.</p> <p>Note 13.02: Refer Note 18.05 for provision made as above.</p>				



SYNDBANK SERVICES LIMITED
(A WHOLLY OWNED SUBSIDIARY OF M/S CANARA BANK)
CIN:U72300KA2006PLC038305
REGISTERED OFFICE : MANIPAL - 576 104

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31 ST MARCH 2021

	AMOUNT IN Rs. Ps	
	2020-2021	2019-2020
Note No. - 14 REVENUE FROM OPERATIONS (net of GST)		
Outsourcing Income	-	4,56,252.00
	-	4,56,252.00
Note No - 15 OTHER INCOME		
Liabilities no longer payable	-	57,000.00
Provisions written back (refer note 18.05)	82,43,440.00	
Interest from Bank on term deposit	84,49,953.15	90,38,881.41
	1,66,93,393.15	90,95,881.41
Note No - 16 EMPLOYEE BENEFIT EXPENSES (Refer Note 16.01 below)		
Staff Salaries cost	22,44,339.62	35,93,174.36
Contribution to Pension, Provident and other Funds	1,47,307.15	1,77,690.00
Gratuity and Leave Encashment	3,18,558.21	65,680.00
Other Allowances & perquisites	4,07,838.00	4,02,382.75
Staff Welfare Additional benefit	4,415.00	2,58,291.00
	31,22,457.98	44,97,218.11
Note 16.01: The details of Employee Benefits as per Accounting Standard 15 are given in Note 1 (B) (h) and note 18.08 of financial statement.		
Note No. - 17 OTHER EXPENSES		
Telephone charges	3,796.00	12,339.00
Registration and Renewals	3,600.00	5,000.00
Indirect Taxes	5,000.00	77,719.40
Filing fees	10,140.00	59,320.00
Auditor's Remuneration: (Rs.65,280 P Y Rs.53234)		
a. Audit fees	25,000.00	25,000.00
b. Other Matters-i. Limited Review Reports	25,000.00	25,000.00
- ii. Certification	2,500.00	-
c. GST on audit fees	12,780.00	-
d. Audit Expenses	-	3,234.00
Travelling Expenses	-	17,855.00
Vehicle Maintenance expenses	-	87,828.21
Legal and Professional Charges	1,26,280.00	3,52,380.00
Halting & conveyance	-	8,300.00
Computer Maintenance	-	8,600.00
Miscellaneous Expenses	53,960.40	39,934.75
Provisions for "Claims Paid pending Recovery" (Refer Note 18.05)	-	2,04,84,650.00
Provisions for Contingencies (Refer Note 18.05)	-	11,15,029.00
Outsourcing Expenses	-	67,068.74
	2,68,056.40	2,23,89,258.10
NOTE 17A: EARNING PER EQUITY SHARE (Refer Note 17A.01 below)		
a) Net Profit(Loss) available for equity shareholders (Used as numerator)	1,19,48,326.77	(1,85,22,173.80)
b) Weighted average No. of equity Shares of Rs.10 each (Used as denominator) (basic and diluted)	2,50,000	2,50,000
c) Earning per share (basic and diluted) a/b	47.79	(74.09)
Note 17A.01: There are no extra ordinary items and therefore the question of calculating earning per share after adjusting such items does not arise.		



SYNDBANK SERVICES LIMITED

Manipal

Wholly owned subsidiary of M/s Canara Bank

CIN: U72300KA2006PLC038305

Year Ending 31st March 2021

NOTE 18: OTHER DISCLOSURES

1. Related Party Disclosure

Related Party Disclosures as required under Accounting Standard 18

The list of Related Parties

I. Holding Company:

- a. Canara Bank (P Y Syndicate Bank)

II. Directors of the Company

- a. Mr Atul Kumar
- b. Mr K.H.Patnaik
- c. Mr B.Chandrasekhar Rao
- d. Mr K.V.C.Janaki Rama Rao

III. Key Management Person:

Company Secretary: Mr Santhosh Kumar Bank (Since Resigned on 17.04.2020)

IV. Subsidiaries of Holding Company

- a. Canbank Financial Services Limited
- b. Canara Bank Securities Limited
- c. Canbank Computer Services Limited
- d. Canbank Factors Limited
- e. Canbank Venture Capital Fund Limited
- f. Canara Robeco Asset Management Company Limited
- g. Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited
- h. Canara Bank(Tanzania) Ltd

V. Joint Ventures of Holding Company

- a. HEFA - Higher Education Financing Agency
- b. Commercial Indo Bank LLC, Moscow (JV WITH SBI)

VI. Associates of Holding Company

- a. Can Fin Homes Limited
- b. Karnataka Gramin Bank
- c. Kerala Gramin Bank
- d. Karnakata Vikas Grameena Bank
- e. Andhra Pragathi Grameena Bank

During the year there are no whole-time directors in the Company and accordingly the Company has not paid any remuneration to the directors. The Company has also not paid amount as sitting fees to directors.

The Company is not required to appoint Key Management Personnel. However, the Company has voluntarily appointed the Company Secretary Mr Santhosh Kumar Bank, who has resigned from the



post with effect from 17.04.2020. No Remuneration was paid to him. No Secretary appointed since then.

The details of transaction with related parties are as under:

In Rs.Ps

Sl. No.	Transaction	Holding Company M/s Canara Bank (P Y M/s Syndicate Bank Bank)	
		2020-2021	2019-2020
1.	Services provided (net of GST)	Nil	4,56,252
2	Salary Cost paid	23,91,646.77	37,70,864.36
3.	Interest on Term Deposit received	84,49,953.15	90,38,881.41
4.	Term Deposit kept (withdrawn) (net)during the year	Kept 30,00,000/-	Kept 30,00,000/-
5.	Term Deposit due from as at the year end	14,22,00,000/-	13,92,00,000/-
6.	Balance in Current Account as the year end	3,62,502.32	18,66,892.20
7.	Trade Payable	2,97,000/-	2,97,000/-
8.	Other Liabilities due to	49,82,615/-	48,91,877/-
9.	Liability no longer payable written back	Nil	57,000/-
10.	Dividend Distributed	1,00,00,000	Nil

- The Company is operating under one business segment and one geographical segment. Accordingly, the question of presenting the financial statement in segments does not arise.
- The Company has not recognised the deferred tax asset of Rs.34,72,622 (P Y Rs. 56,15,917/-) , arising on account of Provisions made for "Claims Receivable" & Provisions made for contingencies (as referred to note 18.05 and 18.06 below) as a matter of prudence. However the Company has recognised the deferred tax asset which is attributable to Depreciation and disallowances with respect to Gratuity Provisions/Leave Encashment, since the Company is of the opinion that such items are reversible in the near forthcoming year/s and the Company will be in a position to get tax reduction under the provisions of Income Tax Act 1961 in the near forthcoming year/s.
- The Company has calculated tax for the year ending 31st March 2020 under the normal provisions of the Income Tax Act 1961, without opting for Section 115BAA of the Act. During the current year ending 31st March 2021, the Company has not yet decided whether to avail the option of computation of tax as provided under section 115BAA of Income Tax Act 1961. The Company has got time upto the due date to file the return of Income, to avail the option.



Considering the fact that the aforesaid option, once exercised, is not reversible, the Company will decide the same, before filing the return of income. Accordingly, the tax expenses (both current and deferred) have been arrived at, under the normal provisions of the Income Tax Act 1961.

5. During the immediately preceding financial year i.e year ending 31st March 2020, the Company has made the provision of Rs.2,04,84,650/- towards the "Claim paid pending for recovery" and charged off the same to profit and loss during that year. This provision is being made in respect of the following:

M/s BWSSB (Bangalore Water Supply & Sewerage Board) was a valued customer of M/s Syndicate Bank (i.e the former Holding Company) and having their accounts at Syndicate Bank, BWSSB Branch, Bengaluru. M/s BWSSB has installed bill collection kiosks all over Bengaluru City. The Company has taken up the job of collection of cash and cheques from 44 kiosks of M/s BWSSB spread over Bengaluru on behalf of M/s Syndicate Bank, BWSSB Branch for crediting into the collection accounts of M/s BWSSB maintained with M/s syndicate Bank. Job of Collection and depositing the cash and cheques into collection accounts of M/s BWSSB was entrusted to M/s CMS Info Systems Private Limited by the Company. M/s BWSSB has raised a dispute over cash deposited into their collection account is short to the extent of Rs.2,04,84,650/- for a period from 21st September 2017 to 4th June 2018. The aforesaid amount was paid to M/s BWSSB by Syndicate Bank and the same was reimbursed by the Company during the year ending 31st March 2019. The Company has filed a police complaint against M/s CMS Info Systems Private Limited, alleging the fraud committed by the aforesaid Company and its employees. The Company is also in the process of the recovery of aforesaid amount from M/s CMS Info Systems Private Limited. However the management of the Company has considered it fit, to make a full provision in the books of accounts, as a matter of prudence during the above said year.

Out of the above amount, the Company has recovered the sum of Rs.82,43,440 during the current year i.e year ending 31st March 2021. Accordingly, the Company has reversed the provision amount to the extent of recovery made and credited the same to the statement of profit and loss.

6. The Company has also made the provision for Contingencies Rs.11,15,029/- during the immediately preceding financial year i.e. year ending 31st March 2020. This provision is being made in respect of the following:

In addition to the Claim made by M/s BWSSB (as detailed in note 18.05 above), it has also demanded the interest of Rs.11,15,029/- from M/s Syndicate Bank (former Holding Company), for delayed remittances into the accounts, which the Bank has not accepted and not paid till the date of the financial statement. The amount, if payable at a later date, may have to be made good by the Company. Accordingly, the Company has made a provision for the aforesaid amount, as contingencies, as a matter of prudence, during the above said year.

7. The activities of the Company was temporarily suspended from 1st day of September 2018. The Board of the Company will consider restart of the Business activity, in consultation with the management of the Holding Company. The Company has got sufficient amount in term deposits as disclosed in Note 11 of Financial Statement and the Company has made due provisions for doubtful assets as well as for contingencies. Major portion of the liability of the Company is due to the Holding Company and the net own funds of the Company after all the provisions are Rs.13,70,18,127.97 (P Y Rs. 13,50,69,801.20). Accordingly, the Company will be in a position to settle all its liabilities. Considering all the aforesaid facts, the management of the Company is of the opinion that the going concern aspect of the Company is not affected and accordingly the accounts of the Company are being maintained on going concern assumption.

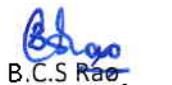


8. The details of employee benefits paid detailed under Note 16 of statement of profit loss. As already explained, the employees of the Company are on deputation from the Holding Company M/s Canara Bank. As explained in note 1.B.h, all the relevant disclosures as required by Accounting Standard 15 i.e. in relation to Provident Fund, Gratuity, Leave Encashment and other related items, are being included in the disclosures to be made by the Holding Company.
9. The Board is of the opinion that the other Long-Term Loans & Advances and Current Assets (as detailed in Note 10 to 13 of the Balance Sheet) have in the ordinary course of business value equal to the amount (after provisions) at which they are stated in the Balance Sheet.
10. There is no Managing Director or whole-time director during the current year and also during the immediately previous financial year. Accordingly, the question of payment of remuneration does not arise. The Company has not paid any other remuneration to the directors during the current year and also during the immediately previous financial year.
11. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
12. The Company has not made any investments in shares and securities. Further the Company has not made any loans and advances in the nature of loans to any person or body corporate. The Company has not given guarantee or provided any security in connection with a loan availed by any other person or body corporate. Therefore, the question of making any disclosure under section 186(4) of Companies Act 2013 does not arise.
13. There are no contingent Liabilities during the year, other than those provided for. (Refer note 18.06 above)
14. 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 on 31st March 2021.
14. The Company does not have any other pending litigation which would impact its financial position.
15. There were no amounts which were required to be transferred to the Investor Education and Protection Fund, by the Company.
16. Previous Year's figures have been reworked, rearranged, regrouped and/or reclassified wherever necessary.

For SYNDBANK SERVICES LTD



Atul Kumar
(Director)
DIN: 07335776


B.C.S Rao
(Director)
DIN:08781585


K.V.C Janaki Rama Rao
(Director)
DIN:08854378

As per our report of even date;
For PAI NAYAK & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.009090S


Ananthanarayana Pai K
Partner
Membership No.024541



Date: 17.04.2021
Place: Bengaluru


Date:
Place: UDUPI