



Independent Auditor's Report

To

The Members of M/s. ANDHRA BANK FINANCIAL SERVICES LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of M/s. ANDHRA BANK FINANCIAL SERVICES LIMITED ("the Company") which comprises the Balance Sheet as at March 31, 2024, 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 significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act 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 March 31, 2024 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

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 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 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.

Emphasis of Matter:

1. It was submitted by the management that an adhoc provision for contingent liability was created during the earlier years for Rs 36,07,36,930/- under the head Non - Current Liabilities as the same was related to the then court cases and no additional provision is created for the current year.
The above provision was made during the year 1995-96 and 1999-20 and carrying these provisions since then.



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B.O.: Flat No.202, Aishwarya Residency, Behind AP Panchayat Raj Corporation, Land Mark - PVS ICON, Reliance Digital, Tadepalli by-pass, Near Vijayawada - 522501.

B.O.: Flat No. 504, Ammus Green Valley, Sagar Nagar, Visakhapatnam - 530 045.

Carrying these balances without any adjustment for more than 20 years does not reflect a reliable estimate of the company's obligation and further we submit that the estimate is not reflecting true and correct and the provisions are not made as per the criteria specified at para 14 of the Accounting Standard 29 Provisions, Contingent Liabilities, Contingent Assets.

2. It was observed that under the Long-Term Loans and Advances — Others-Unsecured, considered good Rs 10,33,22,264/- showing as Advance Tax and TDS for the FY 1994-95, 1995-96, 1996-97, 1999-20, 2008-09, 2009-10, 2012-13, and 2013-14, these are shown as "considered good" though outstanding for more than 9 Years.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 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.

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 for the Standalone Financial Statements

The Company's Board of Directors are 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. 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 implementation and maintenance of 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 completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

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concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. 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

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.

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

- a) 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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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 intern 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.

Other matters required to be reported for NBFC

The Company was applied for registration as per the provisions of the Reserve Bank of India Act, 1934 and received a communication from Reserve Bank of India on 28.01.2005 rejecting the application for certificate of registration as an NBFC.

Further as per the directions of Reserve Bank of India vide letter dated 28.01.2005, the company has disposed-off all its financial assets except certain shares which are in the physical form. However, the Company has approached Reserve Bank of India, vide their letter dated 09.01.2008 with a request to treat the company as Non-Bank Non-Financial Institution. In response to this Reserve Bank of India replied on 05.12.2008 stating that it has taken the contents mentioned on record.

As the Company is not carrying out any non-banking financial activities, the prudential norms relating to the income recognition, accounting standards, asset classification and provision of bad and doubtful debts are not applicable to it.

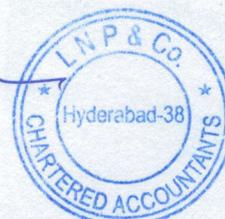
Report on Other Legal and Regulatory Requirements

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.

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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

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- 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 B".
- g With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Annexure C to our Report.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
 - iii. The Company is not required to be transferred, to the Investor Education and Protection Fund.
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
 - c. Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year.
 - vi. Based on Examination carried out in accordance with the implementation Guidance on Reporting an Audit Trail under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

We report that the company has used an accounting software for maintaining its books of account which has feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of audit we did not come across any instance of audit trail feature being tampered with.

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We report on Directions u/sec 143(5) of the Companies Act, 2013 as under:

1. The Company has system in place to process all the accounting transactions through IT system.
2. The Company has not carried out any Non-Banking Financial Services during the year under audit. Hence, there is no 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.
3. The Company has not received any funds or receivable for specific schemes from Central / State agencies during the year.

For L N P & Co,

Chartered Accountants

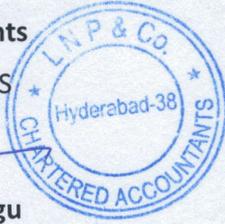
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P. Venkata

Venkata Rao Paladugu

Partner

Membership No: 230081



Place: Hyderabad

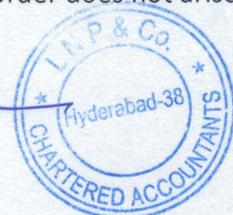
Date: 19.04.2024.

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2024, we report that:

- i.
 - a. The Company has maintained proper records -showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this program, fixed assets were verified during the year and no discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. The Title deeds of all the immovable properties owned by the company are held in the name of the Company.
 - d. The Company has not revalued any of its Property, Plant and Equipment and Intangible Assets during the year.
 - e. No proceedings have been initiated during the year or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- ii.
 - a. The Company has stock of Shares in Physical form. The physical verification of stock has been conducted at reasonable intervals by the Management and no discrepancies were noticed.
 - b. The Company has not been sanctioned working capital limits in excess of five crore rupees in aggregate from banks or financial institutions during the year on the basis of security of current assets of the company, accordingly reporting under clause 3(ii)(b) of the Order does not arise
- iii. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. In our opinion and according to the information and explanation given to us, there were no investments made during the year. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order does not arise.
- iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan, given any guarantee or provided any security to the parties covered under Section 185 of the Companies Act, 2013 and the Company has not given any loan or made any investment covered under section 186 of the Companies Act, 2013. Accordingly, reporting under clause 3(iv) of the Order does not arise.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the relevant rules made there under. Accordingly, reporting under clause 3(v) of the Order does not arise.

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- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. According to the information and explanations given to us and on the basis of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including GST, and income tax have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, GST, were in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.
- viii. According to the information and explanation given to us, the company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, reporting under clause 3(viii) of the order does not arise.
- ix.
- a. According to the information and explanations give to us and based on our examination of the records of the Company, the Company does not have any loans or borrowings during the year. Accordingly, reporting under clause 3(ix)(a) of the order does not arise.
- b. According to the information and explanations given to us, the company has not been declared willful defaulter by any bank or financial institution or government or any government authority. Accordingly, reporting under clause 3(ix)(b) of the order does not arise.
- c. In our opinion and according to the information and explanations given to us, the Company has not taken any term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the order does not arise.
- d. According to the information and explanations given to us and on an examination of the financial statements of the company, the Company did not raise any funds during the year. Accordingly, reporting under clause 3(ix)(d) of the order does not arise.
- e. According to the information and explanations given to us and on an examination of the standalone financial statements of the company, the Company does not have subsidiaries or associate companies. Accordingly, reporting under clause 3(ix)(e) of the order does not arise.
- f. According to the information and explanations given to us, the company does not have subsidiaries or associate companies. Accordingly, reporting under clause 3(ix)(f) of the order does not arise.
- x.
- a. In our opinion and according to the information and explanations given to us, the Company has neither raised during the year any money by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under clause 3(x)(a) of the order does not arise.
- b. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of

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shares/ fully or partly or optionally convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the order does not arise.

- xi.
- a. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the course of our audit.
 - b. During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed 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 given to us and as represented to us by the management, there are no whistle blower complaints received during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as per pros of the Companies Act, 2013. Accordingly, reporting under clause 3(xii)(a),(b),(c) of the Order does not arise.
- 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 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and based on our examination of records of the company, the Company does not have an internal audit system and is not required to have an internal audit system as per the pros of the Companies Act, 2013. Accordingly, reporting under clause 3(xiv)(a),(b) of the order does not arise.
- 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company's application for registration was rejected by Reserve Bank of India vide their letter No. DNBS (H) CMS No.2238/HYQ 0472/2004-05, dated 28.01.2005 and required the company to pass a specific Board Resolution for not to carry on the business as Non-Banking Financial Institution.
- xvii. The Company has not incurred cash losses during the current year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the company during the year. Accordingly, reporting under clause 3(xviii) of the order does not arise.
- xix. According to the information and explanations given to us and 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, 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 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

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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.

xx.

- a. The company has not transferred the CSR amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e., six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report.
- b. The Company has not transferred the amount remaining unspent in respect of ongoing projects, to a special account till the date of our report.

xxi. According to the information and explanations given to us, the company does not require to prepare the consolidated financials as per the Companies Act, 2013. Accordingly, the requirement of Clause 3(xxi) of the order is not applicable.

For L N P & Co,

Chartered Accountants

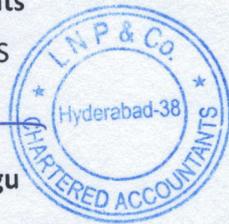
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P. Venkata R

Venkata Rao Paladugu

Partner

Membership No: 230081



Place: Hyderabad

Date: 19.04.2024.

Annexure B to the Auditors' Report

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 Andhra Bank Financial Services Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Board of Directors of the Company 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. 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 respective 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

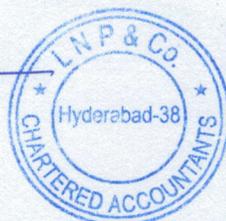
Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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. 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 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 internal financial controls system over financial reporting of the Company.

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

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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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2024, 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 L N P & Co,

Chartered Accountants

Firm.Reg. No.0089185

P. Venkata Rao

Venkata Rao Paladugu

Partner

Membership No: 230081



Place: Hyderabad

Date: 19.04.2024.

ANNEXURE C Report of even date to the members of Andhra Bank financial Services Limited on the legal matters.

According to the information and explanations given to us and on the basis of our examination of the available documents, the Company has the following legal / arbitration cases pending during the year.

I. CIVIL SUITS

SL.NO.	PARTICULARS	STATUS
1.	Tamil Nadu News Print & Papers Ltd (TNPL) Vs. Andhra Bank Financial Services Ltd — Civil Appeal No.2291-2292 of 2011 before Supreme Court	<p>TNPL has filed a civil suit in the High Court, Madras claiming interest at 24% in the securities transactions of 1992. Division Bench of Madras High Court gave an order for interest at 12% p.a instead of 24%.</p> <p>Aggrieved by the disallowance portion of interest TNPL had preferred other side appeal (309/01) before Division Bench of Madras High Court.</p> <p>Aggrieved by the decree of Suit, the company preferred other side appeal (328/01) which was admitted by Division Bench of Madras High Court.</p> <p>On 21.01.2010 the OSA No. 309/01 preferred by TNPL was dismissed and partly allow OSA 328/01 preferred by' the Company. As per the judgment the Company is liable to pay Rs. 8,80,412/- along with interest @12% p.a. from 02-04-2001 to till date of realization to TNPL.</p> <p>Aggrieved by the said Order TNPL filed SLP(C) No 11659-11660 of 2010 before Hon'ble Supreme Court of India and leave was granted on 01.03.2001. The suit was not come up for regular hearing.</p> <p>On 05.04.2010 the Company has filed a petition No.2718 of 2010 in Madras High Court for refund of money deposited earlier in the Madras High Court (Rs,1.42 Crore) along with applicable interest after adjusting the money payable to TNPL as per High Court Order. Accordingly the petition was considered by Madras High Court</p>

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on 29.10.2010 and ordered the TNPL to pay the amount to the company before 08.10.2010. Aggrieved by the said order on 29.09.2010 by Madras High Court, TNPL moved to the Hon'ble Supreme Court and the court granted interim stay to TNPL on 07.10.2010 subject to deposit of amount payable to the Company.

The petition No.2718 of 2010 filed by the Company was closed on deposit of a sum of Rs.2.51 Crore by TNPL in Madras High Court as per the directions of the Hon'ble Supreme Court.

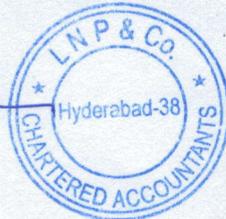
During the hearing the company has deposited in Madras High Court an amount of Rs.1.42 Crores which has been treated as expenditure during the year of deposit instead of showing it as deposit in the asset side of the balance sheet.

During the year 2020-21 the dispute has been resolved through court appointed mediator and TNPL has agreed to pay the amount with applicable interest amounting to Rs. 2,30,85,355 /- .

The amount of Rs. 2,30,85,355 /- from TINPL is shown as Prior Period Income for the year 2020-21 as the deposit was earlier accounted as expenditure and trade payables to TNPL has been reduced to affect the same as it has been cleared and the amount received is after adjusting the same.

Note: The above has no effect on current financial year

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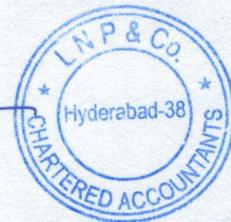
II. LABOUR SUITS

Sl. No.	PARTICULARS	STATUS
1.	Appeal before the Central Govt Industrial Tribunal (CGIT), Hyderabad	On 23.03.2011 one person who worked on a temporary basis in the Company has filed a complaint seeking employment in the erstwhile Andhra Bank with a copy to Andhra Bank Financial Services Ltd. His application for employment was rejected in the Andhra Bank since there is no privity of contract with erstwhile Andhra Bank. Now, he has filed an appeal before CGIT

III. INCOME APPEALS

Asst Year	High Court Appeal No.	Date	Remarks
1993-94	ITTA320/2006	25.07.2006	Out of the total seven appeals filed by the Company against the orders of the ITAT, Hyderabad one appeal was already admitted on 29.12.2005 and other three appeals relating to the Asst Years 1994-95, 1995-96 and 1996-97 were heard and admitted on 24.07.2013 and the remaining three have to be admitted relating to the Asst Years 1993-94/1997-98 and 1999-00, These cases have yet to come up for regular hearing.
1994-95	ITTA 425/2005	22.10.2005	
1995-96	114/2012	11.09.2006	
1995-96	ITTA 445/2005	22.10.2005	
1996-97	ITTA 424/2005	22.10.2005	
1997-98	ITTA 229/2007	02.07.2007	
1999-00	ITTA 228/2007	02.07.2007	

P. Venkata



IV LONG TERM PROVISIONS OF Rs. 36,07,36,930/-

Sl. No.	PARTICULARS	STATUS
1.	Long term provisions of Rs. 36,07,36,930	<p>It was submitted by the management that an ad-hoc provision for contingent liability was created during the earlier years for Rs 36,07,36,930/- under the head Non-Current Liabilities as the same was related to the then investors and no additional provision is created for the current year.</p> <p>The above provision was made during the year 1995-96 and 1999-20 and carrying these provisions since then.</p> <p>Carrying these balances without any adjustment for more than 20 years does not reflect a reliable estimate of the company's obligation and further we submit that the estimate is not reflecting true and correct and the provisions are not made as per the criteria specified at para 14 of the Accounting Standard 29 Provisions, Contingent Liabilities, Contingent Assets.</p>

P. V. Krishna Rao



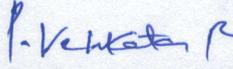
V. PROVISION FOR INCOME TAX AND ADAVCE TAX AND TDS Rs 10,33,22,264/-

SL.NO.	PARTICULARS	STATUS
1.	Provision for Income Tax and Advance Tax and TDS under the head Long term loans and advances	It was submitted by the management that an amount of Rs. 10,33,22,264 was shown under the Head Long Term Loans and Advances represents taxes paid on disputed income for the earlier years

For L N P & Co,

Chartered Accountants

Firm Reg. No.008918S



Venkata Rao Paladugu

Partner

Membership No: 230081



Place: Hyderabad

Date: 19.04.2024.

Andhra Bank Financial Services Ltd
CIN No.U65910TG1991PLC012376
Balance Sheet as on 31.03.2024

(All amounts are in Rs.Hundreds except share data and unless otherwise stated)

Particulars	Note No	As at	As at
		31 March, 2024	31 March, 2023
		Rs.	Rs
EQUITY AND LIABILITIES :			
Shareholders' Funds			
(a) Share Capital	3	500000.00	500000.00
(b) Reserves & Surplus	4	141285.89	45041.03
(c) Money Received against Share Warrants			
Share Application Money Pending allotment			
Non Current Liabilities			
(a) Long Term Borrowings			
(b) Deferred Tax Liabilities (Net)			
(c) Other Long Term Liabilities			
(d) Long Term Provisions	5	3607369.30	3607369.30
Current Liabilities			
(a) Short Term Borrowings			
(b) Trade Payables			
A. Total Outstanding dues of micro enterprises and small enterprises			
B. Total outstanding dues of creditors other than micro enterprises and small enterprises	6	500.00	590.00
(c) Other Current Liabilities			
(d) Short Term Provisions	7	33886.57	32973.11
TOTAL		4283041.76	4185973.44
ASSETS :			
Non-current assets			
(a) Property, Plant & Equipment and Intangible assets			
(i) Property, Plant and Equipment	8	4.93	4.93
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments			
(c) Deferred tax assets (Net)			
(d) Long term loans and advances	9	1044013.09	1042976.92
(e) Other non current assets			
Current assets			
(a) Current investments			
(b) Inventories	10	11392.30	5438.97
(c) Trade receivables			
(d) Short term loans and advances			
(e) Cash and Cash Equivalents	11	3193375.61	3103555.12
(f) Other current assets	12	34255.83	33997.50
TOTAL		4283041.76	4185973.44

SIGNIFICANT ACCOUNTING POLICIES

2

The Notes referred to above form an integral part of the Balance Sheet 1 to 19
As per our report of even date attached.

For L N P & CO

Chartered Accountants

Firm Registration No.0089185

P. Venkata Rao
Venkata Rao Paladugu

Partner.

Membership No.230081



Place : Hyderabad

Date : 19-04-2024

For Andhra Bank Financial Services Limited

Rainya Gayar
Managing Director
Din No. 10371360

Suresh Chandra Teli
Director
Din No. 09696592

Bhaskara Rao Kare
Director
Din No.08353418

Krishnan Parameswaran
Director
Din No.10594115

Andhra Bank Financial Services Ltd
CIN No.U65910TG1991PLC012376

Statement of Profit and Loss for the year ended 31.03.2024

(All amounts are in Rs.Hundreds except share data and unless otherwise stated)

Particulars	Note No	31.04.2024	31.03.2023
		Rs	Rs
I Revenue			
Revenue from operations	15	182727.46	148143.02
II Other income		0.00	0.00
III Total Income (I + II)		182727.46	148143.02
IV Expenses :			
Cost of materials consumed		0.00	0.00
Purchases of Stock-in-Trade		0.00	0.00
Changes in Inventories of FG/WIP/Stock-in-trade		-5953.33	0.00
Employee Benefits Expenses	16	16415.60	19533.02
Finance costs		2.08	0.00
Depreciation And Amortization Expenses		0.00	0.00
Other Expenses	17	42143.45	10129.39
Total expenses		52607.80	29662.41
V Profit before exceptional and extraordinary items and tax (III - IV)		130119.66	118480.61
VI Exceptional items			
VII Profit before extraordinary items and tax (V - VI)			
VIII Extraordinary items			
IX Profit before tax (VII- VIII)		130119.66	118480.61
X Tax Expense			
(1) Current tax -		33874.79	32961.33
(2) Deferred tax			
XI Profit (Loss) for the period from continuing operations (VII-VIII)		96244.87	85519.28
XII Profit/(loss) from discontinuing operations			
XIII Tax expense of discontinuing operations			
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			
XV Profit (Loss) for the period (XI + XIV)		96244.87	85519.28
XVI Earnings per equity share :	18		
(1) Basic		1.92	1.71
(2) Diluted		1.92	1.71

SIGNIFICANT ACCOUNTING POLICIES

2

The Notes referred to above form an integral part of the Profit & Loss statement 1 to 19
As per our report attached

For L N P & CO For Andhra Bank Financial Services Limited
Chartered Accountants
Firm Registration No.0089185

P. Venkata R
Venkata Rao Paladugu
Partner.
Membership No.230081



Place : Hyderabad

Date: 19-04-2024

Ramya Gayar
Ramya Gayar
Managing Director
Din No.10371360

Suresh Chandra Teli
Suresh Chandra Teli
Director
Din No. 09696592

Bhaskara Rao Kare
Bhaskara Rao Kare
Director
Din No.08353418

Krishnan Parameswaran
Krishnan Parameswaran
Director
Din No. 10594115

Andhra Bank Financial Services Ltd
CIN No.U65910TG1991PLC012376

Cash Flow Statement for the Year ended 31 March, 2024

Particulars	31-03-2024	31-03-2023
	Rs	Rs
Net cash inflow from operating activities		
Profit Before Tax	130119.66	118480.61
Adjustments :		
Depreciation	0.00	0.00
Cash flow from investment business - change in the value of stocks (increase/Decrease)	-5953.33	0.00
Interest received(acc.int)		
Interest paid		
Dividend paid		
Net cash inflow/ (outflow) from returns on investments and servicing of finance		
Increase(Decrease) in Long term loans and Advances	-1036.17	-1436.17
Increase(Decrease) in Creditors	-90.00	2.83
Cash Generated from operations	123040.16	117047.27
Direct Taxes paid net of refunds,if any	33874.79	32961.33
Net Cash from Operating Activities	89165.37	84085.94
Cash flow from Investing activities :		
Payments to acquire intangible fixed assets		
Payments to acquire tangible fixed assets		
Receipts from sales of tangible fixed assets		
Net cash inflow/ (outflow) from investing activities		0.00
Net cash inflow before financing		
Increase/Decrease in Fixed Deposit	-45000.00	-90000.00
Issue of ordinary capital		
Repurchase of debenture loan		
Expenses paid in connection with share issues		
Net cash inflow/ (outflow) from financing	-45000.00	-90000.00
Increase/ (Decrease) in cash and cash equivalents	4627.81	10541.87
Cash and Cash Equivalents as at beginning of the year	48793.18	4627.81
Cash and Cash Equivalent as at the end of the year		

NOTES :

1. Cash Flow statement has been prepared under the Indirect Method as set out in the Accounting Standard No 3 " Cash Flow Statement " as per Companies (Accounting Standard) Rules, 2006.

2. Cash and Cash equivalent represent cash and Bank Balances.

3. Previous year's figures have been regrouped/reclassified wherever applicable.
The Notes referred to above form an integral part of the financial statements 1 to 19

As per our report attached

For L N P & CO

Chartered Accountants

Firm Registration No.0089185

P. Venkata Rao Paladugu

Partner.

Membership No.230081

Place : Hyderabad

Date : 19-04-2024



For Andhra Bank Financial Services Limited

Ranya Gayar
Managing Director
Din No.10371360

Suresh Chandra Teli
Director
Din No. 09696592

Bhaskara Rao Kare
Director
Din No.08353418

Krishnan Parameswaran
Director
Din No.10594115

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024

3.Share Capital

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	Rs	Rs
Authorized		
100,00,000 Equity Shares of Rs10 each	10,00,00,000	10,00,00,000
Issued, Subscribed & Paid-up		
50,00,000 Equity Shares of Rs 10 each fully paid up. (All the shares are held by the Andhra Bank and its nominees)	5,00,00,000	5,00,00,000
(Previous year: 50,00,000 Equity Shares of Rs 10 each)	5,00,00,000	5,00,00,000

a.Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at		As at	
	31st March, 2024		31st March, 2023	
	No of Shares	Rs	No of Shares	Rs
Equity Shares:				
At the beginning of the period	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued during the year as fully paid	-	-	-	-
Outstanding at the end of the period	50,00,000	5,00,00,000	50,00,000	5,00,00,000

b. Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per

c. Shares held by Holding/Ultimate holding company and/or their subsidiaries/associates:

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	Rs	Rs
Union Bank of India (E-Andhra Bank) Parent / holding Bank		
50,00,000 equity shares of Rs.10 each fully paid up	5,00,00,000	5,00,00,000
(Previous year : 50,00,000 Equity Shares of Rs 10 each)	5,00,00,000	5,00,00,000

d. Details of Shareholders holding more than 5% shares in the company:

Particulars	As at		As at	
	31st March, 2024		31st March, 2023	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of Rs.10/- each fully paid				
Union Bank of India (E - Andhra Bank), Holding Company	50,00,000	100.00%	50,00,000	100.00%
	50,00,000		50,00,000	

e.Promoters Shareholding

Name of the Promoter	2023-24		2022-23		% of Variance
	% of Shares	Value	% of Shares	Value	
Union Bank of India (E-Andhra Bank) Parent / holding Bank	100	5,00,00,000	100	5,00,00,000	
	100	5,00,00,000	100	5,00,00,000	



4. Reserves & Surplus

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Rs	Rs
Surplus/(deficit) in the Statement of Profit and Loss		
Balance at the beginning of the year	45041.03	-40478.25
Add: Profit for the year	96244.86	85519.28
Total of Reserves and Surplus	141285.89	45041.03

5. Long Term Provisions

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Rs	Rs
Provision for Claims	3607369.30	3607369.30
	3607369.30	3607369.30

The provision was made towards claims against the Company not acknowledged as debts to meet contingencies that may arise when matters are finally disposed off. It was created not only for specific purpose like Court cases but also for uncertain future commitments which are yet to be settled. At present, Company has under conditional discharge from M/s Kudremukh Iron Ore Co, Ltd, M/s Mishra Dhatu Nigam Ltd and M/s Delhi Financial Corporation.

As the matters are not finally disposed off and disposed with conditional discharge, the Directors have decided to continue the existing provision of Rs. 36.07 Cr for the Financial Year ending 31st March, 2024. Further, the above provision was carrying since 2000-01 and the same was approved by the Auditors.

6. Trade Payables

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Rs	Rs
Audit Fee Payable	500.00	590.00
	500.00	590.00

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As on 31st March 2024

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	500.00	0.00	0.00	0.00	500.00
(iii) Disputed dues-MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues-others	0.00	0.00	0.00	0.00	0.00
Total:	500.00	0.00	0.00	0.00	500.00

As on 31st March 2023

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	590.00	0.00	0.00	0.00	590.00
(iii) Disputed dues-MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues-others	0.00	0.00	0.00	0.00	0.00
Total:	590.00	0.00	0.00	0.00	590.00

7. Short term Provisions

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	Rs	Rs
Provision For Income Tax	33874.79	32961.33
Telephone Charges Payable	11.78	11.78
	33886.57	32973.11

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9. Long Term Loans and Advances

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Rs	Rs
(a) Loans and advances to related parties		
(b) Others - Unsecured, considered good:		
i) Advance Tax and TDS - Financial Year 2007-08, 2011-12, 2019-20, 2020-21, 2021-22 and 2022-23.	389234.98	355237.48
Less : Provision For Income Tax - Financial Year 2007-08, 2011-12, 2019-20, 2020-21, 2021-22 and 2022-23.	378754.53	345793.20
	10480.45	9444.28
ii) Advance Tax and TDS for the Financial Year 1994-95, 1995-96, 1996-97, 1999-00, 2008-09, 2009-10, 2012-13 and 2013-14	1033222.64	1033222.64
iii) Advance to Advocates		
iv) Deposit with Telephones Department	310.00	310.00
c) Doubtful Advances		
	1044013.09	1042976.92

P. Venkata



11. Cash And Cash Equivalents

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	Rs	Rs
(i) Balances with Banks ;		
Petty cash	51.90	37.55
In Current Account	49396.40	4590.26
(ii) Bank Deposits		
(a) Up to 12 Months Maturity :	1581000.00	1947000.00
(b) More than 12 Months maturity	1562927.31	1151927.31
Total	3193375.61	3103555.12

12. Other Current Assets

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	Rs	Rs
Recoverable from Govt Agencies		
TDS Receivable	18255.83	14797.50
Advance Tax	16000.00	19200.00
Total	34255.83	33997.50

13. Contingent Liabilities And Commitments

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	Rs	Rs
Claims against the company not Acknowledged as debts		
a. Tamilnadu Newsprint & Papers Ltd		
b. Income Tax Relating to the assessment years in Appeals	1021509.23	1021509.23
c. Interest Tax Appeals filed by the IT Department against the Tribunal Order.		
Total	1021509.23	1021509.23

P. Venkata



**Note No.8 Property, Plant & Equipment and Intangible assets
As per Schedule VI of the Companies Act 1956 (SLM)**

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 01/04/2023	Additions	Deductions/ Adjustments	As at 31/03/2024	Up to 01/04/2023	on Opening Balance	on Additions	Up to 31/03/2024	As at 31/03/2024	As at 31/03/2023
Office Equipment	72.70	0.00	0.00	72.70	71.77	0.00	0.00	71.77	0.93	0.93
Furniture & Fittings	357.91	0.00	0.00	357.91	357.90	0.00	0.00	357.90	0.01	0.01
Computers	544.00	0.00	0.00	544.00	540.02	0.00	0.00	540.02	3.98	3.98
Total of (A)	974.61	0.00	0.00	974.61	969.69	0.00	0.00	969.69	4.92	4.92
B: Assets given on Lease										
Plant & Machinery	31263.92	0.00	0.00	31263.92	31263.91	0.00		31263.91	0.01	0.01
Total of (B)	31263.92	0.00	0.00	31263.92	31263.91	0.00	0.00	31263.91	0.01	0.01
Total of A + B	32238.53	0.00	0.00	32238.53	32233.60	0.00		32233.60	4.93	4.93
Previous Year	32238.53		0.00	32238.53	32233.60	0.00		32233.60	4.93	4.93

(i) The suit filed against M/s. Incab Industries Ltd in Delhi High Court, for realization of lease rentals since October 1992 amounting to Rs.45.29 lacs, is pending for appointment of the third arbitrator. In the mean time M/s Incab Industries Ltd., submitted a proposal before the Board for Industrial and Financial Reconstruction [BIFR]. The Company (ABFSL) filed a petition before the Board [BIFR] who has permitted the Company (ABFSL) to take possession of the leased machinery with Incab Industries Ltd. But the workers union has protested to take the machinery with a plea that some interested parties are negotiating for takeover of Incab Industries Ltd. The final Rehabilitation Scheme (DRS) submitted by M/s Tata Steel Ltd under consideration by the BIFR. The Board during the year 2013 reviewed the position of recovery of lease rentals dues from the Incab Industries Ltd and found that the recovery chances are remote and decided to write off as bad debt and accordingly written off.

(ii) As the carrying cost of the machinery is Rs.1/- on 31.03.2024 and is much below the valued cost, there is no impairment loss on the machinery.

On 6th September 2022, a Board Meeting was convened and in the Board Meeting the matter was discussed in length. The Board has opined not to proceed further in the matter based on the following :

- The Lease Finance was extended to M/s Incab Industries Ltd was in the year 1991.
- The Company M/s Incab Industries Ltd declared lock-out of its factory in the year 1992 itself. There was no commercial production.
- Our company has financed for purchase of machinery and we are unsecured creditors to the company. The value of the machinery also may be meagre.
- As the recovery chances are remote, our company has written off the liability of Rs. 45.29 lacs in our books in the year 2013.
- M/s Incab Industries Ltd is in the final stage of resolution. The Resolution Professional (RP) did not admit the claim submitted by us on the ground that the Resolution Plan has been approved by COC and the same is pending for approval before the Hon'ble NCLT, Kolkata. If we choose to file a petition / IA challenging the same, the chances of admission of our claim are remote.
- Though recovery chances are bleak, we would have to pay huge amounts to the Advocate as professional fee for filing of application before NCLT.
- SBI, SAM Branch - 1, Kolkata vide their Letter No. SAMB/BR/461 dated 23.08.2022 informed that the captioned account was closed in their books.
- We have searched for Leage Agreement made with M/s Incab Industries Ltd and other relevant papers to be filed before NCLT, Kolkata if we file an IA to substantiate our claim. But no such important documents were traced out during the search.
- In the Board Meeting conducted on 27th December, 2022, Board has permitted to close the file.

P. Venkata



10. Inventories

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	Rs	Rs
(a) Aggregate amount of quoted share - Valued at Cost or Market value whichever is less	9437.68	3484.35
(b) Aggregate amount of unquoted shares - Valued at Rupee one	1954.62	1954.62
	11392.30	5438.97

Segregation between quoted and unquoted share is made on BSE / NSE Bulletin for the Business transacted on 31.03.2019. Further the shares are classified as unquoted, if such shares are not traded during three months period before 31.03.2019.

Quantity wise	Opening Stock	Opening Stock	Purchases/ Additions	Purchase/ Returns/ Deletions	Sales	Closing Stock	Closing Stock
	01.04.2023	01.04.2023				31.03.2024	31.03.2024
	Qty.	Rs.				Qty.	Rs.
Equity Shares fully paid up	216790	5,43,897	-	-	-	2,16,790	5,43,897
Previous Year's figures	216790	4,13,464	-	-	-	2,16,790	5,43,897

List of outstanding shares as on 31.03.2024 Amount are in Rupees

A: Shares, which are in physical form:

Name of the Scrip / Equity Shares	Quantity	Original Cost Rs	Original Cost Value Rs	Mkt. Rate 31.03.2024 Rs	Mkt. Value 31.03.2024 Rs	Cost or Mkt. Value which-ever is less 31.03.2024 Rs
Adhunik Synthetics Ltd	3,000	50.00	1,50,000	1.00	3,000	3,000
Akhil Ceramics Ltd.	5,000	28.75	1,43,750	1.00	5,000	5,000
Arlabs Ltd.	5,000	150.00	7,50,000	1.00	5,000	5,000
Aryan Finefab Ltd.	11,400	56.25	6,41,250	1.00	11,400	11,400
Bhishma Realty Ltd.	3	1.00	3	1.00	3	3
Capricon Realty Ltd.	3	1.00	3	1.00	3	3
Cepharm Organics Ltd.	6,600	40.00	2,64,000	1.00	6,600	6,600
Dhar Cement Ltd.	20,300	100.00	20,30,000	1.00	20,300	20,300
Electra (India) Ltd.	3,300	37.50	1,23,750	1.00	3,300	3,300
Gujarat Telephone Cables Ltd. (Sent T	46,850	28.75	13,52,688	1.00	46,850	46,850
Hmg Industries Ltd.	4,600	87.50	4,02,500	1.00	4,600	4,600
Indu Gulf Industries Ltd	4,850	130.00	6,30,500	1.00	4,850	4,850
Kunal Engineering Co. Ltd.	450	170.00	76,500	1.00	450	450
Niranjan Piramal Textile Mills Ltd	8,333	1.00	8,333	1.00	8,333	8,333
Nova Electro Magnetics Ltd.	55,400	51.25	28,39,250	1.00	55,400	55,400
Prestige Foods Ltd	2,700	145.00	3,91,500	1.00	2,700	2,700
Prestige Hm-Poly Containers Ltd.	5,000	42.50	2,12,500	1.00	5,000	5,000
Pyarelal Textile Ltd.	8,333	1.00	8,333	1.00	8,333	8,333
Rampur Fertilizers Ltd.	240	80.00	19,200	1.00	240	240
Shri Ishar Alloy Steels Ltd.	2,000	67.50	1,35,000	1.00	2,000	2,000
Sipani Auto Mobiles Ltd.	2,100	50.00	1,05,000	1.00	2,100	2,100
Total of A	1,95,462		1,02,84,060		1,95,462	1,95,462

B: Shares, which are in dematerialized form as on 31.03.2024

Ashnoor Textile Mills Ltd	21,280	89.29	19,00,000	44.35	9,43,768	9,43,768
Balrampur Chini Mills Ltd	48	0.00	0	361.60	17,357	0
Total of B	21,328		19,00,000		9,61,125	9,43,768
Total of A and B	2,16,790		1,21,84,060		11,56,587	11,39,230

In the current Financial Year, there are no share transactions.

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13: Contingent Liabilities And Commitments

INCOME TAX :

a) **Income Tax** : The Company (ABFSL) had gone on Income Tax appeals for the Asst.Years 1993-94 to 1997-98 & 1999-00 which are pending before the Hon'ble High Court of Telangana. Pending disposal of these appeals, the advance tax and self assessment taxes paid and taxes adjusted out of refunds by the department are outstanding. The arguments in the matters were concluded and judgment is yet to be pronounced.

b) **Interest Tax** : The Assessing officer completed the assessments under Interest Tax Act, 1974 making additions of lease rentals and hire purchase income for the Asst Years 1993-94 to 1997-98. As against the orders of the Assessing officer, the company filed appeals before the commissioner of Income Tax (Appeals). The CIT(A) allowed the company's Appeals. Aggrieved by the orders of the CIT(A), the Income Tax department filed appeals before Income Tax Appellate Tribunal, Hyderabad. The Tribunal Dismissed the department's appeals.

c) For AY 2008-09, AY 2011-12, AY 2012-13, AY 13-14 and AY 2014-15 Rectification orders passed by the department and Refund yet to be receive.

Other matters :

1. Interest on Inter Corporate Deposits A/c M/s. Kudremukh Iron Ore Co Ltd. The dispute between the Company (ABFSL) and M/s. Kudremukh Iron Ore Co Ltd [KIOCL] was settled during the year 2003-04. However, KIOCL has reserved right to claim on pro-rata basis along with other PSU's in case of surplus arising after meeting all liabilities, for the interest from the date of maturity of Inter Corporate Deposits up to the date of payment.

2) The Company (ABFSL) repaid in 1997 the total Inter Corporate Deposits of Rs.4.00 Crore placed in 1992 by M/s Mishra Dhatu Nigam Ltd (MIDHANI) with interest up to the contracted date. MIDHANI acknowledged the receipt as full and final settlement in 1997. However, MIDHANI, subsequently, has made a claim for interest after the contracted date. On refusal by the Company (ABFSL) to acknowledge or pay the interest, MIDHANI has approached the Committee on Disputes (COD) who directed the MIDHANI to Permanent Machinery of Arbitration (PMA) with whom the matter is pending. The Company (ABFSL) has legal opinion saying that the claim of MIDHANI is not sustainable and hence no provision has been made.

3) During the year 1994, the Company (ABFSL) has paid the amounts of ICD 153 & 155 to Delhi Financial Corporation to the extent of principal sum of Rs.100 lacs each, with an agreement dt.28/9/1994 that the contracted interest up to due date shall be paid after paying the Principal and Interest amount of ICD to all other PSU's. There was a claim for interest of Rs.7,08,000/- for the contracted period and the Company (ABFSL) has paid the same on 9/08/2004. However Delhi Financial Corporation has reserved the right to claim on prorata basis along with other PSUs in case of surplus arising after meeting all liabilities, for the interest from the date of maturity of ICD's to date of payment.

4) Dispute in the Industrial Tribunal, Hyderabad : An application under the I D Act 1947 was filed and the same was registered as LCID 17/2011. Further an industrial dispute between the workman and the management of Erstwhile Andhra Bank have been referred to the Industrial Tribunal Cum Labour Court, Hyderabad for adjudication u/s (1)(d) of the I D Act, 1947 and the same was taken on file of the Tribunal and registered as I D No 14/2012. This indicates that two I Ds were registered on the same matter of claiming the employment after leaving the company who worked on temporary basis in the company. CGIT cum Labour Court, Hyderabad, granted permission to the petitioner to withdraw the present LCNo 17/2011 with liberty to prosecute ID No. 14/2012 on 01-04-2015. LCNo17/2011 is dismissed. It was informed by the dealing Counsel that the petitioner Ramulu has filed a petition for changing the name of Respondent from Andhra Bank to Union Bank of India. The said petition is coming up for hearing on 24th April, 2023. The arguments in the main case will be taken up after change of name of the Bank is ordered.

Note No.14

a) No dividend has been proposed to be distributed to the equity shareholders for the year (previous year Nil)

b) The Company has not issued any securities during the year for any specific purpose (previous year Nil)

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15. Revenue From Operations

Particulars	31-03-2024	31-03-2023
	Rs	Rs
a) Interest Income		
(i) On Bank Deposits	182556.94	147975.02
b) Dividend Income		
From domestic companies	170.52	168.00
	182727.46	148143.02

16. Employee Benefits Expenses

Particulars	31-03-2024	31-03-2023
	Rs	Rs
Salaries & Allowances	16415.60	19533.02
Contribution to PF And ESI	0.00	0.00
Staff welfare expenses	0.00	0.00
	16415.60	19533.02

17. Other Expenses

Particulars	31-03-2024	31-03-2023
	Rs	Rs
(i) Payments To Auditor		
Statutory Audit Fee	250.00	590.00
Tax Audit Fee	250.00	0.00
(ii) Office Rent	1440.00	1440.00
(iii) Director Sitting Fee	10000.00	6500.00
(iv) Professional Charges	28997.00	50.00
(iv) Filing Fee	365.30	1288.23
(v) Printing & Stationery	126.05	44.90
(vi) Postage & Telephone Charges	142.69	116.76
(vii) Miscellaneous expenses	572.41	99.50
	42143.45	10129.39

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Sub note 9: LONG TERM LOANS AND ADVANCES

Details of advance Income Tax & TDS Details Year Wise					
Financial Year	Relevant Asst Year	453.82		453.82	
		Advance Tax	TDS	Advance Tax	TDS
1994-95	1995-96	283118.82	0.00	283118.82	0.00
1995-96	1996-97	435813.00	0.00	435813.00	0.00
1996-97	1997-98	302578.01	8195.06	302578.01	8195.06
1999-00	2000-01	0.00	152.32	0.00	152.32
2007-08	2008-09	39000.00	13427.14	39000.00	13427.14
2007-08	2008-09	68.00	0.00	68.00	0.00
2008-09	2009-10	0.00	1068.36	0.00	1068.36
2009-10	2010-11	10.75	0.00	10.75	0.00
2010-11	2011-12	0.00	0.00	0.00	0.00
2011-12	2012-13	109000.00	14676.48	109000.00	14676.48
2011-12	2012-13	3822.00	0.00	3822.00	0.00
2012-13	2013-14	1081.78	0.00	1081.78	0.00
2013-14	2014-15	1205.14	0.00	1205.14	0.00
2014-15	2015-16	0.00	0.00	0.00	0.00
2015-16	2016-17	0.00	0.00	0.00	0.00
2016-17	2017-18	0.00	0.00	0.00	0.00
2017-18	2018-19	0.00	0.00	0.00	0.00
2018-19	2019-20	0.00	0.00	0.00	0.00
2019-20	2020-21	18821.70	16417.64	18821.70	16417.64
2020-21	2021-22	94689.90	11907.23	94689.90	11907.23
2021-22	2022-23	19150.00	14257.39	19150.00	14257.39
		1308359.10	80101.62	1308359.10	80101.62

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The staff working in the company are on deputation from Union Bank of India (Erstwhile Andhra Bank) and they are eligible for Employee Benefits as per the Service Regulations of Union Bank of India from time to time and the same is being paid / reimbursed to Union Bank of India (Erstwhile Andhra Bank).

18.EPS

Particulars	31-03-2024	31-03-2023
	Rs	Rs
(i) BASIC & DILUTED : Earnings per Equity Share		
Calculation of EPS :		
A : Net Profit	96,24,487	85,51,928
B : Weighted Average Number of Equity Shares	50,00,000	50,00,000
BASIC & DILUTED Earnings per Equity Share (A / B)	1.92	1.71

b) The Company (ABFSL) has informed Reserve Bank on 09.01.2008 about disposal of the Financial Assets and requested to treat the Company (ABFSL) as Non-Banking Non-Financial Institution. Reserve Bank of India replied on 05.12.2008 that it has taken the contents mentioned therein on record.

19.Other Information

a) By virtue of the notification of Govt. of India announcing Amalgamation Scheme of Andhra Bank, Corporation Bank into Union Bank of India, the shareholding of erstwhile Andhra Bank in ABFSL as on 31.03.2020 will be deemed to be the shareholding of Union Bank of India w.e.f. 01.04.2020 without any further Act, deed, consent or instrument for transfer of the same.

b) Our Company is not having any deposits with the Hon'ble Courts.

c) Information with regard to the matters in the other clauses of Schedule III to the Companies Act, 2013 to the extent they are either NIL or not applicable to the Company.

d) The figures of the previous year have been regrouped/reclassified/rearranged wherever necessary to confirm the Current Year's presentation.

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NOTE No: 1: - BASIS OF PREPARATION

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP") and in compliance with provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standard) Rules prescribed by the Central Government.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements.

NOTE No: 2: SIGNIFICANT ACCOUNTING POLICIES

A. LEASE: NIL

B. HIRE PURCHASE: NIL

C. INVESTMENT BUSINESS: NIL

D. INTEREST:

Interest on Investments: -

- a. Interests on fixed deposits have been recognized on accrual basis.
- b. Interest on securities and dividend on share are not recognized until the claims and counter claims if any, pending on such securities are cleared.
- c. Dividend Income on Shares is recognized when the owner's right to receive payment is established.

E. STOCK IN TRADE: - In case of Stock of shares of unquoted shares are valued at Re.1/- with a view to have control and accountability and in case of quoted shares are valued with market price as at 31.03.2024 and the deference between the balance as at 31st March 2024 and balance as at the beginning of the year recognized as loss.

F. FIXED ASSETS: - All fixed assets are valued at cost except leased assets which were valued at Rs.1.

G. DEPRECIATION: -

1. **Assets for own use: -** Depreciation has not been provided as value of the assets are residual value of the assets as at 31.03.2024.
2. **Assets leased out: -** The residual value of machinery under lease to M/S Incab Industries Ltd is valued at Rs.1/- no depreciation has been provided on the Assets Leased out.



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H. Miscellaneous Expenses to the extent not written off: - NIL

I. Foreign Currency Transactions: - The company has not carried out any foreign currency transactions during the year 23-24.

J. Provisions and Contingent liabilities: - Provisions are recognized when the Company has a present obligation as a result of past events and 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 estimate.

All material known liabilities are provided for and liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to accounts.

K. Taxes on income: - Current tax is the amount of tax payable on the taxable income for the year after taking into consideration the benefits / disallowances admissible under the provisions of the Income Tax Act 1961.

Minimum Alternate Tax paid in accordance with the tax laws which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, the Company has provided tax as per normal provisions.

L. Deferred Tax: - Deferred Tax is accounted for by computing the tax effect of timing difference, subject to the consideration of prudence in respect of deferred tax assets, which arise during the year and reverse in subsequent periods. Deferred tax is measured at substantively enacted tax rates by the Balance Sheet date. As there are no timing differences, the Company has not been provided Deferred Tax during the financial year.

M. Related Party Transactions: -

a) Key management Personnel

Name of individual	Designation
Suresh Chandra Teli	Director
Bhaskara Rao Kare	Director
Ramya Gayar	Managing Director
B Narasimha Rao	Managing Director



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KSD Siva Vara Prasad	Director
Krishnan Parameswaran	Director

b) Transactions with Related Parties

Name	Amount	Relation	Nature of Transaction
Union Bank of India (Erstwhile Andhra Bank')	1,82,55,694/-	Holding Company	Interest income on FD
Union Bank of India (Erstwhile Andhra Bank')	1,44,000/-	Holding Company	Rent
Ramya Gayar	8,03,959/-	Managing Director	Salary
B Narasimha Rao	8,73,601/-	Managing Director	Salary
Suresh Chandra Teli	2,80,000/-	Director	Director Sitting Fee
Bhaskara Rao Kare	3,90,000/-	Director	Director Sitting Fee
KSD Siva Vara Prasad	3,30,000/-	Director	Director Sitting Fee

N. Auditor Remuneration: -

Particulars	2023-24	2022-23
Statutory Audit Fee	25,000	25,000
Tax Audit Fee	25,000	25,000
Total	50,000	50,000

O. Operating Cycle: - Based on the nature of activities of the Company and normal time between acquisition of assets and their realization of cash and cash equivalent, the company has determined operating cycle as 12 months for the purpose of classifications of its assets and liabilities as non- current and current.

For L N P & CO

Chartered Accountants

Firm Registration No.0089185

P. Venkata Rao

Venkata Rao Paladugu

Partner

Membership No.230081

Place :-Hyderabad

Date:- 19.04.2024



For Andhra Bank Financial Services Limited

Ramya Gayar
Ramya Gayar

Managing Director

Din No. 10371360

Suresh Chandra Teli
Suresh Chandra Teli

Director

Din No. 09696592

Bhaskara Rao Kare
Bhaskara Rao Kare

Director

Din No.08353418

Krishnan Parameswaran
Krishnan Parameswaran

Director

Din No. 10594115

