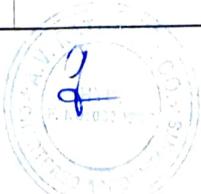


# Andhra Bank Financial Services Ltd

Sultan Bazar, Koti Building, Hyderabad

Balance Sheet as on 31.03.2022

Particulars	Note No	As at 31 March, 2022		As at 31 March, 2021	
		Rs	Rs	Rs	Rs
<b>EQUITY AND LIABILITIES :</b>					
<b>Shareholders' Funds</b>					
(a) Share Capital	3	5,00,00,000		5,00,00,000	
(b) Surplus	4	(-40,47,825)	4,59,52,175	(-1,26,63,285)	3,73,36,715
(c) Money Received against Share Warrants					
<b>Share Application Money Pending allotment</b>					
<b>Non Current Liabilities</b>					
(a) Long Term Borrowings					
(b) Deferred Tax Liabilities (Net)					
(c) Other Long Term Liabilities					
(d) Long Term Provisions	5		36,07,36,930		36,07,36,930
<b>Current Liabilities</b>					
(a) Short Term Borrowings					
(b) Trade Payables micro enterprises and small enterprises					
B. Total outstanding dues of creditors other than micro enterprises and small enterprises	6			17,71,649	
(c) Other Current Liabilities		59,895	59,895	2,59,895	20,31,544
(d) Short Term Provisions					
<b>TOTAL</b>			<b>40,67,49,000</b>		<b>40,01,05,189</b>
<b>ASSETS :</b>					
<b>Non-current assets</b>					
<b>Property, Plant &amp; Equipment</b>					
(i) Tangible assets	7				
Gross Block		32,23,853		32,23,853	
Less : Depreciation		32,23,360		32,23,360	
<b>Net Block</b>			<b>493</b>		<b>493</b>
(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	11		10,42,57,692		9,74,68,582
(e) Other non current assets					
<b>Current assets</b>					
(a) Current investments				5,43,897	
(b) Inventories	8	5,43,897			
(c) Trade receivables		0			0
(d) Short term loans and advances	9	0			0
(e) Cash and Cash Equivalents	10	30,19,46,918	30,24,90,815	30,20,92,217	30,26,36,114
(f) Other current assets					
<b>TOTAL</b>			<b>40,67,49,000</b>		<b>40,01,05,189</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	2				
The Notes referred to above form an integral part of the Balance Sheet 1 to 21					

As per our report attached

For A V Ratnam & Co

Chartered Accountants

FRN : 003028S

S.V.S.Sundara Prasad

Director

K.T Venumadhav

Director

KSD Siva Vara Prasad

Director

(G.K.Babu)

Partner

Membership No: 213273

UDIN: 22218223 AN24FL 2553

Place : Hyderabad

Date : 25/07/2022

**A.V. RATNAM & CO.**

CHARTERED ACCOUNTANTS

# 180/2 RT, K.N.S. COLONY,

HYDERABAD - 500 057

B.Narasimha Rao

Managing Director

Ruchi Rangari

Company Secretary



**Andhra Bank Financial Services Ltd**

**Statement of Profit and Loss for the year ended 31.03.2022**

Particulars	Note No	31.03.2022	31.03.2021
		Rs	Rs
<b>I Revenue from operations</b>			
Interest income :	14	1,42,57,389	1,58,76,300
II Other income : (profit/Loss)	14	9,600	1,41,233
<b>Total Revenue ( I + II )</b>		<b>1,42,66,989</b>	<b>1,60,17,533</b>
<b>III Expenses :</b>			
Cost of material consumed			
Purchase of stock - in - trade			
Changes in inventories of finished goods work-in-progress and stock-in- Trade			
Employee Benefits expenses	15	17,76,551	13,81,649
Administrative and other Expenses	16	4,38,599	10,10,062
Depreciation and amortization expenses	7	0	0
Other Expenses	17	2,66,824	3,42,600
<b>Total expenses</b>		<b>24,81,974</b>	<b>27,34,311</b>
IV Profit before exceptional and extraordinary items and tax		1,17,85,015	1,32,83,222
V Exceptional Items			
VI Profit before extraordinary items and tax (IV - V )			1,32,83,222
VII Prior period income	14	1,51,064	2,30,85,355
VIII Profit before Tax ( VI + VII )		<b>1,19,36,079</b>	<b>3,63,68,577</b>
IX <b>Tax Expense</b>	18		
(1) Current tax -		33,20,619	1,01,17,740
(2) Deferred tax		0	0
(3) Income Tax for earlier Asst Years		0	0
<b>X Profit (Loss ) for the period from continuing operations</b>		<b>86,15,460</b>	<b>2,62,50,837</b>
XI Profit/ ( Loss ) from discontinuing Operations			
XII Tax expense of discontinuing operations			
XIII Profit/ (Loss ) from discontinuing operations (after tax ) ( XI - XII )			
<b>XIV Profit ( Loss ) for the period (X + XIII)</b>		<b>86,15,460</b>	<b>2,62,50,837</b>
XV Earnings per equity share :	19		
(1) Basic		1.72	5.25
(2) Diluted		1.72	5.25
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	2		
The Notes referred to above form an integral part			
As per our report attached			
For A V Ratnam & Co			
Chartered Accountants	S.V.S. Sundara Prasad	K.T Venumadhav	KSD Siva Vara Prasad
FRN : 003028S	Director	Director	Director
( G.K.Babu )			
Partner			
Membership No: 213273	B.Narasimha Rao	Ruchir Rangari	
UDIN: 22210273ANOLFL2553	Managing Director	Company Secretary	
Place : Hyderabad			
Date : 28/07/2022			



**Andhra Bank Financial Services Ltd**

**Cash Flow Statement for the Year ended 31 March, 2022**

Particulars	31.03.2022		31.03.2021	
	Rs	Rs	Rs	Rs
<b>Net cash inflow from operating activities</b>				
Profit Before Tax				
Adjustments :	1,19,36,079		3,63,68,577	
Depreciation	0		0	
Cash flow from investment business - change in the value of stocks (increase/Decrease)	0		1,30,433	
Interest received(acc.int)			0	
Interest paid	0			
Dividend paid	0			
Net cash inflow/ (outflow) from returns on investments and servicing of finance				
decrease in Debtors				
Increase(Decrease) in Creditors				
<b>Cash Generated from operations</b>				
Direct Taxes paid net of refunds,if any				
<b>Net Cash from Operating Activities</b>				
<b>Cash flow from Investing activities :</b>				
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				
<b>Net cash inflow before financing</b>				
<b>Financing</b>				
Issue of ordinary capital				
Repurchase of debenture loan				
Expenses paid in connection with share issues				
Net cash inflow/ (outflow) from financing				
<b>Increase/ (Decrease) in cash and cash equivalents</b>				
Cash and Cash Equivalents as at beginning of the year	30,20,92,217		26,85,52,237	
Cash and Cash Equivalent as at the end of the year	30,19,46,918		30,20,92,217	

**NOTES :**

- Cash Flow statement has been prepared under the Indirect Method as set out in the Accounting Standard No 3 " Cash
- Cash and Cash equivalent represent cash and Bank Balances.
- 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 21

As per our report attached

For A V Ratnam & Co

Chartered Accountants

FRN : 003028S

S.V.S.Sundara Prasad

Director

K T Venuradhav

Director

KSD Siva Vara Prasad

Director

( G.K.Babu )

Partner

Membership No: 213273

UDIN: 22273273 ANOCFL 2573

Place : Hyderabad

Date : 25/07/2022

B.Narasimha Rao

Managing Director

Ruchi Rangari

Company Secretary

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2022**

**NOTE No. : 3 : SHARE CAPITAL**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Rs	Rs	Rs	Rs
<b>Authorized</b> (Previous year: 100,00,000 Equity Shares of Rs10 each)		<b>10,00,00,000</b>		<b>10,00,00,000</b>
<b>Issued, Subscribed &amp; Paid-up</b> 50,00,000 Equity Shares of Rs 10 each fully paid up. (All the shares are held by the Andhra Bank and its nominees) (Previous year: 50,00,000 Equity Shares of Rs 10 each)		<b>5,00,00,000</b>		<b>5,00,00,000</b>
		<b>5,00,00,000</b>		<b>5,00,00,000</b>

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

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No of Shares	Rs	No of Shares	Rs
<b>Equity Shares:</b>				
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	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>50,00,000</b>	<b>5,00,00,000</b>	<b>50,00,000</b>	<b>5,00,00,000</b>

**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 share. During the year ended 31st March 2022, no dividend is declared by the Company. (Previous year - Nil)

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

Particulars	As at 31st March, 2022		As at 31st March, 2021	
		No. of shares		No. of shares
Union Bank of India (E-Andhra Bank) Parent / holding Bank 50,00,000 equity shares of Rs 10 each fully paid up (Previous year : 50,00,000 Equity Shares of Rs 10 each)		<b>50,00,000</b>		<b>50,00,000</b>
		<b>50,00,000</b>		<b>50,00,000</b>

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

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No of Shares	%	No of Shares	%
<b>Equity Shares of Rs.10/- each fully paid</b>				
Union Bank of India (E - Andhra Bank), holding Company	50,00,000	100.00%	50,00,000	100.00%

e. Shares reserved for issue under options		NIL		NIL
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f. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares brought back during the period of five years immediately		NIL		NIL
---	--	-----	--	-----



g. Securities convertible into equity / preference shares issued along with the earliest date of conversion		NIL		NIL
h. Calls unpaid		NIL		NIL
i. Forfeited Shares		NIL		NIL

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**NOTE NO 4 - RESERVES & SURPLUS**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Rs	Rs	Rs	Rs
Surplus/(deficit) in the Statement of Profit and Loss Balance as per the last financial statement				
	(-1,26,63,285)		(-3,89,14,122)	
Add: Profit for the year	86,15,460		2,62,50,837	
Closing Balance		(-40,47,825)		(-1,26,63,285)
Total of Reserves and Surplus		(-40,47,825)		(-1,26,63,285)

**Note No 5 : NON CURRENT LIABILITIES : LONG TERM PROVISIONS :**

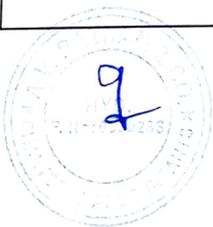
Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Rs	Rs	Rs	Rs
Provision for Claims		36,07,36,930		36,07,36,930
		<b>36,07,36,930</b>		<b>36,07,36,930</b>

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 created 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, 2022. Further, the above provision was carrying since 2000-01 and the same was approved by the Auditors.

**Note No 6 : CURRENT LIABILITIES : TRADE PAYABLE :**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Rs	Rs	Rs	Rs
Due to Micro and Small Enterprises		0		0
Due to others :				
A/c M/s Tamilnadu Newsprint & Paper Ltd.	0		0	
Others ( Statutory Auditor fee including Tax Audit fee and Telephone bill for March 2022 )	59,895	59,895	20,31,544	20,31,544
		<b>59,895</b>		<b>20,31,544</b>



**NOTE No : 7 : NON CURRENT ASSETS : TANGIBLE**

	As at 31st March, 2022		As at 31st March, 2021	
	Rs	Rs	Rs	Rs
<b>(A) OWNED ASSETS :</b>				
Office Equipment	7,270		7,270	
Furniture & Fittings	35,791		35,791	
Computers	54,400		54,400	
<b>(B) ASSETS GIVEN ON LEASE :</b>				
Plant & Machinery	31,26,392		31,26,392	
<b>GROSS BLOCK</b>		32,23,853		32,23,853
Less : Decreciation accumulated		32,23,360		32,23,360
<b>Net Block</b>		<b>493</b>		<b>493</b>

**DEPRECIATION STATEMENT FOR THE PERIOD 31st March, 2022**

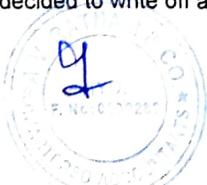
As per Schedule VI of the Companies Act 1956 ( SLM )

**NOTE : 7 : NON CURRENT ASSETS: FIXED ASSETS : TANGIBLE**

contd..

Nature of Assets	Gross Block				Depreciation			Net Block	
	Balance as on 01.04.2021	Additions during the year	Deletions	Total as on 31.03.2022	Total up to 01.04.2021	For the year	Total up to 31.03.2022	As on 01.04.2021	As on 31.03.2022
<b>A: Owned Assets</b>									
1)Office Equipment	7,270	0	0	7,270	7,177	0	7,177	93	93
2)Furniture & Fittings	35,791	0	0	35,791	35,790	0	35,790	1	1
3)Computers	12,500	0	0	12,500	12,499	0	12,499	1	1
ComputerHCL	34,650	0	0	34,650	34,360	0	34,360	290	290
HpPrinter	7,250	0	0	7,250	7,143	0	7,143	107	107
Total of 3(Computers)	54,400	0	0	54,400	54,002	0	54,002	398	398
Total of (A)	97,461	0	0	97,461	96,969	0	96,969	492	492
<b>B: Assets given on Lease</b>									
Plant & Machinery	31,26,392	0	0	31,26,392	31,26,391	0	31,26,391	1	1
<b>Total of A + B</b>	<b>32,23,853</b>	<b>0</b>	<b>0</b>	<b>32,23,853</b>	<b>32,23,360</b>	<b>0</b>	<b>32,23,360</b>	<b>493</b>	<b>493</b>
Previous Year	32,23,853		0	32,23,853	32,23,360	0	32,23,360	493	493

(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.



BIFR directed the Incab Industries Ltd to submit all the Audited Accounts along with Auditors's Reports thereon for the past period i.e from the date of sickness to till date to Board for determination of the sickness and the measures to be taken under the Act for the company's rehabilitation. In view of the above the Rehabilitation process is still under process before BIFR.

(ii) As the carrying cost of the machinery is Rs.1/- on 31.03.2022 and is much below the valued cost, there is no impairment loss on the machinery.



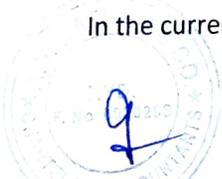
**Note No : 8 : STOCK IN TRADE : STOCK OF SHARES & SECURITIES**

Particulars	As at 31st March, 2022		As at 31st March, 2021				
	Rs	Rs	Rs	Rs			
Aggregate amount of quoted share - Valued at	3,48,435		3,48,435				
Aggregate amount of unquoted shares - Valued at	1,95,462	5,43,897	1,95,462	5,43,897			
Segregation between quoted and unquoted share is made on BSE / NSE Bulletin for the Business transacted on							
Quantity wise	Opening Stock	Opening Stock	Purchases/ Additions	Purchase/ Returns/ Deletions	Sales	Closing Stock	Closing Stock
	01.04.2021	01.04.2021				31.03.2022	31.03.2022
	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 31.03.2022****A: Shares, which are in physical form:**

Name of the Scrip / Equity Shares	Quantity	Original Cost Rs	Original Cost Value Rs	Mkt. Rate 31.03.2022 Rs	Mkt. Value 31.03.2022 Rs	Cost or Mkt. Value which ever is less 31.03.2022 Rs
Adhunik Synthetics	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
Cepham 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	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	4,850	130.00	6,30,500	1.00	4,850	4,850
Kunal Engineering Co.	450	170.00	76,500	1.00	450	450
Niranjan Piramal	8,333	1.00	8,333	1.00	8,333	8,333
Nova Electro	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	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	240	80.00	19,200	1.00	240	240
Shri Ishar Alloy Steels	2,000	67.50	1,35,000	1.00	2,000	2,000
Sipani Auto Mobiles	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>B: Shares, which are in dematerialized form as on 31.03.2022</b>						
Ashnoor Textile Mills	21,280	89.29	19,00,000	15.89	3,38,139	3,38,139
Balrampur Chini Mills	48	0.00	0	214.50	10,296	10,296
Total of B	21,328		19,00,000		3,48,435	3,48,435
Total of A and B	2,16,790		1,21,84,060		5,43,897	5,43,897

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



**NOTE No : 9 : SHORT TERM LOANS & ADVANCES :**

	As at 31st March, 2022		As at 31st March, 2021	
	Rs	Rs	Rs	Rs
Interest accrued on deposit but not received	0	0	0	0
Trade Receivable - unsecured, considered bad - a/c Incab Industries Ltd ( Ref Note No 7)	0		0	0
Less : Bad debts written off	0	0		
	0	0	0	0

**Note No 10 : CASH AND CASH EQUIVALENTS :**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Rs	Rs	Rs	Rs
<b>(i) Balances with Banks ;</b>				
Petty cash	2,387	2,387	7,436	7,436
In Current Account	10,51,800	10,51,800	2,74,84,781	2,74,84,781
<b>(ii) Bank Deposits</b>				
(a) Up to 12 Months Maturity :	5,96,92,731		5,70,00,000	
(b) More than 12 Months maturity	24,12,00,000	30,08,92,731	21,76,00,000	27,46,00,000
<b>Total</b>		<b>30,19,46,918</b>		<b>30,20,92,217</b>

**Note No 11 : LONG TERM LOANS AND ADVANCES :**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Rs	Rs	Rs	Rs
<b>(a) Loans and advances to related parties</b>				0
<b>(b) Others - Unsecured, considered good:</b>				
i) Provision for Income Tax - Financial Year 2007-08, 2011-12, 2019-20, 2020-21 and 2021-22	3,45,79,320		3,12,58,701	
Less : Advance Tax and TDS	3,54,83,748	9,04,428	2,53,74,019	(-58,84,682)
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		10,33,22,264		10,33,22,264
iii) Advance to Advocates				
iv) Deposit with Telephones Department	31,000	31,000	31,000	31,000
c) Doubtful Advances				
<b>Total</b>		<b>10,42,57,692</b>		<b>9,74,68,582</b>

**Details of advance Income Tax Payment - Year wise :**

Financial Year	Relevant Asst Year	31.03.2022	31.03.2021
		Rs	Rs
1994-95	1995-96	2,83,11,822	2,83,11,822
1995-96	1996-97	4,35,81,300	4,35,81,300
1996-97	1997-98	3,02,57,801	3,02,57,801
2007-08	2008-09	39,00,000	39,00,000
2007-08	2008-09	6,800	6,800



	2009-10	2010-11	1,075	1,075
	2010-11	2011-12	0	0
	2011-12	2012-13	1,09,00,000	1,09,00,000
	2011-12	2012-13	3,82,200	3,82,200
	2012-13	2013-14	1,08,178	1,08,178
	2013-14	2014-15	1,20,514	1,20,514
	2014-15	2015-16	0	0
	2015-16	2016-17	0	0
	2016-17	2017-18	0	0
	2017-18	2018-19	0	0
	2018-19	2019-20	0	0
	2019-20	2020-21	18,82,170	18,82,170
	2020-21	2021-22	94,68,990	26,60,000
	2021-22	2022-23	18,75,000	0
			<b>13,07,95,850</b>	<b>12,21,11,860</b>

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Details of the TDS - Year wise

Financial Year	Relevant Asst Year	31.03.2022	31.03.2021
1996-97	1997-98	8,19,506	8,19,506
1999-00	2000-01	15,232	15,232
2007-08	2008-09	13,42,714	13,42,714
2008-09	2009-10	1,06,836	1,06,836
2011-12	2012-13	14,67,648	14,67,648
2012-13	2013-14	0	0
2013-14	2014-15	0	0
2014-15	2015-16	0	0
2015-16	2016-17	0	0
2016-17	2017-18	0	0
2017-18	2018-19	0	0
2018-19	2019-20	0	0
2019-20	2020-21	16,41,764	16,41,764
2020-21	2021-22	11,90,723	11,90,723
2021-22	2022-23	14,25,739	0
	Total	<b>80,10,162</b>	<b>65,84,423</b>



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**Note No 11 : LONG TERM LOANS AND ADVANCES :**

contd....

**Details of MAT Credit Utilised**

	Financial Year	Relevant Asst Year	31.03.2022	31.03.2021
			Rs	Rs
	2011-12	2012-13	56,77,308	56,77,308
	2012-13	2013-14	14,35,896	14,35,896
	2013-14	2014-15	15,99,186	15,99,186
	2014-15	2015-16	5,33,314	5,33,314
	2015-16	2016-17	0	0
	2016-17	2017-18	0	0
	2017-18	2018-19	0	0
	2018-19	2019-20	0	0
	2019-20	2020-21	0	0
	2020-21	2021-22	0	0
	2021-22	2022-23	0	0
<b>Total</b>			<b>92,45,704</b>	<b>92,45,704</b>

Provision for Income Tax for the financial year 2021-22 is made Rs 33,20,619 - MAT credit entitlement is nil-

**Note No :12 :CONTINGENT LIABILITIES AND COMMITMENTS :**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Rs	Rs	Rs	Rs
<b>(i) Contingent Liabilities :</b>				
Claims against the company not acknowledged as debts :				
a) Tamilnadu Newsprint & Papers Ltd		0		0
b) Income Tax relating to the asst years in appeal		10,21,50,923		10,21,50,923
c) Interest Tax Appels filed by the I T Dept against the Tribunal Orders.		0		0
<b>Total</b>		<b>10,21,50,923</b>		<b>10,21,50,923</b>



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**NOTE No:12: CONTINGENT LIABILITIES AND COMMITMENTS :**

Contd..

**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 cases are coming up for final hearing before Hon'ble High Court of Telangana.

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.

**Other Income Tax Issues**

a) **Assessment Year 2008-09:** The Company (ABFSL) received on 12.03.2010 an intimation U/s 143(1) of Income Tax Act, 1961 with a demand of Rs 528,790/-, wherein IT Department has not taken into consideration all TDS remittances / recovered by Bankers and the FBT & Income Tax remittances made by Company (ABFSL). The Company (ABFSL) submitted detailed proofs of original TDS certificates and copies of the counterfoils remitting the FBT to Income Tax Department with a request to issue modified orders U/s 154 of IT Act, 1961, there is no tax liability for the company to pay further. The Company (ABFSL) is pursuing for the modified orders.

b) **Assessment Year 2010-11:** The Company received the intimation u/s 143(1) from the CPC, Bangalore indicating that an amount of Rs 92,065 was refundable to the company after adjusting an amount of Rs 1075 towards arrears demad outstanding for the Asst Year 2008-09 which itself already adjusted out of the refund for Asst Year 2009-10 vide their intimation dated 25.02.2011. The refund amount of Rs 92065/- has been received on 18.04.2013.

c) **Assessment Year 2012-13:** The return filed by the company was processed and an intimation under section 143(1) of the Income Tax Act was received with a demand of Rs 3,82,200/-. The department has given the MAT credit as difference of Income Tax (excluding surcharge & education cess) under normal provisions and MAT provisions instead of difference between the total tax paid under normal provisions including SC & EC and MAT Provisions of Income Tax Act, 1961, which had resulted in the demanding the Tax. The company had paid the same and filed an appeal before the CIT(A) and on 29.10.2014 the appeal is allowed. Consequential orders not yet received.

d) **Assesment year 2013-14:** The return filed by the company declaring its income under normal provisions of income tax act at Rs.1,15,44,934/- and claimed refund of Rs.2,57,160/-. Against the said return the company received intimation under section 143(1) accepting the income declared in the return of income but received refund Rs.1,48,960/- On Verification of the said intimation it is observed that the demand arose due to not taking into account surcharge and education cess while giving credit for tax u/s 115j. The company filed appeal before CIT A(A) which is yet to come for hearing. Appeal allowed on 27-10-2016 vide order no. 0701/CIT(A)-1/Hyd/2014-15/2016-17 dated 27-10-2016. Consequential order not yet received.

e) **Assesment Year 2014-15:** The return filed by company delcaring its income under normal provisions of income tax act at 1,51,94,322/- by claiming a refund of Rs.4,63,758, which however calculated as Rs.3,99,850/- after considering interest erroneously u/s 234c of Rs.63,908/-. Against the said return the company received intimation under section 143(1) accepting the income declared in the return of income but received refund of Rs.3,43,240/-. On verification of the said intimation it is observed that the demand arose due to not taking into account surcharge and education cess while giving credit for tax u/s 115j. The company file appeal before CIT (A) and appeal is allowed vide order no. 0711/CIT/(A)-1/HYD/2014-15/2016-17 dated 27-10-2016.

**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 on01-04-2015.LCNo17/2011 is dismissed. The Judge in Central Govt. Industrial Tribunal got retired and new Judge is not yet posted.

Note No.13

- 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)



**NOTE No :14: REVENUE FROM OPERATIONS**

Particulars	For the period April 1, 2021 to March 31, 2022		For the period April 1, 2020 to March 31, 2021	
	Rs	Rs	Rs	Rs
<b>a) Interest Income</b>				
(i) On Bank Deposits	1,42,57,389	1,42,57,389	1,58,76,300	1,58,76,300
(iii) Interest on I.T Refunds				
<b>b) Other Income :</b>				
<b>i) Dividend Income</b>				10,800
from domestic companies	9,600	9,600		
<b>ii) Investment Business :</b>				
Opening Stock :Rs.543897				
Add : Purchases	0			
Sales of stock ( Cost)	0			
Closing Stock: Rs.543897				
Earnings / Net of Investments ( profit/loss )				1,30,433
<b>iii) Prior Period Income</b>	1,51,064	1,51,064		2,30,85,355
<b>iv) other income</b>				
		<b>1,44,18,053</b>		<b>3,91,02,888</b>

**NOTE NO.15 :- EMPLOYEE BENEFITS EXPENSES**

Particulars	For the period April 1, 2021 to March 31, 2022		For the period April 1, 2020 to March 31, 2021	
	Rs	Rs	Rs	Rs
Salaries & Allowances	17,76,551		13,81,649	
Contribution to Pension Fund	0		0	
Gratuity Expense	0		0	
Staff welfare expenses	0		0	
		<b>17,76,551</b>		<b>13,81,649</b>

**NOTE No : 16 : ADMINISTRATIVE AND OTHER EXPENSES**

Particulars	For the period April 1, 2021 to March 31, 2022		For the period April 1, 2020 to March 31, 2021	
	Rs	Rs	Rs	Rs
Sitting fee to Directors	2,80,000		8,50,000	
Rent for office Premises	1,44,000		1,44,000	
Printing & Stationery	3,831		3,707	
Postage & Telephones	10,768		10,655	
Printer expenses	0	<b>4,38,599</b>	1,700	<b>10,10,062</b>

**NOTE No:17: OTHER EXPENSES**

Particulars	For the period April 1, 2021 to March 31, 2022		For the period April 1, 2020 to March 31, 2021	
	Rs	Rs	Rs	Rs
Payment to Auditors	0		0	
-As Auditor	60,250		71,050	
-For Tax Audit	0			
Legal & Professional fees	1,42,200		2,07,550	
Filing Fees	63,010		60,330	
amc	0		0	
Miscellaneous expenses	1,364	2,66,824	3,670	3,42,600
		<b>2,66,824</b>		<b>3,42,600</b>



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NOTE NO.17 :- OTHER EXPENSES	Contd..
<p>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).</p>	

**NOTE No : 18 : TAX EXPENSE :**

Particulars	For the period April 1, 2021 to March 31, 2022		For the period April 1, 2020 to March 31, 2021	
	Rs	Rs	Rs	Rs
Tax Expense under normal provisions of I.T Act	33,20,619		1,01,17,740	
Less: MAT Credit Entitlement during the year	0		0	
Provision made for Tax expense for the year (Equal to the Tax Expense under MAT Provisions of I.T Act)	33,20,619	33,20,619	1,01,17,740	1,01,17,740
		<b>33,20,619</b>		<b>1,01,17,740</b>

The Company has paid the advance Income Tax of Rs 18,75,000/- in addition to the TDS of Rs 14,25,739- on interest income during the year 2021-22. The Company comes under the regular provisions of the Income Tax during the current year and no outstanding MAT credit available.. During the previous year 2020-21 the company has paid an advance Income tax of Rs 94,68,990- in addition to the TDS of Rs 11,90,723/- on interest income and the company comes under normal provisions of the Income Tax Act 1961. The I.T assessment for the FY-2019-20 and 2020-21 are not yet completed.

**NOTE No : 19 : EARNINGS PER EQUITY SHARE :**

Particulars	For the period April 1, 2021 to March 31, 2022		For the period April 1, 2020 to March 31, 2021	
	Rs	Rs	Rs	Rs
(i) BASIC & DILUTED : Earnings per Equity Share		1.72		5.25
Calculation of EPS :				
A : Net Profit	86,15,460		2,62,50,837	
B : Weighted Average Number of Equity Shares	50,00,000		50,00,000	
BASIC & DILUTED Earnings per Equity Share ( A / B )		1.72		5.25

**Note No 20 : Status of Registratration as NBFC :**

a) As per the directions issued by Reserve Bank of India for registration of Non Banking Financial Companies on 9<sup>th</sup> January 1997, the Company's (ABFSL) application for registration was rejected by RBI vide their letter No. DNBS (H) CMS No.2238/HYQ 0472/2004-05 dated 28<sup>th</sup> January 2005 requiring the Company (ABFSL) to pass a specific Board Resolution not to carry on the business of a Non-Banking Financial Institution.

RBI further informed the Company (ABFSL) to ensure that within a period of 3 years from the date of issue of their said letter, the financial assets of the Company (ABFSL) are disposed of and the Company (ABFSL) is converted into a Non-Banking Non-Financial Institution or is wound up.

Accordingly the Company (ABFSL) passed Board Resolution on 03.02.2005 to explore the course of suitable action by the Managing Director at the earliest. The Company (ABFSL) has disposed of the financial assets except the shares.



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.

**NOTE No : 21 : 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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