

## INDEPENDENT AUDITOR'S REPORT

To the Members of Federal Operations and Services Limited  
Kochi

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Federal Operations and Services Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner 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 31<sup>st</sup> March, 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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



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Report thereon. The Director's Report is expected to be made available to us after the date of this Auditor's Report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flow statement 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration has not been paid to the directors by the Company during the year, the reporting requirements under section 197(16) of the Act is not applicable to the Company during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note No.40 to the financial statements, 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, as disclosed in the Note No.40 to the financial statements, 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



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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 performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has paid dividend on preference shares during the year and has complied with the provisions of Section 123 of the Act in respect of such payment.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a 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 our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

Place: Kochi-19

Date: 29-04-2024

UDIN: 24208259BKFMVC4751

For VARMA & VARMA  
(FRN:004532S)



(VIVEK KRISHNA GOVIND)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 208259

**ANEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF FEDERAL OPERATIONS AND SERVICES LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024**

1. a) A.) According to the information and explanations given to us and the records of the company examined by us, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  

B.) According to the information and explanations given to us and the records of the company examined by us, the company is maintaining proper records showing full particulars of intangible assets.
  - b) According to the information and explanations given to us and the records of the company examined by us, the Property, Plant and Equipment of the Company have been physically verified by the management at reasonable intervals, which, in our opinion is reasonable having regard to the size of the Company and the nature of its business, and no material discrepancies have been noticed on such verification.
  - c) According to the information and explanations given to us and the records of the company examined by us, there are no immovable properties held by the Company and hence the reporting requirements under the Clause (i)(c) of Para 3 of the Order are not applicable at this stage.
  - d) According to the information and explanations given to us and the records of the company examined by us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year and hence the reporting requirements under the Clause (i)(d) of Para 3 of the Order is not applicable at this stage.
  - e) According to the information and explanations given to us and the records of the company examined by us, no proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. a) The Company has no inventories and hence the reporting requirements under Clause (ii)(a) of Para 3 of the Order are not applicable to the Company at this stage.



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- b) According to the information and explanations given to us and the records of the company examined by us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence the reporting requirements under Clause (ii)(b) of Para 3 of the Order are not applicable to the Company.
3. According to the information and explanations given to us and the records of the company examined by us the company has not made any investments in or provided any guarantee to companies, firms, limited liability partnerships, or any other parties.
4. According to the information and explanations given to us and the records of the company examined by us, the company has not granted any loans or made any investment or given any guarantee or security during the year as stated in Section 185 and 186 of the Act. Accordingly, the reporting requirements under clauses (iv) of paragraph 3 of the Order are not applicable.
5. The Company has not accepted any deposits or any amounts deemed to be deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder are not applicable.
6. To the best of our knowledge and according to the information and explanations given to us, 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 at this stage.
- 7.
- a) As per the information and explanations furnished to us and according to our examination of the records of the company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and Services Tax, Duty of Customs, Cess and other statutory dues, as applicable to the company to the appropriate authorities during the year.
- b) There are no arrears of undisputed statutory due outstanding as at the last day of the financial year for a period of more than six months from the date on which they become payable.
- c) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed amounts due to be deposited of Sales





**Tax, Duty of Customs, Duty of Excise, Value Added Tax or Goods and Services Tax  
as at 31<sup>st</sup> March, 2024.**

8. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and hence the reporting requirements under clause (viii) of paragraph 3 of the Order is not applicable to the company.
- 9.
- a) The Company has not taken loans or borrowings from any lender and accordingly the reporting requirements under clause (ix)(a), (b), (c) and (d) of Para 3 of the Order is not applicable to the Company at this stage.
  - b) The Company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and accordingly the reporting requirements under clause (ix)(e) of Para 3 of the Order is not applicable to the Company at this stage.
  - c) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and accordingly the reporting requirements under clause (ix)(f) of Para 3 of the Order is not applicable to the Company at this stage.
- 10.
- a) According to the information and explanations given to us and the records of the Company examined by us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and accordingly the reporting requirement under the clause (x)(a) of Para 3 of the Order is not applicable to the Company at this stage.
  - b) According to the information and explanations given to us and the records of the Company examined by us, the company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year and hence, the reporting requirements under clause (x)(b) of Para 3 of the Order are not applicable.
- 11.
- a) During the course of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any

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instances of material fraud by the company or on the company, noticed or reported during the year, nor have been informed of such case by the Management.

- b) No report under Section 143(12) of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
  - c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not received whistle-blower complaints during the year and accordingly the reporting requirements under clause (xi)(c) of Para 3 of the Order is not applicable to the Company at this stage.
12. The company is not a Nidhi Company. Accordingly, the reporting requirements under clause (xii) (a), (b) and (c) of Para 3 of the Order are not applicable.
  13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in Note No.28 to the financial statements as required by the applicable accounting standards.
  14. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013. Accordingly, the reporting requirements under the clause (xiv) (a) and (b) of Para 3 of the Order are not applicable.
  15. According to the information and explanations given to us and the records of the company examined by us, the company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of paragraph 3 of the Order is not applicable,
  16.
    - a) According to the information and explanations given to us and the records of the Company examined by us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) (a), (b) and (c) of Para 3 of the Order is not applicable.
    - b) According to the information and explanations given to us and the records of the Company examined by us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, the reporting requirement under clause (xvi) (d) of Para 3 of the Order is not applicable.



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17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of statutory auditors of the Company during the year and accordingly this clause is not applicable.
19. According to the information and explanations given to us and the records of the Company examined by us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20.
- a) According to the information and explanations given to us and the records of the Company examined by us, there are no unspent amounts towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects requiring a transfer to the Fund specified in Schedule VII to the Act in compliance with second proviso to Section 135(5) of the said Act. Hence, the reporting requirements under clause (xx) (a) of paragraph 3 of the Order are not applicable to the Company for the year.
- b) According to information and explanations given to us and the records of the Company examined by us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to the special account in compliance with sub section (6) of Section 135 of the said Act. Hence, the reporting requirement under clause (xx) (b) of paragraph 3 of the Order are not applicable to the Company.



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21. The Company does not have the requirement for preparation of consolidated financial statements and accordingly, the reporting requirement under clause (xxi) of Para 3 of the Order is not applicable.

Place: Kochi-19

Date: 29-04-2024

UDIN: 24208259BKFMVC4751

For VARMA & VARMA  
(FRN: 0045326)



(VIVEK KRISHNA GOVIND)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 208259

**ANNEXURE B REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF FEDERAL OPERATIONS AND SERVICES LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024**

**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 system with reference to financial statements reporting of Federal Operations and Services Limited ("the Company") as of and for the year ended 31<sup>st</sup> March, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls systems with reference to financial statements reporting 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") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the ICAI.

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 statements 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 over financial statements reporting and their operating effectiveness. Our audit of internal financial controls over financial statements reporting included obtaining an understanding of internal financial controls system with reference to financial statements 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 Company's internal financial controls system with reference to financial statements reporting.

#### **Meaning of Internal Financial Controls with reference to Financial Statements Reporting**

A company's internal financial control system with reference to financial statements reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control system with reference to financial statements reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements Reporting**

Because of the inherent limitations of internal financial controls system with reference to financial statements 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 system with reference to financial statements reporting to future periods are subject to the risk that the internal financial control system with reference to financial statements reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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## **Opinion**

In our opinion, 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 31<sup>st</sup> March, 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.

Place: Kochi-19

Date: 29-04-2024

UDIN: 24208259BKFMVC4751

For VARMA & VARMA  
(FRN: 004532 S)



(VIVEK KRISHNA GOVIND)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 208259

**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2024**

*(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)*

Particulars	Note No.	As at	
		31st March, 2024	31st March, 2023
<b>I. Equity and Liabilities</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	2	1,000.00	1,000.00
(b) Reserves and surplus	3	1,618.15	1,062.29
		<b>2,618.15</b>	<b>2,062.29</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term provisions	4	79.87	67.52
		<b>79.87</b>	<b>67.52</b>
<b>(3) Current liabilities</b>			
(a) Trade payables:-	5	-	-
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		242.95	113.21
(b) Other current liabilities	6	605.50	360.28
(c) Short-term provisions	7	8.17	3.94
		<b>856.62</b>	<b>477.43</b>
<b>Total</b>		<b>3,554.64</b>	<b>2,607.24</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant & Equipment and Intangible assets	8		
(i) Property, Plant & Equipment		877.31	329.31
(ii) Intangible assets		3.39	5.26
(iii) Capital work-in-progress		83.04	-
(b) Deferred tax assets (net)	9	99.74	78.84
(c) Long-term loans and advances	10	56.77	31.08
(d) Other non-current assets	11	283.52	273.45
		<b>1,403.77</b>	<b>717.94</b>
<b>(2) Current assets</b>			
(a) Trade receivables	12	853.97	571.99
(b) Cash and cash equivalents	13	1,013.03	1,121.27
(c) Short-term loans and advances	14	200.16	83.48
(d) Other current assets	15	83.71	112.56
		<b>2,150.87</b>	<b>1,889.30</b>
<b>Total</b>		<b>3,554.64</b>	<b>2,607.24</b>

Significant accounting policies and Notes on Accounts (1 to 44)  
The accompanying notes form an integral part of the financial statements.

As per our separate report of even date attached

For and on behalf of the Board of Directors

**For VARMA & VARMA**  
(FRN: 0046328)

(VIVEK KRISHNA GOVIND)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 208259



*[Signature]*  
Paiparambath Anil  
Company Secretary

*[Signature]*  
Prashant Preman  
Director  
DIN: 09134084

*[Signature]*  
Rinu Jacob  
Chief Financial Officer

*[Signature]*  
Johnson K Jose  
Director  
DIN: 08267398

Place : Kochi  
Date : 29.04.2024



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024**

*(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)*

Particulars		Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>I.</b>	Revenue from operations	16	7,647.02	5,956.47
<b>II.</b>	Other income	17	204.14	228.80
<b>III.</b>	<b>Total Income (I+II)</b>		<b>7,851.16</b>	<b>6,185.27</b>
<b>IV.</b>	<b>Expenses:</b>			
	Employee benefits expense	18	4,266.30	2,762.05
	Depreciation and amortization expense	8	347.93	231.55
	Other expenses	19	2,519.23	2,614.06
	<b>Total Expenses</b>		<b>7,133.46</b>	<b>5,607.66</b>
<b>V.</b>	<b>Profit before tax (III-IV)</b>		<b>717.70</b>	<b>577.61</b>
	<b>Tax expense:</b>			
	(1) Current tax		121.66	117.82
	(2) Deferred tax		(20.90)	(19.46)
	(3) Tax for prior years		18.58	1.58
<b>VI.</b>	<b>Profit (Loss) for the period (V-VI)</b>		<b>598.36</b>	<b>477.67</b>
<b>VII.</b>	<b>Earnings per equity share (in Rupees):</b>	20		
	Nominal value of share Rs. 10/-			
	Basic/ Diluted		<b>11.97</b>	<b>9.55</b>

Significant accounting policies and Notes on Accounts (1 to 44)

The accompanying notes form an integral part of the financial statements.

As per our separate report of even date attached


For and on behalf of the Board of Directors


**For VARMA & VARMA**  
(FRN: 0045325)


  
**(VIVEK KRISHNA GOVIND)**  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 208259



Place : Kochi  
Date : 29.04.2024

  
Paiparambath Anil  
Company Secretary

  
Prashant Preman  
Director  
DIN: 09134084

  
Rinu Jacob  
Chief Financial Officer

  
Johnson K Jose  
Director  
DIN: 08267398

**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024**

*(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)*

Particulars	For the Year Ended 31st March, 2024		For the Year Ended 31st March, 2023	
<b>A. Cash Flows from Operating Activities</b>				<b>577.61</b>
Net Profit / (Loss) before taxation and exceptional items		717.70		
<b>Adjustments for:</b>				
Interest Income	(7.58)		(24.01)	
Provision for Gratuity	16.58		25.36	
Depreciation and amortization expense	347.93	356.93	231.55	232.90
<b>Operating Profit before Working Capital Changes</b>		<b>1,074.63</b>		<b>810.51</b>
<b>Adjustments for:</b>				
(Increase) / Decrease in Trade Receivables	(281.97)		(50.71)	
Increase / (Decrease) in Trade Payables	129.74		20.22	
(Increase) / Decrease in Loans and Advances	(142.37)		(0.17)	
(Increase) / Decrease in Other Non Current Assets	(10.07)		(131.17)	
Increase / (Decrease) in Other Current Liabilities	245.22		144.30	
(Increase) / Decrease in Other current assets	28.84	(30.61)	(112.57)	(130.11)
<b>Cash Generated from operations</b>		<b>1,044.01</b>		<b>680.40</b>
Income tax paid		(140.24)		(119.39)
<b>Net Cash from / (used) in Operating Activities</b>		<b>903.77</b>		<b>561.01</b>
<b>B. Cash Flows from Investing Activities</b>				
Interest Income	7.58		24.01	
Purchase of property, plant and equipments including Capital work in progress/ Capital Advances	(977.09)	(969.51)	(209.94)	(185.93)
<b>Net Cash from / (used) in Investing Activities</b>		<b>(969.51)</b>		<b>(185.93)</b>
<b>C. Cash Flows from Financing Activities</b>				
Dividend paid on preference shares	(42.50)	(42.50)	(42.50)	(42.50)
<b>Net Cash from / (used) in Financing Activities</b>		<b>(42.50)</b>		<b>(42.50)</b>
Net Cash from / (used) Operating Activities		903.77		561.01
Net Cash from / (used) in Investing Activities		(969.51)		(185.93)
Net Cash from / (used) in Financing Activities		(42.50)		(42.50)
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>		<b>(108.24)</b>		<b>332.58</b>



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024**

*(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)*

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Cash and Cash Equivalents at beginning of the period	1,121.27	788.69
Cash and Cash Equivalents at the end of the period	1,013.03	1,121.27
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(108.24)</b>	<b>332.58</b>

Note : As on reporting date there are no deposits with maturity period greater than 12 months. These deposits can be withdrawn by the company at any point without prior notice or penalty on the principal and accordingly classified as cash and cash equivalents.


As per our separate report of even date attached


For and on behalf of the Board of Directors


**For VARMA & VARMA**  
(FRN:004532S)


  
**(VIVEK KRISHNA GOVIND)**  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 208259



  
Paiparambath Anil  
Company Secretary

  
Prashant Preman  
Director  
DIN: 09134084

  
Rinu Jacob  
Chief Financial Officer

  
Johnson K Jose  
Director  
DIN: 08267398

Place : Kochi  
Date : 29.04.2024

**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**1 SIGNIFICANT ACCOUNTING POLICIES, NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**Corporate information**

Federal Operations and Services Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of Companies Act, 2013. The company is a wholly-owned subsidiary of Federal Bank Limited and is engaged in the business of carrying on back end operational activities and technology oriented services including support functions of the Bank and all related activities, processes, subprocesses, data processing services, data management services, transcription services, disaster recovery management services, payroll services, human resource services and activities carried on at help desk, benefits administration, training management activities, business and technology process outsourcing services, Sales, Collections and activities of Data Entry Operations etc.

**A Basis of preparation of accounts**

Financial statements are prepared under the historical cost convention, on accrual basis in compliance with the provisions of the Companies Act 2013 and the Accounting standards specified under section 133 of the Companies Act, 2013, read with Companies (Accounts Standards) Rules, 2021. The Financial Statements are prepared on accrual basis and under the historical cost convention.

**B Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and that also affect the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. The management believes that the estimates used in the preparation of the Financial Statements are prudent and reasonable. Any revisions to accounting estimates are recognised prospectively in current and future periods.

**C Revenue Recognition**

**i Service Income**

(a) Revenue from operations is recognized as and when services are rendered, as per the terms of Master Service Agreement entered into by the Company.

**ii Other Income**

- (a) Interest income is recognised on accrual basis using effective interest rate method.
- (b) Dividend income is recognised when the company's right to receive is established
- (c) Other incomes are recognised on accrual basis except when there are significant uncertainties

**D Property, Plant and Equipment**

Property, Plant and Equipments are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

On disposal of an item of property, plant and equipment, the differences between the disposal proceeds and its carrying amount is recognised in the Statement of Profit and Loss. The residual values, useful life and method of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate. Capital work in progress comprises of the cost of fixed asset that are not yet ready for their intended use at the reporting date.



## **E Intangible Assets**

Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

## **F Depreciation**

Depreciation is provided on Written Down Value Method in accordance with Schedule II of the Companies Act, 2013. The useful life adopted is as prescribed under Schedule II of the Companies Act 2013, except for the following assets for which a different useful life has been adopted on the basis of technical evaluation/management estimate, based on a review by the management at the year end:-

- (a) The cost of lease holds improvements are amortised on a straight line basis over the lease period.
- (b) Cost of license is capitalised as intangible asset and amortized over the license period. Also, the cost of software is capitalised as intangible asset and amortised on a straight line basis over the useful life of 5 years.
- (c) Assets individually costing Rs. 2,000/- or less are fully depreciated in the year of purchase.

## **G Employee Benefits (AS 15)**

### **i Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and the undiscounted amounts are recognized as expenses in the statement of Profit & Loss of the year in which the related services are rendered.

### **ii Defined Contribution Plan**

The company has defined contribution plans for employees comprising of Provident Fund, Employee State Insurance and labour welfare fund. The contributions paid/payable to these plans during the year are charged to Statement of Profit & Loss for the Year.

### **iii Defined Benefit Plan**

#### **Gratuity**

The company pays gratuity, a defined benefit plan, to employees who retire or resign. The Company provides gratuity to the eligible employees as a terminal benefit. These liabilities are determined on the basis of actuarial valuation under projected unit credit method at the Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

## **H Taxes on Income**

Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961. Deferred Tax assets/liabilities representing timing differences between accounting income and taxable income are recognised to the extent considered capable of being reversed in subsequent years by applying tax rate substantially enacted as at the end of the year. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except for deferred tax assets arising due to unabsorbed depreciation and losses.

## **I Borrowing costs**

As per AS 16, Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. Other borrowing costs are recognized as expenditure for the period in which they are incurred.

## **J Impairment of Assets**

As per AS 28, the company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss, if any, is charged to the Profit & Loss Statement in the period in which, an asset is identified as impaired. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount



## **K Government Incentives**

Grants and subsidies from the Government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the assets concerned in arriving at the carrying amount of the related asset. Government grants in the form of non-monetary assets given at a concessional rate are accounted for on the basis of their acquisition cost.

## **L Earnings Per Share**

- i The company reports basic and diluted earnings per share in accordance with Accounting Standard 20 on "Earnings per Share". Basic earnings per share are computed by dividing the Net Profit or Loss for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the period.
- ii Diluted earnings per share are computed by dividing the net Profit or Loss for the year attributable to equity share holders (after deducting attributable taxes) by the weighted average number of Equity Shares outstanding during the period as adjusted for the effects of all diluted potential Equity Shares outstanding as at the year end.

## **M Investments**

- i Investments that are readily realizable and intended to be held for not more than a year are classified as Current Investments. All other investments are classified as Long-Term Investments.
- ii Investments held as long-term investments are carried at cost comprising of acquisition and incidental expenses. Provision for diminution in value of investments, if any, is made if in the opinion of management, such diminution is other than temporary. Investments other than long-term investments are classified as current investments and valued at lower of cost or fair value.

## **N Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Lease payments for assets taken on operating lease are recognized as an expense in the Statement of Profit and Loss as per the lease terms.

## **O Foreign currency transactions**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the year-end. The exchange gain/ loss arising during the year are adjusted to the Statement of Profit and Loss.

## **P Provisions, Contingent Liabilities and Contingent Assets**

As per AS 29, Provisions are recognised when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation. Contingent assets are neither recognised nor disclosed in the accounts.



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

**2 Share capital**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised:</b>				
Equity Share Capital		500.00		500.00
50,00,000 Shares of Rs. 10/- each				
Preference Share Capital		1,500.00		1,500.00
1,50,00,000 Shares of Rs. 10/- each				
		<b>2,000.00</b>		<b>2,000.00</b>
<b>Issued, Subscribed and Fully paid:</b>				
50,00,000 Equity shares of Rs. 10/- each		500.00		500.00
50,00,000 8.5% Preference shares of Rs. 10/- each		500.00		500.00
		<b>1,000.00</b>		<b>1,000.00</b>

**2.1 Reconciliation of equity shares outstanding at the beginning and at the end of the financial year:**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the financial year	50,00,000	500.00	50,00,000	500.00
Add: Shares issued during the year	-	-	-	-
At the end of the financial year	50,00,000	500.00	50,00,000	500.00

**2.2 Reconciliation of preference shares outstanding at the beginning and at the end of the financial year:**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the financial year	50,00,000	500.00	50,00,000	500.00
Add: Shares issued during the year	-	-	-	-
At the end of the financial year	50,00,000	500.00	50,00,000	500.00

**2.3 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. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.4 Terms/Rights attached to 8.5% Non Cumulative Non-participating Redeemable Preference Shares**

8.5% Non Cumulative Non-participating Redeemable Preference Shares having a par value of Rs 10 per share are redeemable within a period of 10 years at the discretion of the Company. The preference shares do not have voting rights other than in respect of matters directly affecting it. Conversion to equity shares is not permitted.

**2.5 Details of Shareholders holding more than 5% share in the Company at the end of the year:**

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	%	Number of shares	%	Number of shares
<b>Equity shares:-</b>				
The Federal Bank Limited	99.99	49,99,695	99.99	49,99,695
<b>Preference shares:-</b>				
The Federal Bank Limited	100.00	50,00,000	100.00	50,00,000



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

**2.6 Shares held by Holding Company**

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	%	Number of shares	%	Number of shares
<b>Equity shares:-</b> The Federal Bank Ltd., the Holding Company	99.99	49,99,695	99.99	49,99,695
<b>Preference shares:-</b> The Federal Bank Ltd., the Holding Company	100.00	50,00,000	100.00	50,00,000

**2.7 Shares held by Promoters**

Name of the promoter	No. of shares held		% of Total Shares	% change during the year
	As at 31st March, 2024	As at 31st March, 2023		
<b>Equity shares:-</b> The Federal Bank Limited	49,99,695	49,99,695	99.99%	0%
<b>Preference shares:-</b> The Federal Bank Limited	50,00,000	50,00,000	100%	0%

*Note: Details of promoters is as per annual return filed with the Registrar of Companies.*

**3 Reserves and Surplus**

**(Amount in ₹ Lakhs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Surplus in the Statement of Profit and Loss</b>		
Opening Balance	1,062.29	627.12
Add/ (Less): Profit/(Loss) for the year as per Statement of Profit and Loss	598.36	477.67
Less : Preference dividend paid	(42.50)	(42.50)
<b>Closing balance</b>	<b>1,618.15</b>	<b>1,062.29</b>





**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

**4 Long-term provisions**

Particulars	(Amount in ₹ Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for employee benefits</b>		
Provision for Gratuity (Refer Note 4.1 below)	79.87	67.52
	<b>79.87</b>	<b>67.52</b>

**4.1 Disclosures required under Accounting Standard 15 - "Employee Benefits" :**

**4.1.1. Defined Contribution Plans**

During the year, the following amounts have been recognised in the Statement of Profit and Loss on account of defined contribution plans:

Particulars	(Amount in ₹ Lakhs)	
	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Employer's contribution to Provident Fund	250.42	175.41
Employer's contribution to Employee State Insurance	56.14	45.47
	<b>306.56</b>	<b>220.88</b>

**4.1.2 Defined Benefit Plans-Gratuity (Funded)**

(i) Actuarial Assumptions	As at 31st March, 2024	As at 31st March, 2023
Discount Rate	7.02% pa	7.31% p.a.
Superannuation Age	60 Years	60 Years
Expected return on plan assets	Funded	Unfunded
Salary escalation rate *	5.00% p.a.	5.00% p.a.
Mortality rate	IIAM 2012- 15(ULTIMATE)	IALM 2012- 14 Ultimate

\* The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

(ii) Reconciliation of present value of obligation	(Amount in ₹ Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Present value of obligation at the beginning of the year	67.97	46.10
Current Service Cost	48.55	33.53
Interest Cost	4.75	3.36
Actuarial (gain)/loss	(11.37)	(15.02)
Benefits Paid	0.65	-
Curtailments	-	-
Settlements	-	-
Present value of obligation at the end of the year	<b>109.25</b>	<b>67.97</b>



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

(Amount in ₹ Lakhs)		
(iii) Reconciliation of fair value of plan assets	As at 31st March, 2024	As at 31st March, 2023
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	28.90	-
Benefits paid	0.65	-
Assets distributed on settlement	-	-
Fair value of plan assets at the end of the year	28.25	-

(Amount in ₹ Lakhs)		
(iv) Description of Plan Assets	As at 31st March, 2024	As at 31st March, 2023
Insurer Managed Funds	-	-

(Amount in ₹ Lakhs)		
(v) Net (Asset)/Liability recognised in the Balance Sheet as at year end	As at 31st March, 2024	As at 31st March, 2023
Present value of obligation	109.25	67.97
Fair value of plan assets	28.25	-
Net present value of funded obligation recognised as (asset)/liability in the Balance Sheet	81.00	67.97

(Amount in ₹ Lakhs)		
(vi) Expenses recognised in the Statement of Profit and Loss	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current Service Cost	48.55	33.53
Interest Cost	4.75	3.36
Expected return on plan assets	-	-
Actuarial (gain) / loss recognised in the period	(11.37)	(15.02)
Past Service Cost	-	-
Curtailment cost	-	-
Settlement cost	-	-
Total expenses recognised in the Statement of Profit and Loss for the year	41.93	21.87
Actual return on plan assets	-	-

The above disclosures are based on information furnished by independent actuary and relied upon by the auditors.

4.2 The liabilities arising on account of leave encashment are short-term in nature as no leaves are eligible to be carried forward and therefore, no actuarial valuation is obtained for the same. The company follows calendar year for leave encashment and any liability arising for the short term are provided on the basis of management estimate.



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

**5 Trade payables**

(Amount in ₹ Lakhs)

Particulars	(Amount in ₹ Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Trade Payables</b>		
(i) Total Outstanding dues of Micro Enterprises and Small Enterprises; and (Refer Note 5.1)	-	-
(ii) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	242.95	113.21
	<b>242.95</b>	<b>113.21</b>

5.1 The Company has taken steps to identify suppliers who qualify under the definition of Micro and Small Enterprises, as defined under the Micro, Small and Medium Enterprises Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31.03.2024, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished.

5.2 Trade payables ageing schedule has been disclosed in Note No.29.

**6 Other current liabilities**

(Amount in ₹ Lakhs)

Particulars	(Amount in ₹ Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
(a) Other :		
(i) Statutory dues	152.53	103.87
(ii) Dues to employees	359.98	226.22
(iii) Creditors for capital goods	48.23	1.38
(iv) Retention money	3.72	7.75
(v) Security Deposit	41.04	21.06
	<b>605.50</b>	<b>360.28</b>

**7 Short-term provisions**

(Amount in ₹ Lakhs)

Particulars	(Amount in ₹ Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for Employee Benefits</b>		
(i) Provision for Gratuity (Refer Note 4.1)	1.13	0.46
(ii) Provision for Leave Encashment (Refer Note 4.2)	7.04	3.48
	<b>8.17</b>	<b>3.94</b>



FEDERAL OPERATIONS AND SERVICES LIMITED  
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

8. Property, Plant & Equipment and Intangible assets

(Amount in ₹ Lakhs)

Particulars	GROSS BLOCK (At Cost)			DEPRECIATION/AMORTIZATION			NET BLOCK		
	As at 1st April, 2023	Additions during the year	Disposals/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	For the Year	Disposals/ Adjustments	As at 31st March, 2023	As at 31st March, 2024
<b>(i) Property, Plant &amp; Equipment</b>									
Computer & Accessories	564.52 (399.92)	201.79 (164.60)	-	766.31 (564.52)	400.04 (259.93)	168.20 (140.11)	-	164.48 (139.99)	198.07 (164.48)
Furniture and Fixtures	180.63 (180.45)	165.08 (0.18)	-	345.71 (180.63)	101.38 (73.63)	51.04 (27.75)	-	79.25 (106.82)	193.29 (79.25)
Lease Hold Improvements	10.80	403.02 (10.80)	-	413.82 (10.80)	4.13	50.52 (4.13)	-	6.67	359.17 (6.67)
Office Equipment	340.04 (306.01)	120.41 (34.03)	-	460.45 (340.04)	261.12 (207.17)	72.55 (53.96)	-	78.91 (98.84)	126.78 (78.91)
<b>Total Tangible Assets</b>	<b>1,095.99</b> <b>(886.58)</b>	<b>890.30</b> <b>(209.61)</b>	<b>-</b>	<b>1,986.29</b> <b>(1,095.99)</b>	<b>766.67</b> <b>(540.73)</b>	<b>342.31</b> <b>(225.95)</b>	<b>-</b>	<b>329.31</b> <b>(345.65)</b>	<b>877.31</b> <b>(329.31)</b>
<b>(ii) Intangible Assets</b>									
Computer Software	31.25 (31.25)	3.75 -	-	35.00 (31.25)	25.99 (20.39)	5.62 (5.60)	-	5.26 (10.86)	3.39 (5.26)
<b>Total Assets</b>	<b>1,127.24</b> <b>(917.63)</b>	<b>894.05</b> <b>(209.61)</b>	<b>-</b>	<b>2,021.29</b> <b>(1,127.24)</b>	<b>792.66</b> <b>(561.12)</b>	<b>347.93</b> <b>(231.55)</b>	<b>-</b>	<b>334.57</b> <b>(356.51)</b>	<b>880.70</b> <b>(334.57)</b>



(iii) Capital work-in-progress

(Amount in ₹ Lakhs)

Particulars	As at 1st April, 2023	Additions/ Adjustments	Disposals/ Adjustments	As at 31st March, 2024
(a) Lease Hold Improvements	-	83.04	-	83.04
	(-)	(-)	(-)	(-)
<b>Total</b>				
<i>Previous year</i>				

Capital work-in-progress Ageing

(Amount in ₹ Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	83.04	-	-	-	83.04
	(-)	(-)	(-)	(-)	(-)
Projects temporarily suspended	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>83.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83.04</b>
<i>Total - Previous Year</i>	<i>(-)</i>	<i>(-)</i>	<i>(-)</i>	<i>(-)</i>	<i>(-)</i>

8.1 Leasehold improvements represent expenditure incurred on construction of additional structures and for making enduring modifications to the building taken on operating lease arrangements by the Company. These lease arrangements are treated as extendible to cover the estimated life of such structures/ modifications



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

**9 Deferred tax assets (Net)**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
On difference between Written down value of fixed assets as per Income Tax Act and as per books	76.01	57.01
On other disallowances	23.73	21.83
	<b>99.74</b>	<b>78.84</b>
<b>Deferred tax assets</b>	<b>99.74</b>	<b>78.84</b>

**10 Long-term loans and advances**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, considered good</b>		
Others Loans and advances		
(i) Income Tax (Net)	56.77	31.08
	<b>56.77</b>	<b>31.08</b>

**11 Other non-current assets**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, considered good</b>		
Security Deposit		
(i) Rent deposits	263.71	264.37
(ii) Other Deposit	19.81	9.08
	<b>283.52</b>	<b>273.45</b>

**12 Trade receivables**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, considered good</b>		
(i) Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
(ii) Others (Refer Note 12.1)	853.96	571.99
	<b>853.97</b>	<b>571.99</b>

12.1 Other debts represents the amount receivable from the Holding Company :- Federal Bank Limited - Rs 853.98 lakhs (Rs 571.99 lakhs)

12.2 Trade receivables ageing schedule has been disclosed in Note No.30



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

**13 Cash and cash equivalents**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance with Banks :		
In Current Accounts	898.35	631.50
In Deposits Accounts (Refer Note No.13.1)	114.68	489.77
	<b>1,013.03</b>	<b>1,121.27</b>

13.1 As on reporting date there are no deposits with maturity period greater than 12 months. These deposits can be withdrawn by the company at any point without prior notice or penalty on the principal and accordingly classified as cash and cash equivalents.

**14 Short-term loans and advances**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, considered good</b>		
Others		
(a) Advances recoverable in cash or in kind	113.02	43.60
(b) Advance to Employees	87.14	39.88
	<b>200.16</b>	<b>83.48</b>

**15 Other current assets**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
STPI Grant receivable	-	112.56
Unbilled Revenue	83.71	-
	<b>83.71</b>	<b>112.56</b>



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

**16 Revenue from operations**

(Amount in ₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Sale of Services</b>		
Data processing and Monitoring services	7,647.02	5,956.47
	<b>7,647.02</b>	<b>5,956.47</b>

**17 Other Income**

(Amount in ₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on Fixed Deposit	7.32	23.65
Interest on Income Tax Refund	-	2.16
Interest on other deposits	0.26	0.36
Rental Income	190.23	84.23
STPI Grant Received	-	112.57
Miscellaneous Income	6.33	5.83
	<b>204.14</b>	<b>228.80</b>

**18 Employee benefits expense**

(Amount in ₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries & Wages	3,687.95	2,352.26
Contribution to Provident and Other Funds	375.49	257.47
Staff Welfare Expenses	202.86	152.32
	<b>4,266.30</b>	<b>2,762.05</b>

**19 Other expenses**

(Amount in ₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Advertisement Expenses	0.50	-
CSR Expenses	8.22	-
Insurance Expenses	0.45	0.40
Internet and Leased Line connectivity Charges	47.87	41.52
Office Expenses	78.04	54.53
Payments to Auditors (Refer Note 19.1)	6.13	5.50
Postage and Courier Expenses	512.05	489.74
Power and Fuel	148.25	80.32
Printing and Stationery Expenses	53.31	54.11
Professional and Consultancy charges	29.78	7.52
Rates and Taxes	2.17	1.49
Rent and Maintenance	471.75	322.48
Repairs and Maintenance	22.64	22.43
Service charges	494.04	1,072.43
Sitting Fees to Directors	1.50	1.80
Software maintenance	39.88	16.50
Telephone Expenses	214.10	200.40
Transportation Expenses	370.69	235.00
Miscellaneous expenses	17.86	7.89
	<b>2,519.23</b>	<b>2,614.06</b>





**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

(Amount in ₹ Lakhs)

19.1 Payments to Auditors		
Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
As :		
a. auditor	4.40	2.50
b. for taxation matters	1.73	3.00
	<b>6.13</b>	<b>5.50</b>

20 Earnings per equity share		
Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit/(Loss) for the year (In Rs lakhs)	598.36	477.67
Weighted Average Number of Equity Shares of Rs. 10/- each (fully paid-up) (In Numbers)	50,00,000	50,00,000
<b>Earnings Per Share (Basic/Diluted) (In Rupees)</b>	<b>11.97</b>	<b>9.55</b>



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

**21 Contingent Liabilities**

(Amount in ₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Incremental bonus not provided for in the books of account based on the Kerala High Court Stay Order (Refer 21.1)	344.68	139.69

21.1 Incremental bonus calculated on the basis of minimum wages as against the maximum limit of Rs 7000/- considered by the company, is treated as contingent liability based on the legal advice received relying on various cases pending before the Honorable High Courts of various states challenging the 2015 amendment to Payment of Bonus Act, 1965. Further, there is no loss to the company due to the master service agreement in place with its holding company wherein the holding company makes payment with an additional 10% markup for the cost of services incurred.

22 The Company has taken certain premises under rental arrangements. The Company does not have any non-cancellable operating leases as at 31.03.2024. The details of future minimum lease payable under non-cancellable operating leases for the previous year are as follows:

(Amount in ₹ Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Lease rentals recognized during the period	2.50	21.00
Lease Obligations Payable:		
a) Not later than one year	-	2.50
b) Later than one year but not later than five years	-	-
c) Later than five years	-	-

23 Earnings in Foreign Currency (On Accrual Basis) : Nil

24 Expenditure in foreign currency :- Nil

**25 Details of Benami Property Held**

No proceedings have been initiated or pending against the Company for holding any benami property under Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial year ended March 31, 2024.

**26 Relationship with Struck off Companies**

The Company has not undertaken any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of the Companies Act, 1956.

27 In the opinion of the management, short term loans and advances and other current assets, have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.

28.a Disclosure of transactions with related parties as required by Accounting Standard-18 on related party disclosures as prescribed by Companies (Accounting Standards) Rules, 2006.

**A. Related parties and nature of relationship**

Nature of Relationship	Name of Party
(a) Holding Company	The Federal Bank Ltd
(b) Key Managerial Personnel	
(i) Independent Director	Siddhartha Sengupta
(ii) Director	Venkateswaran Venkatraman
(iii) Director	Ajithkumar K K
(iv) Director	Johnson K. Jose
(v) Whole Time Director	Prashant Preman
(vi) Chief Financial Officer	Rinu Jacob
(vii) Company Secretary	Anil Paiparambath



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

(Amount in ₹ Lakhs)

Particulars	Holding Company	Key Managerial Personnel (KMP)	Total
Revenue from Operations	7,647.02	-	7,647.02
	(5,956.47)	-	(5,956.47)
Service charges	494.04	-	494.04
	(1,072.43)	-	(1,072.43)
Sitting Fees	-	1.50	1.50
	-	(1.80)	(1.80)
Rental Income	190.23	-	190.23
	(84.23)	-	(84.23)
Salary and other benefits	-	12.49	12.49
	-	(20.43)	(20.43)
Rent	0.60	-	0.60
	(0.60)	-	(0.60)
Reimbursement of expenses	107.80	-	107.80
	(61.50)	-	(61.50)
Dividend Paid on Preference shares	42.50	-	42.50
	(42.50)	-	-
Interest from Fixed deposit	7.32	-	7.32
	(23.65)	-	(23.65)

**C. Balance as at 31st March, 2024** (Amount in ₹ Lakhs)

Particulars	Holding Company	Key Managerial Personnel (KMP)	Total
Sundry debtors	853.96	-	853.96
	(571.99)	-	(571.99)
Sundry creditors	-	-	-
Security Deposit given	0.15	-	0.15
	(0.15)	-	(0.15)
Security Deposit received	41.04	-	41.04
	(21.06)	-	(21.06)
Equity Share Capital	499.97	-	499.97
	(499.97)	-	(499.97)
Preference share capital	500.00	-	500.00
	(500.00)	-	(500.00)
Balance with bank in Current account	898.35	-	898.35
	(631.50)	-	(631.50)
Balance with bank in Deposit accounts	114.68	-	114.68
	(489.77)	-	(489.77)

\*previous year figure in the bracket.

- 28.b** During the previous year, remuneration for the year has been paid to Mr. Prashant Preman (Whole Time Director) only up to 29th July, 2022 and excess over Section 197 limits for the period as approved by the Board is being ratified at the ensuing general meeting. No remuneration has been paid by the company for subsequent periods as he has been appointed as an employee of the holding company with effect from 1st August, 2022, though continuing in the capacity as whole-time director for the period of two years as per original terms of appointment.

**29 Ageing of Trade Payable** (Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
	-	-	-	-	-
(ii) Others*	242.95	-	-	-	242.95
	(113.21)	-	-	-	(113.21)
(iii) Disputed dues – MSME	-	-	-	-	-
	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>242.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>242.95</b>
Total - Previous Year	(113.21)	-	-	-	(113.21)

\* Includes year end accruals amounting to Rs.140.01 Lakhs (Rs.102.30 Lakhs) grouped under 'less than 1 year, which are unbilled as on the reporting date.



**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

**30 Ageing of Trade Receivable**

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from the due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	853.96	-	-	-	-	853.96
	(571.99)	-	-	-	-	(571.99)
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>853.96</b>	-	-	-	-	<b>853.96</b>
<b>Total - Previous Year</b>	<b>(571.99)</b>	-	-	-	-	<b>(571.99)</b>

**31 Accounting ratios**

Ratio	Note	Current Year	Previous Year	Variance (in %)	Remarks
Current Ratio	(a)	2.51	3.96	(36.55%)	Current Ratio has decreased due to increase in trade payable due to increase in operations during the current year.
Debt-Equity Ratio	(b)	-	-	-	The company does not have any debt
Debt Service Coverage Ratio	(c)	-	-	-	The company does not have any debt
Return on Equity Ratio	(d)	0.24	0.24	0.69%	
Inventory turnover ratio	(e)	-	-	-	The company does not have any inventory.
Trade Receivables turnover ratio	(f)	10.73	10.89	(1.47%)	
Trade payables turnover ratio	(g)	14.15	25.31	(44.12%)	Trade Payable Turnover Ratio has decreased due to increase in trade payable due to increase in operations during the current year.
Net capital turnover ratio	(h)	5.65	4.83	17.07%	
Net profit ratio	(i)	0.08	0.08	(2.43%)	
Return on Capital employed	(j)	0.27	0.28	(2.25%)	
Return on investment	(k)	-	-	-	The company has not made any investments

Items included in numerator and denominator in computing the above ratios:

Ratios	Note	Numerator	Denominator
Current Ratio	(a)	Current Assets	Current Liabilities
Debt Equity Ratio	(b)	Long Term and Short Term Debts	Shareholders Equity
Debt Service Coverage Ratio	(c)	Earnings available for Debt service	Debt Service
Return on Equity (ROE)	(d)	Net profit after taxes	Average Shareholders Equity
Inventory Turnover Ratio	(e)	Cost of goods sold	Average Inventory
Trade Receivables Turnover Ratio	(f)	Net Credit Sales	Average Accounts Receivable
Trade Payables Turnover Ratio	(g)	Net Credit Purchase	Average Accounts Payable
Net Capital Turnover Ratio	(h)	Net Sales	Average Working capital
Net Profit Ratio	(i)	Net Profit	Net Sales
Return on Capital Employed	(j)	Earnings Before Interest and Tax	Tangible Net Worth + Total Debt + Deferred Tax Liability
Return on investment	(k)	Income from investments	Average investments



**32 Note on Expenditure on Corporate Social Responsibility Activities**

- The gross amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year ended March 31, 2024, was Rs 8.22 Lakh (previous year Nil).
- The amount approved by the Board of the Company to be spent during the year was Rs 8.22 Lakh (previous year Nil)
- Amount spent/transferred to separate CSR unspent account during the year Nil (previous year Nil)
- Amount of expenditure incurred during the year :

(Amount in ₹ Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
- Construction/acquisition of any asset	8.22	-
- on purposes other than above	-	-

**FEDERAL OPERATIONS AND SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
*(All amounts are in lakhs of Indian Rupees, unless otherwise stated)*

e) Nature of CSR activities:

Particulars	(Amount in ₹ Lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
- Promotion of education and skill development	3.08	-
- Promoting health care including preventive	2.97	-
- Ensuring environmental sustainability	2.17	-
<b>Total</b>	<b>8.22</b>	

f). There are no related party transactions in relation to CSR Expenditure.

**33 Undisclosed Income**

For the year ended March 31, 2024 there are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961.

**34** Estimated amount of contract remaining to be executed on capital account - Rs. Nil

**35 Segment Reporting**

The company is primarily engaged in providing banking operational services, technology oriented services and support functions to its holding company. Therefore, separate business segment information is not disclosed. Besides, the Company's operations are located only in India and hence, separate secondary geographical segment information is not disclosed.

**36** There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties. All the transactions with the related parties, if any are current in nature.

**37** The company has not been declared as wilful defaulter by any bank or financial institution or other lender.

**38** There are no additional regulatory information to be reported as required under MCA Notification No.G.S.R. 207(E) dated 24th March, 2021 at this stage, other than the details furnished above.

**39** In the opinion of the Board of Directors of the company, the current assets, loans and advances are expected to realise in the ordinary course of business approximately the value at which they are stated in accounts.

**40** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

**41** There are no charges on satisfaction of charges yet to be registered with Registrar of Companies as on 31st March 2024.

**42** A company is in compliance with number of layers of companies, as prescribed under clause (87) of section 2 of the Act read with (restriction on number of layers) Rules, 2017

**43** The company has not traded or invested in crypto currency or virtual currency during the year.

**44** Figures have been rounded off to the nearest rupee.

As per our separate report of even date attached


For and on behalf of the Board of Directors

**For VARMA & VARMA**  
(FRN : 004532S)

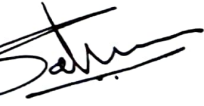
(VIVEK KRISHNA GOVIND)  
Partner  
CHARTERED ACCOUNTANTS  
Membership No. 208259



  
Paiparambath Anil  
Company Secretary

  
Prashant Preman  
Director  
DIN: 09134084

  
Rinu Jacob  
Chief Financial Officer

  
Johnson K Jose  
Director  
DIN: 08267398

Place : Kochi  
Date : 29.04.2024