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nd 2 ANNUAL REPORT

2022 - 2023

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ABOUT SIBOSL

SIB Operations and Services Limited the Wholly owned Non –Financial Subsidiary of The South Indian Bank Limited, was incorporated on 28th May 2021 under the provisions of Companies Act,2013.

SIBOSL is involved in the services of data entry operations, direct selling team/Agents, Asset Portfolio Data Processing, Tele calling and other call related operations .IT support and social media administration, Debit/Credit card Processing and allied activities.

SIBOSL provides such services to The South Indian Bank.

Board of Directors



Sri.M George Korah



Sri. Murali Ramakrishnan



Sri.Thomas Joseph K



Sri.John C A



Sri. Lt Colonel PV Satheesan, SM
CEO

Registered office:

SIB Operations and Services limited
Fourth Floor,IX/839 A1-A9,
Data Centre Rajagiri Valley,
Chittethukara,Kakkanad,
Kochi,Ernakulam,Kerala-682037
Email: corporate@sibosl.co.in
Telephone: 0484-29901

DIRECTORS' REPORT

To
The Members

Your Directors are presenting before you the Second Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the financial year ending 31st March 2023.

1. FINANCIAL SUMMARY OR PERFORMANCE OF THE COMPANY (IN RS.):

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Total Revenue	9,36,15,939.00	54,62,863.00
Total Expenses	9,06,71,281.00	78,37,305.00
Profit/Loss Before Tax	29,44,658.00	(23,24,134.00)
Less: Tax Expense	(7,41,080.00)	5,84,900.00
Profit/ Loss after Tax	22,03,578.00	(17,39,234.00)
Less: Proposed Dividend & Tax thereon	0.00	0.00
Net Profit/Loss for the Year	22,03,578.00	(17,39,234.00)

2. STATE OF AFFAIRS:

The Company was incorporated on 28.05.2021.

The Company provides services to The South Indian Bank in the operational areas of Tele calling, Business Development, Data Entry Operations and I.T. Support.

The company had on boarded 648 personnel during the Financial Year 22-23 and there were 496 personnel in the rolls, as at 31.03.2023.

Total income from the activities for the year ending 31.03.2023 is Rs.9,36,15,939/-.

The Company has incurred a total expense of Rs.9,06,71,281/- and has made a net profit of Rs.22,03,578/-.

3. SHARE CAPITAL:

The Authorized Share Capital of the Company as on 31-03-2023 was Rs.2,00,00,000/- (Rupees Two Crore only) divided into 20,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed

and Paid up Equity Share Capital of the Company as on 31-03-2023 was Rs.50,00,000/- (Rupees Fifty Lakhs only) divided into 5,00,000 Equity Shares of Rs.10/- each. There were no changes in the share capital of the Company since the date of incorporation.

4. TRANSFER TO RESERVES:

The Company has transferred Rs.22,03,578 /- to reserves during the financial year under review.

5. DIVIDEND:

Your Directors have not recommended any dividend for the financial year ended 31st March 2023.

6. DETAILS OF MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF REPORT:

There were no other material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report other than those mentioned in the Report, if any.

7. ANNUAL RETURN:

Pursuant to sub-section 3(a) of Section 134 and subsection (3) of Section 92 of the Companies Act, 2013, read with Rule 11 of the Companies (Management and Administration) Rules, 2014, copy of Annual Return as at March 31,2023 in Form No. MGT-7 is hosted on the website of the Company <https://www.sibosl.com/>.

8. BOARD OF DIRECTORS AND ITS COMMITTEES:

The Board of Directors of the Company as on 31.03.2023 consists of 04 (Four) Directors. The composition of the Board is as follows:

Sl. No.	DIN	Name of the Director	Designation
1	01028298	Mr.Murali Ramakrishnan	Director
2	08207827	Mr.Mazhuvancheri Korah George	Director
3	09186451	Mr.Chakkalakal Abraham John	Director
4	09186452	Mr.Thomas Kizhakkedath Joseph	Director

There were no changes in constitution of Board of Directors during the financial year under review.

The Board of Directors has recommended to members,

- To re-appoint Mr. Thomas K Joseph [DIN: 09186452] who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Company was not required to constitute any committees as envisaged under various provisions of the Companies Act, 2013 and Rules made there under.

9. NUMBER OF MEETINGS OF THE BOARD:

The Board met 05 (Five) times during the financial year under review on 10.05.2022, 06.06.2022, 18.07.2022, 13.10.2022 and 17.01.2023. The attendance of the Directors are as follows:

Name of Director	No. of meetings entitled to attend	No. of meetings attended
Mr.Murali Ramakrishnan	5	5
Mr.Mazhuvancheri Korah George	5	5
Mr.Chakkalakal Abraham John	5	5
Mr.Thomas Kizhakkedath Joseph	5	5

10. DECLARATION BY INDEPENDENT DIRECTORS:

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Hence, obtaining the declaration from Independent Directors is not applicable to the Company.

11. STATUTORY AUDITORS & AUDIT REPORT:

M/s. Krishnamoorthy & Krishnamoorthy (FRN: 001488S), Chartered Accountants, 39/3217, Paliam Road, Kochi, Ernakulam, Kerala – 680016 have been appointed as the Statutory Auditor of the company to hold office for a term of five (05) years, from the conclusion of 01st Annual General Meeting till the conclusion of the 06th Annual General Meeting of the Company on 11.07.2022.

The Statutory Auditor has not made any qualifications, reservations, adverse comments or remarks or disclaimers in the Statutory Audit Report for the financial year under review.

12. DEPOSITS:

The Company has not accepted or invited any deposits as per the Companies Act, 2013 during the financial period under review and no amount has remained unpaid or unclaimed as at the end

of the financial year. Further, there were no deposits which were not in compliance with the requirements of Chapter V of the Companies Act, 2013.

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

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, for the financial year ended 31.03.2023 is given below:

- A. Conservation of Energy:** Your Company has not done any activities during the period under review which involves Conservation of Energy. Hence the information to be provided under Section 134 (3) (m) of the Companies Act, 2013 read with Rule, 8 (3) of The Companies (Accounts) Rules, 2014 is not applicable.
- B. Technology Absorption:** Your Company has not done any activities during the period under review which involves absorption of technology. Hence the information to be provided under Section 134 (3) (m) of the Companies Act, 2013 read with Rule, 8 (3) of The Companies (Accounts) Rules, 2014 is not applicable.
- C. Foreign Exchange Earnings and outgo:**
- i. Foreign Exchange Earnings : NIL
 - ii. Foreign Exchange outgo : NIL

14. CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

15. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a going concern basis; and

- v) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Your Company has not given any loan or given any guarantee or provided any security in connection with any loan to any person or body corporate and has not acquired by way of subscription or purchase, the securities of any body-corporate during the period under review as envisaged under Section 186 of the Companies Act, 2013.

18. PARTICULARS OF EMPLOYEES:

The provisions as envisaged under Section 197 (12) read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to your Company. Hence, the disclosure with reference to the particulars of employees is not attached to this Report.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The contracts or arrangements with Related Parties in Form AOC 2 as referred to in sub-section (1) of Section 188 of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 that took place during the financial year is attached as **ANNEXURE I** to this report.

20. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has maintained adequate financial control system, commensurate with the size, scale and complexity of its operations and ensures compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations. The Company has adequate Internal Financial Control over financial reporting of the company and such Controls were operating effectively throughout the period.

21. RISK MANAGEMENT

The Board has framed a Risk Management Policy to manage the risks mentioned therein and also to identify and manage other risks that may manifest as the company progresses. All material risks faced by the Company are identified and assessed by the Board of Directors of the Company.

22. FRUAD REPORTING:

Details in respect of frauds reported by auditors under sub-section (12) of [section 143](#) other than those which are reportable to the Central Government- Nil.

23. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2022-23:

- No. of complaints received: Nil
- No. of complaints disposed of: Nil

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

24. OTHER DISCLOSURES:

- a) There were no changes in the nature of business during the financial year period review.
- b) There were no Companies which have become or ceased to be subsidiaries, joint ventures or associate companies during the financial year under review.
- c) There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
- d) The Company was not required to appoint any Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013.

- e) The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.
- f) Your Company has complied with all the applicable provisions of Secretarial Standards.
- g) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year-NA
- h) The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof-NA

ACKNOWLEDGEMENTS:

Your Directors express their appreciation for the assistance and co-operation received from the Banks, Government authorities, Creditors and Members during the period under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the employees of the Company.

For and on behalf of the Board of Directors

**MAZHUVANCHERI KORAH
GEORGE
Chairman
(DIN: 08207827)**

**MURALI RAMAKRISHNAN
Director
(DIN: 01028298)**

Ernakulum
12.07.2023

**BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT/CHANGE IN
TERMS OF APPOINTMENT**

Resume of directors seeking Appointment/Re-appointment /Change in terms of appointment at the 2nd Annual General Meeting are given below,

1. Shri.Thomas Kizhakedath Joseph

Particulars	Information
Name	Shri.Thomas Kizhakedath Joseph [DIN:09186452],
Age	63 Years
Qualifications	Mechanical Engineering, CAIIB, Diploma in Management
Experience	Shri. Thomas Kizhakedath Joseph is Banking and Executive Vice President, The South Indian Bank Limited
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	As per resolution no.2
Remuneration last drawn	Nil
Date of first appointment on Board	28.05.2021
Shareholding in company	Nil
Relationship with other Directors	None
Number of Meetings of Board attended during the financial year	5
Other Directorships, Memberships/Chairmanships of Committees of other Boards	Nil

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SIB OPERATIONS AND SERVICES LIMITED, REPORT ON THE STANDALONE FINANCIAL STATEMENTS:

Opinion:

We have audited the accompanying standalone Financial Statements of SIB OPERATIONS AND SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss and the Statement of Cash Flows for the period then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023 and its profit and its cash flows for the period ended on that date.

Basis of opinion:

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact.

Management's responsibility for the Standalone Financial Statements:

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone 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, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- (a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one

resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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, enclosed herewith, a statement on the matters specified in the paragraph 3 and 4 of the Order.

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 Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e. On the basis of the written representations received from the directors by the Company and taken on record in the meeting of the Board of Directors, none of the Directors is disqualified as on 31st March, 2023 from being appointed as a Director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year and hence there is no requirement of reporting on the compliance of the provisions of section 197 of the Act.

- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the details of pending litigations in the standalone Financial Statements. Refer Note No. 2.6

- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. – Refer Note 2.7 to the financial statements.
- iii) There has been no delay in transferring amounts, 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, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that 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) As informed to us and based on the records verified by us, the Company has not proposed final dividend in the previous year and that the Board of Directors of the Company have not proposed final dividend for the current year and hence the question of reporting on the compliance of Section 123 of the Act is not applicable for the current year.
- vi) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from April, 1 2023, reporting under this clause is not applicable for the year of reporting.

For Krishnamoorthy and Krishnamoorthy
Chartered Accountants (FRN: 001488S)
sd/-

CA. K T Mohanan
Partner (M No.201484)

Place: Cochin - 16
Date: 29-04-2023
UDIN -23201484BGWMEG622

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of Companies Property, Plant and Equipment's and Intangible assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The Company has maintained proper records showing full particulars of intangible assets.
- (c) We are informed that these property, plant and equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company do not hold any landed properties requiring title deeds.
- (e) According to the information and explanations given to us and on the basis of our examination of books of accounts and other relevant documents of the company, the Company has not revalued its Property, Plant and Equipment or Intangible Assets or both during the year.
- (f) As informed to us, there are no proceedings that have initiated or are pending against the company for holding any Benami Property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) In respect of its inventories:

- a) Since the Company is not holding any inventories, hence reporting under clause (ii) (a) and (b) of the Order is not applicable.
- b) According to the explanations and information given to us, the company have not been sanctioned working capital limits in excess of Five crore rupees, in aggregate, from Banks or financial institutions on the basis of security of current assets at any point of time during the year and hence reporting under clause 3(ii)(b) of the order is not applicable.

iii) In respect of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013:

The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, paragraphs (iii) (a) to (f) of CARO 2020 are not applicable.

iv) In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with:

In our opinion and according to the information and explanations given to us, the Company has not made any investments, loans requiring the compliance of the provisions of Section 185 and 186 of the Companies Act, 2013 during the year of report. The company has not provided any guarantees and securities to the parties covered under Section 185 of the Act. Accordingly, paragraph (iv) of CARO 2020 is not applicable.

v) In respect of deposits accepted or accepted amounts which are deemed to be deposit, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, and the nature of contravention if any:

According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposit, from the public during the year as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

vi) In respect of maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 and whether or not such accounts and records have been so made and maintained.

The Central Government of India has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act for any activities of the company and according paragraph 3 (vi) of the order not applicable.

vii) In respect of statutory dues:

According to the information and explanations given to us, in respect of statutory dues:

- (a) The company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees state insurance, Income Tax, Sales Tax, Service Tax, Goods and Service tax, Customs Duty, Value Added Tax, cess and any other statutory dues to the appropriate authorities during the year. There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax or Sales Tax or Service Tax or Goods and Service Tax, duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any dispute as on 31st March, 2023.

viii) Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year:

According to the information and explanations given to us and based on 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 (43 of 1961).

ix) In respect of company defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not availed any financial assistance and hence clause no.(ix) is not applicable to the Company.

x) In respect of moneys raised by way of initial public offer or further public offer (including debt instruments) were applied for the purposes for which those are raised and the preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. If not, providing the details:

- a) According to the information and explanations given to us, and based on the records of the company examined by us, we report that the Company has not raised any amount by way of issue of shares during the year.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

xi) In respect of reporting on Fraud:

- a) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year, nor have we been informed of any such cases by the Management.
- b) No report under subsection 12 of Section 143 of Companies Act has been filed by the Auditors in form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- c) According to explanations and information given to us, we have considered the effectiveness of whistle blower mechanism in the company, there are no whistle- blower complaints received by the company during the year.

xii) In respect of reporting on Nidhi Company:

- a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the CARO 2020 Order is not applicable to the Company and hence not commented upon.
- b) As Company is not a Nidhi Company, there is no default in payment of interest on deposits or repayment thereof.

xiii) Reporting on Related Party Transactions:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) Reporting on Internal Audit:

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has an effective Internal Audit system commensurate with the size of the Company.

xv) Reporting on Non-Cash transactions with Directors:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them, and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi) In respect of company's required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained:

- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India
- d) The Group companies have no CIC as part of the Group.

xvii) In respect of reporting of cash losses:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the

company has not incurred cash loss in the Financial Year and had incurred during the preceding previous year.

xviii) **Reporting on Auditors Resignation:**

There has been no resignation of statutory auditors of the Company during the year.

xix) **Reporting on Financial Position:**

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx) **Reporting on CSR Compliance**

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the CSR compliance is not applicable to the Company during the year and hence there is no requirement of commenting on the compliance of second proviso to sub-section (5) of section 135 of the said Act;

For Krishnamoorthy and Krishnamoorthy
Chartered Accountants (FRN: 001488S)

Place: Cochin - 16
Date: 29-04-2023
UDIN -23201484BGWMEG6228

Sd/-
CA. K T Mohanan
Partner (M No.201484)

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)
Report on the Internal Financial Controls Over Financial Reporting under Clause of Sub-section 3 of Section 143 of the Companies Act 2013 (the Act)

We have audited the internal financial controls over financial reporting of SIB OPERATIONS AND SERVICES LIMITED ("the Company"), as of 31st March 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the ICAI). These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to respective company's policies the safeguarding of its assets the prevention and detection of frauds and errors the accuracy and completeness of the accounting records and the timely preparation of reliable financial information as required under the Companies Act 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us the Company has in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st 2023 based on the internal financial 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 ICAI.

For Krishnamoorthy and Krishnamoorthy
Chartered Accountants (FRN: 001488S)

Place: Cochin - 16
Date: 29/04/2023
UDIN -23201484BGWMEG6228

Sd/-
CA. K T Mohanan
Partner (M No.201484)

SIB OPERATIONS AND SERVICES LIMITED

Regd Off :IX/839 A1-A9, SIB Building, 4th Floor, Rajagiri Valley, Chittethukkara, Kakkanad, Kochi - 682037

CIN : U74999KL2021PLC069182

BALANCE SHEET AS AT 31ST MARCH 2023

	Particulars	Note No.	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
I.	<u>EQUITY AND LIABILITIES:</u>			
1	Shareholder's Funds			
	(a) Share Capital	2	5,000.00	5,000.00
	(b) Reserves and Surplus	3	464.34	(1,739.23)
	sub-total		5,464.34	3,260.77
2	Current Liabilities			
	(a) Other Current Liabilities	4	22,535.37	4,515.19
	(b) Short Term Provision			
	sub-total		22,535.37	4,515.19
	Grand Total		27,999.71	7,775.95
II.	<u>ASSETS:</u>			
1	Non - Current Assets			
	(a) Property Plant and Equipments	5		
	(i) Property Plant and Equipments		8.39	10.67
	(ii) Intangible Assets		91.15	145.44
	(b) Deferred Tax Asset (net)	6	65.89	584.90
	(c) Other Non-Current Assets	7	2,754.75	71.86
	sub-total		2,920.17	812.87

2	Current Assets			
	(a) Trade Receivables	8		546.53
	(a) Cash and Cash Equivalents	9	12,834.45	3,648.17
	(b) Short Term Loans and Advances	10	1,520.61	398.46
	(c) Other Current Assets	11	10,724.47	2,369.93
sub-total			25,079.54	6,963.08
Grand Total			27,999.71	7,775.95

Significant Accounting Policies

1

For and on behalf of the Board of Directors

Sd/-
M GEORGE KORAH

CHAIRMAN
(DIN: 08207827)

Sd/-
**MURALI
RAMAKRISHN
AN**

DIRECTOR
(DIN:01028298)

Sd/-
THOMAS JOSEPH K
DIRECTOR

(DIN: 09186452)

Sd/-
JOHN C A
DIRECTOR
(DIN :
09186451)

Cochin

29-04-2023

As per our report of even date attached.

For Krishnamoorthy & Krishnamoorthy

Chartered Accountants

Firm Regn No:001488S

Sd/-

CA. K T Mohanan

Partner

Membership No:201484

29-04-2023

UDIN : 23201484BGWMEG6228

Sd/-
P V SATHEESAN
CHIEF EXECUTIVE
OFFICER

SIB OPERATIONS AND SERVICES LIMITED

Regd Off :IX/839 A1-A9, SIB Building, 4th Floor, Rajagiri Valley, Chittethukkara, Kakkanad,
Kochi - 682037

CIN : U74999KL2021PLC069182

STATEMENT OF PROFIT AND LOSS

Particulars	Note No	Amount in '000 For the period 01.04.2022 to 31.03.2023	Amount in '000 For the period 28.05.2021 to 31.03.2022
I. Income:			
Revenue from Operations	12	93,613.85	5,462.86
Other Income	13	2.09	50.31
Total Revenue		93,615.94	5,513.17
II. Expenses:			
Employee Benefit Expenses	14	76,708.98	4,026.57
Depreciation and Amortization Expenses	5	56.58	34.46
Other Expenses	15	13,905.73	3,776.28
Total Expenses		90,671.28	7,837.31
III. Profit before Tax		2,944.66	-2,324.13
IV. Tax Expense:			
Current Tax		-222.07	-
Deferred tax		-519.01	584.90
V. Profit/ (Loss) for the Period		2,203.58	(1,739.23)

Earning per Equity Share : [Nominal Value of Share Rs. 10] (a)) Basic	16		
		4.41	-4.17
		4.41	(4.17)
Significant Accounting Policies			
1			
Sd/- M GEORGE KORAH CHAIRMAN (DIN: 08207827)		Sd/- MURALI RAMAKRISHNAN DIRECTOR (DIN:01028298)	
Sd/- THOMAS JOSEPH K DIRECTOR (DIN: 09186452)		Sd/- JOHN C A DIRECTOR (DIN : 09186451)	
Cochin			
29-04-2023			
As per our report of even date attached.		Sd/-	
For Krishnamoorthy & Krishnamoorthy Chartered Accountants Firm Regn No:001488S Sd/- CA. K T Mohanan Partner Membership No:201484 UDIN:23201484BGWMEG6228		CHIEF EXECUTIVE OFFICER	

SIB OPERATIONS AND SERVICES LIMITED			
Regd Off :IX/839 A1-A9, SIB Building, 4th Floor, Rajagiri Valley, Chittethukkara, Kakkanad, Kochi - 682037			
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2023			
S L N O	PARTICULARS	Year ended	Year ended
		31.03.2023	31.03.2022
		(Amount '000)	(Amount '000)
A.	Cash flow from Operating Activites		
	Net Profit before tax (after extraordinary item)	2,944.66	(2,324.13)
	Adjustments for		
	Depreciation (including obsolescence), amortisation and impairment	56.58	34.46
	Finance cost		
	Operating profit before Working Capital changes	3,001.23	(2,289.68)
	Adjustments for		
	(Increase) / Decrease in trade and other receivables	546.53	(546.53)
	(Increase) / Decrease in inventories		-
	Increase / (Decrease)in other current liabilities	18,020.17	4,515.19
	Increase / (Decrease)in other current assets	(9,528.90)	(2,778.39)
	Increase / (Decrease)in Long term provisions		
	Increase / (Decrease) in trade payable		
	Cash generated from Operations	9,037.80	1,190.27
	Direct taxes refund / (paid) - net	(2,852.76)	(61.86)
	Net Cash from Operating Activities	9,186.28	(1,161.27)
B.	Cash flow from Investing Activites		
	Purchase of fixed assets	-	(190.57)
	Share capital raised	-	5,000.00
	Advance towards equity commitment		
	Net Cash (used in) / from Investing Activities	-	4,809.43

C		
. Cash flow from Financing Activities		
Increase in long term borrowing (Repayments) / Proceeds from other borrowings (net)		
Net Cash (used in) / from Financing Activities		-
Net (decrease) / increase in Cash and Cash		
Equivalents (A+B+C)	9,186.28	3,648.17
Cash and Cash Equivalents at beginning of the period	3,648.17	-
Cash and Cash Equivalents at end of the period	12,834.45	3,648.17

NOTES

1 Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 "Cash Flow Statement" issued under the Companies (Accounting Standard) Rules, 2006.

2 Cash and cash equivalents represent bank balance.

As per our Report of Even Date attached

For and on behalf of the Board of Directors

Sd/-
M GEORGE KORAH
CHAIRMAN
(DIN: 08207827)

Sd/-
MURALI RAMAKRISHNAN
DIRECTOR
(DIN:01028298)

Sd/-
THOMAS JOSEPH K
DIRECTOR
(DIN: 09186452)

Sd/-
JOHN C A
DIRECTOR
(DIN : 09186451)

Cochin

29-04-2023

As per our report of even date attached.

Sd/-
P V SATHEESAN
CHIEF EXECUTIVE OFFICER

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
Firm Regn No:001488S

Sd/-
CA. K T Mohanan
Partner
Membership No:201484
Cochin
29-04-2023
UDIN : 23201484BGWMEG6228

SIB OPERATIONS AND SERVICES LIMITED

Notes forming part of the Balance Sheet as at 31st March 2023

Notes forming part of the Balance Sheet as at 31st March 2023				
Particulars	Amount t in '000 as on 31.03.20 23	Amount t in '000 as on 31.03.20 22	Amount in Rupees	
			As at 31st March 2023	As at 31st March 2022
NOTE 2 : <u>SHARE CAPITAL</u> <u>AUTHORISED CAPITAL:</u> 20,00,000 Equity Shares Of Rs. 10/- Each	- 20,000	- 20,000	- 2,00,00,000	- 2,00,00,000
<u>ISSUED, SUBSCRIBED AND PAID UP :</u> 5,00,000 Equity Shares of Rs. 10/- each fully paid up	- 5,000	- 5,000	- 50,00,000	- 50,00,000
TOTAL			50,00,000	50,00,000
2.1	Terms/ Rights Attached to Equity Shares: The company has only one class of Equity shares having par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. In case of equality of votes, the Chairperson of the Board, if any, shall have a second casting of vote. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.			
2.2	Reconciliation of Outsanding Shares:			
Particulars	For the period from 01.04.2022 to 31.03.2023		For the period 28.05.2021 to 31.03.2022	
	No of shares	Amount t	No of shares	Amount
Opening as on 1st April 2021	500000	50,00,000	-	-
Add: Issued during the year	-		5,00,000	50,00,000
Less: Forfeited during the year	-	-	-	

2.3

Closing as on 31st March	500000	50,00,000	5,00,000	50,00,000
Details of Shareholders Holding more than 5% Shares of the Company:				
Name of the Shareholder	For the period from 01.04.2022 to 31.03.2023		For the period 28.05.2021 to 31.03.2022	
	% of holding	No. of shares	% of holding	No. of shares
The South Indian Bank Limited	100.00%	5,00,000	100.00%	5,00,000

2.4

Details of Shares held by Promoters of the Company			
Shares held by Promoters at the end of the Year			% change during the year
Promoter's Name	No. of Shares	% of Total Shares	
The South Indian Bank Limited	5,00,000	100.00%	-

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2023		
Particulars	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
NOTE 3: RESERVES AND SURPLUS		
Surplus(Deficit) in Statement of Profit and Loss account		
- Opening Balance	-1,739.23	
- Add: Profit (loss) for the year	2,203.58	-1,739.23
TOTAL	464.34	(1,739.23)
NOTE 4: OTHER CURRENT LIABILITIES		
a) Statutory Dues	5,029.11	483.77
b) Dues to Employees	8,021.21	1,654.47
c) Establishment Charges Payable	9,437.76	2,273.60
d) Directors - Sitting Fees Payable	-	36.00
e) Rent Payable	19.29	16.35
f) Audit Fee Payable	28.00	51.00
TOTAL	22,535.37	4,515.19
NOTE 6: DEFERRED TAX ASSET		
Deferred Tax Asset(net)	65.89	584.90
TOTAL	65.89	584.90
NOTE 7: OTHER NON-CURRENT ASSETS		
a) Income Tax Advance (Net of Provisions)	2,692.55	61.86
b) Security Deposit	62.20	10.00
TOTAL	2,754.75	71.86

NOTE 8: TRADE RECEIVABLES Outstanding for more than 6 months (a) Unsecured, considered good Outstanding for less than 6 months (a) Unsecured, considered good sub-total		
	-	546.53
TOTAL	-	546.53
NOTE 9: CASH AND CASH EQUIVALENTS a) Balance with Banks - On current account - South Indian Bank Limited b) Cash in hand	12,834.45	3,648.17
TOTAL	12,834.45	3,648.17
NOTE 10: SHORT TERM LOANS AND ADVANCES Advance recoverable in cash or kind or value to be received a) Advance for Expenses b) Balance with Government Authority d) Recoverable from Employees e) Prepaid Expenses		13
	1,515.88	353.89
	4.74	0.69
	-	30.82
TOTAL	1,520.61	398.46
NOTE 11: OTHER CURRENT ASSETS Unbilled Revenue	10,724.47	2,369.93
TOTAL	10,724.47	2,369.93

Particulars	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
NOTE 12: REVENUE FROM OPERATIONS		
Income from Outsourcing	93,613.85	5,462.86
TOTAL	93,613.85	5,462.86
NOTE 13: OTHER INCOME		
Miscellaneous Income		50.31
Interest on Income Tax Refund	2.09	
TOTAL	2.09	50.31
NOTE 14: EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages - Employees	74,283.46	3,896.54
Contributions to Provident and Other funds	2,425.52	130.04
TOTAL	76,708.98	4,026.57
NOTE 15: OTHER EXPENSES		
Advertisement	-	255.53
Bank Charges	-	0.00
Establishment Charges	12,384.00	1,960.00
Candidate Assessment Charges	-	255.75
Directors Sitting Fee	200.00	280.00
Background verification expense	341.82	-
Duties and Taxes	18.18	420.40

Licence Fee	207.15	77.18
Office Expenses	252.31	126.94
Professional Fees	170.00	131.00
Professional Tax	2.50	1.25
Rent	196.20	150.97
Printing and Stationery Expenses	23.40	34.17
Telephone Charges	10.17	8.10
Payment to auditor (refer details below)	100.00	75.00
TOTAL	13,905.73	3,776.28
Payment to auditor: As auditors: - Audit fee - Other Fee	100.00	75.00
TOTAL	100.00	75.00
NOTE 16: EARNINGS PER SHARE Profit after tax	2,203.58	-
Weighted average number of shares	500.00	1,739.23
Face value per share	10	416.67
Earnings per share		10
Basic	4.41	(4.17)
Diluted	4.41	(4.17)

SUB-SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2023		
Statutory Payables	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
TDS Payable	185.11	79.75
ESI Contribution Payable	295.22	67.63
Labour Welfare Fund Payable	51.41	5.18
GST Payable (Net)	1,946.83	330.77
Professional Tax Payable	0.54	0.45
Bonus Payable	2,550.00	-
TOTAL	5,029.11	483.77
Dues to employees	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
Salaries and Wages Payable - Employees	8,021.21	1,654.47
TOTAL	8,021.21	1,654.47
Trade Payables	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
Establishment Charges Payable	9,437.76	2,273.60
TOTAL	9,437.76	2,273.60
Contributions to Provident and Other funds	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
Employers Contribution to ESI		123.90
Employers Contribution to Labour Welfare Fund		6.14
TOTAL	-	130.04

Income Tax Advance (Net of Provisions) A.Y 2022-23	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
Income Tax Advance	1,200.00	
TDS Receivable	1,714.62	61.86
	-	
Less Provision for Tax	222.07	
Refund Received		
TOTAL	2,692.55	61.86
Balanace with Government Authority	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
Balance GST ITC		
CGST input	744.84	176.94
SGST input	744.84	176.94
IGST input	26.19	0.00
TOTAL	1,515.88	353.89
Other Current Assets	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
ESI Recoverable from Employees	1.948	
KLWF Recoverable from Employees	1.74	
Professional Tax Recoverable from Employees	1.05	
TOTAL	4.74	-
Trade Receivables Outstanding for more than 6 months	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
sub-total	-	-

Outstanding for less than 6 months		
Income Receivable - Assistant Data Entry		546.53
sub-total	-	546.53
TOTAL	-	547
Income Received from Outsourcing of Employees	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
Assistant Data Entry Operations (ADE)	40,014.92	1,011.53
Add: Unbilled Revenue	-	792.99
total	40,014.92	1,804.52
Business Development Executives (BDE)	23,856.50	915.17
Add: Unbilled Revenue	-	640.17
total	23,856.50	1,555.34
Telecaller	14,338.60	1,166.23
Add: Unbilled Revenue	-	882.77
total	14,338.60	2,049.00
Assistant Credit Recovery	2,680.72	
Add: Unbilled Revenue	-	
total	2,680.72	-
Assistant IT Support		
Add: Unbilled Revenue	-	54.00
Assistant Documentation & Record Keeping	288.42	
Add: Unbilled Revenue		

total	288.42	-
Other Support Services	1,710.22	
Add: Unbilled Revenue		
total	1,710.22	-
Unbilled Revenue	10,724.47	
TOTAL	93,613.85	5,462.86

Employee Benefit Expenses	Amount in '000 as on 31.03.2023	Amount in '000 as on 31.03.2022
Wages to Employees	71,733.46	3,896.54
Bonus	2,550.00	
Sub total	74,283.46	3,896.54
Contribution to other funds		
ESI Contribution by Employer	2,211.83	123.90
KLWF Employer Contribution	200.69	6.14
Medical Insurance to Employees	13.00	-
Sub total	2,425.52	130.04
TOTAL	76,708.98	4,026.57

SIB OPERATIONS AND SERVICES LIMITED										
NOTE NO : 4 - PROPERTY, PLANT AND EQUIPMENTS										
S I N o	DISCRIPTION	GROSS BLOCK				DEPRECIATION			Amount(INR)	
		AS ON	Additions	Deletions	AS ON	UP TO	For the year	UP TO	NET BLOCK	
		31.03.2022			31.03.2023	31.03.2022		31.03.2023	AS ON	AS ON
									31.03.2023	31.03.2022
1	Office Equipments	11,997	-	-	11,997	1,330	2,279	3,609	8,388	10,667
	TOTAL	11,997	-	-	11,997	1,330	2,279	3,609	8,388	10,667
	Previous Year	-	11,997	-	11,997	-	1,330	1,330	10,667	-

INTANGIBLE ASSETS

Amount(INR)

S l N o	DISCRIPTION	GROSS BLOCK				AMORTISATION			NET BLOCK	
		AS ON	Additi ons	Delet ions	AS ON	UP TO	For the year	UP TO	AS ON	AS ON
		31.03.2 022			31.03.2 023	31.03.2 022		31.03.20 23	31.03.20 23	31.03.202 2
1	License cost of website for 9 years	89,969	-	-	89,969	7,395	9,997	17,392	72,577	82,574
2	License cost of 2 EV SSL Certificate for 2 years	44,300	-	-	44,300	13,351	22,150	35,501	8,799	30,949
3	License cost of 2 EV SSL Certificate for 2 years	44,300	-	-	44,300	12,380	22,150	34,530	9,770	31,920
	TOTAL	1,78,569	-	-	1,78,569	33,126	54,297	87,423	91,146	1,45,443
	Previous Year	-	1,78,569	-	1,78,569	-	33,125	33,125	1,45,444	-

Significant accounting policies and Notes on accounts for the year ended 31st March 2023

SIB Operations and Services Limited was incorporated as a wholly owned Non - Financial subsidiary of the South Indian Bank Limited on 28th May 2021, for undertaking back office operations of the holding company and other outsourcing operations.

1. Significant Accounting Policies

1.1 Basis of Preparation of Financial Statement

The financial statements of the Company are prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) on an accrual basis under historical cost convention as a going concern. The Company has prepared these financial statements to comply with the requirements of mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 (Act) read with rule 7 of the Companies (Accounts) Rule, 2014.

1.2 Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

1.3 Earnings per share

The Earnings considered in ascertaining the company's Earnings per Share comprises the Net Profit/(Loss) after tax (including the effect of any extraordinary item). The number of shares included in computing the Basic Earnings per Share is the weighted average of the number of shares outstanding during the year.

1.4 Revenue Recognition

Income from services rendered:

Income from services rendered and other incomes are recognised on an accrual basis; to the extent, the realisability thereof is certain.

1.5 Property, plant & equipment

a) Property , plant & equipment

Property, plant & equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost includes all direct expenses incurred to bring an asset to its working condition for its intended use.

b) Intangible Assets

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

1.6 Depreciation and Amortisation

- i) Depreciation on tangible assets has been provided by adopting the useful lives prescribed as per Part C of Schedule II to the Companies Act, 2013 or based on technical evaluation done, as the case may be, retaining 5% of the original cost as residual value.
- ii) License cost of website and EV SSL Certificate is treated as Intangible Assets and is amortised over a period of 9 years and 2 years respectively in accordance with Accounting Standards (AS) 26.

1.7 Employee Benefits

i. Short Term Employee Benefits

All employee benefits payable wholly within 12 months of rendering the services, such as contribution to Employee Provident Fund, Employees State Insurance Premium are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

ii. Long Term Employee Benefits

Long Term Employee Benefits such as Gratuity and Leave Encashment are paid at the time of retirement of employees. This is computed on the basis of Actuarial Valuation.

1.8 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. Current Tax comprises the expected tax payable on the taxable income for the year and any adjustments to the tax payable or receivable in respect of previous years.

Deferred tax on account of timing difference between taxable and accounting income is accounted using the tax rates and the tax laws enacted or substantively enacted by the balance sheet date. Deferred tax assets in respect of unabsorbed depreciation or carried forward losses are recognised if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised to the extent there is reasonable certainty of their realisation.

The Company recognizes Income Tax based on Section 115BAA of the Income Tax Act, 1961. Accordingly the rate of tax is 25.17%.

1.9 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to confirm whether there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

1.10 Provisions, Contingent Liabilities and Contingent Assets

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 recognized nor disclosed in the accounts.

1.11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.12 Foreign currency transactions

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate prevailing on the last date of the accounting year and the resultant exchange difference, if any, are recognized in the Statement of Profit and Loss.

1.13 Claims Receivable

Claims are accounted for, as and when the same are finally determined / admitted.

2. Other notes on financial statements

2.1 Name of related parties and description of relationship

a) Enterprises having significant influence

Name of Related Parties	Description of Relationship
The South Indian Bank Limited	Holding Company

b) Key Managerial Person

Name of Related Parties	Description of Relationship
Murali Ramakrishnan	Director
M George Korah	Director
Thomas Joseph K	Director
John C A	Director

2.2 Details of related party transactions during the period ended 31st March, 2023

Description of transactions with enterprises

Particulars	As at 31-03-2023 (Rupees) Amount in '000.	As at 31-03-2022 (Rupees) Amount in '000.	As at 31-03-2023 (Rupees)	As at 31-03-2022 (Rupees)
<u>(i) The South Indian Bank Limited</u>	-	-		
-	-	-		
Share Capital Investment		5,000	-	50,00,000
Income for services	93,613.85	5,463	9,36,13,846	54,62,863
Expenses:				
Establishment Charges	12,384.00	1,960	1,23,84,000	19,60,000

Rent	196.20	151	1,96,200	1,50,965
Balance outstanding at the end of the year:				
Receivables		547	-	5,46,527
Rent payable	19.29	16	19,293	16,350
Establishment Charges Payable	9,437.76	2,274	94,37,760	22,73,600

Description of transactions with Key Managerial Personnel

Name of Director	Particulars	As at 31-03-2023 (Rupees in '000)	As at 31-03-2022 (Rupees in '000)
Sitting fee to Independent Director			
Mr. M George Korah		200	280

2.3 In the opinion of the Management all current assets, loans and advances will have the value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

2.4 The computation of Deferred Tax in accordance with Accounting Standard 22 (AS 22) results in Deferred Tax Asset. Considering the nature of business and also taking into account the projected profitability prepared and approved, it is expected that the Deferred Tax asset will be utilised within short period and hence the same has been taken into financials during the year. The details are given below:

	FY 2022- 23 (in'000)	FY 2021- 22 (in'000)
On account of Income Tax depreciation difference (deferred tax liability)	2.41	-3.01
On account of timing difference (deferred tax asset)	0.00	0.00
On account of Business Loss/ Depreciation allowance (deferred tax asset)	63.48	587.95
Total	65.89	584.94

2.5 Contingent Liabilities and commitments (wherever applicable) – Nil

2.6 Pending Litigation: The Company is not subject to any legal proceedings and claims, which have arisen in the ordinary course of business.

2.7 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

2.8 The Company has decided to opt for payment of Income Tax in accordance with section 115BAA effective from the current year (AY-2023-24). Accordingly, the rate of Tax adopted for the computation of Income Tax & Deferred Tax is 25.168%

2.9 There will be no provision for Gratuity for those employees appointed for the initial term of two years. In case any employee's term is extended and after he/she completes one year of extended service, provision for Gratuity will be made for such employee.

2.10 Disclosure requirements in accordance with amendment to schedule III vide notification dated 24th March 2021 have been incorporated, as the same is made applicable from 1st April 2021.

(a) Significant ratios

Particulars	As at 31st March 2023	As at 31st March 2022	% Change	Reasons for Variation
-Current Ratio	1.11	1.54	-27.73%	Considerable variation is noted in all the ratios since the previous year figures are not comparable, being the initial year of operation and operation is only for part of the year.
-Debt - Equity Ratio	4.12	1.38	198.85%	
-Debt Service Coverage Ratio	-	0.00		
-Return on Equity Ratio	0.40	-0.53	-176.09%	
-Inventory Turnover Ratio	-	0.00		
-Trade Receivables turnover ratio	0.00	0.53	-100.00%	
-Trade payables turnover ratio	-	0.00		
-Net capital turnover ratio	36.80	2.25	1535.39%	
-Net profit ratio	0.02	-0.32	-107.36%	
-Return on Capital employed	0.40	-0.53	-176.09%	
-Return on investment	0.40	-0.53	-176.09%	

(b) Details of Benami property in which proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rule made thereunder has been provided hereunder:

- Details and year of acquisition of such property	NIL
- Amount of property	NIL
- Details of Beneficiary	NIL
- If the property is disclosed in books, Reference in the balance sheet:	NIL
- If the property is not in the books, then the facts shall be disclosed with reasons	NIL
- Where there are proceedings against the company under this law as an abettor of the transaction or as the transferor, then the details shall be provided:	NIL
-Nature of proceedings and company's stand thereon:	NIL

(c) Charge Details:

Details of Registration or satisfaction of charge not registered with the Registrar of Companies (“ROC”) beyond the time period are disclosed along with reasons thereof: Nil
All charges registered with ROC - Nil

(d) Title deed of Immovable property not held in the name of company

Details of all those immovable properties whose title deed are not in the name of the company, except those immovable properties in which the company is lessee and lease agreement are executed -NIL

(e) Borrowing from Banks and Financial Institutions:

During the year, the Company has not borrowed from Banks/FI

(f) Wilful Defaulter: The Company is not declared as wilful defaulter by any bank or financial institution during the year

(g) Foreign Exchange earnings: There were no earnings in Foreign currency during the year

(h) Transactions with Struck off Companies: The Management confirms that the company had no transaction with any struck off companies during the year.

(i) Capital-Work-in Progress (CWIP)

Ageing schedule for Intangible assets under development and Capital Work in Progress (CWIP)
- NIL

(j) Loans & advances to Directors/KMP/Related Parties: No loans and advances were given to Directors/KMP/Related Parties during the year

(k) Scheme of arrangement Not Applicable

(l) Compliance with number of layers of companies - Not Applicable

(m) Details in respect of Utilization of Borrowed funds and share premium shall be provided in respect of:

- a. Transactions where an entity has provided any advance, loan, or invested funds to any other person (s) or entity/ entities, including foreign entities.- Nil
- b. Transactions where an entity has received any fund from any person (s) or entity/ entities, including foreign entity. - Nil

(n) Undisclosed Income:

There are no transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

2.11 Previous year`s figures have been regrouped/reclassified where ever necessary to correspond with the current year`s classification/disclosure.

2.12 Recent Accounting Pronouncements

The Proviso to Rule 3(1) of Companies Accounts Rules 2014, has been made mandatory effective from 01.04.2023 whereby every company which uses accounting software for maintaining its books of accounts shall use only such accounting software which has a feature of recording Audit Trails of each & every transaction, creating an edit log of each entry made in the books of accounts along with date of change. The company has taken steps to incorporate modification in the software for audit trail generation effective from 1st April 2023.

For and on behalf of the Board of Directors

Sd/-
M GEORGE KORAH
CHAIRMAN
(DIN: 08207827)

sd/-
MURALI RAMAKRISHNAN
DIRECTOR
(DIN:01028298)

Sd/-
THOMAS JOSEPH K
DIRECTOR
(DIN: 09186452)

sd/-
JOHN C A
DIRECTOR
(DIN : 09186451)

sd/-
P V SATHEESAN
CHIEF EXECUTIVE OFFICER

Annexure I**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the resolution was passed in general meeting as required under first proviso to Section 188

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

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:
1	The South Indian Bank Limited Holding Company	Income from Services	Ongoing	9,36,13,846	21.07.2021	Nil

2	The South Indian Bank Limited Holding Company	Establishment Charges – Remuneration - Services rendered by Personnel of Holding Company	Ongoing	1,23,84,000	31-03-2022	Nil
3	The South Indian Bank Limited Holding Company	Rent	Ongoing	1,96,200	21-06-2021	Nil

For and on behalf of the Board of Directors

MAZHUVANCHERI KORAH GEORGE
Chairman
(DIN: 08207827)

MURALI RAMAKRISHNAN
Director
(DIN: 01028298)

Ernakulam
12-07-2023



SIB OPERATIONS AND SERVICES LIMITED

(Wholly owned Subsidiary of The South Indian Bank Limited)

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