

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of SBI GLOBAL FACTORS LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of **SBI Global Factors Limited** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

In our opinion, depending on the facts and circumstances of the Company and the audit, there are no key audit matters to communicate.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133



of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's 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.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure - A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.





(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements to the extent determinable/ascertainable – Refer Note 25 to the financial statements.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**Directions of C&AG**

As per the directions of The Comptroller & Auditor General of India in accordance with Section 143(5) of the Companies Act, 2013 and on the basis of such verification of the books and records as considered appropriate and available and according to the information and explanations given to us and as per the declarations given by the Company, we enclose in "Annexure – C" a statement on the matters specified in directions issued by The Comptroller & Auditor General of India.

Place: Mumbai

Date: 22-04-2019.



For Vyas & Vyas  
Chartered Accountants  
FRN: 000590C

Chandra Prakash Kapoor  
Partner  
M. No. 071275

ANNEXURE – A to the Auditor’s Report-

Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor’s Report) Order, 2016

i.(a)The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets are physically verified according to a phased program of verification so as to verify all assets within a period of three years. As informed to us, physical verification is under process.

In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and the Nature of its Fixed assets;

(c)According to the information and explanations given to us, the title deeds of immovable properties are held in the name of erstwhile name of the Company and we understand that the Company is in the process of updating the documents in the present name of the Company.

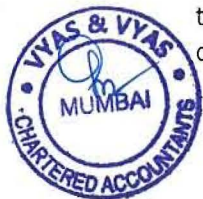
Particulars	Gross Value (Amt in lakhs)	Net Value (Amt in lakhs)	Remarks
Office Premises in Mumbai	797.25	573.32	In the erstwhile name of Global Trade Finance Limited
Office Premises in Delhi	146.72	113.74	In the erstwhile name of Global Trade Finance Limited
Flat in Mumbai	47.83	36.19	In the erstwhile name of SBI Factors and Commercial Services Private Limited.

ii.The company is involved in factoring business and thus it does not hold any physical inventory. Accordingly, provisions of clause (ii) of the Order are not applicable.

iii.According to the information and explanations given to us, 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.

In view of the above, clause (iii) (a), (b) and (c) of the order are not applicable.

iv.In our opinion and according to the information and explanations given to us, the Company has not granted any loans, provided any guarantees and security covered under the provisions of section 185 and 186 of the Companies Act, 2013 and accordingly provisions of Section 185 and 186 relating to loans are not applicable. The company has invested amounts in one of the fellow subsidiary company and provisions of section 186 have been complied with.





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## CHARTERED ACCOUNTANTS

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, hence 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 there under, are not applicable on the Company.

vi. According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 to the Company.

vii. (a) According to information and explanations given to us, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Income tax, Service tax, Customs Duty, Goods and service tax (GST), cess and any other material statutory dues applicable to it as per the available records as far as ascertained by us on our verification.

According to the information and explanations given to us, there were no undisputed amounts payable in respect of outstanding statutory dues as aforesaid at 31<sup>st</sup> march 2019 for a period of more than six months from the date they become payable.

(b) The disputed statutory due, as detailed below, have not been deposited on account of matters pending before appellate authorities:

Name of the Statute	Nature of Dues	Amount( Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax, Interest and Penalty	Rs 47.49	For the Assessment Year 2013-14	CIT(Appeals)
Service Tax	Service Tax and Penalty	Rs 221	For the Financial Year 2004-05 to 2010-11	Commissioner of Service Tax

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, banks and Debenture holders.

ix. According to the information and explanations given to us, the Company has not raised any money by way of Initial Public offer (including debt instruments) and term loans during the year.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the management.

xi. During the course of our examination and as far as records/details made available and verified by us and according to the information and explanations given to us, the managerial remuneration is paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.



# VYAS & VYAS

## CHARTERED ACCOUNTANTS

- xii. The Company is not a Nidhi Company and accordingly this clause is not applicable to the Company. Accordingly, provision of clause 3(xii) of the order is not applicable.
- xiii. According to the information and explanations given to us and based on our verification of the records of the Company and on the basis of review and approvals by the Board and Audit Committee, related party transactions during the financial year under review are in compliance with section 177 and 188 of the Companies Act, 2013 and details have been duly disclosed in the financial statements as required by the applicable accounting standard.
- xiv. According to the information and explanations given to us and based on our verification of the records of the Company, there was no preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review, therefore reporting under clause 3(xiv) is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the financial year under review; accordingly paragraph 3 (xv) of the order is not applicable.
- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has received registration certificate dated 23<sup>rd</sup> March, 2015 from Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934 and is permitted to carry on the business as NBFC- Factors in accordance with the Factoring Regulation Act, 2011.

Place: Mumbai

Date: 22-04-2019



For Vyas & Vyas  
Chartered Accountants  
FRN: 000590C

Chandra Prakash Kapoor  
Partner  
M. No. 071275



ANNEXURE – B to the Auditor’s Report--

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

We have audited the internal financial controls over financial reporting of SBI GLOBAL FACTORS LIMITED, (“the Company”), as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“Guidance Note”) issued by the Institute of Chartered Accountants of India (“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 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



**Annexure "C" to the Auditor's Report**

**Statement on the matters specified in directions issued by the Comptroller and Auditor General of India in accordance with Section 143(5) of the Companies Act, 2013**

- a) According to the information and explanations given to us and based on information available, the company does not hold any freehold land and leasehold land as at the year end.
- b) According to the information and explanations given to us and based on information available, and as per the declarations given by the Company, the cases of waiver/write off of debts/loans/interest etc. as approved by the Board of Directors during the year ended 31<sup>st</sup> March, 2019 are as follows:

No of cases	Nature of Waiver	Reason of Waiver	Amount of waiver (Rs in lakhs)
1	Balance Principal	To Facilitate recovery in write off Account	8.02
9	Reversal of Fees	Waiver of Revalidation Fee & Facility Continuation Fee	3.35

- c) According to the information and explanations given to us and based on information available, the company does not have inventory lying with the Third Parties and no assets have been received as gifts from the Government and other authorities.

Place: Mumbai

Date: 22-04-2019



For Vyas & Vyas  
Chartered Accountants  
FRN: 000590C

Chandra Prakash Kapoor  
Partner  
M. No. 071275



**Report on the matters required to be reported in terms of the Non-Banking Financial Companies  
Auditor's Report (Reserve bank) Directions, 2016**

To,  
The Board of Directors,  
SBI GLOBAL FACTORS LIMITED  
Mumbai

**Report on the Financial Statements**

In addition to the report made under section 143 of the Companies Act, 2013 ('the Act') on the financial statements of SBI Global Factors Limited ('the Company') for the year ended 31 March, 2019 and as required by the Master Circular on Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 vide Master Direction DNBS. PPD.03/66.15.001/2016-17 dated 29 September 2016 (the 'Directions'), we report as follows on the matters specified in paragraph 3 and 4 of the said Directions to the extent applicable.

**Management's responsibility for the financial statements**

The Company's management is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The Company's management is responsible for compliance with the Reserve Bank of India (herein after RBI or Bank) Act, 1934 and other relevant RBI circulars and guidelines applicable to Non-Banking Financial Companies, as amended from time to time and for providing all the required information to RBI.



### **Auditor's Responsibility**

Pursuant to the requirement of the Directions, it is our responsibility to examine the audited books and records of the Company for the year ended 31<sup>st</sup> March, 2019 and report on the matters specified in the Directions to the extent applicable to the Company.

We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates issued for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

### **Opinion**

Based on our examination of the audited financial statements for the year ended 31 March 2019, books of accounts and records of the Company as produced for our examination and according to the information and explanations given to us, we report that:

- The Company is engaged in the business of non-banking financial institution and it has obtained a certificate of registration (CoR) dated 23<sup>rd</sup> March, 2015 from the bank's department of Non-Banking Supervision – Mumbai, Regional office;
- The Company is entitled to continue to hold such certificate of registration in terms of its principal business criteria as on 31 March, 2019;
- In our opinion and to the best of our information and according to the explanations given to us, the Company is meeting the criteria of net owned funds requirement as laid down in the Directions.
- The Board of Directors of the Company has passed a resolution in its meeting held on 20 April 2017 for non-acceptance of any public deposits;
- The Company has not accepted any public deposits during the year ended 31 March 2019;
- In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of the Directions in the preparation of financial statements for the year ended 31 March 2019;
- The Statement of capital funds, risk assets/ exposures and risk asset ratio (NBS-7) has been furnished to the Bank within the stipulated period based on the Audited books of Accounts. The Company had correctly arrived at and disclosed the Capital Adequacy Ratio (CRAR), based on the Audited books of Account, in the return submitted to the bank in form NBS -7 and such ratio is in compliance with the minimum CRAR prescribed by the Bank.
- The Company is not a NBFC-MFI as defined in the Master Circular- Non-Banking Financial Company -- Micro Finance Institution ('NBFC-MFI') -- Directions, with reference to the business carried on by it during the year ended 31 March 2019.





**Restriction on Use**

This Report is addressed to and provided to the Board of Directors solely to comply with the aforesaid Directions and for submission to RBI, if required, and may not be suitable for any other purpose. Accordingly, our Report should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, Vyas & Vyas neither accept nor assume any duty or liability for any other purpose or to any other party to whom our Report is shown or into whose hands it may come without our prior consent in writing.

Place: Mumbai

Date: 22-04-2019



For Vyas & Vyas  
Chartered Accountants  
FRN: 000590C

Chandra Prakash Kapoor  
Partner  
M.No. 071275


SBI GLOBAL FACTORS LTD  
Balance Sheet as at March 31, 2019

(Rs. in lakhs)

Particulars	Note	March 31, 2019	March 31, 2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	15,989	15,989
(b) Reserves and Surplus	3	16,604	16,069
		32,593	32,058
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowings	4	15,000	15,000
(b) Long Term Provisions	5	24,599	26,009
		39,599	41,009
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	6	79,720	65,764
(b) Other Current Liabilities	7	2,467	1,920
(c) Short Term Provisions	8	24	13
		82,211	67,697
<b>Total</b>		<b>154,403</b>	<b>140,764</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Asset	9		
Tangible Asset		766	804
Intangible Asset		8	0
Capital Work In Progress		-	6
(b) Non-Current Investments	10	383	383
(c) Deferred Tax Assets (Net)	11	7,114	7,525
(d) Long Term Loans and Advances	12	1,395	1,717
		9,666	10,435
<b>(2) Current Assets</b>			
(a) Current investments	13	-	1,000
(b) Debts Factored	14	138,055	127,710
(c) Cash and Cash Equivalents	15	3,948	1,421
(d) Short Term Loans and Advances	16	341	178
(e) Other Current Assets	17	2,393	20
		144,737	130,329
<b>Total</b>		<b>154,403</b>	<b>140,764</b>
The Notes to Account forms integral part of Financial Statements	1 to 46		

As per our report of even date

For Vyas & Vyas  
Chartered Accountants  
Firm Registration No. 000590C

  
Chandra Prakash Kapoor  
Partner  
M.No. 071275



Place : Mumbai  
Date : 22 April 2019

For and on behalf of the Board of Directors

  
Dinesh Kumar Khara  
Chairman  
DIN :- 06737041

  
Pankaj Gupta  
Chief Financial & Risk Officer

  
M N Aravind Kumar  
Managing Director & CEO  
DIN :- 08165688

  
Amita Joshi  
Company Secretary



Place : Mumbai  
Date : 22 April 2019




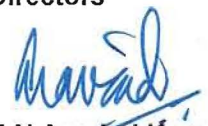





**SBI GLOBAL FACTORS LTD**

**Statement of Profit and Loss for the Year Ended March 31, 2019**

(Rs. in lakhs)

Particulars	Note	Year ended March 31,	Year ended March 31,
		2019	2018
Revenue from Operations	18	10,440	9,449
Other Income	19	1,887	637
<b>Total Revenue</b>		<b>12,327</b>	<b>10,086</b>
<b>Expenses</b>			
Employee Benefit Expense	20	925	839
Finance Cost	21	5,714	4,258
Depreciation and Amortization Expense	9	49	60
Operating, Administrative and Other Expenses	22	1,298	1,317
Bad Debts Written Off		3,355	3,275
Provision against Standard Assets	28	39	129
<b>Total Expenses</b>		<b>11,380</b>	<b>9,878</b>
<b>Profit/(Loss) before Tax</b>		947	208
<b>Less :- Tax Expense:</b>			
Current Tax		-	-
Deferred Tax		412	532
<b>Profit/(Loss) after Tax</b>		<b>535</b>	<b>(324)</b>
<b>Earning Per Share (In Rupees) (Par Value Rs. 10/-)</b>			
Basic		0.33	(0.20)
Diluted		0.33	(0.20)
<b>Number of shares used in computing Earnings Per Share</b>			
Basic		159,885,365	159,885,365
Diluted		159,885,365	159,885,365
<b>The Notes to Account forms integral part of Financial Statements</b>	<b>1 to 46</b>		

<p><b>As per our report of even date</b></p> <p>For Vyas &amp; Vyas Chartered Accountants Firm Registration No. 000590C</p> <p> Chandra Prakash Kapoor Partner M.No. 071275</p> <p>Place : Mumbai Date : 22 April 2019</p> 	<p><b>For and on behalf of the Board of Directors</b></p> <p> Dinesh Kumar Khara Chairman DIN :- 06737041</p> <p> M N Aravind Kumar Managing Director &amp; CEO DIN :- 08165688</p> <p> Pankaj Gupta Chief Financial &amp; Risk Officer</p> <p> Amita Joshi Company Secretary</p> <p>Place : Mumbai Date : 22 April 2019</p> 
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**SBI GLOBAL FACTORS LIMITED**  
Cash Flow Statement for the Year Ended March 31, 2019

(Rs in lakhs)

	March 31, 2019		March 31, 2018	
<b>Cash Flow from Operating Activities:</b>				
Net Profit before Tax		947		208
<b>Adjustments for:</b>				
Depreciation / Amortisation	49		60	
Interest Cost	2,727		1,733	
Discount on issue of Commercial Paper	2,814		2,344	
Amortisation of Forward Premium	33		47	
Sundry Balance Written Off	(0)		1	
Foreign Exchange (Gain)/Loss (Net)	8		(0)	
(Profit) / Loss on Sale of Fixed Assets	1		(1)	
Liabilities no longer required Written Back	(36)		(9)	
Provision for Doubtful Debts & Advances	(1,451)		(323)	
Provision on Standard Assets	39		129	
Bad Debts Written Off	3,355		3,275	
Provision for Leave Encashment	10		(3)	
Provision for Gratuity	9		9	
Profit on Sale of Current Investments	(151)		(66)	
		7,407		7,196
<b>Operating profit before Working Capital changes</b>		<b>8,354</b>		<b>7,404</b>
Increase / (Decrease) in Short Term Borrowings	(9,275)		5,869	
Increase / (Decrease) in Long Term Borrowings	-		-	
(Increase) / Decrease in Other Current Assets	(2,372)		85	
Increase / (Decrease) in Long Term Provisions	(8)		6	
Increase / (Decrease) in Other Current Liabilities	643		415	
Increase / (Decrease) in Short Term Provisions	1		(21)	
(Increase)/Decrease in Long Term Loans and Advances	291		24	
(Increase)/Decrease in Debts Factored	(13,700)		(24,933)	
(Increase)/Decrease in Short Term Loans and Advances	(163)		(66)	
		(24,583)		(18,621)
<b>Cash (used)/generated in and from Operating Activities</b>		<b>(16,229)</b>		<b>(11,217)</b>
Direct Taxes paid (net)		31		29
<b>Net Cash (used)/generated in and from Operating Activities (A)</b>		<b>(16,198)</b>		<b>(11,188)</b>
<b>Cash Flow from Investing Activities:</b>				
Purchase of Fixed Assets		(17)		(53)
Sale of Fixed Assets		3		8
Purchase of Current Investments		(495,200)		(258,900)
Sale of Current Investments		496,351		257,966
<b>Net cash from Investing Activities (B)</b>		<b>1,137</b>		<b>(979)</b>
<b>Cash Flow from Financing Activities:</b>				
Interest Cost		(2,788)		(1,679)
Discount on issue of Commercial Paper		(2,814)		(2,344)
Premium on Forward Contract		(33)		(43)
Repayment of Loans		(214,704)		(63,330)
Loan Taken		188,927		94,352
Commercial Paper Repaid		(242,000)		(205,000)
Commercial Paper Taken		291,000		191,000
<b>Net Cash generated from Financing Activities (C)</b>		<b>17,588</b>		<b>12,956</b>
<b>Net increase in Cash and Cash Equivalents (A + B + C)</b>		<b>2,527</b>		<b>788</b>
<b>Cash and Cash Equivalents as at March -19 /March -18</b>				
Cash in Hand		1		1
Stamp in Hand		1		1
Cash & Bank Balances in Current Account with Banks		3,946		1,419
		3,948		1,421
<b>Less: Cash and Cash Equivalents as at Mar-18/Mar-17</b>		<b>1,421</b>		<b>633</b>
		2,527		788

Note :

- Cash Flow Statement has been reported using the Indirect Method.
- Previous Year figures have been regrouped / reclassified / rearranged wherever necessary.

The Notes to Account forms integral part of Financial Statements  
(Note 1 to Note 46)

As per our report of even date

For Vyas & Vyas  
Chartered Accountants  
Firm Registration No. 000590C

*Chandra Prakash Kapoor*

Chandra Prakash Kapoor  
Partner  
M.No. 071275

Place : Mumbai  
Date : 22 April 2019



For and on behalf of the Board of Directors

*Dinesh Kumar Khara*  
Dinesh Kumar Khara  
Chairman  
DIN :- 06737041

*Pankaj Gupta*  
Pankaj Gupta  
Chief Financial & Risk Officer



*M N Aravind Kumar*  
M N Aravind Kumar  
Managing Director & CEO  
DIN :- 08165688

*Amita Joshi*  
Amita Joshi  
Company Secretary

Place : Mumbai  
Date : 22 April 2019

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

**1 Significant Accounting Policies**

**1.1 Basis of preparation of Financial Statements**

The Financial Statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with generally accepted accounting principles ("GAAP") prevalent in India and the mandatory Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Account) Rules, 2014 as adopted consistently by the company and the provisions of the Companies Act 2013 (to the extent notified and applicable).

**1.2 Use of Estimates**

Preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and the difference between actual results and estimates are recognized in the periods in which the results are known or materialized

**1.3 Fixed Assets/Capital Work in Progress**

**a Tangible Assets**

Tangible assets are stated at cost of acquisition less accumulated depreciation. Cost is inclusive of borrowing cost and other incidental charges incurred upto the date of installation/put to use.

**b Intangible Assets**

In accordance with Accounting Standard - 26, Intangible Assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.

**1.4 Depreciation / Amortisation**

**a Tangible Assets**

With effect from 01.04.2014 "Schedule II – Useful lives to compute Depreciation" of Companies Act, 2013 is applicable. Depreciation on tangible assets is provided on Straight Line Method over the useful life of assets estimated by the Management. The Management estimates the useful life for fixed assets as follows:

SR. No.	Asset Description	Useful life as per Management estimates	Useful Life as per Sch. II of the ACT
1	Leasehold Premises	-	AS-19
2	Office Premises	60	60
3	Furniture & Fixtures *	5	10
4	Vehicles *	4	10
5	Office Equipment	5	5
6	Computer Hardware (Servers & Networks) *	3	6
7	Computer Hardware (Other Hardware)	3	3
8	Computer Software	3	AS-26

The useful life estimated by the management is consistent with the useful lives followed in earlier years.

Depreciation on additions to/deletions from Fixed Assets during the year is provided on prorata basis. Leasehold improvements are depreciated over the effective lease term of the respective premises.

\* For these class of assets based on internal assessment the management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful life for these assets is different from the useful life as prescribed in Part C of Schedule II of The Companies Act, 2013.

**1.5 Impairment of Fixed Assets**

The carrying amounts of Company's assets are reviewed at each Balance Sheet date if 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 value. The Company has not identified any such assets.

**1.6 Asset Classification and Provisions: Reserve Bank of India Prudential Norms**

**a Classification of Non-performing Asset:**

The Company follows the guidelines issued by the Reserve Bank of India (RBI), in respect of Asset Classification and Income Recognition.

Category	Criteria
Sub-Standard Assets	Principal and/or Interest overdue for 3 months or more
Doubtful Assets	Principal and/or Interest overdue for 15 months or more
Loss Assets	1. An asset which has been identified as loss asset by the company or its internal or external auditor or by the Reserve Bank of India during the inspection of the company, to the extent it is not written off by the company; and 2. An asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower

**b Provisioning for Non-performing Asset:**

The Company is following higher provisioning norms as considered appropriate by management vis-à-vis RBI provisioning norms.

(i) The portion of advance/ asset not covered by value of tangible security is provided for cumulatively as under:

Category	Provision %
Sub-Standard Assets	20%
Doubtful Assets	100%
Loss Assets	100%

(ii) In addition to b(i) above, the portion of advance/asset covered by value of tangible security is provided for cumulatively as under:

Category	Provision %
Sub-Standard Asset	20%
Period for which the advance remains doubtful :	
Upto 1 year	20%
More than 1 year and upto 3 years	50%
More than 3 years	100%
Loss Assets	100%

**c Additional provisions is also made as and when considered necessary.**

**d As per RBI Guidelines, provision @ 0.40% is made on standard assets.**





### 1.7 Provisioning Norms for Sale of Non Performing Assets

The sale of financial assets to Securitisation Company (SC) / Reconstruction Company (RC) following guidelines issued by RBI on provisioning / accounting norms are followed:

- a When the Company sells its financial assets to SC / RC, on transfer the same is removed from the books
- b If the sale is at a price below the net book value (NBV) (i.e., book value less provisions held), the shortfall is debited to the Statement of Profit and Loss for the year.
- c If the sale is for a value higher than the NBV, Company is reversing the excess provision on sale of NPAs to its Statement of Profit and Loss in the year the amounts are received. However, Company can reverse excess provision arising out of sale of NPAs only when the cash received (by way of initial consideration and/ or redemption of SRs / PTCs) is higher than the net book value (NBV) of the asset. Further, reversal of excess provision will be limited to the extent to which cash received exceeds the NBV of the asset.
- d In case of sale to SC / RC,
  - i) When Company invests in the security receipts (SR) in respect of the financial assets sold to the SC/RC, the sale is recognised in books of the Company at the lower of:
    - the redemption value of the security receipts and
    - the NBV of the financial asset.The investment will be carried in the books of the Company at the price as determined above until its sale or realization, and on such sale or realization, the loss or gain must be dealt with in the same manner as at b and c above.
  - ii) Investment in security receipts issued by SC / RC as sale consideration for financial assets sold to them and also other instruments issued by SC / RC in which Company invests will follow the valuation, classification and other norms applicable to such investment instruments prescribed by RBI from time to time. However, if any of the above instruments issued by SC / RC is limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme the Company will reckon the Net Asset Value (NAV), obtained from SC / RC from time to time, for valuation of such investments.

### 1.8 Investments

#### a Long Term Investments

Long term investments are valued at cost less permanent diminution, if any, in the value of investment.

#### b Current Investments

Current Investments are valued at lower of cost and realisable value.

### 1.9 Foreign Currency Transactions

Foreign currency transactions for the month are recorded at the exchange rates prevailing on the previous month end rate. Monetary assets and liabilities as at the Balance Sheet date, are translated at the rates of exchange prevailing as on that date.

In case of assets and liabilities covered by forward contracts, the forward premium is recognized over the life of the Contract and the difference between the year end rate and rate on date of contract is recognized as exchange difference. Gains and losses arising out of fluctuations in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognized in the Statement of Profit and Loss.

### 1.10 Revenue Recognition

Revenue is recognised as per Accounting Standard - 9 "Revenue Recognition".

- a Discount charges and interest on advances are accrued on time basis on the balances in the prepayment accounts at the applicable discount/ interest rates.
- b Factoring charges are accrued on factoring of debts at the applicable rates.
- c **Recognition of Processing Fees (PF) / Facility Continuation Fee (FCF) :**
  - i) **New Sanction:** Facility Set up fees is charged for the period from beginning to end of financial year, in which account became sanctioned and are recognized as income only when there is reasonable certainty of its receipt after execution of documents.
  - ii) **Continuation / Renewal of Limit:** Facility Continuation Fees is charged in the month of May on the basis of the sanctioned/ capped limits on the core factoring facilities which is current as at 1<sup>st</sup> April of that financial year. It will be calculated for the entire next financial year on all live Standard accounts. 1<sup>st</sup> of May will be deemed as the date of accrual of the FCF. However, in case the account is in dormant mode, or NPA, FCF will be recognized only when the same is realized.
  - iii) **Enhancement or adhoc limits:** The PF is charged and recognized as income, only when there is reasonable certainty of its receipt after execution of documents and at the time of first factoring.

### 1.11 Debts Factored

Debts factored are 'Trade Receivables'. The unpaid balance of debts factored and due to the clients on collection is included under 'Other Current Liabilities' as Liability against collection of Trade Receivables'.

### 1.12 Taxes on Income

- a Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- b Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Asset in respect of carry forward of losses and depreciation is recognised only to the extent that there is virtual certainty that sufficient taxable income will be available to realise this asset. All other deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.



### 1.13 Employee Benefits

#### a Defined Contribution Plan:

Contribution to the recognised Provident Fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss during the year in which the employee renders the related service. The Company has no further obligation under the provident fund plan beyond its monthly contribution.

#### b Defined Benefit Plan:

The Company's gratuity benefit is a defined benefit plan. For defined benefit plan in the form of gratuity, the cost of providing benefit is determined using the Projected Unit Cost Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains / losses are recognised in full in the Statement of Profit and Loss for the year in which they occur. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets.

#### c Leave Encashments:

Leave encashment are provided for based on an actuarial valuation.

### 1.14 Discount on issue of Commercial Paper

Discount on issue of commercial papers is amortised over the period to maturity of the commercial paper. Unexpired discount as at the year end, if any, is included under Other Current Assets.

### 1.15 Provision, Contingent Liabilities and Contingent Assets

#### a Provisions are recognised for liabilities that can be measured only using a substantial degree of estimation, if :

- i) The company has a present obligation as a result of a past event.
- ii) A probable outflow of resources is expected to settle the obligation.
- iii) The amount of obligation can be reliably estimated.

Reimbursements expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

#### b Contingent Liabilities are disclosed in the case of :

- i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- ii) A possible obligation, unless the probability of outflow of resources is remote.

Provisions, Contingent Liabilities are reviewed by the management at each Balance Sheet Date.

#### c Contingent Assets are neither recognised nor disclosed.

### 1.16 Leased Assets

Rentals in respect of assets taken on operating lease by the company are expensed as per the terms of the lease agreement.

### 1.17 Earnings Per Share

In accordance with the Accounting Standard 20 ( AS – 20) "Earnings Per Share" issued by the Institute of Chartered Accountants of India, basic / diluted earnings per share is computed using the weighted average number of shares outstanding during the period

### 1.18 Other Accounting Policies

These are consistent with the generally accepted accounting practices



## 2 SHARE CAPITAL

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
<b>Authorized :</b>		
180,000,000 (Previous Year 180,000,000) Equity Shares of Rs.10 each	18,000	18,000
120,000,000 (Previous Year 120,000,000) Preference Shares of Rs.10 each	12,000	12,000
	<u>30,000</u>	<u>30,000</u>
<b>Issued, Subscribed and Paid-up</b>		
159,885,365 (Previous Year 159,885,365) Equity Shares of Rs. 10 each, fully paid-up	15,989	15,989
	<u>15,989</u>	<u>15,989</u>

a. Includes 15,625,000 shares issued on Right issue of capital in FY 2010-11

b. 13,77,86,585 (Previous Year 13,77,86,585) shares are held by the Holding Company, State Bank of India and its Nominees.

## 2.1 Disclosure with respect to Shareholding in excess of 5%

Name of the Equity Shareholder	% of Issued, Subscribed, and Paid up Equity Share	No. of shares held as on 31.03.2019	No. of shares held as on 31.03.2018
1) State Bank of India	86.18 (86.18)	137,786,585	137,786,585
2) Small Industries Development Bank of India (SIDBI)	6.53 (6.53)	10,444,172	10,444,172

## 2.2 Reconciliation of Shares

Particulars	As at	
	March 31, 2019	March 31, 2018
	Number of shares at the beginning	159,885,365
Number of shares at the end	<u>159,885,365</u>	<u>159,885,365</u>

## 2.3 Rights, Preferences and Restrictions attached to Shares

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

## 3 RESERVES AND SURPLUS

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
<b>Capital Redemption Reserves</b>		
Opening Balance	1,000	1,000
Add: Transfer from Statement of Profit and Loss	-	-
Closing Balance	<u>1,000</u>	<u>1,000</u>
<b>Securities Premium Account</b>		
Opening Balance	21,693	21,693
Add: Additions during the year	-	-
Closing Balance	<u>21,693</u>	<u>21,693</u>
<b>Reserve Fund *</b>		
Opening Balance	6,374	6,374
Add: Transfer from Statement of Profit and Loss	107	-
Closing Balance	<u>6,481</u>	<u>6,374</u>
<b>General Reserve**</b>		
Opening Balance	11,423	11,423
Add: Transfer from contingency reserve	-	-
Closing Balance	<u>11,423</u>	<u>11,423</u>
<b>Surplus</b>		
Opening Balance	(24,421)	(24,097)
Add: Net Profit/(Loss) transferred from Statement of Profit and Loss	535	(324)
	<u>(23,886)</u>	<u>(24,421)</u>
<b>Less :-</b>		
Transfer to Reserve Fund*	107	-
Transfer to Contingency Reserve	-	-
Closing Balance	<u>(23,993)</u>	<u>(24,421)</u>
<b>TOTAL</b>	<u>16,604</u>	<u>16,069</u>

\* Created in accordance with provision of section 45-IC of The Reserve Bank of India Act, 1934

\*\*Contingency Reserve has been transferred to General Reserve as on 30th Sept 2013 vide approval received from The Reserve Bank of India dt.26.07.2013.





4 LONG TERMS BORROWINGS

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
<b>Unsecured Loans</b>		
9.22% 10 Years Unsecured Subordinated Redeemable Non-Convertible Debentures 2011-12 (Series - SBIGFL - 09) of Rs. 10 Lakhs each (Maturity date: July 29, 2021)		
From Banks	-	-
From Others	10,000	10,000
8.75% 10 Years Unsecured Subordinated Redeemable Non-Convertible Debentures 2010-11 (Series - SBIGFL - 08) of Rs. 10 Lakhs each (Maturity date: Aug 25, 2020)		
From Banks	-	-
From Others	5,000	5,000
<b>TOTAL</b>	<b>15,000</b>	<b>15,000</b>

5 LONG TERM PROVISIONS

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
Provision for Bad and Doubtful Debts on Non Performing Assets (Note - 24)	23,744	25,195
Provision for Bad and Doubtful Debts on Non Performing Investments (Note - 23)	383	383
Provision against Standard Assets (Note - 28)	440	401
Provision for Leave Encashment	32	30
<b>TOTAL</b>	<b>24,599</b>	<b>26,009</b>

6 SHORT TERM BORROWINGS

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
<b>Unsecured</b>		
Loans from Related Party -State Bank of India (Parent Company)		
Foreign Currency Cash Credit Loan @ (USD 35.73 lakhs ,GBP 8.92 lakhs, EUR 7.41 lakhs; March 31, 2018 USD 110.52 lakhs; GBP 10.72 lakhs and EUR 14.56 lakhs)	3,854	9,369
Foreign Currency Short Term Loan Facility * (USD 41.44 lakhs; March 31, 2018 USD 40.56 lakhs)	2,866	2,643
<b>Other Facility</b>		
Bank Overdraft \$	0	-
Working Capital Demand Loan #	24,000	44,000
<b>Loan from Others</b>		
Short Term Loan Facility **	-	6,000
Bank Overdraft \$	-	3,752
<b>Commercial Paper</b>	49,000	-
<b>TOTAL</b>	<b>79,720</b>	<b>65,764</b>

@ The rate of interest payable @ 3 Months LIBOR plus 1.5% ( Previous Year 3 Months LIBOR plus 1.5%) per annum paid on quarterly basis.

\$ Includes Bank Overdraft taken from State Bank of India @ of interest payable @ 8.55% p.a. and previous year taken from Axis Bank @ interest payable @9.15% p.a.

	Maturity Date	March 31, 2019	March 31, 2018
*Foreign Currency Short Term Loan Facility payable with Interest @ 3 Months LIBOR plus 1%			
USD 41.44	05th April, 2019	2,866	-
USD 22.39	03rd April, 2018	-	1,459
USD 18.17	27th April, 2018	-	1,184
		2,866	2,643
# Working Capital Demand Loan			
Interest @ 8.25% p.a.	05th April, 2019	8,000	-
Interest @ 8.25% p.a.	04th April, 2019	6,000	-
Interest @ 8.25% p.a.	08th April, 2019	5,000	-
Interest @ 8.25% p.a.	08th April, 2019	5,000	-
Interest @ 7.95% p.a.	06th April, 2018	-	3,500
Interest @ 7.80% p.a.	05th April, 2018	-	6,000
Interest @ 7.80% p.a.	06th April, 2018	-	8,000
Interest @ 7.80% p.a.	10th April, 2018	-	4,000
Interest @ 7.80% p.a.	09th April, 2018	-	10,000
Interest @ 7.80% p.a.	11th April, 2018	-	10,000
Interest @ 7.80% p.a.	10th April, 2018	-	2,500
		24,000	44,000
** Short Term Loan Facility taken from HDFC Bank			
Interest @ 9.00% p.a.	27th April, 2018	-	6,000
		-	6,000

7 OTHER CURRENT LIABILITIES

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
Statutory Liabilities	27	33
Forward Contract Payable	-	-
Liabilities for Expenses*#	289	150
Others	9	7
Discount Charges/Set up fees received in Advance, not accrued	1,074	1,149
Liability against collection of Trade Receivable	641	94
Interest Accrued but not due@	427	487
<b>TOTAL</b>	<b>2,467</b>	<b>1,920</b>

\*There are no amounts due to suppliers as defined under the 'Micro, Small and Medium Enterprises Development Act,2006

# Includes amount payable to related parties Rs. 162 Lakhs (Previous Year Rs. 47 Lakhs)

@Includes interest payable to related parties Rs. 8 Lakhs (Previous Year Rs.62 Lakh)

8 SHORT TERM PROVISIONS

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
Provision for Leave Encashment	7	5
Provision for Gratuity	16	7
Provision for Wealth Tax	1	1
<b>TOTAL</b>	<b>24</b>	<b>13</b>



9 FIXED ASSETS

Rs. in lakhs, except as otherwise stated

Particulars	Gross Block (At Cost)				Depreciation and Amortisation				Net Block	
	As at April 1, 2018	Additions	Deductions	As at March 31, 2019	As at April 1, 2018	For the Period	Deductions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
<b>Tangible Assets</b>										
Building *	992	-	-	992	252	17	-	269	723	740
Office Equipment	134	2	8	128	127	3	7	123	5	7
Computers - Hardware	351	5	79	277	303	21	79	245	32	48
Furniture and Fixtures	292	4	14	282	286	2	12	276	6	6
Vehicles	17	-	17	-	17	-	17	-	-	-
Leasehold Improvements	324	-	-	324	321	2	-	324	-	3
	2,110	11	118	2,003	1,306	45	114	1,237	766	804
<b>Intangible Assets</b>										
Computers - Software	432	12	0	444	432	4	0	436	8	0
	432	12	0	444	432	4	0	436	8	0
<b>Capital Work In Progress</b>									-	6
<b>Total</b>	<b>2,541</b>	<b>23</b>	<b>118</b>	<b>2,447</b>	<b>1,738</b>	<b>49</b>	<b>114</b>	<b>1,673</b>	<b>774</b>	<b>810</b>
Previous Year	2,577	47	82	2,541	1,753	60	75	1,738	810	

\* Includes Rs. 500 being the value of shares in Co-operative Housing Society.



## 10 NON-CURRENT INVESTMENTS

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
JMFARC - IRIS December 2016 - Trust (Security Receipt of JM Financial Asset Reconstruction Company Private Limited) Face Value: 38,250 Series I SR @ Rs. 1,000 per SR Market Value: 38,250 Series I SR @ Rs. 1,500 per SR Equity Shares of SBI Foundation Fellow Subsidiary (1,000 Equity Shares @ Rs. 10/- each)	383	383
TOTAL	383	383

## 11 DEFERRED TAXES

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
Deferred Tax Asset		
Provision for Bad and Doubtful Debts on Non Performing Assets	6,914	7,337
Provision for Bad and Doubtful Debts on Non Performing Investments	111	111
Provision against Standard Assets	128	117
Provision for Grauity	5	2
Disallowances U/s 43B	24	20
Disallowances U/s 40(a)	2	1
Depreciation and Amortisation	(70)	(63)
TOTAL	7,114	7,525

## 12 LONG TERM LOANS &amp; ADVANCES

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
(Unsecured, unless otherwise stated) (Considered good by Management except to the extent provided for)		
Prepaid Expenses	25	7
Deposits	251	231
Advance Tax and Tax Deducted at Source (Net of Provision for Tax Rs. 94 lakhs March 31, 2018 Rs. 94 lakhs)	1,119	1,479
TOTAL	1,395	1,717

## 13 CURRENT INVESTMENTS

Particulars	Rs. in lacs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
<u>Unquoted Investments</u>		
Investments in Mutual Fund		
SBI Premier Liquid Fund - Direct Plan - Growth (Purchase Value - Units 36,767.162 @ 2719.8183 ) (Market Value - Units 36,767.162 @ 2724.3942 )	-	1,000
TOTAL	-	1,000

## 14 DEBTS FACTORED

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
Debts Factored (Secured)		
<u>Debts outstanding for a period exceeding six months</u>		
Considered Good	-	-
Considered Doubtful	8,259	7,092
<u>Other Debts :</u>		
Considered Good	49,298	48,406
Considered Doubtful	-	-
(A)	57,557	55,498
Debts Factored (Unsecured)		
<u>Debts outstanding for a period exceeding six months</u>		
Considered Good	-	-
Considered Doubtful	16,141	20,289
<u>Other Debts :</u>		
Considered Good	60,625	51,910
Considered Doubtful	3,732	13
(B)	80,498	72,212
TOTAL (A+B)	138,055	127,710

## 15 CASH AND CASH EQUIVALENTS

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
Cash and Cash Equivalent		
Cash in hand	1	1
Bank Balance with Sheduled Banks in Current Account	3,946	1,419
Others		
Slamps in hand	1	1
TOTAL	3,948	1,421

## 16 SHORT TERM LOANS AND ADVANCES

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
(Unsecured, unless otherwise stated) (Considered good by Management except to the extent provided for)		
Prepaid Expenses @	52	46
Deposits	11	20
Balance with Government Authorities	32	30
Cenvat & Input Credit	101	78
Other Advances#	145	4
TOTAL	341	178

@Includes expenses paid in advance to related parties Rs. 4 Lakh (Previous Year Rs. 1 Lakh)

#Includes expenses paid in advance to related parties Rs. 1 Lakh (Previous Year 3 Lakh)

## 17 OTHER CURRENT ASSETS

Particulars	Rs. in lakhs except as otherwise stated	
	As at	
	March 31, 2019	March 31, 2018
Forward Contract Receivable	-	15
Unamortised premium on Forward Contract	-	3
Unexpired Discount on issue of Commercial Papers	599	-
Interest Accrued not received	20	-
Other Receivables	1,774	2
TOTAL	2,393	20





18 REVENUE FROM OPERATIONS

Particulars	Rs. in lakhs except as otherwise stated	
	Year ended	Year ended
	March 31, 2019	March 31, 2018
Discount Charges	9,109	7,941
Factoring Charges	560	567
Processing Charges	323	304
Bad Debts Recovery in Written off Accounts	448	637
<b>TOTAL</b>	<b>10,440</b>	<b>9,449</b>

19 OTHER INCOME

Particulars	Rs. in lakhs except as otherwise stated	
	Year ended	Year ended
	March 31, 2019	March 31, 2018
Net Gain/Loss on sale of Short Term Investments	151	66
<b>Other Non-Operating Income</b>		
Provision for Bad & Doubtful Debts written back (Note - 24)	1,451	323
Provision for Standard Asset written back (Note - 28)	-	-
Income on Foreign Exchange Transactions	63	74
Foreign Exchange Gain	-	0
Profit on Sale of Fixed Assets (Net)	-	1
Interest on Income Tax Refund	142	39
Liabilities no Longer Required	36	9
Other Charges Recovered	28	35
Other Income *	16	90
<b>TOTAL</b>	<b>1,887</b>	<b>637</b>

\* Includes Rs. 66 lakhs in Previous Year Interest recovered from Written off accounts

20 EMPLOYEE BENEFIT EXPENSES

Particulars	Rs. in lakhs except as otherwise stated	
	Year ended	Year ended
	March 31, 2019	March 31, 2018
Salaries, Bonus, Gratuity, etc.	858	775
Contribution to Provident Fund and other funds	21	21
Staff Welfare	46	43
<b>TOTAL</b>	<b>925</b>	<b>839</b>

21 FINANCE COST

Particulars	Rs. in lakhs except as otherwise stated	
	Year ended	Year ended
	March 31, 2019	March 31, 2018
<u>Interest Expenses on</u>		
Non-Convertible Redeemable Debentures	1,360	1,360
Short Term Loans (including Cash Credit & Overdraft)	1,302	373
Discount on Issue of Commercial Papers	2,814	2,344
Interest on Financial Asset Sold	66	-
<u>Other Borrowing Costs</u>		
Bank Charges	46	64
Credit Rating Fees and Other Charges	80	66
Other Finance Cost	4	4
Forward Premium	33	47
Foreign Exchange Gain / Loss	9	-
<b>TOTAL</b>	<b>5,714</b>	<b>4,258</b>



22 OPERATING, ADMINISTRATIVE AND OTHER EXPENSES

Particulars	Rs. in lakhs except as otherwise stated	
	Year ended	Year ended
	March 31, 2019	March 31, 2018
Import Factor Commission	174	180
Legal and Professional Fees	135	116
Field Survey Charges	22	11
Rent, Rates and Taxes	364	383
Repairs and Maintenance :		
Building	22	24
Others	133	125
Advertisement & Publicity	4	15
Communication	55	60
Director's Sitting Fees	19	16
Auditors' Remuneration	18	19
Travelling	64	68
Conveyance	5	6
Corporate Social Responsibility	0	0
Utilities	51	52
Insurance	2	1
Membership and Subscription	11	10
Motor Car Running Expenses	3	4
Printing and Stationery	10	11
Outsourcing Costs	53	54
Loss on Sale of Fixed Assets (Net)	1	-
Security Charges	19	18
Service Tax	0	34
Goods & Service Tax	121	95
Miscellaneous Expenses	12	15
<b>TOTAL</b>	<b>1,298</b>	<b>1,317</b>

23 PROVISION FOR BAD & DOUBTFUL DEBTS ON NON PERFORMING INVESTMENTS

Particulars	Rs. in lakhs except as otherwise stated	
	Year ended	Year ended
	March 31, 2019	March 31, 2018
Provisions made during the Year	-	-
Less : Written Back	-	-
Net Provisions made / (Written back) for the Year	-	-
Opening Balance	383	383
Closing Balance Carried to Balance Sheet	383	383

24 PROVISION FOR BAD & DOUBTFUL DEBTS ON NON PERFORMING ASSETS

Particulars	Rs. in lakhs except as otherwise stated	
	Year ended	Year ended
	March 31, 2019	March 31, 2018
Provisions made during the Year*	2,324	3,441
Less : Written Back	3,775	3,764
Net Provisions made / (Written back) for the Year	(1,451)	(323)
Opening Balance	25,195	25,518
Closing Balance Carried to Balance Sheet	23,744	25,195

\* Current Year - Includes Rs. 0.24 lakhs (Previous Year Rs. 0.21 lakhs) provision made on account of fluctuation in Foreign Exchange Rates



**25 Contingent Liabilities :**

Particulars	Rs. In Lakhs	
	March 31, 2019	March 31, 2018
i. Claims against the Company not acknowledged as debts (to the extent ascertained from the available records)	32	32
ii. Service Tax matters (under dispute)	221	233
iii. Direct Tax matters - Income Tax	48	48
iv. Direct Tax matters - Tax Deducted at Source	0	7
	<b>301</b>	<b>320</b>

Note: Future cash outflows, if any, in respect of (i) to (iv) above is dependent upon the outcome of judgements / decisions etc.

**26 Details of Operating Leases as lessee:**

The company has entered into agreements in the nature of Lease/Leave and License Agreements with lessors/licensors. Operating lease rental expenses have been charged in Statement of Profit & Loss Account - Note 22 (Forming part of Rent, Rates & Taxes).

Operating Lease Particulars	Rs. In Lakhs	
	March 31, 2019	March 31, 2018
Operating lease payments recognised in the Statement of Profit & Loss during the Year	353	376

**27 Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act).**

The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure, if any, relating to the amount unpaid at the year end together with the interest paid/payable as required under the said Act have not been given.

Particulars	Rs. In Lakhs	
	March 31, 2019	March 31, 2018
a i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	Nil	Nil
a ii) Interest on a) (i) above	Nil	Nil
b i) Amount of Principal paid beyond the appointed Date	Nil	Nil
b ii) Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	Nil	Nil
c) Amount of Interest due and payable for the period of delay in making payment, but without adding the interest specified under section 16 of the said Act	Nil	Nil
d) Amount of Interest accrued and due	Nil	Nil
e) Amount of further interest remaining due and payable Even in succeeding years	Nil	Nil

**28 Disclosure as required in terms of Accounting Standard 29 (AS 29) on Provisions, Contingent Liabilities and Contingent Assets as at end of the period is as follows:**

Particulars	Rs. In Lakhs	
	March 31, 2019	March 31, 2018
Provision for Standard Assets as at 01.04.2018 / 01.04.2017	401	272
Add: Amount provided during the year	39	129
<b>Closing Balance as on 31.03.2019 / 31.03.2018 (Note - 5)</b>	<b>440</b>	<b>401</b>





29 The disclosures required under Accounting Standard - 15 on "Employee Benefits" are given below:

**Defined Contribution Scheme**

Description	March 31, 2019	March 31, 2018
Employer's Contribution to Provident Fund	11	11
Employer's Contribution to Pension Fund	10	10
<b>Total</b>	<b>21</b>	<b>21</b>

**Defined Benefit Scheme**

Obligation in respect of employee's gratuity fund scheme managed by SBI Life Insurance Company Ltd of India is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation:

a) Principal Assumptions used in determining gratuity and post employment benefits are:-

Actuarial Assumptions	March 31, 2019	March 31, 2018
Discount Rate	8.00%	7.63%
Future Salary Increases	7.50%	7.00% p.a.
Retirement Age	60 Years	60 Years
Mortality Rate	IALM (2012-014)	IALM (2006-08)
Method	Ultimate Projected Unit Credit Method	Ultimate Projected Unit Credit Method

b) Changes in Present Value of Obligation

Particulars	March 31, 2019	March 31, 2018
a) Present Value of obligation at the beginning of the year	94	89
b) Interest Cost	7	6
c) Past Service Cost	-	-
d) Current Service Cost	8	7
e) Benefits Paid	(10)	(11)
f) Actuarial (gain) / loss on Obligation	6	3
g) Present Value of obligation at the end of the year	104	94

c) Changes in Fair Value of Plan Assets

Particulars	March 31, 2019	March 31, 2018
a) Fair value of plan assets at the beginning of the year	92*	75
b) Expected Return	7	6
c) Past Service Cost	-	-
d) Contributions		16
e) Benefits Paid	(10)	(11)
f) Actuarial gain / (Loss) on Plan Assets	(1)	1
g) Fair value of plan assets at the end of the year	88	87
h) Funded Status	(16)	(7)

\* Includes interest on fund balance not recognised earlier - Rs. 5 lakhs

d) Actuarial gain/loss recognized

Particulars	March 31, 2019	March 31, 2018
a) Actuarial (gain) / loss for the year - Obligation	6	3
b) Actuarial (gain) / loss for the year - Plan Assets	(1)	1
c) Actuarial (gain) / loss recognized in the year	6	2

e) Amounts to be recognized in the Balance Sheet:

Particulars	March 31, 2019	March 31, 2018
a) Present Value of obligation at the end of the year	104	94
b) Fair value of plan assets at the end of the year	88	87
c) Funded Status	(16)	(7)
d) Net liability recognized in the Balance Sheet	16	7



f) Expenses recognized in the Statement of Profit & Loss:

Particulars	March 31, 2019	March 31, 2018
a) Current Service Cost	8	7
b) Past Service Cost	-	-
c) Interest Cost	7	6
d) Return on plan assets	(7)	(6)
e) Net Actuarial (gain) / loss recognized in the year	6	2
f) Interest on Fund Balance not recognised earlier	(5)	
g) Expenses/(Income) recognized in the Statement of Profit & Loss	9	9

g) Investment Details of Plan Assets

Particulars	Rs. In Lakhs	
	March 31, 2019	March 31, 2018
Assets managed by insurance scheme (100%)	88	87

h) Balance Sheet Reconciliation

Particulars	Rs. In Lakhs	
	March 31, 2019	March 31, 2018
Opening Net Liability	(7)	(14)
Expenses as above	9	9
Employers Contribution	-	16
Amount Recognised in Balance sheet	(16)	(7)

Amount Recognised in current year and previous four years	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Defined Benefit Obligation	104	94	89	76	65
Plan Assets	88	87	75	72	55
<b>(Surplus)/Deficit</b>	<b>16</b>	<b>7</b>	<b>4</b>	<b>4</b>	<b>10</b>
Experience adjustments on plan liabilities Loss/ (Gain)	4	6	(8)	(1)	2
Experience adjustments on plan Assets (Loss)/Gain	(1)	1	(1)	(1)	2

Compensated Absences

The obligation for compensated absences is determined based on actuarial valuation using the Projected Unit Credit Method. The actuarial liability of Compensated Absences (unfunded) of accumulated privileged leaves of the employees of the company as at year end is given below:

	March 31, 2019	March 31, 2018
Privileged Leave	38	36

Notes:

The Company expects to contribute Rs. 16 Lakhs to Gratuity fund in 2019-20.



## 30 Earnings Per Share:

		March 31, 2019	March 31, 2018
Net Profit after Tax (Rs. In Lakhs)		535	(324)
Less: Dividend		-	-
Profit available to Equity Shareholders (Rs. In Lakhs)	(A)	535	(324)
Adjusted Net Profit for Diluted Earnings Per Share (Rs. In Lakhs)	(B)	535	(324)
Weighted average number of Equity Shares outstanding during the period	(C)	159,885,365	159,885,365
Weighted average number of Diluted Equity Shares outstanding during the period	(D)	159,885,365	15,98,85,365
Nominal Value of Equity Shares (Rs.)		10	10
Basic Earnings Per Share (Rs.)	(A) / (C)	0.33	(0.20)
Diluted Earnings Per Share (Rs.)	(B) / (D)	0.33	(0.20)

## 31 Segment Reporting

Based on guiding principles given in the Accounting Standard on 'Segment Reporting' (AS-17), the Primary segment of the Company is business segment, which comprises of factoring activity. As the company operates in a single primary business segment, no segment information thereof is given.

Segment information for secondary segment reporting (*by geographical segments*)

Particulars	(Rs in lakhs)			
	Unallocated	Domestic	International*	Total
Revenues from External Customers	-	9,670	770	10,440
(Previous Year)	-	(8,739)	(710)	(9,449)
Other Income	339	1,479	69	1,887
(Previous Year)	(139)	(424)	(74)	(637)
Segmental Expenses	10,841	66	473	11,380
(Previous Year)	(9,322)	(130)	(426)	(9,878)
Segmental Results	(10,501)	11,083	366	948
(Previous Year)	(-9,183)	(9,033)	(357)	(208)
Segment assets	16,115	131,574	6,714	154,403
(Previous Year)	(12,393)	(119,675)	(8,696)	(140,764)
Segment liabilities	89,874	25,180	6,755	121,809
(Previous Year)	(70,610)	(26,028)	(12,069)	(108,707)
Addition made to Fixed Assets				
Tangible	11	-	-	11
(Previous Year)	(47)	-	-	(47)
Intangible	12			12
(Previous Year)	-	-	-	-

\* International Segment denotes financing of Export Receivables and Import Payables of Clients.





32 i Disclosure of Unhedged Exposure of Foreign Currency

The Foreign Currency Exposures that have not been hedged by a derivatives instrument or otherwise as on 31st March, 2019 are as follows:

	Currency	Currency in lakhs	Amount Rs. in lakhs
(a) Assets (Receivables)			
	USD	77	5,321
		(100)	(6,506)
	EUR	7	579
		(15)	(1,186)
	GBP	9	814
		(11)	(1,005)
(b) Liability (Payables)			
	USD	0	8
		(0)	(11)
	EUR	0	0
		(0)	(0)
	GBP	0	0
		(0)	(0)
(c) Loans Payable			
	USD	77	5,336
		(101)	(6,588)
	EUR	7	576
		(15)	(1,177)
	GBP	9	807
		(11)	(989)

As the Company has Foreign Currency outstanding Receivables & Payables which offset each other, the net foreign currency exposure is minimal.

ii Disclosure of Hedged Contracts

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

Particulars	Currency	Outstanding amounts of exposure hedged (In Lakhs FC)		Outstanding amounts of exposure hedged (Rs. In Lakhs)	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Short Term Borrowings	USD	-	50	-	3,244

33 Related Party Disclosures

Name of Related Party Relationship

a Enterprise where control Exits

i Holding Company

State Bank of India (SBI) Holding Company

ii Fellow Subsidiary Company with whom transactions have taken place during the year

SBI Foundation	Fellow Subsidiary (Non Banking)
SBI Mutual Fund Trustee Company Limited	Fellow Subsidiary (Non Banking)
SBI Life Insurance Company Ltd. (SBI LIFE)	Fellow Subsidiary (Non Banking)
SBI General Insurance Ltd.	Fellow Subsidiary (Non Banking)
SBICAP Securities Ltd	Step down Subsidiary
SBICAP Trustee Company Limited	Step down Subsidiary

b Key Management Personnel/Relatives of Key Management Personnel

Mr. Tushar Buch (upto 30th June, 2018)	MD & CEO
Mr. M N Aravind Kumar (w.e.f. 1st July, 2018)	MD & CEO
Mr. Pankaj Gupta	SVP & CF&RO
Ms. Amita Joshi	Company Secretary

c Enterprises over which Key Management Personnel (KMP) & his relatives can exercise significant influence

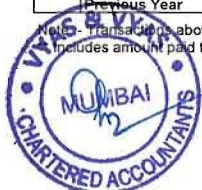
Mr. Tushar Buch (upto 30th June, 2018)	Factors Association of India
Mr. M N Aravind Kumar (w.e.f. 1st July, 2018)	Factors Association of India



d) The Company's related party transactions are herein disclosed below:

							(Rs. ' in Lakhs)
Sr. No	Nature of transaction	Holding	Fellow Subsidiaries	Associates / Group Enterprises	Key Management Personnel / Relatives	Grand Total	
1	<b>EXPENSES</b>						
	Remuneration to MD and CEO	-			47	47	
	Previous Year				(51)	(51)	
	Remuneration to SVP & CF&RO	-			46	46	
	Previous Year				(50)	(50)	
	Remuneration to Company Secretary				20	20	
	Previous Year				(19)	(19)	
	Salary (Including Perquisite) paid to Deputed Staff**	391	-	-	-	391	
	Previous Year	(312)			-	(312)	
	Other Receiving of Services/ Reimbursement of Expenses	1,299	14	-	-	1,313	
	Previous Year	(823)	(26)	-	-	(849)	
	Interest on Financial assets sold	66				66	
	Previous Year	-				-	
	<b>Total - Current Year</b>	<b>1,691</b>	<b>14</b>	<b>-</b>	<b>113</b>	<b>1,817</b>	
	<b>Total - Previous Year</b>	<b>(1,134)</b>	<b>(26)</b>	<b>-</b>	<b>(120)</b>	<b>(1,281)</b>	
2	<b>INCOME</b>						
	Rendering of Services/ Reimbursement of Expenses				-	-	
	Previous Year	(0)	(3)		(0)	(3)	
	Rental Income	2				2	
	Previous Year	(5)				(5)	
	Dividend on Preference / Equity Shares / Mutual fund					-	
	Previous Year					-	
	Profit on sale of Units of Mutual fund	-	26	-	-	26	
	Previous Year		(19)			(19)	
	<b>Total - Current Year</b>	<b>2</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>29</b>	
	<b>Total - Previous Year</b>	<b>(5)</b>	<b>(22)</b>	<b>-</b>	<b>(0)</b>	<b>(27)</b>	
3	<b>SHARE CAPITAL</b>						
	Equity Share Capital	13,779				13,779	
	Previous Year	(13,779)				(13,779)	
	Share Premium	16,437				16,437	
	Previous Year	(16,437)				(16,437)	
	<b>Total - Current Year</b>	<b>30,216</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,216</b>	
	<b>Total - Previous Year</b>	<b>(30,216)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30,216)</b>	
4	<b>ASSETS</b>						
	Amounts Receivable / Advance	1	4	-		5	
	Previous Year	(1)	(3)			(4)	
	Bank Balances	3,407	-	-		3,407	
	Previous Year	(1,040)				(1,040)	
	Previous Year				(15)	(15)	
	<b>Total - Current Year</b>	<b>3,408</b>	<b>4</b>	<b>-</b>	<b>5</b>	<b>3,417</b>	
	<b>Total - Previous Year</b>	<b>(1,041)</b>	<b>(3)</b>	<b>-</b>	<b>(15)</b>	<b>(1,058)</b>	
5	<b>INVESTMENTS :</b>						
	Investments in Equity shares		0			0	
	Previous Year		(0)			(0)	
	Debentures		-	-		-	
	Previous Year	(0)				-	
	Unsecured Loans	30,720	-	-		30,720	
	Previous Year	(56,012)				(56,012)	
	Salary Payable / Amounts Payable / Interest Payable	170	-	-	5	175	
	Previous Year	(104)			(6)	(110)	
	<b>Total - Current Year</b>	<b>30,889</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>30,895</b>	
	<b>Total - Previous Year</b>	<b>(56,116)</b>	<b>-</b>	<b>-</b>	<b>(6)</b>	<b>(56,122)</b>	
6	<b>TRANSACTIONS</b>						
	Purchase of Shares (Transfer of shares from of Subsidiary Company)	-	-	-	-	-	
	Previous Year	(0)				(0)	
	Purchase of Fixed Assets	-	-	-	-	-	
	Previous Year	(0)				(0)	
	Sale of Fixed Assets	-	-	-	-	-	
	Previous Year	(5)				(5)	
	Commercial Papers Taken	-	-	-	-	-	
	Previous Year	(39,541)				(39,541)	
	Commercial Papers Repaid	-	-	-	-	-	
	Previous Year	(44,000)				(44,000)	
	Loan Taken	241,943	-	-	-	241,943	
	Previous Year	(134,047)				(134,047)	
	Repayment of Loan	267,236	-	-	-	267,236	
	Previous Year	(97,396)				(97,396)	
	Investment in Schemes of Mutual Fund	-	86,500	-	-	86,500	
	Previous Year	-	(74,550)	-	-	(74,550)	
	Redemption of Schemes of Mutual Fund	-	87,526	-	-	87,526	
	Previous Year	-	(73,569)	-	-	(73,569)	
	Refund of Security Deposit					-	
	Previous Year				(30)	(30)	

\*\* Transactions above are inclusive of Goods and Services Tax, wherever applicable. Includes amount paid towards Remuneration of CEO and SVP & CF & RO



34 Estimated amount of contracts to be executed on capital account not provided for (Net of advances) Rs Nil (Previous Year Rs Nil)

35 Auditors' Remuneration:

	Rs. in lakhs	
	March 31, 2019	March 31, 2018
For Statutory Audit	10	10
For Limited Review	3	3
For Tax Audit	2	2
For Other Services (Including certification)	3	3
For Out of pocket expenses	0	0
<b>TOTAL</b>	<b>18</b>	<b>19</b>

36 Expenditure in Foreign Currency (On Accrual basis)

	Rs. in lakhs	
	March 31, 2019	March 31, 2018
Correspondent Fees	174	180
Travelling	-	-
Membership and Subscription	1	1
Interest on Short Term Loans	287	225
Others	14	12
<b>TOTAL</b>	<b>476</b>	<b>418</b>

37 Earnings in Foreign Currency:

	Rs. in lakhs	
	March 31, 2019	March 31, 2018
<b>Income from Factoring :</b>		
Interest	409	338
Factoring Charges	308	313
Processing Charges	53	59
Miscellaneous Income	2	2
<b>TOTAL</b>	<b>772</b>	<b>712</b>

38 Book value of Investments in Security Receipt

Particulars	Rs. in lakhs					
	Backed by NPAs sold by the Company as underlying		Backed by NPAs sold by the other banks/FI/ NBFC as		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Book value of investments in security receipt	383	383	-	-	-	-
Less: Provision	383	383	-	-	-	-
Net Value of investments in security receipt	-	-	-	-	-	-

\* 100% Provision is held against Investment in Security Receipts

39 Investments in security receipts

Particulars	Rs. in lakhs		
	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
i Book value of SRs backed by NPAs sold by bank as underlying	383	-	-
Provision held against(i)	383	-	-
ii Backed by NPAs sold by the other banks/FI/ NBFC as underlying	-	-	-
Provision held against(ii)	-	-	-
<b>Total (i) + (ii)</b>	<b>383</b>	<b>-</b>	<b>-</b>





LIABILITIES SIDE :		March 31, 2019		March 31, 2018	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
		Rs. in lakhs		Rs. in lakhs	
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid: (a) Debentures : Secured Unsecured (other than falling within the meaning of public deposits*) (b) Deferred Credits (c) Term Loans (d) Inter-corporate loans and borrowing (e) Commercial Paper (f) Other Loans (specify nature) - Cash Credit - Working Capital Demand Loan - Short Term Loan Facility - Bank Overdraft	- 15,419 - - - 49,000 - 3,855 24,000 2,872 0	- - - - - - - - - - - - - - -	- 15,419 - - - - - - 9,371 44,050 8,658 3,752	- - - - - - - - - - - - - - -
ASSETS SIDE :		Amount Outstanding			
		March 31, 2019		March 31, 2018	
		Rs. in lakhs		Rs. in lakhs	
2	Break-up of Loans and Advances including bills receivables [other than those included in (3) below: ] # (a) Secured (b) Unsecured (Excludes Advance Payment of Tax)		617		416
3	Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities (net of provision) (i) Lease assets including lease rentals under sundry debtors (a) Financial lease (b) Operating lease (ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets (iii) Other loans counting towards AFC activities (a) Loans where assets have been repossessed (b) Loans other than (a) above				
# Debts Shown under Sundry Debtors have not been Considered					
4	Break-up of Investments : Current Investments: 1 Quoted : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify) 2 Unquoted : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify) Long Term investments : 1 Quoted : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify) 2 Unquoted : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify) - Investment in Security Receipt (SR)				
			0		0
			383		383



5	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:	Amount net of provisions		
		Secured	Unsecured	Total
	Category			
	1 Related Parties			
	(a) Subsidiaries			
	(b) Companies in the same group			
	(c) Other related parties	-	-	-
	2 Other than related parties		617	617
	(Previous Year)	-	416	416
	Total (Current year)	-	617	617
	Total (Previous year)	-	416	416

6	Investor group-wise classification of all investments (current and long term) (both quoted and unquoted):	March 31, 2019		March 31, 2018	
		Market Value/ Break-up or fair value or NAV	Book value (net of provisions)	Market Value/ Break-up or fair value or NAV	Book value (net of provisions)
	Category				
	1 Related Parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group *	-	0	-	0
	(c) Other related parties	-	-	-	-
	2 Other than related parties @	574	-	1,575	1,000
	Total	574	0	1,575	1,000
	* Disclosed as zero as amount is less than lakhs				
	@ 100% Provision is held in books against Investment, therefore book value is zero				

7	Other Information	Particulars	March 31, 2019		March 31, 2018	
			Rs. in lakhs		Rs. in lakhs	
	(i)	Gross Non Performing Assets				
		(a) Related Party				
		(b) Other than Related Parties		28,133		27,393
	(ii)	Net Non-Performing Assets				
		(a) Related Party				
		(B) Other than Related Parties		4,388		2,198
	(iii)	Assets acquired in satisfaction of debts				

41 (i) Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 dated 2nd September, 2015 and Circular No.CIR/IMD/DF/18/2013 dated October 29,2013, relating to contact details of Debenture Trustees

IDBI Trusteeship Services Ltd  
Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard Estate,  
Mumbai - 400 001.  
Tel: 022 - 4080 7000  
Fax: 022 - 6631 1776 / 4080 7080

(ii)

	March 31, 2019	March 31, 2018
(a) Credit rating and change in credit rating (if any);		
(b) Debt-Equity ratio;	3.63	3.14
(c) (i) Previous due date for the payment of interest		
- 8.75% Tier II Bonds (10 Year)	25.08.2018	25.08.2017
- 9.22% Tier II Bonds (10 Years)	29.01.2019	29.01.2018
(d) (i) Next due date for the payment of Interest		
- 8.75% Tier II Bonds (10 Year)	25.08.2019	25.08.2018
- 9.22% Tier II Bonds (10 Years)	29.07.2019	29.07.2018
(ii) Principal along with the amount of interest		
- 8.75% Tier II Bonds (10 Year)	25.08.2020	25.08.2020
- 9.22% Tier II Bonds (10 Years)	29.07.2021	29.07.2021
(e) Capital redemption reserve / Debenture redemption reserve;	NA	NA
(f) Net Worth;	32,593	32,058
(g) Net Profit After Tax;	535	(324)
(h) Earnings Per Share:	0.33	(0.20)



42 Disclosure in accordance with RBI Circular No. DNBR (PD) CC No. 002/03.10.001/2014-15 dated 10<sup>th</sup> November 2014 and Notification issued by RBI on 27<sup>th</sup> March 2015 and 10<sup>th</sup> April 2015 relating to Non Banking Financial Companies - Corporate Governance (Reserve Bank) Directions 2015:

**A Capital to Risk (weighted) Assets Ratio**

Sr NO	Particulars	Rs. In Lakhs	
		March 31, 2019	March 31, 2018
i.	CRAR (%)	24.82	29.56
ii	CRAR - Tier I Capital (%)	20.44	22.00
iii	CRAR - Tier II Capital (%)	4.38	7.55
iv	Amount of Subordinated debt as Tier II Capital ( Rs In Lakhs)	5,000	8,000
v	Amount raised by issue of Perpetual Debt Instruments	-	-

The above disclosure is also as per, Circular No. DNBS (PD). CC. No. 125/03.05.002/2008-2009 dated August 1, 2008, relating to guidelines for NBFC-ND-SI as regards to Capital Adequacy, Liquidity and disclosure norms.

**B Investments**

Sr NO	Particulars	Rs. In Lakhs	
		March 31, 2019	March 31, 2018
1	Value of Investments	-	-
i	Gross Value of Investments	-	-
	a) In India	383	1,383
	b) Outside India	-	-
ii	Provisions for Depreciation	-	-
	a) In India	383	383
	b) Outside India	-	-
iii	Net Value of Investments	-	-
	a) In India	0	1,000
	b) Outside India	-	-
		-	-
2	Movement of provisions held towards depreciation on investments	-	-
i	Opening balance	383	383
ii	Add: Provisions made during the year	-	-
iii	Less: Write-off / write-back of excess provisions during the year	-	-
iv	Closing balance	383	383

**C Derivatives - Forward Contract**

The accounting policy followed for forward contract is as mentioned in 1.9 of Note 1

Sr NO	Particulars	Rs. In Lakhs	
		March 31, 2019	March 31, 2018
i	Derivatives - Forward Contract	-	-
	For hedging	-	3,244

**D Disclosure on Risk Exposure in Derivatives - Not Applicable**

**E Disclosure relating to Securitisation**

**1 Details of Financial Assets sold to Securitisation/ Reconstruction Company for Asset Reconstruction.**

Sr NO	Particulars	Rs. In Lakhs	
		March 31, 2019	March 31, 2018
(i)	No. of Accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC/RC. *	-	-
(iii)	Aggregate consideration @	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years.	-	-
(v)	Aggregate gain/loss over net book value.	-	-





## 2 Details of Assignment transactions undertaken by NBFCs

Rs. In Lakhs

Sr NO	Particulars	March 31, 2019	March 31, 2018
(i)	No. of Accounts	1	-
(ii)	Aggregate value (net of provisions) of accounts sold	7,249	-
(iii)	Aggregate consideration	7,249	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

Rs. In Lakhs

Sr NO	Particulars	November 23, 1904	January 0, 1900
(i)	No. of Accounts	1	-
(ii)	Aggregate value (net of provisions) of accounts purchased	10,000	-
(iii)	Aggregate consideration	10,000	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

## 3 Details on Non-Performing financial assets purchased/sold.

### A. Details of Non-Performing Assets purchased

Rs. In Lakhs

Sr NO	Particulars	March 31, 2019	March 31, 2018
(i)	(a) No. of Accounts purchased during the year	-	-
	(b) Aggregate outstanding	-	-
(ii)	(a) Of these, number of accounts restructured during the year	-	-
	(b) Aggregate outstanding	-	-

### B. Details of Non-Performing Financial Assets sold.

Rs. In Lakhs

Sr NO	Particulars	March 31, 2019	March 31, 2018
(i)	No. of accounts sold	-	-
(ii)	Aggregate outstanding	-	-
(iii)	Aggregate Consideration received	-	-



F Asset Liability Maturity Pattern of certain items of Assets and liabilities

Particulars	Up to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 year upto 5 years	Over 5 years	Total
Deposits									
Advances									
- Domestic	53,772	23,790	22,247	31,382		-	-	-	131,192
- Foreign	2,774	2,756	1,133	200		-	-	-	6,864
Investments	-	-	-	-		383*	-	0	383
Borrowing									
- Bank Overdraft	0	-	-	-	-	-	-	-	0
- CC Facility \$	-	-	3,854	-	-	-	-	-	3,854
- Short Term Loan Facility #	2,866	-	-	-	-	-	-	-	2,866
- WCDC	24,000	-	-	-	-	-	-	-	24,000
- Commercial Papers	-	30,000	19,000	-	-	-	-	-	49,000
Debentures	-	-	-	-	-	15,000	-	-	15,000
Interest on Debentures	-	-	-	419	-	-	-	-	419
Foreign Currency assets									
- Bank Accounts	(150)	-	-	-	-	-	-	-	(150)
Foreign Currency liability									
- Import Factoring Commission	14	-	-	-	-	-	-	-	14
- Interest Payable on Loan	8	-	-	-	-	-	-	-	8

\* The Period of realisation of Investment shall be 5 years from the date of acquisition. The Period of realisation may be extended to a maximum of 8 Years from the date of acquisition by the Board of Directors of JMFARC (Securitisation Company)

\$ Represents Foreign Currency Cash Credit Loan

# Includes Rs. 2,866 Lakhs Foreign Currency Loan maturing within one month

a) Exposure to Real Estate Sector \*

		Rs. In Lakhs	
Category		March 31, 2019	March 31, 2018
<b>Direct Exposure</b>			
(i) Residential Mortgages -			
(i) Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		2,794	2,798
(ii) Commercial Real Estate -			
(ii) Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits		5,466	4,294
(iii) Investments in Mortgage Backed Securities (MBS)			
(iii) a. Residential			
(iii) b. Commercial Real Estate			
<b>Total Exposure to Real Estate Sector @</b>		<b>8,259</b>	<b>7,092</b>

\* Above amounts reflects exposure towards collateral security accepted against the Factoring facility (Receivable financing) provided to the clients.

@ Out of the above exposure, an amount of Rs. 8,259 Lakhs (Previous Year 7,092 Lakhs) is security relating to Non Performing Assets

b) Exposure to Capital Market - There are no exposure, direct or indirect to Capital Market

c) Details of Financing of Parent Company products - Not Applicable

d) Details of Single Borrower limit (SGL) /Group Borrower Limit (GBL) exceeded by the NBFC - There are no accounts where the limit is exceeded

e) Unsecured Advances

Type of Security	Rs. In Lakhs	
	March 31, 2019	March 31, 2018
Insured through overseas Import Factor	6,532	8,215
Secured by way of Assignment of Receivables and through Residual / Subservient Charge	35,337	56,644
Fully Unsecured	38,630	7,353
<b>Total</b>	<b>80,499</b>	<b>72,212</b>

Miscellaneous

a) Registration obtained from other financial sector regulators - Not Applicable

b) Disclosure of Penalties imposed by RBI and other regulators - Not Applicable

c) Related Party Transactions - Disclosed in Note 33

d) Ratings assigned by credit rating agencies and migration of ratings during the year

Sr. No	Rating Agency	Rating	Amount in Lakhs	Instrument / Facility	Validity Period **	
					From	To
i)	ICRA	[ICRA]AAA (Stable)	100,000	Long Term Fund Based Bank Lines	28-Feb-18	27-Feb-19
ii)	ICRA	[ICRA]AAA (Stable)	15,980	Subordinate Debt Programme	28-Feb-18	27-Feb-19
iii)	ICRA	[ICRA]A1+	100,000	Short Term Fund Based Bank Lines	28-Feb-18	27-Feb-19
iv)	ICRA	[ICRA]A1+	200,000	Short Term Debt Programme (Commercial Paper)	28-Feb-18	27-Feb-19
v)	CRISIL	CRISIL A1+	100,000	Commercial Paper Programme	29-Dec-17	28-Dec-18
vi)	CRISIL	CRISIL AAA/Stable *	15,000	Non-Convertible Debentures Programme(Long-Term)	29-Dec-17	28-Dec-18

\* Credit Rating assigned in previous year CRISIL AAA/Negative

\*\* The rating agency can review the rating once in previous 15 months

Note: The above rating are taken on the basis of the certification provided by the respective rating agencies



e) Prior Period Items - An amount of Rs. NIL (Previous Year NIL).

f) Revenue Recognition - There are no such significant uncertainties where Revenue Recognition is postponed.

g) Consolidated Financial Statements - Not Applicable

ix Additional Disclosure

a) Provisions and Contingencies

Rs. In Lakhs

Break up of 'Provisions and Contingencies' show under the head Expenditure in Statement of Profit and Loss Account	March 31, 2019	March 31, 2018
Provisions for depreciation on Investment	-	-
Provision towards NPA*	(1,451)	(323)
Provision made towards Income Tax	-	-
Other Provision and Contingencies (with details)	-	-
Provisions for Standard Assets	39	129

\* Current Year: Net Provision Rs. (1,451) Lakhs Provision made during the year Rs. 2,324 Lakhs and written back Rs.(3,775) Lakhs

\* Previous Year: Net Provision Rs. (323) Lakhs Provision made during the year Rs. 3,441 Lakhs and written back Rs.(3,764) Lakhs

b) Draw Down from Reserves - Not Applicable

c) Concentration of Deposits, Advances, Exposures and NPAs

Rs. In Lakhs

i) Concentration of Deposits	March 31, 2019	March 31, 2018
Total Deposits of twenty largest depositors	-	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the	-	-

Rs. In Lakhs

ii) Concentration of Advances	March 31, 2019	March 31, 2018
Total Advances of twenty largest borrowers	73,780	73,906
Percentage of Advances of twenty largest borrowers to Total Advances of the NBFC.	53.44	57.87

Rs. In Lakhs

iii) Concentration of Exposures (i + ii)	March 31, 2019	March 31, 2018
Total Exposure to twenty largest borrowers /customers	73,780	73,906
Percentage of exposure to twenty largest borrowers / customers to Total Exposure of NBFC on borrowers / customers	53.44	57.87

Rs. In Lakhs

iv) Concentration of NPAs	March 31, 2019	March 31, 2018
Total Exposure to top four NPA Accounts	10,723	10,003

d) Sector-wise NPAs

Rs. In Lakhs

	Sector	Percentage of NPAs to Total Advances in that sector	
		March 31, 2019	March 31, 2018
1	Agriculture & allied activities	-	-
2	MSME	25.19	22.55
3	Corporate Borrowers	4.15	19.22
4	Services	13.36	15.09
5	Unsecured Personal Loan	-	-
6	Auto Loans	-	-
7	Other personal Loans	-	-

e) Movements of NPAs

	Particulars	March 31, 2019	March 31, 2018
i	Net NPAs to Net Advance (%)	3.84%	2.14%
ii	Movement of NPAs (Gross)		
	(a) Opening Balance	27,393	28,282
	(b) Additions during the year	4,880	3,418
	(c) Reductions during the year	4,140	4,307
	(d) Closing balance	28,133	27,393
iii	Movement of Net NPAs		
	(a) Opening Balance	2,198	2,764
	(b) Additions during the year	2,555	2,735
	(c) Reductions during the year	366	3,301
	(d) Closing balance	4,387	2,198
iv	Movement of Provisions of NPAs (Excluding Provision on Standard Assets)		
	(a) Opening Balance	25,195	25,518
	(b) Provision made during the year	2,324	3,441
	(c) Write off / write back of excess provisions	3,775	3,764
	(d) Closing Balance	23,744	25,195

f) Overseas Asset (for those with joint ventures and subsidiaries abroad) - Not Applicable

g) Off Balance Sheet SPVs sponsored - Not Applicable

h) Disclosure of Complaints

Customer Complaint		Rs. In Lakhs	
	Particulars	March 31, 2019	March 31, 2018
a)	No. of Complaints pending at the beginning of the year	-	-
b)	No. of Complaints received during the year	-	-
c)	No. of Complaints redressed during the year	-	-
d)	No. of Complaints pending at the end of the year	-	-





43 In terms of RBI Circular No DNBS.PD.CC.No. 256 / 03.10.042/2011-12 dated March 02, 2012 the Company has to report Nos and Amount of Fraud identified during the year. The Company has not detected / identified any fraud during the current year and previous year.

44 As per provisions of the Companies Act, 2013, the Company was required to spend Rs. Nil (Previous Year Rs. Nil) on CSR activities for the year ended 31st March, 2019. The Company has during the year incurred expenditure relating to CSR activities amounting to Rs. 0.48 Lakh (Previous Year Rs. 0.42 Lakh) and the same is reflected in Note 22 under Operating, Administrative and Other Expenses.

45 Input Tax Credit under Goods and Services Tax

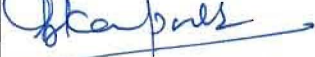
The company is eligible to claim 50% of ITC only in view of specific provision of GST law. Therefore, 50% of ITC is always expensed off in books. Remaining 50% is allowed subject to confirmation by vendors on GST portal. Amount of ITC availed include 50% of ITC availed in FY 2017-18 and 2018-19 on the basis of documents but not yet reflected on GST portal. This ITC is subject to vendors confirmation on GST portal.

Similarly, in case of locations registered as ISD under GST, 50% ITC is reversed as mandated by GST law. Total ITC taken in ISD also include ITC taken on the basis of documents and not yet updated by the vendors on gst portal.

46 The previous year's figures have been regrouped, rearranged and reclassified wherever considered necessary.

As per our Report of even date

For Vyas & Vyas  
Chartered Accountants  
Firm Registration No. 000590C



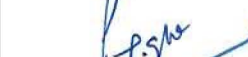
Chandra Prakash Kapoor  
Partner  
M.No. 071275



Place : Mumbai  
Date : 22 April 2019



For and on behalf of the Board of Directors

  
Dinesh Kumar Khara  
Chairman  
DIN :- 06737041

  
Pankaj Gupta  
Chief Financial & Risk Officer



Place : Mumbai  
Date : 22 April 2019

  
M N Arvind Kumar  
Managing Director & CEO  
DIN :- 08165688  
  
Amita Joshi  
Company Secretary