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 2022, and the statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity 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(hereinafter referred to as "the Standalone Financial Statements")

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 Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed u/s 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015,as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total other comprehensive income, changes in equity 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS Financial Statements for the financial year ended 31st March 2022. These matters were addressed in the context of our audit of the standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, our description of how our audit addressed the matter is provided in that context.

	Key Audit Matters	How our audit addressed the key audit matter
1.	**Information Technology**	
	IT systems and controls The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated hence we identified IT systems and controls over financial reporting as a key audit matter for the Company. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting	Our audit procedures to assess the IT system access management included the following: • We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. • We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. • For a selected group of key controls over financial and reporting system, we independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process. • Evaluating the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The other information comprises the information included in the Annual Report, but does not include the standalone Ind AS financial statements and our auditors' report thereon. The Company's management and Board of Directors are responsible for the other information.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, Management and Board of Directors are 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.

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

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Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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.

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

i. 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.

ii. 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.

iii. The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

iv. In our opinion, the aforesaid standalone financial statements comply with the Ind As specified under Section 133 of the Act.

v. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

vi. 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**".

B. 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 as on 31st March, 2022 on its financial position in its standalone financial statements to the extent determinable/ascertainable – Refer Note 27 to the standalone 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 were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
iv.
   a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
   b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
   c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
v. No dividend has been paid by the Company during the year.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion, the managerial remuneration for the year ended 31 March 2022 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

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VYAS & VYAS
CHARTERED ACCOUNTANTS

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.

For Vyas & Vyas
Chartered Accountants
FRN: 000590C

Date: 30th April 2022

Place: Mumbai

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

Shraddha Khare

(SHRADDHA AVINASH KHARE)
Partner
M. No. 123263
UDIN: 22123263AIEYVL1228

ANNEXURE – A to the Independent Auditor's Report of even date on the Standalone Financial Statements of SBI GLOBAL FACTORS LTD for the period ended 31st March 2022

Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2020

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" section of our report of even date)

i.

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

c. The Company has a regular program of physical verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the last physical verification of fixed assets was conducted on 31-Mar-2019. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

d. According to the information and explanations given to us, the title deeds of immovable properties are still held in the erstwhile name of the Company.

Particulars	Gross Value (Amt in lakhs)	Net Value (Amt in lakhs)	Remarks
Office Premises in Mumbai	797.25	533.23	In the erstwhile name of Global Trade Finance Limited
Office Premises in Delhi	146.72	106.37	In the erstwhile name of Global Trade Finance Limited
Flat in Mumbai	47.83	33.79	In the erstwhile name of SBI Factors and Commercial Services Private Limited.

e. The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.

f. As per information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii.

a. 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.
b. As per information and explanations given to us the Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

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iii. According to the information and explanations given to us, the Company has not invested, provided any guarantee or security or 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.

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 the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other material statutory dues applicable to it have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, there were no undisputed amounts payable in respect of outstanding statutory dues as aforesaid at 31st march 2022 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 47.52	For the Assessment Year 2013-14 (Rs 47.49 lacs) For AY 2009-10 (Rs 0.03 lacs)	CIT(Appeals)
Service Tax	Service Tax and Penalty	Rs 57.07	For the Financial Year 2009-10	Commissioner of Service Tax

viii. As per information and explanations given to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix.

a. 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.
b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
c. According to the information and explanations given to us, the Company has applied term loans for the purpose of which they were obtained during the year.
d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures
f. On an overall examination of the financial statements of the Company, the Company has not taken the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies

x.

a. 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.
b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

a. 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.
b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
c. We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures

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 standalone financial statements as required by the applicable Ind AS.

xiv.

a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business;
b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures;

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.

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xvi.

a. 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 23rd 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. Hence, reporting under clause 3(xvi) (b) and (c) of the Order is not applicable

b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b. In respect of ongoing projects, the Company did not have any unspent Corporate Social Responsibility (CSR) amount as at the end of the current and previous financial year, Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

xxi. As the report pertain to Standalone financial statements of the Company, Accordingly, provision of clause 3(xxi) of the order is not applicable

For Vyas & Vyas
Chartered Accountants
FRN: 000590C

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

Shraddha Khare

Date: 30th April 2022

Place: Mumbai

(SHRADDHA AVINASH KHARE)
Partner
M. No. 123263

Annexure – B to the Independent Auditor's Report of even date on the Standalone Financial Statements of SBI GLOBAL FACTORS LTD for the period ended 31st March 2022

Report on the Internal Financial Controls with reference to aforesaid standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 1 (A) (vi) under "Report on Other Legal and Regulatory Requirement" section of our report of even date)

We have audited the internal financial controls over financial reporting of **SBI GLOBAL FACTORS LIMITED,** ("the Company"), as of March 31, 2022 in conjunction with our audit of the standalone Ind AS 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.

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vyas & Vyas
Chartered Accountants
FRN: 000590C

Date: 30th April 2022

Place: Mumbai

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

Shraddha Khare

(SHRADDHA AVINASH KHARE)
Partner
M. No. 123263

Annexure "C" to the Independent Auditor's Report of even date on the Standalone Financial Statements of SBI GLOBAL FACTORS LTD for the period ended 31st March 2022

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

(Referred to in paragraph under "Directions of C &AG" section of our report of even date)

A. As per Directions stated in letter GA/CA-1/Direction and Sub- Direction/2020-21/576 dated 26th March, 2021-

S. No.	Direction	Reply
I.	As per circular dated 6th August, 2020, RBI provided a window under the prudential framework to implement a resolution plan to borrowers having a stress on account of Covid- 19, as per which the existing loans can be restructured without downgrading the asset classification. Are there any cases of restructuring involving the new provision and if so, are they in compliance with the RBI Circular?	According to the information and explanations given to us and based on information available, the company has implemented Resolution Plan as per RBI circular dated 06-Aug-20 in One account during the Financial Year 2021-22. In our opinion, the company is in compliance with the said RBI circular for this account. The detail of the account wherein RP has been invoked is as under Name of Borrower- Future Enterprises Limited Account Status as on 31.03.2022- Standard Amt O/s as 31.03.2022- Rs. 3.54 Crores

B. As per Directions stated in letter GA/CA-1/Direction and Sub- Direction/2020-21/581 dated 26th March, 2021-

S. No.	Direction	Reply
I.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	According to the information and explanations given to us and based on information available, the company has a system in place to process all the accounting transactions through IT system. All accounting transactions are

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		being processed & accounted through IT system only.
II.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case lender is a Government Company then its direction is also applicable for statutory auditor of lender company)	According to the information and explanations given to us and based on information available, there are NIL cases of restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company. Not Applicable
III.	Whether funds (grant/ subsidy etc) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	According to the information and explanations given to us and based on information available, no funds have been received / receivable for specific schemes from central/ state agencies.

For Vyas & Vyas
Chartered Accountants
FRN: 000590C

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

Shraddha Khare

Date: 30th April 2022

Place: Mumbai

(SHRADDHA AVINASH KHARE)
Partner
M. No. 123263

SBI Global Factors Ltd

Balance Sheet as at March 31, 2022

(₹ in Lakhs)

	Particulars	Note	March 31, 2022	March 31, 2021
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	2	2,717	972
(b)	Loans	3	1,11,781	1,22,572
(c)	Investments	4	0	0
(d)	Other Financial assets	5	250	1,717
			1,14,748	**1,25,261**
(2)	**Non-financial Assets**			
(a)	Current tax assets (Net)	6	721	504
(b)	Deferred tax Assets (Net)	7	2,794	4,616
(c)	Property, Plant and Equipment	8	992	1,099
(d)	Intangible assets under development	8	12	-
(e)	Other Intangible assets	8	13	5
(f)	Other non-financial assets	9	219	283
			4,751	**6,508**
	Total Assets		**1,19,498**	**1,31,769**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Derivative financial instruments	9A	13	-
(b)	Debt Securities	10	25,904	57,675
(c)	Borrowings (Other than Debt Securities)	11	53,335	36,674
(d)	Other financial liabilities	12	1,549	1,231
			80,800	**95,580**
2.	**Non-Financial Liabilities**			
(a)	Provisions	13	253	254
(b)	Other non-financial liabilities	14	806	852
			1,060	**1,106**
3.	**EQUITY**			
(a)	Equity Share capital	15	15,989	15,989
(b)	Other Equity	16	21,650	19,094
			37,639	**35,082**
	Total Liabilities and Equity		**1,19,498**	**1,31,769**
	Significant accounting policies forming part of the financial statements	1		
	See accompanying notes forming part of the financial statements	2-34		

As per our report of even date

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

Shraddha Khare

Shraddha Avinash Khare
Partner
M.No. 123263

Place : Mumbai
Date : 30th April 2022

For and on behalf of the Board of Directors

Joydeb Mukherjee
Managing Director & CEO
DIN :- 09197677

Ashwini Kumar Tewari
Chairman
DIN :- 08797991

Akash Damniwala
Chief Financial Officer

Aruna Dak
Company Secretary

Place : Mumbai
Date : 30th April 2022

SBI Global Factors Ltd

Statement of Profit & Loss for the period ended March 31, 2022

(₹ in Lakhs)

	Particulars	Note	Period ended March 31, 2022	Year ended March 31, 2021
	Revenue from operations :			
(i)	Interest income	17	9,011	9,827
(ii)	Fees and commission income	18	320	362
(iii)	Sale of services	19	559	476
(iv)	Others	20	204	92
(v)	Reversal of provision	21	6,319	2,799
(1)	**Total revenue from operations**		**16,413**	**13,556**
(2)	**Other income**		207	195
(3)	**Total income**		**16,620**	**13,751**
	Expenses :			
(i)	Finance costs	22	3,300	4,543
(ii)	Fees and commission expense	23	152	109
(iii)	Net loss on fair value changes	4	141	-
(iv)	Net loss on derecognition of financial instruments under amortised cost category	24	6,108	4,234
(v)	Employee benefits expenses	25	1,360	1,089
(vi)	Depreciation, amortization and impairment	8	221	232
(vii)	Others expenses	26	989	872
(4)	**Total expenses**		**12,271**	**11,079**
(5)	Profit / (loss) before exceptional items and tax		4,349	2,672
(6)	Exceptional items		-	-
(7)	**Profit/(loss) before tax**		4,349	2,672
(8)	**Tax Expense:**			
	Current Tax / Tax for previous year		-	7
	Deferred Tax		1,823	818
	MAT Credit		-	-
(9)	Profit / (loss) for the period from continuing operations		**2,526**	**1,847**
(10)	Profit/(loss) from discontinued operations		-	-
(11)	Tax Expense of discontinued operations		-	-
(12)	Profit/(loss) from discontinued operations(After tax)		-	-
(13)	Profit/(loss) for the year		**2,526**	**1,847**
(14)	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss		30	(13)
	(ii) Income Tax relating to items that will not be reclassified to profit or loss		-	4
	Subtotal (A)		**30**	**(9)**
	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income (A + B)		**30**	**(9)**
(15)	**Total Comprehensive Income for the year**		**2,556**	**1,838**
(16)	**Earnings per equity share (for continuing operations)**	31		
	Basic (In Rs.)		1.58	1.15
	Diluted (In Rs.)		1.58	1.15
	Significant accounting policies forming part of the financial statements	1		
	See accompanying notes forming part of the financial statements	2-34		

As per our report of even date

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

Shraddha Khare

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

Shraddha Avinash Khare
Partner
M.No. 123263

Place : Mumbai
Date : 30th April 2022

For and on behalf of the Board of Directors

Joydeb Mukherjee
Managing Director & CEO
DIN :- 09197677

Ashwini Kumar Tewari
Chairman
DIN :- 08797991

SBI GLOBAL FACTORS LTD. MUMBAI

Akash Damniwala
Chief Financial Officer

Aruna Dak
Company Secretary

Place : Mumbai
Date : 30th April 2022

SBI Global Factors Ltd

Statement of Changes in Equity for the Period Ended March 31, 2022
A. Equity Share Capital

(1) Current reporting period — Movement during the Period (₹ in Lakhs)

Balance at the beginning of the current reporting period - As at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period - As at 31st Mar 2022
15989	-	-	-	15989

(2) Previous reporting period — Movement during the Period (₹ in Lakhs)

Balance at the beginning of the current reporting period - As at 1st April, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period - As at 31st Mar 2021
15989	-	-	-	15989

B. Other Equity
(1) Current reporting period (₹ in Lakhs)

Particulars	Reserves & Surplus							Other items of Other Comprehensive Income (Employee Benefit)	Total
	Capital Redemption Reserve	Reserve Fund*	Securities Premium Reserve	General Reserve	Retained Earnings	Transition reserve	Impairment Reserve #		
Balance as at 1st April, 2021	1,000	7,186	21,693	10,569	(22,883)	(633)	2,196	(34)	19,094
Transfer to Reserves u/s. 45-IC of RBI Act, 1934	-	505	-	-	(505)		-	-	-
Dividend	-	-	-	-			-	-	-
Profit for the period	-	-	-	-	2,526	-	-	30	2,556
Balance as at March 31, 2022	1,000	7,691	21,693	10,569	(20,862)	(633)	2,196	(4)	21,650

(2) Previous reporting period (₹ in Lakhs)

Particulars	Reserves & Surplus							Other items of Other Comprehensive Income (Employee Benefit)	Total
	Capital Redemption Reserve	Reserve Fund*	Securities Premium Reserve	General Reserve	Retained Earnings	Transition reserve	Impairment Reserve #		
Balance as at 1st April, 2020	1,000	6,816	21,693	10,669	(24,360)	(633)	2,196	(28)	17,256
Transfer to Reserves u/s. 45-IC of RBI Act, 1934	-	369	-	-	(369)		-	-	-
Dividend	-		-	-		-	-	-	-
Profit for the period			-	-	1,847		-	(9)	1,837
Balance as at March 31, 2021	1,000	7,185	21,693	10,569	(22,882)	(633)	2,196	(34)	19,094

See accompanying notes to the financial statements
As per our report of even date

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

Shraddha Avinash Khare
Partner
M.No. 123263

Place : Mumbai
Date : 30th April 2022

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Joydeb Mukherjee
Managing Director & CEO
DIN :- 09197677

Ashwini Kumar Tewari
Chairman
DIN :- 08797991

SBI GLOBAL FACTORS LTD MUMBAI

Akash Damniwala
Chief Financial Officer

Aruna Dak
Company Secretary

Place : Mumbai
Date : 30th April 2022

SBI GLOBAL FACTORS Ltd
Cash Flow Statement for the Period Ended March 31, 2022 (₹ in Lakhs)

	March 31, 2022		March 31, 2021	
Cash Flow from Operating Activities:				
Net Profit before Tax		4,349		2,672
Adjustments for:				
Depreciation / Amortisation	221		232	
Interest Cost	2,245		1,664	
Discount on issue of Commercial Paper	937		2,640	
Amortisation of Forward Premium	22		93	
Sundry Balance Written Off	0		(0)	
Foreign Exchange (Gain)/Loss (Net)	3		(2)	
(Profit) / Loss on Sale of Fixed Assets	(0)		(0)	
Liabilities no longer required Written Back	(15)		(8)	
Impairment of assets	(6,319)		(2,800)	
Bad Debts Written Off	6,108		4,234	
Provision for Leave Encashment	14		41	
Provision for Gratuity	16		27	
Profit on Sale of Current Investments	(80)		(59)	
OCI Impact	30		(13)	
		3,182		6,049
Operating profit before Working Capital changes		**7,531**		**8,721**
Increase / (Decrease) in Debt Securities	(63,448)		(4,931)	
Increase / (Decrease) in Borrowings (Other than Debt Securities)	3,658		(2,581)	
Increase / (Decrease) in Other Financial Liabilities	199		(611)	
Increase / (Decrease) in Derivative financial instruments	-		-	
Increase / (Decrease) in Provisions	(31)		(15)	
Increase / (Decrease) in Other Non Financial Liabilities	(31)		6	
(Increase)/Decrease in Investments				
(Increase)/Decrease in Other Non - Financial Assets	54		63	
(Increase)/Decrease in Other Financial Assets	1,467		1,284	
(Increase)/Decrease in Loans	11,002		(10,049)	
		(47,129)		(16,836)
Cash (used)/generated in and from Operating Activities		**(39,598)**		**(8,115)**
Direct Taxes paid (net)		(217)		332
Net Cash (used)/generated in and from Operating Activities (A)		**(39,815)**		**(7,783)**
Cash Flow from Investing Activities:				
Purchase of Fixed Assets		(46)		(33)
Sale of Fixed Assets		31		24
Purchase of Current Investments		(5,42,777)		(3,86,995)
Sale of Current Investments		5,42,857		3,87,054
Purchase of Fixed Deposit		(10,000)		
Sale of Fixed Deposit		10,006		
Net cash from Investing Activities (B)		**71**		**50**
Cash Flow from Financing Activities:				
Interest Cost		(2,567)		(1,779)
Discount on issue of Commercial Paper		(938)		(2,641)
Premium on Forward Contract		(6)		(93)
Repayment of Loans		(1,53,500)		(1,13,241)
Loan Taken		1,66,500		1,20,772
Commercial Paper Repaid		(45,000)		(1,50,000)
Commercial Paper Taken		77,000		1,55,500
Net Cash generated from Financing Activities (C)		**41,489**		**8,518**
Net increase in Cash and Cash Equivalents (A + B + C)		**1,745**		**785**
Cash and Cash Equivalents as at March-22 / March- 21				
Cash in Hand		1		1
Cash & Bank Balances in Current Account with Banks		2,716		971
		2,717		**972**
Less: Cash and Cash Equivalents as at Mar-21/Mar-20		972		187
		1,745		**785**

Note :
1. Cash Flow Statement has been reported using the Indirect Method.

See accompanying notes to the financial statements 2-34

As per our report of even date

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

Shraddha Khare

Shraddha Avinash Khare
Partner
M.No. 123263

Place : Mumbai
Date : 30th April 2022

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Joydeb Mukherjee
Managing Director & CEO
DIN :- 09197677

Ashwini Kumar Tewari
Chairman
DIN :- 08797991

SBI GLOBAL FACTORS LTD MUMBAI

Akash Damniwala
Chief Financial Officer

Aruna Dak
Company Secretary

Place : Mumbai
Date : 30th April 2022

Note 1: Significant Accounting Policies

1.1: Corporate Information:

SBI Global Factors Ltd ('SBIGFL' or the 'Company'), a Public Limited Company, incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013, is a subsidiary of State Bank of India, is Non-Banking Financial Company regulated by Reserve Bank of India. SBIGFL provides Domestic and Export Factoring services under one roof. It is headquartered in Mumbai with 09 Branches across India.

1.2: Significant Accounting Policies, Accounting Judgements, Estimates and Assumptions:

(A) Significant Accounting Policies:

i. Compliance with Ind-AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards ('Ind-AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use

ii. Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of IND AS 7 "Statement of Cash Flows". The Company presents its Balance Sheet in the order of liquidity.

iii. Basis of preparation of Ind-AS Financial Statements:

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments and certain employee benefit assets are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized within the fair value hierarchy into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakhs except when otherwise stated.

iv. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the amount is received. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms and excluding taxes collected on behalf of government.
Ind AS 115 addresses the recognition of revenue from customer contracts and impacts on the amounts and timing of the recognition of such revenue. The standard introduced a five-step approach to revenue recognition

- Identifying the contract;
- identifying the performance obligations in the contract;
- determining the transaction price;
- allocating that transaction price to the performance obligations; and
- finally recognizing the revenue as those performance obligations are satisfied.

Rendering of Services

The Company recognizes revenue when control over the promised services is rendered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.
The Company recognises revenue generally at the point in time when the services are rendered to customer i.e. Recognition of Facility Set-Up Fees/ Facility Continuation fees:

New Sanction

Facility Set up fees is charged for the period from the date of sanction to end of financial year, in which account is sanctioned and are recognized as income only when there is reasonable certainty of its receipt after execution of documents.

Facility Continuation Fees(FCF):

Facility Continuation Fees is charged in the month of May on the basis of the sanctioned/ capped limits on the core factoring facilities which are current as at 1st April of that financial year. It is calculated for the entire financial year on all live Standard core accounts. 1st 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.

Facility Set-Up fees on enhancement or adhoc limits:

The facility set-up fee 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 under the enhanced/adhoc core limit.

Discount charges and interest on advances:

Discount charges and interest on advances are accrued on time basis on the balances in the prepayment accounts at the applicable discount/ interest rates. Factoring charges are accrued on factoring debts at the applicable rates.

v. **Functional currency**

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The Company has accordingly assessed INR as its functional currency. The transactions in currencies other than the entity's functional currency for the month are recorded at the exchange rates prevailing on the previous month end rate.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the dates when fair value was determined. Non-monetary items measured at historic cost are not translated.

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. Exchange difference arising on monetary items are recognised in the statement of profit and loss in the year in which they arise.

vi. **Borrowing Costs**

Borrowing costs includes interest, commission/brokerage and exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to interest cost. Interest expenses is accrued on a time basis, by reference to the principal outstanding and at the Effective Interest Rate (EIR) applicable. The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

vii. **Employee Benefits**

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting date. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the Company recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

SBI GLOBAL FACTORS LTD. MUMBAI

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognized for benefits to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

viii. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Taxes

Current income tax is the amount of expected tax payable based on taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of Income Tax Act, 1961.

Deferred Taxes

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilized . Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized , or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which give future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company.

Current and Deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they are relating to items that are recognized in the other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

GLOBAL FACTORS LTD. MUMBAI IBS

ix. Property, plant and equipment

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit or Loss. Property, plant and equipment except freehold land held for use for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements on transition i.e. April 01, 2018 to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight - line method as per the useful life prescribed in the Schedule II to the Companies Act, 2013, except in respect :

Sr.No	Asset Description	Useful life as per management estimates
1	Furniture & Fixtures *	5
2	Vehicles *	4
3	Computer Hardware (Servers & Network) *	3

*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

Assets held under finance leases are depreciated over their expected useful lives on the basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the lease term, assets are depreciated over the shorter of lease term and their useful lives.

Depreciation on additions to Fixed Assets is provided on pro-rata basis from the date of acquisition or installation. Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Lease Accounting as per Ind AS 116

IND AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset value is low.

As per this standard a lease liability is initially recognised and measured at an amount equal to present value of minimum lease payments during the lease term that are not yet paid.

Right of use asset is recognised and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration cost and other direct costs incurred by lessee.

The lease liability is measured in subsequent period using effective interest rate method. The right to use asset is depreciated in accordance with the requirements in Ind as 16 Property plant and equipment. The recognition and measurement exemptions is availed by the company in case of low value lease and and short term leases. For leases where exemptions are availed by the Company payments are recognised on straight line basis or another systematic basis that is more representative of the patterns of lessees benefits.

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x. **Intangible Assets and amortization thereof:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognized on a straight-line basis based on their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Computer software is amortised over the period of three years on a straight-line basis.

An item of Intangible Asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognized as on April 01, 2018 (date of transition) measured as per previous GAAP as its deemed cost on the date of transition.

xi. **Impairment of Property, plant & equipment and intangible assets**

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash - generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

xii. **Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.
Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. A contingent asset is disclosed in the Financial Statements, where an inflow of economic benefits is probable.

Onerous contracts
Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

xiii. Financial Instruments
Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.
Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets
a)Recognition and initial measurement
The Company initially recognises loans and advances, deposits and debt securities purchased on the date on which they originate. Purchases and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at FVTPL, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

b)Classification of financial assets
On initial recognition, a financial asset is classified to be measured at -
- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value through Profit or Loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:
- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.
Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on re-measurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c)Business Model Test:
The Company determines its business model at the level that best reflects how it manages group of financial assets to achieve its business objective.
The Company's business model is not assessed on instrument and instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model.

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d)Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding

The Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

e)Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

Modification of contractual cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculate the gross carrying amount of the financial asset and shall recognize a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit- impaired financial assets) or, when applicable, the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset

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f) **Impairment of financial assets**
The Company applies the Expected Credit Loss (ECL) model for recognising impairment loss on financial assets. The Company applies a three-stage approach for measuring ECL for the following categories of financial assets that are not measured at fair value through profit or loss:

- debt instruments measured at amortised cost and fair value through other comprehensive income; and
- financial guarantee contracts.

No ECL is recognized on equity investments.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.
Financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL
The Company assesses ECL on exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. For these exposures, the Company recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months. The Company does not conduct an individual assessment of exposures in Stage 1 as there is no evidence of one or more events occurring that would have a detrimental impact on estimated future cash flows.

Stage 2: Lifetime ECL - not credit impaired
The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset). Similar to Stage 1, the Company does not conduct an individual assessment on Stage 2 exposures as the increase in credit risk is not, of itself, an event that could have a detrimental impact on future cash flows.

Stage 3: Lifetime ECL - credit impaired
The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised as a collective or specific provision, and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Determining the stage for impairment
At each reporting date, the Company assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.
An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the provision for impairment losses reverts from lifetime ECL to 12-months ECL.
Exposures that have not deteriorated significantly since origination are considered to have a low credit risk. The provision for impairment losses for these financial assets is based on a 12-months ECL. When an asset is uncollectible, it is written off against the related provision. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

Subsequent recoveries of amounts previously written off reduce the amount of the expense in the income statement.
The Company assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, class of borrowers, credit risk ratings, date of initial recognition, remaining term to maturity, industry and other relevant factors.

Measurement of ECL
ECL are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

Provision for impairment losses.
ECL are recognised using a provision for impairment losses in profit and loss. In the case of debt instruments measured at fair value through other comprehensive income, the measurement of ECL is based on the three-stage approach as applied to financial assets at amortised cost. The Company recognises the provision charge in profit and loss, with the corresponding amount recognised in other comprehensive income, with no reduction in the carrying amount of the asset in the balance sheet.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

g)Effective interest method
The Effective Interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.
Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL and Interest income is recognized in profit or loss.

h)Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such

changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised Classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

Financial liabilities and equity instruments

1) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of directly attributable transaction costs.

3) Financial liabilities

Financial liabilities are classified as measured at amortised cost or 'FVTPL'.

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A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. A financial liability is classified as held for trading if:

• It has been incurred principally for the purpose of repurchasing it in the near term; or

• on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

• it is a derivative that is not designated and effective as a hedging instrument.
A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

• such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

• the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

• it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.
Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurementrecognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

4) Other financial liabilities:
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

5) Derecognition of financial liabilities:
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss

xiv. Cash and Cash Equivalent:
Cash and cash equivalent in balance sheet comprise of cash at bank, cash on hand and short term highly liquid investments and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

xv. Earnings Per Share:
Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).
For the purpose of calculating diluted earnings per share, the net profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the

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dilutive potential equity shares by weighted average no of equity shares year which are adjusted for the effects of all dilutive potential equity shares.

xvi. Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xvii. Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

i. The estimated amount of contracts remaining to be executed on capital account and not provided for; and

ii. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

xviii. Segment Reporting

The Company is primarily enagaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 –Segment Reporting.

1.3 Key Estimates and Judgements:

The preparation of the financial statements in conformity with Indian Accounting Standards ("IND AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

i. Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Company's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.

ii. Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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iii. **Income Taxes**

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for certain tax positions.

iv. **Evaluation of Business Model**

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective.The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

v. **Provisions and Liabilities**

Provisions and liabilities are recognised in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

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SBI Global Factors Ltd
Notes forming part of the Financial Statements as at March 31, 2022

NOTE 2
Cash and cash equivalents (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Cash on hand	1	1
(ii) Balances with Banks (of the nature of cash and cash equivalents)	2,716	971
Total	**2,717**	**972**

NOTE 3
Loans (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(A)		
(i) Loans - at amortised cost		
- Factoring	1,17,977	1,37,598
Others		
- Gold Pool	2,456	297
- WCTL	351	-
Total - Gross (A)	**1,20,784**	**1,37,895**
Less: Impairment Loss Allowance (Expected Credit Loss)	(9,004)	(15,323)
Total - Net (A)	**1,11,781**	**1,22,572**
(B)		
(i) Secured by tangible assets	1,273	4,564
(ii) Secured by intangible assets	16,749	34,623
(iii) Unsecured	1,02,762	98,708
Total - Gross (B)	**1,20,784**	**1,37,895**
Less: Impairment Loss Allowance (Expected Credit Loss)	(9,004)	(15,323)
Total - Net (B)	**1,11,781**	**1,22,572**
(C)		
(i) Loans in India	1,20,784	1,37,895
Total - Gross (C) (i)	**1,20,784**	**1,37,895**
Less: Impairment Loss Allowance (Expected Credit Loss)	(9,004)	(15,323)
Total - Net (C) (i)	**1,11,781**	**1,22,572**
(ii) Loans outside India	-	-
Less: Impairment Loss Allowance (Expected Credit Loss)	-	-
Total - Net (C) (ii)	-	-
Total (C) (i+ii)	**1,11,781**	**1,22,572**

No loans are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

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NOTE 4
INVESTMENTS

(₹ in Lakhs)

Investments	March 31, 2022				March 31, 2021			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Fixed Deposits		-		-				
Mutual Funds		-		-		-		-
Non Convertiable Debentures (ZCB of Fabtech Projects and Engineers Ltd 1.40 Cr @ Rs. 1 each valued @ Rs. 1/-)		141		141				
Equity Shares of SBI Foundation Fellow Subsidiary (1,000 Equity Shares @ Rs. 10/- each)		0		0		0		0
JMFARC - IRIS December 2016 - Trust (Security Receipt of JM Financial Asset Reconstruction Company Private Limited)		383		383		383		383
Total – Gross (A)		**523**		**523**		**383**		**383**
Impairment		(383)		(383)		(383)		(383)
Changes in the fair value of Asset		(141)		(141)				
Total - Net (A)		0	-	0	-	0	-	0
(i) Investments outside India		-		-		-		-
(ii) Investments in India		0		0		0		0
Total (B)		**0**		**0**		**0**		**0**

*** The fair value of NCD's received from Fabtech Projects and Engineers Ltd cannot be determined being unquoted and unrated debentures as on 31st March 2022. Therefore, it has been valued @ Rs. 1/-**

NOTE 5
Other Financial Assets (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	237	246
Collection Receivable From Muthoot	-	1,429
Other Receivable	14	42
Total	**250**	**1,717**

NOTE 6
Current Tax Assets (Net) (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance tax and tax deducted at source (Net of provision for tax)	721	504
Total	**721**	**504**

NOTE 7
Deferred Tax Assets (Net) (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Asset	2,794	4,616
MAT Credit Entitlement	-	-
Total	**2,794**	**4,616**

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Note 8 : Property Plant and Equipment And Intangible Assets

(₹ in Lakhs)

Description of Assets	Buildings	Right of use Building	Computers	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Tangibles Total	Intangibles Assets Software	Intangibles Assets under development (Amount in CWIP for a period less than	Total assets
I. Gross Block										
Balance as at March 31, 2021	**740**	**658**	**66**	**16**	**13**	**7**	**1,498**	**20**		**1,519**
Additions	-	119	14	3	1	-	136	17	12	165
Other -Deductions/Adjustments	-	77	3	3	2	-	85	-	-	85
Balance as at March 31, 2022	**740**	**700**	**76**	**16**	**11**	**7**	**1,549**	**37**	**12**	**1,598**
II. Accumulated depreciation and impairment										
Balance as at March 31, 2021	**50**	**290**	**49**	**1**	**5**	**3**	**399**	**16**	**-**	**414**
Depreciation expense for the period	17	180	8	5	2	1	212	9	-	221
Other -Deductions/Adjustments	-	45.9	3	3	2	-	54	-	-	54
Balance as at March 31, 2022	**66**	**425**	**54**	**3**	**5**	**5**	**557**	**24**	**-**	**581**
Carrying Value As at March 31, 2022	**673**	**275**	**22**	**13**	**6**	**2**	**992**	**13**	**12**	**1,017**
At March 31, 2021	690	367	16	15	8	3	1,100	5	-	1,104

Title deeds of Immovable Properties not held in name of the Company (Additional Disclosure)

(₹ in Lakhs)

Relevant line item in the Balance sheet	Description of item of property	Gross value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Plant property & Equipment						
Office Premises in Mumbai	Building	797.25	In the erstwhile name of Global Trade Finance Limited	No	Prior to Merger of GTFL & SBI Factors	Under Process - Not in Dispute
Office Premises in Delhi	Building	146.72	In the erstwhile name of Global Trade Finance Limited	No		
Flat in Mumbai	Building	47.83	In the erstwhile name of Global Trade Finance Limited	No		

NOTE 9

Other Non-Financial Assets (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Indirect Tax Credit	63	86
Pre-paid expenses	16	47
Advance paid to CERSAI	1	0
Advance to employees	9	9
Others	114	141
Deferred Forward Premium	16	-
Total	**219**	**283**

NOTE 9A

Derivative financial instruments (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Amount Payable to Bank	3,044	-
Less:Foreign Currency Receivable	(3,032)	-
Total	**13**	**-**

NOTE 10

Debt Securities (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
- At Amortised Cost		
(1) UNSECURED:		
Non Convertible Debentures - Listed*	9,985	9,998
(2) UNSECURED:		
Commercial Papers #	15,919	47,677
Total (A) (1+2)	**25,904**	**57,675**
Debt securities in India	25,904	57,675
Debt securities outside India	-	
Total (B)	**25,904**	**57,675**

* Includes issue expenses amortised as per EIR

Non-convertible debentures and any other borrowings are not guaranteed by any of directors and/or others.

Maturity Profile of Non-Convertible Debentures (₹ in Lakhs)

Description	Date of Maturity	As at March 31,2022
10 Years Unsecured Subordinated Redeemable Non-Convertible Debentures 2021-22 (Series - SBIGFL - 10) of Rs. 10 Lakhs each	July 27, 2031	10,000
Adjustments on account of effective rate of interest		(15)
Total		**9,985**

Maturity Profile of Non-Convertible Debentures (₹ in Lakhs)

Description	Date of Maturity	As at March 31, 2021
10 Years Unsecured Subordinated Redeemable Non-Convertible Debentures 2011-12 (Series - SBIGFL - 09) of Rs. 10 Lakhs each	July 29, 2021	10,000
Adjustments on account of effective rate of interest		(2)
Total		**9,998**

 # The Details of Commercial Papers are as under (₹ in Lakhs)

Particulars	Date of Maturity	As at March 31,2022
ICICI Prudential Mutual Fund - CP	April 06, 2022	7,000
HDFC Mutual Fund - CP	June 20, 2022	5,000
HDFC Mutual Fund - CP	May 23, 2022	4,000
Adjustments on account of effective rate of interest		(81)
Total		**15,919**

(₹ in Lakhs)

Particulars	Date of Maturity	As at March 31, 2021
ICICI Prudential Mutual Fund - CP	June 17, 2021	5,000
HDFC Mutual Fund - CP	May 06, 2021	10,000
HDFC Mutual Fund - CP	June 24, 2021	11,000
HDFC Mutual Fund - CP	June 29, 2021	9,000
IL&SF Mutual Fund - CP	April 26, 2021	5,000
IL&SF Mutual Fund - CP	April 15, 2021	5,000
Invesco Mutual Fund - CP	April 15, 2021	3,000
Adjustments on account of effective rate of interest		(323)
Total		**47,677**

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NOTE 11

Borrowings (Other than Debt Securities) **(₹ in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
- At Amortised Cost		
UNSECURED		
(a) Term Loans		
(i) from Banks	-	-
(b) Loans from Related Party #	53,335	36,674
Total (A)	**53,335**	**36,674**
Borrowings in India	45,000	32,060
Borrowings outside India	8,335	4,614
Total (B)	**53,335**	**36,674**

Includes Loan (Foreign Currency Cash Credit, Working Capital Demand Loan, Short term loan Facility) taken from Parent Company - State Bank of India (SBI)

(₹ in Lakhs)

Description	Date of Maturity	As at March 31,2022
Working Capital Demand Loan from SBI	06 April 2022	2,500
Working Capital Demand Loan from SBI	29 April 2022	7,000
Working Capital Demand Loan from SBI	23 May 2022	8,000
Working Capital Demand Loan from SBI	10 June 2022	13,000
Working Capital Demand Loan from SBI	17 June 2022	6,000
Working Capital Demand Loan from SBI	27 June 2022	8,500
Bank Overdraft facility from SBI	-	-
Foreign Currency Cash Credit Loan (USD 63.33 lakhs ,GBP 3.54 lakhs, EUR 16.15 lakhs)	-	8,335
Total		**53,335**

(₹ in Lakhs)

Description	Date of Maturity	As at March 31, 2021
Working Capital Demand Loan from SBI	May 13, 2021	5,000
Working Capital Demand Loan from SBI	May 24, 2021	5,000
Working Capital Demand Loan from SBI	May 27, 2021	10,000
Working Capital Demand Loan from SBI	June 11, 2021	12,000
Bank Overdraft facility from SBI	-	60
Foreign Currency Cash Credit Loan (USD 29.29 lakhs ,GBP 6.24 lakhs, EUR 21.49 lakhs)	-	**4,614**
Total		**36,674**

- No term loans, external commercial borrowings, commercial paper and any other borrowing is guaranteed by directors and / or others

NOTE 12

Other Financial Liabilities : **(₹ in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Interest accrued but not due;	529	252
(b) Oustanding Expenses	336	289
(c) Others (specify nature)		
Lease Liability	389	549
Book overdraft	-	-
Liability against collection of factoring receivables	295	141
Total	**1,549**	**1,231**

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NOTE 13
Provisions (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for employee benefits; and	163	163
(b) Others		
Ex Gratia Payable	90	70
Provision for GST	-	21
Total	**253**	**254**

NOTE 14
Other Non-financial liabilities (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Revenue received in advance	759	813
(b) Others		
Statutory liability	46	39
Liability for stale cheque	1	1
Total	**806**	**852**

NOTE 15
Equity (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Authorised share capital:		
880,000,000 (Previous Year 180,000,000) Equity Shares of Rs.10 each	88,000	88,000
120,000,000 (Previous Year 120,000,000) Preference Shares of Rs.10 each	12,000	12,000
	1,00,000	1,00,000
Issued, Subscribed and Paid-up		
159,885,365 (Previous Year 159,885,365) Equity Shares of Rs. 10 each, fully paid-up	15,989	15,989
	15,989	**15,989**

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.

Disclosure with respect to Shareholding in excess of 5%

Name of the Equity Shareholder	% of Issued, Subscribied, and Paid up Equity Share Capital	No. of shares held as on 31.03.2021
1) State Bank of India	86.18 (86.18)	13,77,86,585
2) Small Industries Development Bank of India (SIDBI)	6.53 (6.53)	1,04,44,172

Reconciliation of Shares (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Number of shares at the beginning	15,98,85,365	15,98,85,365
Number of shares at the end	15,98,85,365	15,98,85,365

Rights, Preferences and Ristrictions 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.In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

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NOTE 16
Other Equity (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Redemption Reserves		
Opening Balance	1,000	1,000
Add: Transfer from Statement of Profit and Loss	-	-
Closing Balance	**1,000**	**1,000**
Securities Premium Account		
Opening Balance	21,693	21,693
Add: Additions during the year	-	-
Closing Balance	**21,693**	**21,693**
Reserve Fund *		
Opening Balance	7,186	6,816
Add: Transfer from Statement of Profit and Loss	505	370
Closing Balance	**7,691**	**7,186**
Impairement Reserve @ #		
Opening Balance	2,196	2,196
Add: Transfer from Statement of Profit and Loss	-	-
Add: Transfer from General Reserve	-	-
Closing Balance	**2,196**	**2,196**
@ Reviewed on half yearly basis		
General Reserve		
Opening Balance	10,569	10,569
Add: Transfer from contingency reserve	-	-
Less: Transfer to Impairement Reserve	-	-
Closing Balance	**10,569**	**10,569**
Surplus in the Statement of Profit and Loss		
Opening Balance	(23,550)	(25,018)
Ind AS 116 Impact on opening reserves as on 01.04.2019	-	-
Add: Total Comprehensive Income for the period	2,556	1,838
	(20,993)	(23,180)
Less :-		
Transfer to Reserve Fund*	505	370
Transfer to Impairement Reserve	-	-
Closing Balance	**(21,498)**	**(23,550)**
Total	**21,650**	**19,094**

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

Created in accordance with circular no. 109/22.10.106/2019-20 of The Reserve Bank of India dated 13th March 2020

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NOTE 17
Interest Income

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
	(₹ in Lakhs)	
Discount charges	9,011	9,827
Total	**9,011**	**9,827**

NOTE 18
Fees & Commission Income

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
	(₹ in Lakhs)	
Processing Charges	320	362
Total	**320**	**362**

NOTE 19
Sale of Service

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
	(₹ in Lakhs)	
Factoring Charges	559	476
	559	**476**

NOTE 20
Others

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
	(₹ in Lakhs)	
Bad Debts Recovery in Written off Accounts	204	92
Total	**204**	**92**

NOTE 21
Reversal of provision on Financial Instruments

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
	(₹ in Lakhs)	
Loans	6,319	2,799
Total	**6,319**	**2,799**

NOTE 22
Finance Cost

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
	(₹ in Lakhs)	
Interest Expenses on debts classified as amortised category		
Non-Convertible Redeemable Debentures	796	1,103
Short Term Loans (including Cash Credit & Overdraft)	1,405	509
Discount on Issue of Commercial Papers	937	2,640
Interest on Financial Asset Sold	-	-
Interest Expense on Lease Liability	43	52
Other Borrowing Costs		
Bank Charges	26	45
Credit Rating Fees and Other Charges	40	96
Other Finance Cost	6	5
Forward Premium	22	93
Foreign Exchange Gain / Loss	24	-
Total	**3,300**	**4,543**

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Note 23
Fees and Commission Expense (₹ in Lakhs)

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
Import Factor Commission	152	109
Total	**152**	**109**

Note 24
Net loss on derecognition of financial instruments under amortised cost category

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
Loss on Derecognition of Financial Instruments	6,108	4,234
Total	**6,108**	**4,234**

NOTE 25
Employee Benefits Expenses (₹ in Lakhs)

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	1,280	1,025
Contribution to Provident and Other Funds	43	41
Staff Welfare Expenses	37	24
Total	**1,360**	**1,090**

NOTE 26
Other Expenses (₹ in Lakhs)

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
Rent, Rates and Taxes	32	48
Repairs and Maintenance - Building	23	23
Repairs and Maintenance - Others	87	125
Travelling and Conveyance	80	62
Directors Sitting Fees	32	31
Advertisement & Publicity Expenses	2	1
Communication expense	30	47
Printing and Stationery	10	9
Legal and Professional Charges	305	197
Royalty paid to SBI	37	-
Auditor's fees and expenses	23	23
Electricity Expenses	40	40
Membership and subscription	10	9
Outsourcing Costs	51	50
Security Charges	18	18
Contribution towards CSR activites	2	2
Goods and Services Tax	150	132
Miscellaneous Expenses	58	55
Total	**989**	**872**

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27 Contingent Liabilities :

₹ in Lakhs

	Particulars	March 31, 2022	March 31, 2021
i.	Claims against the Company not acknowledged as debts (to the extent ascertained from the available records)	-	-
ii	Service Tax matters (under dispute)	57	57
iii	Direct Tax matters - Income Tax	48	48
iv	Direct Tax matters - Tax Deducted at Source	0	0
		105	**105**

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

There is no claim or proceedings which are pending against the Company which has any financial obligations against the Company. The cases filed against the Company are appeals, either civil or criminal, filed by the Clients arising out of any civil decree or conviction in Section 138 proceedings. The Company reviews all its cases periodically. No decree or order has been passed against the Company which has any financial implication. Since, there is no contingent liability, there is no provision is required. Since all the civil as well as criminal proceedings are filed by the Company for recovery of its outstanding dues, the outcome of these pending proceedings will not have any materially adverse effect on the Company.

The Company has assessed all long term contracts for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts has been made in the books of account

28 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.

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
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

MSME categorization is done based on self declaration made by the parties and no separate confirmation is sought by the Company in this regards.

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29 Leases

Ind AS 116 - Leases, has become applicable effective annual reporting period beginning April 1, 2019. The Company has adopted the standard beginning April 1, 2019, using the modified retrospective approach for transition. Accordingly, the Company has not restated the comparative information, instead the cumulative effect of initially applying the standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	March 31, 2022	March 31, 2021
	₹ in Lakhs	
Right to use assets		
Buildings	275	367
Lease liabilities		
Lease liabilities	389	549

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

Depreciation charge of right-of-use assets

Buildings	180	186
Interest expense (included in finance cost)	43	52
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	8	26
Expense relating to leases of low-value assets that are not shown	4	3
Expense relating to variable lease payments not included in lease	-	-
The total cash outflow for leases during the period	301	303

30 Financial Impact of COVID – 19 on the Company

a) The Company has made an additional provision of 0.25% (Rs.2.30 cr) on the Unsecured Standard Assets as on 31.03.22

b) The management feels that the provisions made is adequate to cover the losses on impact of Covid-19 on the Loans and Advances.

c) The Company does not foresee any other impact on the financial performance due to Covid-19 for the future.

d) Based on current indicators of future economic conditions, the Company notes that for the period ended 31st March, 2022, it expects to recover the carrying amount of its current and non-current assets and does not anticipate any impairment.

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31(A) i **Earnings Per Share:**

		March 31, 2022	March 31,2021
Net Profit attributable to ordinary equity holders (₹ in Lakhs)		2,526	1,847
Profit available to Equity Shareholders (₹ in Lakhs)	(A)	2,526	1,847
Adjusted Net Profit for Diluted Earnings Per Share (₹ in Lakhs)	(B)	2,526	1,847
Weighted average number of Equity Shares outstanding during the year	(C)	15,98,85,365	15,98,85,365
Weighted average number of Diluted Equity Shares outstanding during the year	(D)	15,98,85,365	15,98,85,365
Nominal Value of Equity Shares (Rs.)		10	10
Basic Earnings Per Share (Rs.)	(A) / (C)	1.58	1.15
Diluted Earnings Per Share (Rs.)	(B) / (D)	1.58	1.15

ii **Disclosures in compliance with Regulations 52(4) of the SEBI (Listing obligations and Disclosure Requirements) regulations, 2015 for the year ended 31st March 2022**

	March 31, 2022	March 31,2021
(a) Omited	-	-
(b) Omited	-	-
(c) Debt-Equity ratio;	2.86	3.67
(d) Omited	-	-
(e) Omited	-	-
(f) Debt Service Ratio;	NA	NA
(g) Interest Service Coverage Ratio;	NA	NA
(h) Outstanding Redeemable Preference share	NA	NA
(i) Capital Redemption Reserve / Debenture Redemption Reserve;	1,000	1,000
(j) Net Worth;	37,639	35,082
(k) Net Profit After Tax;	2,526	1,847
(l) Earnings Per Share:	1.58	1.15
(m) Current Ratio	1.61	1.46
(n) Long Term Debt to Working Capital	0.23	0.28
(o) Bad Debt to Account Receivable Ratio	0.05	0.03
(p) Current Liability Ratio	0.87	0.89
(q) Total Debt to Total Assets	0.66	0.72
(r) Debtors Turnover	NA	NA
(s) Inventory Turnover	NA	NA
(t) Operating Margin (%)	26%	30%
(u) Net Profit Margin (%)	15%	14%
(v) Sector Specific Ratio		
(i) PCR (%) (Provision Coverage Ratio) (Total provisions/Gross NPAs)	94%	78%

31(B) 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 March 31, 2022 are as follows:

	Currency	Currency in Lakhs	Amount ₹ in Lakhs
(a) Assets (Receivables)			
	USD	43	3,284
		-	-
	EUR	19	1,642
		-	-
	GBP	4	386
		-	-
(b) Liability (Payables)			
	USD	0	1
		-	-
	EUR	0	4
		-	-
	GBP	1	91
		-	-
(c) Loans Payable			
	USD	84	6,367
		-	-
	EUR	19	1,615
		-	-
	GBP	4	354
		-	-

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

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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, 2022	March 31,2021	March 31, 2022	March 31,2021
Short Term Borrowings	USD	40	-	3,044	-

31© Segment Reporting

The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Segment Reporting.

31(D) 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 Life Insurance Ltd.	Fellow Subsidiary (Non Banking)
SBICAP Securities Ltd	Step down Subsidiary
SBICAP Trustee Company Limited	Step down Subsidiary
b Other related parties with whom transactions have taken place during the year	
i Associates/Group Enterprises	
Bank of Maharashtra	Associate Bank
Union Bank of India	Associate Bank
Small Industries Development Bank of India	Associate Bank
State Bank of Mysore (SBM)	Associate Bank
State Bank of Patiala (SBP)	Associate Bank
c Key Management Personnel/Relatives of Key Management Personnel	
Mr. Hemant Pammi (w.e.f. 1st July 2020 to 30th June 2021)	MD & CEO
Mr. Joydeb Mukherjee (w.e.f. 1st July 2021 to till date)	MD & CEO
Mr. Pankaj Gupta (upto 30th April 2021)	SVP & CF&RO
Mr. Akash Damniwala (w.e.f. 8th June 2021 to till date)	SVP & CFO
Mr. Nandan Nimbkar (w.e.f. 1st December 2019 till 8th Sept 2021)	Company Secretary
Mrs. Aruna Dak (w.e.f. 9th July 2021 till date)	Company Secretary
d Enterprises over which Key Management Personnel (KMP) & his relatives can exercise significant influence	
Mr. Hemant Pammi (w.e.f. 1st July 2020 to 30th June 2021)	Factors Association of India
Mr. Joydeb Mukherjee (w.e.f. 1st July 2021 to till date)	Factors Association of India
Mr. Pankaj Gupta (upto 30th April 2021)	Factors Association of India
Mr. Akash Damniwala (w.e.f. 8th June 2021 to till date)	Factors Association of India
Factors Association of India	
SBI Global Factors Ltd. Staff gratuity fund	SBI Global Factors Limited Staff Gratuity Fund

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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	Enterprises over which Key Management Personnel (KMP) & his relatives can exercise significant influence	Grand Total
1	**EXPENSES**						
	Remuneration to MD and CEO *	-	-	-	66	-	66
	Previous Year	-	-	-	(46)	-	(46)
	Remuneration to SVP & CFO*	-	-	-	49	-	49
	Previous Year	-	-	-	(54)	-	(54)
	Remuneration to Company Secretary*				39	-	39
	Previous Year				(14)	-	(14)
	Salary (Including Perquisite) paid to Deputed Staff**	843		-	-	-	843
	Previous Year	(589)	(0)	-	-	-	(589)
	Other Receiving of Services/ Reimbursement of Expenses	1,353	33	-	-	-	1,386
	Previous Year	(557)	(16)	-	-	-	(573)
	Interest on Financial assets sold	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-
	Stamp Duty on sale of TREDS to SBI	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-
	Stamp duty on Investment in MF	-	3	-	-	-	3
	Previous Year	-	(5)	-	-	-	(5)
	Professional fees	0	-	-	-	-	0
	Previous Year	-	-	-	-	-	-
	Subscription / Membership fees	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-
	Total - Current Year	2,196	35	-	154	-	2,386
	Total - Previous Year	(1,146)	(21)	-	(114)	-	(1,281)
2	**INCOME**						
	Rendering of Services/ Reimbursement of Expenses	-	-	-	-	-	-
	Previous Year	-	-	-	(0)	-	(0)
	Rental Income	5	-	-	-	-	5
	Previous Year	(5)	-	-	-	-	(5)
	Profit on sale of Units of Mutual fund	-	9	-	-	-	9
	Previous Year	-	(10)	-	-	-	(10)
	Total - Current Year	5	9	-	-	-	14
	Total - Previous Year	(5)	(10)	-	(0)	-	(15)
3	**SHARE CAPITAL**						
	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)
	Total - Current Year	30,216	-	-	-	-	30,216
	Total - Previous Year	(30,216)	-	-	-	-	(30,216)
4	**ASSETS**						
	Amounts Receivable / Advance	1	8	-	-	-	9
	Previous Year	(3)	(5)	-	-	-	(8)
	Bank Balances	2,464	-	-	-	-	2,464
	Previous Year	(797)	-	-	-	-	(797)
	Rent receivable from SBI - Borivali Flat Tenants	1.68	-	-	-	-	2
	Previous Year	-	-	-	-	-	-
	Unexpired Amount of CP	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-
	Total - Current Year	2,466	8	-	-	-	2,474
	Total - Previous Year	(800)	(5)	-		-	(805)
5	**INVESTMENTS :**						
	Investments in Equity shares	-	-	-		-	-
	Previous Year	-	(0)	-		-	(0)
6	**LIABILITY**						
	Unsecured Loans	53,335	-	-		-	53,335
	Previous Year	(36,674)	-	-		-	(36,674)
	Salary Payable / Amounts Payable / Interest Payable	229	-	-	-	-	229
	Previous Year	(233)	-	-	(3)	-	(236)
	Total - Current Year	53,564	-	-	-	-	53,564
	Total - Previous Year	(36,907)	-	-	(3)	-	(36,910)
6	**TRANSACTIONS**						
	Sale of Fixed Assets	-	-	-	-	-	-
	Previous Year	(1)	-	-	-	-	(1)
	Loan Taken	1,80,428	-	-	-	-	1,80,428
	Previous Year	(12,92,367)	-	-	-	-	(12,92,367)
	Repayment of Loan	1,63,706	-	-	-	-	1,63,706
	Previous Year	(12,87,419)	-	-	-	-	(12,87,419)
	Investment in Schemes of Mutual Fund	-	57,697	-	-	-	57,697
	Previous Year	-	(44,099)	-	-	-	(44,099)
	Redemption of Schemes of Mutual Fund	-	57,706	-	-	-	57,706
	Previous Year	-	(44,109)	-	-	-	(44,109)
	Investment in Fixed Deposit	10,028	-	-	-	-	10,028
	Previous Year	-	-	-		-	-
	Fixed Deposit Matured	10,034	-	-	-	-	10,034
	Previous Year	-	-	-	-	-	-
	Non - Convertible Debentures borrowed	-	10,000	-		-	10,000
	Previous Year	-	-	-	-	-	-
	Repayment of Non - Convertible Debentures	-	10,000	-	-	-	10,000
	Previous Year	-	-	-		-	-
	Refund of Security Deposit	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-

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

33 **Auditors' Remuneration:**

₹ in Lakhs

	March 31, 2022	March 31, 2021
For Statutory Audit	12	10
For Limited Review	6	5
For Tax Audit	3	3
For Other Services (Including certification)	5	5
For Out of pocket expenses	-	-
TOTAL	**25**	**23**

34 **Expenditure in Foreign Currency (On Accrual basis)**

₹ in Lakhs

	March 31, 2022	March 31, 2021
Correspondent Fees	150	109
Membership and Subscription	7	7
Interest on Short Term Loans	54	111
Others	11	10
TOTAL	**222**	**237**

35 **Earnings in Foreign Currency:**

₹ in Lakhs

	March 31, 2022	March 31, 2021
Income from Factoring :		
Interest	112	134
Factoring Charges	227	174
Processing Charges	29	44
Miscellanous Income	0	-
TOTAL	**368**	**352**

36 **Book value of Investments in Security Receipt**

₹ in Lakhs

Particulars	Backed by NPAs sold by the Company as underlying		Backed by NPAs sold by the other banks/FI/ NBFC as underlying		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Book value of investments in	383	383	-	-	383	383
Less: Provision	383	383	-	-	383	383
Net Value of	-	-	-	-	-	-

* 100% Provision is held against Investment in Security Receipts

37 **Investments in security receipts**

₹ in Lakhs

	Particulars	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	383	-	-
	Provision held against(i)	383	-	-
ii	Backed by NPAs sold by the other banks/FI/ NBFC as underlying	-	-	-
	Provision held against(ii)	-	-	-
	Total (i) + (ii)	383	-	-

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38 Taxes on Income:

Income Tax

The components of income tax expense for the year ended 31st March 2022 and year ended 31st March 2021 are:

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Current Tax		
In respect of Current Year	-	7
In respect of prior years	-	-
Deferred Tax		
In respect to of Current Year	1,823	818
Total Income Tax expense recognised in statement of profit and loss	1,823	825
OCI Section		
Remeasurement of the defined benefit liabilities	-	4
Income tax charges to OCI	-	4

Reconciliation of the total charge:

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March 2022 and year ended 31st March 2021 is as follows

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Accounting profit before tax	4,349	2,672
Income tax expense calculated at 29.12% (Previous Year 29.12%)	1,266	778
Adjustments in respect of current income tax of previous year	-	7
Deferred tax assets on losses not recognised	274	36
Others	-	4
Income tax expense recognised in statement of profit and loss	1,823	825

The Company has elected not to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the year ended 31 March 2022 and measured its deferred tax assets basis the rate prescribed in the section 115BA of the Income Tax Act, 1961.

Movement in Deferred Tax (Assets) / Liabilities

₹ in Lakhs

March 31, 2022

Particulars	(DTA) / DTL As at April 01, 2021	Statement of Profit and Loss	OCI	(DTA) / DTL As at March 31, 2022
Fixed Asset: temporary difference on account of Depreciation and Amortisation	83	7		90
Bonus Disallowed due to non-payment	(20)	(6)		(26)
Provision for Gratuity	(26)	(0)		(26)
Provision for Leave Encashment	(21)	(0)		(21)
Provision for Expenses	(2)	(0)		(2)
Provision for doubtful debts on Non Performing Investments	(111)	(41)		(152)
Impairement allowances of Financial Assets	(4,462)	1,840		(2,622)
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	(3)	3		-
Leases	(53)	20		(33)
Others - OCI	-	-	-	-
Total	(4,617)	1,823	-	(2,794)

₹ in Lakhs

March 31, 2021

Particulars	(DTA) / DTL As at April 01, 2020	Statement of Profit and Loss	OCI	(DTA) / DTL As at March 31, 2021
Fixed Asset: temporary difference on account of Depreciation and Amortisation	78	5		83
Bonus Disallowed due to non-payment	(20)	-		(20)
Provision for Gratuity	(18)	(8)		(26)
Provision for Leave Encashment	(13)	(9)		(21)
Provision for Expenses	(1)	(1)		(2)
Provision for doubtful debts on Non Performing Investments	(111)	-		(111)
Impairement allowances of Financial Assets	(5,277)	815		(4,462)
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	(4)	0		(3)
Leases	(64)	11		(53)
Others - OCI	-	4	(4)	-
Total	(5,431)	818	(4)	(4,617)

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39 Retirement Benefit Plan

In accordance with the Indian Accounting Standard on (IND AS-19) - "Employee Benefits" the following disclosures have been made:

Defined Contribution Scheme

₹ in Lakhs

Description	March 31, 2022	March 31, 2021
Employer's Contribution to Provident Fund	15	12
Employer's Contribution to Pension Fund	12	13
Total	27	25

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:-

₹ in Lakhs

Acturial Assumptions	March 31, 2022	March 31, 2021
Discount Rate	7.35%	6.92%
Future Salary Increases	10.00%	10.00%
Retirement Age	60 Years	60 Years
Mortality Rate	(as % of IALM (2012-14) Ult. Mortality Table)	(as % of IALM (2012-14) Ult. Mortality Table)
Method	Projected Unit Credit Method	Projected Unit Credit Method

b) Changes In Present Value of Obligation

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
a) Present Value of obligation at the beginning of the year	171	141
b) Interest Cost	12	9
c) Past Service Cost	-	-
d) Current Service Cost	11	12
e) Benefits Paid	(9)	(4)
f) Actuarial (gain) / loss on Obligation	(17)	12
g) Present Value of obligation at the end of the year	167	171

c) Changes in Fair Value of Plan Assets

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
a) Fair value of plan assets at the beginning of the year	82	79
b) Expected Return	5	5
c) Past Service Cost	-	-
d) Contributions	-	-
e) Benefits Paid	(9)	(4)
f) Actuarial gain / (Loss) on Plan Assets	(1)	2
g) Fair value of plan assets at the end of the year	78	82
h) Funded Status	(90)	(89)

d) Acturial gain/loss recognized

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
a) Actuarial (gain) / loss for the year - Obligation	(17)	12
b) Actuarial (gain) / loss for the year - Plan Assets	(1)	2
c) Actuarial (gain) / loss recognized in the year	(16)	11

e) Amounts to be recognized in the Balance Sheet:

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
a) Present Value of obligation at the end of the year	167	171
b) Fair value of plan assets at the end of the year	78	82
c) Funded Status	(90)	(89)
d) Net liability recognized in the Balance Sheet	90	89

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

₹ In Lakhs

Particulars	March 31, 2022	March 31, 2021
a) Current Service Cost	11	12
b) Past Service Cost	-	-
c) Interest Cost	12	9
d) Return on plan assets	(5)	(5)
e) Net Actuarial (gain) / loss recognized in the year	(16)	11
f) Interest on Fund Balance not recognised earler	-	-
g) Expenses/(Income) recognized in the Statement of Profit & Loss	0	27

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g) **Investment Details of Plan Assets**

Rs. In Lakhs

Particulars	March 31, 2022	March 31, 2021
Assets managed by insurance scheme (100%)	78	82

h) **Balance Sheet Reconciliation**

Rs. In Lakhs

Particulars	March 31, 2022	March 31, 2021
Opening Net Liability	(90)	(63)
Expenses as above	0	27
Employers Contribution	-	-
Amount Recognised in Balance sheet	(90)	(90)

i) **Amount Recognised in current year and previous two years**

₹ in Lakhs

	March 31, 2022	March 31, 2021	March 31, 2020
Defined Benefit Obligation	167	171	141
Plan Assets	78	82	79
(Surplus)/Deficit	**90**	**89**	**63**
Experience adjustments on plan liabilities Loss/ (Gain)	(17)	12	18
Experience adjustments on plan Assets (Loss)/Gain	(1)	2	(16)

j) **Maturity Analysis of Projected Benefit Obligation: From the Fund**

₹ in Lakhs

	March 31, 2022	March 31, 2021
Projected Benefits Payable in Future Years From the Date of Reporting		
Within the next 12 months	14	6
2nd Following Year	12	8
3rd Following Year	12	6
4th Following Year	20	7
5th Following Year	23	16
Sum of Years 6 To 10	71	67

k) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

₹ in Lakhs

	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	155	181	154	191
Withdrawal Rate (1% movement)	166	169	168	174
Future salary growth (1% movement)	178	157	187	156

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:

₹ in Lakhs

	March 31, 2022	March 31, 2021
Privileged Leave	73	73

Notes:

The Company expects to contribute Rs. 90 Lakhs to Gratuity fund in 2021-22

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40 Maturity Analysis of Assets and Liabilities:

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in Lakhs

Particulars	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and Cash Equivalents	2,717	-	2,717	972	-	972
Loans*	1,11,781	-	1,11,781	1,22,572	-	1,22,572
Investments	-	0	0	-	0	0
Other Financial Assets	-	250	250	1,476	241	1,717
Non-Financial Assets						
Current Tax Assets (Net)	-	721	721	-	504	504
Deferred Tax Assets (Net)	-	2,794	2,794	-	4,616	4,616
Property, Plant and Equipment		992	992	-	1,099	1,099
Other Intangible Assets	-	13	13	-	5	5
Other Non-Financial Assets	219	-	219	283		283
Total Assets	**1,14,716**	**4,782**	**1,19,498**	**1,25,303**	**6,466**	**1,31,769**
Liabilities						
Financial Liabilities						
Debt Securities	15,919	9,985	25,904	57,675	-	57,675
Borrowings (Other than Debt Securities)	53,335	-	53,335	36,674	-	36,674
Other Financial Liabilities	1,160	389	1,549	682	549	1,231
Non-Financial Liabilities			-			-
Provisions	90	163	253	70	184	254
Other Non-Financial Liabilities	806	-	806	852	-	852
Total Liabilities	**71,322**	**10,538**	**81,860**	**95,953**	**733**	**96,686**
Net			**37,639**			**35,082**

* Represents Loans net of provision

41 **Capital**

i **Capital Management**

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of Reserve Bank of India. The Company's objective, when managing Capital, is the ongoing assessment of Company's risks, how the Company intends to mitigate these risks and how much current and future capital is necessary after considering other mitigating factors.

Being an NBFC-SI, the RBI requires the Company to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting minimum Tier I Capital of 10% and a combined Tier I & Tier II Capital of 15% of our aggregate risk weighted assets. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

Regulatory Capital	As at March 31, 2022	As at March 31, 2021
Tier I Capital	32,620	28,218
Tier II Capital	10,000	-
Total Capital	42,620	28,218
Risk Weighted Assets	1,22,683	1,33,954
CRAR		
Tier I Capital (%)	26.59%	21.07%
Tier II Capital (%)	8.15%	0.00%

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including current year profits. Certain adjustments are made to IND AS-based results and reserves, as prescribed by RBI. Tier II Capital consists primarily of Subordinated Debt instruments, subject to permissible limits as per the directions of the RBI.

ii ICAAP Document & Stress Scenarios:

One of the most important tool for capital planning and capturing risks of the enterprise is the ICAAP Document. Annually the Company prepares its ICAAP based on the audited financials, future business plan and, Stress Scenarios. The Stress Scenario captured in the ICAAP Document are quarterly compared with the actual performance and put up to the RMCB in its quarterly Memorandum. The Management Action Trigger (MAT) and Corrective Action (CA) are initiated if the Stress Scenario actually materializes during any reporting quarter.

Likely stress scenarios which are built and discussed in ICAAP are

i) Increase in NPA level requiring higher provision

ii) Large frauds in the standard assets of the Company and ability of the Company to provide for them.

iii)Tightening of the liquidity in the market and inability of the Company to raise funds through Commercial Papers (CPs) at reasonable rate and its impact on the overall average cost of funds and profitability.

The stipulated Management Action Triggers ('MAT') are as under –

(i) MAT - Increase in average Cost of Funds by 100 Basis Points since last revision in Interest Rate matrix – Review of Interest Rate Matrix by ALCO.

ii) New frauds exceeding 2% of FIU as at the beginning of the Financial Year – Review by CCC-I

iii)MAT - Fresh NPAs in any quarter exceeding 5% of Gross NPA as at the end of previous quarter – Review by CCC-I

The Corrective Action ('CA') is initiated as per the need.

The ICAAP Document is to be reviewed annually based on the actual performance of the Company in the previous year, Business Plan for the current year, Capital requirement to grow, and after factoring in the Stress Scenarios based on the past data. The Annual ICAAP document is to be placed before the Board for approval through RMCB.

iii **Categories of Financial Instruments:**

(Rs. In Lakhs)

Particulars	As at March 31, 2022			
	Amortised cost	At Fair Value Through	At Deemed Cost	Total
Financial Assets				
Cash and Cash Equivalents	2,717			2,717
Loans	1,11,781			1,11,781
Investments		0		0
Other Financial Assets	250			250
Total	1,14,748	0	-	1,14,748
Financial Liabilities				
Debt Securities	25,904			25,904
Borrowings (Other than Debt Securities)	53,335			53,335
Other Financial Liabilities	1,549			1,549
Total	80,788	-	-	80,788

Particulars	As at March 31, 2021			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Financial Assets				
Cash and Cash Equivalents	972			972
Loans	1,22,572			1,22,572
Investments		0		0
Other Financial Assets	1,717			1,717
Total	1,25,261	0	-	1,25,261
Financial Liabilities				
Debt Securities	57,675			57,675
Borrowings (Other than Debt Securities)	36,674			36,674
Other Financial Liabilities	1,231			1,231
Total	95,580	-	-	95,580

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42 **Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Company evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Company makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgements in respect of Level 3 instruments.

Fair Value Hierarchy

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below.

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Company recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1: Fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Fair value measurements are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable

Level 3: Fair value measurements are those where at least one input which could have a significant effect on the instrument's valuation is not based on observable market data

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

As at March 31, 2022

Particluars	At FVTPL			
	Level-1	Level-2	Level-3	Total
Investments	0	-	-	0

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Fair value technique
Investment at fair value through profit and loss
For investment at fair value through profit and loss, valuation are done using quoted from active markets or on published Net Asset Value of the investment at the measurement date.

Other Financial Assets and Liabilities
With respect to Bank Balances and Cash and Cash Equivalents, Other Financial Assets, Trade Payables and Other Financial Liabilities, the carrying value approximates the fair value.

43 Financial Risk Management

1 Introduction

The Company has operations in India , headquartered in Mumbai with ten branches across India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework under the overall framework of its parent Company viz. State Bank of India, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operational, regulatory and compliance risks.

2 Risk Management Framework

The Company undertakes a formal risk assessment exercise annually to proactively identify the risks and ensure all possible strategies to control & mitigate in pursuit of achieving the Company's objective. Every department is responsible for identification of their risks and putting it in the Risk Control and Self Assessment (RCSA)Template. The consolidated RCSA Template is analyzed by the Chief Risk Officer and the Managing Director of the Company, and is then put up before the Risk Management Committee of the Board and Board of Directors annually at their meeting for amendment and review.

The Management of Risk in the Company is ensured through compliance with the laid down systems and procedures, processes and risk parameters detailed in the various Manuals viz .Assets & Liability, Credit, Operations, ALM Policy, Investment Policy, Foreign Exchange Operations, IT & IT Security. HR and Accounts. The key risks critical to the Company's operations are as under:

• Credit Risk(including Concentration and Country Risk)
• Operational Risk
• Liquidity Risk
• Market Risk(Interest Rate Risk)
• Compliance Risk(Including Legal Risk)

The Company has following policies in place to mitigate various types of risk:

- Credit Manual – Covering Client Risk, Country Risk, Concentration Risk, Counter Party Risk.
- Operations Manual – For conducting entire gamut of operations of factoring transactions in a systematic manner in accordance with the laid down procedures and instructions so as to prevent Fraudulent and Suspicious transactions.
- Asset Liability Management Policy manual – Liquidity Risk, Investment Manual – For Market (Interest Rate) Risk and Liquidity Risk and Foreign Exchange Operations manual.
- IT Policy and IT Security Policy and BCMS – for IT & IT Systems
- Accounting Policy manual – For Accounts
- HR Policy –Employee Risk
- Compliance Policy – Compliance Risk
- Fraud Risk Management Policy –Fraud Risk
- Risk Management Policy
- KRIs, RCSA Template, RCSA Manual, Loss Data Manual, KRI Manual & OR
- Policy on outsourcing of financial services for NBFC
- Sale of NPAs to ARC
- Cyber Security Manual
- Policy on Preservation of Documents

3 The Company ensures identification, measurement and control of risks affecting the business through the following Committees:

(i) The Board of Directors (BOD)

The BOD is responsible for overall monitoring of Risk Profile of the Company and gives directions for future growth. The Board meets at least 4 times in a year to review the quarterly results and performance of the Company. It may also meet between quarters if required as per exigent circumstances. BOD also exercises supervision of Company through its duly constituted sub-Committees as follows:

(a) Risk Management Committee of the Board (RMCB)

Role of RMCB is review of Risk Profile of the Company at quarterly intervals and issue directions for measurement, mitigation and management of key risks of the Company. RMCB will also periodically review the Risk Management Policy and Compliance thereof and recommends amendments to the Board.

The role of the Committee is as follows-:

• Review of Risk Management Policy
• Review of the current status on the risk limits in the Risk Management Policy and Report to the Board
• Review the matters on Risk Management
• Review and monitor the risks to which the Company is exposed

(b) Executive Committee of the Board (ECB)

To review the MIS relating to Business Profile, NPAs and Stressed Assets and guide the Management in improving the health of the Asset Portfolio. ECB also approves amendments to Assets & Liability, Credit, Operations, Forex Operations, Treasury & Investment and IT Manuals based on past experience and emerging needs so as to ensure healthy growth in top line and bottom line within acceptable risk taking capabilities.

ECB also sanctions Credit Proposals including renewal, enhancement and amendments beyond discretionary powers of CCC-I while ensuring compliance with laid down processes and Risk Appetite parameters. Further, deviations which do not fall within the sanctioning powers of the CCC-II/CCC-I are also approved by the ECB.

(c) Audit Committee of the Board (ACB)

ACB oversees financial management of the Company by reviewing quarterly / year-end financial statements. The Internal / Statutory Auditors share their observations for respective accounting period and keep ACB improved about adoption of sound accounting policies as well as adequacy of provisions, adherence to Accounting Standards. It also reviews instances of Income leakages observed by the Auditors.

(ii) The internal Committees of the Company for risk management are as under:

(a) Asset-Liability Committee (ALCO)

Roles and Responsiibilities

The Asset Liability Management (ALM) Committee presents the Structural and Dynamic Liquidity Report to the Risk Management Committee on a quarterly basis and meetings are held every month. The ALM Committee formulates the ALM Policy which is reviewed at least once a year. If any change is required, then, the revised policy along with desired change and rationale for the same shall be put up to the ECB. Consequent to the recommendation of the ECB, the reviewed policy would be put up to the Board for its approval.

Composition

ALCO Committee is headed by the MD & CEO of the Company. Other members of the Committee comprise all SVPs, HODs of Departments -Treasury, Credit/Credit Admin, Accounts, Marketing, IT, Risk Management, Operations, Debt Management and as nominated by MD & CEO of the Company.

ALCO normally meets at monthly intervals to discuss and take a view on the following:

- Cost of funds – Considering the prevailing liquidity position and future scenario
- Benchmark Rates, after factoring in the Cost of funds and future liquidity scenario.
- Asset – Liability position of the Company.
- Interest rate scenario
- Country Risk Exposure Review

(b) Corporate Credit Committee I and II:

Sanction of Credit Proposals including renewal, enhancement and amendments are within their discretionary powers, while ensuring compliance with laid down processes and Risk Appetite parameters. Further, certain Branches have been granted discretionary power to sanction LC Bills Discounting Facility (post due date confirmation) of upto Rs 20.00 Cr. The sanctions by the said Branches are Controlled by the CCC-II on a monthly basis. Further, sanctions by CCC-II are reviewed by CCC-I.

4 A synopsis of the various risks faced by the Company and their mitigation is as follows:

A) Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk for the Company is the risk of default by the Client availing the Factoring Facility from the Company for invoices recoursed to him in the event of default by the debtor (buyer) in making payment on due date for the factored invoices drawn on him.

Credit Mitigation measures

To reduce loss from credit risk, the Company has adopted following practices-

• Client wise Exposure Limit:

The exposure on each single borrower and group of borrowers are restricted within a maximum limit prescribed by the RBI, which is as under:

Single Borrower	Rs. 35 crs
Borrower Group	Rs. 45 crs

Debtors Exposure Limit:

Debtors are classified into two categories i.e. rated debtor and unrated debtor.

The Maximum Exposure on a Single Rated Debtor (in respect of all clients is restricted as under:

Debtor Rating	Amount of Exposure(Rs. in crs)
A	80
B	40
C	10

The maximum exposure on a Single Unrated Debtors in respect of all clients has been fixed as under:

Constitution	Amount of Exposure(Rs. in crs)
Public / Pvt Ltd Company	5
Partnership / Proprietorship Firm	3

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B) Operational Risk

Operational Risk is a risk of losses resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, IT Risk and Outsourcing Risk but excludes strategic and reputational risk.

The operational risks relating to the specific business profile of the Company involve

i) Fraudulent Transactions

ii)Diversion of Funds

iii) Disruption of business

Operational Risk Mitigation measures

Each department of the Company meticulously follows rules or guidelines mentioned in their respective manuals to control operational risk. Further, the Internal Audit System of the Company is very robust to mitigate Operation Risk

While the disbursement of factored invoices are released to the Working Capital Banker only to ensure that there are no diversion of funds, we do have a rigorous risk focused Internal (Concurrent) Audit Mechanism for early detection, minimization of fraudulent transactions. Company has a Board approved policy to deal with Fraud Risk.

The Company has a Business Continuity Plan (BCP) and DRP. Back-up server is maintained at Bangalore (outsourced to a service provider NetMagic Solutions Pvt Ltd) for continuity of operations and the BCP site is being maintained at Pune Branch of SBIGFL. The BCP is being tested on periodical intervals.

The Operations Manual details Systems and Procedures and Processes for inclusion and authorization of invoices for factoring and allocation of collections. Internal Audit is an important mechanism to detect non-compliance, suspicious transactions and suggest remedial measures. The ECB has the power to amend the Manual, as per emerging needs and exigencies and Annual Review is to be put up to the Board.

C) Market Risk

Market risk is the risk of losses in positions taken by the company which arises from movements in market prices. The Company is exposed to only Interest Rate Risk due to its borrowing programme from the market.

Interest Rate Risk

Interest Rate Risk refers to the risk associated with the adverse movement in the interest rates. Adverse movement would imply rising interest rates on liabilities and falling interest yields on the assets. This is the biggest risk which the company faces. It arises because of maturity and re-pricing mismatches of assets and liabilities.

Market Risk Mitigation measures

The Majority of the Company's advances and Borrowings of the Company are short term in nature (upto 90 days). In case of any adverse movement in Interest Rate, the Company can easily pass on the increased cost of funds to the Clients.

Further, due to 100% backup lines of credit, in case of sharp increase in CP borrowing rates, Company can switch over to banks' lines of credit.

Every month ALCO meets and monitors the cost, and maturity profile of funds borrowed and accordingly revises the Benchmark rates for various products viz. DF, RF, EF, LCEX and LCBD.

As regards Forex risk, the Company utilises the Forex line of Credit from Banks only to the extent of Export Factoring Outstanding with overnight open position restricted to USD 50000 only, as against USD 500,000 permitted by the RBI. The same is monitored on a Daily and Weekly Basis. In case of any shortfall or excess in open position from the prescribed limit of USD 50000, the position is regularized through purchase or sale of USD from time to time.

The Company invests surplus funds in approved Overnight(Debt) funds to earn some return vis-à-vis idle cash.

The Guidelines contained in the Treasury & Investment Manual on Liquidity Back up, Investment of temporary Surplus funds, conduct of front / mid / back office and reporting mechanism can be amended from time to time, subject to approval by the Board.

D) Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources in addition to its core deposit base and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk.

The Liquidity Risk relating to the Company is inability to repay its borrowings from the market.

The Company has following sources of funds:

- Share Capital
- Reserves & Surplus
- Non Convertible Debentures
- Commercial Paper (1-90 days maturity)
- Bank lines of Credit (Domestic & Foreign)

To mitigate the liquidity risk, Company has a policy that the total of:

i) Undrawn, committed rupee facilities.

ii) Investments in liquid instruments,

should always exceed aggregate of short term dated loans with no surety of roll over, and CP's falling due within the next one week.

Therefore, SBIGFL has backup lines of Credit from Banks to meet the 100% of the other short term/volatile resources and mitigate liquidity risks at any point of time.

Company has included a Contingency Funding Plan as a part of its Asset Liability Management Policy.

E) Compliance Risk

Compliance risk is the current and prospective risk to earnings or capital arising from violations of, or non-conformance with laws, rules, regulations, prescribed practices, internal policies, and procedures, or ethical standards. The risk exposes the institution to fines, civil money penalties, payment of damages, and the voiding of contracts.

The Compliance part is taken care of by the Company Secretary & Compliance Officer, besides the departmental heads who look after compliance function of their departments. The Internal Auditors also verify and furnish report on Regulatory Compliance at quarterly intervals which is put up to the Audit Committee along with the compliance of observations of the Internal Audit.

The Company has a Board approved compliance policy based on the guidelines issued by the Group Compliance Dept of SBI.

Maturity Pattern Assets and laibilities as on 31st March 2022

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
Cash and cash equivalents	2,717	-	-	-	-	-	-	-	2,717
Loans	84,243	25,408	2,615	-	8,519	-	-	-	1,20,784
Investments*	-	-	-	-	141	383	-	0	524
Other Financial assets	-	-	-	-	14	237	-	-	250
Total	86,960	25,408	2,615	-	8,673	620	-	0	1,24,276
Debt Securities	6,996	3,974	4,949		-	-	-	9,985	25,904
Borrowings (other than Debt Securities)	11,679	13,221	28,435	-	-	-	-	-	53,335
Other Financials liabilities	1,160	-	-	-		389			1,549
Total	19,834	17,195	33,384	-	-	389	-	9,985	80,788
* 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)									

Maturity Pattern Assets and laibilities as on 31st March 2021

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
Cash and cash equivalents	972	-	-	-	-	-	-	-	972
Loans	54,280	40,791	27,162	15,377	285	-	-	-	1,37,895
Investments*	-	-	-	-	-	383	-	0	383
Other Financials assets	1,471	-	-	-	5	241	-	-	1,717
Total	55,723	40,791	27,162	15,377	290	624	-	0	1,40,967
Debt Securities	12,972	9,957	24,748	9,998	-	-	-	-	57,675
Borrowings (other than Debt Securities)	1,562	22,433	12,679	-	-	-	-	-	36,674
Other Financials Liabilities	682	-	-	157		549			1,389
Total	15,217	32,390	37,427	10,155	-	549	-	-	95,738
									-
* 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)									

44 Segment Reporting

The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Segment Reporting.

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45 **Leases**

Ind AS 116 - Leases, has become applicable effective annual reporting period beginning April 1, 2019. The Company has adopted the standard beginning April 1, 2019, using the modified retrospective approach for transition. Accordingly, the Company has not restated the comparative information, instead the cumulative effect of initially applying the standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

(I) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	March 31, 2022	₹ in Lakhs	March 31, 2021
Right to use assets			
Buildings	275		367
Lease liabilities			
Lease liabilities	389		549

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

Depreciation charge of right-of-use assets

Buildings	180		186
Interest expense (included in finance cost)	43		52
Expense relating to short-term leases (included in cost of goods	8		26
Expense relating to leases of low-value assets that are not shown	4		3
Expense relating to variable lease payments not included in lease	-		-
The total cash outflow for leases during the period	301		303

46 **Expected Credit Losses**

Impairment Assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies

The Company applies General approach to provide for credit losses prescribed by IND AS 109, which provides to recognised 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognised lifetime expected credit losses for financial instruments for which there have been significant increase in credit risk since initial recognition considering all reasonable and supportable information, including that of forward looking.

Definition of

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue

Stage wise Categorisation of Loan Assets The company categorises loan assets into stages based on the Days Past Due status:

- Stage 1: [0-30 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. The Company uses the same criteria mentioned in the standard and assume that when the days past due exceeds '30 days', the risk of default has increased significantly. Therefore, for those loans for which the days past due is less than 30 days, the Company recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months.

- Stage 2: [31-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset)

- Stage 3: [More than 90 days Past Due] The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred. The Company use the same criteria mentioned in the standard and assume that when the days past due exceeds '90 days', the default has occurred.

For Domestic Factoring & RF (Online)

The management has adopted a provision matrix based on 'Transition Matrix Model' (basic) model for arriving at the Probability of Default. Basic model used for arriving at the Probability of Default is the Flow Rate/ Transition Matrix Model. The Management have taken quarter wise historic data for the last four years to arrive at the Probability of Default (PD)

For Export

The company has considered PD in case of export factoring as follows: Entire performing Export Factoring Portfolio is under the Two Factor Model wherein the exposure is covered by the PUG from the import factor. Due to availability of cover from import factor the delinquency in the Export Factoring is negligible.

The exposure is secured by the Payment Under Guarantee (PUG) cover given by the overseas Import factor. Therefore, additional 0.50 % provided towards future default seems adequate and thus total 1.15% of on the entire portfolio of Export factoring portfolio is provided.

Credit Quality

₹ in Lakhs

Particulars	Stage 1		Stage 2		Stage 3		Total
	Outstanding Loan	Impairment Losses	Outstanding Loan	Impairment Losses	Outstanding Loan	Impairment Losses	Impairment Losses
As at March 2022	1,09,651	510	2,615	462	8,519	8,032	9,004
As at March 2021	1,17,941	1,977	2,892	14	17,062	13,331	15,323

Write off policy
"The NPA accounts where despite best efforts recovery is not forthcoming. Such accounts are critically examined on case to case basis and are recommended for write off to Executive Committee of the Board.

Executive Committee of the Board has full powers for write off of NPAs and no authority below that has been vested with any power in this regard."

Impact of COVID – 19 on the Company & steps taken/required to be taken to deal with the situation.

During the period April to July 2020, the impact of Covid-19 and consequent lock down was evident in the performance. The Company had redrawn its projection and strategies accordingly. However, things have started looking up since August 2020 and this has resulted in improvement in Company's performance.

Measures taken to mitigate the impact of Covid-19

Following measures have been taken by the Company to mitigate the Impact on account of Covid-19 :

- In respect of 'Terms Loans' Board's approval is in place to grant a moratorium of upto 3 months on payment of all installments falling due between 1.3.2020 and 31.5.2020, in accordance with the RBI's notification dated 27.3.2020 titled 'Covid-19- Regulatory Package'.
- For Standard Assets, comprising Domestic/ Export/ Reverse Factoring Facilities and 'Factoring Unit' purchased on TReDS as of 1.3.2020, Board's approval obtained to grant on a case-to-case basis in respect of requests received upto 31.5.2020, extension / deferment upto maximum 3 months from the invoice due date in respect of invoices falling due for payment during 1.3.2020 till 31.5.2020
- Management's & ECB approval obtained for revision in the 'Prudential Norm for 'Sub-Standard Asset Classification' from "6 months" to "3 months" in respect of the 'Factoring Assts Portfolio' in compliance with the RBI directives. The Board approval is being obtained in their meeting scheduled for 29.04.2021).
- Entire Export Factoring Portfolio Backed by Import Factor's Credit Cover is under the FCI Framework. Client's request for extension of time for payment of the invoice by overseas debtors being examined on a case-to-case basis subject to receipt of the Import Factor's consent for the extended credit term.
- Extension of time for payment of the Bills Discounted Under LC granted only after receipt of Due Date Confirmation for the extended period from the LC Issuing Bank.
- Created Additional Provision @ 0.25% (amounting to Rs.217 lakhs) on Standard Unsecured Assets pertaining to Domestic Factoring, Export Factoring and TReDS as on 31.03.2022.

Financial Impact on Loans and Advances

a) The Company has made an additional provision of 0.25% (Rs.230 lakhs) on the Unsecured Standard Assets as on 31.03.22

b) The management feels that the provisions made is adequate to cover the losses on impact of Covid-19 on the Loans and Advances.

c) The Company does not foresee any other impact on the financial performance due to Covid-19 for the future

d) Based on current indicators of future economic conditions, the Company notes that for the period ended 31st March, 2022, it expects to recover the carrying amount of its current and non-current assets and does not anticipate any impairment.

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47 Schedule in terms of Paragraph 13 of Prudential Norms as per Notification No.. DNBS. 193 DG(VL)-2007 dated February 22, 2007 issued by Reserve Bank of India.

	LIABILITIES SIDE :	March 31, 2022		March 31, 2021	
		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*)	10,479	-	10,155	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	-	-	-	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	15,919	-	47,677	-
	(f) Other Loans (specify nature)				-
	- Cash Credit	8,335	-	4,614	-
	- Working Capital Demand Loan	45,000	-	32,000	-
	- Short Term Loan Facility	-	-	-	-
	- Bank Overdraft	-		60	-

	ASSETS SIDE :	Amount Outstanding	
		March 31, 2022	March 31, 2021
		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	18,022	39,187
	(b)Unsecured	1,02,762	98,708
	(Excludes Advance Payment of Tax)		
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	141	-
	(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	0	0
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	- Investment in Security Receipt (SR)	383	383

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5	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1 Related Parties			
	(a) Subsidiaries			
	(b) Companies in the same group			
	(c) Other related parties	-	-	-
	2 Other than related parties	18,022	1,02,762	1,20,784
	(Previous Year)	39,187	98,708	1,37,895
	Total (Current year)	18,022	1,02,762	1,20,784
	Total (Previous year)	39,187	98,708	1,37,895

6	Investor group-wise classification of all investments (current and long term) (both quoted and unquoted):				
	Category	March 31, 2022		March 31, 2021	
		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)
	1 Related Parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group *	-	0	-	0
	(c) Other related parties	-	-	-	-
	2 Other than related parties @	574	-	574	-
	Total	574	0	574	0
	* 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, 2022	March 31, 2021
		Rs. in lakhs	Rs. in lakhs
	(i) Gross Non Performing Assets		
	(a) Related Party	-	-
	(b) Other than Related Parties	8,519	17,062
	(ii) Net Non-Performing Assets		
	(a) Related Party		
	(B) Other than Related Parties	487	3,730
	(iii) Assets acquired in satisfaction of debts	-	-

48 (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, 2022	March 31, 2021
(a) Credit rating and change in credit rating (if any);	No	No
(b) Debt-Equity ratio;	2.86	3.67
(c) (i) Previous due date for the payment of interest		
- 7.28% Tier II Bonds (10 Years)	-	-
- 9.22% Tier II Bonds (10 Years)		29.01.2021
(ii) Repayment of principal of non convertible debt securities	29.07.2021	25.08.2020
(d) (i) Next due date for the payment of Interest		
- 7.28% Tier II Bonds (10 Years)	28.07.2022	-
- 9.22% Tier II Bonds (10 Years)		29.07.2021
(ii) Principal along with the amount of interest		
- 7.28% Tier II Bonds (10 Years)	28.07.2031	-
- 9.22% Tier II Bonds (10 Years)		29.07.2021
(e) Capital redemption reserve / Debenture redemption reserve;	1,000	1,000
(f) Net Worth;	37,639	35,083
(g) Net Profit After Tax;	2,526	1,847
(h) Earnings Per Share:	1.58	1.15

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

SBI GLOBAL FACTORS LTD. MUMBAI

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

A Capital to Risk (weighted) Assets Ratio

₹ in Lakhs

Sr NO	Particulars	March 31, 2022	March 31, 2021
i.	CRAR (%)	34.74	21.07
ii	CRAR - Tier I Capital (%)	26.59	21.07
iii	CRAR - Tier II Capital (%)	8.15	-
iv	Amount of Subordinated debt as Tier II Capital (Rs In Lakhs)	10,000	
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

₹ in Lakhs

Sr NO	Particulars	March 31, 2022	March 31, 2021
1	Value of Investments	-	-
i	Gross Value of Investments	-	-
	a) In India	523	383
	b) Outside India	-	-
ii	Provisions for Depreciation		
	a) In India	523	383
	b) Outside India	-	-
iii	Net Value of Investments		
	a) In India	0	0
	b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments		
i	Opening balance	383	383
ii	Add: Provisions made during the year	141	-
iii	Less: Write-off / write-back of excess provisions during the year	-	-
iv	Closing balance	523	383

C Derivaties - Forward Contract

₹ in Lakhs

Sr NO	Particulars	March 31, 2022	March 31, 2021
i	Derivatives - Forward Contract	30.44	-
	For hedging	30.44	-

D Disclosure relating to Securitisation

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

₹ in Lakhs

Sr NO	Particulars	March 31, 2022	March 31, 2021
(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.	-	-

VYAS & VYAS CHARTERED ACCOUNTANTS MUMBAI

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2 Details of Assignment transactions undertaken by NBFCs

₹ in Lakhs

Sr NO	Particulars	March 31, 2022	March 31, 2021
(i)	No. of Accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

₹ in Lakhs

Sr NO	Particulars	March 31, 2022	March 31, 2021
(i)	No. of Accounts	1	3
(ii)	Aggregate value (net of provisions) of accounts purchased	2,457	30,000
(iii	Aggregate consideration	2,457	30,000
(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-Perforimg Assets purchased

₹ in Lakhs

Sr NO	Particulars	March 31, 2022	March 31, 2021
(i)	(a) No. of Accounts purchased during the year	-	-
	(b) Aggregate outstanding	-	-
(ii)	(a) Of these, number of accounts restructed during the year	-	-
	(b) Aggregate outstanding	-	-

B. Details of Non-Performing Financial Assets sold.

₹ in Lakhs

Sr NO	Particulars	March 31, 2022	March 31, 2021
(i)	No. of accounts sold	1	-
(ii)	Aggregate outstanding	298	-
(iii)	Aggregate Consideration received	100	-

VYAS & VYAS MUMBAI CHARTERED ACCOUNTANTS

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E Asset Liability Maturity Pattern of certain items of Assets and laibilities

₹ in Lakhs

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	-	-	-	-	-	-	-	-	-
Loans	84,243	25,408	2,615	-	8,519	-	-	-	1,20,784
Investments	-	-	-	-	-		-	0	0
Borrowing									
- Bank Overdraft	-	-	-	-	-	-	-	-	-
- CC Facility $	2,179	5,221	935	-	-	-	-	-	8,335
- WCDL	9,500	8,000	27,500	-	-	-	-	-	45,000
- Commercial Papers	6,996	3,974	4,949	-	-	-	-	-	15,919
Debentures	-	-	-	-	-		-	9,985	9,985
Interest on Debentures	494	-	-		-	-	-	-	494
Foreign Curreny assets									
- Bank Accounts	394	-	-	-	-	-	-	-	394
Foreign Curreny liability									
- Import Factoring Commission	22	-	-	-	-	-	-	-	22
- Interest Payable on Loan	1	-	-	-	-	-	-	-	1

* 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

a) Exposure to Real Estate Sector *

₹ in Lakhs

	Category	March 31, 2022	March 31, 2021
	Direct Exposure		
(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	-	1,666
(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	1,273	2,918
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
(iii)	a. Residential		
(iii)	b. Commercial Real Estate		
	Total Exposure to Real Estate Sector @	1,273	4,584

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

@ Out of the above exposure, an amout of Rs.280 Lakhs (Previous Year 4,584 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 - The list of clients with limits exceeding Rs. 3500 lakhs is given below -Nil

e) Unsecured Advances

₹ in Lakhs

Type of Security	March 31, 2022	March 31, 2021
Insured through overseas Import	5,110	4,458
Secured by way of Assignment of Receivables and through Residual / Subservient Charge	46,458	51,568
Fully Unsecured	51,194	42,675
Total	1,02,762	98,700

Miscelleneous

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 31

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)	15980	Subordinated Debt Programme	June 30,2021	June 29,2022
ii)	ICRA	[ICRA]AAA (Stable)	20000	Subordinated Debt Programme	June 30,2021	June 29,2022
iii)	ICRA	[ICRA]AAA (Stable)	100000	Long-Term Bank Lines	June 30,2021	June 29,2022
iv)	ICRA	[ICRA]A1+	100000	Short-Term Bank Lines	June 30,2021	June 29,2022
v)	ICRA	[ICRA]A1+	200000	Short-Term Debt Programme (Commercial Paper)	June 30,2021	June 29,2022
vi)	ICRA	CRISIL AAA/Stable	10000	Non-Convertible Debentures	July 09,2021	July 08,2022
vii)	CRISIL	CRISIL AAA/Stable	20000	Subordinated Debt	July 09,2021	July 08,2022
	CRISIL	CRISIL A1+	150000	Commercial Paper	July 09,2021	July 08,2022

** 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

h) Additional Disclosure

a) Concentration of Deposits, Advances, Exposures and NPAs

₹ in Lakhs

i) Concentration of Deposits	March 31, 2022	March 31, 2021
Total Deposits of twenty largest depositors	-	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	-	-

₹ in Lakhs

ii) Concentration of Advances	March 31, 2022	March 31, 2021
Total Advances of twenty largest borrowers	33,316	48,352
Percentage of Advances of twenty largest borrowers to Total Advances of the NBFC	27.58	35.06

₹ in Lakhs

iii) Concentration of Exposures (i + ii)	March 31, 2022	March 31, 2021
Total Exposure to twenty largest borrowers /customers	33,316	48,352
Percentage of exposure to twenty largest borrowers / customers to Total Exposure of NBFC on borrowers / customers	27.58	35.06

₹ in Lakhs

iv) Concentration of NPAs	March 31, 2022	March 31, 2021
Total Exposure to top four NPA Accounts	6,033	7,355

b) Sector-wise NPAs

₹ in Lakhs

	Sector	March 31, 2022	March 31, 2021
		Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	-	
2	MSME	1%	2%
3	Corporate Borrowers	10%	16%
4	Services	-	4%
5	Unsecured Personal Loan	-	
6	Auto Loans	-	
7	Other personal Loans	-	

c) Movements of NPAs

₹ in Lakhs

	Particulars	March 31, 2022	March 31, 2021
i	Net NPAs to Net Advance (%)	0.43%	2.99%
ii	Movement of NPAs (Gross)		
	(a) Opening Balance	17,062	20,638
	(b) Additions during the year	1,844	1,242
	(c) Reductions during the year	10,387	4,818
	(d) Closing balance	8,519	17,062
iii	Movement of Net NPAs		
	(a) Opening Balance	3,730	3,427
	(b) Additions during the year	648	300
	(c) Reductions during the year	3,892	(3)
	(d) Closing balance	487	3,730
iv	Movement of Provisions of NPAs (Excluding Provision on Standard Assets)		
	(a) Opening Balance	13,331	17,211
	(b) Provision made during the year	1,196	941
	(c) Write off / write back of excess provisions	6,495	4,821
	(d) Closing Balance	8,032	13,331
		0	

d) Overseas Asset (for those with joint ventures and subsudiaries abroad) - Not Applicable

g) Off Balance Sheet SPVs sponsored - Not Applicable

h) Disclosure of Complaints

Customer Complaint

₹ in Lakhs

	Particulars	March 31, 2022	March 31, 2021
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	-	-

i) Information as required by Reserve Bank of India under Resolution framework for COVID related stress as per circular dated 06 August 2020

Disclosures to be made in the half year ended March 31, 2022

(in lakhs)

Sr No	Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the 30th Sept 2021 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
a)	Personal Loans	-	-	-	-	-
b)	Corporate persons"	354	-	-	-	354
c)	of which, MSMEs	-	-	-	-	-
d)	Others	-	-	-	-	-

j) Information as required by Reserve Bank of India Circular on Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses dated 5 May 2021 is attached as Annexure III.

Disclosures to be made in the quarters ending March 31, 2022 (in lakhs)

Sr No	Description	Individual Borrowers		Small businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for	-	-	-
(B)	Number of accounts where	-	-	-
(C)	Exposure to accounts mentioned	-	-	-
(D)	Of (C), aggregate amount of	-	-	-
(E)	Additional funding sanctioned, if	-	-	-
(F)	Increase in provisions on	-	-	-

50 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.

51 The Companies net profit for previous financial year was more than Rs. 5 crs and hence provision for CSR was applicable. 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, 2022. The Company has during the year incurred expenditure relating to CSR activities amounting to Rs.2.00 Lakh (Previous Year Rs. 2.00 Lakh) and the same is reflected in Note 26 under Other Expenses.

52 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. Similarly, in case of locations registered as ISD under GST, 50% ITC is reversed as mandated by GST law.

53

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between IndAS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,09,651	510	1,09,141	666	(157)
	Stage 2	2,615	462	2,153	13	449
Subtotal		1,12,266	972	1,11,294	680	292
Non-Performing Assets (NPA)						
Substandard	Stage 3	88	61	27	22	39
Doubtful - up to 1 year	Stage 3			-		-
1 to 3 years	Stage 3	3,783	3,324	459	3,783	(459)
More than 3 years	Stage 3	2,430	2,430	0	2,430	(0)
Subtotal for doubtful		6,213	5,754	459	6,213	(459)
Loss	Stage 3	2,217	2,217	-	2,217	-
Subtotal for NPA		8,519	8,032	487	8,452	(420)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	1,09,651	510	1,09,141	666	(157)
	Stage 2	2,615	462	2,153	13	449
	Stage 3	8,519	8,032	487	8,452	(420)
	Total	1,20,784	9,004	1,11,781	9,132	(128)

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54 **Disclosure in accordance with RBI Circular No. DIR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated 4th November 2019 relating Liquidity Risk Management Framework for Non-Banking Financial Companies:**

Public Disclosure on liquidity risk

(These details are pertaining to year ended March, 2022.)

(i) Funding concentration based on significant counterparty (Both deposits and borrowings)

as on 31st March 2022

Sr. No.	Number of Significant Counterparties *	Amount	% of Total deposits	% of Total Liabilities
Total	11	76,235	NA	93

as on 31st March 2021

Sr. No.	Number of Significant Counterparties *	Amount	% of Total deposits	% of Total Liabilities
Total	11	91,674	NA	95

*** Significant counterparties are those counterparties whose outstandings is Rs. 10 crore and above.**

(ii) Top 20 large deposits (amount in Rupees crore and % of total deposits)

- Since the Company has been categorized as an NBFC NDSI, this is not applicable.

(iii) Top 10 borrowings (amount in Rupees crore and % of total borrowings)

as on 31st March 2022

Sr. No.	Particulars of Lenders	March 31, 2022	% of Total Borrowings
	Total	76,235	96%

as on 31st March 2021

Sr. No.	Particulars of Lenders	March 31, 2021	% of Total Borrowings
	Total	91,674	97%

(iv) Funding concentration based on significant instrument/product

as on 31st March 2022

Sr. No	Number of Instrument/product	Amount	% of Total Liabilities
1	Commercial Papers	16000	20
2	TIER II Bonds	10000	12
3	Bank Lines (INR+FOREX)	53335	65
	Total	**79,335**	**97**

as on 31st March 2021

Sr. No	Number of Instrument/product	Amount	% of Total Liabilities
1	Commercial Papers	48,000	50
2	Bank Lines (INR+FOREX)	36,674	38
3	TIER II Bonds	10,000	10
	Total	**94,674**	**98**

(V) Stock Ratios:

As per Ind AS

Sr. No.	Ratios	March 31, 2022	March 31, 2021
a)	Commercial paper as a % of Total Public Funds	NA	NA
	Commercial paper as a % of Total Liabilities	19	49
	Commercial paper as a % of Total Assets	13	36
b)	Non-convertible debentures(Original Maturity of less than 1 year) as a % of Total Public Fund, Total Liabilities and Total Assets	NA	NA
c)	Other Short-term liabilities as a % of Total Public Funds	NA	NA
	Other Short-term liabilities as a % of Total Liabilities	68	50
	Other Short-term liabilities as a % of Total Assets	46	37

(VI) Institutional set-up of liquidity risk management

I. Introduction

Liquidity Risk is the Probability of loss arising from a situation where

(1) The cash and / or cash equivalent is not adequate to meet the obligations to the lenders and other counter parties.

(2) Sale of liquid assets will yield less than their fair value, or

(3) Liquid assets cannot be sold at the desired time due to lack of buyers.

(4) Lack of Market Appetite

II. Identification

Events that may lead to disturbance in cash flow position in our Company:
a) Delays in repayment of loans by the debtors / clients.
b) Inability to raise money from the overnight market.

III. Treatment / Handling of Liquidity Risk

Majority of the Company's assets are of short-term nature (Average 90 days) and are funded through combination of Commercial Papers (CPs), Owned funds and banks' lines of credit. As the Banks' lines of credit are normally for a period of one year (renewable after one year) but are costly as compared to other sources of funds, the assets are funded mainly through CPs.

a) Undrawn, committed rupee facilities;

b) Investments in liquid instruments, should always exceed aggregate of short term dated loans with no surety of rollover, and CP's falling due within the next one week and

c) A Contingency Funding Plan (CFP) has also been approved by ECB & the Board for inclusion in the Asset Liability Management Policy, which is being reviewed annually.

As per our Report of even date	For and on behalf of the Board of Directors	
For Vyas & Vyas **Chartered Accountants** **Firm Registration No. 000590C**		
Shraddha Avinash Khare **Partner** **M.No. 123263**	**Joydeb Mukherjee** **Managing Director & CEO** **DIN :- 09197677**	**Ashwini Kumar Tewari** **Chairman** **DIN :- 08797991**
	Akash Damniwala **Chief Financial Officer**	**Aruna Dak** **Company Secretary**
Place : Mumbai **Date : 30th April 2022**	**Place : Mumbai** **Date : 30th April 2022**	