SBIGFL

SBI Global Factors Ltd.

(A Subsidiary of State Bank of India)

Annual Report 2022-2023

Member

FCI

(Formerly Factors Chain International)

Think of Factoring
Think of
SBI Global Factors Ltd.

Contents

List of Directors

Name	Designation
Smt. Sudha Malhotra	Independent Director
Shri. Vijay Kumar Gupta	Independent Director
Shri. Narayanan Raja	Independent Director
Shri. Bharat Kumar Mishra	Managing Director & CEO

Board of Directors

Shri. Bharat Kumar Mishra
Managing Director & CEO

Shri. Narayanan Raja
Independent Director

Shri. Vijay Kumar Gupta
Independent Director

Smt. Sudha Malhotra
Independent Director

Director's Report

To,
Members,
SBI Global Factors Limited

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

Your Directors have pleasure in presenting the 22nd Annual Report of SBI Global Factors Limited (the Company) along with the Audited Balance Sheet as at March 31, 2023 and Profit & Loss Account for the Financial Year 2022-23.

FINANCIAL PERFORMANCE

During the year, the Company continued to manage its operations on profitable lines despite stiff market competition. The Company has responded well to the challenges posed by the business environment and achieved an Operating Profit of Rs. 47.38 Crores, by a conscious strategy to:

- Grow the portfolio selectively, especially by tapping opportunities in Services Sector, Automobiles, Electronics, Logistics, Textiles etc.
- Have strong follow up and constant monitoring to ensure that there are no more fresh slippages. There was a broad-based improvement in the asset quality in Financial Year 2022-23.
- Improve profitability by concentrating on recovery / up gradation of AUCA/ NPA accounts which improved the share of performing FIU.
- Explore new opportunities in new geographies by improving visibility in the market.
- Regularly engage with regulators, trade bodies and other fora to canvas for opportunities to facilitate growth of factoring on sound lines.

Brief highlights of the Company's performance are as under:

(Rs. in Cr)

Key Parameters	2021-22	2022-23	YOY % Growth
- Turnover (Revenue from Operations) *	101	121	20.33
FIU	1207	1277	5.78
Gross NPAs	85	35	-59.26
Net NPAs	5	0.07	-98.51
Operating Profit	43	47	10.74
PBT	43	46	6.18
PAT	25	31	23.39
Recovery from Written-off A/cs	2	10	467.66
*As per Companies Act, 2013, Revenue from Operations alone constitute turnover. However, as per Factoring Industry practice, turnover refers to turnover of all invoices lodged by clients. As per this definition turnover is as follows :			
Turnover (Invoices Booked/ Business Turnover) of the Company	4773	5544	16.17

SHARE CAPITAL

The present Authorised Share Capital of the Company is Rs. 1000,00,00,000/- divided into 88,00,00,000 Equity Shares of Rs. 10/- each and 12,00,00,000 Preference Shares of Rs. 10/- each.

The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 159,88,53,650/- divided into 15,98,85,365 Equity Shares of Rs. 10/- each.

During the year, the State Bank of India acquired the 13.82% equity stake of the Company' *vide* Share Purchase Agreement dated September 02, 2022 executed between the Company, State Bank of India, Small Industries Development Bank of India (SIDBI), Bank of Maharashtra and Union Bank of India.

The Shareholding of the Company is as below:

Pre – Acquisition Shareholding		**Post – Acquisition Shareholding**	
Particulars	**% of holding in equity share capital**	**Particulars**	**% of holding in equity share capital**
State Bank of India	86.18	State Bank of India	100
Small Industries Development Bank of India (SIDBI)	6.53	-	-
Bank of Maharashtra	4.34	-	-
Union Bank of India	2.95		
Total	**100**	**Total**	**100**

The Company's Capital Adequacy Ratio as on March 31, 2023 is as high as 34.37 % (As per Basel II norms) against 15% stipulated by the RBI.

THE COMPANIES ACT, 2013

During the period under review, the Company is in compliance with all applicable provisions of the Companies Act, 2013, Rules and Secretarial Standards framed thereunder.

INTERNATIONAL ASSOCIATIONS

The Company is a member of Factors Chain International (FCI), an umbrella Organization of worldwide Factoring Companies. FCI aims to facilitate international trade on open account terms through factoring and related financial services. Currently, the FCI network and association comprises of more than 400 Factors in 90 Countries, actively handling approximately 40% of the world's International factoring volumes.

HUMAN RESOURCES

The Company is managed professionally which is consistently innovating and trying to adopt global best practices in its field which is aligned with the long-term business direction and co-creation of shared values by each individual employee which in turn helps the Company to meet its objectives. The Company believes in investing in people to develop and expand their skill-sets, to achieve its goals.

As on March 31, 2023, the staff strength of the Company is 94 employees, including 17 executives/ employees on deputation from State Bank of India.

Employee Relations

Employee relations have been harmonious throughout the period.

Employee Engagement Initiatives

The Company believes in imparting training to its employees for skill development and wellbeing which leads to innovation, creative ideation and instills a drive for excellence. This helps the Company to create value for its stakeholders.

Various engagement options have been made available for employees during the Financial Year. Engagement and learning initiatives are also held on a periodic basis to further enhance the employee engagement levels in the Company.

We equip our employees with cutting-edge digital tools to support their productivity and foster innovation for the Company. Digital interventions have also enabled systemized management of HR systems culminating in more effective human resource management.

INFORMATION TECHNOLOGY

The Company ensures to update and modernize its Information Technology resources periodically in order to mitigate risk of technical obsolescence as well as to continue to maintain a leading edge in the Factoring industry over its competitors.

Email Messaging Software: The Company has recently upgraded its Email Messaging Software to HCL Lotus Notes Version 12.0, which is more secure, much faster with a user friendly interface.

Loan Origination System: The Company is in the process to automate the lending processes by developing Loan Origination System (LOS), which covers the entire loan life cycle. The Application will integrate various platforms through appropriately designed APIs for KYC verification, risk assessment, decision-making and monitoring.

With this integration, the Company will be able to:

- Reduce TAT from Sales Lead Generation to Loan Sanction.
- Achieve clarity in credit appraisal / assessment methodologies.
- Improve efficiency in credit decision making based on authentic and timely availability of information.

TReDS platform – The process of integrating our Core Factoring Application software (LMS) with the three TReDS platforms is underway, which will facilitate financing / discounting of trade receivables of Micro, Small and Medium Enterprises (MSMEs) through bidding, directly on the Exchange. This integration will help the Company to optimize business processes and reduce costs.

LMS & LOS Integration: The Company has also initiated the process of integrating its LMS (Loan Management System) with LOS (Loan Origination System). Once completed, it would help to expedite and automate the tasks of client on-boarding and client servicing for a better customer experience. It would also seamlessly integrate business process workflows across various departments, thereby increasing productivity of the Company.

CREDIT RATING

During the year, various Rating Agencies have assigned the following Ratings (outstanding as on March 31, 2023) to the Company for its funding requirements:

RATING AGENCY	RATING	AMOUNT	INSTRUMENT/FACILITY
ICRA	[ICRA]AAA (stable)	Rs. 200 Crs.	Subordinated Debt Programme
ICRA	[ICRA]AAA (stable)	Rs. 1849 Crs.	Long-Term Fund based Bank Lines
ICRA	[ICRA]AAA (stable)	Rs. 3 Crs.	Long-Term Non-Fund based Bank Lines
ICRA	[ICRA]A1+	Rs. 1849 Crs.	Short-Term Fund based Bank Lines
ICRA	[ICRA]A1+	Rs. 3 Crs.	Short-Term Non-Fund based Bank Lines
ICRA	[ICRA]A1+	Rs. 2000 Crs.	Commercial paper Programme
CRISIL	CRISIL AAA/ (stable)	Rs. 200 Crs.	Subordinated Debt Programme
CRISIL	CRISIL A1+	Rs. 1500 Crs.	Commercial Paper Programme

The above ratings indicate the highest degree of safety with regard to timely payment of interest and principal on the rated instruments.

The Company continues to augment resources from competitive sources and during the year under review, it raised Rupee resources by borrowing through Debt Instruments like Commercial Papers, and Short Term Credit facilities from leading Commercial Banks viz. State Bank of India, HDFC Bank and HSBC Limited. It enjoys Foreign Currency Lines of Credit in USD, EURO, and Pound Sterling from SBI London at competitive Rates to fund its Export factoring business.

NPA MANAGEMENT

During the beginning of the year, the Non Performing Asset (NPA) portfolio of the Company stood at Rs. 85 crores. The Company`s focus since beginning of current fiscal continued to be on curtailing fresh slippages and on maximizing recovery in existing NPA's and Written Off Assets(WOA). 14 accounts amounting to Rs.69 crore came under SMA-II category during Financial Year 2022-23 through continuous monitoring and follow-up of the receivables closely, we managed to avoid any fresh slippages during the year.

There are twenty (20) accounts under NPA/AUCA category wherein National Company Law Tribunal (NCLT) proceedings were going on and we have participated. The Corporate Insolvency Resolution Process (CIRP) process in fifteen (15) accounts have been concluded. The Company had received a payment of Rs.3.91 crore during the fiscal year in four accounts after the resolution plan was approved by NCLT. The amounts were appropriated among the participating lenders as per the respective voting share held by them.

Further, during the year, four chronic NPA accounts having principal outstanding of Rs. 52.19 crore have been written-off and taken off from the balance sheet of the Company. These accounts under Advances under Collection (AUCA) are being followed up rigorously with legal and recovery actions being continued.

In one of the Written-Off accounts, the Company could recover an amount of Rs. 6.03 crore through sale of assets through e-auction under SARFAESI action. Further, through Compromise settlement, recovery of Rs. 1.86 crore in four Written-off accounts has been made with closure of one account having principal outstanding of Rs.10.12 crore. We expect few more closures of AUCA through settlement route in Financial Year 2023-24.

The Company was having 111 accounts having total outstanding of Rs.847 crore in Advances Under Collection Account (AUCA) as at March 2022, which pertains to old legacy and mostly unsecured accounts. Considering the bleak recovery prospects and long drawn legal process, the Company after review and approval from the Board removed total 13 accounts amounting to Rs.72.34 crore held in AUCA during March 2023.

With the above recoveries and write-off, the Gross NPA levels of the Company now stands at Rs. 34.70 crore as against Rs 85.19 crores in the previous year while the Net NPA levels stood at Rs.0.07 crore as against Rs 4.87 crore in the previous year. In percentage term, the Gross NPA percentage is at 2.72% and while Net NPA stood at 0.01% of the total advances as at 31.03.2023.

The Company looks forward to maximizing the recovery both in written-off and NPA accounts during the next Financial year and is hopeful of reducing the Gross NPA level to below 1%.

TRANSFER TO RESERVE

The Company has transferred Rs. 6.23 Crores (viz., 20% of Rs. 31.17 Crores) to Reserve Fund (created in accordance with provisions of Section 45-IC of the Reserve Bank of India Act, 1934) in the Financial Year 2022-23, as the Company has made a profit of Rs. 31.17 Crores.

In accordance with The Reserve Bank of India circular no. 109/22.10.106/2019-20 dated March 13, 2020, the Company had created an Impairment Reserve of Rs. 21.96 Crores in Financial Year 2019-20. There is no further requirement for transfer of additional amount to Impairment Reserve in Financial Year 2022-23.

DIVIDEND

The Company does not propose any dividend to the Equity Shareholders of the Company for the Financial Year ended March 31, 2023.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGOINGS

Particulars of Foreign Currency earnings and outgo during the year are given in the Notes to the Accounts forming part of the Annual Accounts.

Since the Company does not own any manufacturing facility, the other particulars relating to conservation of Energy and Technology Absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year to which the Financial Statements relate and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, there were no significant or material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operations.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors or Internal Auditors have reported any fraud incidence to the Audit Committee under Section 143 (12) of the Companies Act, 2013.

INTERNAL AUDIT AND LIMITED REVIEW OF QUARTERLY ACCOUNTS

Internal Audit & Assurance is focused on independently evaluating the adequacy of internal controls, ensuring adherence to Operating Guidelines and Regulatory and Legal requirements and pro-actively recommending, by way of improvements in operational processes and service quality of various individual departments. The quarterly results are also subjected to a limited review by the Statutory Auditors.

The Company appointed an independent firm of Chartered Accountants, M/s. S. Panse & Co. LLP (formerly S. Panse & Co.), as Internal Auditors whose term ended on March 31, 2023.

The Board of Directors in their Meeting held on March 14, 2023 appointed M/s. JCR & Co. LLP, Chartered Accountants as the Internal Auditors of the Company for the Financial Year April 01, 2023 to March 31, 2024.

DETAILS OF EMPLOYEES DRAWING SALARY ABOVE PRESCRIBED LIMITS

Since no employee of the Company is drawing a Salary exceeding limit as prescribed under Section 197(12) of the Companies Act, 2013, a Statement to the effect is not required.

As on March 31, 2023, there are 94 employees in company (77 Direct Staff and 17 State Bank of India deputees). The increment given which also included variable pay to the direct staff ranged between 30% to 40% due to salary revision in the month of Jan'23 (along with salary arrears w.e.f 01/04/2022).

The percentage increase in the median remuneration of the employees in Financial year 2022-23 is 41.33 %. The remuneration paid to employee is as per the Remuneration policy of the Company. For State Bank of India deputees, including Managing Director & C.E.O. Chief Financial Officer and Company Secretary, the Remuneration increased as applicable to their pay scales in State Bank of India.

Non-Executive Directors are not getting any Remuneration except sitting fees.

Nominee Directors of the previous shareholding Banks (SIDBI, Bank of Maharashtra and Union Bank of India) were paid sitting fees.

Sitting Fees are also being paid to independent Directors of the Company.

ANNUAL RETURN

As per provision of Section 92(3) of the Companies Act, 2013, the Annual Return of the Company is made available on the website of the Company and the same can be assessed at **www.sbiglobal.in.**

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance is appended herewith as an **Annexure C.**

MANAGEMENT DISCUSSION AND ANALYISIS REPORT

The report on Management Discussion and Analysis is appended herewith as an **Annexure D**.

BOARD OF DIRECTORS

Changes in the Board of Directors since the previous year's Directors Report are as under:

Shri. Ashwini Kumar Tewari (Director Identification Number ('DIN'): 08797991) ceased as the Nominee Director of State Bank of India and as the Chairman on the Board of Directors of the Company, with effect from July 14, 2022.

As nominated by State Bank of India and duly considered and recommended by the Nomination and Remuneration Committee of the Board at its Meeting held on September 05, 2022 (prior to the Board Meeting) (after determining 'fit and proper' status/suitability of the appointment in this regard), the Board of Directors of the Company, at its Meeting held on September 05, 2022 considered and appointed:

Shri. Swaminathan Janakiraman (Managing Director (CB & Subsidiaries), State Bank of India, DIN: 08516241), as a Nominee Director of State Bank of India and as the Chairman on the Board of Directors of the Company, with effect from September 05, 2022.

Shri. Dinkar Baburao Sankpal (Director Identification Number ('DIN'): 09190356) ceased as the Nominee Director of Bank of Maharashtra, on the Board of the Company with effect from June 27, 2022.

As nominated by Bank of Maharashtra and duly considered and recommended by the Nomination and Remuneration Committee of the Board at its Meeting held on July 15, 2022 (prior to the Board Meeting) (after determining 'fit and proper' status/suitability of the appointment in this regard), the Board of Directors of the Company, at its Meeting held on July 15, 2022 considered and appointed:

Shri. Vijay Prakash Srivastava (General Manager, Chief Financial Officer & in-charge Treasury & International Banking, Bank of Maharashtra, DIN : 08239852), as a Nominee Director of Bank of Maharashtra, on the Board of Directors of the Company, with effect from July 15, 2022.

Shri. Kailash Chandra Vaid (Director Identification Number ('DIN'): 7339850) ceased as the Nominee Director of Small Industries Development Bank of India (SIDBI), on the Board of the Company with effect from September 05, 2022.

Shri. Chander Mohan Minocha (Director Identification Number ('DIN'): 9200658) ceased as the Nominee Director of Union Bank of India, on the Board of the Company with effect from September 05, 2022.

Shri. Vijay Prakash Srivastava (Director Identification Number ('DIN'): 8239852) ceased as the Nominee Director of Bank of Maharashtra, on the Board of the Company with effect from September 05, 2022.

Shri. Joydeb Mukherjee, Managing Director & C.E.O had retired (on superannuation) from the services of the State Bank of India and subsequently ceased to be Managaing Director & C.E.O of the Company at the close of business hours from March 31, 2023.

The Nomination and Remuneration Committee of the Board in their meeting held on July 21, 2023 recommended to the Board and the Board in its Meeting (held after Nomination and Remuneration Committee) considered and approved the appointment of Shri. Bharat Kumar Mishra, TEGS- VII, (Director Identification Number: 09385794), (Nominee Director of State Bank of India) as the Managing Director & C.E.O and Key Managerial Personnel (KMP) with effect from July 21, 2023 to July 20, 2025 (both days inclusive) or till further instructions of State Bank of India in this regard, whichever is earlier, and the same was duly approved by Members of the Company in their Extra Ordinary General Meeting held on July 27, 2023.

NUMBER OF MEETINGS OF THE BOARD

The Board meets at regular intervals and the intervening gap between the Meetings during the year 2022-23 was within the period prescribed under the Companies Act, 2013. The notice of the Board Meeting was given well in advance to all Directors.

Seven Board Meetings were held during the Financial Year. The Board met on April 30, 2022, June 28, 2022, July 15, 2022, September 05, 2022, October 18, 2022, January 18, 2023 and March 14, 2023.

Six Audit Committee Meetings were held during the Financial Year 2022-23. The Audit Committee met on on April 30, 2022, July 15, 2022, September 05, 2022, October 18, 2022, January 18, 2023 and March 14, 2023.

BOARD COMMITTEESS DURING THE YEAR UNDER REVIEW

AUDIT COMMITTEE

The Audit Committee of the Board (duly constituted pursuant to Section 177 of the Companies Act, 2013) consists of four Members, of which three are Independent Directors and one is the Nominee Director of State Bank of India.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Board consists of 3 Independent Directors.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board consists of four Members, of which three are Independent Directors and one is the Nominee Director of State Bank of India.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee is duly constituted and CSR Policy of the Company is periodically reviewed. The Policy is also uploaded on the Website of the Company **www.sbiglobal.in**.

CHANGE IN THE KEY MANAGERIAL PERSONNEL (KMP)

Chief Financial Officer

The Nomination and Remuneration Committee of the Board considered and approved the appointment of Shri. Anurag Bhargava as Sr. Vice President & Chief Financial Officer and Key Managerial Personnel ('KMP') of the Company with effect from October 18, 2022 (in place of Shri. Akash S. Damniwala, upon his administrative transfer by State Bank of India from close of the business on August 19, 2022).

The Board in its meeting held on March 14, 2023, approved change in designation from Senior Vice President to Executive Vice President.

Company Secretary & Chief Compliance Officer

In compliance with the Scale Based Regulations issued by the Reserve Bank of India, the Board in its meeting held on September 05, 2022, approved redesignation of Company Secretary and Compliance Officer to Company Secretary & Chief Compliance Officer.

The Board noted cessation of Smt. Aruna Nitin Dak as Company Secretary & Chief Compliance Officer at the close of business hours from April 03, 2023 on account of repatriation to State Bank of India.

The Board of Directors in their meeting held May 16, 2023, approved appointment of Smt. Neha Deepak Shenoy, as Company Secretary & Chief Compliance Officer w.e.f May 16, 2023.

DECLARATION BY INDEPENDENT DIRECTORS

The declaration in terms of Section 149(6) of the Companies Act, 2013 were received from the Independent Directors, confirming that they have met the criteria of Independence as provided in section 149(6) and 149(7) of the Companies Act, 2013.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KMPs AND SENIOR MANAGEMENT PERSONNEL

The Nomination and Remuneration Policy of the Company on Appointment, Remuneration including criteria for determining qualifications, positive attributes, Independence of Directors and other matters of Directors, KMPs and Senior Management Personnel. The Nomination & Remuneration Policy is available on the Website of the Company at **www.sbiglobal.in**

COMMENTS ON AUDITORS REPORT & SECRETARIAL AUDIT REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Sarda & Pareek LLP , Chartered Accountants, the Statutory Auditors appointed by the Comptroller & Auditor General of India ("C&AG of India"), M/s. S. Panse & Co. LLP (formerly S. Panse & Co.), Chartered Accountants, Internal Auditors and Bhandari & Associates, Practising Company Secretaries, Secretarial Auditors in their Audit Reports.

The comments of the Comptroller & Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013 are provided in financial statements forming part of annual report.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186 OF THE ACT

The Company issues Tier II Bonds in the form of Unsecured Non Convertible Debentures (NCDs), also known as Subordinated Bonds for strengthening its Capital Adequacy Ratio (CAR) and enhancing the long term Rupee resources.

As on March 31, 2023, the total outstanding of the Company's Tier II Bonds is at Rs. 100 Crores. The details of which are given in the below table:

Sr. No.	Particulars	Issue Date	Maturity Date	Coupon Rate	Amount (Rs. Cr)
1	Tier II Bond (NCD - Issue 10)	28-07-2021	28-07-2031	7.28%	100
				TOTAL	100

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)

All contracts/arrangements/transactions entered into during Financial Year 2022-23 with related parties were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant Related Party Transactions entered into with the Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

During the Financial Year ended March 31, 2023, there are no material transactions with Related Parties. The particulars of contracts or arrangements with Related Parties referred to in Section 188(1), as prescribed in Form AOC-2 of the Rule 8 of the Companies (Accounts) Rules, 2014 is appended as **"Annexure A"**. The Board approved Policy on the Related Party Transactions has been uploaded on the Company's Website **www.sbiglobal.in**

RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy duly approved by the Board. Accordingly, the Company manages the key risks critical to the Company's operations such as Credit Risk (Including Concentration and Country Risk), Operations Risk, Liquidity Risk, Market Risk (Interest Risk) and Compliance Risk (Including Legal Risk), IT Risk and HR Risk. Major Risks identified are systematically addressed through mitigating actions on a continuing basis. These are also discussed at the Meetings of the Risk Management Committee of the Board at regular intervals. The Company has Chief Risk and Regulatory Control Officer and Chief Compliance Officer at a senior level to provide executive oversight & co-ordination.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The disclosures required to be made under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 are given in the following table:

Sr. No.	Particulars	Status
1	Number of complaints of sexual harassment received in the year	NIL
2	Number of complaints disposed off during the year	Not Applicable
3	Number of cases pending for more than ninety days	Not Applicable
4	Number of workshops or awareness programs against sexual harassment carried out	Awareness program was conducted
5	Nature of action taken by the employer	Not Applicable

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

VIGIL MECHANISM

The Company has established a Vigil Mechanism for Directors and Employees to report genuine concerns. The Policy on the Vigil Mechanism of the Company is displayed on the Website of the Company **www.sbiglobal.in**

ANNUAL EVALUATION BY THE BOARD

The evaluation framework as per Section 178(2) of the Companies Act, 2013 and as per Rule 8(4) of the Companies (Accounts) Rules, 2014 was approved by the Nomination and Remuneration Committee of the Board and by the Board of Directors of the Company. The Evaluation involves Board Evaluation, Evaluation of Board Level Committees, Chairman's Evaluation and Evaluation of Independent Directors of the Board. A member of the Board shall not participate in the discussion of his/her evaluation.

PUBLIC DEPOSITS

During the Financial Year ended March 31, 2023, the Company has not accepted any deposits from the public within the meaning of the provisions of the Non-Banking Financial Companies (Reserve Bank) Directions, 1998. The Company also does not hold any Public Deposits as on March 31, 2023.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

No loan or guarantee was given to any person during the year. The investments made during the year are in accordance with the provisions of the Companies Act, 2013. The particulars of Investments made during Financial Year 2022-23 are set out in the Notes to Accounts which form part of this Annual Report.

AUDITORS

Sarda & Pareek LLP, Chartered Accountants, the present Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India(C&AG), will retire at the close of the 22nd Annual General Meeting of the Company.

The Statutory Auditors' Report for Financial Year 2022-23 does not contain any qualification, reservation or adverse remarks.

The Statutory Auditors of the Company for the Financial Year 2023-24 would be appointed as and when directed / informed to the Company by the C&AG, pursuant to Section 139 and other applicable provisions of the Companies Act, 2013.

SECRETARIAL AUDIT REPORT

The Board of Directors of the Company had appointed Bhandari & Associates Company Secretaries, to conduct the Secretarial Audit for the Financial Year 2022-23. Report on Company's Secretarial Audit is appended to this Report as **"Annexure B"**.

The Secretarial Audit Report does not contain any qualifications, reservation, adverse remarks.

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly complied.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, the Directors confirm that :

(a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

(b) the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit and Loss of the Company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the Annual Accounts on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable Laws and such systems are adequate and operating effectively.

CEO & CFO CERTIFICATE

A Certificate from Interim C.E.O. and Chief Financial Officer of the Company, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations of privately placed Debentures, for the Financial Year 2022-23 on Financial Statements and Compliances is annexed to the Report on Corporate Governance (Annexure I).

CODE OF CODUCT OF DIRECTORS AND SENIOR MANAGERIAL PERSONNEL

Managing Director & C.E.O. affirms the compliance with the Company's Code of Conduct as approved by the Board.

COMPLIANCE CERTIFICATE REGARDING CORPORATE GOVERNANCE

A Compliance Certificate regarding compliance of conditions of Corporate Governance from Rajkumar R. Tiwari, Practising Company Secretary is enclosed to the Report of Corporate Governance (Annexure II).

PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

MCA vide Companies (Accounts) Amendment Rules, 2021, effective from April 01, 2021 has amended the rule 8 with respect to the disclosure of details of an application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of Financial Year 2022-23. The Company wishes to inform that there is no such application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 with respect to the Company.

DIFFERENCE IN AMOUNT OF THE VALUATION:

MCA vide Companies (Accounts) Amendment Rules, 2021, effective from April 01, 2021 has amended the rule 8 with respect to the disclosure of details of the difference between the amount of the valuation done at the time of one time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof. The Company would like to inform that the same was not applicable as there was no such instance of either settlement or loan from Bank or Financial Institution during the year under review.

CORPORATE SOCIAL RESPONSIBILITY

Since the Company has incurred the Average Loss during the three immediately preceding Financial Years pursuant to Section 198 of the Companies Act, 2013, the Company has no profits during the said three immediately preceding Financial Years for expenditure on CSR Activity(ies) during the Financial Year 2022-23.

However, keeping in view the spirit of the relative provisions in the Companies Act, 2013 and as a good Corporate Governance practice, the Company Voluntarily spends on CSR activities through SBI Foundation.

BUSINESS CONTINUITY

The Company believes in business continuity to address a range of exigencies, guided by a Business Continuity Management.

ACKNOWLEDGEMENTS

Your Directors are grateful for the support and co-operation extended by the Government of India. The Directors thank the Reserve Bank of India and the Shareholding Banks/Financial Institutions for their continued support. They are thankful to the Clients and Customers for their continued patronage. The Directors wish to especially acknowledge the support of State Bank of India in lending the services of their experienced Executives/ Managers to the Company. The Directors also wish to convey their deep appreciation to employees at all levels for their hard work, dedication and commitment towards the continued growth of the Company. Your Directors appreciate and value the contribution made by every employee of your Company.

For and on behalf of the Board

Bharat Kumar Mishra	**Narayanan Raja**
Managing Director & C.E.O	**Independent Director**
DIN: 09385794	**DIN: 00503400**

Date: 04th September, 2023
Place: Mumbai

ANNEXURE A TO THE DIRECTOR'S REPORT

FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

Sl.no.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value if any	Justification for entering into such contracts / arrangements / transactions	Date (s) of approval by the Board	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)(h)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Not Applicable							

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

Sl.no.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value if any	Justification for entering into such contracts / arrangements / transactions	Date (s) of approval by the Board / Audit Committee	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)(h)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Shri. Joydeb Mukherjee (w.e.f. 1st July 2021 to 31st March 2023)	Key Managerial Personnel	Appointment by SBI for 2 Years	Acting as MD & CEO of the company	On Deputation from SBI	W.E.F. 01/07/2021	Nil	
2	Shri. Akash Damniwala - SVP & CFO - Key Managerial Personnel (From 8th June 2021 till 19th August 2022)	Key Managerial Personnel	Appointment by SBI	Acting as SVP & CFO of the company	On Deputation from SBI	W.E.F. 08/06/2021	Nil	
3	Shri. Anurag Bhargava - EVP & CFO - Key Managerial Personnel Anurag Bhargava (from 18th October 2022 to till date)	Key Managerial Personnel	Appointment by SBI	Acting as EVP & CFO of the company	On Deputation from SBI	W.E.F. 18/10/2022	Nil	
4	Shri. Aruna Dak - Company Secretary - Key Managerial Personnel(w.e.f. 9th Sept 2021 till 03rd April 2023)	Key Managerial Personnel	Appointment by Board of Directors of SBI	Acting as Company Secretary	Appointed as Company Secretary by the Board of Directors.	W.EF 09/09/2021	Nil	

Sl.no.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value if any	Justification for entering into such contracts / arrangements / transactions	Date (s) of approval by the Board / Audit Committee	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)(h)
5	State Bank of India (SBI) - Holding Company	Banking Facility	Yearly & Renewed every year	Act as Principal banker of the company	Normal business purpose transactions		Nil	
6	State Bank of India (SBI) - Holding Company	Manpower Support (officer on Deputation)	Appointment by SBI	Group Company	On Deputation from SBI		Nil	
7	SBI Funds Management Pvt. Ltd. - Fellow Subsidiary (Non Banking)	Investment	Based on Investment duration (over night)	Surplus funds invested on overnight basis with SBI Mutual Funds	Normal business purpose transactions		Nil	
8	SBI Life Insurance Company Ltd. (SBI LIFE) - Fellow Subsidiary (Non Banking)	Group Insurance for Directly recruited staff	Yearly & Renewed every year	Insurance policy for direct staff (Swarna Ganga Policy)	Insurance policy designed for employees of SBI Group of companies		Nil	
9	SBI General Life Insurance Ltd. - Fellow Subsidiary (Non Banking)	Car Insurancce	Yearly & Renewed every year	Insurance taken for Money in transit, Burglary , fire & Special Perils	Normal General insurance transaction		Nil	
10	SBI Foundation	Investment	Long Term	Purchase of Equity	Investment for CSR Purpose		Nil	
11	Factors Association of India	Subscription / Membership	Yearly & Renewed every year	Subscription / Membership	Subscription / Membership		Nil	
12	SBI Global Factors Ltd. Staff gratuity fund	Income Tax paid of staff gratuity fund	Short Term	Income Tax paid of staff gratuity fund	Income Tax paid of staff gratuity fund		Nil	

Annexure -B

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
SBI GLOBAL FACTORS LIMITED
CIN: U65929MH2001PLC131203

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SBI GLOBAL FACTORS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings#.

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011#;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018#;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021#;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021#; and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018#;

 # The Regulations or Guidelines, as the case may be were not applicable for the period under review.

The list of Acts, Laws and Regulations specifically applicable to the Company are given below:

vi. The Factoring Regulation Act, 2011.

vii. Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"].

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable except –

Pursuant to Regulation 51 of Listing Regulations, the Company has made disclosures to National Stock Exchange (NSE) for cessation of Chief Financial Officer and for Managing Director and Chief Executive Officer which were beyond twenty four (24) hours from the date of occurrence of the event.

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period, the Company has undertaken following events/ actions:

a) The Company became a Wholly Owned Subsidiary of State Bank of India (SBI) pursuant to Share Purchase Agreement dated September 02, 2022.

b) The Company has issued Commercial Papers aggregating Rs. 270 crores and also redeemed Commercial Papers aggregating Rs. 380 crores pursuant to maturity.

For **Bhandari & Associates**
Company Secretaries
Firm Registration No.: P1981MH043700

S. N. Bhandari
Partner
FCS No: 761; C P No.: 366
Mumbai | September 04, 2023
UDIN: F000761E000916247

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

Annexure A

To
The Members,
SBI GLOBAL FACTORS LIMITED
CIN: U65929MH2001PLC131203

Our Secretarial Audit Report for the Financial Year ended on March 31, 2023 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Bhandari & Associates**
Company Secretaries
Firm Registration No.: P1981MH043700

S. N. Bhandari
Partner
FCS No: 761; CP. No: 366
Mumbai | September 04, 2023
UDIN: F000761E000916247

Annexure -C

Corporate Governance Report

Corporate Governance is all about maintaining a valuable relationship & trust with all stakeholders and to carry out Company's activities and operation in a true and fair manner to achieve transparency, accountability and business prosperity.

We consider it our inherent responsibility to disclose timely and accurate information regarding our financials, performance and governance of the Company.

1. Board of Directors (Board)

The Board is the core of Corporate Governance practices in the Company. The Board oversees how the management serves and protects the long-term interests of all the stakeholders and the shareholders of the Company. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The spirit of Corporate Governance has prevailed in the Company and has influenced its decisions and policies. The Board is independent of the Company's Management.

At the end of Financial Year 2022-23, the Board comprised of Five (5) members, which consisted of One (1) Non-Executive Director, three (3) Independent Directors and one (1) full-time Executive Director.

The Board of Directors meets, as often as is necessary; in addition to meeting on a quarterly basis to review the performance and give directions to the Senior Management Team of the Company.

The particulars of Directors, their attendance during the financial year 2022 – 2023 and also other Directorships are as detailed in Table –I below:

Name and Designation of Director	Category of Director	No. of Board Meetings Attended/ Held	No. of Director -ships in other companies (Excl. Foreign Company(ies)
Shri. Ashwini Kumar Tewari (Chairman) (w.e.f April 19, 2021 upto 14th July, 2022)	(Nominee-SBI) Non-Executive	2/2	NA
Shri. Swaminathan Janakiraman (w.e.f September 05, 2022 to 26th June, 2023)	(Nominee-SBI) Non-Executive	4/4	12
Shri. Joydeb Mukherjee (Managing Director & CEO) (w.e.f. July 01, 2021 to 31.03.2023)	(Nominee –SBI) Full time Executive	7/7	NA
Smt. Sudha Malhotra (Director)	(Independent) Non-Executive	7/7	NIL
Shri. Narayanan Raja (Director)	(Independent) Non-Executive	7/7	NIL
Shri. Vijay Kumar Gupta	(Independent) Non-Executive	7/7	NIL

Shri. Kailash Chand Vaid (Director) (w.e.f. October 25, 2021upto September 05, 2022)	(Nominee – SIDBI) Non-Executive	3/4	NA
Shri. Chander Mohan Minocha (Director) (w.e.f. June 30, 2021 upto September 05, 2022)	(Nominee – Union Bank of India) Non-Executive	3/4	NA
Shri. Dinkar Baburao Sankpal (Director) (w.e.f. June 30, 2021 upto June 27, 2022)	(Nominee – Bank of Maharashtra) Non-Executive	1/1	NA
Shri. Vijay Prakash Srivastava (W.e.f July 15, 2022 upto September 05, 2022)	(Nominee – Bank of Maharashtra) Non-Executive	1/2	NA

Meetings of the Board

During the financial year ended 31st March, 2023, The board met Seven (7) times Viz April 30, 2022, June 28, 2022, July 15, 2022, September 05, 2022, October 18, 2022, January 18, 2023 and March 14, 2023.

2. Audit Committee

During the Financial Year ended on March 31, 2023, Shri. Ashwini Kumar Tewari (former Nominee Director of SBI) ceased as Member in Audit Committee of the Board of Directors with effect from July 14, 2022. Shri. Swaminathan Janakiraman, Nominee Director of SBI was appointed as Member in Audit Committee of the Board of Directors with effect from September 05, 2022.

Pursuant to the provisions of Section 177 of the Companies Act, 2013, Members of the Audit Committee as on March 31, 2023 are as follows:

1. Shri. Narayanan Raja – Independent Director
2. Shri. Vijay Kumar Gupta – Independent Director
3. Smt. Sudha Malhotra – Independent Director
4. Shri. Swaminathan Janakiraman – Nominee Director of SBI.

During the Financial Year ended on March 31, 2023, the Audit Committee met (6) Six times Viz., on 30th April, 2022, 15th July, 2022, 05th September, 2022, 18th October, 2022, 18th January, 2023 and 14th March, 2023.

The attendance of the Audit Committee Members at such meetings is as stated below:

Name of the Member	No. of Audit Committee Meetings attended
Shri. Narayanan Raja	6/6
Shri. Vijay K. Gupta	6/6
Smt. Sudha Malhotra	6/6
Shri. Ashwini K. Tewari	1/1
Shri. Swaminathan Janakiraman	2/3

In addition, the Statutory Auditors and Internal Auditors attend and participate in the deliberations at the meetings of the Audit Committee.

3. Executive Committee of the Board:

Executive Committee of the Board supplements the right insight and business perspective in order to aid the Company's Management in achieving its goals and mission.

During the Financial Year ended on March 31, 2023, Shri Chander Mohan Minocha, Nominee Director of Union Bank of India and Shri. Kailash Chand Vaid, Nominee Director of SIDBI ceased as Members of Executive Committee of the Board.

The Executive Committee of the Board as on March 31, 2023 consists of following Members:

1. Shri. Vijay K. Gupta – Independent Director
2. Smt. Sudha Malhotra – Independent Director
3. Shri. Joydeb Mukherjee – Managing Director & CEO.

4. Risk Management Committee of the Board :

During the Financial Year ended on March 31, 2023 Shri Dinkar B. Sankpal, Nominee Director of Bank of Maharashtra, cease as Member of Risk Management Committee of the Board of Directors with effect from June 27, 2022. Shri Vijay Praskash Srivastava, Nominee Director of Bank of Maharashtra, was appointed as Member of Risk Management Committee of the Board of Directors with effect from July 15, 2022 and ceased to be member with effect from September 05, 2022.

As on March 31, 2023, the composition of the Risk Management Committee of the Board consisted of following Members:

1. Shri. Vijay Kumar Gupta (Independent Director),
2. Smt. Sudha Malhotra ((Independent Director)
3. Shri. Narayanan Raja (Independent Director), and

The attendance of the Members of the Risk Management Committee of the Board at above meetings is as stated below:

Name of the Member	No. of Meetings attended
Shri. Vijay K. Gupta	5/5
Shri. Narayanan Raja	5/5
Smt. Sudha Malhotra	5/5
Shri. Dinkar B. Sankpal	0/2
Shri. Vijay Praskash Srivastava	0/1

5. Nomination and Remuneration Committee of the Board :

During the Financial Year ended on March 31, 2023, Shri. Ashwini Kumar Tewari, (Nominee Director, SBI) ceased to be a Member of the Nomination and Remuneration Committee of the Board of Directors with effect from the close of the business on July 14, 2022.

Shri. Swaminathan Janakiraman (Nominee Director of State Bank of India) was appointed as Member in Nomination and Remuneration Committee of the Board of Directors with effect from September 05, 2022.

The composition of the Nomination and Remuneration Committee of the Board as on March 31, 2023 consists of the following Members :

1. Shri. Swaminathan Janakiraman (Nominee Director, SBI)
2. Shri. Vijay Kumar Gupta, (Independent Director)
3. Shri. Narayanan Raja (Independent Director)
4. Smt. Sudha Malhotra (Independent Director)

During the Financial Year ended on March 31, 2023, the Nomination and Remuneration Committee of the Board met Six (6) times, on April 30 2022, June 28 2021, July 15, 2022, September 05, 2022, October 18, 2022 and March 14, 2023.

The attendance of the Members of the Nomination and Remuneration Committee of the Board at above meetings is as stated below :

Name of the Member	No. of Nomination and Remuneration Committee Meetings attended
Shri. Ashwini Kumar Tewari	2/2
Shri. Swaminathan Janakiraman	1/2
Shri. Narayanan Raja	6/6
Shri. Vijay K. Gupta	6/6
Smt. Sudha Malhotra	6/6

6. Corporate Social Responsibility ('CSR') Committee of the Board :

During the Financial Year ended on 31 March, 2023, Shri. Dinkar B. Sankpal, Nominee Director of Bank of Maharashtra, ceased as Member of Social Responsibility Committee of the Board of Directors with effect from June 27, 2022. Shri. Vijay Praskash Srivastava Nominee Director of Bank of Maharashtra, was appointed as Member of Social Responsibility Committee of the Board of Directors with effect from July 15, 2022 and ceased to be member with effect from September 05, 2022.

The composition of the CSR Committee of the Board of Directors as on March 31, 2023 is as under:

1. Shri. Vijay Kumar Gupta (Independent Director),
2. Smt. Sudha Malhotra (Independent Director)
3. Shri. Joydeb Mukherjee (Managing Director & C.E.O.)

During the Financial Year ended on March 31, 2023, Meeting of the CSR Committee of the Board was held on February 22, 2023.

The attendance of the Members of the CSR Committee of the Board at above Meetings was as stated below :

Name of the Member	No. of Corporate Social Responsibility (CSR) Committee Meetings attended
Shri. Vijay Kumar Gupta (Independent Director)	1/1
Smt. Sudha Malhotra (Independent Director)	1/1
Shri. Joydeb Mukherjee (Managing Director & C.E.O.)	1/1

7. IT Strategy Committee

The IT Strategy Committee as on March 31, 2023 comprises of following Members:

a) Shri. Narayanan Raja, Independent Director

b) Shri. Joydeb Mukherjee, Managing Director & CEO

c) General Manager (IT – Core Operations), SBI, GITC, Belapur

d) EVP – Business Development, Client Services and IT Functions

e) EVP and Chief Financial Officer and

f) Assistant Vice President (IT) (designated as the Chief Technology Officer).

With effect from 30th April 2022, the Chief Risk and Regulatory Control Officer is also inducted as a member in the IT Strategy Committee.

8. General Body Meetings:

a) Particulars of the last three Annual General Meetings (AGMs) of the Company:

AGM	Financial Year	Date of the AGM	Time	Venue
Nineteenth	2019-20	29/09/2020	04.00 p.m.	The Board Room, SBI Global Factors Limited, 06th Floor, The Metropolitan Building, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 (Meeting through Video Conferencing)
Twentieth	2020-21	30/09/2021	04.00 p.m.	The Board Room, SBI Global Factors Limited, 06th Floor, The Metropolitan Building, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 (Meeting through Video Conferencing)
Twenty First	2021-22	30/09/2022	11.00 a.m.	The Board Room, SBI Global Factors Limited, 06th Floor, The Metropolitan Building, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 (Meeting through Video Conferencing)

The following Special Resolution(s) were passed at the above AGMs:

AGM	DETAILS OF THE SPECIAL RESOLUTION(S)
Nineteenth	Appointment of Statutory Auditors for the Financial Year 2020-21, as directed by the Comptroller & Auditor General of India (C&AG) and payment of Fees/ Remuneration to them.
Twentieth	Appointment of Statutory Auditors for the Financial Year 2021-22, as directed by the Comptroller & Auditor General of India (C&AG) and payment of Fees/ Remuneration to them
Twenty First	Appointment of Statutory Auditors for the Financial Year 2022-23, as directed by the Comptroller & Auditor General of India (C&AG) and payment of Fees/ Remuneration to them

Extraordinary General Meetings held during the Financial Year 2022-23:

During the Financial Year 2022-23, the Company has not hold Extra Ordinary General Meeting.

9. General Shareholder Information:

Financial Year	April 01, 2022 to March 31, 2023
CIN	U65929MH2001PLC131203
Registration Date	13/03/2001
Name of the Company	SBI Global Factors Ltd
Address for correspondence	6th Floor, The Metropolitan Bandra-Kurla Complex Bandra (East) Mumbai – 400 051
Category / Sub-Category of the Company	Public Limited Company
Address of the Registered office and contact details	The Metropolitan, 6th Floor, Bandra Kurla Complex, Bandra(E), Mumbai-400051 T.No. (022) 48890300
Whether listed company	Yes (Equity is not listed. However Company's Debentures are listed with NSE)
Name, Address and Contact details of Registrar and Transfer	Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited). Address: Plot No B-5, Part B Cross Lane, MIDC, Andheri (E), Mumbai 400 093 **Tel :** +91 22 6671 2001

Shareholding of Promoters;

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% Change in shareholding during the year
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	STATE BANK OF INDIA	13,77,86,585	86.18%	15,98,85,365	100 %	13.82 %
2	SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	1,04,44,172	6.53%	Nil	Nil	Nil
3	UNION BANK OF INDIA	47,11,751	2.95%	Nil	Nil	Nil
4	BANK OF MAHARASHTRA	69,42,857	4.34%	Nil	Nil	Nil
	Total	15,98,85,365	100%	15,98,85,365	100%	13.82 %

The State Bank of India has acquired the entire remaining 13.82% equity stake of the Company vide Share Purchase Agreement entered between Small Industries Development Bank of India (SIDBI), Bank of Maharashtra and Union Bank of India.

(Annexure I)

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
SBI GLOBAL FACTORS LIMITED
6th Floor, The Metropolitan Bldg.,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400051.

I have reviewed the implementation of Corporate Governance produced by the company during the year ended **31st March, 2023** with the relevant records and documents maintained by the company, furnished to me for my review and the report on Corporate Governance as approved by the Board of Directors.

The Compliances of the conditions of the Corporate Governance is the responsibility of the Management. My examination was carried out in accordance with the guidance note on certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

In my opinion and to the best of my information and according to the information and explanations given to me, I certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

I further state that my examination of such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Signature:
CS Rajkumar R. Tiwari
Practising Company Secretary
FCS No. 4227 C P No. 2400
P.R. No. 2041/2022
UDIN: F004227E000867859

Place: Mumbai
Date: August 25, 2023

(Annexure II)

The Board of Directors
SBI Global Factors Limited
Mumbai

As required under the Listing Agreement we certify that:

(a) We have reviewed financial statements and the Cash Flow Statement for the year 2022-23 and that to the best of our knowledge and belief –

i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and that we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee –

i) significant changes in internal control over financial reporting during the year;

ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii) Instances of significant fraud of which we became aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For SBI Global Factors Limited

EVP – Chief Financial Officer Interim C.E.O
Date : April 11, 2023

Annexure - D

Management Discussion & Analysis

Outlook: 2023-24

India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. The current growth trajectory will be supported by multiple structural changes that have been implemented over the past few years.

Four factors have been responsible for the recovery post pandemic:

- Higher government spending on infrastructure creation and on welfare schemes that allowed for faster catch-up in construction and public administration sectors.
- Buoyant global demand post-pandemic, which lifted exports from the manufacturing sector, information technology (IT)/IT-enabled services (ITeS) and other professional services.
- Inflow of abundant global liquidity into Indian markets. Policy intervention – from fiscal and monetary policies – supporting the banking and financial services sectors.
- Consecutive years of good rainfall benefitted the agriculture sector.

The key challenge to the Indian economy in the current fiscal is to grow when the world is slowing. Growth for the current fiscal is estimated at 7%. With all major sectors now above pre-pandemic levels, the recovery from the pandemic shock has been fairly broad-based. But that is about to be tested again by slowing global growth and tighter domestic financial conditions. For the coming fiscal, India's real GDP growth is expected to taper to 6.0%, for the following reasons: The challenges have shifted — from the pandemic to the fallouts of the Russia-Ukraine war and aggressive rate hikes by major central banks to fight inflation. Policy rates are at decadal highs across the advanced world. Slowing global growth will put the brakes on India's exports.

Additionally, as policy rate hikes filter through the economy, tighter domestic financial conditions are likely to weaken demand.

Inflation remains the 'swing factor'. After a sharp rise to 6.8 % in the first 10 months of the previous fiscal, it is expected to moderate next fiscal, helped by a reduction in fuel and core inflation. Food – a big mover of overall inflation – faces risks from weather disruptions and abnormal monsoons. The easing of commodity prices from the highs seen last year will nevertheless offer comfort to fuel and core inflation. Producers, meanwhile, continue to pass on higher costs to retail prices. While goods inflation has already risen sharply, services inflation is gradually catching up as well.

Global GDP growth is forecast to moderate to 2.2% in 2023 from 3.4% in 2022. In Europe, higher interest rates, a weaker housing market, and slowdown in hiring are beginning to bite. In the US higher interest rates are leading the weakness. Finally, China's rebound from the latest wave of Covid-19 and relaxation on restrictions is suggesting some possibility of offsetting the weakness emanating from the West.

Tighter financial conditions:

The full-blown impact of rate hikes by the RBI is expected to kick in current fiscal. The RBI hiked policy rates by 250 basis points (bps) in fiscal 2023 and reduced excess liquidity in the banking system. This has led banks to increase lending and deposit rates. However, the cumulative rise in lending rates remains lower than the repo rate hikes in some segments. This suggests further transmission and rise in lending rates are in the offing. With the rise in lending rates so far, the weighted average lending rate (WALR) of scheduled commercial banks already crossed pre-pandemic levels in January 2023. Further hikes would bring it closer to fiscal 2019 levels.

Going Forward:

After three tumultuous years, the Indian economy is looking at better growth prospects over the next five years. Structural improvements in the financial system, the ongoing pace of reforms, and policies that support a revival of the private sector pave way for an improved medium-term growth outlook. Technological advancements, and other structural shifts such as emerging trends in global supply-chain de-risking and green transition, hold out greater promise.

The GDP is expected to grow at an average of 6.8% in the next 5 years (fiscals 2024-2028), a tad better than the pre-pandemic five-year average (6.7% during fiscals 2016-2020).

Source:

This Management Discussion & Analysis is based on publicly available information and other reliable sources such as RBI, World Bank, IMF and Rating Agencies, which are believed to be true.

Independent Auditor's Report

To the Members of SBI Global Factors Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SBI Global Factors Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss, 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 a "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit and 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 (ICAI) 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the financial statements of the year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, as we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matters	Auditors' response to Key Audit Matters
IT System 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 Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the financial performance highlights, board report including annexures to the Board Report, report on corporate governance and other information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the 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 on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of management and those charged with governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

We also provide those charged with governance regarding 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 to governance, we determine those matters that were most significant in the audit of financial statements for the current period and therefore the key audit matters. We describe these matters in the auditor's report unless the 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, in "Annexure 2" on the directions issued by the Comptroller and Auditors General of India.

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

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

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

e. On the basis of written representation received from the directors as on 31.3.23 taken on record by board of directors, none of the directors are disqualified as on 31.03.23 from being appointed as director in terms of provisions of the section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 3". Our Report expressed an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197 (16), In our opinion that the provisions of section read with Schedule V of the Act, Managerial remuneration paid to the directors in accordance with the provisions in compliance with section 197(16) of the Act, as amended,

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:

a. The Company has disclosed the impact of pending litigations as at 31st March 2023 on its financial position in its financial statements – Refer Note 27 to the financial statements;

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

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

d. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

e. The company has not declared or paid any dividend during the year.

f. Pursuant to Ministry of Corporate Affairs notification dated 24.03.2021 read with notification dated 31.03.2022 requirement of reporting by the auditor on use of accounting software for maintaining its books of accounts with audit trail (edit log) facility has been deferred till 01.04.2023.

For SARDA & PAREEK LLP
Chartered Accountants
Firm Registration Number 109262W/W100673

CA Satya Narayan Bohra
Partner
Membership No. 042623
UDIN: 23042623BGXZNG2816

Place: Mumbai
Date: April 18, 2023

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

With reference to the Annexure referred to in Independent Auditors' Report to the members of Company on the financial statements for the year ended March 31, 2023, we report the following:

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

(i) **In respect of Company's Property, plant and Equipment's**

a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE).

B. The Company has maintained proper records showing full particulars of intangible assets.

b. The Company has a regular program of physical verification to cover all the items of property, plant and equipment's once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, property, plant and equipment's were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Description of the Property	Gross Carrying Value (in lacs)	Held in Name of	Reason for Not being in the name of the Company & Whether the property is under dispute
Office Premises in Mumbai	797.25	Global Trade Finance Limited	In the name of erstwhile Global Trade Finance Limited
Office Premises in Delhi	146.72	Global Trade Finance Limited	In the name of erstwhile Global Trade Finance Limited
Flats in Mumbai	47.83	Global Trade Finance Limited	In the name of erstwhile Global Trade Finance Limited

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

e. According to the information and explanations given to us no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) **In respect of Inventory**

a. The company is in the business of factoring Services and providing loans and advance and thus it does not have any physical inventory. Accordingly, provisions of clause 3 (ii) (a) of the Order are not applicable.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not been sanctioned working capital limits, from banks on the basis of security of current assets and accordingly reporting under this clause 3(ii)(b) of the order is not applicable.

(iii) **In respect of Investment made in, provided guarantee or granted any loans secured/ unsecured;**

a) According to the information and explanations given to us and on the basis of our examination of the records, the Company's principal business is factoring services and to give loans. Accordingly, clause 3(iii)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not invested in, provided any guarantee or security and the terms and conditions of the loans granted and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

c) & d) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 46 of Ind AS Financial Statements for summarised details of such loans/advances which are not repaid by borrowers and reasonable steps taken by the Company for recovery of principal and interest.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company's principal business is factoring service and to give loans. Accordingly, clause 3(iii) (e) of the Order is not applicable.

f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013. The company has invested in one of the fellow subsidiary of the company and complied with the provisions of section 186 of the Companies Act, 2013.

(v) In our opinion and according to the information and explanation given to us, on the basis of our examination of the records of the Company, the Company has not accepted deposits or amounts which are deemed to be deposits from public in terms of provisions of section 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, as amended and other relevant provisions of the Act, Accordingly Clause 3 (v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence reporting under clause 3(vi) of the order is not applicable to the Company.

(vii) Based on information given to us and on the basis of our examination of the records of the company and explanations given to us, in respect of statutory dues:

- The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, sales tax, service tax, Customs Duty, excise duty, Value added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

- There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, sales tax, Customs Duty, excise duty, Value added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- Details of dues of Income Tax, Service Tax which have not been deposited as at March 31, 2023 on account of dispute are given below:

Sr. No.	Name of Statute	Nature of dues	Amounts Involved (Rs. in Lakhs)	Period to which the amount relates (Financial Year)	Forum where disputed is pending
1	Income Tax Act, 1961	Income tax and penalty	47.49	Assessment Year 2013-14	CIT(Appeals)
2.	Service Tax	Service Tax and Penalty	57.07	Financial Year 2009-10	Commissioner of Service Tax

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Hence reporting under clause 3 (viii) is not applicable.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of the loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has utilised the money obtained by way of, term loan for the purpose of which they were obtained during the year.

(d) According to the information and explanations given to us and on an overall examination of the financial statement of the Company, the Company has not utilized funds raised on short term basis for long term purposes.

(e) The company does not have any subsidiaries, associate or joint ventures and accordingly the provision of clause 3(ix)(e) and (f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.

(xi) In respect of fraud reported or noticed;

a. According to the information and explanations given to us and procedures performed by us, no fraud by the Company or on the Company has been noticed or reported during the year.

b. In view of the above reporting under clause 3 (xi) (b) of the order is not applicable to the Company.

c. According to the information and explanations given to us and procedures performed by us, the company has not received whistle-blower complaints, during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) (a)(b)(c) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and procedures performed by us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of related party transactions have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv)(a) According to information and explanations provided to us and procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of Internal Auditors of the Company issued for the period under audit.

(xv) According to the information and explanations given to us, and based on our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with them as referred to in Section 192 of the Act. Hence, reporting under clause 3 (xv) of the Order is not applicable to the Company.

(xvi)(a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is required to be registered under 45 IA of the Reserve Bank of India Act, 1934 and company has obtained required registration.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not conducted any Non-Banking Financial / Housing Finance activities without obtaining a valid CoR from Reserve Bank of India as per the Reserve Bank of India Act,1934.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, the group to which company belong does not have CIC as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (d) of the Order is not applicable to the Company.

(xvii) According to the information and explanations given to us, and based on our examination of the records, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. In view of the above, clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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 our 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) According to the information and explanations given to us, and based on our examination of the records, and based on the computation done as per the Provision of section 135 of the Companies Act, 2013 the Company is not required to spend any amount on Corporate Social Responsibility. Accordingly, clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

(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 SARDA & PAREEK LLP
Chartered Accountants
Firm Registration Number 109262W/W100673

CA Satya Narayan Bohra
Partner
Membership No. 042623
UDIN: 23042623BGXZNG2816

Place: Mumbai
Date: April 18, 2023

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Annexure Referred to in "Other legal and regulatory requirements" of Independent Auditors' Report on the Standalone Financial Statements of even date to the members of **SBI Global Factors Limited** For The Year ended March 31, 2023 on CAG's Directions to statutory Auditors

Sr No.	Directions	Action Taken	Impact on Financial Statements
1	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, the implication of processing of accounting transactions outside IT system on the integrity of the accounts with the financial implications, if any, may be stated;	Yes, the Company has a system in place to process all the accounting transactions through various IT systems. Based on the verification carried out by us on test check basis during the course of our audit and based on the information and explanations given to us, we have not come across any instance having significant implications on the integrity of accounts. Some Manual intervention is necessitated for the compilation of financial statements, however, the necessary effect for the same is passed through Core Accounting Software appropriately.	Nil
2	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)	There is no restructuring of existing loan or cases of waiver / write off of debts / loans / interest etc. made by lender to the company due to Company's inability to repay the loan during the year.	Nil
3	Whether funds (grants / 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 our examination of the records, the Company does not have any funds received/ receivable for specific schemes from Central/ State Government or its agencies.	Nil

Comment on Additional Directions/ sub directions vide letter no GA/CA1/Directions and sub direction /2022-23/772 dated 28.03.23			
1	RBI provided a window (vide circular dated 6.08.20, 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. The detail of the account wherein RP has been invoked is as under **Name of Borrower- Future Enterprises Limited** As per the OTR plan, SBIGFL's outstanding dues of Rs.3.53 crore was payable on 31st March 2022. However, the payment of SBIGFL and other lenders dues was defaulted by FEL and OTR plan failed. Therefore, the account was again downgraded to NPA in SBIGFL's books in April 2022 with a retrospective date viz.31st March 2021. Apart from this there is no account under restructuring in terms of RBI's circular on Resolution Framework for COVID-19 related stress.	Nil

For SARDA & PAREEK LLP
Chartered Accountants
Firm Registration Number 109262W/W100673

CA Satya Narayan Bohra
Partner
Membership No. 042623
UDIN: 3042623BGXZNG2816

Place: Mumbai
Date: April 18, 2023

ANNEXURE 3 TO THE INDEPENDENT AUDITOR'S REPORT

Annexure Referred to in Independent Auditors' Report on the Financial Statements of Even date to the members of **SBI Global Factors Limited** for the year ended March 31, 2023

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

We have audited the internal financial controls over financial reporting of **SBI Global Factors Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

Meaning of Internal Financial Control 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; (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.

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 31, 2023, 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 SARDA & PAREEK LLP
Chartered Accountants
Firm Registration Number 109262W/W100673

CA Satya Narayan Bohra
Partner
Membership No. 042623
UDIN: 23042623BGXZNG2816

Place: Mumbai
Date: April 18, 2023

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SBI GLOBAL FACTORS LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of SBI Global Factors Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 18 April 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of SBI Global Factors Limited for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

(Guljari Lal)
Director General of Audit (Shipping), Mumbai

Place: Mumbai
Date : 16.08.2023

Balance Sheet
as at March 31, 2023

(₹ in Lakhs)

	Particulars	Note	March 31, 2023	March 31, 2022
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	2	482	2,717
(b)	Loans	3	1,23,718	1,11,781
(c)	Investments	4	0	0
(d)	Other Financial assets	5	243	250
			1,24,444	**1,14,748**
(2)	**Non-financial Assets**			
(a)	Current tax assets (Net)	6	580	721
(b)	Deferred tax Assets (Net)	7	1,292	2,794
(c)	Property, Plant and Equipment	8	1,005	992
(d)	Intangible assets under development	8	29	12
(e)	Other Intangible assets	8	33	13
(f)	Other non-financial assets	9	378	219
			3,317	**4,751**
	Total Assets		**1,27,760**	**1,19,498**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Derivative financial instruments	9A	-	13
(b)	Debt Securities	10	14,908	25,904
(c)	Borrowings (Other than Debt Securities)	11	69,339	53,335
(d)	Other financial liabilities	12	1,707	1,595
			85,955	**80,847**
2.	**Non-Financial Liabilities**			
(a)	Provisions	13	307	253
(b)	Other non-financial liabilities	14	739	760
			1,046	**1,013**
3.	**EQUITY**			
(a)	Equity Share capital	15	15,989	15,989
(b)	Other Equity	16	24,772	21,650
			40,760	**37,639**
	Total Liabilities and Equity		**1,27,760**	**1,19,498**
Significant accounting policies forming part of the financial statements		1		
See accompanying notes forming part of the financial statements		2-56		

As per our report of even date	For and on behalf of the Board of Directors		
For SARDA & PAREEK LLP **Chartered Accountants** **Firm Registration No. 109262W/W100673**	**Swaminathan Janakiraman** **Chairman** **DIN :- 08516241**	**Narayanan Raja** **Independent Director** **DIN :- 00503400**	**Anurag Bhargava** **Chief Financial Officer**
CA Satya Narayan Bohra **Partner** **M.No. 042623** **Place : Mumbai** **Date : 18th April 2023**	**Place : Mumbai** **Date : 18th April 2023**		

Statement of Profit & Loss
for the year ended March 31, 2023

(₹ in Lakhs)

	Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
	Revenue from operations :			
(i)	Interest income	17	10,297	9,011
(ii)	Fees and commission income	18	307	320
(iii)	Sale of services	19	589	559
(iv)	Others	20	954	204
(v)	Reversal of provision	21	5,098	6,319
(1)	**Total revenue from operations**		**17,245**	**16,413**
(2)	**Other income**		152	207
(3)	**Total income**		**17,397**	**16,620**
	Expenses :			
(i)	Finance costs	22	4,397	3,234
(ii)	Fees and commission expense	23	138	152
(iii)	Net loss on fair value changes	4	-	141
(iv)	Net loss on derecognition of financial instruments under amortised cost category	24	5,219	6,108
(v)	Employee benefits expenses	25	1,594	1,360
(vi)	Depreciation, amortization and impairment	8	255	221
(vii)	Others expenses	26	1,176	1,055
(4)	**Total expenses**		**12,779**	**12,271**
(5)	Profit / (loss) before exceptional items and tax		4,618	4,349
(6)	Exceptional items		-	-
(7)	**Profit/(loss) before tax**		4,618	4,349
(8)	**Tax Expense:**			
	Current Tax / Tax for previous year		-	
	Deferred Tax		1,500	1,823
	MAT Credit		-	-
(9)	Profit / (loss) for the Year from continuing operations		**3,117**	**2,526**
(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		**3,117**	**2,526**
(14)	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain on Defined Benefit Plan		6	30
	(ii) Income Tax relating to items that will not be reclassified to profit or loss		(2)	-
	Subtotal (A)		**4**	**30**
	(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)		**4**	**30**
(15)	**Total Comprehensive Income for the year**		**3,121**	**2,556**
(16)	**Earnings per equity share (for continuing operations)**	30		
	Basic (In Rs.)		1.95	1.58
	Diluted (In Rs.)		1.95	1.58
	Significant accounting policies forming part of the financial statements	1		
	See accompanying notes forming part of the financial statements	2-56		

As per our report of even date	**For and on behalf of the Board of Directors**		
For SARDA & PAREEK LLP	**Swaminathan Janakiraman**	**Narayanan Raja**	**Anurag Bhargava**
Chartered Accountants	**Chairman**	**Independent Director**	**Chief Financial Officer**
Firm Registration No. 109262W/W100673	**DIN :- 08516241**	**DIN :- 00503400**	
CA Satya Narayan Bohra			
Partner			
M.No. 042623			
Place : Mumbai	**Place : Mumbai**		
Date : 18th April 2023	**Date : 18th April 2023**		

Statement of Changes in Equity for the year Ended March 31st, 2023

A. Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	15989	15989
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 year	-	-
Balance at the end of the reporting period	15,989	15,989

B. Other Equity

(₹ 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, 2022	**1,000**	**7,691**	**21,693**	**10,569**	**(20,861)**	**(633)**	**2,196**	**(4)**	**21,650**
Transfer to Reserves u/s. 45-IC of RBI Act, 1934	-	**623**	-	-	(623)		-	-	-
Dividend	-	-	-	-		-	-	-	-
Profit for the period	-	-	-	-	3,117		-	4	**3,121**
Balance as at 31st March, 2023	**1,000**	**8,314**	**21,693**	**10,569**	**(18,367)**	**(633)**	**2,196**	**0**	**24,772**

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**

* As required by section 45-IC of the RBI Act 1934, the Company maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. The Company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act,1934.

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

See accompanying notes to the financial statements

As per our report of even date	For and on behalf of the Board of Directors		
For SARDA & PAREEK LLP **Chartered Accountants** **Firm Registration No. 109262W/W100673**	**Swaminathan Janakiraman** **Chairman** **DIN :- 08516241**	**Narayanan Raja** **Independent Director** **DIN :- 00503400**	**Anurag Bhargava** **Chief Financial Officer**
CA Satya Narayan Bohra **Partner** **M.No. 042623** **Place : Mumbai** **Date : 18th April 2023**	**Place : Mumbai** **Date : 18th April 2023**		

Cash Flow Statement

for the Year Ended 31st March , 2023

(₹ in Lakhs)

	March 31, 2023		March 31, 2022	
Cash Flow from Operating Activities:				
Net Profit before Tax		4,618		4,349
Adjustments for:				
Depreciation / Amortisation	255		221	
Interest Cost	3,934		2,245	
Discount on issue of Commercial Paper	386		937	
Amortisation of Forward Premium	68		22	
Sundry Balance Written Off	(0)		0	
Foreign Exchange (Gain)/Loss (Net)	3		3	
(Profit) / Loss on Sale of Fixed Assets	(0)		(0)	
Liabilities no longer required Written Back	(6)		(15)	
Impairment of assets	(5,098)		(6,319)	
Bad Debts Written Off	5,219		6,108	
Provision for Compensatory Absence	30		30	
Provision for Ex Gratia Payable	120		20	
(Profit)/Loss on Sale of Current Investments	(39)		(80)	
		4,873		3,172
Operating profit before Working Capital changes		**9,491**		**7,521**
Increase / (Decrease) in Other Financial Liabilities	(105)		199	
Increase / (Decrease) in Derivative financial instruments	(13)		-	
Increase / (Decrease) in Provisions	**(90)**		(21)	
Increase / (Decrease) in Other Non Financial Liabilities	(15)		(31)	
(Increase)/Decrease in Other Non - Financial Assets	(159)		54	
(Increase)/Decrease in Other Financial Assets	7		1,467	
(Increase)/Decrease in Loans	(12,199)		11,002	
		(12,574)		12,671
Cash (used)/generated in and from Operating Activities		**(3,084)**		**20,192**
Direct Taxes paid (net)		141		(217)
Net Cash (used)/generated in and from Operating Activities (A)		**(2,943)**		**19,975**
Cash Flow from Investing Activities:				
Purchase of Fixed Assets		(99)		(46)
Sale of Fixed Assets		2		0
Purchase of Current Investments		(1,88,491)		(5,42,777)
Sale of Current Investments		1,88,670		5,42,857
Purchase of Fixed Deposit		-		(10,000)
Maturity of Fixed Deposit		-		10,006
Net cash from Investing Activities (B)		**82**		**40**
Cash Flow from Financing Activities:				
(Increase)/Decrease in ROU		10		31
Increase / (Decrease) in Debt Securities		(201)		(63,448)
Increase / (Decrease) in Borrowings (Other than Debt Securities)		(999)		3,658
Discount on issue of Commercial Paper		(386)		(938)
Working Capital Demand Loan taken		2,48,000		1,66,500
Repayment of Working Capital Demand Loan		(2,31,000)		(1,53,500)
Premium on Forward Contract		(68)		(6)
Commercial Paper Taken		27,000		77,000
Commercial Paper Repaid		(38,000)		(45,000)
Interest Cost		(3,729)		(2,567)
Net Cash generated from Financing Activities (C)		**626**		**(18,270)**
Net (Decrease)/increase in Cash and Cash Equivalents (A + B + C)		**(2,235)**		**1,745**
Cash and Cash Equivalents as at at the end of the year				
Cash in Hand		1		1
Cash & Bank Balances in Current Account with Banks		481		2,716
		482		**2,717**
Less: Cash and Cash Equivalents as at the beginnig of the year		2,717		972
		(2,235)		**1,745**

Note :

1. The above statement of Cash Flow has been prepared under the Indirect Method set out in Ind AS-7 Statement of Cash Flow..
2. The figures in respect of Cash Flow of the previous year have been regrouped / rearranged, wherever necessary to make them comparable. The previous year figures have been given AS per last audited accounts, audited by other auditors.

See accompanying notes to the financial statements 2-56

As per our report of even date	For and on behalf of the Board of Directors		
For SARDA & PAREEK LLP **Chartered Accountants** **Firm Registration No. 109262W/W100673**	**Swaminathan Janakiraman** **Chairman** **DIN :- 08516241**	**Narayanan Raja** **Independent Director** **DIN :- 00503400**	**Anurag Bhargava** **Chief Financial Officer**
CA Satya Narayan Bohra **Partner** **M.No. 042623** **Place : Mumbai** **Date : 18th April 2023**	**Place : Mumbai** **Date : 18th April 2023**		

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 10 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 and the values are recorded to the nearest rupees in Lakhs, unless otherwise stated.

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.

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.

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.

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.

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 except for Trade Receivable which are initially measure at transaction price. 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 except for Trade Receivable which are initially recognized at transaction price. 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.

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

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.

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 Loss.
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 required.
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'.

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 remeasurement recognised 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 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.

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.

Notes forming part of the Financial Statements as at March 31, 2023

NOTE 2

Cash and cash equivalents (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Cash on hand	1	1
(ii) Balances with Banks (of the nature of cash and cash equivalents)	481	2,716
Total	**482**	**2,717**

NOTE 3

Loans (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(A)		
(i) Loans - at amortised cost		
- Factoring	1,07,433	1,17,977
Others		
- Gold Pool	20,053	2,456
- WCTL	279	351
Total - Gross (A)	**1,27,765**	**1,20,784**
Less: Impairment Loss Allowance (Expected Credit Loss)	(4,046)	(9,004)
Total - Net (A)	**1,23,718**	**1,11,781**
(B)		
(i) Secured by tangible assets	20,053	1,273
(ii) Secured by intangible assets	12,254	16,749
(iii) Unsecured	95,457	1,02,762
Total - Gross (B)	**1,27,765**	**1,20,784**
Less: Impairment Loss Allowance (Expected Credit Loss)	(4,046)	(9,004)
Total - Net (B)	**1,23,718**	**1,11,781**
(C)		
(i) Loans in India		
Public Sector	-	-
Others	1,27,765	1,20,784
Total - Gross (C) (i)	**1,27,765**	**1,20,784**
Less: Impairment Loss Allowance (Expected Credit Loss)	(4,046)	(9,004)
Total - Net (C) (i)	**1,23,718**	**1,11,781**
(ii) Loans outside India	-	-
Less: Impairment Loss Allowance (Expected Credit Loss)	-	-
Total - Net (C) (ii)	**-**	**-**
Total (C) (i+ii)	**1,23,718**	**1,11,781**

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.

NOTE 4

INVESTMENTS (₹ in Lakhs)

Investments	March 31, 2023				March 31, 2022			
	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
Non Convertible 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)		**383**		**383**		**523**		**523**
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**

NOTE 5

Other Financial Assets (₹ in Lakhs)

Particulars	As at	
	March 31, 2023	March 31, 2022
Security Deposits	241	237
Other Receivable	2	14
Total	**243**	**250**

NOTE 6

Current Tax Assets (Net) (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax and tax deducted at source		
Advance Tax	-	-
Tax Deducted at Source	580	721
(Net of provision for tax of Rs. 174 Lakhs in the Current F.Y and Rs. 174 Lakhs in the previous F.Y)		
Total	**580**	**721**

NOTE 7

Deferred Tax Assets (Net) (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Asset	1,292	2,794
Total	**1,292**	**2,794**

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	Plant, Property and Equipment Total	Intangibles Assets Software	Intangibles Assets under development	Total Assets
I. Gross Block										
Balance as at March 31, 2022	**740**	**700**	**76**	**16**	**11**	**7**	**1,549**	**37**	**12**	**1,598**
Additions	-	217	21	12	21	-	271	29	45	345
Other -Deductions/Adjustments	-	66	48	26	40	43	223		29	252
Balance as at March 31, 2023	**740**	**850**	**49**	**2**	**(8)**	**(36)**	**1,597**	**66**	**29**	**1,692**
II. Accumulated depreciation and impairment										
Balance as at March 31, 2022	**66**	**425**	**54**	**3**	**5**	**5**	**557**	**24**	**-**	**581**
Depreciation expense for the period	17	203	15	6	5	1	247	8	-	255
Other -Deductions/Adjustments		56	47	25	40	43	212		-	212
Balance as at March 31, 2023	**83**	**571**	**21**	**(17)**	**(30)**	**(37)**	**592**	**33**	**-**	**625**
Carrying Value As at March 31, 2023	**657**	**279**	**27**	**19**	**22**	**1**	**1,005**	**33**	**29**	**1,067**
At March 31, 2022	673	275	22	13	6	2	992	13	12	1,017

Intangible Assets Under Development:	Ageing Schedule				
Intangible Assets Under Development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Loan Originating Software	22	7	-	-	**29**

Intangible Assets under Development whose completion is over due:					
Intangible Assets Under Development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Loan Originating Software	43	-	-	-	**43**

Title deeds of Immovable Properties not held in name of the company (Additional Disclosure)						
Relevant line item in the Balance sheet	**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 being since which date**	**Property held being held in the name of the date company**
Plant propertv & Equipment						
Office Premises in Mumbai	Building	797.25		No	Prior to Merger of GTFL& SBI Factors	Under Process -Not in Dispute
Office Premises in Delhi	Building	146.72		No		
Flat in Mumbai	Building	47.83		No		

NOTE 9

Other Non-Financial Assets (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Government Authorities (ITC)	79	63
Pre-paid expenses	68	16
Advance paid to CERSAI	(0)	1
Advance to employees	6	9
Others*	225	114
Deferred Forward Premium	(0)	16
Total	**378**	**219**

*Rs 224 lakhs pertains to payment made to, SBI a related party towards salary of deputed staff against which invoices are not received

NOTE 9A

Derivative financial instruments (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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, 2023	As at March 31, 2022
- At Amortised Cost		
(1) UNSECURED:		
Non Convertible Debentures - Listed*	9,986	9,985
(2) UNSECURED:		
Commercial Papers #	4,922	15,919
Total (A) (1+2)	**14,908**	**25,904**
Debt securities in India	14,908	25,904
Debt securities outside India	-	
Total (B)	**14,908**	**25,904**

* 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 31,2023
10 Years Unsecured Subordinated Redeemable Non-Convertible Debentures 2021-22 (Series - SBIGFL - 10) of Rs. 100 Lakhs each. Carrying interest rate @ 7.28% p.a.	July 27, 2031	10,000
Adjustments on account of effective rate of interest		(14)
Total		**9,986**

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. 100 Lakhs each. Carrying interest rate @ 7.28% p.a.	July 27, 2031	10,000
Adjustments on account of effective rate of interest		(15)
Total		**9,985**

# The Details of Commercial Papers are as under		(₹ in Lakhs)
Particulars and Discounting Rate	**Date of Maturity**	**As at March 31,2023**
Sundaram Mutual Fund - CP @8.00%	June 13, 2023	5,000
Adjustments on account of effective rate of interest		(78)
Total		**4,922**

		(₹ in Lakhs)
Particulars and Discounting Rate	**Date of Maturity**	**As at March 31, 2022**
ICICI Prudential Mutual Fund - CP @4.51%	April 06, 2022	7,000
HDFC Mutual Fund - CP @4.72%	June 20, 2022	5,000
HDFC Mutual Fund - CP @4.55%	May 23, 2022	4,000
Adjustments on account of effective rate of interest		(81)
Total		**15,919**

NOTE 11

Borrowings (Other than Debt Securities)		(₹ in Lakhs)
Particulars	**As at**	
	March 31, 2023	**March 31, 2022**
- At Amortised Cost		
UNSECURED		
(a) Working Capital Demand Loan from Banks	8,000	-
(b) Loan from Related Party #	59,934	53,335
(c) Bank overdraft from Related Party	1,406	-
Total (A)	**69,339**	**53,335**
Borrowings in India	63,406	45,000
Borrowings outside India	5,934	8,335
Total (B)	**69,339**	**53,335**

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 and ROI	**Date of Maturity**	**As at March 31,2023**
Working Capital Demand Loan from SBI @ 6.52%	April 24, 2023	3,500
Working Capital Demand Loan from SBI @ 7.04%	May 19, 2023	5,000
Working Capital Demand Loan from SBI @ 6.92%	May 24, 2023	3,000
Working Capital Demand Loan from SBI @ 7.04%	May 26, 2023	5,000

Working Capital Demand Loan from SBI @ 7.04%	June 02, 2023	5,000
Working Capital Demand Loan from SBI @ 7.07%	June 08, 2023	3,000
Working Capital Demand Loan from SBI @ 7.07%	June 12, 2023	4,000
Working Capital Demand Loan from SBI @ 7.11%	June 16, 2023	4,500
Working Capital Demand Loan from SBI @ 7.11%	June 19, 2023	4,500
Working Capital Demand Loan from SBI @ 6.99%	June 22, 2023	3,000
Working Capital Demand Loan from SBI @ 6.99%	June 23, 2023	5,000
Working Capital Demand Loan from SBI @ 6.99%	June 26, 2023	3,500
Working Capital Demand Loan from SBI @ 6.99%	June 27, 2023	5,000
Working Capital Demand Loan from HDFC @7.76%	May 16, 2023	3,000
Working Capital Demand Loan from HDFC @7.76%	May 16, 2023	3,000
Working Capital Demand Loan from HDFC @7.76%	May 16, 2023	2,000
Bank Overdraft from SBI @ 8.60		1,406
Foreign Currency Line of Credit		
(USD 51.65 lakhs ,GBP 8.00 lakhs, EUR 9.80 lakhs) @ (3M SOFR/SONIA/ESTR + 1%)	-	5,934
Total		**69,339**
		(₹ in Lakhs)
Description and ROI	**Date of Maturity**	**As at March 31, 2022**
Working Capital Demand Loan from SBI @ 6.85%	04-06-2022	2,500
Working Capital Demand Loan from SBI @ 4.50%	29-04-2022	7,000
Working Capital Demand Loan from SBI @ 4.00%	23-05-2022	8,000
Working Capital Demand Loan from SBI @ 4.00%	10-06-2022	13,000
Working Capital Demand Loan from SBI @ 4.00%	17-06-2022	6,000
Working Capital Demand Loan from SBI @ 4.00%	27-06-2022	8,500
Foreign Currency Cash Credit Loan		
(USD 84.00 lakhs ,GBP 3.56 lakhs, EUR 19.17 lakhs) @ (3M LIBOR + 0.90%)	-	8,335
Total		**53,335**
No term loans, external commercial borrowings, commercial paper and any other borrowing is guaranteed by directors and / or others. During the period presented there were No defaults in the repayment of principal & interest.		

NOTE 12

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

Particulars	**As at**	
	March 31, 2023	**March 31, 2022**
(a) Interest accrued but not due;	734	529
(b) Creditors for Expenses	517	336
(c) Statutory liability	62	46
(d) Others (specify nature)		
Lease Liability	307	389
Liability against collection of factoring receivables	87	295
Total	**1,707**	**1,595**

NOTE 13		
Provisions		**(₹ in Lakhs)**
Particulars	**As at**	
	March 31, 2023	**March 31, 2022**
(a) Provision for employee benefits; and	187	163
(b) Ex Gratia Payable	120	90
Total	**307**	**253**

NOTE 14		
Other Non-financial liabilities		**(₹ in Lakhs)**
Particulars	**As at**	
	March 31, 2023	**March 31, 2022**
(a) Revenue received in advance	737	759
(b) Liability for stale cheque	1	1
(c) Deffered Income on security deposit valued at amorted cost	0	-
Total	**739**	**760**

NOTE 15		
Equity		**(₹ in Lakhs)**
Particulars	**As at**	
	March 31, 2023	**March 31, 2022**
(a) Authorised share capital:		
880,000,000 (Previous Year 880,000,000) 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. 15,98,85,365 (Previous Year 13,77,86,585) shares are held by the Holding Company, State Bank of India and its Nominees.

Disclosure with respect to Shares held by the holding company and % of Share of Holding

Name of the Equity Shareholder	**No. of shares held as on 31.03.2023**	**No. of shares held as on 31.03.2022**
1) State Bank of India	159885365 (100%)	137786585 (86.18%)

Disclosure with respect to Shareholding in excess of 5%		
Name of the Equity Shareholder	**% of Issued, Subscribied, and Paid up Equity Share Capital and No. of shares held as on 31.03.2023**	**% of Issued, Subscribied, and Paid up Equity Share Capital and No. of shares held as on 31.03.2022**
1) State Bank of India	159885365 (100%)	137786585 (86.18%)
2) Small Industries Development Bank of India (SIDBI)	0 (0%)	10444172 (6.53%)
Disclosure with respect to Shareholding of Promoters		
Name of the Promoter	**% of Issued, Subscribied, and Paid up Equity Share Capital and No. of shares held as on 31.03.2023**	**% of Issued, Subscribied, and Paid up Equity Share Capital and No. of shares held as on 31.03.2022**
1) State Bank of India	159885365 (100%)	137786585 (86.18%)
Percentage change	13.82% (Increase)	No Change
Reconciliation of Shares		**(₹ in Lakhs)**
	As at	
Particulars	**March 31, 2023**	**March 31, 2022**
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

Information regarding issue of Shares in the last five years

-The company has not issued any shares without payment being received in cash.

-The company has not issued any bonus shares.

-The company has not undertaken any buy back of shares.

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.

NOTE 16		
Other Equity		**(₹ in Lakhs)**
Particulars	**As at**	
	March 31, 2023	**March 31, 2022**
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	7,691	7,186
Add: Transfer from Statement of Profit and Loss	623	505
Closing Balance	**8,314**	**7,691**
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**
Retained Earnings		
Opening Balance	(21,498)	(23,550)
Add: Profit for the period	3,117	2,526
Add: Other Comprehensive Income (Reimbursement of defined benefit plan)	4	30
	(18,377)	(20,993)
Less :-		
Transfer to Reserve Fund*	623	505
Transfer to Impairement Reserve	-	-
Closing Balance	**(19,000)**	**(21,498)**
Total	**24,772**	**21,650**
* 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		

NOTE 17		
Interest Income		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Discount charges	10,297	9,011
Total	**10,297**	**9,011**

NOTE 18		
Fees & Commission Income		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Processing Charges	307	320
Total	**307**	**320**

NOTE 19		
Sale of Service		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Factoring Charges	589	559
Total	**589**	**559**

NOTE 20		
Others		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Bad Debts Recovery in Written off Accounts	954	204
Total	**954**	**204**

NOTE 21		
Reversal of provision on Financial Instruments		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Loans	4,958	6,319
Investment	141	
Total	**5,098**	**6,319**

NOTE 22		
Finance Cost		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Interest Expenses on debts classified as amortised category		
Non-Convertible Redeemable Debentures	728	796
Short Term Loans (including Cash Credit & Overdraft)	3,175	1,405
Discount on Issue of Commercial Papers	386	937
Interest on Financial Asset Sold	-	-
Interest Expense on Lease Liability	31	43
Other Borrowing Costs		
Other Finance Cost	5	6
Forward Premium	68	22
Foreign Exchange Gain / Loss	3	24
Total	**4,397**	**3,234**

Note 23		
Fees and Commission Expense		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Import Factor Commission	138	152
Total	**138**	**152**

Note 24		
Net loss on derecognition of financial instruments under amortised cost category		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Loss on Derecognition of Financial Instruments	5,219	6,108
Total	**5,219**	**6,108**

NOTE 25		
Employee Benefits Expenses		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Salaries and Wages	1,490	1,280
Contribution to Provident and Other Funds	48	43
Staff Welfare Expenses	56	37
Total	**1,594**	**1,360**

NOTE 26		
Other Expenses		**(₹ in Lakhs)**
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Rent, Rates and Taxes	39	32
Repairs and Maintenance - Building	28	23
Repairs and Maintenance - Others	111	87
Travelling and Conveyance	109	80
Directors Sitting Fees	30	32
Advertisement & Publicity Expenses	4	2
Communication expense	35	30
Printing and Stationery	13	10
Legal and Professional Charges	298	305
Royalty paid to SBI	51	37
Auditor's fees and expenses	30	23
Electricity Expenses	46	40
Membership and subscription	12	10
Outsourcing Costs	59	51
Security Charges	18	18
Contribution towards CSR activites	-	2
Goods and Services Tax	177	150
Bank Charges	35	26
Credit Rating Fees and Other Charges	56	40
Miscellaneous Expenses	27	58
Total	**1,176**	**1,055**

27 Contingent Liabilities :

₹ in Lakhs

	Particulars	March 31, 2023	March 31, 2022
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.

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, 2023	March 31, 2022
a	i)	Principal amount remaining unpaid to supplier under the MSMED Act 2006	Nil	Nil
	ii)	Interest on a) (i) above	Nil	Nil
b	i)	Amount of Principal paid beyond the appointed Date	Nil	Nil
	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.				

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, 2023	March 31, 2022
	₹ in Lakhs	
Right to use assets		
Buildings	279	275
Lease liabilities		
Lease liabilities	307	389

(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	203	180
Interest expense (included in finance cost)	31	43
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	9	8
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	4	4
Expense relating to variable lease payments not included in lease liabilities (included in administrative expenses)	-	-
The total cash outflow for leases during the period	332	301

30(A) i Earnings Per Share:

		March 31, 2023	March 31,2022
Net Profit attributable to ordinary equity holders (₹ in Lakhs)		3,117	2,526
Profit available to Equity Shareholders (₹ in Lakhs)	**(A)**	3,117	2,526
Adjusted Net Profit for Diluted Earnings Per Share (₹ in Lakhs)	**(B)**	3,117	2,526
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)**	1.95	1.58
Diluted Earnings Per Share (Rs.)	**(B) / (D)**	1.95	1.58

ii Disclosures in compliance with Regulations 52(4) of the SEBI (Listing obligations and Disclosure Requirements) regulations, 2015 for the year ended 31st March 2023

		Numerator	Denominator	March 31, 2023	March 31, 2022
(a)	Debt-Equity ratio;	Debt	Equity	2.73	2.86
(b)	Debt Service Coverage Ratio;	EBITDA	Total Debt Service	0.13	0.14
(c)	Interest Coverage Ratio;	EBIT	Interest Expense	2.05	2.34
(d)	Outstanding Redeemable Preference share	NA	NA	NA	NA
(e)	Capital Redemption Reserve / Debenture Redemption Reserve;			1,000	1,000
(f)	Net Worth;			40,760	37,639
(g)	Net Profit After Tax;			3,117	2,526
(h)	Earnings Per Share:			1.95	1.58
(i)	Current Ratio	Current Assets	Current Liabilties	1.63	1.61
(j)	Long Term Debt to Working Capital	Long Term Debt	Working Capital	0.21	0.23
(k)	Bad Debt to Account Receivable Ratio	Net loss on derecognition of financial instruments under amortised cost category	Loans	0.04	0.05
(l)	Current Liability Ratio	Current Liabilities	Financial Liabilities + Non Financial Liabilites	0.88	0.87
(m)	Total Debt to Total Assets	Total Debt	Total Asset	0.66	0.66
(n)	Debtors Turnover			NA	NA
(o)	Inventory Turnover			NA	NA
(p)	Operating Margin (%)	Operating Profit	Operating Income	39.01%	42.39%
(q)	Net Profit Margin (%)	Profit After Tax	Operating Income	25.66%	25.03%
(r)	Sector Specific Ratio				
(i)	PCR (%) (Provision Coverage Ratio)	Total provisions	Gross NPAs)	99.79%	94.29%

30(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, 2023 are as follows:			
		Currency	**Amount**
	Currency	**in Lakhs**	**₹ in Lakhs**
(a) Assets (Receivables)			
	USD	53	4,382
		(43)	(3,284)
	EUR	10	891
		(19)	(1,642)
	GBP	8	820
		(4)	(386)
(b) Liability (Payables)			
	USD	2	177
		(0)	(18)
	EUR	0	13
		(0)	(4)
	GBP	0	8
		(0)	(1)
(c) Loans Payable			
	USD	52	4,244
		(44)	(3,323)
	EUR	10	877
		(19)	(1,615)
	GBP	8	813
		(4)	(354)
As the Company has Foreign Currency outstanding Receivables & Payables which offset each other, the net foreign currency exposure is minimal.			

ii Disclosure of Hedged Contracts

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

Particulars	Currency	Outstanding amounts of exposure hedged (In Lakhs FC)		Outstanding amounts of exposure hedged (Rs. In Lakhs)	
		March 31, 2023	March 31,2022	March 31, 2023	March 31,2022
Short Term Borrowings	USD	-	40	-	3,044

30(C) 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.

30(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)
b Other related parties with whom transactions have taken place during the year	
i Associates/Group Enterprises	
Bank of Maharashtra	Associate
Union Bank of India	Associate
Small Industries Development Bank of India	Associate
c Key Management Personnel/Relatives of Key Management Personnel	
Mr. Joydeb Mukherjee (w.e.f. 1st July 2021 to till 31st March 2023)	MD & CEO
Mr. Akash Damniwala (w.e.f. 8th June 2021 to 19th August 2022)	EVP & CFO
Mr. Anurag Bhargava (w.e.f. 18th October, 2023 to till date)	EVP & CFO
Mrs. Aruna Dak (w.e.f. 9th July 2021 till 03rd April, 2023)	Company Secretary
d Enterprises over which Key Management Personnel (KMP) & his relatives can exercise significant influence	
Mr. Joydeb Mukherjee (w.e.f. 1st July 2021 to 31st March 2023)	Factors Association of India
Mr. Akash Damniwala (w.e.f. 8th June 2021 to 19th August 2022)	Factors Association of India
Mr. Anurag Bhargava (w.e.f. 18th October, 2022 to till date)	Factors Association of India
Factors Association of India	KMP having significant influence
SBI Global Factors Ltd. Staff gratuity fund	SBI Global Factors Limited Staff Gratuity Fund

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

₹ 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 *	-			50	-	50
	Previous Year	-	-	-	(66)	-	(66)
	Remuneration to SVP & CFO*	-			75	-	75
	Previous Year	-	-	-	(49)	-	(49)
	Remuneration to Company Secretary*				52	-	52
	Previous Year				(39)	-	(39)
	Salary (Including Perqusite) paid to Deputed Staff**	788		-	-	-	788
	Previous Year	(843)		-	-	-	(843)
	Other Receiving of Services/ Reimbursement of Expenses	2,830	19	-	-	-	2,849
	Previous Year	(1,353)	(33)	-	-	-	(1,386)
	Royalty	51				-	51
	Previous Year	(37)					(37)
	Security Deposit	-	-	-	-	-	7.88
	Previous Year	-	-	-	-	-	-
	Stamp duty on Investment in MF		1			-	1
	Previous Year	-	(3)	-	-	-	(3)
	Total - Current Year	3,668	20	-	177	-	3,866
	Total - Previous Year	(2,233)	(35)	-	(154)	-	(2,422)
2	**INCOME**						
	Rendering of Services/ Reimbursement of Expenses				1		1
	Previous Year	-	-		(0)		(0)
	Rental Income	8					8
	Previous Year	(5)	-	-	-	-	(5)
	Profit on sale of Units of Mutual fund	-	5	-	-		5
	Previous Year	-	(9)	-	-	-	(9)
	Total - Current Year	8	5	-	1	-	14
	Total - Previous Year	(5)	(9)	-	(0)	-	(14)
3	**SHARE CAPITAL**						
	Equity Share Capital	15,989	-	-	-	-	15,989
	Previous Year	(13,779)	-	-	-	-	(13,779)
	Share Premium	16,437	-	-	-	-	16,437
	Previous Year	(16,437)	-	-	-	-	(16,437)
	Total - Current Year	32,426	-	-	-	-	32,426
	Total - Previous Year	(30,216)	-	-	-	-	(30,216)
4	**ASSETS**						
	Amounts Receivable / Advance / Security Deposit	1	7	-	7.88	-	16
	Previous Year	(1)	(8)	-	-	-	(9)
	Bank Balances	336	-	-	-		336
	Previous Year	(2,464)	-	-	-	-	(2,464)
	Unexpired Amount of CP	-					-
	Previous Year	-					-

₹ 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
	Rent receivable from SBI - Borivali Flat Tenants	-					-
	Previous Year	(2)	-	-	-	-	(2)
	Total - Current Year	336	7	-	8	-	352
	Total - Previous Year	(2,466)	(8)	-	-	-	(2,474)
5	**INVESTMENTS :**						
	Investments in Equity shares		0.1				0
	Previous Year		(0.1)				(0)
6	**LIABILITY**						
	Unsecured Loans	61,339	-	-	-		61,339
	Previous Year	(53,335)	-	-	-	-	(53,335)
	Salary Payable / Amounts Payable / Interest Payable	424	-	-	19		443
	Previous Year	(229)	-	-	-	-	(229)
	Total - Current Year	61,763	-	-	19	-	61,783
	Total - Previous Year	(53,564)	-	-	-	-	(53,564)
6	**TRANSACTIONS**						
	Purchase of Shares (Transfer of shares from of Subsidiary Company	-	-	-	-		-
	Previous Year	-					-
	Purchase of Fixed Assets	-	-	-	-		-
	Previous Year	-	-	-	-		-
	Sale of Fixed Assets	-	-	-	-	-	-
	Previous Year	-	-	-	-		-
	Commercial Papers Taken	-	-	-	-		-
	Previous Year	-					-
	Commercial Papers Repaid	-	-	-	-		-
	Previous Year	-					-
	Loan Taken	14,35,664	-	-	-		14,35,664
	Previous Year	(1,80,428)	-	-	-	-	(1,80,428)
	Repayment of Loan	14,25,445	-	-	-		14,25,445
	Previous Year	(1,63,706)	-	-	-	-	(1,63,706)
	Investment in Schemes of Mutual Fund	-	19,499	-	-		19,499
	Previous Year	-	(57,697)	-	-	-	(57,697)
	Redemption of Schemes of Mutual Fund	-	19,504	-	-		19,504
	Previous Year	-	(57,706)	-	-	-	(57,706)
	Investment in Fixed Deposit	-					-
	Previous Year	(10,028)	-	-	-	-	(10,028)
	Fixed Deposit Matured	-					-
	Previous Year	(10,034)	-	-	-	-	(10,034)
	Non - Convertible Debentures borrowed		-				-
	Previous Year	-	(10,000)	-	-	-	(10,000)
	Repayment of Non - Convertible Debentures		-				-
	Previous Year	-	(10,000)	-	-	-	**(10,000)**

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, 2023	March 31, 2022
For Statutory Audit	12	12
For Limited Review	6	6
For Tax Audit	3	3
For Other Services (Including certification)	10	3
For Out of pocket expenses	-	-
TOTAL	**30**	**23**

34 Expenditure in Foreign Currency (On Accrual basis)

₹ in Lakhs

	March 31, 2023	March 31, 2022
Correspondent Fees	138	150
Membership and Subscription	7	7
Interest on Short Term Loans	214	54
Others	11	11
TOTAL	**370**	**222**

35 Earnings in Foreign Currency:

₹ in Lakhs

	March 31, 2023	March 31, 2022
Income from Factoring :		
Interest	232	112
Factoring Charges	196	227
Processing Charges	32	29
Miscellanous Income	0	0
TOTAL	**460**	**368**

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, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Book value of investments in security receipt	383	383	-	-	383	383
Less: Provision	383	383	-	-	383	383
Net Value of investments in security receipt	-	-	-	-	-	-

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

38 Taxes on Income:

Income Tax

The components of income tax expense for the year ended 31st March 2023 and year ended 31st March 2022 are:

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
Current Tax		
In respect of Current Year	-	-
In respect of prior years	-	-
Deferred Tax		
In respect to of Current Year	1,500	1,823
Total Income Tax expense recognised in statement of profit and loss	1,500	1,823
OCI Section		
Remeasurement of the defined benefit liabilities	(2)	-
Income tax charges to OCI	**(2)**	**-**

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 2023 and year ended 31st March 2022 is as follows

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
Accounting profit before tax	4,618	4,349
Income tax expense calculated at 29.12% (Previous Year 29.12%)	1,345	1,266
Adjustments in respect of current income tax of previous year	-	-
Deferred tax not created on losses for the year	155	556
		-
Income tax expense recognised in statement of profit and loss	1,500	1,823

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 2023 and measured its deferred tax assets basis the rate prescribed in the section 115BA of the Income Tax Act, 1961.

The company unabsorbed depreciation and brought forward losses amounting to 5.55 Cr and Rs 60 Cr. respectively as on 31st March 2023 on which no deferred tax asset has been recoginsed. Deferred tax asset shall be created in the year in which the company will have reasonable certainity of future taxable income as required by Indian Accounting Standard 12 - “Income Taxes” as specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies Accounts Rules 2015 and Companies (Indain Acounting Standards) Amendment Rules,2016.

Movement in Deferred Tax (Assets) / Liabilities

				₹ in Lakhs
	March 31, 2023			
Particulars	**(DTA) / DTL As at April 01, 2022**	**Statement of Profit and Loss**	**OCI**	**(DTA) / DTL As at March 31, 2023**
Fixed Asset: temporary difference on account of Depreciation and Amortisation	90	6		96
Bonus Disallowed due to non-payment	(26)	(9)		(35)
Provision for Gratuity	(26)	(6)		(32)
Provision for Leave Encashment	(21)	(1)		(22)
Provision for Expenses	(2)	2		(0)
Provision for doubtful debts on Non Performing Investments	(152)	41		(111)
Impairement allowances of Financial Assets	(2,622)	1,444		(1,178)
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	-	-		-
Leases	(33)	25		(8)
Others - OCI	-	(2)	2	-
Total	**(2,794)**	**1,500**	**2**	**(1,292)**

				₹ 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)**

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, 2023	March 31, 2022
Employer's Contribution to Provident Fund	17	15
Employer's Contribution to Pension Fund	11	12
Total	**28**	**27**

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:-

Acturial Assumptions	March 31, 2023	March 31, 2022
Discount Rate	7.51%	7.35%
Future Salary Increases	10.00%	10.00%
Retirement Age	60 Years	60 Years
Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	100%	100%
Method	Projected Unit Credit Method	Projected Unit Credit Method

b) Changes in Present Value of Obligation

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
a) Present Value of obligation at the beginning of the year	167	171
b) Interest Cost	12	12
c) Past Service Cost	-	-
d) Current Service Cost	12	11
e) Benefits Paid	(6)	(9)
f) Actuarial (gain) / loss on Obligation	3	(17)
g) Present Value of obligation at the end of the year	188	167

c) Changes in Fair Value of Plan Assets

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
a) Fair value of plan assets at the beginning of the year	78	82
b) Expected Return	5	5
c) Past Service Cost	-	-
d) Contributions	-	-
e) Benefits Paid	(6)	(9)
f) Actuarial gain / (Loss) on Plan Assets	1	(1)
g) Fair value of plan assets at the end of the year	78	78
h) Funded Status	(110)	(90)

d) Acturial gain/loss recognized

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
a) Actuarial (gain) / loss for the year - Obligation	3	(17)
b) Actuarial (gain) / loss for the year - Plan Assets	1	(1)
c) Actuarial (gain) / loss recognized in the year	2	(16)

e) Amounts to be recognized in the Balance Sheet:

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
a) Present Value of obligation at the end of the year	188	167
b) Fair value of plan assets at the end of the year	78	78
c) Funded Status	(110)	(90)
d) Net liability recognized in the Balance Sheet	110	90

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

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
a) Current Service Cost	12	11
b) Past Service Cost	-	-
c) Interest Cost	12	12
d) Return on plan assets	(5)	(5)
e) Net Actuarial (gain) / loss recognized in the year	2	(16)
f) Interest on Fund Balance not recognised earler	-	-
g) Expenses/(Income) recognized in the Statement of Profit & Loss	20	0

g) Investment Details of Plan Assets

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
Assets managed by insurance scheme (100%)	78	78

h) Balance Sheet Reconciliation

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
Opening Net Liability	(90)	(90)
Expenses as above	20	0
Employers Contribution	-	-
Amount Recognised in Balance sheet	(110)	(90)

I) Amount Recognised in current year and previous two years

₹ in Lakhs

	March 31, 2023	March 31, 2022	March 31, 2021
Defined Benefit Obligation	188	167	171
Plan Assets	78	78	82
(Surplus)/Deficit	**110**	**90**	**89**
Experience adjustments on plan liabilities Loss/ (Gain)	3	(17)	12
Experience adjustments on plan Assets (Loss)/Gain	1	(1)	2

J) Maturity Analysis of Projected Benefit Obligation: From the Fund

₹ in Lakhs

	March 31, 2023	March 31, 2022
Projected Benefits Payable in Future Years From the Date of Reporting		
Within the next 12 months	14	14
2nd Following Year	14	12
3rd Following Year	24	12
4th Following Year	27	20
5th Following Year	13	23
Sum of Years 6 To 10	105	71

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, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	175	203	155	181
Withdrawal Rate (1% movement)	187	190	166	169
Future salary growth (1% movement)	200	177	178	157

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, 2023	March 31, 2022
Privileged Leave	77	73

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, 2023			March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and Cash Equivalents	482	-	482	2,717	-	2,717
Derivative Financial Instruments	-	-	-	-	-	-
Loans*	1,23,718	-	1,23,718	1,11,781	-	1,11,781
Investments*	-	0	0	-	0	0
Other Financial Assets	202	41	243	-	250	250
Non-Financial Assets						
Current Tax Assets (Net)	-	580	580	-	721	721
Deferred Tax Assets (Net)	-	1,292	1,292	-	2,794	2,794
Property, Plant and Equipment		1,005	1,005	-	992	992
Capital Work in Progress	29		29	-	12	12
Other Intangible Assets	-	33	33	-	13	13
Other Non-Financial Assets	378	-	378	219		219
Total Assets	**1,24,809**	**2,951**	**1,27,760**	**1,14,716**	**4,782**	**1,19,498**
Liabilities						
Financial Liabilities						
Derivative financial instruments	-		-	13	-	13
Debt Securities	4,922	9,986	14,908	15,919	9,985	25,904
Borrowings (Other than Debt Securities)	69,339	-	69,339	53,335	-	53,335
Other Financial Liabilities	1,400	307	1,707	1,206	389	1,595
Non-Financial Liabilities			-			-
Provisions	120	187	307	90	163	253
Other Non-Financial Liabilities	739	-	739	760	-	760
Total Liabilities	**76,520**	**10,480**	**87,000**	**71,322**	**10,538**	**81,860**
Net			**40,761**			**37,639**
* Represents 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 in the Middle Layer (NBFC-ML) shall continue to follow regulations as currently applicable for NBFC-ND-SI except for the changes mentioned below at paras 3.1 and 3.2, the RBI requires the Company (NBFC-ND-SI) 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, 2023**	**As at March 31, 2022**
Tier I Capital	37,143	32,620
Tier II Capital	10,000	10,000
Total Capital	**47,143**	**42,620**
Risk Weighted Assets	**1,37,174**	**1,22,683**
CRAR		
Tier I Capital (%)	27.08%	26.59%
Tier II Capital (%)	7.29%	8.15%

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 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:

(₹. In Lakhs)

Particulars	**As at March 31, 2023**			
	Amortised cost	**At Fair Value Through profit or loss**	**At Deemed Cost**	**Total**
Financial Assets				
Cash and Cash Equivalents	482			482
Loans	1,23,718			1,23,718
Investments		0		0
Other Financial Assets	243			243
Total	**1,24,444**	**0**	**-**	**1,24,444**
Financial Liabilities				
Debt Securities	14,908			14,908
Borrowings (Other than Debt Securities)	69,339			69,339
Other Financial Liabilities	1,707			1,707
Total	**85,955**	**-**	**-**	**85,955**

Particulars	**As at March 31, 2022**			
	Amortised cost	**At Fair Value Through profit or loss**	**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	1,595			1,595
Total	**80,834**	**-**	**-**	**80,834**

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 nonmarket 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

Particluars	As at March 31, 2023			
	At FVTPL			
	Level-1	Level-2	Level-3	Total
Investments	0	-	-	0

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 EVPs, 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. 80 crs
Borrower Group	Rs. 130 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	150
B	80
C	20

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

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 2023

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	482	-	-	-	-	-	-	-	482
Loans*	42,074	39,077	26,217	12,520	7,877	-	-	-	1,27,765
Investments*	-	-	-	-			-	383	383
Other Financial assets	-	-	-	-	202	41	-	-	243
Total	**42,556**	**39,077**	**26,217**	**12,520**	**8,079**	**41**	**-**	**383**	**1,28,873**
Debt Securities			4,922		-	-	-	9,986	14,908
Borrowings (other than Debt Securities)	3,500	21,000	37,500		7,339				69,339
Other Financials liabilities	666	-	-	734		307			1,707
Total	**4,166**	**21,000**	**42,422**	**734**	**7,339**	**307**	**-**	**9,986**	**85,955**
(* Represents Gross Value without provision)									
* 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 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 Financials assets	-	-	-	-	14	237	-	-	250
Total	**86,960**	**25,408**	**2,615**	**-**	**8,673**	**620**	**-**	**0**	**1,24,275**
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**
(* Represents Gross Value without provision)									
* 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.

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:

		₹ in Lakhs
	March 31, 2023	**March 31, 2022**
Right to use assets		
Buildings	279	275
Lease liabilities		
Lease liabilities	307	389

(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

		₹ in Lakhs
	March 31, 2023	**March 31, 2022**
Buildings	203	180
Interest expense (included in finance cost)	31	43
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	9	8
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	4	4
Expense relating to variable lease payments not included in lease liabilities (included in administrative expenses)	-	-
The total cash outflow for leases during the period	332	301

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 Default

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 Factoring

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 and thus the management has proposed 0.50% as probability of default on the entire portfolio of Export factoring portfolio is provided .

Credit Quality Analysis

₹ 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 2023	1,15,672	549	8,623	35	3,470	3,463	4,046
As at March 2022	1,09,651	510	2,615	462	8,519	8,032	9,004

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."

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, 2023		March 31, 2022	
		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	-	10,479	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	-	-	-	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	4,922	-	15,919	-
	(f) Other Loans (specify nature)				-
	- Cash Credit	5,951	-	8,336	-
	- Working Capital Demand Loan	62,223	-	45,034	-
	- Short Term Loan Facility	-	-	-	-
	- Bank Overdraft	1,406		-	-

		ASSETS SIDE :	Amount Outstanding	
			March 31, 2023 Rs. in lakhs	March 31, 2022 Rs. in lakhs
2	Break-up of Loans and Advances including bills receivables [other than those included in (3) below:] #			
	(a) Secured		32,307	18,022
	(b)Unsecured		95,457	1,02,762
	(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				

SBIGFL

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	-	140.78
		(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	0.10
			(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

5	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:				
	Category		**Amount net of provisions (Rs. In Lakhs)**		
			Secured	**Unsecured**	**Total**
	1	Related Parties			
		(a) Subsidiaries			
		(b) Companies in the same group			
		(c) Other related parties	-	-	-
	2	Other than related parties	32,307	95,457	1,27,765
		(Previous Year)	18,022	1,02,762	1,20,784
		Total (Current year)	32,307	95,457	1,27,765
		Total (Previous year)	18,022	1,02,762	1,20,784

6	Investor group-wise classification of all investments (current and long term) (both quoted and unquoted):					
	(Rs. In lakhs)					
	Category		March 31, 2023		March 31, 2022	
			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, 2023		March 31, 2022	
			Rs. in lakhs		Rs. in lakhs	
	(i)	Gross Non Performing Assets				
		(a) Related Party	-		-	
		(b) Other than Related Parties	3,470		8,519	
	(ii)	Net Non-Performing Assets				
		(a) Related Party				
		(B) Other than Related Parties	7		487	
	(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, 2023	March 31, 2022
	Rs. in lakhs	Rs. in lakhs
(a) Credit rating and change in credit rating (if any);	NO	NO
(b) Debt-Equity ratio;	2.73	2.86
(c) (i) Previous due date for the payment of interest		
- 7.28% Tier II Bonds (10 Years)	28.07.2022	-
(ii) Repayment of principal of non convertible debt securities	-	29.07.2021
(d) (i) Next due date for the payment of Interest		

- 7.28% Tier II Bonds (10 Years)	28.07.2023	28.07.2022
(ii) Principal along with the amount of interest		
- 7.28% Tier II Bonds (10 Years)	28.07.2031	28.07.2031
(e) Capital redemption reserve / Debenture redemption reserve;	1,000	1,000
(f) Net Worth;	40,760	37,639
(g) Net Profit After Tax;	3,117	2,526
(h) Earnings Per Share:	1.95	1.58

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, 2023	March 31, 2022
i.	CRAR (%)	34.37	34.74
ii	CRAR - Tier I Capital (%)	27.08	26.59
iii	CRAR - Tier II Capital (%)	7.29	8.15
iv	Amount of Subordinated debt as Tier II Capital (Rs In Lakhs)	10,000	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, 2023	March 31, 2022
1	Value of Investments	-	-
i	Gross Value of Investments	-	-
	a) In India	383	523
	b) Outside India	-	-
ii	Provisions for Depreciation		
	a) In India	383	523
	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	523	383
ii	Add: Provisions made during the year	-	141
iii	Less: Write-off / write-back of excess provisions during the year	141	-
iv	Closing balance	383	523

C Derivaties - Forward Contract

₹ in Lakhs

Sr NO	Particulars	March 31, 2023	March 31, 2022
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, 2023	March 31, 2022
(i)	No. of Accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC/RC. *	-	-
(iii)	Aggregate consideration @	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years.	-	-
(v)	Aggregate gain/loss over net book value.	-	-

2 Details of Assignment transactions undertaken by NBFCs during the year

₹ in Lakhs

Sr NO	Particulars	March 31, 2023	March 31, 2022
(i)	No. of Accounts	-	-
(ii)	Aggregate value 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, 2023	March 31, 2022
(i)	No. of Accounts	6	1
(ii)	Aggregate value of accounts purchased	28,702	2,457
(iii	Aggregate consideration	28,702	2,457
(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, 2023	March 31, 2022
(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, 2023	March 31, 2022
(i)	No. of accounts sold	-	1
(ii)	Aggregate outstanding	-	298
(iii)	Aggregate Consideration received	-	100

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

Particulars	Up to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 year upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Loans	42,074	39,077	26,217	12,520	7,877	-	-	-	1,27,765
Investments	-	-	-	-	-		-	383	383
Borrowing									
- Bank Overdraft		-	-	-	1,406	-	-	-	1,406
- CC Facility $				-	5,934	-	-	-	5,934
- WCDL	3,500	21,000	37,500	-	-	-	-	-	62,000
- Commercial Papers	-	-	4,922	-	-	-	-	-	4,922
Debentures	-	-	-	-	-		-	9,986	9,986
Interest on Debentures	-	-	-	734	-	-	-	-	734
Foreign Curreny assets									
- Bank Accounts	200	-	-	-	-	-	-	-	200
Foreign Curreny liability									
- Import Factoring Commission	17	-	-	-	-	-	-	-	17
- Interest Payable on Loan	18	-	-	-	-	-	-	-	18

* 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 line of Credit

a) Exposure to Real Estate Sector *

₹ in Lakhs

	Category	March 31, 2023	March 31, 2022
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	-	-
(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	-	280
(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 @	**-**	**280**

* 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 Previous Year Rs.280 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 and Rs. 4500 lakhs is given below -**Nil**

e) Unsecured Advances

₹ in Lakhs

Type of Security	March 31, 2023	March 31, 2022
Insured through overseas Import Factor	5,730	5,110
Secured by way of Assignment of Receivables and through Residual / Subservient Charge	75,477	46,458
Fully Unsecured	14,250	51,194
Total	**95,457**	**1,02,762**

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)	20,000	Subordinated Debt Programme	29.03.2023	28.03.2024
ii)	ICRA	[ICRA]AAA (Stable)	1,84,900	Long-term fund-based bank lines	29.03.2023	28.03.2024
iii)	ICRA	[ICRA]AAA (Stable)	300	Long-term non-fund based bank lines	29.03.2023	28.03.2024
iv)	ICRA	[ICRA]A1+	1,84,900	Short-term fund-based bank lines	29.03.2023	28.03.2024
v)	ICRA	[ICRA]A1+	300	Short-term non-fund based bank lines	29.03.2023	28.03.2024
vi)	ICRA	[ICRA]A1+	2,00,000	Commercial paper programme	29.03.2023	28.03.2024
vii)	CRISIL	CRISIL AAA/Stable	20000	Subordinated Debt	07.07.2022	06.07.2023
	CRISIL	CRISIL A1+	150000	Commercial Paper	07.07.2022	06.07.2023
** The rating agency can review the rating once in previous 15 months						
Note: The above rating are taken on the basis of the certification provided by the respective rating agencies						

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

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

g) **Consolidated Financial Statements - Not Applicable**

ix **Additional Disclosure**

a) **Concentration of Deposits, Advances, Exposures and NPAs**

₹ in Lakhs

i) Concentration of Deposits	**March 31, 2023**	**March 31, 2022**
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, 2023**	**March 31, 2022**
Total Advances of twenty largest borrowers	56,336	33,316
Percentage of Advances of twenty largest borrowers to Total Advances of the NBFC	44.09	27.58

₹ in Lakhs

iii) Concentration of Exposures (i + ii)	**March 31, 2023**	**March 31, 2022**
Total Exposure to twenty largest borrowers /customers	50,500	33,316
Percentage of exposure to twenty largest borrowers / customers to Total Exposure of NBFC on borrowers / customers	13.16	27.58

₹ in Lakhs

iv) Concentration of NPAs	March 31, 2023	March 31, 2022
Total Exposure to top four NPA Accounts	2,974	7,355

b) Sector-wise NPAs

	Sector	March 31, 2023	March 31, 2022
		Percentage of NPAs to Total Advances in that sector	
1	Agriculture & allied activities	-	-
2	MSME	11%	1%
3	Corporate Borrowers	89%	10%
4	Services	0%	0%
5	Unsecured Personal Loan	-	-
6	Auto Loans	-	-
7	Other personal Loans	-	-

c) Movements of NPAs

₹ in Lakhs

	Particulars	March 31, 2023	March 31, 2022
i	Net NPAs to Net Advance (%)	0.01%	0.43%
ii	Movement of NPAs (Gross)		
	(a) Opening Balance	8,519	17,062
	(b) Additions during the year	446	1,844
	(c) Reductions during the year	5,494	10,387
	(d) Closing balance	3,470	8,519
iii	Movement of Net NPAs		
	(a) Opening Balance	487	3,730
	(b) Additions during the year	(452)	648
	(c) Reductions during the year	27	3,892
	(d) Closing balance	7	487
iv	Movement of Provisions of NPAs (Excluding Provision on Standard Assets)		
	(a) Opening Balance	8,032	13,331
	(b) Provision made during the year	898	1,196
	(c) Write off / write back of excess provisions	5,467	6,495
	(d) Closing Balance	3,463	8,032

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, 2023	March 31, 2022
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, 2023 **(in lakhs)**

	Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the 30th Sept 2022 (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	0	0	0	-	-
b)	Corporate persons*	0	0	0	-	-
c)	of which, MSMEs	0	0	0	-	-
d)	Others	0	0	0	-	-

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 half year ended March 31, 2023

(in lakhs)

Sr No	Description	Individual Borrowers		Small businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolution process	-	-	-
(B)	Number of accounts where resolution plan has been implemented under this window	-	-	-
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	-	-	-
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan	-	-	-

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, 2023. The Company has during the year incurred expenditure relating to CSR activities amounting to Rs.0.00 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 speciifc 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 Other additional regulatory disclosures as required under Schedule III

i) Valuation by registerd valuer:

During the year the company has not revalued its property, plant and equipment or intangible assets.

ii) Loans and advances

The company has not granted any loans and advances in the nature of loans to promoters, directors, Key Managerial Personnel (KMPs) and the related parties, repayable on demand.

iii) Benami Property:

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

iv) Borrowing Against Security of Current Assets:

The company has not borrowed any fund on the basis of security of current assets from Banks and Financial Institution during the year.

v) Wilful Defaulter:

The company has not been declared as as wilful defaulter by any bank or financial institution or any other lender during the year.

vi) Relationship with Struck off company:

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

vii) Registration of Charges or satisfaction with Registrar of Companies (ROC):

The Company does not have any charges or statisfaction of charges which is yet to be registered with Registrar of Companies beyond statutory period.

viii) Scheme of arrangement:

During the year, there is no Scheme of Arrangements have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 for the company.

ix) Utilisation of Borrowed Fund:

a) The company has not advanced or loaned or invested any funds to any other peron(s) or entity(ies),including foreign entities (intermediaries) with the understanding that the intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ulitimate Beneficiaries) or

ii) provide any guarantee,security or the like to or on behalf of the Ultimate Beneficiaries

b) The company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:

iii) 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

iv) provide any guarntee, security or the like to or on behalf of the Ultimate Beneficiaries

x) Undisclosed Income:

The company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessmets under the Income Tax Act 1961.

xi) Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

The figures in respect of the previous year have been regrouped / rearranged, wherever necessary to make them comparable. The previous year figures have been given as per last audited accounts, audited by other auditors.

54 The figures in respect of the previous year have been regrouped / rearranged, wherever necessary to make them comparable. The previous year figures have been given AS per last audited accounts, audited by other auditors.

55

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	1,15,672	549	1,15,123	463	86
	Stage 2	8,623	35	8,588	34	0
Subtotal		**1,24,294**	**583**	**1,23,711**	**497**	**86**
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	364	357	7	364	(7)

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 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	3,106	3,106	0	3,106	(0)
Subtotal for doubtful		**3,470**	**3,463**	**7**	**3,470**	**(7)**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**3,470**	**3,463**	**7**	**3,470**	**(7)**
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**	1,15,672	549	1,15,123	463	86
	Stage 2	8,623	35	8,588	34	0
	Stage 3	3,470	3,463	7	3,470	(7)
	Total	**1,27,765**	**4,046**	**1,23,718**	**3,968**	**79**

56 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: (Amount in lakhs)

Public Disclosure on liquidity risk

(These details are pertaining to Year ended March, 2023)

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

as on 31st March 2023				
Sr. No.	**Number of Significant Counterparties ***	**Amount**	**% of Total deposits**	**% of Total Liabilities**
1	6	6,900	NA	8
2	1	5,000	NA	6
3	2	68,544	NA	79
Total	**9**	**80,444**	**NA**	**92**

as on 31st March 2022				
Sr. No.	**Number of Significant Counterparties ***	**Amount**	**% of Total deposits**	**% of Total Liabilities**
1	6	6,900	NA	8
2	3	16,000	NA	20
3	2	53,335	NA	65
Total	**11**	**76,235**	**NA**	**93**
*** Significant counterparties are those counterparties whose outstandings is Rs. 10 crore and above.**				

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

as on 31st March 2023

Sr. No.	Particulars of Lenders	March 31, 2023	% of Total Borrowings
	Total	**75,444**	**90%**

as on 31st March 2022

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

(iv) Funding concentration based on significant instrument/product

as on 31st March 2023

Sr. No	Number of Instrument/product	Amount	% of Total Liabilities
	Total	**83,544**	**96**

as on 31st March 2022

Sr. No	Number of Instrument/product	Amount	% of Total Liabilities
	Total	**79,335**	**97**

(V) Stock Ratios:

As per Ind AS			
Sr. No.	**Ratios**	**March 31, 2023**	**March 31, 2022**
a)	Commercial paper as a % of Total Public Funds	NA	NA
	Commercial paper as a % of Total Liabilities	6	19
	Commercial paper as a % of Total Assets	4	13
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	88	68
	Other Short-term liabilities as a % of Total Assets	60	46

(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 SARDA & PAREEK LLP Chartered Accountants Firm Registration No. 109262W/ W100673	Swaminathan Janakiraman Chairman DIN :- 08516241	Narayanan Raja Independent Director DIN :- 00503400	Anurag Bhargava Chief Financial Officer
CA Satya Narayan Bohra Partner M.No. 042623 Place : Mumbai Date : 18th April 2023	Place : Mumbai Date : 18th April 2023		

Balance Sheet
as at March 31, 2023

(in US $)

	Particulars	March 31, 2023 *	March 31, 2022 **
	ASSETS		
(1)	**Financial Assets**		
(a)	Cash and cash equivalents	5,86,470	35,84,733
(b)	Loans	15,05,63,852	14,74,82,326
(c)	Investments	122	132
(d)	Other Financial assets	2,96,185	3,30,012
		15,14,46,629	**15,13,97,204**
(2)	**Non-financial Assets**		
(a)	Current tax assets (Net)	7,06,336	9,51,157
(b)	Deferred tax Assets (Net)	15,72,054	36,86,304
(c)	Property, Plant and Equipment	12,23,355	13,09,396
(d)	Intangible assets under development	35,049	15,797
(e)	Other Intangible assets	40,137	16,572
(f)	Other non-financial assets	4,59,464	2,88,871
		40,36,396	**62,68,096**
	Total Assets	**15,54,83,025**	**15,76,65,300**
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	**Financial Liabilities**		
(a)	Derivative financial instruments	-	16,492
(b)	Debt Securities	1,81,42,760	3,41,77,050
(c)	Borrowings (Other than Debt Securities)	8,43,85,315	7,03,69,893
(d)	Other financial liabilities	20,77,656	21,04,831
		10,46,05,731	**10,66,68,267**
2.	**Non-Financial Liabilities**		
(a)	Provisions	3,73,692	3,34,108
(b)	Other non-financial liabilities	8,99,023	10,02,883
		12,72,715	**13,36,991**
3.	**EQUITY**		
(a)	Equity Share capital	1,94,57,876	2,10,95,143
(b)	Other Equity	3,01,46,971	2,85,65,189
		4,96,04,847	**4,96,60,332**
	Total Liabilities and Equity	**15,54,83,025**	**15,76,65,300**

* 1 US $= 82.1700   ** 1 US $ = 75.7925

Note: Previous year's figures have been regrouped/ recast / reworked / rearranged / reclassified wherever necessary

Statement of Profit & Loss
for the year ended March 31, 2023

(in US $)

	Particulars	Year ended March 31, 2023 *	Year ended March 31, 2022 **
	Revenue from operations :		
(i)	Interest income	1,25,30,734	1,18,89,174
(ii)	Fees and commission income	3,73,444	4,22,053
(iii)	Sale of services	7,16,876	7,37,758
(iv)	Others	11,61,038	2,69,156
(v)	Reversal of provision	62,04,585	83,37,466
(1)	**Total revenue from operations**	**2,09,86,677**	**2,16,55,608**
(2)	**Other income**	1,85,281	2,72,481
(3)	**Total income**	**2,11,71,958**	**2,19,28,090**
	Expenses :		
(i)	Finance costs	53,51,613	42,66,779
(ii)	Fees and commission expense	1,67,776	2,00,160
(iii)	Net loss on fair value changes	-	1,85,742
(iv)	Net loss on derecognition of financial instruments under amortised cost category	63,51,589	80,59,342
(v)	Employee benefits expenses	19,39,451	17,94,599
(vi)	Depreciation, amortization and impairment	3,10,328	2,91,819
(vii)	Others expenses	14,31,653	13,91,879
(4)	**Total expenses**	**1,55,52,410**	**1,61,90,320**
(5)	Profit / (loss) before exceptional items and tax	56,19,548	57,37,770
(6)	Exceptional items	-	-
(7)	**Profit/(loss) before tax**	56,19,548	57,37,770
(8)	**Tax Expense:**	-	
	Current Tax / Tax for previous year	-	-
	Deferred Tax	18,25,982	24,04,651
	MAT Credit	-	-
(9)	Profit / (loss) for the period from continuing operations	**37,93,566**	**33,33,118**
(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	**37,93,566**	**33,33,118**
(14)	**Other Comprehensive Income**	-	-
	(i) Items that will not be reclassified to profit or loss	-	-
	Remeasurement gain on Defined Benefit Plan	7,422	39,697
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	(2,161)	-
	Subtotal (A)	**5,260**	**39,697**
	(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)	**5,260**	**39,697**
(15)	**Total Comprehensive Income for the year**	**37,98,827**	**33,72,816**

* 1 US $= 82.1700 ** 1 US $ = 75.7925

Note: Previous year's figures have been regrouped/ recast / reworked / rearranged / reclassified wherever necessary

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