

M/S CANBANK FACTORS LIMITED
67/1, KANAKAPURA MAIN ROAD BASAVANAGUDI, BANGALORE, KARNATAKA - 560004
CIN : U85110KA1991PLC011960
BALANCE SHEET AS AT 31.03.2024

(Rs in Lakhs)


Particulars	Notes	As at 31st March 2024	As at 31st March 2023
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.01	2,000.00	2,000.00
(b) Reserves & Surplus	2.02	10,900.31	10,629.89
		12,900.31	12,629.89
(2) Share application money pending allotment			
-			
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term Provisions	2.03	93.03	63.72
		93.03	63.72
(4) Current Liabilities			
(a) Short-term Borrowings	2.04	45,575.45	37,047.49
(b) Other Current Liabilities	2.05	808.62	508.25
(c) Short-term Provisions	2.03	4,967.94	5,035.62
		51,352.01	42,591.36
Total		64,345.35	55,284.97
II. ASSETS			
(1) Non-current assets			
(a) Property Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	2.06	19.58	23.98
(ii) Intangible assets		-	-
(b) Non- Current Investments	2.07	-	-
(c) Deferred tax Assets (net)	2.08	4,501.83	4,587.39
(d) Long term Loans & Advances	2.12	-	-
(e) Other Non- Current Assets	2.09	26.91	29.40
		4,548.32	4,640.77
(2) Current assets			
(a) Current investments	2.07	-	-
(b) Inventories		-	-
(c) Trade Receivables	2.10	58,804.88	50,071.99
(d) Cash and Bank Balances	2.11	500.61	0.66
(e) Short term Loans & Advances	2.12	491.54	452.25
(f) Other Current Assets	2.09	-	119.30
		59,797.03	50,644.20
Total		64,345.35	55,284.97
Significant Accounting Policies and Notes on Accounts		1 & 2	0.00

For and on behalf of the Board of Directors

Canbank Factors Limited



HARDEEP SINGH AHLUWALIA
 Chairman
 DIN:09690464


ANANTHAN SRINIVASAN
 Independent Director
 DIN:02123959


BASANT SETH
 Independent Director
 DIN:02798529


As per our attached report of even date

For **Mallya & Mallya**
 Chartered Accountants
 Firm Regn No. 0019555



CA Prashanth CS
 Partner
 M. No. 218355
 UDIN: 24218355BKAMFD8904



DR RAJIB KUMAR SAHOO
 Managing Director
 DIN:09033877


GYANA RANJAN SARANGI
 Nominee Director
 DIN:09412614


RAVI CHATTERJEE
 Independent Director
 DIN:03312963


SREEPATHY SUBBARAO
 Nominee Director
 DIN:09638305


GOVIND SOLANKI
 Senior Executive Vice President


HELEN D'JOY
 CFO & Company Secretary

Date:22.04.2024

M/S CANBANK FACTORS LIMITED
67/1, KANAKAPURA MAIN ROAD BASAVANAGUDI, BANGALORE, KARNATAKA - 560004
CIN : U85110KA1991PLC011960

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2024

(Rs in Lakhs)

Particulars	Notes	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
I. Revenue from Operations	2.13	5,545.25	6,119.33
II. Other Income	2.14	2.91	2.84
III. Total Revenue (I + II)		5,548.15	6,122.17
IV. Expenses:			
Employee Benefit Expenses	2.15	468.61	468.01
Other Expenses	2.16	1,198.96	1,839.30
Finance costs	2.17	3,517.93	3,059.74
Depreciation and Amortization expenses	2.06	6.25	8.68
IV. Total Expenses		5,191.75	5,375.73
V. Profit Before Exceptional and Extraordinary Items and Tax (III - IV)		356.41	746.44
VI. Exceptional Items and Extraordinary Items		-	-
VII. Profit/(Loss) Before Tax (V - VI)		356.41	746.44
VIII. Tax Expense:			
(1) Current tax			-
(2) Deferred tax		85.56	243.88
(3) Prior Period Tax			
Total Tax Expense		85.56	243.88
IX. Profit/(Loss) after tax		270.85	502.56
X. Earnings Per Equity Share	2.26		
(1) Basic		1.35	2.51
(2) Diluted		1.35	2.51
Significant Accounting Policies and Notes on Accounts	1 & 2		

For and on behalf of the Board of Directors

Canbank Factors Limited

As per our attached report of even date

For **Mallya & Mallya**
Chartered Accountants
Firm Regn No. 0019556

CA Prashanth CS
Partner
M. No. 218355
UDIN: 242183550KAMFD8904


HARDEEP SINGH AHLUWALIA
Chairman
DIN:09690464

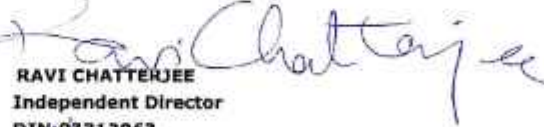

ANANTHAN SRINIVASAN
Independent Director
DIN:02123959


BASANT SETH
Independent Director
DIN:02798529




DR RAJIV KUMAR SAHOO
Managing Director
DIN:09033877

GYANA RANJAN SARANGI
Nominee Director
DIN:09412614


RAVI CHATTERJEE
Independent Director
DIN:03312963


SREEPATHY SUBBARAO
Nominee Director
DIN:09638305


GOVIND SOLANKI
Senior Executive Vice President


HELEN D JOY
CFO & Company Secretary

Date:22.04.2024
Place: Bengaluru

M/S CANBANK FACTORS LIMITED
67/1, KANAKAPURA MAIN ROAD BASAVANAGUDI, BANGALORE, KARNATAKA - 560004
CIN : U85110KA1991PLC011960
CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2024

(Rs in Lakhs)

Particulars	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
A. Cash flows from Operating activities		
Profit before tax	356.41	746.44
Adjusted for:		
Depreciation and amortization	6.25	8.68
Interest income	(1.58)	(2.29)
Bad Debts/advances written off	513.42	1,225.07
Finance Cost	3,517.93	3,059.74
Profit on Sale of Property, Plant and Equipments	(0.17)	(0.55)
Excess Provision Reversed	(513.42)	(1,225.07)
Loss on Sale of Property, Plant and Equipments	-	-
Provision for doubtful debts and advances	-	-
Operating profit before working capital changes -	3,878.85	3,812.02
Movement in working capital		
Increase/ decrease in trade receivables	(8,732.89)	12,261.42
Increase/ decrease in Inventories	-	-
Increase/ decrease in short loans and advances	(39.29)	155.89
Increase/ decrease in other current assets	119.30	43.96
Increase/ decrease in other non current assets	2.49	141.29
Increase/ decrease in Short term provision	(67.68)	(1,216.11)
Increase/ decrease in other current liabilities	300.37	(94.28)
Increase/ decrease in other long term Provisions	29.32	17.87
Cash generated from operations	-	-
Direct taxes paid (net of refunds)	-	-
Net cash from operating activities	(4,509.53)	15,122.07
B. Cash flows from Investing activities		
Purchase of fixed assets (including capital advances)	(2.44)	(2.77)
Proceeds from sale of fixed assets	0.32	0.69
Increase/ decrease in current Investment	-	-
Dividend and Interest income	-	-
Net cash used for investing activities -	(2.12)	(2.08)
C. Cash flows from Financing activities		
Issue or proceeds from Share Capital	-	-
Repayment of Short term borrowings	8,527.96	(12,062.28)
Finance cost	(3,517.93)	(3,059.73)
Interest income	1.58	2.29
Net cash from (used for) financing activities -	5,011.61	(15,119.72)
Exchange differences on translation of foreign currency cash and cash equivalents	-	-
Net increase in cash and cash equivalents (A+B+C)	499.95	0.26
Cash and cash equivalents at the beginning of the year	0.66	0.40
TOTAL	500.61	0.66
Cash and cash equivalents at the end of the year	500.61	0.66

For and on behalf of the Board of Directors

Canbank Factors Limited


HARDEEP SINGH AHLUWALIA
 Chairman
 DIN:09690464


ANANTHAN SRINIVASAN
 Independent Director
 DIN:02123959


BASANT SETH
 Independent Director
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As per our attached report of even date

For *Mallyn & Mallyn*
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GOVIND SOLANKI
 Senior Executive Vice President


HELEN D JOY
 CFO & Company Secretary

Date:22.04.2024
 Place: Bengaluru

CANBANK FACTORS LIMITED

1. SIGNIFICANT ACCOUNTING POLICIES

COMPANY OVERVIEW

Canbank Factors Limited, a subsidiary of Canara Bank is registered with Reserve Bank of India as a non-banking, non-deposit taking and systemically important Company. The Company is carrying on the business of factoring with a network of 9 branches and 1 TReDS Unit across India. The Company has got registration from RBI with effect from 8th August, 2014.

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention.

1.2 USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments estimates and assumptions that affect the reported balances, revenues, expenses, assets, liabilities and disclosures relating to contingent liabilities at the end of the reporting period. However, these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

1.3 REVENUE RECOGNITION

Income is accounted on accrual basis in terms of the guidelines issued by the Reserve Bank of India for Non-Banking Financial Companies. In respect of Non-Performing Assets (NPA's), no income is recognized/ accrued after it is classified as NPA and any income recognized before the asset became NPA and remaining unrealized is reversed. However, amount received in excess of book value of NPA's is treated as other receipts under revenue from Operations.

Discount charges:

Income is considered to accrue on time basis on the balances in the Prepayment Accounts at the rate of discount applicable.

Factoring charges:

Income is considered to accrue on the amount of debts factored at the applicable rate.

Processing charges:

Income is considered in full at the time of sanction of the factoring limits by the Company.

Interest on Investments:

Income is considered to accrue on time basis.

1.4 INVESTMENTS

All Investments are valued on individual basis. Long-term investments are valued at cost. Premium, if any, paid in excess of the fair value is amortized over the remaining period.

1.5 FIXED ASSETS

Fixed Assets are valued at cost (inclusive of installation and other direct incidental expenses) less accumulated depreciation. Assets purchased but given on Lease are capitalized on installation at cost, net of cenvat.



CANBANK FACTORS LIMITED

1. SIGNIFICANT ACCOUNTING POLICIES

1.6 DEPRECIATION

Assets other than given on Lease:

Depreciation is provided on Written down Value Method on pro-rata basis in accordance with the useful life of assets as prescribed under Schedule II Part- "C" of the Companies Act 2013 in such a way that the residual value of an asset shall not be more than 5% of the original cost of the asset.

In case of small value of asset with the original cost price of individual asset is upto Rs.5000/- then the entire amount to be depreciated fully in the financial year of purchase.

The intangible assets like Computer software (Both custom made & market purchases), the useful life shall be for a maximum period of three years and be depreciated accordingly.

1.7 ASSET CLASSIFICATION

In terms of the guidelines of Reserve Bank of India, Debts Factored and other debts are classified into Standard or Performing asset and Non-performing asset based on the record of recovery of principal/discount charges; Non-performing Assets are further categorized as Sub-Standard, Doubtful and Loss Assets.

1.8 PROVISIONING

a) Provision in respect of Non-performing asset is determined as under:

I) For Sub-standard Assets: - A general provision of 10% of total outstanding shall be made.

II) For Doubtful Assets: - (a). 100% provision to the extent to which the debt is not covered by the realizable value of the security to which the company has a valid recourse is made. The realizable value is estimated on a realistic basis.

(b). In addition to Item (a) above, depending upon the period for which the asset has remained doubtful, provision to the extent of 20% to 50% of the secured portion (i.e. estimated realizable value of the outstanding) is made on the following basis: -

Period for which the asset has been considered as doubtful	% Provision
Up to one year	20
One to three years	30
More than three years	50

III) For Loss Assets: - The entire asset is written off. If the assets are permitted to remain in the books for any reason, 100% of the outstanding is provided for.

b) In respect of Standard Assets, a general provision of 0.40% on the outstanding is made.

1.9 FACTORED & OTHER DEBTS & FUNDS-IN-USE

Debts factored and other debts are included under Current Assets as Trade Receivables. The unpaid balance of debts factored and due to clients after collection is deducted from Gross Debts Factored and the Funds-in-use is arrived at.



CANBANK FACTORS LIMITED

1. SIGNIFICANT ACCOUNTING POLICIES

1.10 RETIREMENT BENEFITS

The Provident Fund contribution for the directly recruited employees is a defined contribution scheme and is being remitted to the Regional Provident Fund Commissioner and accounted for on accrual basis and the Company has no further liability beyond its monthly contributions.

Gratuity is a defined benefit obligation for directly recruited employees. The company has taken a group gratuity policy from LIC of India. The liability for future gratuity benefits is accounted based on actuarial valuation as at the end of each year as disclosed by LIC of India. Further, a separate valuation from an approved Actuarial valuer has been taken by the company as per the requirement of AS-15 Standard.

The Company modified the terminal benefit provision to include the leave salary for the Directly Recruited Employees of the company (The leave salary was not a part of terminal benefits till 31.03.2021). The Company has taken an Actuarial Valuation of the Leave Salary Liability from an Approved Actuarial valuer as at 31st March, 2021 and the provision has been made accordingly in the Books of accounts complying with the requirement of AS-15. As regards the payment of liability, it shall be accounted and be paid as and when the claim arises by debiting against the provision made in the books.

1.11 BORROWING COST

Borrowing Cost that is attributable to construction of fixed assets is capitalized as part of such assets for the period up to the date of installation. All other borrowing costs are charged to revenue on accrual basis. However, other expenses incidental to borrowings like stamp duty, I.P. Commission etc are charged off at the time of incidence.

1.12 FOREIGN EXCHANGE TRANSACTION

- a) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- b) Current assets and current liabilities are translated at the year-end rate.
- c) The differences between the rate prevailing on the date of the transaction and on the settlement and also on translation of current assets and current liabilities at the end of the year are recognized as income or expenditure as the case may be and are adjusted in the statement of Profit & Loss accordingly.
- d) Liability on account of Exchange difference in respect of foreign currency loans utilized for the purpose of acquiring fixed assets and outstanding on the balance sheet date is added to the cost of the fixed assets. Exchange difference on such loan installments paid during the year is accounted for as revenue expense.
- e) In respect of Foreign Exchange Contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expense over the life of the contract, except in respect of liabilities incurred for acquiring fixed assets in which case, such difference should be adjusted in the carrying amount of the respective fixed assets.
- f) Any profit or loss arising on cancellation or renewal of a forward exchange contract is recognized as income or as expense for the period, except in case of a forward exchange contract relating to liabilities incurred for acquiring fixed assets, in which case, such profit or loss should be adjusted in the carrying amount of the respective fixed assets.



CANBANK FACTORS LIMITED

1. SIGNIFICANT ACCOUNTING POLICIES

1.13 TAXATION

- a) Provision for Current tax is made on the basis of taxable income estimated in accordance with the provisions of Income Tax Act, 1961.
- b) Deferred tax resulting from timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.
- c) Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty that these would be realized in future. Deferred tax Assets are carried forward to the extent it is reasonably/ virtually certain that future taxable profit will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each balance sheet date and written down/ written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

1.14 PRIOR PERIOD TRANSACTIONS

Prior period items of revenue & capital shall be recognized and shown separately in accounts whenever such transactions exceed 1% or Rs.100000/- whichever higher, of the total Revenue, Expenditure, and Assets & Liabilities as the case may be as per item No.5 of general instructions in preparation of P & L account, of the Companies Act, 2013.

1.15 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. Company has the accounting policy of reversing the provisions made earlier which no longer required to credit of profit and loss and account and to write off bad debts to Profit and Loss Statement to the extent of bad debts which are actually written off during the year. Such write off policy has been duly approved by the Board of Directors.

1.16 EARNINGS PER SHARE

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of dilutive potential equity shares.



NOTES ON ACCOUNTS FOR THE YEAR ENDED 31.03.2024

2.01 SHARE CAPITAL

(Rs in Lakhs)

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
AUTHORIZED SHARES 10,00,00,000 Equity Shares of Rs.10/-each	10,000.00	10,000.00
ISSUED, SUBSCRIBED AND FULLY PAID UP SHARES 2,00,00,000 Equity Shares of Rs .10/- each	2,000.00	2,000.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	31st March 2024		31st March 2023	
	No Of Shares (In Lakhs)	₹ Lakhs	No Of Shares (In Lakhs)	₹ Lakhs
Equity Shares				
At the beginning of the period	200	2,000	200.00	2,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	200	2,000	200.00	2,000

b. Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Canara Bank , the Holding Company 1,40,00,000 equity shares of ₹ 10 each fully paid	1,400.00	1,400.00
SIDBI, Co promoters 40,00,000 equity shares of ₹ 10 each fully paid	400.00	400.00
Union Bank of India 20,00,000 equity shares of ₹ 10 each fully paid	200.00	200.00

c. Details of shareholders holding more than 5% shares in the company:

Particulars	31st March 2024		31st March 2023	
	No Of Shares (In Lakhs)	% holding in the class	No Of Shares (In Lakhs)	% holding in the class
Equity shares of ₹ 10 each fully paid				
Canara Bank , the Holding Company	140	70%	140	70%
SIDBI, Co promoters	40	20%	40	20%
Union Bank of India	20	10%	20	10%

Shares held by promoters at the end of the year

Promoter Name	No Of Shares (In Lakhs)	% of total shares	% Change during the year
Canara Bank (Parent Company)	140	70%	-
SIDBI	40	20%	-
Union Bank of India	20	10%	-

d. Terms / rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the 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 equity share holders.

e. Stock Option Plans:

The Company has no stock option Plans.

f. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has not issued any bonus shares or shares for consideration other than cash or bought back any shares during the period of five years immediately preceding the reporting date.



As per Companies (Amendment) Act, 2019, the shares/securities shall be held or transferred only in Dematerialised form. Accordingly, all the shares of the Company are dematerialised through NSDL (Depository participant) and the ISIN allotted to our equity Shares is INE986D01016. The Registrar & transfer agent(RTA) is M/s Canbank computer services Limited

2.02 RESERVES AND SURPLUS

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
STATUTORY RESERVE FUND		
As Per Last Balance Sheet	5,309.00	5,208.00
Add: Transferred from Profit & Loss account	55.00	101.00
TOTAL	5,364.00	5,309.00
RESERVE FOR CONTINGENCIES		
As Per Last Balance Sheet	3,360.00	3,360.00
Add: Transferred from Profit & Loss account*	-	-
TOTAL	3,360.00	3,360.00
GENERAL RESERVE		
Balance as per last financial statements	11,648.14	11,246.57
less :Reserves Adjusted	(0.43)	-
Add: Transferred from Profit & Loss account*	215.85	401.57
TOTAL	11,863.56	11,648.14
PROFIT AND LOSS ACCOUNT		
Balance as per last financial statement	(9,687.25)	(9,687.25)
Add: Net Profit after tax transferred from Statement of Profit & Loss	270.85	502.57
Appropriations:		
Transfer to Statutory Reserve Fund	55.00	101.00
Proposed Dividend	-	-
Dividend Tax, Surcharge & Cess	-	-
Transfer to Reserve for Contingencies*	-	-
Transfer to General Reserve	215.85	401.57
Closing Balance of Profit & Loss Account	(9,687.25)	(9,687.25)
GRAND TOTAL - RESERVES & SURPLUS	10,900.31	10,629.89

* In the opinion of the management, the balance in Contingencies reserve is adequate and hence no transfer is considered necessary for the current financial year.

2.03 PROVISIONS

Particulars	Long Term		Short Term	
	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Provision For Income Tax	-	-	21.86	21.86
Provision For Standard Asset	-	-	214.70	179.15
Provision for Doubtful Receivables	-	-	4,412.66	4,720.37
Provision For Outstanding Expenses	-	-	318.72	114.24
Provision for-deputed employees (Leave Salary & Gratuity)	33.31	16.98	-	-
Provisions -Others	-	-	-	-
Provision For Leave Salary	59.72	46.74	-	-
TOTAL	93.03	63.72	4,967.94	5,035.62

In terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 as amended dated 27th March, 2015 a general provision of 0.40% of the outstanding standard assets is made. Accordingly , the provision is not netted from gross advances (Factored & Other Debts) but disclosed separately under "Provisions" in the balance sheet and considered for Tier II capital.

*Provision for employee benefits - The Company modified the terminal benefit provision to include the leave salary for the Directly Recruited Employees of the company (The leave salary was not a part of terminal benefits till 31.03.2020).The Company has taken an Actuarial Valuation of the Leave salary Liability from an Approved Actuarial valuer as at 31st March,2024 and the provision has been made accordingly in the Books of accounts complying with the requirement of AS-15.



(a) The particulars of provision for bad and doubtful debts are given as under: -

Particulars	2023-24	2022-23
	(₹ Lakhs)	(₹ Lakhs)
Balance as at beginning of the year	4,720.37	5,435.76
Add: Provision made during the year	205.71	458.10
Total	4,926.08	5,893.86
Less: Written off /excess written back	513.42	1,173.49
Balance as at the end of the year	4,412.66	4,720.37

In terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 as amended dated 19th October 2023 provision for doubtful assets have been made. As per that circular, the provision is not netted from gross advances (Factored Debts) but shown separately under "Provisions" in the Balance Sheet.

2.04 SHORT - TERM BORROWINGS

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Overdraft from Canara Bank	2,575.45	22,047.49
Commercial Paper(CP)	-	-
Working Capital Demand Loan - Canara Bank	43,000.00	15,000.00
Deposits	-	-
TOTAL	45,575.45	37,047.49

The borrowing from Canara Bank is secured by a charge on Debts factored and repayable on demand and carries interest @ Marginal cost of funds based lending rate(MCLR).

2.05 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Sundry Liability and others	90.47	77.56
Discount Charges received in Advance	715.69	429.09
Credit Balances in Client's A/Cs.	-	-
Interest accrued but not due (Canara Bank -WCDL)	-	-
Sundry Liability - Cut Back Margin	1.03	1.60
Duties & Taxes	1.43	-
Gratuity Contribution (deficit) - LIC	-	-
Branch Adjustment	-	0.00
TOTAL	808.62	508.25

Details of dues to Micro and Small Scale Enterprises as defined under the MSMED Act, 2006:

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
	MSME	NON MSME
The principle amount and the interest due there on remaining unpaid to any supplier as at the end of each accounting year:		
- Principle amount due to micro small enterprises	NIL(*)	NIL
- Interest due on above	NIL(*)	NIL

*Details of dues to micro and small scale enterprises as defined under MSMED, 2006:

The Company has not received any intimation from the suppliers regarding their status under Micro, Small & Medium Enterprises Development Act, 2006. Hence no disclosure is made in respect of:

- Amount due and outstanding to suppliers as at the end of the accounting year.
- Interest paid during the year.
- Interest due and payable at the end of the accounting year.
- Interest accrued and unpaid at the end of the accounting year.

DETAILS TO TRADE PAYABLES:

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-

2.07 INVESTMENTS

Particulars	Non-Current		Current	
	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
TOTAL	-	-	-	-



2.08 DEFERRED TAXES (NET) (*)

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Deferred Tax Assets		
Fixed Assets : Impact of difference between tax depreciation and depreciation charged for financial reporting	8.80	9.46
Provision for Doubtful Receivables	1,147.29	1,227.30
Carry Forward Income tax loss	3,321.55	3,334.06
Provision for Employee Benefits	24.19	16.57
Deferred Tax Liabilities		
On account of Gratuity Contribution to LIC in respect of Direct Recruited Employees	-	-
Deferred Taxes (Net)	4,501.83	4,587.39

Deferred Tax for the year has been computed at the current tax rate applicable to the Company of 25% plus cess of 4% (No surcharge as there is carry forward loss)

2.09 OTHER ASSETS

Particulars	NON- CURRENT		CURRENT	
	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Loan Against Property(LAP)	-	-	-	38.31
Unsecured (Restructured Loan)	-	-	-	80.99
Security and other Deposits	26.91	29.41	-	-
TOTAL	26.91	29.41	-	119.30

2.10 TRADE RECEIVABLES

Particulars	NON- CURRENT		CURRENT	
	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Sundry Debtors (Unsecured)				
Debts Factored & Other Debts				
a) Outstanding for a period exceeding 6 months from the date they are due for payment	-	-	435.84	205.64
b)Restructured Standard Account	-	-	-	-
b)Unsecured Considered Doubtful	-	-	9,660.37	10,097.14
c) Others (Unsecured & Considered Good)	-	-	54,776.78	46,348.35
TOTAL	-	-	64,872.99	56,651.13
Less: Due upon Collection of Factored Debts	-	-	6,068.10	6,579.14
FUNDS-IN-USE	-	-	58,804.88	50,071.99

The Prime Security for Debts Factored and outstanding are the Trade Invoices and hence treated as unsecured.

2.10 TRADE RECEIVABLES (Continued)

In terms of Factoring Regulation Act, 2011 and considering the Definition of "Factoring" provided thereunder, the debts factored / Other debts and the Funds-In-Use are classified as under:-

Particulars	Debts Factored & Other Debts	Percentage (%)	Funds-In-Use	Percentage (%)
Sale Bill Factoring	13,214.64	20.37	8,168.52	13.89
Trade Receivables discounting system	50,234.66	77.44	49,959.00	84.96
Purchase Bill Discounting	1,228.69	1.89	677.37	1.15
Invoice Discounting (Backed by LC)	195.00	0.30	0.01	0.00
Loan Against Property(LAP)	-	-	-	-
	64,872.99	100.00	58,804.88	100.00

Debt considered doubtful includes the amounts payable to the clients upon realization of the invoice. This amount has been deducted out of the Debts Factored as 'Due on Collection of Factored Debts'. Therefore, the net amount due from the Client is only the "Funds-in-use." Accordingly, the provision for Non-performing assets has been made only on funds-in-use in tune with the prudential norms of Reserve Bank of India. This treatment does not affect the computation of the Net Profit and Net Current Assets of the Company.

The Debts factored & Other Debts and Funds-In-Use as disclosed above in respect of some Clients are subject to confirmation.



2.06 FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS AT 01-04-2023	ADJUSTMENT DURING THE YEAR	TOTAL AS AT 31-3-2024	DEPRECIATION UPTO 01-04-2023	DEPRECIATION FOR THE YEAR	ADJUSTMENT DURING THE YEAR	DELETION DURING THE YEAR	TOTAL AS AT 31-03-2024	WDV AS AT 31-03-2024	WDV AS AT 31-3-2023
TANGIBLE ASSETS:										
COMPUTER DEVICES	171.17	0.00	158.42	161.63	3.14	1.38	12.74	153.42	5.00	9.54
FURNITURES & FIXTURES	69.98	0.27	60.14	67.04	0.16	0.00	10.06	57.13	3.01	2.94
ELECTRICAL INSTALLATIONS	53.66	1.91	52.07	47.76	1.30	(0.04)	2.86	46.16	6.51	5.91
VEHICLES	12.29	0.00	12.25	8.18	1.29	(0.91)	0.04	8.53	3.73	4.12
OFFICE EQUIPMENTS	26.58	0.27	25.19	25.11	0.35	(0.01)	1.61	23.85	1.34	1.47
ASSETS GIVEN ON LEASE (Plant & Machinery)	-	-	-	-	-	-	-	-	-	-
Total Tangible Assets- I	333.69	2.44	308.67	309.71	6.25	0.43	27.31	289.09	19.58	23.98
INTANGIBLE ASSETS:										
SOFTWARE	106.73	-	106.73	106.73	-	-	-	106.73	-	-
Total Intangible Assets- II	106.73	-	106.73	106.73	-	-	-	106.73	-	-
GRAND TOTAL (I+II)	440.42	2.44	415.39	416.44	6.25	0.43	27.31	395.82	19.58	23.98
PREVIOUS YEAR TOTAL	443.03	2.77	440.42	413.01	8.68	-	5.25	416.44	21.98	30.62



Trade Receivables Ageing Schedule*

Particulars	Outstanding for following Periods from due date of Payment						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
Undisputed Trade Receivables - Considered Good	53,592.17	1,386.56	-	-	-	-	54,978.73
Restructured-Standard	-	-	-	-	-	-	-
Undisputed trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered Doubtful	-	-	20.88	0.00	9,873.39	-	9,894.27



In terms of Accounting Policies No.1.7 based on RBI guidelines, the Debts Factored & Other Debts and Funds-in-use (FIU) of the Company have been classified as under:-

Particulars	(Amount ₹ Lakhs)		(Amount ₹ Lakhs)	
	31st March 2024		31st March 2023	
	Debts Factored & Other Debts	Funds-in-use	Debts Factored & Other Debts	Funds-in-use
Standard Asset	55,212.62	53,675.67	46,704.30	44,788.21
Sub-standard Asset	315.48	294.76	916.22	721.44
Doubtful Asset	3,486.36	1,450.71	5,352.06	2,466.50
Loss Asset	5,858.53	3,383.74	3,678.57	2,215.14
TOTAL	64,872.99	58,804.88	56,651.15	50,191.29

Movement of NPA's :-

Particulars	(₹ In Lakhs)	(₹ In Lakhs)
	31.3.2024	31.03.2023
Opening Balance	5,403.09	6,283.01
Add: Additions during the year	311.72	1,007.67
Total	5,714.81	7,290.68
Less:-		
(1) Realisation/ reduction during the year including OTS	72.18	469.91
(2) Recovered and Closed During the Year (without Book Liability write off)	-	-
(3).Recovered and Closed During The Year (with Book Liability write off)	-	192.81
(4).Write off during the year (Prudential)	513.42	1,225.07
(5) Adjustments	-	-
Closing Balance	5,129.21	5,403.09
Provision for NPA's	4,412.66	4,720.36
NET NPA	716.55	682.73

2.11 CASH AND BANK BALANCES

Particulars	Non-current		Current	
	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Cash and Cash equivalents				
Balances with Banks				
- In Current Account	-	-	500.36	0.38
- In Deposit Account	-	-	-	-
Cash on Hand	-	-	0.26	0.28
Cheques in Transit	-	-	-	-
TOTAL	-	-	500.61	0.66

2.12 LOANS & ADVANCES

Particulars	Long Term		Short Term	
	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Income Tax	-	-	369.93	381.86
Unsecured and considered good:				
Gratuity Contribution Account	-	-	-	2.44
GST Input credit - Receivable	-	-	80.15	47.10
Discount on Commercial Paper(CP)	-	-	-	-
Advances- Others	-	-	34.81	17.24
Prepaid Rates,Taxes,Others	-	-	6.65	3.61
Inter Branch Adjustment	-	-	-	-
TOTAL	-	-	491.54	452.25



The Security & Other Deposits and advances are subject to confirmation.

(*) Provision for taxation (current and deferred) has been made in the accounts on the basis of Company's own assessment as per the applicable statutory provisions. The advance income tax and TDS have been disclosed on net basis by adjusting the provision for tax, MAT credit Entitlement against it. The breakup is given below:

Particulars	Details to Advance Tax	
	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Taxes paid under Protest	84.98	84.98
Advance Tax Paid	6.95	18.88
Mat Credit	278.00	278.00
TOTAL	369.93	381.86

*Amount of Rs.84.98 Lakhs which is equivalent to 20% of the demand raised for AY 2017-18 vide their order u/s. 143(3) dated 31.12.2019.

2.13 REVENUE FROM OPERATIONS

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Discount charges	4,896.74	4,591.50
Factoring charges	60.75	127.32
Processing charges	57.30	106.03
Interest - Loan Against Property	0.26	28.03
Other Income (Resign. Chgs.) & Receipts from NPAIN Excess of book value	16.76	41.38
Excess Provision no Longer required written back (Tax charged)	513.42	1,225.07
Total	5,545.25	6,119.33

As per RBI & FIMMDA guidelines, a uniform recognition of 365 days for a year is reckoned.

2.14 OTHER INCOME

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Interest Income (on IT Refund)	1.58	2.29
Other non-operating Income		
- Profit on sale of fixed assets	0.17	0.55
- Excess Provision no longer required written back (Tax charged)	-	-
- Excess Provision no longer required w.r.t Standard assets	-	-
- Excess Provision no longer required w.r.t reimbursements to deputed staff	-	-
- Miscellaneous Income	1.16	-
Total	2.91	2.84

2.15 EMPLOYEE BENEFIT EXPENSES

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Salary - Direct Recruits	425.81	427.51
Medical Benefits	2.70	2.15
Staff Welfare Expenses	5.79	-
Staff Provident Fund	28.09	30.90
Gratuity - LIC	6.21	7.45
TOTAL	468.61	468.01

a. Employee Benefit Expenses includes Salary, Contribution to PF, Gratuity, Leave salary of employees/execution on deputation from Canara Bank which is calculated in accordance with the service rules of the Bank and has been reimbursed to the bank and charged to the accounts on the basis of the advice / Invoice received from the Bank. As regards to their entitlements / expenses reimbursements (as per the service rules in the Bank), it has been paid to them & charged to the P&L account of the Company. Canara Bank being the employer for the deputed staff, the Tax deducted at source has been considered and complied by them at the time of remitting their salaries directly to their bank accounts. The above procedure of reimbursement to the bank / accounting of the expenses has been followed consistently from the inception of the company. The Company has been remitting Provident Fund in respect of directly recruited Staff to the Regional Provident Fund Commissioner regularly.

b. The Company modified the terminal benefit provision to include the leave salary for the Directly Recruited Employees of the company (The leave salary was not a part of terminal benefits till 31.03.2019). The Company has taken an Actuarial Valuation of the Leave salary Liability from an Approved Actuarial valuer as at 31st March, 2024 and the provision has been made accordingly in the Books of accounts complying with the requirement of AS-15.



2.16 OTHER EXPENSES

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Payment to Auditors	3.60	3.85
Rent, Rates & Taxes	121.76	122.74
Stationeries	6.77	7.20
Postage, Telephone, Telex & Fax	10.34	11.13
Travelling and Conveyance	30.35	27.56
Business Development Expenses	3.33	3.24
Advertisement And Publicity	0.18	0.79
Directors Sitting Fees	7.80	7.20
Repairs and Maintenance (Including AMC)-Regrouped	9.24	1.30
Repairs and Maintenance -- Others	2.38	19.23
Power & Fuel	2.21	-
Insurance -Fixed Asset	0.02	-
Insurance -Vehicle	0.18	0.25
Electricity Charges	13.78	13.71
Transaction Fees-Treds	122.45	92.41
Cersal Assignment Charges-Treds	6.13	5.28
Legal And Professional Charges	53.47	54.05
Life cover Premium	1.22	-
Membership Fees & Subscription to Periodicals	0.82	1.00
House keeping charges & office maintainace	42.30	40.38
Miscellaneous Expenses -Others	4.07	0.48
CSR	1.90	0.64
Provision for Standard Assets	35.55	(42.61)
Provision for Doubtful Debts	205.71	244.36
Bad Debts Written Off	513.42	1,225.07
Round off	(0.01)	0.02
TOTAL	1,198.96	1,839.30

(1) The Company is eligible to claim 50% of ITC in view of a specific provisions in GST laws.

(2) This includes expenditure incurred for filing of Mortgage/ Recovery Suits in respect of NPA accounts in the ordinary course of business

(3) Details of Bad Debts written off during the year

CLIENT NAME	BRANCH	AMOUNT(₹ in lakhs)
M/s Polylogic International Private Limited	Indore	513.42

(4) Break-up for Auditors' Remuneration :

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Audit Fees	3.00	3.00
For Certification etc.,*	0.60	0.85
Out of Pocket Expenses	0.00	0.00
TOTAL	3.60	3.85

2.17 FINANCE COSTS

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Interest On WCDL from Canara Bank	1,819.24	2,209.17
Interest On Bank Borrowings	1,679.66	376.43
Interest on Short Term Loans from Banks	-	-
Discount on Commercial Paper(CP)	-	440.43
Bank Charges	19.04	33.71
TOTAL	3,517.93	3,059.74



2.18 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
1. Contingent Liabilities:		
a) Claims against Company not acknowledged as Debts :(*)	424.92	424.92
b) Guarantee issued in favour of Honorable High Court of Karnataka(**)	405.00	405.00
c) Other Money for which company is contingently liable :	Nil	Nil
2. Commitments:		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for:	Nil	Nil

(*) The Company has filed an Appeal before Commissioner of Appeals in respect of a demand raised (vide their order u/s. 143(3) dated 31.12.2019) by the Income tax department for the AY 2017-18. We have filed the appeal before CIT(A) in January 2020. We have paid 20% of the total demand of **Rs. 424.92 Lakhs**. Later the same file has been transferred to Faceless system. Immediately after the transfer, we have received email communication to submit those files again online which we have filed the same on July 2021. We are yet to receive the communication from the NFAC. We have also raised the grievance thru the portal, in spite of the same the case was not heard. As of now, Company also not received any communication from NFAC. The appeal is pending.

(**) As at 31.03.2016, we have debited other current liabilities to the extent of **Rs.405 Lakhs** and crediting trade receivables (NPA) to the extent of Rs 190 Lakhs and other income by Rs 215 Lakhs as per the advise of the C&AG vide their letter dated 29.03.2016 and shown the Bank Guarantee given to Honorable High court of Karnataka as a contingent liability. The said Guarantee is being renewed there after and valid till 20.01.2025 and the same is being renewal for further one year .The appeal of Karnataka Bank in the Honorable High court is yet to come up on Board.

2.18 (a) Additional Disclosures

(b) Provisions and Contingencies		
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss accounts	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Provisions for Depreciation on Investment	NIL	NIL
Provisions towards NPA	NIL	NIL
Provision made Towards Income tax	NIL	NIL
Other Provisions and contingencies(With Details)	424.92	424.92
	405.00	405.00
Provisions for Standard Assets	NIL	NIL

2.19 SEGMENT REPORTING

The company is carrying on the business of "Factoring" as a single product and hence there are no identifiable segments (The risk and rewards are uniform and equal in all geographical locations/ centres) within that to comply with the requirements of the Accounting Standards 17.

2.20 RELATED PARTY DISCLOSURES

Name of the related Party	% of Shareholding as at 31st March 2024	% of Shareholding as at 31st March 2023
a) Canara Bank	70.00	70.00
b) Small Industries Development Bank of India (SIDBI)	20.00	20.00
c) Union Bank of India (Erstwhile Andhra Bank) Co promoters	10.00	10.00
TOTAL	100.00	100.00

Name of the related Party	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
a) Canbank Computer Services Limited(CCSL)	4.20	8.57
b) Canbank Factors employees Gratuity Fund trust - Contribution from the Company	2.00	2.00



b) Key Managerial Personnel & Remuneration		Rs. in Lakhs	
		As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
1. Dr. Rajib Kumar Sahoo	Managing Director	27.02	25.89
2. Mrs. Pooja Rajesh Gulabani	CFO & Company Secretary	1.70	7.89
3. Mrs. Helen D Joy	CFO & Company Secretary	5.01	-

II) Transactions with related Parties:

a) Canara Bank-Type of Transaction	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Overdraft Facility limit Sanctioned against Book Debts (Short Term Borrowings)	48,000.00	48,000.00
Outstanding Bank liability	45,575.45	37,047.49
Interest and Bank charges Paid	3,517.93	3,059.74
Number of Employees deputed from Bank	4 Nos	4 Nos
Salary and other employee benefits reimbursed to parent Bank for deputed staff (Including Managing Director's Salary and related benefits of Rs. in 27.02 lakhs (PY: Rs. in 25.89 lakhs)	107.58	92.86
Rent paid (Canara Bank premises)	21.98	21.83

There are no transactions carried out with SIDBI and Union Bank of India formerly known as Andhra Bank

b) Canbank Computer Service Limited

Type of Transaction	For the year ended 31st March 2024 ₹ Lakhs	For the year ended 31st March 2023 ₹ Lakhs
Charges for resource provided for E-Factoring software	-	-
R&T Charges - Maintenance of Folios in electronic mode	4.20	8.57

C.) Canbank Factors Employees Gratuity Fund Trust-Type of Transaction	For the year ended 31st March 2024 ₹ Lakhs	For the year ended 31st March 2023 ₹ Lakhs
Contribution from the Company	2.00	2.00

2.21 LEASES

Obligations on Long Term Non-Cancellable Operating Leases

The lease rentals charged during the period and the maximum obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective agreements for office premises are as follows:

Particulars	For the year ended 31st March 2024 ₹ Lakhs	For the year ended 31st March 2023 ₹ Lakhs
Lease rentals recognized during the period;	-	-

Lease Obligations Payable	For the year ended 31st March 2024 ₹ Lakhs	For the year ended 31st March 2023 ₹ Lakhs
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-

2.22 IMPAIRMENT OF ASSETS

During the year, the Company has adopted the useful life for various categories of the Fixed Assets as provided in Schedule-II of the Companies Act, 2013 and accordingly reviewed all the Assets. On review, the impairment, if any, had already been taken note of and adjusted as Depreciation and charged to P & L Account. In respect of other Assets, the WDV has been carried in such a way that 95% of the original cost of the Asset will be depreciated over the useful life of the Asset and the residual/ resale value in no case shall be more than 5% of the Original Cost. Therefore, there are no indications of potential impairment loss in respect of assets for recognition under this Standard.



2.23 ACTIVITY IN FOREIGN CURRENCY

Particulars	As at 31st March 2024 ₹ Lakhs	As at 31st March 2023 ₹ Lakhs
Earnings in Foreign Currency	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil

2.24 PROPOSED DIVIDEND

The Company does not propose any dividend to the equity shareholder's of the company for the FY ended 31.03.2024.

2.25 Disclosure in respect of Gratuity Liability of Direct Recruited Employees

Reconciliation of net defined benefit liability/asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/asset and its components :

Reconciliation of net defined benefit liability/asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/asset and its components :

₹ in Lakhs

Particulars	31-03-2024	31-03-2023
Change in Present value of Defined Benefit Obligations		
Reconciliation of present value of defined benefit obligation		
Present Value of DBO at beginning of period	127.01	156.50
Current Service cost	8.75	10.96
Interest cost	9.21	10.95
Benefits settled	(14.41)	(46.88)
Actuarial (gains)/ losses on the obligation	(2.96)	(4.52)
Present Value of DBO at the end of period	127.60	127.01
Reconciliation of present value of plan assets		
Fair value of Plan assets at beginning of period	129.45	165.75
Additions through business combination	0.00	0.00
Expected return on plan assets	8.78	9.95
Contributions	0.78	0.63
Remeasurement - Actuarial gain/(loss)	0.00	0.00
Return on plan assets recognised in other comprehensive income	0.00	0.00
Benefits paid from the fund	(14.41)	(46.88)
Fair value of Plan assets at the end of period	124.60	129.45
Net Defined benefit liability	124.60	256.46
Expense to be recognized in the Profit & Loss Statement		
Current Service cost	8.74	10.96
Interest cost	9.21	10.96
Expected return on plan assets	(8.78)	(9.95)
Net Actuarial (Losses)/Gains recognized in the period	(2.96)	(4.52)
Net Gratuity Cost	6.21	7.45
Defined benefit obligation - Actuarial Assumptions		
Discount rate	7.20%	7.50%
Expected Return on Assets	6.80%	7.10%
Salary Escalation	7.00%	7.00%
Withdrawal rate	1.00%	1.00%
Amounts to be recognized in the balance sheet		
Present value of Defined Benefit Obligation	127.60	127.01
Fair value of plan assets	124.60	129.45
Funded status [Surplus/(Deficit)]	(3.00)	2.44
Net asset/(liability) recognised in balance sheet	(3.00)	2.44



Note : An Independent Actuarial Valuation report from a qualified Actuary has been obtained as required under AS-15. As per summary results, the present value of defined benefit obligation is Rs. 120.67 Lakhs. However, the company has adopted a conservative approach and retained the defined obligation at Rs. 127.60 Lakhs as provided by LIC.

**2.26 Disclosure In Respect of Compensated Leave Absences
Change in Present value of Defined Benefit Obligations**

Particulars	₹ in Lakhs	
	31-03-2024	31-03-2023
Present Value of DBO at beginning of period	46.74	39.12
Current Service cost	4.50	5.77
Interest cost	3.16	2.70
Past Service Cost (Vested Benefits)	-	-
Past Service Cost (Non Vested Benefits)	-	-
Benefits paid by the company	(9.10)	(5.11)
Actuarial (gains)/ losses	14.41	4.26
Present Value of DBO at the end of period	59.71	46.74

Change in Fair Value of Plan Assets		
Particulars	31-03-2024	31-03-2023
Fair value of Plan assets at beginning of period	-	-
Expected return on plan assets	-	-
Actual Company contributions	9.10	5.11
Benefits paid by the company	(9.10)	(5.11)
Actuarial gain/(loss) on plan assets	-	-
Fair value of Plan assets at the end of period	-	-

Amounts to be recognized in the balance sheet		
Particulars	31-03-2024	31-03-2023
Present value of Defined Benefit Obligation	59.72	46.74
Fair value of plan assets	-	-
Funded status [Surplus/(Deficit)]	(59.72)	(46.74)
Unrecognised Past Service Costs	-	-
Net asset/(liability) recognised in balance sheet	(59.72)	(46.74)

Expense to be recognized in the Profit & Loss Statement		
Particulars	31-03-2024	31-03-2023
Current Service cost	4.50	5.77
Interest cost	3.16	2.71
Expected return on plan assets	-	-
Past Service Cost (Vested)	-	-
Past Service Cost(Non Vested)	-	-
Net Actuarial (Losses)/Gains	(14.41)	(4.26)
Total expense recognised in the Statement of Profit & Loss Statement	22.08	12.73

Movement in the liability recognized in the Balance Sheet		
Particulars	31-03-2024	31-03-2023
Net asset/(liability) recognised in balance sheet at beginning of period	(46.74)	(39.12)
Employer expense	22.08	12.73
Employer contributions paid	(9.10)	(5.11)
Net asset/(liability) recognised in balance sheet at end of the period	(59.72)	(46.74)



2.27 CORPORATE SOCIAL RESPONSIBILITY(CSR)

As per objectives/activities specified in Schedule VII of the Companies Act,2013 we have contributed an amount of Rs. 1.90 Lakhs(2% of avg Profit of Previous Three years)

Financial Year - 2023-24	
Particulars	Amount ₹ in Lakhs
PBT (FY 2020-21)	364.22
PBT (FY 2021-22)	-826.55
PBT (FY 2022-23)	746.45
TOTAL	284.12
Average	94.71
Min. Amount for CSR activities (2% of the average net profit during the three immediately preceding financial years on CSR activities)	1.90

2.28 ACCOUNTING RATIOS DISCLOSED as per MCA AMENDMENT IN SCHEDULE III NOTES TO ACCOUNTS.

RATIOS	FORMULA	2023-24	2022-23	Variation
Current Ratio	Current Assets/ Current Liabilities	1.16	1.19	-2%
Debt - Equity Ratio *	Total Liabilities /Total Shareholders Equity	3.99	3.38	18%
Debt Service Coverage Ratio *	Net operating Income/ Debt Service Cost	1.58	1.24	27%
Return on Equity Ratio *	Net Income/Shareholder's Equity	0.02	0.04	-47%
Inventory Turnover Ratio	Not Applicable	NA	NA	NA
Trade Receivable Turnover Ratio	Credit Sales/Avg accounts receivable	NA	NA	NA
Trade Payable Turnover Ratio	Credit Purchases/ Avg accounts Payable	NA	NA	NA
Net Capital Turnover Ratio	Total Income/Shareholder's Equity	0.43	0.48	-11%
Net Profit Ratio *	Net Profit/Total Income*100	5%	6%	-41%
Return on Capital Employed*	Earnings Before Interest & tax (EBIT)/ Capital Employed	0.43	0.48	-11%
Return on Investment	Not Applicable	NA	NA	NA

2.29 EARNINGS PER SHARE

Particulars	For the year ended 31st March 2024 ₹ Lakhs	For the year ended 31st March 2023 ₹ Lakhs
Profit/(loss) after tax as per statement of Profit & Loss	270.85	502.56
Amount used as numerator for calculation of Basic and Diluted EPS	270.85	502.56

Particulars	No of Equity Shares (in Lakhs) As on 31.03.2024	No of Equity Shares (in Lakhs) As on 31.03.2023
Weighted average number of equity shares used as denominator in calculating Basic and Diluted EPS	200.00	200.00
Nominal value of each Equity Share	₹ 10/-	₹ 10/-
Earnings per Equity Share (₹)	1.35	2.51



2.30 DISCLOSURES AS PER C&AG DIRECTION

We have been advised by CAG to disclose in the Annual report the following information

Particulars	Remarks
(i) Pending Printed " Audited Para's"	NIL
(ii) Pending RII Matters	NIL
(iii) Pending Vigilance Cases	As per below

Name of the Party	M/s Arvind Remedies Ltd	M/s Rajat Pharmachem Ltd	M/s IAP Company Pvt Ltd	M/s. IMP Powers Ltd
Name of branch/office	Canbank Factors Ltd- Chennai Branch	Canbank Factors Ltd-Mumbai Branch	Canbank Factors Ltd- Delhi Branch	Canbank Factors Ltd - Mumbai Branch
Amount Involved (Rs. in lakhs)	761.44	722.47	1306.28	1481.73
Fraud No	BAN00026201503-0001	BAN00026201104-0001	BAN00026201801-0001	BAN00026202202-0002
Date of first reporting	-	09.11.2011	22-01-2018	28.04.2022
(a) Date of filing recovery suit with DRT/Court	-	23.02.2011	20-11-2017 (U/s 136 of NI Act)	29.03.2022
b) Present position	No progress	Complaint under Section 136 of Negotiable Instruments Act, 1881 was filed which is listed on 20.03.2024 for hearing State Trading Corporation of India Vs. Rajat Pharmachem Ltd. C.S. (OS) 1923 of 2009 was transferred to Patala House Court, New Delhi, and now bears no. Civil Suit No. 58006 of 2016 - The matter is listed on 29.07.2024 for arguments	Criminal Revision Petition 92/2022: The next date of hearing in the matter is 01.05.2024 and 306/2022: A record from the sanctioning authority is called in a sealed cover for the perusal of the court. The next date of hearing in the matter is 15.05.2024 . The liquidation order has already been passed by Hon'ble NCLT. The 15 th SCC meeting was held on 22.12.2023.	Sec 138 : Next date of hearing is 15.06.2024 NCLT Process is going on. Individual Insolvency Process initiated against all three guarantors. Further an application for IIP is already filed by another Financial Creditor STCI Finance Limited, hence recall of orders was not accepted in all the 3 matters. We may submit claims once called by the IRP.
CBI status	PNB has filed complaint with CBI, Chennai on behalf of all lenders including us (Except Allahabad Bank). We have handed over the documents to CBI for the purpose of investigation. In the JLF meeting on 29.09.2015, it is informed that KYC submitted by investor company is forged. CBI and SEBI have requested the branch to produce some details, the same has been produced. No progress in the case.	Reported to CBI on 09.11.2011	CBI complaint filed on 09.02.2018 Charge sheet filed by CBI on 31.12.2020 and supplementary charge sheet filed on 07.04.2021. CBI Investigation is going on.	CBI complaint filed on 27.05.2022 CBI ACB Mumbai vide letter dated 21.02.2024 informed that they are returning the original complaint for taking necessary action in view of the judgement of Hon'ble Supreme Court to provide opportunity to the borrower to be heard before declaring the account as fraud. Since the account was reported as Fraud on 28.04.2022 and Citing the Supreme Court Judgement dated 27.03.2023 wherein it is summarized that 'No opportunity of being heard is required before an FIR is lodged and registered' we have represented to CBI to register our complaint.



Name of the Party	M/s. Accord Industries Ltd	M/s. Innoventive Industries Ltd	M/s. Vensa Laboratories Pvt Ltd	M/s Aegan Batteries Ltd
Name of branch/office	Canbank Factors Ltd - Mumbai Branch	Canbank Factors Ltd - Bangalore branch	Canbank Factors Ltd - Hyderabad Branch	Canbank Factors Ltd - Chennai Branch
Amount Involved (Rs. In lakhs)	679.95	1425.98	71.02	1069
Fraud No	BAN00026202203-0001	BAN00026202301-0002	BAN00026202301-0001	BAN00026202303-0003
Date of first reporting	04.08.2022	25.01.2023	25.01.2023	29.08.2023
(a) Date of filing recovery suit with DRT/Court	NCLT case : CP (IB) 143/2017 against M/s Accord Industries Ltd - Filed on 14.02.2017. Transferred to Small cases court on 01.12.2020.	N/A	Civil suit filed on 26.10.2017	Recovery suit filed on 18.09.2017
b) Present position	Sec 138 Complaint- Filed on 22.01.2016 and the matter is posted to 06.05.2024 for further statements. IOB has already sold the assets of company and no further assets in company. Subject account is under liquidation. Since the assets were sold by IOB earlier there is nothing left for liquidator.	M/s IIL was admitted to NCLT on 01.01.2016 and is presently in liquidation. M/s IIL was put into liquidation by order dated 08.12.2017. On account of pending litigations, an extension of the liquidation period was permitted by the Hon'ble NCLT up to 6th February 2023. On 6th February 2023, an application was filed by the Liquidator before the Hon'ble NCLT seeking further extension of the liquidation period by 12 months in view of pending litigations. The last lenders' meeting was held on 16.02.2024 wherein members	Mortgage suit filed. The next date of hearing is 22.04.2024. Paper publication has been filed and next stage is for trial	NCLT Status: The application has been filed by the Liquidator seeking for dissolution of the Company. Further, since it was informed by the RP that the company is under liquidation and they have filed an application for Dissolution of the company we have submitted our claim to NCLT.. Legal action to recover our dues was already initiated and a recovery suit was filed on 16.08.2017 before PDJ Krishnagiri against the party, guarantors, and customers. Next date of hearing(NDOH)in this matter is 16.04.2024
CBI/Police complaint status	CBI complaint filed on 05.06.2023 and FIR registered on 11.10.2023. We are submitting the documents/ replies as and when sought by CBI. CBI official has visited our Mumbai office for scrutiny of documents. Further CBI official visited Registered Office Bangalore between 27.02.2024 to 04.03.2024 for inquiry of officials who have handled the account. CBI officials have visited Vadodara with regard to the investigation during March (20.03.2024 to 23.03.2024) and April (01.04.2024 to 08.04.2024). Investigation is going on.	Filed criminal complaint at CBI New Delhi on 11.05.2023. The matter was transferred to CBI ACB Pune and they called for submission of documents related to the account. Available documents were submitted to CBI office Pune on 12.09.2023. CBI ACB Pune vide letter dated 17.02.2024 have informed that they are returning the original complaint for taking necessary action in view of the judgement of Hon'ble Supreme Court dated 27.03.2023 to provide opportunity to the borrower to be heard before declaring the account as fraud. Since the account was reported as fraud on 25.01.2023 and Citing the Supreme Court Judgement dated 27.03.2023 wherein it is summarized that 'No opportunity of being heard is required before an FIR is lodged and registered' we have represented to CBI to register our complaint	Police complaint filed on 11.10.2022. Investigation is under process	We have filed CBI Complaint on 17.11.2023. CBI New Delhi had vide letter dated 11.12.2023 returned the complaint informing us to incorporate the details of opportunity provided to the borrower to be heard as per Supreme Court Judgement dated 27.03.2023. We have accordingly incorporated the details and filed the complaint once again on 10.01.2024. CBI New Delhi has vide letter dated 07.02.2024 has informed that they have assigned our complaint to CBI, ACB,Chennai.



2.31 PRESENTATION OF AMOUNTS IN THE FINANCIAL STATEMENTS AND REGROUPING OF FIGURES

The financial Statements are presented in ₹ lakhs. Previous year's figures have been regrouped and recast wherever appropriate and necessary. During the year bad debts written back were and excess provision on the same has been disclosed under note 2.13 revenue from operations

For and on behalf of the Board of Directors
Canbank Factors Limited

As per our attached report of even date
For Mallya & Mallya
Chartered Accountants
Firm Regn No. 0019555



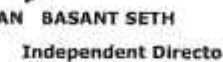
HARDEEP SINGH AHLUWALIA
Chairman

DIN:09690464



ANANTHAN SRINIVASAN
Independent Director

DIN:02123959



BASANT SETH
Independent Director

DIN:02798529



CA Praashanth CS
Partner

M. No. 218355

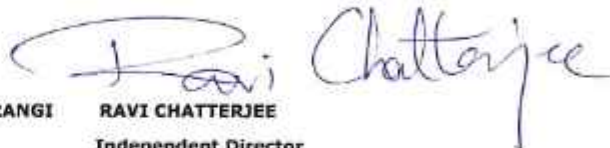
UDIN: 24218355BKAMFD8904



DR RAJIB KUMAR SAHOO

Managing Director

DIN:09033877



RAVI CHATTERJEE
Independent Director

DIN:03312963

GYANA RANJAN SARANGI

Nominee Director

DIN:09412614



SREERATHY SUBBARAO

Nominee Director

DIN:09638305



GOVIND SOLANKI

Senior Executive Vice President



HELEN D JOY

CFO & Company Secretary

Date: 22.04.2024

Place: Bengaluru

Long term Investments:	
1. Quoted:	
(i) Shares: (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (Specify)	NIL
2. Unquoted:	
(i) Shares: (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (Specify) (Indira Vikas Patra)	NIL

6) Borrower group wise classification of all assets financed as in (3) and (4) above: (Please see note 2 below)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other unrelated parties #	0	4,412.65	4,412.65
2. Other than related parties	NIL	NIL	NIL
TOTAL		4,412.65	4,412.65

Prepayments made on bills factored (FIU) less provision for doubtful debts and LAP

7) Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below

Category	Market value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties* *		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other unrelated Parties (YTM)	NIL	NIL
TOTAL	NIL	NIL

**As per Accounting Standard of ICAI (Note 3)

8) Other information

Particulars	Amount
(i) Gross Non Performing Assets	
(a) Related Parties	NIL
(b) Other than related Parties	5129.21
(ii) Net non performing Assets	
(a) Related Parties	NIL
(b) Other than related Parties#	716.56
(iii) Assets acquired in satisfaction of debt	NIL

9) Disclosure in accordance with RBI Master Direction Non- Banking Financial Institution RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (updated on 21.03.2024)

I. Capital To risk Asset Ratio (CRAR):

Items	Current Year (31/03/2024)	Previous Year (31/03/2023)
(i). CRAR (%)	16.22	18.72
(ii). CRAR - Tier I Capital (%)	15.82	18.31
(iii). CRAR - Tier II Capital (%)	0.40	0.41
(iv) Amount of subordinated debt raised as Tier-II capital	NIL	NIL
v) Amount raised by issue of Perpetual Debt Instruments	NIL	NIL



2. Investments	NIL	NIL
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India		
(b) Outside India,		
(ii) Provisions for Depreciation		
(a) In India		
(b) Outside India,		
(iii) Net Value of Investments		
(a) In India		
(b) Outside India.		
(2) Movement of provisions held towards depreciation on investments.		
(i) Opening balance		
(ii) Add : Provisions made during the year		
(iii) Less : Write-off / write-back of excess provisions during the year		
(iv) Closing balance	NIL	NIL
3. Derivatives		
3.1 Forward rate Agreement/Interest Rate Swap		
(i) The notional principal of swap agreements		
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements		
(iii) Collateral required by the applicable NBFC upon entering into swaps		
(iv) Concentration of credit risk arising from the swaps		
(v) The fair value of the swap book	NIL	NIL
3.2 Exchange Traded Interest Rate (IR) Derivatives		
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (Instrument-wise)		
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March (Instrument-wise)		
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (Instrument-wise)	NIL	NIL
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (Instrument-wise)		
3.3 Disclosures on Risk Exposure in Derivatives		
(a) Qualitative Disclosure :	We do not have any position in Derivatives and Hence Not Applicable.	
(b) Quantitative Disclosures		
(i) Derivatives (Notional Principal Amount)		
(ii) Marked to Market Positions [1]		
(a) Assets		
(b) Liability		
(iii) Credit exposures		
(iv) Unhedged Exposures	NIL	NIL
3.4. Exposures		
3.4.1 Exposure to Real Estate Sector	NIL	NIL
a) Direct Exposure		
(i) Residential Mortgages		
(ii) Commercial real estate		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -	NIL	NIL
3.5. Exposure to Capital Market	NIL	NIL
3.6. Details of financing of parent Company products	NIL	
a).Details of Single Borrower Limit(SBL)/ Group Borrower Limit(GBL) exceed by the NBFC	Current Year (31/03/24) RS in Lakhs	
a. Single Borrower Limit(SBL) (excluding NPA)	NIL	
b. Group Borrower Limit(GBL)	NIL	
(a) Registration obtained from other financial sector regulators	NIL	
(b) Disclosure of penalties imposed by RBI and other regulators	NIL	
10(a). Rating Assigned by credit rating Agencies and migration of ratings if any during the year.	Current Year (31/03/24)	
a. Short term debt programme - CRISIL Ratings	A1+	
b. Long term Bank Loan rating - CRISIL Ratings	AA/Negative	
11 Concentration of Deposits, Advances, Exposures ,and NPAs	NIL	
(a). Concentration of Deposits		
a. Total Deposits to twenty largest borrowers	NIL	
b. Percentage of Deposits to twenty largest borrowers	NIL	
(b) Concentration of Exposures		
a. Total Exposure to twenty largest borrowers	15250.03	
b. Percentage of exposures to twenty largest borrowers	25.93	
(c) Concentration of Advances		
a. Total Advances to twenty largest borrowers	15250.03	
b. Percentage of Advances to twenty largest borrowers	25.93	



(d). Concentration of Non performing Assets (NPAs)		
a. Total Exposure to top four NPA accounts		3188.03
c. Sector-wise NPAs		Percentage of NPAs to Total Advances in that sector
Textiles	1296.28	25.27
Chemical and Chemical products	245.85	4.79
Power	2011.41	39.21
Other Industries	1575.67	30.72
Total	5129.21 lakhs	100.00

Movement of NPAs		
	Particulars	(Rs In Lakhs)
(i) Net NPAs to Net Advances (%)	1.32	1.50
(ii) Movement of NPAs (Gross)	5129.21	5403.09
	31-03-2024	31-03-2023
(a) Opening Balance	5403.09	6283.01
(b) Add: Additions during the year	311.72	1007.87
Total	5714.81	7290.88
Less:- (c) Realization/Reduction during the year	565.60	1887.79
(d) Closing Balance	5129.21	5403.09
(iii) Movement of Net NPAs		
(a) Opening balance	682.73	847.25
(b) Add: Additions during the year	265.28	0.00
Less:- (c) Realization/Reduction during the year	231.45	164.52
(d) Closing Balance	716.56	682.73
(iv) Movement of Provision for Npas (excluding Provisions on standard assets)		
(a) Opening balance	4720.36	5435.76
(b) Add: Additions during the year	223.40	244.38
Less:- (c) Write-off/write-back of excess provisions	531.11	959.78
(d) Closing Balance	4412.65	4720.36

11(a)	Draw Down from Reserves	NIL
12	Overseas Assets (for those with joint ventures and subsidiaries abroad) -	Not Applicable, NIL
13	Off Balance sheet SPVs sponsored -	Not Applicable, NIL
14	Disclosure on client / customer Compliants	
	No of Compliants pending at the beginning of the year	0
	No of Compliants received during the year	3
	No of compliants redressed during the year	3
	No of compliants pending at the end of the year	0
15	In terms of RBI Circular no. DNBS.PPD.01/66.15.001/2016-17 dated September 29,2016 the company has to report Nos and amount of Fraud identified during the year	
	IN Q2 1 Account	1069.00
16	Loans to Directors, Senior Officers & Relatives of Directors	For F.Y 2023-24 NIL.
17	Related Party Transactions	Shown separately (NTA 2.20)
18	Remuneration of Directors	Shown as a part of Notes to accounts (NTA 2.20)
19	Net Profit/Loss for Period, Prior Period Items and changes in accounting policies	Rs.2.70 crore. IWD AS is not being applied due to defferement of application IND as per circular No DBR.BF.BC.No.29/21.07.001/2018-19 by RBI to parent bank and hence same not applicable to us. (Table shown in NTA 2.13)
20	Discloure & Transparency: The progress made in putting in place a progressive risk amngement system and risk management policy and strategy followed by applicable by NBFC's	(i) Risk management Policy as been compiled as per Board approval. (ii) Monthly ALM statment are being prepared and placed to ALCO & RMC Meetings. (iii) A note on Risk management practices and evaluation followed by the company, is being submitted to RMC and Board (iv) Risk questionnaire is being placed to RMC, Board and RM wing of parent bank
21	Disclosure in accordance with RBI Master Direction Non- Banking Financial Institution RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (updated on 21.03.2024)	As per Section -I , Section -II & Section -III



22 Asset Liability Management as at 31st March, 2024


Maturity pattern of certain items of Assets and Liabilities

Particulars	0 day to 7 days	8 days to 14 days	1 day to 30/31 day (1 month)	Over 1 month to 2 month	Over 2 month to 3 month	Over 3 month to 6 month	Over 6 month to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities:											
Borrowings from Banks	43000.00	0.00	0.00	0.00	0.00	0.00	2575.45	0.00	0.00	0.00	45575.45
Market Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets:											
Advances (Debt O/s = Standard Asset)	4143.09	2859.28	9261.48	16021.52	12514.70	10089.69	0.00	0.00	0.00	0.00	54889.76
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00


For and on behalf of the Board of Directors
Canbank Factors Limited


HARDEEP SINGH AHLUWALIA
Chairman
DIN : 09646943


ANANTHAN SRINIVASAN
Independent Director
DIN: 02123959


BASANT SETH
Independent Director
DIN: 02798529


DR RAJIV KUMAR SAHOO
Managing Director
DIN: 09033877


GYANA RANJAN SARANGI
Nominee Director
DIN: 09412614


RAVI CHATTERJEE
Independent Director
DIN : 03312963


SREEPATHY SUBBARAO
Nominee Director
DIN: 09638305


GOVIND SOLANKI
Senior Executive Vice President


HELEN D'JOY
CFO & COMPANY SECRETARY

As per our attached report of even date
For *Malliga & Malliga*

Chartered Accountants


Firm Regn No. 0019555
C S Prashanth
Partner
M.No. 218355
UDIN: 242183550KAMFD8904

Bangalore
Date: 22.04.2024

Section I

(Applicable for annual financial statements of NBFC-BL, NBFC-ML and NBFC-UL)

A) Exposure

- (1) Exposure to real estate sector: **NIL**
 (2) Exposure to capital market : **NIL**

1) Sectoral exposure

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
2. Industry						
i. Food Processing	32.69	0	0.00	34.23	0.57	1.66
ii. Textiles	37.17	5.68	15.28	39.42	12.96	
iii. Leather & Leather Products	0	0	0.00	3.1	0	0
iv. Paper & Paper Products	11.24	0	0.00	15.18	0	0
v. Chemical	27.25	0.33	1.21	42.46	2.46	5.79
vi. Rubber, Plastic & their Products	25.68	0	0.00	17.3	0	0
vii. Cement & Cement Products	0.89	0	0.00	5.54	0	0
viii. Basic Metal & Metal Product	48.36	2.45	5.07	76.34	9.52	12.47
ix. All Engineering	23.66	0	0.00	39.92	0	0
x. Power	0.00	0	0.00	33.95	20.11	59.23
xi. Telecommunications	0	0	0.00	0	0	0
xii. Electricity Transmission	54.00	20.11	37.24	2.04	0	0
Other Infrastructure	126.11	0	0.00	0	0	0
Others	149.71	22.72	15.18	192.43	8.41	0.0437
Total of Industry (i+ii+...+Others)	536.76	51.29	8.72%	501.91	54.03	10.76%
3. Services	0	0	0	0	0	0
i.						
ii.						



Others						
Total of Services (i+ii+...+Others)	0	0	0	0	0	0
4. Personal Loans	0	0	0	0	0	0
i...						
ii...						
Others						
Total of Personal Loans (i+ii+...+Others)	0	0	0	0	0	0
5. Others, if any (please specify)	0	0	0	0	0	0

Note:

- i. The disclosures as above shall be based on the sector-wise and industry-wise bank credit (SIBC) return submitted by scheduled commercial banks to the Reserve Bank and published by Reserve Bank as 'Sectoral Deployment of Bank Credit'.
- ii. In the disclosures as above, if within a sector, exposure to a specific sub-sector/industry is more than 10 per cent of Tier I Capital of a NBFC, the same shall be disclosed separately within that sector. Further, within a sector, if exposure to specific sub-sector/industry is less than 10 per cent of Tier I Capital, such exposures shall be clubbed and disclosed as "Others" within that sector.

2) Intra-group exposures

- i) Total amount of intra-group exposures: NIL
- ii) Total amount of top 20 intra-group exposures: NA.
- iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers: NIL

3) Unhedged foreign currency exposure

We do not have any unhedged foreign currency exposures. Hence it is not applicable.



B) Related Party Disclosure

(Amount in ₹ crore)

Related Party	Parent(as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel [@]		Relatives of Key Management Personnel [@]		Others*		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Borrowings [#]	455.75	370.47	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	455.75	370.47
Deposits [#]	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Placement of deposits [#]	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Advances [#]	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Investments [#]	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Purchase of fixed/other assets	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sale of fixed/other assets	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Interest paid/ Bank Charges	35.18	30.60	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	35.18	30.60
Interest received	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others*	0.22	0.22	0.04	0.09	NIL	NIL	1.04	0.92	NIL	NIL	NIL	NIL	1.30	1.23

@ Disclosures for directors and relatives of directors should be made separately in separate columns from other KMPs and relatives of other KMPs.

* The outstanding at the year end and the maximum during the year are to be disclosed

C) Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1.	Number of complaints pending at beginning of the year	0	1
2.	Number of complaints received during the year	3	2
3.	Number of complaints disposed during the year	3	3
3.1	Of which, number of complaints rejected by the NBFC	0	0
4.	Number of complaints pending at the end of the year	0	0
	Maintainable complaints received by the NBFC from Office of Ombudsman		



2) Top five grounds² of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Ground - 1	0	0	0	0	0
Ground - 2	0	0	0	0	0
Ground - 3	0	0	0	0	0
Ground - 4	0	0	0	0	0
Ground - 5	0	0	0	0	0
Others	1	2	0	0	0
Total	0	0	0	0	0
Previous Year					
Ground - 1	0	0	0	0	0
Ground - 2	0	0	0	0	0
Ground - 3	0	0	0	0	0
Ground - 4	0	0	0	0	0
Ground - 5	0	0	0	0	0
Others	1	0	1	0	0
Total	0	0	0	0	0

² The list of grounds of complaints given below are indicative only.

1. Credit Cards	2. Difficulty in operation of accounts	3. Mis-selling	4. Recovery Agents/ Direct Sales Agents
5. Loans and advances	6. Levy of charges without prior notice/ excessive charges/ foreclosure charges	7. Non-observance of fair practices code	8. Staff behaviour
9. Facilities for customers visiting the office/ adherence to prescribed working hours, etc.	10. Others		



Section II

(Applicable for annual financial statements of NBFC-ML and NBFC-UL)

Corporate governance:

Disclosure as per SEBI (LODR) Regulation, 2015 (Para C of Schedule V- Annual Report) for Non Listed NBFCs

1) Composition of the Board

Sl. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instrument held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1.	Dr. Rajib Kumar Sahoo	01/02/2021	Managing Director	09033877	05	05	1	-	NA	NA	Nil
2.	Mr. S Ananthan	07/09/2021	Independent Director	02123959	05	03	1	-	90,000/-	NA	Nil
3.	Mr. Basanth Seth	08/10/2020	Independent Director	02798529	05	05	9	-	1,50,000/-	NA	Nil
4.	Mr. Ravi Chatterjee	21/09/2022	Independent Director	03312963	02	02	3	-	60,000/-	NA	Nil
5.	Mr. Hardeep Singh Ahluwalia	11/10/2023	Chairman	09690464	03	03	1	-	-	NA	Nil
6.	Mr. Gyana Ranjan Sarangi	17/01/2022	Nominee Director, Union Bank Of India	09412614	06	05	0	-	-	NA	Nil
7.	Mr. Subbarao Sreepathy	02/07/2022	Nominee Director, SIDBI	09638305	03	02	0	-	-	NA	Nil



Details of change in composition of the Board during the current and previous financial year.

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Sri. Brij Mohan Sharma	Chairman	Resignation	30/06/2023
2.	Mr. Hardeep Singh Ahluwalia	Chairman	Appointment	11/10/2023

Where an independent director resigns before expiry of her/ his term, the reasons for resignation as given by her/him shall be disclosed.

Details of any relationship amongst the directors *inter-se* shall be disclosed : NIL

1) *Committees of the Board and their composition*

Audit Committee

The Audit Committee constitution and functioning shall follow the provisions of the Companies Act, 2013 and other Applicable laws. The powers, functions, duties and terms of reference of the Audit Committee shall be comprehensive and include the requirements as set out by Section 177 of the Companies Act, 2013. The Committee will be vested with necessary powers, as defined in its terms of reference to achieve its objectives.

Chairman	The chairman of the Audit Committee will be an Independent Director and who is elected by the Board.
Composition	The Audit Committee of the Company shall have minimum of three Directors with Independent Directors forming a majority. Further, majority of members of the Audit Committee including its Chairperson shall be persons with ability to read and understand the financial statement. The chairman of the Committee shall attend the Annual General Meeting to answer shareholder queries.
Meetings & quorum	The Audit Committee should meet as and when required and at least quarterly once. The quorum for the meeting shall comprise of two members or one third of the total members of the Audit Committee whichever is higher.
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and confirmed by the Board at their next meeting.



Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri S Ananthan	07/09/2021	Chairman	4	4	NIL
2.	Sri. Ravi Chatterjee	21/09/2022	Independent Director	4	4	NIL
3.	Sri. Basanth Seth	08/10/2020	Independent Director	4	4	NIL
4.	Sri Gyana Ranjan Sarangi	17/01/2022	Nominee Director	4	3	NIL

Terms of Reference of the Committee:

The Audit Committee shall undertake such duties as per the Charter/Terms of Reference approved by the Board and any such duties as may be delegated to it from time to time.

1. Appointment and fixation of the remuneration of the Auditor.
2. Valuation of the undertakings or assets of the company.
3. Evaluation of any Related Party Transaction (also for omnibus approval under Rule 6A)
4. Evaluation of the internal financial control and risk management.
5. Examination of the Financial Statements.
6. Scrutiny of Inter Corporate Loans and Investments.
7. Evaluation of the use of the funds rose through public offers
8. To Oversee the financial reporting process and disclosure to such financial information to ensure that the financial statements are correct, sufficient & credible.
9. Reviewing the adequacy of inter audit function, company's financial and information system audit periodically and such notices which evolve from time to time for guidance as may be received from regulator amendments in Companies Act, 2013.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee ('NRC') constitution and functioning shall follow the provisions of the Companies Act, 2013 and other Applicable laws. The powers, functions, duties and terms of reference of the Nomination and Remuneration Committee shall be comprehensive and include the requirements as set out by Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee will be vested with necessary powers, as defined in its terms of reference to achieve its objectives.

Chairman	The chairman of the NRC Committee will be an Independent Director and who is elected by the Board.
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Composition	The Nomination and Remuneration Committee of the Board shall have at least three non-executive Directors out of which not less than one half shall be Independent Directors. The Chairperson of the company shall be elected by the members of the Nomination & Remuneration Committee. The chairman of the NRC if required shall attend the Annual General Meeting of the Company to answer the shareholders' queries.
Meetings & quorum	The NRC shall meet on need basis. Quorum shall comprise of two members or one third of the total members of the NRC, whichever is higher.
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and confirmed by the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri. Brij Mohan Sharma	23/06/2022 till 30.06.2023	Nominee Director	0	0	NIL
2.	Sri Hardeep Singh Ahluwalia	11/10/2023	Nominee Director	2	2	NIL
3.	Sri S Ananthan	07/09/2021	Chairman	2	2	NIL
4.	Sri. Ravi Chatterjee	21/09/2022	Independent Director	2	2	NIL
5.	Sri. Basanth Seth	08/10/2020	Independent Director	2	2	NIL

Terms of Reference of Committee:

The NRC shall undertake the duties as per the Terms of Reference approved by the Board and any other duties as may be delegated to it from time to time. The NRC shall also ensure fit and proper criteria as required by the RBI Directions.

1. The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

2. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

3. The Nomination and Remuneration Committee shall, ensure that



(a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee ('CSR') constitution and functioning shall follow the provisions of the Companies Act, 2013 and other Applicable Laws. The powers, functions, duties, and terms of reference of the CSR Committee shall be comprehensive and include the requirements as set out by Section 135 of the Companies Act, 2013. The CSR Committee will be vested with necessary powers, as defined in its terms of reference to achieve its objectives.

Chairman	The chairman of the CSR Committee will be an independent director elected by the members of the committee.
Composition	The Corporate social responsibility Committee of the Board shall have at least three Directors out of which there shall be One Independent Directors. At Present the composition of CSR Committee is as per below: 1. Dr. Rajib Kumar Sahoo, Managing Director 2. Sri. S Ananthan, Independent Director, Chairman of meeting 3. Sri. Gyanaranjan Sarangi, Nominee Director, Union Bank of India
Meetings & quorum	The CSR shall meet on a need basis. A quorum shall comprise two members or one-third of the total members of the CSR, whichever is higher.
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and confirmed by the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri S Ananthan	07/09/2021	Chairman	0	0	NIL
2.	Dr. Rajib Kumar Sahoo	01/02/2021	Managing Director	0	0	NIL



3.	Sri Gyana Ranjan Sarangi	17/01/2022	Nominee Director	0	0	NIL
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Terms of Reference of Committee:

The CSR shall undertake the duties as per the Terms of Reference approved by the Board and any other duties as may be delegated to it from time to time and as stated under section 135 of the Companies Act, 2013 and schedule VII of the CSR Rules provided.

Risk Management Committee

The Risk Management Committee shall be constituted of Board of Directors to manage the integrated risks of the Company. The Risk Management Committee shall identify, review and control key risk areas, across the entire organization. The Risk Management Committee shall review and monitor viz; credit risk, market risk, liquidity risk, operational risk, regulatory risk and reputational risks. The Risk Management Committee shall be vested with necessary powers, as defined in its charter/Terms of Reference to achieve its objectives.

Chairman	The chairman of the Risk Management Committee will be an Independent Director.
Permanent invitee	Group Chief Risk Officer, Risk Management Wing of Parent Bank.
Composition	The Risk Management Committee shall have minimum of three Members. The members of the Committee will be appointed by the Board of Directors.
Meetings & quorum	The Risk Management Committee shall meet on need basis and shall meet at least twice in a year. The quorum of Risk Management Committee shall comprise any two members of the Committee.
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and confirmed by the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri. Ravi Chatterjee	21/09/2022	Chairman	2	2	NIL
2.	Dr. Rajib Kumar Sahoo	01/02/2021	Managing Director	2	2	NIL
3.	Sri. Govind Solanki	26/04/2021	Senior Executive Vice President	2	2	NIL
4.	Sri. Saroj K Sinha	27/09/2021	Senior Vice President	2	2	NIL
5.	Sri. Kiran K Moorthy	02/09/2021	Senior Vice President	2	2	NIL



6	Sri, Raghu. P	14/03/2006	Assistant Vice President	2	2	NIL
7.	Smt. Helen Joy D	01/08/2023	CFO & Company Secretary	2	2	NIL

Terms of Reference of the Committee:

The Risk Management Committee shall undertake all such duties as decided and delegated by the Board of Directors to it from time to time illustrated as per below:

1. To assess the Company's risk profile and key areas of risk in particular.
2. To recommend the Board and adoption of risk assessment and rating procedures. To articulate the Company's policy for the oversight and management of business risks.
3. To examine and determine the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
4. To assess and recommend the Board acceptable levels of risk.
5. To develop and implement a risk management framework and internal control system.
6. To review the nature and level of insurance coverage.
7. To have special investigations into areas of corporate risk and break-downs in internal control. To review management's response to the Company's auditors' recommendations those are adopted.
8. To report the trends on the Company's risk profile, reports on specific risks and the status of the risk management process.
9. The progress made in putting in place a progressive risk management system, and risk management policy and strategy followed shall be apprised to the Board by the committee half-yearly.

Committee of Directors.

The company shall internally shall constitute a Committee of the Directors (COD) as a subcommittee of the Board to take care of the credit affairs of the company. The Committee inter alia, shall monitor the Mid-term review of parties, credit exposures and breaches if any and shall report to the Board.

Chairman	The chairman shall be an independent Director elected by the members of the committee.
Composition	The Committee of Directors shall have minimum of three members and one of them shall be an Independent director.
Meetings & quorum	The COD shall meet at least twice in a year and the quorum shall be at least three members of which one shall be and Independent Director



Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and confirmed by the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri S Ananthan	07/09/2021	Chairman	2	2	NIL
2.	Sri. Ravi Chatterjee	21/09/2022	Independent Director	2	2	NIL
3.	Sri. Basanth Seth	08/10/2020	Independent Director	2	2	NIL
4.	Sri Gyana Ranjan Sarangi	17/01/2022	Nominee Director	2	1	NIL
5.	Sri. Subbarao Sreepathy	02/07/2022	Nominee Director	2	2	NIL

Terms of Reference of the Committee:

The Committee shall undertake such duties as per the terms of reference approved by the Board and such other duties as may be delegated to it from time to time including the roles as per below:-

1. To sanction Board power credit/ Loan Proposals.
2. To review the credit sanction & other credit affairs of the company.
3. To review the SMA accounts.
4. To evaluate the Midterm review of parties within MD CAC powers.
5. To review and ratify the MD CAC actions.
6. To report to the Board or its subcommittee about the findings as per above.

Asset Liability Management Committee

The company shall internally shall constitute an Asset Liability Management Committee (ALCO) as required by the Directions 2016 issued by the RBI. The Committee inter alia, shall monitor the asset liability gap and strategize action to mitigate the risk associated. The Committee shall mainly address liquidity and interest rate risk.

Chairman	The Managing Director of the company shall be the chairman for the ALCO committee meeting.
Composition	The ALCO Committee shall have minimum of three members.
Meetings & quorum	The ALCO shall meet as and when required. Quorum of ALCO



	meetings shall comprise of at least two members of the Committee.
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and confirmed by the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Dr. Rajib Kumar Sahoo	01/02/2021	Chairman	12	12	NIL
2.	Sri. Govind Solanki	26/04/2021	Senior Executive Vice President	12	12	NIL
3.	Sri. Saroj K Sinha	27/09/2021	Senior Vice President	12	12	NIL
4.	Sri. Kiran K Moorthy	02/09/2021	Senior Vice President	12	12	NIL
5.	Sri. Raghu. P	14/03/2006	Assistant Vice President	12	12	NIL
6.	Smt. Helen Joy D	01/08/2023	CFO & Company Secretary	12	12	NIL

Terms of Reference of the Committee:

The Committee shall undertake such duties as per the terms of reference approved by the Board and such other duties as may be delegated to it from time to time including the roles as per below:-

1. To review the fund requirement of the company in line with the ongoing business activities of the company
2. To review liquidity position of the company
3. To evaluate the stress ratios/liquidity ratios of the company
4. To review the fund position in each prescribed ALM buckets.
5. To report to the Board or its subcommittee about the findings as per above.

IT Strategy Committee

The IT Strategy Committee shall be constituted of independent director to manage the IT strategies of the Company. The Committee shall work in partnership with other Board committees and Senior Management to provide input to them. It will also carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance.

Chairman	The chairman of the IT Strategy Committee will be an Independent Director.
Present Composition	The IT Strategy Committee have minimum of three Members. (Chairman, CIO & CTO) 1. Sri. Ravi Chatterjee, Independent Director – Chairman of the Meeting



	2. Dr. Rajib Kumar Sahoo, Managing Director - Member 3. Sri. Govind Solanki, Sr. Executive Vice President – CIO 4. Sri. Raghu P, AVP-IT - CTO 5. Sri. Basavaraj Naik, Officer-IT – CISO 6. Sri. S Ananthan, Independent Director,
Meetings & quorum	The IT Strategy Committee should meet at an appropriate frequency but not more than six months should elapse between two meetings.
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and its deliberations to be placed before the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non- Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri. Ravi Chatterjee	21/09/2022	Chairman	2	2	NIL
2.	Sri S Ananthan	07/09/2021	Independent Director	2	2	NIL
3.	Dr. Rajib Kumar Sahoo	01/02/2021	Managing Director	2	2	
4.	Sri. Govind Solanki	26/04/2021	Senior Executive Vice President	2	2	NIL
5.	Sri. Raghu. P	27/09/2021	Assistant Vice President	2	2	NIL
6	Sri Basavaraja Naik	02/09/2021	Assistant Vice President	2	2	NIL

Terms of Reference of the Committee:

The Committee shall undertake such duties as per the terms of reference:-

1. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place.
2. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business.
3. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.
4. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.
5. Ensuring proper balance of IT investments for sustaining growth and becoming aware about exposure towards IT risks and controls.

Apart from the above committees, the Board shall constitute such other Committees as may be deemed fit by it, if required.



Frequency of Committee meetings held for F. Y 2023-24

Particulars	Quarter – I (April- June)	Quarter-2 (July- September)	Quarter-3 October- December)	Quarter-4 January- March)	Total
Board Meeting (168 th last meeting)	1 24.04.2023	1 17.07.2023	1 16.10.2023	2 20.01.2024 20.03.2024	5
Risk Management Committee (52 nd RMC last)	1 01.07.2023	-	-	1 12.01.2024	2
Audit Committee Meeting (107 th Audit Meeting last)	1 24.04.2023	1 17.07.2023	1 16.10.2023	1 20.01.2024	4
Committee of Directors Meeting (158 th CoD last meeting)	1 26.05.2023	-	-	1 12.01.2024	2
IT Strategy Committee Meeting	-	-	1 03.10.2023	1 11.01.2024	2
Corporate Social Responsibility Meeting	-	-	-	-	-

Attendance of the Board of Directors during F.Y 2023-24

Name of Director	Board Meeting
Sri. Brij Mohan Sharma	1/1
Sri. Hardeep Singh Ahluwalia	3/3
Dr. Rajib Kumar Sahoo	5/5
Sri. S Ananthan	3/5
Sri. Ravi Chatterjee	5/5
Sri. Basant Seth	5/5
Sri. Gyana Ranjan Sarangi	5/5
Sri. Subbarao Sreepathy	2/5

2) General Body Meetings



Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	Annual general meeting	17.06.2023 Head office Canara Bank, Bangalore	Re-Appointment of Sri Ravi Chatterjee and Sri Basant Seth as Independent Director



3) Details of non-compliance with requirements of Companies Act, 2013

NIL.

4) Details of penalties and strictures

There were no penalties or stricture imposed on the company by the Reserve Bank or any other statutory authority during the reporting period.

6) Breach of covenant

There were no instances of breach of covenant of loan availed or debt securities issued to the company for the reporting period.

7) Divergence in Asset Classification and Provisioning

- a) the additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5 percent of thereported profits before tax and impairment loss on financial instruments for the reference period, or
- b) The additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period.

Sr.	Particulars	Amount (in crore)
1.	Gross NPAs as on March 31, 2024 as reported by the NBFC	51.29
2.	Gross NPAs as on March 31, 2024 as assessed by the Reserve Bank of India/ NHB	(*)
3.	Divergence in Gross NPAs (2-1)	NA
4.	Net NPAs as on March 31, 2024 as reported by the NBFC	7.17
5.	Net NPAs as on March 31, 2024 as assessed by Reserve Bank of India/ NHB	(*)
6.	Divergence in Net NPAs (5-4)	NA
7.	Provisions for NPAs as on March 31, 2024 as reported by the NBFC	42.19
8.	Provisions for NPAs as on March 31, 2024 as assessed by Reserve Bank of India/ NHB	44.13
9.	Divergence in provisioning (8-7)	1.94
10.	Reported Profit Before Tax and impairment loss on financial instruments for the year ended March 31, 2024	3.56
11.	Reported Net Profit after Tax (PAT) for the year ended March 31, 2024	2.71
12.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2024 after considering the divergence in provisioning	4.65

* March 31, 2024 is the close of the reference period in respect of which divergences were assessed.

(*) As on 31 March 2024, RBI had advised for 100% provisioning in M/s.ICOMM Tele Limited & M/s Amar Remedis Ltd. account, the same was provided and amount after providing 100% provision to the account the figure stated at SI No.7 has been arrived at.



Section-III

Quarterly Public disclosure as per RBI guidelines

1.	Funding Concentration based on significant counterparty (both deposits and borrowings)	
A	Deposits	Nil
	Counter Parties	Nil
B	Liabilities	480
	OD Limit	20
	Equity	500
	Liability Counterparties	
	Canara Bank - OD Limit	480
	Equity Composition	20
	Canara bank - 14 Crores	
	SIDBI - 4 Crores	
	Union Bank Of India - 2 Crores	
	Total	500

2. TOP 20 DEPOSITS – NIL

3. TOP 10 Borrowings as on 30.06.2023

SI No	Source	Limit Sanctioned (₹ in crore)	Date of sanction	Validity
1.	OD Limit	480.00	01.09.2022	12.09.2023
2.	Equity Share capital	20.00	NA	NA
	Total	500.00		



4. PRODUCT WISE LIABILITIES AS ON 30.06.2023.

Sl No	Product	Liabilities (₹ In crore)	% to Total
1.	Working Capital demand Loan	-	-
2.	Overdraft Facility against Book Debt	457.67	100
3.	Commercial Paper	-	
Total		457.67	100%

5. STOCK RATIOS

SL No	Particulars	Formula	Mar-23	Jun-23
1.	Short-term liability to Total assets	$\frac{\text{Short Term Liability}}{\text{Total Assets}}$	0.77	0.80
2	Short-term liability to long term assets	$\frac{\text{Short Term Liability}}{\text{Long term Assets}}$	8.67	11.06
3	Commercial papers to total assets	$\frac{\text{Commercial Paper}}{\text{Total assets}}$	-	-

- We do not have any Non-convertible debentures, further we calculate our ALM every month and there is no liquidity stress arising as our business is limited to short term nature of lending.



Quarterly Public disclosure as per RBI guidelines

1.	Funding Concentration based on significant counterparty (both deposits and borrowings)	
A	Deposits	Nil
	Counter Parties	Nil
B	Liabilities	480
	OD Limit	20
	Equity	500
	Liability Counterparties	
	Canara Bank - OD Limit	480
	Equity Composition	20
	Canara bank - 14 Crores	
	SIDBI - 4 Crores	
	Union Bank Of India - 2 Crores	
	Total	500

2. TOP 20 DEPOSITS – NIL

3. TOP 10 Borrowings as on 30.09.2023

SI No	Source	Limit Sanctioned (Rs. In crore)	Date of sanction	Validity
1.	OD Limit	480.00	01.09.2023	29.08.2024
2.	Equity Share capital	20.00	NA	NA
Total		500.00		



4. PRODUCT WISE LIABILITIES AS ON 30.09.2023.

SI No	Product	Liabilities (Rs. In crore)	% to Total
1.	Working Capital demand Loan	430.00	95.17
2.	Overdraft Facility against Book Debt	21.82	4.83
3.	Commercial Paper	-	
Total		451.82	100%

5. STOCK RATIOS

SL No	Particulars	Formula	Mar-23	Sep-23
1.	Short-term liability to Total assets	$\frac{\text{Short Term Liability}}{\text{Total Assets}}$	0.77	0.80
2	Short-term liability to long term assets	$\frac{\text{Short Term Liability}}{\text{Long term Assets}}$	8.67	11.01
3	Commercial papers to total assets	$\frac{\text{Commercial Paper}}{\text{Total assets}}$	-	-

- We do not have any Non-convertible debentures, further we calculate our ALM every month and there is no liquidity stress arising as our business is limited to short term nature of lending.



Quarterly Public disclosure as per RBI guidelines

1.	Funding Concentration based on significant counterparty (both deposits and borrowings)	
A	Deposits	Nil
	Counter Parties	Nil
B	Liabilities	480.00
	OD Limit	20.00
	Equity	500.00
	Liability Counterparties	
	Canara Bank - OD Limit	480.00
	Equity Composition	20.00
	Canara bank - 14 Crores	
	SIDBI - 4 Crores	
	Union Bank Of India - 2 Crores	
	Total	500.00

2. TOP 20 DEPOSITS – NIL

3. TOP 10 Borrowings as on 31.12.2023

Sl No	Source	Limit Sanctioned (Rs. In crore)	Date of sanction	Validity
1.	OD Limit	480.00	01.09.2023	29.08.2024
2.	Equity Share capital	20.00	NA	NA
	Total	500.00		



4. PRODUCT WISE LIABILITIES AS ON 31.12.2023.

SI No	Product	Liabilities (Rs. In crore)	% to Total
1.	Working Capital demand Loan	430.00	93.97
2.	Overdraft Facility against Book Debt	27.58	6.03
3.	Commercial Paper	-	
Total		457.58	100%

5. STOCK RATIOS

SL No	Particulars	Formula	Mar-23	Dec-23
1.	Short-term liability to Total assets	$\frac{\text{Short Term Liability}}{\text{Total Assets}}$	0.77	0.80
2	Short-term liability to long term assets	$\frac{\text{Short Term Liability}}{\text{Long term Assets}}$	8.67	11.16
3	Commercial papers to total assets	$\frac{\text{Commercial Paper}}{\text{Total assets}}$	-	-

- We do not have any Non-convertible debentures, further we calculate our ALM every month and there is no liquidity stress arising as our business is limited to short term nature of lending.



Quarterly Public disclosure as per RBI guidelines

1.	Funding Concentration based on significant counterparty (both deposits and borrowings)	
A	Deposits	Nil
	Counter Parties	Nil
B	Liabilities	480
	OD Limit	20
	Equity	500
	Liability Counterparties	
	Canara Bank - OD Limit	480
	Equity Composition	20
	Canara bank - 14 Crores	
	SIDBI - 4 Crores	
	Union Bank Of India - 2 Crores	
	Total	500

2. TOP 20 DEPOSITS – NIL

3. TOP 10 Borrowings as on 31.03.2024

Sl No	Source	Limit Sanctioned (Rs. In crore)	Date of sanction	Validity
1.	OD Limit	480.00	01.09.2023	29.08.2024
2.	Equity Share capital	20.00	NA	NA
	Total	500.00		



4. PRODUCT WISE LIABILITIES AS ON 31.03.2024.

Sl No	Product	Liabilities (Rs. In crore)	% to Total
1.	Working Capital demand Loan	430.00	94.35
2.	Overdraft Facility against Book Debt	25.75	5.65
3.	Commercial Paper	-	-
Total		455.75	100%

5. STOCK RATIOS

SL No	Particulars	Formula	Mar-23	Mar-24
1.	Short-term liability to Total assets	$\frac{\text{Short Term Liability}}{\text{Total Assets}}$	0.77	0.80
2	Short-term liability to long term assets	$\frac{\text{Short Term Liability}}{\text{Long term Assets}}$	8.67	11.29
3	Commercial papers to total assets	$\frac{\text{Commercial Paper}}{\text{Total assets}}$	-	-

- We do not have any Non-convertible debentures, further we calculate our ALM every month and there is no liquidity stress arising as our business is limited to short term nature of lending.

