



Independent Auditor's Report

To the Members of Globe Capital Market Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Globe Capital Market Limited (the 'Company'), which comprise the Standalone Balance Sheet as at 31 March 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2022, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's Annual Report, if, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

- i. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone



financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its director during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
- 2) As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 3) Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.



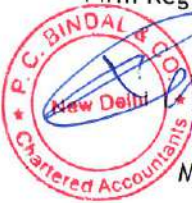
- f) With respect to the adequacy of the internal financial controls of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements- Refer note no 44 of the standalone financial statement;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. During the year the Company has not declared or paid dividend under section 123 of the Companies Act, 2013.

Place: New Delhi
Date: 29.04.2022

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration No.: 003824N



CA K.C. Gupta
Partner
Membership No. 088638

"Annexure A" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Member of Globe Capital Market Limited of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i.	In respect of the Company's Property, Plant and Equipment and Intangible Assets:
(a)	(A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment and relevant details of right of use- assets. (B) The Company has maintained proper records showing full particulars of intangible assets.
(b)	The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c)	According to the information and explanations given to us and from our examination of books of account and other documents, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the assessee) disclosed in the financial statements are held in the name of the company.
(d)	The Company has not revalued any of its Property, Plant and Equipment during the year.
(e)	No proceedings have been initiated during the year or are pending against the Company as at 31 March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
ii. (a)	As informed to us, the inventory, which is in the nature of securities, has been physically verified by the management during the year, either by actual inspection or on the basis of statement received from depository participants in respect of shares held as inventory. In our opinion, the frequency of such verification is reasonable. No material discrepancies have been noticed on physical verification of such inventories.
(b)	According to the information and explanations given to us and from our examination of books of account and other documents the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
iii.	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company made investment, provided guarantee and granted loans to company during the year, details of the guarantee and loan is stated in sub-clause (a) below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.



- (a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided guarantee and granted loans to subsidiary as below.

Particulars	Amount (in Lakhs)	
	Guarantee	Loan
Aggregate amount during the year	6,000.00	1,46,075.00
Balance outstanding as at balance sheet date	4,233.33	10,000.00

- (B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided guarantee and granted loans to any party other than subsidiary.

- (b) According to the information and explanations given to us and examination of books of account, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

- (f) According to the information and explanations given to us and examination of books of account, the company has granted loans repayable on demand is as follows-

Particulars	Amount (in Lakhs)	
	All Parties	Related Parties
Aggregate amount of loan Repayable on demand	1,46,075.00	1,46,075.00
Total	1,46,075.00	1,46,075.00
Percentage of loans to the total loans		100%

- iv. According to the information and explanations given to us, in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable.

- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.

- vi. To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records under clause of sub section (1) of section 148 of the Companies Act, 2013 for the services rendered by the company.



vii. (a) According to the information and explanation given to us and according to the books and records produced before us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods & services tax, cess and any other statutory dues with the appropriate authority, as applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, goods & service tax, cess were in arrears as at 31.03.2022 for a period of more than six months from the date they become payable except Income Tax Rs.2.57 lakhs.

(b) According to the information and explanations given to us, there are no dues on account of Income-tax, Goods and service tax, Provident Fund and Service tax which have not been deposited with the appropriate authorities on account of dispute except of the following amounts:

Name of Statute	Nature of Dues	Disputed Amount in Lakhs	Period to which amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	1,293.60	01.07.2012 to 31.03.2021	CESTAT, New Delhi
Income Tax Act, 1961	Income Tax Demand	1,545.65	A/Y 2018-19	Commissioner of Income Tax (Appeals)

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) In our opinion and according to the information and explanations given to us and our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any banks and financial institutions. The Company did not have any outstanding loans or borrowings from the Government and did not have any dues to debenture holders during the year.

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

(c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the year and reporting of utilization of fund received from term loan are not applicable, hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and our examination of the records of the Company, the funds raised on short term basis have not been utilized for long term purposes of the Company.

(e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, hence, reporting under clause 3(ix) (e) of the Order is not applicable.

(f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year based on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence, reporting under clause 3(ix)(f) of the Order is not applicable.



x. (a)	In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable.
(b)	During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
xi. (a)	According to the information and explanations given to us, no fraud by the Company or by its officer or employees has been noticed or reported during the course of our audit.
(b)	No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c)	According to the information and explanations given to us and our examination of the records of the Company, the Company has not received any whistle-blower complaints, during the year.
xii.	According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3 (xii) of the Order are not applicable to the Company.
xiii.	In our opinion and according to the information and explanation given to us, all transaction with the related parties is in compliance with section 177 & section 188 of Companies Act-2013 and details of the same is disclosed in the financial statement as required by the applicable Indian accounting standards.
xiv. (a)	In our opinion and according to information and explanations given by the management, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b)	We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
xv.	In our opinion and according to the information and explanation given to us, the company has not entered into any non-cash transaction with directors or persons under the provisions of section 192 of Companies Act-2013. Hence, reporting under clause 3(xv) of the Order is not applicable to the Company.
xvi. (a)	The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order are not applicable to the Company.
(b)	In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence, reporting under clause 3(xvi)(d) of the Order is not applicable.
xvii.	According to the information and explanations given to us and our examination of the records of the Company, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
xviii.	There has been no resignation of the statutory auditors during the year and hence reporting under clause is not applicable.
xix.	On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come



	to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
xx.	In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Hence, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

Place: New Delhi
Date: 29.04.2022

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration No.: 003824N



CA K.C. Gupta
Partner
Membership No.088638

"Annexure B" to the Independent Auditor's Report

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Member of Globe Capital Market Limited of even date)

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

We have audited the internal financial controls over financial reporting of Globe Capital Market Limited ("the Company") as of 31 March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of



financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Place: New Delhi
Date: 29.04.2022

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration No.: 003824N



CA K.C. Gupta
Partner
Membership No.088638

Globe Capital Market Limited

Standalone Balance Sheet

as at 31 March 2022

(Currency : Indian Rupees in Lakhs)

	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	25,018.72	24,049.66
(b) Bank Balance other than (a) above	4	707,864.46	471,573.55
(c) Derivative financial instruments	5	728.53	470.84
(d) Securities for trade	6	35,091.39	35,867.66
(e) Trade receivables	7	22,237.40	13,632.79
(f) Loans	8	12,598.71	9,201.76
(g) Investments	9	21,764.98	22,648.00
(h) Other financial assets	10	15,734.70	12,484.96
		841,038.89	589,929.22
2. Non-financial assets			
(a) Deferred tax assets	11	2,538.26	-
(b) Current tax assets	12	1,282.20	1,434.71
(c) Property, plant and equipment	13	303.54	285.71
(d) Other intangible assets	14	-	-
(e) Right of use assets	15	228.24	411.48
(f) Other non-financial assets	16	500.50	427.18
		4,852.74	2,559.08
TOTAL ASSETS		845,891.63	592,488.30
LIABILITIES AND EQUITY			
Liabilities			
3. Financial liabilities			
(a) Derivative financial instruments	5	1,012.28	431.69
(b) Trade payables	17	-	-
(i) Outstanding dues of micro and small enterprises		-	-
(ii) Outstanding dues of other than micro and small enterprises		327.41	175.21
(c) Borrowings (other than debt securities)	18	55,178.14	65,297.46
(d) Other financial liabilities	19	669,368.01	420,750.08
		725,885.84	486,654.44
4. Non financial liabilities			
(a) Contract liabilities	20	156.02	135.62
(b) Current tax liabilities (net)	21	-	110.95
(c) Provisions	22	877.24	769.77
(d) Deferred tax liabilities	11	-	492.18
(e) Other non-financial liabilities	23	2,086.88	1,481.85
		3,120.14	2,990.37
5. Equity			
(a) Equity share capital	24	2,625.00	2,625.00
(b) Other equity	25	114,260.65	100,218.49
		116,885.65	102,843.49
TOTAL LIABILITIES AND EQUITY		845,891.63	592,488.30
Significant accounting policies and notes to the standalone financial statements	2		

The notes referred to above form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **P.C. Bindal & Co.**

Chartered Accountants

Firm's registration no - 003824N

K.C. Gupta

Partner

Membership No : 088638



For and on behalf of the Board of Directors of
Globe Capital Market Limited

Yash Pal Mendiratta

Managing Director

DIN : 00004185

Dhiraj Jaiswal

Company Secretary

Ashok Kumar Agarwal

Chairman

DIN : 00003988

Amit Kumar Singhal

Chief Financial Officer

New Delhi, 29 April 2022

Globe Capital Market Limited

Standalone Statement of Profit and Loss

for the year ended 31 March 2022

(Currency : Indian Rupees in Lakhs)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
1. Revenue from operations			
(a) Interest income	26	43,076.94	25,236.46
(b) Dividend income	27	359.67	1,765.12
(c) Fee and commission income	28		
(i) Brokerage income		18,223.32	15,718.35
(ii) Depository and portfolio management services		1,103.25	706.57
(d) Income from trading in securities and commodities		7,307.58	15,799.58
(e) Net gain on fair value change	30	(2,593.86)	4,243.27
Total revenue from operations		67,476.90	63,469.35
Other income	31	41.51	89.10
Total income		67,518.41	63,558.45
2. Expenses			
(a) Finance costs	32	25,762.21	13,039.35
(b) Impairment on financial instruments	33	1,350.20	2,043.29
(c) Employee benefit expenses	34	7,513.70	7,004.06
(d) Depreciation, amortisation and impairment	35	260.73	319.43
(e) Other expenses	36	10,790.56	10,935.99
Total expenses		45,677.40	33,342.12
3. Profit before tax		21,841.01	30,216.33
4. Tax expenses			
(a) Current tax	39	6,169.11	6,250.45
(b) Deferred tax (credit)	39	(1,733.71)	1,049.00
Total tax expense		4,435.40	7,299.45
5. Profit after tax		17,405.61	22,916.88
6. Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
(i) Remeasurement gain/(loss) on defined benefit plan		(13.36)	(34.83)
(ii) Equity instruments through OCI		439.22	1,137.73
(b) Income tax relating to (a) above			
(i) Remeasurement gain/(loss) on defined benefit plan	39	3.36	8.77
(ii) Equity instruments through OCI	39	13.24	(159.78)
Other comprehensive income		442.47	951.89
7. Total comprehensive income		17,848.08	23,868.77
8. Earning per share			
(a) Basic	40	66.31	87.30
(b) Diluted	40	66.31	87.30
Significant accounting policies and notes to the standalone financial statements	2		

The notes referred to above form an integral part of the Standalone Financial Statements

As per our report of even date attached

For **P.C. Bindal & Co.**

Chartered Accountants

Firm's registration no - 003824N


K.C. Gupta
Partner
Membership No. 088638



For and on behalf of the Board of Directors of
Globe Capital Market Limited


Yash Pal Mendiratta
Managing Director
DIN :00004185


Dhiraj Jaiswal
Company Secretary


Ashok Kumar Agarwal
Chairman
DIN:00003988


Amit Kumar Singhal
Chief Financial Officer

New Delhi, 29 April 2022

Globe Capital Market Limited

Standalone Statement of Cash flows

for the year ended 31 March 2022

(Currency : Indian Rupees in Lakhs)

		For the year ended	
		31 March 2022	31 March 2021
A	Cash flow from operating activities		
	Profit before tax and OCI before tax	22,266.88	31,319.23
	Adjustments for		
	Interest on loan of compound financial instrument	(482.89)	(913.87)
	Depreciation, amortisation and impairment	260.73	319.43
	Amortised borrowing costs (processing fee on loans)	29.46	70.10
	(Profit)/loss on sale of property, plant and equipment	(0.66)	(0.33)
	Provisions/liabilities no longer required written back	-	(0.26)
	Realised gains of sale of financial instruments	(843.09)	-
	Corporate guarantee commission (net)	(22.65)	(85.41)
	Unrealised net (gain)/ loss on financial instruments	2,866.61	(5,381.00)
		24,274.39	25,327.89
	Finance costs		
	Interest on borrowings	2,541.27	13,039.35
	Operating cash flow before working capital changes	26,815.66	38,367.24
	Adjustments for working capital changes		
	(Increase)/Decrease in other bank balances (refer note 2)	(2,36,290.91)	(3,47,895.77)
	(Increase)/Decrease in derivative financial instruments (asset)	(257.69)	338.82
	(Increase)/Decrease in trade receivables	(8,604.61)	10,401.48
	(Increase)/Decrease in other receivables	-	0.08
	(Increase)/Decrease in inventories	(1,890.23)	(16,619.00)
	(Increase)/Decrease in other financial assets	(3,227.08)	(12,961.40)
	(Increase)/Decrease in other non-financial assets	(73.32)	124.58
	Increase/(Decrease) in derivative financial instruments (liabilities)	580.59	(178.59)
	Increase/(Decrease) in trade payables	152.20	(145.42)
	Increase/(Decrease) in provisions	107.47	140.17
	Increase/(Decrease) in contract liabilities	20.40	21.25
	Increase/(Decrease) in other non-financial liabilities	605.03	954.08
	Increase/(Decrease) in other financial liabilities	2,48,617.93	3,10,825.07
	Cash generated/ (used in) from operations	26,555.43	(16,627.41)
	Direct taxes paid	(6,127.65)	(6,392.48)
	Net cash flow generated from/(used in) operating activities	20,427.78	(23,019.89)
B	Cash flow from investing activities		
	Payments for the purchase of property, plant and equipment	(95.32)	(38.81)
	Payments for the purchase of investments	-	(10,027.77)
	Loans to related parties (net)	(8,000.01)	7,050.34
	Receipts from the sale of investments	1,326.00	4,579.70
	Receipts from the sale of property, plant and equipment	0.66	0.33
	Net cash flow from investing activities	(6,768.67)	1,563.79
C	Cash flow from financing activities		
	Proceeds from borrowings other than debt securities	2,328.92	6,087.98
	Interest paid on others	(2,458.93)	(13,039.35)
	Interest payment of lease liabilities	(82.34)	(250.36)
	Net cash flow from financing activities	(212.35)	(7,201.73)



Net increase / (decrease) in cash and cash equivalents (A+B+C)	13,446.76	(28,657.83)
Cash and cash equivalents at the beginning of the year	(25,606.18)	3,051.65
Cash and cash equivalents at the end of the year*	(12,159.42)	(25,606.18)
* Components of cash and cash equivalents		
Cash and cash equivalents	25,018.72	24,049.66
Bank overdrafts	(37,178.14)	(49,655.84)
	(12,159.42)	(25,606.18)

Notes

- 1 Refer note 2 for Significant accounting policies
- 2 Fixed deposits and related interest income have been included in the operating activities since these are directly attributable to the primary generating operations of the Company. Interest expense on others (excluding discount on issue of commercial papers, if any) has been included in operating activities.
- 3 Refer note no 51 for change in liabilities arising from financing activities.

The notes to accounts form an integral part of the Standalone Financial Statements

As per our report of even date attached
For **P.C. Bindal & Co.**
Chartered Accountants
Firm's registration no: 003824N

K.C. Gupta
Partner
Membership No : 083638

New Delhi, 29 April 2022

For and on behalf of the Board of Directors of
Globe Capital Market Limited

Yash Pal Mendiratta
Managing Director
DIN : 00004185

Dhiraj Jaiswal
Company Secretary

Ashok Kumar Agarwal
Chairman
DIN : 00003988

Amit Kumar Singhal
Chief Financial Officer

Globe Capital Market Limited

Standalone statement of changes in equity
as at 31 March 2022

(Currency : Indian Rupees in Lakhs)

		No of shares	Amount
A.	Equity share capital		
	Balance as at 1 April 2020	26,250,000	2,625.00
	Changes in equity share capital due to prior period errors	-	-
	Restated balance as at 1 April 2020	26,250,000	2,625.00
	Changes in equity share capital during the year	-	-
	Balance as at 1 April 2021	26,250,000	2,625.00
	Changes in equity share capital due to prior period errors	-	-
	Restated balance as at 1 April 2021	26,250,000	2,625.00
	Changes in equity share capital during the year	-	-
	Balance as at 31 March 2022	26,250,000	2,625.00

		Reserves and surplus			Other comprehensive income		Total
		General reserve	Retained earnings	Capital Redemption reserve	Remeasurement of defined benefit plans	Equity instruments through OCI	
B.	Other equity						
	Balance as at 1 April 2020	25,128.37	51,655.80	706.25	(33.82)	(1,106.88)	76,349.72
	Profit for the year	-	22,916.88	-	-	-	22,916.88
	Other comprehensive income (loss)	-	-	-	(26.06)	977.95	951.89
	Total comprehensive income	-	-	-	-	-	23,868.77
	Balance as at 31 March 2021	25,128.37	74,572.68	706.25	(59.88)	(128.93)	100,218.49
	Profit for the year	-	17,405.61	-	-	-	17,405.61
	Appropriations on account of CFI	-	(3,805.92)	-	-	-	(3,805.92)
	Other comprehensive income (loss)	-	-	-	(10.00)	452.47	442.47
	Total comprehensive income	-	-	-	-	-	14,042.16
	Balance as at 31 March 2022	25,128.37	88,172.37	706.25	(69.88)	323.54	114,260.65

Significant accounting policies and notes to the financial statements

The notes referred to above form an integral part of the Standalone Financial Statements

As per our report of even date attached
For P.C. Bindal & Co.
Chartered Accountants
Firm's registration no - 003824N

K.C. Gupta
Partner
Membership No : 088638



New Delhi, 29 April 2022

For and on behalf of the Board of Directors of
Globe Capital Market Limited

Yash Pal Mendiratta
Managing Director
DIN : 00004185

Dhiraj Jaiswal
Company Secretary

Ashok Kumar Agarwal
Chairman
DIN : 00003988

Amit Kumar Singhal
Chief Financial Officer

Globe Capital Market Limited

Notes to the standalone financial statements

for the year ended on 31 March 2022

(Currency : Indian Rupees in Lakhs)

1. Corporate information

Globe Capital Market Limited ("The Company") (CIN U74100DL1985PLC021350), incorporated in New Delhi, India is engaged in providing broking services, portfolio management services, clearing services and undertaking trading of securities.

The registered office of the Company is situated at 609, Ansal Bhawan, 16 KG Marg, New Delhi – 110001.

2. Significant accounting policies

(i) Basis of preparation and measurement

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements have been prepared on accrual and going-concern basis. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

The standalone financial statements for the year ended 31 March 2022 are being authorised for issue in accordance with a resolution of directors on 29 April 2022.

(ii) Presentation of financial statements

The Balance Sheet, the statement of changes in equity and the statement of profit and loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non Banking Finance Companies ('NBFC's) that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 – Statement of Cash Flows.

(iii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the reporting period. The actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The Company makes certain judgments and estimates for valuation and impairment of financial instruments, useful life of property, plant and equipment, deferred tax assets and retirement benefit obligations. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

(iv) Significant accounting policies

(a) Financial instruments

The Company recognizes all the financial assets and liabilities at its fair value on initial recognition; In the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset are added to the fair value on initial recognition. The financial assets are accounted on a trade date basis.

For subsequent measurement, financial assets are categorised into:

Amortised cost: The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

Fair value through other comprehensive income (FVOCI): The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains/ losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

Fair value through profit or loss (FVTPL): The financial assets are classified as FVTPL if these do not meet the criteria for classifying at amortised cost or FVOCI. Further, in certain cases to eliminate or significantly reduce a measurement or recognition inconsistency (accounting mismatch), the Company irrevocably designates certain financial instruments at FVTPL at initial recognition. In case of financial assets measured at FVTPL, changes in fair value are recognised in profit or loss.

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, at initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL on an instrument by instrument basis.

Profit or loss on sale of investments is determined on the basis of first-in-first-out (FIFO) basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or



Globe Capital Market Limited

Notes to the standalone financial statements

for the year ended on 31 March 2022

(Currency : Indian Rupees in Lakhs)

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: Inputs for the current assets or liabilities that are not based on observable market data (unobservable inputs).

Investment in equity shares of subsidiaries is carried at deemed cost (previous GAAP carrying amount) as per Ind AS 27.

Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables the carrying amount approximates the fair value due to short maturity of these instruments.

Impairment of financial assets: In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses whether the receivables have been impaired. The Company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the receivables are classified into three stages based on the default and the aging of the outstanding.

If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss.

The Company recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109. As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The Company considers outstanding overdue for more than 90 days for calculation of expected credit loss and incremental impairment loss based on management's assessments.

(b) Property, plant and equipment

Measurement at recognition:

Property plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount.

All property, plant and equipment are initially recorded at cost. Cost comprises acquisition cost, borrowing cost if capitalization criteria are met, and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on straight-line basis over the estimated useful life as prescribed in Schedule II of the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

(c) Intangible assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.



Amortization

The Company amortizes computer software using the straight line method over the period of 5 years. The appropriateness of amortization is reviewed by management in each financial year.

(d) Revenue recognition

Revenue (other than for those items to which Ind AS 109: Financial Instruments) is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax (GST) and amount collected on behalf of third parties.

In accordance with Ind AS 115, specific policies for the Company's different sources of income are explained below:

Brokerage fee income and fee from depository and portfolio management services

Brokerage fee: Brokerage income in relation to stock broking activity is recognized on a trade date basis.

Income from depository services: Income is recognized over the period of contract and as per the terms of the agreement with the customers.

Income from portfolio management service: Income is recognised as per the terms of the agreements with the customers.

Dividend Income

Dividend income is recognized when the Company's right to receive the payment is established.

Trading income

Income from trading in securities, derivatives and arbitrage comprises profit/ loss on sale of securities for trade and profit / loss on equity and derivatives instruments. Profit/ loss on sale of securities is determined based on the First-in-First-Out ('FIFO') cost of the securities sold and is accounted for on the trade date of transaction.

Profit / loss on equity and other derivatives transaction is accounted for as explained below: -

Equity index and derivatives

- (i) Initial Margin' represents initial margin paid, and 'margin deposits', representing additional margin over and above initial margin, for entering into contracts for equity index/stock futures, which are released on final settlement / squaring-up of underlying contracts.
- (ii) Equity index/stock futures are marked to market on a daily basis. Debit or credit balance disclosed under Other Financial Assets in the Mark to Market margin - 'Equity Index / Stock Future account represents the net amount paid or received on the basis of movement in the prices of index / stock futures till the balance sheet date.
- (iii) As at the balance sheet date, profit/loss on open position in index/stock, commodity futures are accounted for as follows:
Credit/ debit balance in the 'Mark-to-Market Margin-Equity Index/ Stock Futures Account', being anticipated profit/ loss, is adjusted in the Statement of Profit and Loss.

On final settlement or squaring-up of contracts for equity index/ stock futures, the profit or loss is calculated as the difference between settlement/ squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/ squared-up contract in 'Mark-to-Market Margin-Equity Index/ Stock Futures Account' is recognized in the Statement of Profit and Loss. When more than one contract in respect of the relevant series of equity index futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using FIFO method for calculating profit/loss on squaring-up.

Income on financial assets

Income on financial assets subsequently measured at amortized cost, is recognized using Effective Interest Rate method (EIR).

Other income and expenses

Other income and expenses are accounted for on accrual basis, in accordance with the terms of the respective contract.

(e) Borrowings

Borrowings are initially recognized at net of transaction costs incurred and measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

In respect of Commercial papers issued, the difference between the redemption value and acquisition value of commercial paper is amortized over the tenure of the Instruments. The liability as at Balance Sheet date in respect of such instruments is recognized at face value net of unamortized discount.

(f) Provisions

Provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at the balance sheet date and adjusted to reflect the current management estimates.

(g) Contingent liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. The existence of a contingent liability is disclosed in the notes to the financial statements.

Contingent assets are neither recognised nor disclosed.



Globe Capital Market Limited

Notes to the standalone financial statements

for the year ended on 31 March 2022

(Currency : Indian Rupees in Lakhs)

(h) Employee benefits

Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid within twelve months in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Employee entitlements to annual leaves are recognized when they accrue to the eligible employees. An accrual is made for the estimated liability for annual leave as a result of service rendered by the eligible employees up to the Balance Sheet date.

Defined contribution plans

Contribution to Provident fund is a defined contribution plan. The Company is statutorily required to contribute a specified portion of the basic salary of an employee to a provident fund as part of retirement benefits to its employees. The contribution towards provident fund has been deposited with Regional Provident Fund Commissioner and is charged to the Statement of Profit and Loss.

Defined benefit plans

The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The gratuity liability as at year end is determined by an independent actuary appointed by the Company. Actuarial valuation of gratuity liability is calculated based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the Projected Unit Credit (PUC) Method. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occur.

(i) Securities for trade

Inventories of securities are classified as financial assets in accordance with standard on Financial Instruments, hence recognized and measured at fair value (FVTPL) with the corresponding debit/ credit in statement of profit and loss.

(j) Impairment of non-financial assets

The Company assesses at the reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units ("CGU") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognised in statement of profit and loss.

(k) Derivative financial instruments

Derivatives financial instrument such as forward contracts, future contracts are initially recognized at fair value on the date a derivatives contract is entered into and subsequently re-measured at fair value with changes in fair value recognized in statement of profit and loss account.

(l) Borrowing costs

Borrowing costs include interest expense as per the effective interest rate (EIR) and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the year in which they are incurred.

The difference between the discounted amount mobilized and redemption value of commercial papers is recognized in the statement of profit and loss over the life of the instrument using the EIR.

(m) Income taxes

The income tax expense comprises current and deferred tax incurred by the Company. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity or OCI, in which case the tax effect is recognized in equity or OCI. Income tax payable on profits is based on the applicable tax laws in each tax jurisdiction and is recognised as an expense in the period in which profit arises.

Current income tax

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts for tax purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The tax effects of income tax losses, available for carry forward, are recognized as deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

Additional taxes that arise from the distribution of dividends by the Company is recognized directly in equity at the same time as the liability to pay the related dividend is recognized.



Globe Capital Market Limited

Notes to the stand alone financial statements

for the year ended on 31 March 2022

(Currency : Indian Rupees in Lakhs)

(n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(o) Leases

Lease liabilities are measured at the present value of contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate of interest in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expenses in the period to which they relate.

On initial recognition, the carrying value of lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise period of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at commencement of the lease
- initial direct cost incurred; and
- the amount of any provision recognized where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

3. Cash and cash equivalents

	As at	
	31 March 2022	31 March 2021
Cash in hand	2.24	2.81
Balances with banks in current accounts	25,016.48	24,046.85
	25,018.72	24,049.66

4. Bank balances other than cash and cash equivalents

	As at	
	31 March 2022	31 March 2021
Bank deposits (with maturity between three to twelve months) *		
- placed under lien with banks	92,843.60	1,09,212.58
- pledged with the clearing corporations, stock exchanges and others as margin	5,54,620.84	2,93,367.18
- deposits in hand	317.56	3,726.43
Bank deposits (with maturity more than twelve months) *		
- placed under lien with banks	14,397.05	11,359.11
- pledged with the clearing corporations, stock exchanges and others as margin	36,815.32	44,721.89
- deposits in hand	-	587.00
Interest accrued on fixed deposits	8,870.10	8,589.36
	7,07,864.46	4,71,573.55

Fixed deposits with banks earn interest at fixed rate based on daily bank deposit rates

* excludes bank deposits given to exchanges by constituents as margins, on their behalf amounting to Rs. 96,611.44 Lakhs (Previous year : Rs. 127,568.24 Lakhs)



5. Derivative financial instruments

		As at 31 March 2022			As at 31 March 2021		
		Notional amounts	Fair value- Assets	Fair value- Liabilities	Notional amounts	Fair value- Assets	Fair value- Liabilities
A. <i>Currency derivatives</i>	Futures	41,285.25	298.47	26.78	2,216.49	7.93	-
	Options	1,589.53	35.81	265.36	326.56	74.58	58.13
		42,874.77	334.28	292.14	2,543.05	82.51	58.13
B. <i>Equity linked derivatives</i>	Futures	54,730.41	394.25	602.90	18,057.92	322.63	318.20
	Options	124.10	-	117.24	183.76	65.70	55.36
		54,854.50	394.25	720.14	18,241.68	388.33	373.56
Total derivatives (A+B)		97,729.28	728.53	1,012.28	20,784.73	470.84	431.69

The Company enters into derivatives for trading purposes. The table above shown fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the values of transactions outstanding at the year end and are not indicative of market risk. Refer note 48 for management of risk arising from derivatives.

6. Securities for trade

	As at	
	31 March 2022	31 March 2021
Recorded at fair value through profit and loss		
Equity shares	34,125.30	35,437.43
Debentures	2.15	257.61
Bonds	793.90	10.26
Government securities	15.50	23.26
Others	154.54	139.10
	35,091.39	35,867.66

7. Trade receivables

(undisputed, considered good unless stated otherwise)

	As at	
	31 March 2022	31 March 2021
Secured	18,741.70	12,031.81
Unsecured	2,495.70	1,600.98
Credit impaired	-	-
	22,237.40	13,632.79
Less : Impairment loss allowance	-	-
	22,237.40	13,632.79

The above amount includes amount receivable from related parties

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

Reconciliation of impairment loss allowance on trade receivables

	As at	
	31 March 2022	31 March 2021
Balance at the beginning of the year	-	517.85
Increase during the year	-	-
Decrease during the year	-	(517.85)
Balance at the end of the year	-	-

Aging of trade receivables

	As at	
	31 March 2022	31 March 2021
Less than six months	20,066.60	12,520.01
Six months to one year	268.19	587.42
One years to two years	186.86	-
Two years to three years	921.14	525.35
More than three years	794.61	-
Total	22,237.40	13,632.79



8. Loans

	As at	
	31 March 2022	31 March 2021
A. Recorded at amortised cost		
Loans repayable on demand		
Loans to related parties	10,000.00	2,000.00
B. Loan component of compound financial instrument		
Receivable from wholly owned subsidiary	2,598.71	7,201.76
	12,598.71	9,201.76
C. Public sector		
Others	12,598.71	9,201.76
	12,598.71	9,201.76
D. Secured by tangible assets		
Secured by Intangible assets	-	-
Unsecured	12,598.71	9,201.76
	12,598.71	9,201.76
Less : Impairment loss allowance		
	12,598.71	9,201.76

Disclosure of loans to related parties
31 March 2022

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to total Loans and advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties	10,000.00	79.37

31 March 2021

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to total Loans and advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties	2,000.00	21.73

9. Investments

	As at	
	31 March 2022	31 March 2021
A. Recorded at fair value through profit and loss		
(i) <u>Investments in India</u>		
Equity instruments (quoted)	1,672.71	2,182.98
Equity instruments (unquoted)	103.48	103.48
	1,776.19	2,286.46
B. Recorded at fair value through other comprehensive income		
(i) <u>Investments in India</u>		
Equity instruments (quoted)	768.69	1,141.44
	768.69	1,141.44
C. Recorded at amortised cost		
(i) <u>Investments in India</u>		
Debt instruments	10,000.00	10,000.00
	10,000.00	10,000.00
D. Other investments		
(i) Equity instruments (unquoted)		
(a) Subsidiary companies (measured at cost)		
- Globe Commodities Limited	1,525.70	1,525.70
- Globe Fincap Limited	6,185.40	6,185.40
- Globe Derivatives and Securities Limited	5.00	5.00
- Globe Capital (IFSC) Limited	1,300.00	1,300.00
(ii) Deemed investment in subsidiary	204.00	204.00
	9,220.10	9,220.10
	21,764.98	22,648.00

10. Other financial assets

	As at	
	31 March 2022	31 March 2021
Recorded at a mortised costs		
Receivable from clients	6,816.96	6,816.96
Receivable from exchanges	7,245.36	3,353.70
Margins/deposits with stock exchanges	1,275.85	1,680.19
Other security deposits	225.58	216.21
Dividend receivable	-	70.19
Accrued income on portfolio management services	-	151.56
Others	170.95	196.15
	15,734.70	12,484.96



Globe Capital Market Limited

Notes to the stand alone financial statements
for the year ended on 31 March 2022
(Currency : Indian Rupees in Lakhs)

11. Deferred tax liabilities / (assets)

	Balance as at 1 April 2020	Charge/(Credit) to Profit and Loss	Charge/(Credit) to OCI	Balance as at 31 March 2021	Charge/(Credit) to Profit and Loss	Charge/(Credit) to OCI	Balance as at 31 March 2022
Deferred tax liabilities							
Borrowings	25.06	(17.64)	-	7.42	(7.42)	-	0.00
Fair value of financial instruments	(453.19)	971.52	159.78	678.11	(1,702.65)	(13.24)	(1,037.78)
Unrealised loss as per ICDS	29.51	(26.40)	-	3.11	(18.98)	-	(15.87)
Impact of Ind AS 116	6.29	(4.17)	-	2.12	7.27	-	9.39
Total (a)	(392.33)	923.31	159.78	690.76	(1,721.77)	(13.24)	(1,044.26)
Deferred tax assets							
Depreciation and amortisation	2.88	2.06	-	4.94	(2.13)	-	2.81
Provision for impairment	130.33	(130.33)	-	-	-	-	-
Disallowances	23.93	(23.93)	-	-	(9.62)	-	(9.62)
Provision for employee benefits	158.46	26.51	8.77	193.74	23.69	3.36	220.79
Total (b)	315.60	(125.69)	8.77	198.68	11.93	3.36	213.97
Add: Appropriations on account of CFI							1,280.03
Total deferred tax assets (C)							1,494.01
Net deferred tax liabilities (a-b)	(707.93)	1,049.00	161.01	492.18	(1,733.71)	(16.60)	(2,538.26)

12. Current tax assets (net)

	As at	
	31 March 2022	31 March 2021
Advance tax and tax deducted at source (Net of provision for tax of Rs. 6169.11, Previous year Rs. Nil)	1,282.20	1,434.71
	1,282.20	1,434.71

13. Property, plant and equipment

	Building	Furniture and fixtures	Computers	Office equipment	Vehicles	Total
A. Gross block						
Cost as at 1 April 2020	114.78	47.27	864.69	189.85	173.71	1,390.30
Addition during the year	-	0.17	30.22	8.42	-	38.81
Deletion during the year	-	(0.58)	-	(1.18)	-	(1.76)
As at 31 March 2021	114.78	46.86	894.91	197.09	173.71	1,427.35
Addition during the year	-	3.86	72.92	18.55	-	95.33
Deletion during the year	-	-	-	(1.65)	(18.72)	(20.37)
As at 31 March 2022	114.78	50.72	967.83	213.99	154.99	1,502.31
B. Accumulated depreciation						
As at 1 April 2020	5.99	31.82	760.98	153.29	113.79	1,065.87
Charge during the year	1.91	3.89	39.38	12.98	19.37	77.53
Disposal/adjustments	-	(0.58)	-	(1.18)	-	(1.76)
As at 31 March 2021	7.90	35.13	800.36	165.09	133.16	1,141.64
Charge during the year	1.91	1.62	41.88	12.74	19.36	77.50
Disposal/adjustments	-	-	-	(1.65)	(18.72)	(20.37)
As at 31 March 2022	9.81	36.75	842.24	176.18	133.80	1,198.77
C. Net block						
As at 31 March 2022	104.97	13.97	125.60	37.81	21.19	303.54
As at 31 March 2021	106.88	11.73	94.55	32.00	40.55	285.71

The title deed of the building is held in the name of the Company.

14. Other intangible assets

	Software
A. Gross block	
Cost as at 1 April 2020	62.75
Addition during the year	-
Deletion during the year	-
As at 31 March 2021	62.75
Addition during the year	-
Deletion during the year	-
As at 31 March 2022	62.75
B. Accumulated depreciation	
As at 1 April 2020	62.75
Charge during the year	-
Disposal/adjustments	-
As at 31 March 2021	62.75
Charge during the year	-
Disposal/adjustments	-
As at 31 March 2022	62.75
C. Net block	
As at 31 March 2022	-
As at 31 March 2021	-



15. Right of use

	As at	
	31 March 2022	31 March 2021
Building	228.24	411.48
	228.24	411.48

During the year, the Company has made an addition of Rs. Nil Lakhs (Previous year Nil) to the right-of-use assets.
During the year, the Company amortised Rs. 183.24 Lakhs (Previous year Rs. 241.90 Lakhs) on the right-of-use assets.

16. Other non-financial assets

	As at	
	31 March 2022	31 March 2021
Capital advances *	183.85	126.58
Other advances	316.65	300.60
	500.50	427.18

* The Company has contractually committed (net of advances) Rs. Nil and Rs. 57.27 Lakhs, respectively, for purchase of building during the current year and previous year

17. Trade payables

	As at	
	31 March 2022	31 March 2021
Trade payables		
(i) total outstanding dues to micro and small enterprises *	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises	327.41	175.21
	327.41	175.21

No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this Act. The above is based on the information available with the Company which has been relied upon by the auditors.

Aging of trade payables

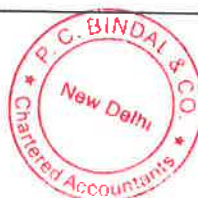
	As at	
	31 March 2022	31 March 2021
Not due	21.07	16.23
Less than 1 year	249.84	134.87
One years to two years	33.12	11.87
Two years to three years	11.86	6.54
More than three years	11.53	5.71
Total	327.41	175.21

*** Dues of small enterprises and micro enterprises**

	31 March 2022	31 March 2021
Dues remaining unpaid to any supplier		
Principal	-	-
Interest on the above	-	-
Amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-

18. Borrowings (other than debt securities)

	As at	
	31 March 2022	31 March 2021
Recorded at amortised cost		
Secured		
A. Term loans		
(i) From banks	-	700.00
(ii) From others	-	1,950.00
B. Other loans		
(i) Short-term loans from banks	18,000.00	13,021.08
(ii) Bank overdrafts	37,178.14	49,655.84
	55,178.14	65,326.92
Less: Unamortised borrowing costs	-	29.46
	55,178.14	65,297.46
Borrowings in India	55,178.14	65,326.92
Borrowings outside India	-	-
	55,178.14	65,326.92
Less: Unamortised borrowing costs	-	29.46
	55,178.14	65,297.46



17.1. Terms and conditions of borrowing

Interest and security		As at 31 March 2022	Interest*	Security
A.	Other loans			
	(i) Short-term loans from banks	18,000.00	6.60% to 10.25%	Receivables of the Company.
	(ii) Bank overdrafts	37,178.14	6.60% to 8.75%	Fixed deposits pledged.

		As at 31 March 2021	Interest*	Security
A.	Term loans			
	(i) From banks	700.00	9.45%	Pari-passu charge over receivables of the Company. Part of share capital held by promoters of the Company. Personal guarantee of Directors.
	(ii) From others	1,950.00	8.00%	Part of share capital held by promoters of the Company. Personal guarantee of Directors.
B.	Other loans			
	(i) Short-term loans from banks	13,021.08	6.60% to 10.25%	Receivables of the Company.
	(ii) Bank overdrafts	49,655.84	6.60% to 8.75%	Fixed deposits pledged.

17.2. Repayment terms

as on 31 March 2022

Lender	Facility	Amount outstanding	Repayment terms		
			Instalments	Periodicity	Start date
ICICI Bank	Floating term loan	-	20	Quarterly	31 Dec 2016
Kotak Mahindra Investments Limited	Fixed term loan	-	20	Quarterly	25 Dec 2017

as on 31 March 2021

Lender	Facility	Amount outstanding	Repayment terms		
			Instalments	Periodicity	Start date
ICICI Bank	Floating term loan	700.00	20	Quarterly	31 Dec 2016
Kotak Mahindra Investments Limited	Fixed term loan	1,950.00	20	Quarterly	25 Dec 2017

19. Other financial liabilities

	As at	
	31 March 2022	31 March 2021
Financial guarantee obligation	-	22.34
Advance/margin money received from		
Related parties	6,475.51	913.91
Others	6,38,712.19	3,85,949.98
Salary, bonus and other employee payables	1,514.02	1,498.99
Payable to exchanges	19,881.02	29,152.78
Lease liabilities	193.95	378.03
Bank overdrafts	1.18	0.85
Interest accrued but not due	2,590.14	1,833.20
	6,69,368.01	4,20,750.08

20. Contract liabilities

	As at	
	31 March 2022	31 March 2021
Income received in advance	156.02	135.62
	156.02	135.62

21. Current tax liabilities (net)

	As at	
	31 March 2022	31 March 2021
Provision for income tax (net of advance tax and TDS)	-	110.95
	-	110.95



22. Provisions

	As at	
	31 March 2022	31 March 2021
Provision for gratuity	877.24	769.77
	877.24	769.77

23. Other non-financial liabilities

	As at	
	31 March 2022	31 March 2021
Statutory dues	2,086.88	1,481.85
	2,086.88	1,481.85

24. Equity share capital

	Face value (Rs. Each)	As at 31 March 2022 No of shares	As at 31 March 2021 No of shares	As at 31 March 2022 Amount	As at 31 March 2021 Amount
Authorised					
Equity	10	5,05,00,000	5,05,00,000	5,050.00	5,050.00
Preference	10	5,00,000	5,00,000	50.00	50.00
				5,100.00	5,100.00
Issued, subscribed and paid up equity shares (fully paid up)	10	2,62,50,000	2,62,50,000	2,625.00	2,625.00

24.1. Reconciliation of the number of shares

	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Equity shares of Rs. 10 fully paid up				
Shares outstanding at the beginning of the year	2,62,50,000	2,625.00	2,62,50,000	2,625.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	2,62,50,000	2,625.00	2,62,50,000	2,625.00

24.2. Terms/rights attached to equity shares

The Company has only one class of equity shares at a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the shareholders in the Annual General Meeting.

24.3. Details of shareholders holding more than 5% of the aggregate shares in the Company

	31 March 2022		31 March 2021	
	Number	Percentage	Number	Percentage
Yash Pal Mendiratta	57,72,900	21.99	57,72,900	21.99
Alka Mendiratta	21,00,000	8.00	21,00,000	8.00
Ashok Kumar Agarwal	57,75,000	22.00	57,75,000	22.00
Alka Agarwal	21,00,000	8.00	21,00,000	8.00
A TO Z Consultants Private Limited	15,75,000	6.00	15,75,000	6.00
ATOZ Fintstock Private Limited	26,25,000	10.00	26,25,000	10.00
Lakshya Impex Private Limited	26,25,000	10.00	26,25,000	10.00



Globe Capital Market Limited

Notes to the standalone financial statements
for the year ended on 31 March 2022
(Currency : Indian Rupees in Lakhs)

24.4. Details of shareholding of promoters shares in the Company

	% Change	31 March 2022		31 March 2021	
		Number	Percentage	Number	Percentage
Yash Pal Mendiratta	-	57,72,900	21.99	57,72,900	21.99
Alka Mendiratta	-	21,00,000	8.00	21,00,000	8.00
Ashok Kumar Agarwal	-	57,75,000	22.00	57,75,000	22.00
Alka Agarwal	-	21,00,000	8.00	21,00,000	8.00
A TO Z Consultants Private Limited	-	15,75,000	6.00	15,75,000	6.00
ATOZ Finstock Private Limited	-	26,25,000	10.00	26,25,000	10.00
Lakshya Impex Private Limited	-	26,25,000	10.00	26,25,000	10.00
Yash Pal Mendiratta (HUF)	-	4,20,000	1.60	4,20,000	1.60
Nidhi Agarwal	-	3,78,000	1.44	3,78,000	1.44
Sahil Mendiratta	-	10,41,600	3.97	10,41,600	3.97
Arpit Agarwal	-	7,08,750	2.70	7,08,750	2.70
Ankit Agarwal	-	7,08,750	2.70	7,08,750	2.70
Ashok Kumar Agarwal (HUF)	-	4,20,000	1.60	4,20,000	1.60

24.5. Aggregate number of shares bought back during 5 years immediately preceding 31 March 2022

During the year 2017-18, the Board of Directors in their meeting held on 24 August 2017 had recommended to buy back 2,862,500 equity shares @ Rs. 313.40 per share from the shareholders on proportionate basis and the same had been approved by the shareholders in their meeting held on 12 September 2017. Consequently, the relevant shareholders had tendered 2,862,500 equity shares through tender offer for buy back and after paying off the consideration of Rs. 8,971.08 Lakhs to the shareholders, the Company extinguished the tendered share capital.

25. Other equity

	As at	
	31 March 2022	31 March 2021
Reserves and surplus		
Retained earnings	88,172.37	74,572.68
General reserve	25,128.37	25,128.37
Capital redemption reserve	706.25	706.25
Other comprehensive income		
Remeasurement of defined benefit plans	(69.88)	(59.88)
Equity instruments through OCI	323.54	(128.93)
	1,14,260.65	1,00,218.49

(i) Retained earnings

Retained earnings represent the profits that the Company has earned till date, less any transfers to general reserves, dividends or other distributions paid to the shareholders

(ii) General reserve

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income. The amount transferred to general reserve can only be utilised in accordance with the specific requirements of Companies Act, 2013

(iii) Capital redemption reserve

The Company has recognised Capital Redemption Reserve on buyback of equity shares. The same has been created out of free reserves. The amount of Capital Redemption Reserve is equal to the nominal amount of the equity shares bought back. The same is not freely available for distribution.

(iv) Other comprehensive income

It includes actuarial gains and losses on defined benefit plans and equity instruments recognised in other comprehensive income (net of taxes)

26. Interest income

	for the year ended	
	31 March 2022	31 March 2021
On financial assets measured at amortised cost		
Interest on deposits with bank	34,320.96	18,500.39
Interest on loans	1,073.87	1,106.12
Interest on loan component of compound financial instrument	482.89	913.87
Interest income on investment	1,000.00	745.21
Other interest income	6,155.42	3,950.15
On financial assets measured at fair value through profit and loss		
Other interest income	43.80	20.72
	43,076.94	25,236.46



Globe Capital Market Limited

Notes to the standalone financial statements
for the year ended on 31 March 2022
(Currency : Indian Rupees in Lakhs)

27. Dividend income

	for the year ended	
	31 March 2022	31 March 2021
Total dividend received	1,795.98	2,932.08
Less: dividend received on behalf of clients/ trading members transferred *	1,436.31	1,166.96
	359.67	1,765.12

* represents the amount of dividend received on shares held as securities/ margins on behalf of clients/Trading members

28. Fee and commission income

	for the year ended	
	31 March 2022	31 March 2021
Brokerage fee (within India)	18,223.32	15,718.35
Income from depository and portfolio management services	1,103.25	706.57
	19,326.57	16,424.92
Services transferred at a point in time	18,940.42	16,152.00
Services transferred over time	386.15	272.92
	19,326.57	16,424.92

29. No single customer represents 10% or more of the Company's total revenue during the years ended March 31, 2022 and 2021.

30. Net gain/ (loss) on fair value changes

	for the year ended	
	31 March 2022	31 March 2021
Net gain / (loss) on financial instruments at fair value through profit and loss (FVTPL)		
Securities for trade	(2,666.50)	2,688.90
Investments	72.64	1,556.37
	(2,593.86)	4,243.27
Net gain / (loss) on financial instruments at fair value through profit and loss (FVTPL)		
Realised	272.75	448.69
Unrealised	(2,866.61)	3,794.58
	(2,593.86)	4,243.27

31. Other Income

	for the year ended	
	31 March 2022	31 March 2021
Net gain on sale of property, plant and equipment	0.66	0.33
Corporate guarantee commission	22.65	85.41
Provisions/liabilities no longer required written back	-	0.26
Miscellaneous income	18.20	3.10
	41.51	89.10

32. Finance costs

	for the year ended	
	31 March 2022	31 March 2021
Interest expenses on financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)	24,731.60	11,738.08
Interest on lease liabilities	82.34	86.41
Other borrowing costs	948.27	1,214.86
	25,762.21	13,039.35

33. Impairment on financial instruments

	for the year ended	
	31 March 2022	31 March 2021
Impairment on financial instruments at amortised cost		
Trade receivables	1,350.20	2,043.29
	1,350.20	2,043.29

34. Employee benefit expenses

	for the year ended	
	31 March 2022	31 March 2021
Salaries and wages (including bonus)	7,151.40	6,718.95
Contribution to provident and other funds	183.97	141.91
Gratuity	133.38	117.67
Staff welfare expenses	44.95	25.53
	7,513.70	7,004.06



35. Depreciation and amortisation

	for the year ended	
	31 March 2022	31 March 2021
On property, plant and equipment (refer note 13)	77.50	77.53
On right of use (refer note 15)	183.23	241.90
	260.73	319.43

36. Other expenses

	for the year ended	
	31 March 2022	31 March 2021
Exchange charges	1,580.85	3,580.71
Brokerage and commission	4,620.33	3,188.12
Security transaction tax	1,484.10	2,039.17
Expenses on short-term leases	393.84	278.54
Communication	355.70	336.92
Computer and data processing charges	897.72	440.28
Contributions towards corporate social responsibility (Refer note no 37)	245.50	164.10
Travelling and conveyance	194.22	150.63
Legal and professional (Including auditors' remuneration Refer note no 38 for details)	232.38	153.80
Electricity	138.13	106.05
Repairs and maintenance- others	137.97	100.10
Depository expenses	194.44	155.68
Entertainment, business promotion	83.37	10.69
Printing and stationery	20.45	19.53
Advertisement	48.74	15.86
Rates and taxes (net of recoveries)	28.62	24.69
Fees and subscription	28.27	41.35
Festivity expenses	42.88	30.00
Insurance	6.53	6.75
Donation	1.16	22.08
Miscellaneous	55.36	71.14
	10,790.56	10,935.99

37. Corporate social responsibility

	for the year ended	
	31 March 2022	31 March 2021
Gross amount required to be spent by the Company during the year	245.50	164.10

Amount spent during the year on

	31 March 2022			31 March 2021		
	Amount spent	Unpaid/provision	Total	Amount spent	Unpaid/provision	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	245.50	-	245.50	164.10	-	164.10
Shortfall at the end of the year	-	-	-	-	-	-
Total of previous years shortfall	-	-	-	-	-	-
Reason for shortfall			N.A.			N.A.
Nature of CSR activities	Education, Health, Animal welfare and Rural Development			Education, Health, Animal welfare, Contribution to Government relief funds and Rural Development		

The Company has made a contribution of Rs. 245.5 Lakhs (Previous year Rs. 164.10 Lakhs) to Globe Capital Foundation - a public charitable trust (a related party as per Ind AS - 24).

38. Auditors' remuneration

	for the year ended	
	31 March 2022	31 March 2021
As auditor		
For statutory audit	21.00	17.50
For other matters	0.57	0.38
	21.57	17.88



39. Income tax and deferred tax expense

The components of income tax expense are :

	for the year ended	
	31 March 2022	31 March 2021
Total income tax recognised in statement of profit and loss		
Current tax	6169.11	6,250.46
Deferred tax (Refer note no 11)	(1,733.71)	1,049.00
	4,435.40	7,299.46
Total income tax recognised in other comprehensive income		
Remeasurement gain/(loss) on defined benefit plan	(3.36)	(8.77)
Equity instruments through OCI	(13.24)	159.78
	(16.61)	151.01
Total income tax expenses recognised	4,418.80	7,450.46

The reconciliation of estimated income tax expense at tax rate to income tax reported in profit or loss is as follows

	for the year ended	
	31 March 2022	31 March 2021
Profit before tax	21,841.01	30,216.33
Other comprehensive income before tax	425.86	1,102.90
Applicable income tax rate	22,266.88	31,319.23
Income tax expense at applicable income tax rate	25.168%	25.168%
Tax effects of adjustments to reconcile expected income tax expense to reported income tax expense	5,604.13	7,882.42
Effect of expenses not deductible	62.08	23.43
Effect of income taxable at a lower rate	(1,247.12)	(455.78)
Other	(0.29)	0.39
Income tax expense recognised in profit or loss at an effective tax rate of 19.84 percent 23.79 percent in the previous year	4,418.80	7,450.46

40. Earnings per share

	for the year ended	
	31 March 2022	31 March 2021
Net profit	17,405.61	22,916.88
Weighted average number of equity shares		
Basic	2,62,50,000	2,62,50,000
Diluted	2,62,50,000	2,62,50,000
Earnings per share		
Basic	66.31	87.30
Diluted	66.31	87.30
Face value per share	10.00	10.00

41. Segment reporting

The Company has identified its Board of Directors as the chief operating decision maker (CODM), since they are responsible for all major decisions in respect of the preparation and execution of business plan, preparation of budget, planning, alliance, joint venture, merger and acquisition and expansion of any business activity. In the opinion of the Board of Directors, Capital market activities comprising brokerage income earned on secondary market transactions done on behalf of clients, services rendered as depository participant and proprietary trading in securities and derivatives are considered as one reportable segment. Accordingly, no separate disclosure for segment reporting has been made in the financial statements of the Company.

42. Related party disclosures

A. Related party where control exists irrespective whether transaction occurred or not.

- Wholly owned subsidiaries

	Principal place of business/ Country of incorporation
(i) Globe Fincap Limited	India
(ii) Globe Commodities Limited	India
(iii) Globe Derivatives and Securities Limited	India
(iv) Globe Capital (IFSC) Limited	India

- Step down subsidiary

(i) Globe Comex International, DMCC	Dubai
-------------------------------------	-------

B. Other related parties where transactions have occurred during the year

- Key managerial persons

(i) Yash Pal Mendiratta	Managing director
(ii) Ashok Kumar Agarwal	Whole time director
(iii) Alka Mendiratta	Director
(iv) Alka Agarwal	Director
(v) Alok Kumar Bansal	Independent Director
(vi) Sunil Kumar Jain	Independent Director
(vii) Arun Kumar Gupta	Independent Director



Globe Capital Market Limited

Notes to the stand alone financial statements
for the year ended on 31 March 2022
(Currency : Indian Rupees in Lakhs)

- Relatives of key managerial persons

(i) Nidhi Agarwal	Daughter of Yash Pal Mendiratta
(ii) Sahil Mendiratta	Son of Yash Pal Mendiratta
(iii) Arpit Agarwal	Son of Ashok Agarwal
(iv) Ankit Agarwal	Son of Ashok Agarwal

- Enterprises In which Key Managerial Persons or their relatives have influence

- (i) A to Z Venture Capital limited
- (ii) M. Agarwal Stock Brokers Private Limited
- (iii) Bolt Synthetic Private Limited
- (iv) A.M. Share Brokers Private Limited
- (v) Globe Capital Foundation
- (vi) Rolex Finvest Private Limited *
- (vii) A to Z Consultants Private Limited *
- (viii) Lakshya Impex Private Limited *
- (ix) Yash Pal Mendiratta (HUF) *
- (x) Ashok Kumar Agarwal (HUF) *

* also shareholder(s) of the Company

Details of related party transactions

Related party	Nature of transactions	31 March 2022	31 March 2021
Globe Commodities Limited	Brokerage earned	142.05	6.71
	Income from depository services	6.90	3.24
	Income from portfolio management services	37.70	7.87
	Corporate guarantee commission	-	5.22
	Guarantee given	-	4,250.00
	Reimbursement of expenses	-	4.32
	Loan repaid	-	50.33
Globe Fincap Limited	Brokerage earned	0.30	0.07
	Income from depository services	0.03	-
	Interest income on loan	1,073.87	1,106.12
	Interest income on debentures	1,000.00	745.21
	Interest income on compound financial instrument	-	142.25
	Corporate guarantee commission *	22.65	80.19
	Guarantee given	6,000.00	-
	Income from portfolio management services	8.62	-
	Reimbursement of expenses	0.98	1.21
	Loan given	1,46,075.00	3,39,350.00
	Loan repaid	1,38,075.00	3,39,750.00
	Investment in debentures	-	10,000.00
Globe Derivatives and Securities Limited	Brokerage earned	47.63	101.49
	Income from depository services	0.46	0.58
	Income from portfolio management services	71.70	47.80
	Interest income on compound financial instrument	482.90	771.61
Globe Capital Foundation	Contributions towards corporate social responsibility	238.00	164.10
M Agarwal Stock Brokers Private Limited	Income from portfolio management services	19.09	15.10
Lakshya Impex Private Limited	Rent	8.66	8.66
A to Z Venture Capital Private Limited	Rent	8.76	8.76
A to Z Consultants Private Limited	Rent	5.88	5.88
Globe Capital (IFSC) Limited	Reimbursement of expenses	-	4.92
Yash Pal Mendiratta	Short-term employee benefits	1,040.00	1,040.00
Yash Pal Mendiratta (HUF)	Rent	7.46	7.46
Ashok Kumar Agarwal	Short-term employee benefits	1,040.00	1,040.00
Ashok Kumar Agarwal (HUF)	Rent	7.46	7.46
Ankit Agarwal	Income from portfolio management services	9.49	7.27
Arpit Agarwal	Income from portfolio management services	4.74	3.05
Alka Mendiratta	Rent	1.50	1.50
Alka Agarwal	Rent	1.50	1.50
Alok Kumar Bansal	Sitting fee	2.10	2.33
Sunil Kumar Jain	Sitting fee	1.58	2.33



Arun Kumar Gupta	Sitting fee	2.10	2.33
Others	Brokerage earned	0.02	0.26
	Income from portfolio management services	1.53	0.74
	Reimbursement of expenses	-	0.17
	Income from depository services	0.35	0.28

Balances outstanding

Related party	Nature of transactions	31 March 2022	31 March 2021
Globe Commodities Limited	Advance/ Margin received	4,261.60	518.05
Globe Fincap Limited	Loan recoverable	10,000.00	2,000.00
	Interest receivable on debentures	-	771.29
	Corporate guarantee to the extent of loan amount outstanding	4,233.33	2,958.46
Globe Derivatives and Securities Limited	Advance/ Margin received	2,437.38	395.75
	Amount recoverable (compound financial instrument)	2,599.71	7201.76
Yash Pa. Mendiratta	Salary, bonus and other payables	480.65	395.75
Ashok K.umar Agarwal	Salary, bonus and other payables	480.65	507.83
Others	Advance/ Margin received	0.28	0.10

Notes

- As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included
- All the related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.
- For the current year, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous year: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- Under Ind AS 109, Financial guarantee given in relation to borrowing taken by wholly owned subsidiary company, for no compensation received from such subsidiary is measured at fair value on the date of corporate guarantee given. Accordingly an amount of Rs. 22.65 Lakhs (PY Rs. 85.41 Lakhs) has been booked as income. The said amount is not actually receivable.

43. Employee benefits

A. Defined contribution plan

The contribution to various statutory funds is recognised as expense and included in Note 34: Employee Benefit Expenses under 'Contribution to provident and other funds' in the Statement of Profit and loss.

B. Defined benefit plan (gratuity)

	31 March 2022	31 March 2021
(i) Movement in present value of obligation		
Defined benefit obligation at the beginning of the year	769.77	629.60
Current service cost	87.96	82.41
Interest cost	45.42	35.26
Actuarial (gain)/ loss arising from change in demographic assumption	9.63	-
Actuarial (gain)/ loss arising from change in financial assumption	(6.22)	36.33
Actuarial (gain)/ loss arising from experience adjustment	9.95	(1.50)
Benefits paid	(39.27)	(12.33)
Defined benefit obligation at the end of the year	877.24	769.77
(ii) Amount recognised in the balance sheet		
(iii) Amount recognized in the statement of profit and loss as Employee Benefit Expense		
Current Service Cost	87.96	82.41
Interest cost	45.42	35.26
Net Impact on the profit / (loss) before tax	133.38	117.67
(iv) Remeasurement of the net defined benefit liability		
Actuarial (Gain)/ Loss arising from change in demographic assumption	9.63	-
Actuarial (Gain)/ Loss arising from change in financial assumption	(6.22)	36.33
Actuarial (Gain)/ Loss arising from experience adjustment	9.95	(1.50)
Net Expense recognized in Other Comprehensive Income before tax	13.36	34.83
(v) Actuarial assumptions		
<i>Financial Assumptions</i>		
Discount rate (per annum)	5.60%	5.60%
Salary escalation rate (per annum)	8.00%	8.00%
<i>Demographic assumptions</i>		
Published rates under the Indian Assured Lives Mortality (2006-08) (Ultimate)		
The estimates of future salary increases, considered in actuarial valuations, taken into account of inflations, seniority, promotion and other relevant factors, such as supply and demand in the employment market		



Globe Capital Market Limited

Notes to the standalone financial statements

for the year ended on 31 March 2022

(Currency : Indian Rupees in Lakhs)

(vi) Sensitivity analysis			
Discount rate +1%		29.75	26.20
Discount rate -1%		32.07	24.39
Change in rate of salary increase +1%		27.57	22.89
Change in rate of salary increase -1%		26.52	22.02
Sensitivity due to mortality are not material and hence the impact of change not calculated			
(vii) Expected benefit obligations			
<i>Duration of defined benefit obligations</i>			
1 year		200.60	187.42
2 years		155.34	143.94
3 years		118.69	109.23
4 years		98.71	82.15
5 years		72.10	65.98
5 and above		231.80	181.05
		877.24	769.77
<i>Duration of defined benefit payment</i>			
1 year		206.63	192.87
2 years		169.76	156.87
3 years		137.63	126.06
4 years		121.43	100.40
5 years		94.12	85.40
5 and above		390.97	296.53
		1,120.54	958.13

44. Contingent liabilities

	31 March 2022	31 March 2021
Claims against the Company not acknowledged as debts (refer note below)	5,326.85	3,781.20
Corporate guarantee given on behalf of subsidiaries (refer note 42) *	4,233.33	2,958.46
	9,560.18	6,739.66

Claims against the Company not acknowledged as debts

	31 March 2022	31 March 2021
On account of arbitration filed by client	22.29	22.29
On account of stamp duty from office of collector of stamp duty	2,465.31	2,465.31
Service tax matters **	1,293.60	1,293.60
Income tax matters ***	1,545.65	-
	5,326.85	3,781.20

The Company has reviewed all its pending litigation and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have materiality adverse effect on its financial results.

* The Company has given letter of comfort to various banks for credit facilities availed by its subsidiaries. As per the letter of comfort, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary.

** The matters are being contested by the Company based on the management evaluation and advice of tax consultants.

*** The Company has recognised contingent liability in respect of tax demands received from direct tax authorities, these demand orders are being contested by the Company based on the management evaluation and advice of tax consultants. In addition to this, the Company periodically receives notices and enquiries from income tax authorities related to the Company's operations. The Company has evaluated these notices and enquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed.



Globe Capital Market Limited

Notes to the standalone financial statements
for the year ended on 31 March 2022
(Currency : Indian Rupees in Lakhs)

45. Maturity analysis of assets and liabilities

	31 March 2022		31 March 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Financial assets				
(a) Cash and cash equivalents	25,018.72	-	24,049.66	-
(b) Bank Balance other than (a) above	6,56,852.09	51,212.37	4,14,895.55	56,678.00
(c) Derivative financial instruments	728.53	-	470.84	-
(d) Securities for trade	35,091.39	-	35,867.66	-
(e) Trade receivables	22,237.40	-	13,632.79	-
(f) Loans	12,598.71	-	9,201.76	-
(g) Investments	-	21,764.98	-	22,648.00
(h) Other financial assets	8,161.81	7,572.78	4,239.65	8,245.31
	7,60,488.76	80,550.13	6,02,357.91	87,571.31
Non-financial assets				
(a) Deferred tax assets	-	2,538.26	-	-
(b) Current tax assets	1,282.20	-	1,434.71	-
(c) Property, plant and equipment	-	303.54	-	285.71
(d) Other intangible assets	-	-	-	-
(e) Right of use	-	228.24	-	411.48
(f) Other non-financial assets	500.50	-	427.18	-
	1,782.70	3,070.04	1,861.89	697.19
TOTAL ASSETS	7,62,271.46	83,620.17	5,04,219.80	88,268.50
Financial liabilities				
(a) Derivative financial instruments	1,012.28	-	431.69	-
(b) Trade payables	327.41	-	175.21	-
(c) Borrowings (other than debt securities)	55,178.14	-	64,647.46	650.00
(d) Other financial liabilities	6,69,174.06	193.95	4,20,372.05	378.03
	7,25,691.89	193.95	4,85,626.41	1,028.03
Non financial liabilities				
(a) Contract liabilities	156.02	-	135.62	-
(b) Current tax liabilities (net)	-	-	110.95	-
(c) Provisions	200.60	676.64	187.42	582.35
(d) Deferred tax liabilities	-	-	-	492.18
(e) Other non-financial liabilities	2,086.88	-	1,481.85	-
	2,443.50	676.64	1,915.84	1,074.53
	7,28,135.39	870.59	4,87,542.25	2,102.56

46. Fair value measurement

The table below presents information relating to the fair values and carrying values of the Company's financial assets liabilities

	Category	Fair value hierarchy	31 March 2022		31 March 2021	
			Carrying value	Fair value	Carrying value	Fair value
Financial assets						
(a) Cash and cash equivalents	AC		25,018.72	25,018.72	24,049.66	24,049.66
(b) Bank Balance other than (a) above	AC		7,07,864.46	7,07,864.46	4,71,573.55	4,71,573.55
(c) Derivative financial Instruments	FVTPL	Level 1	728.53	728.53	470.84	470.84
(d) Securities for trade	FVTPL	Level 1	35,091.39	35,091.39	35,867.66	35,867.66
(e) Trade receivables	AC		22,237.40	22,237.40	35,870.19	35,870.19
(f) Loans	AC		12,598.71	12,598.71	21,800.47	21,800.47
(g) Investments	-quoted shares	FVTPL	1,672.71	1,672.71	2,182.98	2,182.98
	-unquoted shares	FVTOCI	768.69	768.69	1,141.44	1,141.44
		FVTPL	103.48	103.48	103.48	103.48
(h) Other financial assets	AC		19,220.10	19,220.10	19,220.10	19,220.10
			15,734.70	15,734.70	12,484.96	12,484.96
			8,41,038.89	8,41,038.89	6,24,765.33	6,24,765.33
Financial liabilities						
(a) Derivative financial instruments	FVTPL	Level 1	1,012.28	1,012.28	431.69	431.69
(b) Trade payables	AC		327.41	327.41	175.21	175.21
(c) Borrowings (other than debt securities)	AC		55,178.14	55,178.14	65,297.46	65,297.46
(d) Other financial liabilities	AC		6,69,368.01	6,69,368.01	4,20,750.08	4,20,750.08
			7,25,885.84	7,25,885.84	4,86,654.44	4,86,654.44

AC : Amortised cost; FVTPL: Fair value through Profit and Loss; FVTOCI : Fair value through Other Comprehensive Income

For financial assets and financial liabilities that have a short-term maturity (less than twelve months) and for other financial assets and other financial liabilities that are insignificant in value, the carrying amounts, net of impairment, if any, are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities.

47. Capital management

The Company is subject to regulations of SEBI and Stock Exchanges, which specifies the minimum net capital requirement. The Company submits periodic capital reports to the respective regulators. The Company's policy is to maintain a strong capital base so as to maintain creditors and market confidence and to sustain future development of business. Further, the Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and short/long term debt.



Globe Capital Market Limited

Notes to the standalone financial statements
for the year ended on 31 March 2022
(Currency : Indian Rupees in Lakhs)

48. Risk management

While risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Company has exposure to the following risk arising from financial instruments :

- Credit risk
- Liquidity risk
- Market risk

The Company has established various policies with respect to such risks which set forth limits, mitigation strategies and internal controls to be implemented by the three lines of defence of approach provided below. The Board oversees the Company's risk management. It also frames and reviews risk management processes and controls.

The risk management system features a "three line of defence" approach:

- The first line of defence comprises its operational departments, which assure primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or its committees constituted by the Board
- The second line of defence comprises specialised departments such as risk management and compliance. They employ specialised methods to identify and assess risks faced by the operational departments and provide them with specialised risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal control and compliance, report risk related information and promote the adoption of appropriate risk prevention measures.
- The third line of defence comprises the internal audit department and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal control and compliance activities to ensure the adequacy of risk controls and appropriate risk governance, and provide Board with comprehensive feedback.

a. Credit risk

It is risk of financial loss that the Company will incur a loss because its customer or counterparty to financial instruments fails to meet its contractual obligation.

The Company's financial assets comprise of Cash and bank balance, Securities for trade, Trade receivables, Loans, Investments and Other financial assets which comprise mainly of deposits and unbilled revenues.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivable and loans.

Following provides exposure to credit risk for trade receivables and loans:

	31 March 2022	31 March 2021
Trade and other debtors (net of impairment)	22,237.40	13,632.79
Loans (net of impairment)	10,000.00	2,000.00
	32,237.40	15,632.79

Trade receivables The Company has followed simplified method of ECL in case of Trade receivables and the Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses the impairment requirements.

Based on the industry practices and business environment in which the entity operates, management considers that the unsecured trade receivables are in default if the payment is 90 days overdue. Out of the total trade receivables of 22,237.40 Lakhs (Previous Year 13,632.79 Lakhs), Nil Lakhs (Previous Year: Rs. 517.85 Lakhs) unsecured trade receivables are overdue for a period in excess of 90 days or considered as non-recoverable as per management assessment. Probability of default (PD) on this balance is considered at 100% and treated as credit impaired.

Loans Loans comprise of Inter Corporate Deposits given to its subsidiaries. The PD in these instruments is considered as Rs. Nil. (Previous year Rs. Nil)

Movements in the allowances for impairment in respect of trade receivables and loans are as follows:

	31 March 2022	31 March 2021
Opening provision	-	517.85
Add: Additional provision	-	-
Less: Provision utilised during the year	-	(517.85)
Less: Provision reversed during the year	-	-
	-	-

Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments comprise of Quoted Equity instruments, Bonds, Mutual Funds and other securities which are market tradable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory limits.

b. Liquidity risk

Liquidity represents the ability of the Company to generate sufficient cash flow to meet its financial obligations on time, both in normal and in stressed conditions, without having to liquidate assets or raise funds at unfavourable terms thus compromising its earnings and capital.

Liquidity risk is the risk that the Company may not be able to generate sufficient cash flow at reasonable cost to meet expected and / or unexpected claims. It arises in the funding of lending, trading and investment activities and in the management of trading positions.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflow on financial liabilities.



Funds required for short period are taken care by borrowings through issuing Commercial paper and utilizing overdraft facility from various banks.

Particulars	Total carrying amount	Payable/ receivable within one year	Payable/ receivable within 1 to 5 years	More than 5 years
As at 31 March 2022				
A. Financial assets				
(a) Cash and cash equivalents	25,018.72	25,018.72	-	-
(b) Bank Balance other than (a) above	7,07,864.46	6,56,652.09	51,212.37	-
(c) Derivative financial instruments	728.53	728.53	-	-
(d) Securities for trade	35,091.39	35,091.39	-	-
(e) Trade receivables	22,237.40	22,237.40	-	-
(f) Loans	12,598.71	12,598.71	-	-
(g) Investments	21,764.98	-	21,764.98	-
(h) Other financial assets	15,734.70	8,161.91	7,572.78	-
	8,41,038.89	7,60,488.76	80,550.13	-
B. Financial liabilities				
(a) Derivative financial instruments	1,012.28	1,012.28	-	-
(b) Trade payables				
(i) Outstanding dues of micro and small enterprises	-	-	-	-
(ii) Outstanding dues of other than micro and small enterprises	327.41	327.41	-	-
(c) Borrowings (other than debt securities)	55,178.14	55,178.14	-	-
(d) Other financial liabilities	6,69,368.01	6,69,174.06	193.95	-
	7,25,885.84	7,25,691.89	193.95	-
Net excess/ (shortfall) (A-B)	1,15,153.05	34,796.87	80,356.18	-

Particulars	Total carrying amount	Payable/ receivable within one year	Payable/ receivable within 1 to 5 years	More than 5 years
As at 31 March 2021				
A. Financial assets				
(a) Cash and cash equivalents	24,049.66	24,049.66	-	-
(b) Bank Balance other than (a) above	4,71,573.55	4,14,895.55	56,678.00	-
(c) Derivative financial instruments	470.84	470.84	-	-
(d) Securities for trade	35,867.66	35,867.66	-	-
(e) Trade receivables	13,632.79	13,632.79	-	-
(f) Loans	9,201.76	9,201.76	-	-
(g) Investments	22,648.00	-	22,648.00	-
(h) Other financial assets	12,484.96	4,239.65	8,245.31	-
	5,89,929.22	5,02,357.91	87,571.31	-
B. Financial liabilities				
(a) Derivative financial instruments	431.69	431.69	-	-
(b) Trade payables				
(i) Outstanding dues of micro and small enterprises	-	-	-	-
(ii) Outstanding dues of other than micro and small enterprises	175.21	175.21	-	-
(c) Borrowings (other than debt securities)	65,297.46	64,647.46	650.00	-
(d) Other financial liabilities	4,20,750.08	4,20,372.05	378.03	-
	4,86,654.44	4,85,626.41	1,028.03	-
Net excess/ (shortfall) (A-B)	1,03,274.78	16,731.50	86,543.28	-

c. Market risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Company's income or the market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns. The Company classifies exposures to market risk into either trading or non-trading portfolios. Both the portfolios are managed using

- Equity price risk
- Interest rate risk
- Currency risk

Particulars	Total carrying amount	Traded asset/ liability	Non-traded asset/ liability	Primary risk sensitivity
As at 31 March 2022				
Assets				
Cash and cash equivalents and other bank balances	7,32,883.18	-	7,32,883.18	Currency and equity price Equity price Equity price
Derivative financial instruments	728.53	728.53	-	
Financial assets at FVTPL	36,867.58	36,867.58	-	
Financial assets at FVTOCI	768.69	768.69	-	
Trade and other receivables	22,237.40	-	22,237.40	Equity price Equity price Equity price Equity price
Loans	12,598.71	-	12,598.71	
Investments in subsidiaries	9,220.10	-	9,220.10	
Other financial assets at amortised cost	25,734.70	-	25,734.70	
	8,41,038.89	38,364.80	8,02,674.09	-
Liabilities				
Derivative financial instruments	1,012.28	1,012.28	-	Currency and equity price Equity price Equity price Equity price
Trade payables	327.41	-	327.41	
Borrowings (other than debt securities)	55,178.14	-	55,178.14	
Other financial liabilities	6,69,368.01	-	6,69,368.01	
	7,25,885.84	1,012.28	7,24,873.56	-



Globe Capital Market Limited

Notes to the standalone financial statements
for the year ended on 31 March 2022
(Currency : Indian Rupees in Lakhs)

Particulars	Total carrying amount	Traded asset/ liability	Non-traded asset/ liability	Primary risk sensitivity
As at 31 March 2021				
Assets				
Cash and cash equivalents and other bank balances	4,95,623.21	-	4,95,623.21	
Derivative financial instruments	470.84	470.84	-	Currency and equity price
Financial assets at FVTPL	38,154.12	38,154.12	-	Equity price
Financial assets at FVTOCI	1,141.44	1,141.44	-	Equity price
Trade and other receivables	13,632.75	-	13,632.75	
Loans	9,201.76	-	9,201.76	
Investments in subsidiaries	19,220.10	-	19,220.10	
Other financial assets at amortised cost	12,484.96	-	12,484.96	
	5,89,929.22	39,766.40	5,50,162.82	-
Liabilities				
Derivative financial instruments	431.69	431.69	-	Currency and equity price
Trade payables	175.21	-	175.21	
Borrowings (other than debt securities)	65,297.46	-	65,297.46	
Other financial liabilities	4,20,750.08	-	4,20,750.08	
	4,86,654.44	431.69	4,86,222.75	-

i. Equity price risk

The Company's exposure to equity price risk arises primarily on account of its proprietary positions and on account of margin-based positions of its clients in equity cash and derivative segments.

The Company's equity price risk is managed by its Board of Directors. It specifies exposure limits and risk limits for the proprietary desk of the Company and stipulates risk-based margin requirements for margin-based trading in equity cash and derivative segment by its clients.

The below sensitivity depicts a scenario where a 10% change in equity prices, everything else remaining constant, would result in an exchange obligation for both Traded and Non-traded (client) positions and their impact on statement of profit and loss considering that the entire shortfall would be made good by the Company.

	31 March 2022	31 March 2021
10% change in equity prices	3,753.28	3,586.77
10% change in equity prices	(3,753.28)	(3,586.77)

ii. Interest rate risk

Interest rate risk is the risk that arises from fluctuations of interest rate in market. It is imperative for the Company to measure and assess interest rate risk, as it has financial assets and liabilities at fixed and floating rate of interest, as any movement could negatively and positively affect the value of financial assets and liabilities.

The exposure of Company's liabilities to interest rate risk is as follows:

	31 March 2022	31 March 2021
Total borrowing	55,178.14	65,326.92
Fixed rate borrowing	-	2,650.00
Floating rate borrowing	55,178.14	62,676.92

The table below illustrates the impact of 50 basis point movement in interest rates on interest expense on borrowings (floating rate instruments) assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date.

	31 March 2022	31 March 2021
50 basis points increase would decrease the profit by	-	13.25
50 basis points decrease would increase the profit by	-	(13.25)

iii. Foreign exchange currency risk

The Company's exposure to currency risk arises primarily on account of its proprietary positions and on account of margin positions of its clients in exchange traded currency derivatives.

The Company's currency risk is managed by its Board of Directors. It specifies the gross open position limit and risks limit for the proprietary desk of the Company and stipulate risk-based margin requirements for margin based trading in currency derivatives by clients.



49. Change in liabilities arising from financing activities

	31 March 2021	Cash flows	Change in fair values	Others	31 March 2022
Term Loans	2,650.00	(2,650.00)	-	-	-
Loans repayable on demand	13,021.08	4,978.92	-	-	18,000.00
Bank overdrafts	49,655.84	(12,477.75)	-	-	37,178.14

	31 March 2020	Cash flows	Change in fair values	Others	31 March 2021
Term Loans	8,287.50	(3,637.50)	-	-	2,650.00
Loans repayable on demand	3,295.60	9,725.48	-	-	13,021.08
Bank overdrafts	6,201.09	43,454.75	-	-	49,655.84

50. Revenue from contracts with customers

The Company engaged in the business of retail and institutional broking, depository services and portfolio management services. In accordance with Ind AS 115, Revenue from contracts with customers, the revenue is accounted in the following manner under each head:

a. Brokerage income

The Company provides trade execution and settlement services to the customers in retail and institutional segment. There is only one performance obligation of execution of the trade and settlement of the transaction which is satisfied at a point in time. The brokerage charged is the transaction price and is recognized as revenue on trade date basis. Related receivables are generally recovered in a period of two days as per the settlement cycle. Amount not recovered and which remain overdue in the normal course, are provided for.

b. Portfolio management services

The Company provides portfolio management services to its clients. As a consideration, the Company receives management fees from its clients. The performance obligation of the Company arises when it enters into a contract with its clients. The customer obtains control of the service on the date when the customer enters into a contract with the Company. The Company recognizes the revenue on completion of service over a period of time.

c. Depository services

The Company charges fees from its clients for the purpose of holding and transfer of securities in dematerialized form and for availing depository maintenance services. In case of these transactions, the performance obligation and its transaction price is enumerated in contract with the customer. The Company recognizes the revenue both over a period of time and in point of time depending upon the nature of the transaction.

51.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Company are in the process of assessing the additional impact on Gratuity liability contributions and will complete their evaluation and give appropriate impact in the financial statements in the period in which the rules are notified become effective and the related rules to determine the financial impact are published.

52. Recent accounting pronouncements

a. Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statement.

b.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no impact on its financial statement.

53. Disclosure regarding relationship with Struck-off Companies

The Company has not entered into any transaction nor it is having any balance outstanding with struck-off companies as defined under section 248 of Companies Act, 2013.

As per our report of even date attached

For P.C. Bindal & Co.

Chartered Accountants

Firm's registration No - 003824N

K.C. Gupta

Partner

Membership No : 058636



New Delhi, 29 April 2022

For and on behalf of the Board of Directors of
Globe Capital Market Limited

Yash Pal Mendiratta
Managing Director
DIN : 00004185

Dhiraj Jaiswal
Company Secretary

Ashok Kumar Agarwal
Chairman
DIN : 00003988

Amit Kumar Singhal
Chief Financial Officer