

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Canbank Factors Limited.  
Report on the Financial Statements

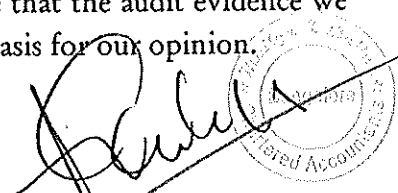
### Opinion

We have audited the accompanying standalone financial statements of Canbank Factors Limited ("the company"), which comprise the Balance Sheet as of March 31, 2025, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with The Companies (Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its Profit and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### **Emphasis of Matter**

We bring attention to the disclosure made in Note No.2.01 on the proposal of the disinvestment of shareholding of 70% in Canbank Factors Ltd. by Canara Bank.

### **Key audit matters**

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

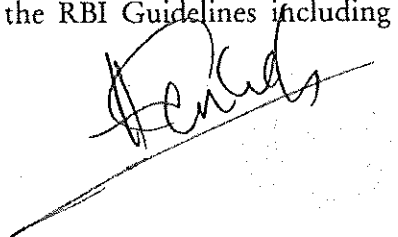
### **Key Audit Matter: Adequacy of classification and provisions in respect of debts factored.**

Advances are classified as performing and non-performing assets in accordance with the prudential norms issued by RBI. The Company has a system of auto-classification of advances as NPA in accordance with the RBI Guidelines. However, the identification of NPA and the creation of provisions on such advances also involves key judgements relating to the performance of borrowers, determination of security value, sources of repayment, application of regulatory conditions, etc. Accordingly, our audit was focused on income recognition, asset classification and provisioning pertaining to advances due to the involvement of management judgement and considering the materiality of the balances.

### **Auditor's Response to Key Audit Matter**

Principal Audit Procedures: We assessed the Company's system in place to identify the non-performing assets. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

- Reviewed the operating effectiveness of the General IT controls over the key IT systems for the purpose of identification of nonperforming assets and provisioning thereon.
- Tested the relevant information technology systems used in identification and making provision for such NPA as per the RBI Guidelines including

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involvement of manual process and manual controls concerning income recognition, asset classification and provisioning about advances.

- Evaluated and tested the management estimates and judgements for the purpose of identification of NPA and adequacy of provision required as per RBI's Prudential Norms.
- Ensured exceptions noticed during our audit procedures were duly corrected.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

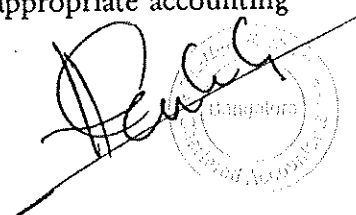
The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's report thereon.

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

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

#### **Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting

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

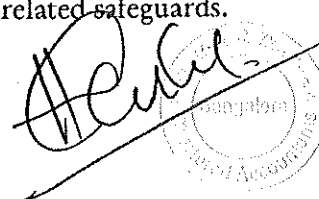
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Paula*

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

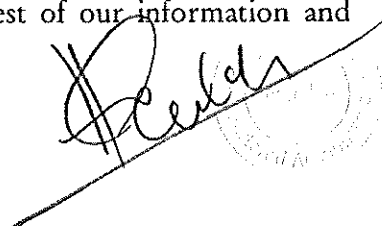
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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### Report on Other Legal and Regulatory Requirements

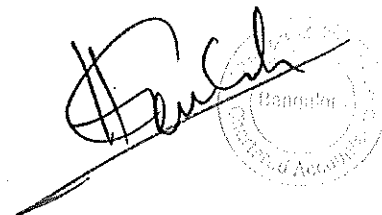
1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure - A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that.
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of The Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2025, taken on record by the Board of Directors, none of the Board of Directors is disqualified as on 31st March 2025, from being appointed as a director in terms of section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
  - g. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act, in our opinion and to the best of our information and

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according to the explanations given to us, the managerial remuneration for the year ended 31st March 2025, has been paid or provided by the Company to its directors are in accordance with the provisions of section 197 of the Act.

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

- a) The Company does not have any pending litigations as of 31st March, 2025 which would impact its financial position other than Non-Performing Assets cases for which provision has been made as per RBI prudential norms.
- b) The Company did not have any long-term contracts including derivative contracts as of 31st March, 2025 for which there were any material foreseeable losses; and
- c) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended 31st March, 2025.
- d) Omitted
- e) Management has represented that,
- i. To the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("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

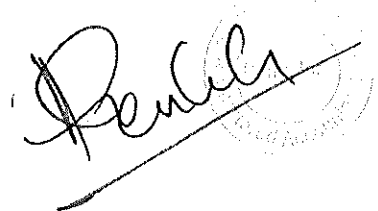


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("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries;

- ii. To the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies) including foreign entities ("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; and
- iii. Based on the audit procedure we have 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) contain any material misstatement.

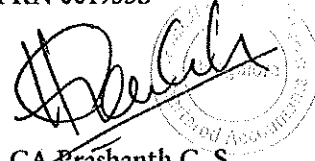
f) The company has not declared or paid any dividend during the year.

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

For *Mallya & Mallya*  
Chartered Accountants  
FRN 001955S



CA Prashanth.C. S

Partner

M No.218355

UDIN: 25218355BMJBGP3861

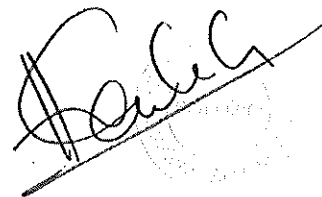
Place: Bangalore

Date: 17/04/2025

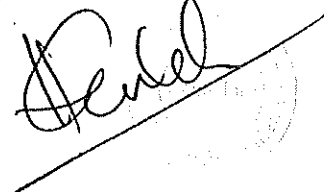
**"Annexure - A" to the Independent Auditor's Report**

Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Canbank Factors Limited for the year ended 31st March, 2025:

- a.
    - A. The Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, plant and equipment
    - B. The Company has maintained proper records showing full particulars of intangible assets.
  - b. Property, plant and equipment have been physically verified by the management at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties as of 31st March, 2025.
- ii. a. The Company is a service company, primarily rendering factoring services. It does not involve inventory. Consequently, comment on clause (ii) of the order is not applicable.
- b. As per the information and explanation given to us, the company has been granted working capital limits in excess of five crores from the parent group company on the basis of security against book debts.
- iii. The Company has not granted any loans to parties covered in the register maintained under section 189 of The Companies Act, 2013 ('the Act'). Consequently, comment on clause (iii) of the order is not applicable.
- iv. The Company has not made any loans and investments, covered by provisions of Sections 185 and 186 of the Act. Consequently, comment on clause (iv) of the order is not applicable.

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- v. According to the information and explanation given to us, the Company has not accepted any deposits from the public. Consequently, comment on clause (v) of the order is not applicable.
- vi. As explained to us, maintenance of cost records has not been prescribed for the company by the Central Government under section sub-section (1) of Section 148 of The Companies Act, 2013 for any of the services rendered by the Company. Consequently, comment on clause (vi) of the Order is not applicable.
- vii.
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing material undisputed statutory dues including provident fund, employee state insurance, income-tax, goods and service tax, cess, and other statutory dues, during the year with the appropriate authorities.
- b) Details of disputed statutory dues: The Company has filed an Appeal before the Commissioner of Appeals in respect of the demand raised (vide their order u/ s. 143(3) dated 31.12.2019) by the Income tax department for the AY 2017-18. The Company had paid under protest 20% of disputed tax of Rs.84.98 Lakhs. CIT (Appeals) as on 24/02/2025 has given a favourable order.
- viii. According to the information and explanations given to us, no proceedings have been initiated against the company over any undisclosed income during the year and also there is no previously unrecorded income to be accounted in the books during the year.
- ix. According to the information and explanations given to us, the company has not defaulted in repayment of loans/ borrowings from financial institutions or banks.
- x. The Company did not raise any money by way of an initial public offer or further public offer (including debt instruments) and term loans during the period. Consequently, comment on clause (x) of the order is not applicable.
- xi. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during our audit.
- xii. The company is not a Nidhi Company and accordingly this clause is not applicable to the company. Accordingly, provision of this clause of the order is not applicable.
- xiii. According to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Act and

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details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

- a. Based on our verification the company has an internal audit system commensurate with the size and nature of its business.
- b. The internal audit reports have been considered by us for carrying out an audit.

xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him during the financial year under review.

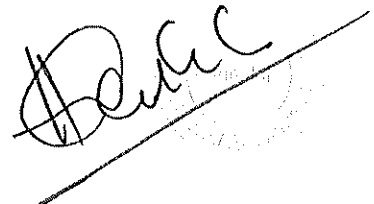
xvi.

- a) The Company is required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and accordingly the registration is obtained as NBFC-Factor with effect from 8th August 2014 vide registration number B02.000004.
- b) Based on our verification company has conducted non-banking financial activities with valid certification of registration.
- c) The company is not a core investment company accordingly provision of this clause of the order is not applicable
- d) Since the above clause is not applicable comment on this is also not required.

xvii. According to the information and explanations given to us the company has not incurred any cash loss during the financial year and in the preceding financial year.

xviii. During the year there is no resignation of the statutory auditor hence comment on this clause is not applicable.

xix. As per our verification there is no such material uncertainty exists

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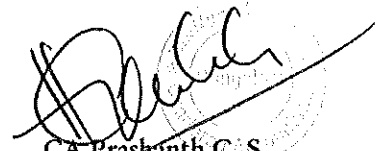
xx.

a. During the period of the audit there is no unspent amount that needs to be transferred to the fund specified in Schedule VII of the Companies Act hence comment on this clause is not applicable.

b. During the year no such amount remained unspent under sub-section (5) of section 135 of the Companies Act, 2013. Hence comment on this clause is not applicable.

xxi. As the report pertains to the Standalone financial statement of the company, accordingly provision of clause 3(xxi) of the order is not applicable.

For **Mallya & Mallya**  
Chartered Accountants  
FRN 001955S



CA Prashanth.C. S

Partner

M No.218355

UDIN: 25218355BMJBGP3861

Place: Bangalore  
Date: 17/04/2025

## **“Annexure - B” to the Independent Auditor’s Report**

(Referred to in paragraph 2(f) under the 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Canbank Factors Limited for the year ended 31st March, 2025.)

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

We have audited the internal financial controls over financial reporting of Canbank Factors Limited (“the company”) as of 31st March, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended 31st March, 2025.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India ('ICAI')". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of The Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by The Institute of Chartered



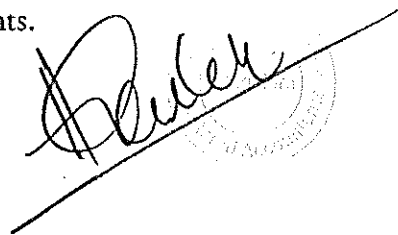
Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

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

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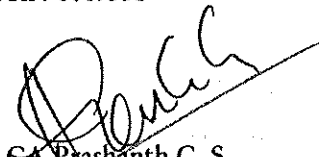
### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Mallya & Mallya**  
Chartered Accountants  
FRN 001955S



GA Prashanth.C. S

Partner

M No.218355

UDIN:25218355BMJBGP3861

Place: Bangalore

Date: 17/04/2025



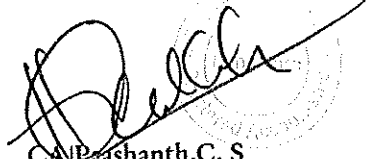
**“Annexure - C” to the Independent Auditor's Report**

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

(Referred to in paragraph 3 under “Report on Other Legal and Regulatory Requirements” section of our report of even date)

Direction	Reply
i. Whether the company have a system in place to process all the accounting transactions through the IT system? If yes, implications of processing accounting transactions outside the IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the company has adequate systems in place to process all the accounting transactions through its IT system. There are no financial implications on the process of accounting transactions outside the IT system.
ii. Whether there is any restructuring of an existing loan or cases of waiver/write-off of debts/ loans/ interest etc., made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	There are no cases of waiver/write-offs of debts/loans/interest etc., made by the lender to the company
iii. Whether funds (grants/subsidy etc.) received / receivable for specific schemes from the Central/State Government or its agencies were properly accounted for / utilized as per its terms and conditions? List the cases of deviation.	No Grants were received from the central government during the year of the audit.

For **Mallya & Mallya**  
Chartered Accountants  
FRN 001955S



CA Prashanth.C. S  
Partner  
M No.218355  
UDIN:252183558MTBGP3861

Place: Bangalore  
Date: 17/04/2025

## **CANBANK FACTORS LIMITED**

### **1. SIGNIFICANT ACCOUNTING POLICIES**

#### **COMPANY OVERVIEW**

Canbank Factors Limited, a subsidiary of Canara Bank is registered with Reserve Bank of India vide registration number B02.00004 as a NBFC Fctor. The Company is carrying on the business of factoring with a network of 5 branches and 1 TReDS Unit across India. The Company has got registration from RBI with effect from 8<sup>th</sup> August, 2014.

#### **1 SIGNIFICANT ACCOUNTING POLICIES**

##### **1.1 ACCOUNTING CONVENTION**

The accounts have been prepared under the historical cost convention.

##### **1.2 USE OF ESTIMATES**

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

##### **1.3 REVENUE RECOGNITION**

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

##### **Discount charges:**

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

##### **Factoring charges:**

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

##### **Processing charges:**

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

##### **Interest on Investments:**

Income is considered to accrue on time basis.



# CANBANK FACTORS LIMITED

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.4 INVESTMENTS

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

### 1.5 FIXED ASSETS

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

### 1.6 DEPRECIATION

Assets other than given on Lease:

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

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

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

### 1.7 ASSET CLASSIFICATION

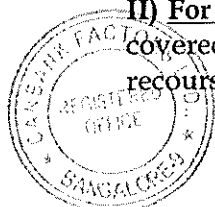
In terms of the guidelines of Reserve Bank of India, Debts Factored and other debts are classified into Standard or Performing asset and Non-performing asset based on the record of recovery of principal/discount charges; Non-performing Assets are further categorized as Sub-Standard, Doubtful and Loss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

### 1.8 PROVISIONING

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

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

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



## CANBANK FACTORS LIMITED

### 1. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

#### 1.9 FACTORED & OTHER DEBTS & FUNDS-IN-USE

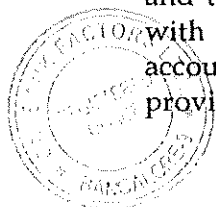
Debts factored and other debts are included under Current Assets as Trade Receivables. The unpaid balance of debts factored and due to clients after collection is deducted from Gross Debts Factored and the Funds-in-use is arrived at.

#### 1.10 RETIREMENT BENEFITS

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

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

The Company modified the terminal benefit provision to include the leave salary for the Directly Recruited Employees of the company (the leave salary was not a part of terminal benefits till 31.03.2019). The Company has taken an Actuarial Valuation of the Leave Salary Liability from an Approved Actuarial valuer as at 31st March, 2025 and the provision has been made accordingly in the Books of accounts complying with the requirement of AS-15. As regards the payment of liability, it shall be accounted and be paid as and when the claim arises by debiting against the provision made in the books.



## CANBANK FACTORS LIMITED

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.11 BORROWING COST

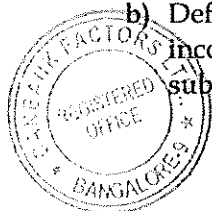
Borrowing Cost that is attributable to construction of fixed assets is capitalized as part of such assets for the period up to the date of installation. All other borrowing costs are charged to revenue on accrual basis. However, other expenses incidental to borrowings like stamp duty, I.P. Commission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

#### 1.12 FOREIGN EXCHANGE TRANSACTION

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

#### 1.13 TAXATION

- a) Provision for Current tax is made on the basis of taxable income estimated in accordance with the provisions of Income Tax Act, 1961.
- b) Deferred tax resulting from timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.



## CANBANK FACTORS LIMITED

### 1. SIGNIFICANT ACCOUNTING POLICIES

- c) Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty that these would be realized in future. Deferred tax Assets are carried forward to the extent it is reasonably/ virtually certain that future taxable profit will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each balance sheet date and written down/ written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

#### 1.14 PRIOR PERIOD TRANSACTIONS

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

#### 1.15 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

#### 1.16 EARNINGS PER SHARE

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



**M/S CANBANK FACTORS LIMITED**  
**# 67/1, KANAKAPURA MAIN ROAD BASAVANAGUDI, BANGALORE, KARNATAKA - 560004**  
**CIN : U85110KA1991PLC011960**  
**BALANCE SHEET AS AT 31-03-2025**

Amount in Lakhs.

Particulars	Notes	As at 31st March 2025	As at 31st March 2024
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholder's Funds			
(a) Share Capital	2.01	2,000.00	2,000.00
(b) Reserves & Surplus	2.02	11,172.78	10,900.31
		13,172.78	12,900.31
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term Provisions	2.03	99.98	93.03
		99.98	93.03
(4) Current Liabilities			
(a) Short-term Borrowings	2.04	1,786.83	45,575.45
(b) Other Current Liabilities	2.05	164.65	808.62
(c) Short-term Provisions	2.03	1,621.83	4,967.94
		3,573.32	51,352.01
<b>Total</b>		<b>16,846.09</b>	<b>64,345.35</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Property Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	2.06	13.64	19.58
(ii) Intangible assets		-	-
(b) Non- Current Investments	2.07	-	-
(c) Deferred tax Assets (net)	2.08	4,476.58	4,501.83
(d) Long term Loans & Advances	2.12	-	-
(e) Other Non- Current Assets	2.09	23.70	26.91
		4,513.92	4,548.32
(2) Current assets			
(a) Current investments	2.07	-	-
(b) Inventories		-	-
(c) Trade Receivables	2.10	10,875.48	58,804.88
(d) Cash and Bank Balances	2.11	942.34	500.61
(e) Short term Loans & Advances	2.12	514.35	491.54
(f) Other Current Assets	2.09	-	-
		12,332.17	59,797.03
<b>Total</b>		<b>16,846.09</b>	<b>64,345.35</b>
Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our attached report of even date

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

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

**HARDEEP SINGH AHLUWALIA**  
Chairman  
DIN:09690464

**PALLAM RAVI VARMA**  
Nominee Director  
DIN:10878367

**BASANT SETH**  
Independent Director  
DIN:02798529

**CA Prashanth CS**  
Partner  
M. No. 218355  
UDIN:25218355BMJB4P3861

**DR RAJIB KUMAR SAHOO**  
Managing Director  
DIN:09033877

**GYANA RANJAN SARANGI**  
Nominee Director  
DIN:09412614

**RAVI CHATTERJEE**  
Independent Director  
DIN:03312963

**SKEEPATHY SUBBARAO**  
Nominee Director  
DIN:09638305

**GOVIND SOLANKI**  
Senior Executive Vice President

**on leave**  
**HELEN D JOY**  
CFO & Company Secretary

Date: 17-04-2025  
Place: Bengaluru





**M/S CANBANK FACTORS LIMITED**  
**# 67/1, KANAKAPURA MAIN ROAD BASAVANAGUDI, BANGALORE, KARNATAKA - 560004**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2025**


Amount in Lakhs.

Particulars	Notes	For the Year Ended 31st March 2025	For the Year Ended 31st March 2024
I. Revenue from Operations	2.13	3,855.97	5,031.83
II. Other Income	2.14	3,153.10	516.33
III. Total Revenue (I +II)		7,009.07	5,548.15
IV. Expenses:			
Employee Benefit Expenses	2.15	484.15	468.61
Other Expenses	2.16	3,596.79	1,198.96
Finance costs	2.17	2,625.52	3,517.93
Depreciation and Amortization expenses	2.06	4.90	6.25
IV. Total Expenses		6,711.36	5,191.75
V. Profit Before Exceptional and Extraordinary Items and Tax (III - IV)		297.71	356.41
VI. Exceptional Items and Extraordinary Items		-	-
VII. Profit/(Loss) Before Tax (V - VI)		297.71	356.41
VIII. Tax Expense:			
(1) Current tax			-
(2) Deferred tax		25.24	85.56
(3) Prior Period Tax			
Total Tax Expense		25.24	85.56
IX. Profit/(Loss) after tax		272.47	270.85
X. Earnings Per Equity Share	2.26		
(1) Basic		1.36	1.35
(2) Diluted		1.36	1.35
Significant Accounting Policies and Notes on Accounts	1 & 2		

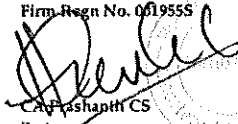
For and on behalf of the Board of Directors  
Canbank Factors Limited

  
**HARDEEP SINGH AHLUWALIA**  
Chairman  
DIN:09690464

  
**PALLAM RAVI VARMA**  
Nominee Director  
DIN:10878162


  
**BASANT SETH**  
Independent Director  
DIN:02798529

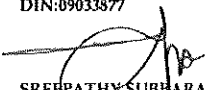
As per our attached report  
of even date  
For **Mallya & Mallya**  
Chartered Accountants  
Firm Regn No. 0619555


  
**CA Ravi Chatterjee CS**  
Partner  
M. No. 218355  
UDIN:252183550MJBGP3861

  
**DR RAJIB KUMAR SAHOO**  
Managing Director  
DIN:09033877

**GYANA RANJAN SARANGI**  
Nominee Director  
DIN:09412614

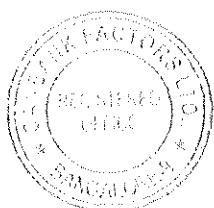
  
**RAVI CHATTERJEE**  
Independent Director  
DIN:03312963

  
**SREEPATHY SUBBARAO**  
Nominee Director  
DIN:09638305

  
**GOVIND SOLANKI**  
Senior Executive Vice President

*on leave*  
**HELEN D JOY**  
CFO & Company Secretary

Date: 17-04-2025  
Place: Bengaluru





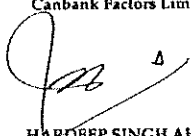
**M/S CANBANK FACTORS LIMITED**  
# 67/1, KANAKAPURA MAIN ROAD BASAVANAGUDI, BANGALORE, KARNATAKA - 560004  
CIN : U85110KA1991PLC011960

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2025**

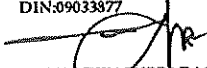
Amount in Lakhs.

Particulars	For the Year Ended 31st March 2025	For the Year Ended 31st March 2024
<b>A. Cash flows from Operating activities</b>		
Profit before tax	297.71	356.41
Adjusted for:		
Depreciation and amortization	4.90	6.25
Interest on IT Refund	(1.61)	(1.58)
Bad Debts/advances written off	3,185.46	513.42
Finance Cost	2,625.52	3,517.93
Profit on Sale of Property, Plant and Equipments	(0.81)	(0.17)
Excess Provision Reversed	(3,185.46)	(513.42)
Loss on Sale of Property, Plant and Equipments	0.47	-
Operating profit before working capital changes -	2,926.18	3,878.85
Movement in working capital		
Increase/ decrease in trade receivables	47,929.40	(8,732.89)
Increase/ decrease in Inventories	-	-
Increase/ decrease in short loans and advances	(22.81)	(39.29)
Increase/ decrease in other current assets	-	119.30
Increase/ decrease in other non current assets	3.21	2.49
Increase/ decrease in Short term provision	(3,346.11)	(67.68)
Increase/ decrease in other current liabilities	(643.96)	300.37
Increase/ decrease in other long term Provisions	6.95	29.32
Cash generated from operations Direct		
taxes paid (net of refunds)	-	-
Net cash from operating activities	46,852.87	(4,509.53)
<b>B. Cash flows from Investing activities</b>		
Purchase of fixed assets (including capital advances)	(1.27)	(2.44)
Proceeds from sale of fixed assets	4.27	0.32
Increase/ decrease in current investment	-	-
Dividend and Interest income	-	-
Net cash used for investing activities -	3.00	(2.12)
<b>C. Cash flows from Financing activities</b>		
Issue or proceeds from Share Capital	-	8,527.96
Repayment of Short term borrowings	(43,788.62)	(3,517.93)
Finance cost	(2,625.52)	1.58
Bad Debts/advances written off	-	-
Net cash from (used for) financing activities -	(46,414.13)	5,011.61
Exchange differences on translation of foreign currency cash and cash equivalents		
Net increase in cash and cash equivalents (A+B+C)	441.73	499.95
Cash and cash equivalents at the beginning of the year	500.61	0.66
<b>TOTAL</b>	<b>942.34</b>	<b>500.61</b>
Cash and cash equivalents at the end of the year	942.34	500.61


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

  
**HARDEEP SINGH AHLUWALIA**  
Chairman  
DIN:09690464

  
**DR RAJIB KUMAR SAHOO**  
Managing Director  
DIN:09033877


  
**SREEPATHY SUBBARAO**  
Nominee Director  
DIN:09638305


Date: 17-04-2025  
Place: Bengaluru

  
**PALLAM RAVI VARMA**  
Nominee Director  
DIN:10878167

  
**GYANA RANJAN SARANGI**  
Nominee Director  
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Senior Executive Vice President

  
**BASANT SETH**  
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DIN:02798529

  
**RAVI CHATTERJEE**  
Independent Director  
DIN:03312963

*on leave*  
**HELEN D JOY**  
CFO & Company Secretary

As per our attached

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

  
**CA Prashanth CS**  
Partner  
M. No. 218355  
UDIN:25218355B4JBG4P3861



NOTES ON ACCOUNTS FOR THE YEAR ENDED 31-03-2025

2.01 SHARE CAPITAL

Amount in Lakhs.

Particulars	As at 31st March 2025	As at 31st March 2024
<b>AUTHORIZED SHARES</b> 10,00,00,000 Equity Shares of Rs.10/- each	10,000.00	10,000.00
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP SHARES</b> 2,00,00,000 Equity Shares of Rs .10/- each	2,000.00	2,000.00

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

Particulars	As at 31st March 2025		As at 31st March 2024	
	No Of Shares (In Lakhs)	₹ Lakhs	No Of Shares (In Lakhs)	₹ Lakhs
Equity Shares				
At the beginning of the period	200	2,000	200.00	2,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	200	2,000	200.00	2,000

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

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

Particulars	As at 31st March 2025	As at 31st March 2024
Canara Bank , the Holding Company 1,40,00,000 equity shares of ₹ 10 each fully paid	1,400.00	1,400.00
SIDBI, Co promoters 40,00,000 equity shares of ₹ 10 each fully paid	400.00	400.00
Union Bank of India 20,00,000 equity shares of ₹ 10 each fully paid	200.00	200.00

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

Particulars	As at 31st March 2025		As at 31st March 2024	
	No Of Shares (In Lakhs)	% holding in the class	No Of Shares (In Lakhs)	% holding in the class
Equity shares of ₹ 10 each fully paid				
Canara Bank , the Holding Company	140	70%	140	70%
SIDBI, Co promoters	40	20%	40	20%
Union Bank of India	20	10%	20	10%

Shares held by promoters at the end of the year

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

The Board has taken on record the communication from Canara Bank of its decisions to disinvest its shareholding of 70% and Reserve Bank of India Approval for the same has been obtained. As on 31st March,2025, Canara bank holds 70% stake in Canbank Factors Ltd.



**d. Terms / rights attached to equity shares:**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity share holders.

**e. Stock Option Plans:**

The Company has no stock option Plans.

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

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

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

**2.02 RESERVES AND SURPLUS**

Particulars	As at 31st March 2025	As at 31st March 2024
<b>STATUTORY RESERVE FUND</b>		
As Per Last Balance Sheet	5,364.00	5,309.00
Add: Transferred from Profit & Loss account	54.49	55.00
<b>TOTAL</b>	<b>5,418.49</b>	<b>5,364.00</b>
<b>RESERVE FOR CONTINGENCIES</b>		
As Per Last Balance Sheet	3,360.00	3,360.00
Add: Transferred from Profit & Loss account*	-	-
<b>TOTAL</b>	<b>3,360.00</b>	<b>3,360.00</b>
<b>GENERAL RESERVE</b>		
Balance as per last financial statements	11,863.56	11,648.14
less :Reserves Adjusted	-	(0.43)
Add: Transferred from Profit & Loss account*	217.98	215.85
<b>TOTAL</b>	<b>12,081.54</b>	<b>11,863.56</b>
<b>PROFIT AND LOSS ACCOUNT</b>		
Balance as per last financial statement	(9,687.25)	(9,687.25)
Add: Net Profit after tax transferred from Statement of Profit & Loss	272.47	270.85
<b>Appropriations:</b>		
Transfer to Statutory Reserve Fund	54.49	55.00
Proposed Dividend	-	-
Dividend Tax, Surcharge & Cess	-	-
Transfer to Reserve for Contingencies*	-	-
Transfer to General Reserve	217.98	215.85
Closing Balance of Profit & Loss Account	(9,687.25)	(9,687.25)
<b>GRAND TOTAL - RESERVES &amp; SURPLUS</b>	<b>11,172.78</b>	<b>10,900.31</b>

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



## 2.03 PROVISIONS

Particulars	Long Term		Short Term	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Provision For Income Tax	-	-	21.86	21.86
Provision For Standard Asset	-	-	36.19	214.70
Provision for Doubtful Receivables	-	-	1,465.04	4,412.66
Provision For Outstanding Expenses	-	-	73.39	318.72
Provision for Expense as per Decree order	-	-	25.36	-
Provision for-deputed employees (Leave Salary & Gratuity)	36.50	33.31	-	-
Provisions -Others	-	-	-	-
Provision For Leave Salary	63.49	59.72	-	-
<b>TOTAL</b>	<b>99.98</b>	<b>93.03</b>	<b>1,621.83</b>	<b>4,967.94</b>

In terms of Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023 updated as on 27th February, 2025, a general provision of 0.40% of the outstanding standard assets is made. Accordingly, the provision is not netted from gross advances (Factored & Other Debts) but disclosed separately under "Provisions" in the balance sheet and considered for Tier II capital.

\*Provision for employee benefits - The Company modified the terminal benefit provision to include the leave salary for the Directly Recruited Employees of the company (the leave salary was not a part of terminal benefits till 31.03.2019). The Company has taken an Actuarial Valuation of the Leave salary Liability from an Approved Actuarial valuer as at 31st March, 2025 and the provision has been made accordingly in the Books of accounts complying with the requirement of AS-15.

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

Particulars	2024-25	2023-24
	(₹ Lakhs)	(₹ Lakhs)
Balance as at beginning of the year	4,412.66	4,720.37
Add: Provision made during the year	237.84	205.71
<b>Total</b>	<b>4,650.50</b>	<b>4,926.08</b>
Less: Written off / excess written back	3,185.46	513.42
Balance as at the end of the year	<b>1,465.04</b>	<b>4,412.66</b>

In terms of Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023 updated as on 27th February, 2025, provision for doubtful assets have been made. As per that circular, the provision is not netted from gross advances (Factored Debts) but shown separately under "Provisions" in the Balance Sheet.

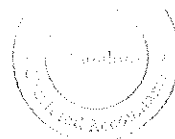
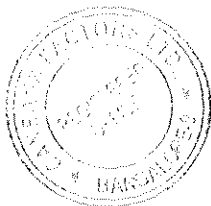
## 2.04 SHORT - TERM BORROWINGS

Particulars	As at 31st March 2025	As at 31st March 2024
Overdraft from Canara Bank	11.83	2,575.45
Working Capital Demand Loan - Canara Bank	1,775.00	43,000.00
<b>TOTAL</b>	<b>1,786.83</b>	<b>45,575.45</b>

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

## 2.05 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2025	As at 31st March 2024
Sundry Liability and others	87.23	90.47
Discount Charges received in Advance	76.36	715.69
Sundry Liability - Cut Back Margin	0.00	1.03
Duties & Taxes	1.07	1.43
Branch Adjustment	-	0.00
<b>TOTAL</b>	<b>164.65</b>	<b>808.62</b>

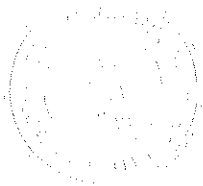




2.6. PROPERTY, PLANT, EQUIPMENT & INTANGIBLE ASSET

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2025.

GROSS BLOCK													DEPRECIATION				NET BLOCK		(in Lakhs)
PARTICULARS	AS AT 01-04-2024	ADDITIONS DURING THE YEAR	ADJUSTMENT DURING THE YEAR	DELETION	TOTAL AS AT 31/03/2025	AS AT 01-04-2024	ADDITIONS	DEPRECIATION FOR THE YEAR	ADJUSTMENT DURING THE YEAR	DELETION DURING THE YEAR	TOTAL AS AT 31/03/2025	WDV AS AT 31/03/2024	WDV AS AT 31/03/2025						
(a) Property, Plant and Equipment: COMPUTER DEVICES	158.42	10.05	0.00	53.38	115.08	153.42	9.39	2.01	0.00	53.00	111.83	5.00	3.22						
FURNITURES & FIXTURES	60.14	0.30	0.00	16.28	44.17	57.13	0.28	0.14	0.00	15.74	41.81	3.01	2.35						
ELECTRICAL INSTALLATIONS	52.67	1.33	0.00	13.43	40.57	46.16	0.23	1.37	0.00	11.77	35.98	6.51	4.57						
VEHICLES	12.25	0.00	0.00	0.38	11.87	8.53	0.00	1.16	0.00	0.38	9.30	3.73	2.57						
OFFICE EQUIPMENTS	25.19	1.78	0.00	7.97	19.00	23.85	1.56	0.22	0.00	7.50	18.12	1.34	0.88						
ASSETS GIVEN ON LEASE (Plant & Machinery)	-	-	-	-	-	-	0.00	-	-	-	-	-	-						
Total Tangible Assets- I	308.67	13.46	-	91.44	230.69	289.09	13.46	4.30	-	88.39	217.05	19.58	13.64						
(b) Intangible assets SOFTWARE	106.73	-	-	-	106.73	106.73	-	-	-	-	106.73	-	-						
Total Intangible Assets- II	106.73	-	-	-	106.73	106.73	-	-	-	-	106.73	-	-						
GRAND TOTAL (I+II)	415.39	13.46	-	91.44	337.41	395.82	13.46	4.30	-	88.39	323.78	19.58	13.64						
PREVIOUS YEAR TOTAL	440.42	2.44	-	27.47	415.39	416.44	-	6.25	0.43	27.31	395.81	19.58	23.98						



**2.08 DEFERRED TAXES (NET) (\*)**

Particulars	As at 31st March 2025	As at 31st March 2024
<b>Deferred Tax Assets</b>		
Fixed Assets : Impact of difference between tax depreciation and depreciation charged for financial reporting	8.24	8.80
Provision for Doubtful Receivables	380.91	1,147.29
Carry Forward Income tax loss	4,061.44	3,321.55
Provision for Employee Benefits	26.00	24.19
<b>Deferred Tax Liabilities</b>		
On account of Gratuity Contribution to LIC in respect of Direct Recruited Employees	-	-
<b>Deferred Taxes (Net)</b>	<b>4,476.58</b>	<b>4,501.83</b>

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

**2.09 OTHER ASSETS**

Particulars	NON- CURRENT		CURRENT	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Accrued Interest on Investment	-	-	-	-
Loan Against Property (LAP)	-	-	-	-
Unsecured (Restructured Loan)	-	-	-	-
Security and other Deposits	23.70	26.91	-	-
<b>TOTAL</b>	<b>23.70</b>	<b>26.91</b>	<b>-</b>	<b>-</b>

**2.10 TRADE RECEIVABLES**

Particulars	NON- CURRENT		CURRENT	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
<b>Sundry Debtors (Unsecured)</b>				
Debts Factored & Other Debts				
a) Outstanding for a period exceeding 6 months from the date they are due for payment Unsecured	-	-	435.84	435.84
b) Restricted Standard Account	-	-	-	-
b) Unsecured Considered Doubtful	-	-	4,510.52	9,660.37
c) Others (Unsecured & Considered Good)	-	-	9,621.97	54,776.78
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>14,568.32</b>	<b>64,872.99</b>
Less: Due upon Collection of Factored Debts	-	-	3,692.84	6,068.10
<b>FUNDS-IN-USE</b>	<b>-</b>	<b>-</b>	<b>10,875.48</b>	<b>58,804.88</b>

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

**2.10 TRADE RECEIVABLES (Continued)**

In terms of Factoring Regulation Act, 2011 (Amended as on 31-08-2021) and considering the Definition of "Factoring" provided thereunder, the debts factored / Other debts and the Funds-In-Use are classified as under:-

Particulars	Debts Factored & Other Debts	Percentage (%)	Funds-In-Use	Percentage (%)
Sale Bill Factoring	5,688.00	39.04	2,650.12	24.37
Trade Receivables discounting system	8,210.44	56.36	8,210.44	75.49
Purchase Bill Discounting	474.88	3.26	14.89	0.14
Invoice Discounting (Backed by LC)	195.00	1.34	0.03	0.00
Loan Against Property (LAP)	-	-	-	-
	<b>14,568.32</b>	<b>100.00</b>	<b>10,875.48</b>	<b>100.00</b>



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

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

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

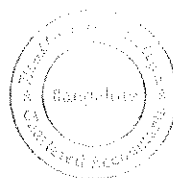
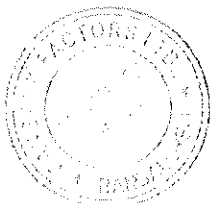
Particulars	(Amount ₹ Lakhs)		(Amount ₹ Lakhs)	
	As at 31st March 2025		As at 31st March 2024	
	Debts Factored & Other Debts	Funds-in-use	Debts Factored & Other Debts	Funds-in-use
Standard Asset	10,057.81	9,046.64	55,212.62	53,675.67
Sub-standard Asset	-	-	315.48	294.76
Doubtful Asset	3,436.65	1,336.99	3,486.36	1,450.71
Loss Asset	1,073.87	491.84	5,858.53	3,383.74
<b>TOTAL</b>	<b>14,568.32</b>	<b>10,875.48</b>	<b>64,872.99</b>	<b>58,804.88</b>

Movement of NPA's :-

Particulars	(₹ in Lakhs)	(₹ in Lakhs)
	31-03-2025	31-03-2024
Opening Balance	5,129.21	5,403.09
Add: Additions during the year	-	311.72
<b>Total</b>	<b>5,129.21</b>	<b>5,714.81</b>
Less:-		
(1) Realisation/ reduction during the year including OTS	114.91	72.18
(2) Recovered and Closed During the Year (without Book Liability write off)	-	-
(3) Recovered and Closed During The Year (with Book Liability write off)	-	-
(4) Write off during the year (Prudential)	3,185.46	513.42
(5) Adjustments	-	-
<b>Closing Balance</b>	<b>1,828.84</b>	<b>5,129.21</b>
<b>Provision for NPA's</b>	<b>1,465.04</b>	<b>4,412.66</b>
<b>NET NPA</b>	<b>363.80</b>	<b>716.55</b>

## 2.11 CASH AND BANK BALANCES

Particulars	Non-current		Current	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
<b>Cash and Cash equivalents</b>				
Balances with Banks				
- In Current Account	-	-	942.19	500.36
- In Deposit Account	-	-	-	-
Cash on Hand	-	-	0.15	0.25
Cheques in Transit	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>942.34</b>	<b>500.61</b>





## 2.12 LOANS & ADVANCES

Particulars	Long Term		Short Term	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Income Tax	-	-	376.10	369.93
Unsecured and considered good:				
Gratuity Contribution Account	-	-	0.22	-
GST Input credit - Receivable	-	-	110.73	80.15
Advances- Others	-	-	27.30	34.81
Prepaid Rates,Taxes,Others	-	-	-	6.65
<b>TOTAL</b>	-	-	<b>514.35</b>	<b>491.54</b>

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

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

Particulars	Details to Advance Tax	
	As at 31st March 2025	As at 31st March 2024
Advance Tax Paid*	84.98	91.93
Mat Credit	291.12	278.00
<b>TOTAL</b>	<b>376.10</b>	<b>369.93</b>

\*The Amount of Rs.84.98 Lakhs which is equivalent to 20% of the demand raised for AY 2017-18 vide their order u/s. 143(3) dated 31.12.2019. CIT Appeals as on 24/02/2025 has given a favourable order to Canbank factors.

## 2.13 REVENUE FROM OPERATIONS

Particulars	As at 31st March 2025	As at 31st March 2024
Discount charges	3,540.42	4,896.74
Factoring charges	24.00	60.75
Processing charges	20.25	57.30
Penal Charges	6.48	-
Interest - Loan Against Property	-	0.26
Other Income- Resign.Charges & Receipts from Writtern off accounts	264.83	16.76
<b>Total</b>	<b>3,855.97</b>	<b>5,031.83</b>

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

## 2.14 OTHER INCOME

Particulars	As at 31st March 2025	As at 31st March 2024
Interest Income	25.21	1.58
Other non-operating Income		
- Profit on sale of fixed assets	0.85	0.17
- Excess Provision no longer required written back (Tax charged) w.r.t Doubtful & Loss asset.	2,947.62	513.42
- Excess Provision no longer required w.r.t Standard assets	178.51	-
- Miscellaneous Income	0.91	1.16
<b>Total</b>	<b>3,153.10</b>	<b>516.33</b>



## 2.15 EMPLOYEE BENEFIT EXPENSES

Particulars	As at 31st March 2025	As at 31st March 2024
Salary -Direct Recruits	434.82	425.81
Medical Benefits	3.07	2.70
Staff Welfare Expenses	10.79	5.79
Staff Provident Fund	27.93	28.09
Gratuity	7.53	6.21
<b>TOTAL</b>	<b>484.15</b>	<b>468.60</b>

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

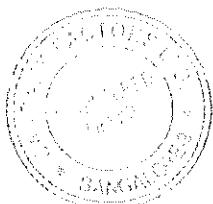
b.The Company modified the terminal benefit provision to include the leave salary for the Directly Recruited Employees of the company (The leave salary was not a part of terminal benefits till 31.03.2019). The Company has taken an Acturial Valuation of the Leave salary Liability from an Approved Actuarial valuer as at 31st March,2025 and the provision has been made accordingly in the Books of accounts complying with the requirement of AS-15.

## 2.16 OTHER EXPENSES

Particulars	As at 31st March 2025	As at 31st March 2024
Payment to Auditors	3.85	3.60
Rent,Rates&Taxes	119.50	121.76
Stationeries	4.28	6.77
Postage,Telephone,Telex&Fax	8.74	10.34
TravellingandConveyance	29.87	30.35
BusinessDevelopmentExpenses	2.35	3.33
AdvertisementAndPublicity	2.57	0.18
DirectorsSittingFees	9.45	7.80
RepairsandMaintenance(IncludingAMC)	17.03	9.24
RepairsandMaintenance-Others	1.96	2.38
Power&Fuel	2.26	2.21
Insurance-FixedAsset	0.15	0.02
Insurance-Vehicle	0.18	0.18
ElectricityCharges	12.69	13.78
TransactionFees-Treds	70.82	122.45
CersaiAssignmentCharges-Treds	3.68	6.13
LegalAndProfessionalCharges	52.83	53.47
LifecoverPremium	1.25	1.22
MembershipFees&SubscriptiontoPeriodicals	0.80	0.82
Housekeepingcharges&officemaintainace	39.66	42.30
MiscellaneousExpenses-Others	2.07	4.07
ExpenseasperDecereeOrder	25.36	-
CSR	-	1.90
ProvisionforStandardAssets	-	35.55
ProvisionforDoubtfulDebts	-	205.71
BadDebtsWrittenOff	3,185.46	513.42
Roundoff	0.00	0.01
<b>TOTAL</b>	<b>3,596.79</b>	<b>1,198.98</b>

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

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



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

CLIENT NAME	BRANCH	AMOUNT(₹ in lakhs)
ICOMM Tele Ltd	Hyderabad	245.01
Amar Remedies Ltd	Mumbai	213.74
Nihon Sales Pvt Ltd	New Delhi	455.18
Shrenik Limited	TReDS	68.38
M/s IMP Powers Limited	Mumbai	1,481.72
Future Enterprises Ltd-Rxil	TReDS	721.44
<b>TOTAL</b>		<b>3,185.46</b>

(4) Break- up for Auditors' Remuneration:

Particulars	As at 31st March 2025	As at 31st March 2024
Audit Fees	3.00	3.00
For Certification etc.,*	0.85	0.60
Out of Pocket Expenses	0.00	0.00
<b>TOTAL</b>	<b>3.85</b>	<b>3.60</b>

2.17 FINANCE COSTS

Particulars	As at 31st March 2025	As at 31st March 2024
Interest On WCDL from Canara Bank	2,525.02	1,819.24
Interest On Bank Borrowings	84.21	1,679.66
Bank Charges	16.29	19.04
<b>TOTAL</b>	<b>2,625.52</b>	<b>3,517.93</b>

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

Particulars	As at 31st March 2025	As at 31st March 2024
<b>1. Contingent Liabilities:</b>		
a) Claims against Company not acknowledged as Debts :(*)	424.92	424.92
b) Guarantee issued in favour of Honorable High Court of Karnataka(**)	405.00	405.00
c) Other Money for which company is contingently liable :	Nil	Nil
<b>2. Commitments:</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for:	Nil	Nil

(\*) The Company had filed an Appeal before Commissioner of Appeals in respect of a demand raised ( vide their order u/s. 143(3) dated 31.12.2019) by the Income tax department for the AY 2017-18. We have paid 20% of the total demand of Rs. 424.92 Lakhs. CIT Appeals as on 24/02/2025 has given a favourable order to Canbank Factors Ltd.

(\*\*) As at 31.03.2016, we have debited other current liabilities to the extent of Rs.405 Lakhs and crediting trade receivables (NPA) to the extent of Rs 190 Lakhs and other income by Rs 215 Lakhs as per the advise of the C&AG vide their letter dated 29.03.2016 and shown the Bank Guarantee given to Honorable High court of Karnataka as a contingent liability. The said Guarantee is being renewed there after and valid till 20.01.2026.The appeal of Karnataka Bank in the Honorable High court is yet to come up on Board.



2.18 (a) Additional Disclosures		
(b) Provisions and Contingencies		
Break up of 'Provisions and Contingencies shown under the head Expenditure in Profit and Loss accounts	As at 31st March 2025	As at 31st March 2024
Provisions for Depreciation on Investment	NIL	NIL
Provisions towards NPA	NIL	NIL
Provision made Towards Income tax	NIL	NIL
Other Provisions and contingencies(With Details)	NIL	NIL
Provisions for Standard Assets	NIL	NIL

#### 2.19 SEGMENT REPORTING

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

#### 2.20 RELATED PARTY DISCLOSURES

Name of the related Party	% of Shareholding as at 31st March, 2025	% of Shareholding as at 31st March, 2024
a) Canara Bank	70.00	70.00
b) Small Industries Development Bank of India (SIDBI)	20.00	20.00
c) Union Bank of India (erstwhile Andhra Bank) Co promoters	10.00	10.00
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

Name of the related Party	As at 31st March 2025	As at 31st March 2024
a) Canbank Computer Services Limited(CCSL)	8.82	8.57
b) Canbank Factors employees Gratuity Fund trust - Contribution from the Company	12.00	2.00

b) Key Managerial Personnel & Remuneration		Rs. in Lakhs	
Particulars		As at 31st March 2025	As at 31st March 2024
1. Dr.Rajib Kumar Sahoo	Managing Director	45.53	27.02
2. Mrs. Helen D Joy	CFO & Company Secretary	6.63	5.01

#### II) Transactions with related Parties:

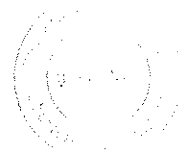
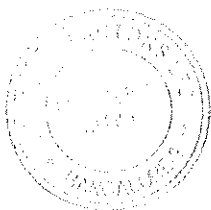
a) Canara Bank-Type of Transaction	As at 31st March 2025	As at 31st March 2024
Overdraft Facility limit Sanctioned against Book Debts (Short Term Borrowings)	12,500.00	48,000.00
Outstanding Bank liability	1,786.83	45,575.45
Interest and Bank charges Paid	2,625.52	3,517.93
Number of Employees deputed from Bank	3 Nos	4 Nos
Salary and other employee benefits reimbursed to parent Bank for deputed staff (Including Managing Director's Salary and related benefits of Rs. in 45.53 lakhs (PY: Rs. In 27.02 lakhs)	140.19	92.86
Rent paid (Canara Bank premises)	21.42	21.83

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

#### b) Canbank Computer Service Limited

Type of Transaction	As at 31st March 2025	As at 31st March 2024
Charges for resource provided for E-Factoring software	8.67	4.37
R&T Charges - Maintenance of Folios in electronic mode	0.15	4.20

c) Canbank Factors Employees Gratuity Fund Trust-Type of Transaction	As at 31st March 2025	As at 31st March 2024
Contribution from the Company	12.00	2.00



## 2.21 LEASES

### Obligations on Long Term Non-Cancellable Operating Leases

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

Particulars	As at 31st March 2025	As at 31st March 2024
Lease rentals recognized during the period;	-	-
<b>Lease Obligations Payable</b>		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-

## 2.22 IMPAIRMENT OF ASSETS

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

## 2.23 ACTIVITY IN FOREIGN CURRENCY

Particulars	As at 31st March 2025	As at 31st March 2024
Earnings in Foreign Currency	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil

## 2.24 PROPOSED DIVIDEND

The Company have not propose any dividend to the equity shareholder's of the company for the FY ended 31/03/2025.

## 2.25 Disclosure in respect of Gratuity Liability of Direct Recruited Employees

### Reconciliation of net defined benefit liability/asset

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

₹ in Lakhs

Particulars	31-03-2025	31-03-2024
<b>Change in Present value of Defined Benefit Obligations</b>		
<b>Reconciliation of present value of defined benefit obligation</b>		
Present Value of DBO at beginning of period	127.60	127.01
Current Service cost	7.82	8.75
Interest cost	9.25	9.21
Benefits settled	(5.89)	(14.41)
Actuarial (gains)/ losses on the obligation	(0.18)	(2.96)
<b>Present Value of DBO at the end of period</b>	<b>138.60</b>	<b>127.60</b>



Reconciliation of present value of plan assets

Particulars	31-03-2025	31-03-2024
Fair value of Plan assets at beginning of period	124.60	129.45
Additions through business combination	0.00	0.00
Expected return on plan assets	9.36	8.78
Contributions	10.75	0.78
Remeasurement - Actuarial gain/(loss)	0.00	0.00
Return on plan assets recognised in other comprehensive income	0.00	0.00
Benefits paid from the fund	(5.89)	(14.41)
Fair value of Plan assets at the end of period	138.82	124.60
Net Defined benefit liability	138.82	124.60

Expense to be recognized in the Profit & Loss Statement

Particulars	31-03-2025	31-03-2024
Current Service cost	7.82	8.74
Interest cost	9.25	9.21
Expected return on plan assets	(9.36)	(8.78)
Net Actuarial (Losses)/Gains recognized in the period	(0.18)	(2.96)
Net Gratuity Cost	7.53	6.21

Defined benefit obligation - Actuarial Assumptions

Particulars	31-03-2025	31-03-2024
Discount rate	6.50%	7.50%
Expected Return on Assets	7.00%	7.10%
Salary Escalation	7.00%	7.00%
Withdrawal rate	1.00%	1.00%

Amounts to be recognized in the balance sheet

Particulars	31-03-2025	31-03-2024
Present value of Defined Benefit Obligation	138.60	127.60
Fair value of plan assets	138.82	124.60
Funded status [Surplus/(Deficit)]	0.22	(3.00)
Net asset/(liability) recognised in balance sheet	0.22	(3.00)



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

₹ in Lakhs

Particulars	31-03-2025	31-03-2024
Present Value of DBO at beginning of period	59.71	46.74
Current Service cost	4.85	4.50
Interest cost	4.07	3.16
Past Service Cost (Vested Benefits)	-	-
Past Service Cost (Non Vested Benefits)	-	-
Benefits paid by the company	(6.25)	(9.10)
Actuarial (gains)/ losses	1.09	14.41
Present Value of DBO at the end of period	63.48	59.71

Change in Fair Value of Plan Assets

Particulars	31-03-2025	31-03-2024
Fair value of Plan assets at beginning of period	-	-
Expected return on plan assets	-	-
Actual Company contributions	6.25	9.10
Benefits paid by the company	(6.25)	(9.10)
Actuarial gain/(loss) on plan assets	-	-
Fair value of Plan assets at the end of period	-	-

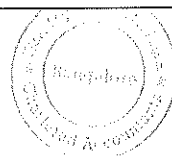
Amounts to be recognized in the Balance Sheet	31-03-2025	31-03-2024
Particulars		
Present value of Defined Benefit Obligation	63.48	59.72
Fair value of plan assets	-	-
Funded status [Surplus/(Deficit)]	(63.48)	(59.72)
Unrecognized Past Service Costs	-	-
Net asset/(liability) recognised in balance sheet	(63.48)	(59.72)

Expense to be recognized in the Profit & Loss Statement

Particulars	31-03-2025	31-03-2024
Current Service cost	4.85	4.50
Interest cost	4.07	3.16
Expected return on plan assets	-	-
Past Service Cost (Vested)	-	-
Past Service Cost (Non Vested)	-	-
Net Actuarial (Losses)/Gains	(1.09)	(14.41)
Total expense recognised in the Statement of Profit & Loss Statement	10.02	22.08

Movement in the liability recognized in the Balance Sheet

Particulars	31-03-2025	31-03-2024
Net asset/(liability) recognised in balance sheet at beginning of period	(59.72)	(46.74)
Employer expense	10.02	22.08
Employer contributions paid	(6.25)	(9.10)
Net asset/(liability) recognised in balance sheet at end of the period	(63.48)	(59.72)



**2.27 CORPORATE SOCIAL RESPONSIBILITY(CSR)**

As per Section 135 of Schedule VII of the Companies Act,2013 the company has not met the applicability criteria to carry out CSR Activities for the FY-2024-25.

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

RATIOS	FORMULA	2024-25	2023-24	Variation
Current Ratio	Current Assets/ Current Liabilities	3.45	1.16	196%
Debt - Equity Ratio *	Total Liabilities /Total Shareholders Equity	0.14	3.53	-96%
Debt Service Coverage Ratio *	Net operating Income/ Debt Service Cost	1.12	1.10	1%
Return on Equity Ratio *	Net Income/Shareholder's Equity	0.02	0.02	-1%
Inventory Turnover Ratio	Not Applicable	NA	NA	NA
Trade Receivable Turnover Ratio	Credit Sales/ Average accounts receivable	NA	NA	NA
Trade Payable Turnover Ratio	Credit Purchases/ Average accounts Payable	NA	NA	NA
Net Capital Turnover Ratio	Total Income/Shareholder's Equity	0.29	0.39	-25%
Net Profit Ratio *	Net Profit/Total Income*100	4%	5%	-20%
Return on Capital Employed*	Earnings Before Interest & tax (EBIT)/ Capital Employed	0.22	0.30	-26%
Return on Investment	Not Applicable	NA	NA	NA

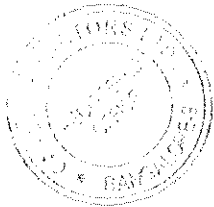
**Reason for Change in Ratios:**

- 1.Current Ratio :** The change in ratio of 196% is due to fall in Current Assets & Current Liabilities.
- 2.Debt-Equity Ratio :** The change in ratio of (96%) is due to fall in short term borrowings.
- 3.Net Capital Turnover Ratio:** The change in ratio of (25%) is due to fall in Revenue from Operations.
- 4.Return on Capital Employed:** The change in ratio of (26%) is due to fall in Earnings Before Interest & Tax.

**2.29 EARNINGS PER SHARE**

Particulars	As at 31st March 2025	As at 31st March 2024
Profit/(loss) after tax as per statement of Profit & Loss	2,72,46,944.51	2,70,84,955.89
Amount used as numerator for calculation of Basic and Diluted EPS	2,72,46,944.51	2,70,84,955.89

Particulars	No of Equity Shares As on 31.03.2025	No of Equity Shares As on 31.03.2024
Weighted average number of equity shares used as denominator in calculating Basic and Diluted EPS	20000000	20000000
Nominal value of each Equity Share	₹ 10/-	₹ 10/-
Earnings per Equity Share (₹)	1.36	1.35



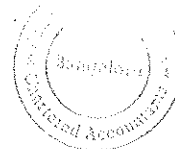


## 2.30 DISCLOSURES AS PER C&AG DIRECTION

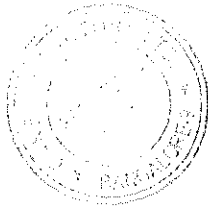
We have been advised by CAG to disclose in the Annual report the following information

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

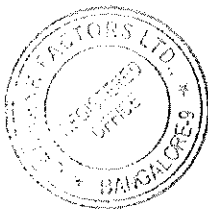
Name of the Party	M/s Aravind Remedies Ltd	M/s Rajat Pharmachem Ltd	M/s IAP Company Pvt Ltd	M/s. IMP Powers Ltd
Name of branch/office	Canbank Factors Ltd-Chennai Branch	Canbank Factors Ltd-Mumbai Branch	Canbank Factors Ltd-Delhi Branch	Canbank Factors Ltd - Mumbai Branch
Amount involved (Rs. in lakhs)	761.44	722.47	1306.28	1481.73
Fraud No	BAN00026201503-0001	BAN00026201104-0001	BAN00026201801-0001	BAN00026202202-0002
Date of first reporting	13.08.2015	09.11.2011	22.01.2018	28.04.2022
(a) Date of filing recovery suit with DRT/Court		23.02.2011	20-11-2017 (U/s 138 of NI Act)	29.03.2022
b) Present position	No progress	1.Complaint under Section 138 of Negotiable Instruments Act, 1881 was filed which is listed on 09.06.2025 for hearing  2.State Trading Corporation of India Vs. Rajat Pharmachem Ltd. C.S. (OS) 1923 of 2009 was transferred to Patiala House Court, New Delhi, and now bears no. Civil Suit No. 58006 of 2016 - The matter is listed on 28.04.2025.	1.Criminal Revision Petition 92/2022: The next date of hearing in the matter is 09.04.2025 and 306/2022: A record from the sanctioning authority is called in a sealed cover for the perusal of the court. The next date of hearing in the matter is 04.04.2025.  2.The liquidation order has already been passed by Hon'ble NCLT.The 16 <sup>th</sup> SCC meeting was held on 28.03.2024.	Sec 138 case was filed. Posted for hearing on 07.04.2025. NCLT: Ahmedabad dismissed our filing due to . IIP: Filed by another Financial Creditor STCI Finance Limited. We submitted our claim against the 3 guarantors.



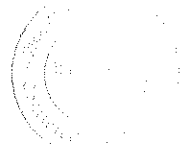
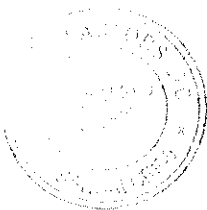
CBI status	PNB has filed compliant with CBI, Chennai on behalf of all lenders including us (Except Allahabad Bank). We have handed over the documents to CBI for the purpose of Investigation. In the JLF meeting on 29.09.2015, it is informed that KYC submitted by investor company is forged. CBI and SEBI have requested the branch to produce some details, the same has been produced. No progress in the case.	1. Reported to CBI on 09.11.2011	CBI complaint filed on 09.02.2018. Charge sheet filed by CBI on 31.12.2020 and supplementary charge sheet filed on 07.04.2021. CBI Investigation is going on.	Criminal complaint was filed on 27.05.2022. CBI ACB Mumbai vide letter dated 21.02.2024 returned the original complaint for taking necessary action in view of the judgement of the Hon'ble Supreme Court to provide an opportunity to the borrower to be heard before declaring the account as fraud. We have represented to CBI to register our complaint vide our letter dated 26.03.2024. Show cause notice issued on 24.09.2024 to all directors of M/s IMP Powers Limited. Received responses from the Directors (received at Mumbai branch on 16.10.2024) & Liquidator of M/s IMP Powers Ltd (on 17.10.2024). The replies placed to the Committee of Executives recommending to seek legal opinion in the matter in view of M/s IMP Powers Ltd sold as a going concern.
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Name of the Party	M/s. Accord Industries Ltd	M/s. Innoventive Industries Ltd	M/s. Vensa Laboratories Pvt Ltd	M/s Aegan Batteries Ltd
Name of branch/office	Canbank Factors Ltd - Mumbai Branch	Canbank Factors Ltd - Bangalore branch	Canbank Factors Ltd - Hyderabad Branch	Canbank Factors Ltd - Chennai Branch
Amount involved (Rs. in lakhs)	679.95	1425.98	71.02	1069
Fraud No	BAN00026202203-0001	BAN00026202301-0002	BAN00026202301-0001	BAN00026202303-0003
Date of first reporting	04.08.2022	25.01.2023	25.01.2023	29.08.2023
(a) Date of filling recovery suit with DRT/Court		NA	Civil suit filed on 26.10.2017	Recovery suit filed on 18.09.2017. Recovery Suit: Dismissed on 24.04.2024. I.A.No.3/2021, I.A.No.4/2022 allowed. In furtherance of orders in I.A.No.3/2021, I.A.No.4/2022 this suit is dismissed. Advocate opined to file an appeal before the appropriate court of law for restoration of suit which is under process
b) Present position	NCLT case : CP (IB) 143/2017 against M/s Accord Industries Ltd - Filed on 14.02.2017. Filled dissolution Application. resolution passed with majority for dissolution.	NCLT: Admitted on 01.01.2016. Liquidation ordered dated 08.12.2017. The last lenders' meeting was held on 03.03.2025 wherein members were updated about the liquidation proceedings. The Liquidator has filed an application seeking an extension of the liquidation period by a further period of 6 months (beyond Feb 2025) ie., till 4 August 2025.	Mortgage Suit 37/18 has been instituted. Paper publication has been filed. Evidence has been completed in the subject account on 01.07.2024 and the case is reserved for orders. SEC 95 applications filed with NCLT. IRP appointed and next date of the case is 08.05.2025 provided time to the 3 Guarantors for filing counter. Other 2 guarantors has not turned up and court has ordered for notice.	



CBI/Police complaint status	Complaint filed on 05.06.2023 and FIR registered on 11.10.2023. CBI Official visited our office and branch for the scrutiny of documents and enquiry of officials who have handled the account. The investigation is going on.	Filed criminal complaint on 11.05.2023. CBI ACB Pune vide letter dated 17.02.2024 have informed that they are returning the original complaint for taking necessary action in view of the judgement of Hon'ble Supreme Court dated 27.03.2023 to provide an opportunity to the borrower to be heard before declaring the account as Fraud. Since the account was reported as fraud on 25.01.2023 and Citing the Supreme Court Judgement dated 27.03.2023 wherein it is summarized that 'No opportunity of being heard is required before an FIR is lodged and registered' we have represented to CBI to register our complaint. Further to comply with RBI master directions dated 15.07.2024, we issued a show cause notice to the borrower and Directors on 24.10.2024. Out of 6 Directors, reply received from 4 and from the Liquidator of M/s Innoventive Industries Limited. The replies received to the showcause notice is being placed to the Committee of Executives to take a view in the matter.	Police complaint filed on 11.10.2022.	SBI filed a CBI complaint and Cbi registered an FIR on 29.06.2019. We have also filed a CBI Complaint on 17.11.2023. CBI New Delhi had vide letter dated 11.12.2023 returned the complaint informing us to incorporate the details of opportunity provided to the borrower to be heard as per Supreme Court judgement dated 27.03.2023. We have accordingly incorporated the details and filed the complaint once again on 10.01.2024. CBI New Delhi has vide letter dated 07.02.2024 informed that they have assigned our complaint to CBI, ACB, Chennai. CBI, BSFB, Bangalore vide letter dated 12.04.2024 have returned our complaint and requested us to re-submit the complaint in original after getting the custody of the original loan documents from the court. We had advised our erstwhile Chennai branch to retrieve the original documents from the Hon'ble Court of Additional District Judge, Hosur. The branch has taken up the same through the advocate, who has applied for retrieval of the documents. Partial documents have been retrieved from the court. The advocate is following up on the retrieval of the remaining documents.
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## 2.31 PRESENTATION OF AMOUNTS IN THE FINANCIAL STATEMENTS AND REGROUPING OF FIGURES

The financial Statements are presented in ₹ lakhs. Previous year's figures have been regrouped and recast wherever appropriate and necessary.

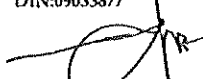
For and on behalf of the Board of Directors  
Canbank Factors Limited



**HARDEEP SINGH AHLUWALIA**  
Chairman  
DIN:09690464




**DR RAJIB KUMAR SAHOO**  
Managing Director  
DIN:09033877



**SREEPATHY SUBBARAO**  
Nominee Director  
DIN:09638305

Date: 17-04-2025  
Place: Bengaluru




**PALLAM RAVI VARMA**  
Nominee Director  
DIN:10878167

**GYANA RANJAN SARANGI**  
Nominee Director  
DIN:09412614



**GOVIND SOLANKI**  
Senior Executive Vice President

**BASANT SETH**  
Independent Director  
DIN:02798529

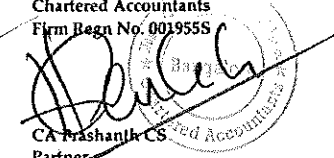


**RAVI CHATTERJEE**  
Independent Director  
DIN:03312963

on leave.  
**HELEN D JOY**  
CFO & Company Secretary

As per our attached report  
of even date

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



**CA Prashanth CS**  
Partner  
M. No. 218355  
UDIN:25218355MTBQP3861





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

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

Category	Amount net of provisions		
	Secured	Unsecured	Total
<b>1. Related Parties **</b>			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties #	0	NIL	NIL
<b>2. Other than related parties</b>	0	9,410.44	9,410.44
<b>TOTAL</b>	0	9,410.44	9,410.44

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

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

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

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

8) Other Information

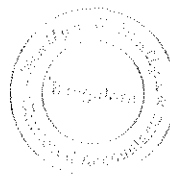
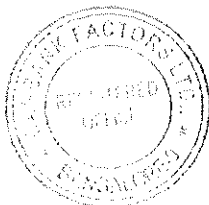
Particulars	Amount
(i) Gross Non Performing Assets	
(a) Related Parties	NIL
(b) Other than related Parties	1828.84
(ii) Net non performing Assets	
(a) Related Parties	NIL
(b) Other than related Parties#	353.6
(iii) Assets acquired in satisfaction of debt	NIL

9) Disclosure in accordance with RBI Master Direction Non-Banking Financial Company- Scale Based Regulation Directions, 2023 (updated on 27.02.2025)

<b>1. Capital To risk Asset Ratio (CRAR):</b>		
Items	Current Year (31/03/2025)	Previous Year (31/03/2024)
(i). CRAR (%)	88.43	16.25
(ii). CRAR - Tier I Capital (%)	88.06	15.84
(iii). CRAR - Tier II Capital (%)	0.37	0.41
(iv) Amount of subordinated debt raised as Tier-II capital	NIL	NIL
v) Amount raised by issue of Perpetual Debt Instruments	NIL	NIL



2. Investments	NIL	NIL
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India		
(b) Outside India,		
(ii) Provisions for Depreciation		
(a) In India		
(b) Outside India,		
(iii) Net Value of Investments		
(a) In India		
(b) Outside India,		
(2) Movement of provisions held towards depreciation on investments.		
(i) Opening balance		
(ii) Add : Provisions made during the year		
(iii) Less : Write-off / write-back of excess provisions during the year		
(iv) Closing balance		
3. Derivatives	NIL	NIL
3.1 Forward rate Agreement/Interest Rate Swap		
(i) The notional principal of swap agreements		
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements		
(iii) Collateral required by the applicable NBFC upon entering into swaps		
(iv) Concentration of credit risk arising from the swaps \$		
(v) The fair value of the swap book @		
3.2 Exchange Traded Interest Rate (IR) Derivatives		
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)		
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March ..... (instrument-wise)		
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		
3.3 Disclosures on Risk Exposure in Derivatives		
(a) qualitative Disclosure :		
(b) Quantitative Disclosures		
(i) Derivatives (Notional Principal Amount)		
(ii) Marked to Market Positions [1]		
(a) Assets		
(b) Liability		
(iii) Credit exposures		
(iv) Unhedged Exposures		
3.4. Exposures		
3.4.1 Exposure to Real Estate Sector		
a) Direct Exposure		
(i) Residential Mortgages		
(ii) Commercial real estate		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
3.5. Exposure to Capital Market		
3.6. Details of financing of parent Company products		
a).Details of Single Borrower Limit(SBL)/Group Borrower Limit(GBL) exceed by the NBFC		Current Year (31/03/25) RS in Lakhs
a. Single Borrower Limit(SBL) (excluding NPA)		NIL
b. Group Borrower Limit(GBL)		NIL
10 (a) Registration obtained from other financial sector regulators		NIL
(b) Disclosure of penalties imposed by RBI and other regulators		NIL
10(a). Rating Assigned by credit rating Agencies and migration of ratings if any during the year.		Current Year (31/03/25)
a. Short term debt programme - CRISIL Ratings		A1+
b. Long term Bank Loan rating - CRISIL Ratings		AA/Negative





11	Concentration of Deposits, Advances, Exposures, and NPAs		NIL
	(a). Concentration of Deposits		
	a. Total Deposits to twenty largest borrowers		NIL
	b. Percentage of Deposits to twenty largest borrowers		NIL
	(b) Concentration of Exposures		
	a. Total Exposure to twenty largest borrowers		6461.45
	b. Percentage of exposures to twenty largest borrowers		59.41
	(c) Concentration of Advances		
	a. Total Advances to twenty largest borrowers		6461.45
	b. Percentage of Advances to twenty largest borrowers		59.41
	(d). Concentration of Non performing Assets (NPAs)		
	a. Total Exposure to top four NPA accounts		3188.03
	c. Sector-wise NPAs		1383.84
	Textiles	517.21	28.23
	Chemical and Chemical products	32.11	1.76
	Auto	394.86	21.59
	Other Industries	884.66	48.37
	Total	1828.84 lakhs	100.00

#### Movement of NPAs

Particulars	(Rs In Lakhs)	(Rs In Lakhs)
(i) Net NPAs to Net Advances (%)	3.87	1.32
(ii) Movement of NPAs(Gross)	1828.84	5129.21
	31-03-2025	31-03-2024
(a) Opening Balance	5129.21	5403.09
(b) Add: Additions during the year	0.00	311.72
Total	5129.21	5714.81
Less:- (c) Realization/Reduction during the year	3300.37	585.60
(d) Closing Balance	1828.84	5129.21
(iii) Movement of Net NPAs		
(a) Opening balance	716.58	682.73
(b) Add: Additions during the year	0.00	265.28
Less:- (c) Realization/Reduction during the year	352.76	231.45
(d) Closing Balance	363.80	716.56
(iv) Movement of Provision for Npas (excluding Provisions on standard assets)		
(a) Opening balance	4412.65	4720.36
(b) Add: Additions during the year	237.87	223.40
Less:- (c) Write-off/write-back of excess provisions	3185.48	531.11
(d) Closing Balance	1465.04	4412.65

11(a)	Draw down from reserves	NIL
12	Overseas Assets (for those with joint ventures and subsidiaries abroad) -	Not Applicable, NIL
13	Off Balance sheet SPVs sponsored -	Not Applicable, NIL
14	Disclosure on client/customer Compliants	
	No of Compliants pending at the beginning of the year	0
	No of Compliants received during the year	6
	No of compliants redressed during the year	6
	No of compliants pending at the end of the year	0
15	In terms of RBI Circular no. RBI/DOS/2024-25/120 DOS.CO.FMG.SEC.NO.7/23.04.001/2024-25 dated July 15th 2024 the company has to report Nos and amount of Fraud Identified during the year	NIL
16	Loans to Directors, Senior Officers & Relatives of Directors	NIL
17	Related Party Transactions	Shown separately (NTA 2.20)
18	Remuneration of Directors	Shown as a part of Notes to accounts (NTA 2.20)
19	Net Profit/Loss for Period, Prior Period Items and changes in accounting policies	Rs.2.72 crore & there is no change in accounting policy.
20	Disclosure & Transparency: The progress made in putting in place a progressive risk amnagement system and risk management policy and strategy followed by applicable by NBFC's	(i) Risk management Policy as been complied as per Board approval. (ii) Monthly ALM statment are being prepared and placed to ALCO & RMC Meetings. (iii) A note on Risk management practices and evaluation followed by the company, is being submittet to RMC and Board (iv) Risk questionnaire is being placed to RMC, Board and RM wing of parent bank
21	Disclosure in accordance with RBI Master Direction Non-Banking Financial Company- Scale Based Regulation Directions, 2023 (updated on 27.02.2025)	As per Section -I, Section -II & Section -III



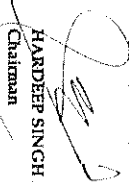
22. Asset Liability Management as at 31st March, 2025


Maturity pattern of certain items of Assets and Liabilities

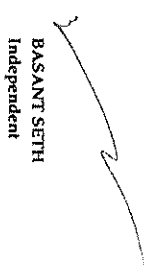
Particulars	0 day to 7 days	8 days to 14 days	1 day to 30/31 day (1 month)	Over 1 month to 2 month	Over 2 month to 3 month	Over 3 month to 6 month	Over 6 month to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities:											
Borrowings from Banks	1,775.00	-	-	-	-	-	11.83	-	-	-	1,786.83
Market Borrowings	-	-	-	-	-	-	-	-	-	-	-
Assets:											
Advances (Debits O/s = Standard Asset)	2,393.36	776.22	2,356.37	1,400.96	1,966.40	771.04	-	-	-	-	9,664.35
Investments	-	-	-	-	-	-	-	-	-	-	-


(Rs. In Lakhs)


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


  
HARDEEP SINGH AHLUWALIA  
Chairman  
DIN: 09646943

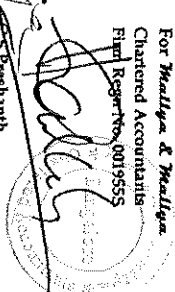
  
PALLAM RAVI VARMA  
Nominee Director  
DIN: 10878167


  
BASANT SETH  
Independent Director  
DIN: 02798529

  
DR RAJIB KUMAR SAHOO  
Managing Director  
DIN: 09633877

  
GYANA RANJAN SARANGI  
Nominee Director  
DIN: 09412614

  
RAVI CHATTERJEE  
Independent Director  
DIN: 03312963

As per our attached report of even date  
For *Mallika & Mallika*  
Chartered Accountants  
Firm Registration No. 00195555  
  
Bashanth  
Partner  
M. No. 218335  
UDIN: 25218355BMSGAP3861

  
SREERAJ SUBBARAO  
Nominee Director  
DIN: 09638305

  
GOVIND SOMAN  
Senior Executive Vice President

on leave  
HELEN D JOY  
CFO & COMPANY SECRETARY

Date: 17.04.2025  
Bangalore



## Section I

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

### A) Exposure

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

#### 1) Sectoral exposure

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
2. Industry						
i. Food Processing	9.24	0	0.00	32.69	0	0.00
ii. Textiles	13.46	5.10	37.89	37.17	5.68	15.28
iii. Leather & Leather Products	0.00	0.00	0.00	0	0	0.00
iv. Paper & Paper Products	3.12	0.00	0.00	11.24	0	0.00
v. Chemical	9.15	0.32	3.49	27.25	0.33	1.21
vi. Rubber, Plastic & their Products	0.00	0.00	0.00	25.68	0	0.00
vii. Cement & Cement Products	0.00	0.00	0.00	0.89	0	0.00
viii. Basic Metal & Metal Product	9.96	3.94	39.56	48.36	2.45	5.07
ix. All Engineering	0.05	0.00	0.00	23.66	0	0.00
x. Power	0.00	0.00	0.00	0.00	0	0.00
xi. Telecommunications	0.00	0.00	0.00	0	0	0.00
xii. Electricity Transmission	7.20	0.00	0.00	54.00	20.11	37.24
Other Infrastructure	17.34	0	0.00	126.11	0	0.00
Others	20.98	8.92	42.51	149.71	22.72	15.18
Total of Industry (i+ii+...+Others)	90.46	18.28	20.21%	536.76	51.29	8.72%
3. Services	0.00	0.00	0.00	0.00	0.00	0.00
i...						
ii...						
Others						

Total of Services (i+ii+...+Others)	0.00	0.00	0.00	0.00	0.00	0.00
4. Personal Loans	0.00	0.00	0.00	0.00	0.00	0.00
i...						
ii...						
Others						
Total of Personal Loans (i+ii+...+Others)	0.00	0.00	0.00	0.00	0.00	0.00
5. Others, if any (please specify)	0.00	0.00	0.00	0.00	0.00	0.00

Note:

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

## 2) Intra-group exposures

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

## 3) Unhedged foreign currency exposure

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

## B) Related Party Disclosure

(Amount in ₹ crore)

Related Party Items	Parent(as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel <sup>§</sup>		Relatives of Key Management Personnel <sup>§</sup>		Others*		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Borrowings <sup>†</sup>	17.87	455.75	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	17.87	455.75
Deposits <sup>†</sup>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Placement of deposits <sup>†</sup>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Advances <sup>†</sup>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Investments <sup>†</sup>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Purchase of fixed/other assets	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sale of fixed/other assets	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Interest paid/ Bank Charges	25.41	35.18	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	25.41	35.18

Interest received	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others*	0.21	0.22	0.09	0.04	NIL	NIL	1.40	1.04	NIL	NIL	NIL	NIL	1.70	1.30	

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

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

### C) Disclosure of complaints

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

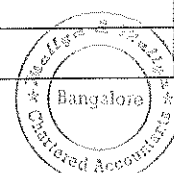
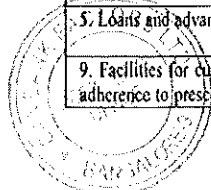
Sr. No	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1.	Number of complaints pending at beginning of the year	0	0
2.	Number of complaints received during the year	6	3
3.	Number of complaints disposed during the year	6	3
3.1	Of which, number of complaints rejected by the NBFC	0	0
4.	Number of complaints pending at the end of the year	0	0
	Maintainable complaints received by the NBFC from Office of Ombudsman		

#### 2) Top five grounds<sup>2</sup> of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Ground - 1	0	0	0	0	0
Ground - 2	0	0	0	0	0
Ground - 3	0	0	0	0	0
Ground - 4	0	0	0	0	0
Ground - 5	0	0	0	0	0
Others	0	6	100%	0	0
Total	0	0	0	0	0
Previous Year					
Ground - 1	0	0	0	0	0
Ground - 2	0	0	0	0	0
Ground - 3	0	0	0	0	0
Ground - 4	0	0	0	0	0
Ground - 5	0	0	0	0	0
Others	0	3	50%	0	0
Total	0	0	0	0	0

<sup>2</sup> The list of grounds of complaints given below are indicative only.

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



## Section II

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

### Corporate governance:

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

#### 1) Composition of the Board

Sl. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Direct or ships	Remuneration			No. of shares held in and convertible instrument held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1.	Dr. Rajib Kumar Sahoo	01/02/2021	Managing Director	09033877	05	05	1		NA	NA	Nil
2.	Mr. S Ananthan	07/09/2021	Independent Director	02123959	02	02	1		60,000/-	NA	Nil
3.	Mr. Basanth Seth	08/10/2020	Independent Director	02798529	05	05	10		1,50,000/-	NA	Nil
4.	Mr. Ravi Chatterjee	21/09/2022	Independent Director	03312963	05	05	3		1,50,000/-	NA	Nil
5.	Mr. Hardeep Singh Ahluwalia	11/10/2023	Chairman	09690464	05	05	1			NA	Nil
6.	Mr. Gyana Ranjan Sarangi	17/01/2022	Nominee Director, Union Bank Of India	09412614	05	05	0			NA	Nil
7.	Mr. Subbarao Sreepathy	02/07/2022	Nominee Director, SIDBI	09638305	05	02	0			NA	Nil
8.	Mr P Ravi Varma	03/01/2025	Nominee Director, Canara Bank	10878167	02	02	0		60,000/-	NA	Nil

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

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Mr S Ananthan	Independent Director	Resignation*	19/09/2024
2.	Mr P Ravi Varma	Nominee Director	Appointment	03/01/2025

\*Resigned due to Personal Reasons.

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

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

**1) Committees of the Board and their composition**

**Audit Committee**

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

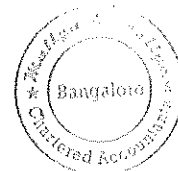
Chairman	The chairman of the Audit Committee will be an Independent Director and who is elected by the Board.
Composition	The Audit Committee of the Company shall have minimum of three Directors with Independent Directors forming a majority. Further, majority of members of the Audit Committee including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

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri S Ananthan	From 07/09/2021 to 19/09/2024	Independent Director	2	2	NIL
2.	Sri. Ravi Chatterjee	21/09/2022	Chairman	5	5	NIL
3.	Sri. Basanth Seth	08/10/2020	Independent Director	5	5	NIL
4.	Sri Gyana Ranjan Sarangi	17/01/2022	Nominee Director	5	5	NIL
5.	Sri P Ravi Varma	03/01/2025	Nominee Director	2	2	NIL

**Terms of Reference of the Committee:**

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

**I. Appointment and fixation of the remuneration of the Auditor.**



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

#### **Nomination and Remuneration Committee**

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

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

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri Hardeep Singh Ahluwalia	11/10/2023	Nominee Director	2	2	NIL
2.	Sri. Basanth Seth	08/10/2020	Independent Director	2	2	NIL
3.	Sri. Ravi Chatterjee	21/09/2022	Independent Director	2	2	NIL



*Terms of Reference of Committee:*

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

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

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

3. The Nomination and Remuneration Committee shall, ensure that

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

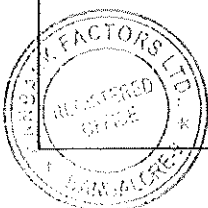
(b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

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

**Corporate Social Responsibility (CSR) Committee**

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

Chairman	The chairman of the CSR Committee will be an independent director elected by the members of the committee.
Composition	<p>The Corporate social responsibility Committee of the Board shall have at least three Directors out of which there shall be One Independent Directors. At Present the composition of CSR Committee is as per below:</p> <p>1. Dr. Rajib Kumar Sahoo, Managing Director</p> <p>2. Sri. Ravi Chatterjee, Independent Director, Chairman of meeting</p> <p>3. Sri. Gyanaranjan Sarangi, Nominee Director, Union Bank of India</p>



Meetings & quorum	The CSR shall meet on a need basis. A quorum shall comprise two members or one-third of the total members of the CSR, whichever is higher.
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and confirmed by the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri Ravi Chatterjee	15/01/2025	Chairman	1	1	NIL
2.	Dr. Rajib Kumar Sahoo	01/02/2021	Managing Director	1	1	NIL
3.	Sri Gyana Ranjan Sarangi	17/01/2022	Nominee Director	1	1	NIL

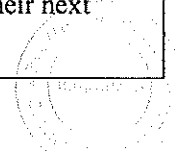
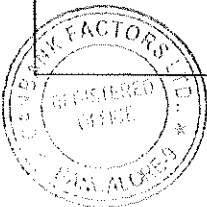
*Terms of Reference of Committee:*

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

**Risk Management Committee**

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

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



Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri. Ravi Chatterjee	21/09/2022	Chairman	3	3	NIL
2.	Dr. Rajib Kumar Sahoo	01/02/2021	Managing Director	3	3	NIL
3.	Sri. Govind Solanki	26/04/2021	Senior Executive Vice President	3	3	NIL
4.	Sri. Saroj K Sinha	27/09/2021	Senior Vice President	1	1	NIL
5.	Sri. Kiran K Moorthy	02/09/2021	Senior Vice President	3	3	NIL
6.	Sri. Raghu. P	14/03/2006	Assistant Vice President	3	3	NIL
7.	Smt. Helen Joy D	01/08/2023	CFO & Company Secretary	3	2	NIL

***Terms of Reference of the Committee:***

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

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

**Committee of Directors.**

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



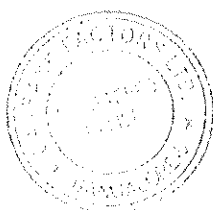
Chairman	The chairman shall be an independent Director elected by the members of the committee.
Composition	The Committee of Directors shall have minimum of three members and one of them shall be an Independent director.
Meetings & quorum	The COD shall meet at least twice in a year and the quorum shall be at least three members of which one shall be an Independent Director
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and confirmed by the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri S Ananthan	From 07/09/2021 to 19/09/2024	Independent Director	1	1	NIL
2.	Sri. Ravi Chatterjee	21/09/2022	Independent Director	3	3	NIL
3.	Sri. Basanth Seth	08/10/2020	Independent Director	3	3	NIL
4.	Dr Rajib Kumar Sahoo	01/02/2021	Nominee Director	3	3	NIL
5.	Sri P Ravi Varma	03/01/2025	Chairman	2	2	NIL
6.	Sri Gyana Ranjan Sarangi	17/01/2022	Nominee Director	3	3	NIL
7.	Sri. Subbarao Sreepathy	02/07/2022	Nominee Director	3	1	NIL

*Terms of Reference of the Committee:*

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

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



### Asset Liability Management Committee

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

Chairman	The Managing Director of the company shall be the chairman for the ALCO committee meeting.
Composition	The ALCO Committee shall have minimum of three members.
Meetings & quorum	The ALCO shall meet as and when required. Quorum of ALCO meetings shall comprise of at least two members of the Committee.
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and confirmed by the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Dr. Rajib Kumar Sahoo	01/02/2021	Chairman	12	12	NIL
2.	Sri. Govind Solanki	26/04/2021	Senior Executive Vice President	12	12	NIL
3.	Sri. Saroj K Sinha	27/09/2021	Senior Vice President	7	7	NIL
4.	Sri. Kiran K Moorthy	02/09/2021	Senior Vice President	12	12	NIL
5.	Sri. Raghu. P	14/03/2006	Assistant Vice President	12	12	NIL
6	Smt. Helen Joy D	01/08/2023	CFO & Company Secretary	12	9	NIL

#### *Terms of Reference of the Committee:*

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

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



### IT Strategy Committee

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

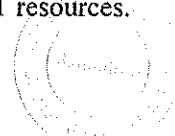
Chairman	The chairman of the IT Strategy Committee will be an Independent Director.
Present Composition	The IT Strategy Committee have minimum of three Members. (Chairman, CIO & CTO) 1. Sri. Ravi Chatterjee, Independent Director – Chairman of the Meeting 2. Dr. Rajib Kumar Sahoo, Managing Director - Member 3. Sri. Govind Solanki, Sr. Executive Vice President – CIO 4. Sri. Raghu P, AVP-IT - CTO 5. Sri. Basavaraj Naik, AVP-IT – CISO 6. Sri. S Ananthan, Independent Director,
Meetings & quorum	The IT Strategy Committee should meet at an appropriate frequency but not more than six months should elapse between two meetings.
Secretary	The Company secretary of the company shall act as the secretary to the committee
Meeting Minutes	Minutes of the Meeting shall be approved by the Chairman of the Committee and noted and its deliberations to be placed before the Board at their next meeting.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non- Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Sri. Ravi Chatterjee	21/09/2022	Chairman	4	4	NIL
2.	Sri S Ananthan	07/09/2021	Independent Director	1	1	NIL
3.	Sri P Ravi Varna	03/01/2025	Nominee Director	1	1	NIL
4.	Dr. Rajib Kumar Sahoo	01/02/2021	Managing Director	4	4	NIL
5.	Sri. Govind Solanki	26/04/2021	Senior Executive Vice President	4	4	NIL
6.	Sri. Raghu. P	27/09/2021	Assistant Vice President	4	4	NIL
7.	Sri Basavaraja Naik	02/09/2021	Assistant Vice President	4	3	NIL

#### *Terms of Reference of the Committee:*

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

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



5. Ensuring proper balance of IT investments for sustaining growth and becoming aware about exposure towards IT risks and controls.

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

**Frequency of Committee meetings held for F. Y 2024-25**

Particulars	Quarter – I (April- June)	Quarter-2 (July- September)	Quarter-3 October- December)	Quarter-4 January- March)	Total
Board Meeting (173 <sup>rd</sup> last meeting)	1 22.04.2024	1 19.07.2024	1 18.10.2024	2 15.01.2025 14.03.2025	5
Risk Management Committee (55 <sup>th</sup> RMC last)	-	1 27.09.2024	-	2 13.01.2025 01.03.2025	3
Audit Committee Meeting (112 <sup>th</sup> Audit Meeting last)	1 22.04.2024	1 19.07.2024	1 18.10.2024	2 15.01.2025 14.03.2025	5
Committee of Directors Meeting (161 <sup>st</sup> CoD last meeting)	-	1 05.07.2024	-	2 13.01.2025 01.03.2025	3
IT Strategy Committee Meeting	-	2 09.08.2024 27.09.2024	1 26.11.2024	1 01.03.2025	4
Corporate Social Responsibility Meeting	-	-	-	1 15.01.2025	-

**Attendance of the Board of Directors during F.Y 2024-25**

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



*2) General Body Meetings*

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1.	Annual general meeting	19.07.2024 Head office Canara Bank, Bangalore	1. Re-Appointment of Sri S Ananthan as Independent Director 2. Appointment of Sri. Hardeep Singh Ahluwalia as a Nominee Director of Canara Bank. 3. Extension of Term Of Managing Director

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

NIL.

*3) Details of penalties and strictures*

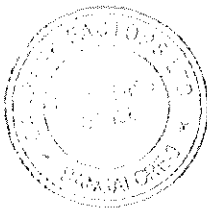
There were no penalties or stricture imposed on the company by the Reserve Bank or any other statutory authority during the reporting period.

*6) Breach of covenant*

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

*7) Divergence in Asset Classification and Provisioning*

- a) the additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5 percent of thereported profits before tax and impairment loss on financial instruments for the reference period,  
or





- b) The additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period.

Sr.	Particulars	Amount (in crore)
1.	Gross NPAs as on March 31, 2025 as reported by the NBFC	18.29
2.	Gross NPAs as on March 31, 2025 as assessed by the Reserve Bank of India/ NHB	NA
3.	Divergence in Gross NPAs (2-1)	NA
4.	Net NPAs as on March 31, 2025 as reported by the NBFC	3.64
5.	Net NPAs as on March 31, 2025 as assessed by Reserve Bank of India/ NHB	0.00
6.	Divergence in Net NPAs (5-4)	0.00
7.	Provisions for NPAs as on March 31, 2025 as reported by the NBFC	14.65
8.	Provisions for NPAs as on March 31, 2025 as assessed by Reserve Bank of India/ NHB	0.00
9.	Divergence in provisioning (8-7)	0.00
10.	Reported Profit Before Tax and impairment loss on financial instruments for the year ended March 31, 2025	2.98
11.	Reported Net Profit after Tax (PAT) for the year ended March 31, 2025	2.72
12.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2025 after considering the divergence in provisioning	2.72



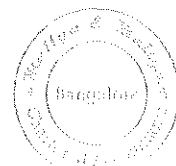
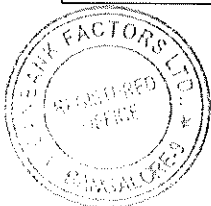
**Quarterly Public disclosure as per RBI guidelines**

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

**2. TOP 20 DEPOSITS – NIL**

**3. TOP 10 Borrowings as on 30.06.2024**

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



#### 4. PRODUCT WISE LIABILITIES AS ON 30.06.2024.

Sl No	Product	Liabilities (Rs. In crore)	% to Total
1.	Working Capital demand Loan	430.00	98.60
2.	Overdraft Facility against Book Debt	6.07	1.40
3.	Commercial Paper	-	-
<b>Total</b>		<b>436.07</b>	<b>100%</b>

#### 5. STOCK RATIOS

SL No	Particulars	Formula	Jun-24	Jun-23
1.	Short-term liability to Total assets	$\frac{\text{Short Term Liability}}{\text{Total Assets}}$	0.79	0.79
2	Short-term liability to long term assets	$\frac{\text{Shor term Liability}}{\text{Long term Assets}}$	10.84	11.10
3	Commercial papers to total assets	$\frac{\text{Commercial Paper}}{\text{Total assets}}$	-	-

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



**Quarterly Public disclosure as per RBI guidelines**

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

**2. TOP 20 DEPOSITS – NIL**

**3. TOP 10 Borrowings as on 30.09.2024**

Sl No	Source	Limit Sanctioned (Rs. In crore)	Date of sanction	Validity
1.	OD Limit	480.00	02.09.2024	27.08.2025
2.	Equity Share capital	20.00	NA	NA
<b>Total</b>		<b>500.00</b>		



#### 4. PRODUCT WISE LIABILITIES AS ON 30.09.2024.

SI No	Product	Liabilities (Rs. In crore)	% to Total
1.	Working Capital demand Loan	325.00	100
2.	Overdraft Facility against Book Debt	(2.21)	-
3.	Commercial Paper	-	-
Total		322.79	100%

#### 5. STOCK RATIOS

SL No	Particulars	Formula	Sep-24	Sep-23
1.	Short-term liability to Total assets	$\frac{\text{Short Term Liability}}{\text{Total Assets}}$	0.74	0.79
2.	Short-term liability to long term assets	$\frac{\text{Shor term Liability}}{\text{Long term Assets}}$	8.24	11.01
3	Commercial papers to total assets	$\frac{\text{Commercial Paper}}{\text{Total assets}}$	-	-

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



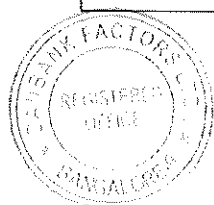
**Quarterly Public disclosure as per RBI guidelines**

1.	<b>Funding Concentration based on significant counterparty (both deposits and borrowings)</b>	
<b>A</b>	<b>Deposits</b>	<b>Nil</b>
	Counter Parties	Nil
<b>B</b>	<b>Liabilities</b>	
	OD Limit	400
	Equity	<b>20</b>
	<b>Liability Counterparties</b>	
	<b>Canara Bank - OD Limit</b>	<b>400</b>
	<b>Equity Composition</b>	<b>20</b>
	Canara bank - 14 Crores	
	SIDBI - 4 Crores	
	Union Bank Of India - 2 Crores	
	<b>Total</b>	<b>420</b>

**2. TOP 20 DEPOSITS – NIL**

**3. TOP 10 Borrowings as on 31.12.2024**

Sl No	Source	Limit Sanctioned (Rs. In crore)	Date of sanction	Validity
1.	OD Limit	400.00	02.09.2024	27.08.2025
2.	Equity Share capital	20.00	NA	NA
<b>Total</b>		<b>420.00</b>		



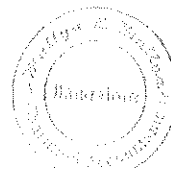
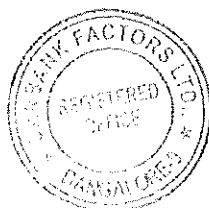
#### 4. PRODUCT WISE LIABILITIES AS ON 31.12.2024.

SI No	Product	Liabilities (Rs. In crore)	% to Total
1.	Working Capital demand Loan	215.00	98.63
2.	Overdraft Facility against Book Debt	2.98	1.37
3.	Commercial Paper	-	-
Total		217.98	100%

#### 5. STOCK RATIOS

SL No	Particulars	Formula	Dec-24	Dec-23
1.	Short-term liability to Total assets	$\frac{\text{Short Term Liability}}{\text{Total Assets}}$	0.64	0.80
2.	Short-term liability to long term assets	$\frac{\text{Shor term Liability}}{\text{Long term Assets}}$	5.33	11.16
3	Commercial papers to total assets	$\frac{\text{Commercial Paper}}{\text{Total assets}}$	-	-

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



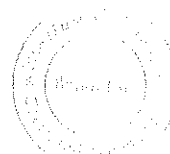
**Quarterly Public disclosure as per RBI guidelines**

<b>1.</b>	<b>Funding Concentration based on significant counterparty (both deposits and borrowings)</b>	
<b>A</b>	<b>Deposits</b>	Nil
	Counter Parties	Nil
<b>B</b>	<b>Liabilities</b>	
	OD Limit	125
	Equity	<b>20</b>
	<b>Liability Counterparties</b>	
	<b>Canara Bank - OD Limit</b>	<b>125</b>
	<b>Equity Composition</b>	<b>20</b>
	Canara bank - 14 Crores	
	SIDBI - 4 Crores	
	Union Bank Of India - 2 Crores	
	<b>Total</b>	<b>145</b>

**2. TOP 20 DEPOSITS – NIL**

**3. TOP 10 Borrowings as on 31.03.2025**

<b>SI No</b>	<b>Source</b>	<b>Limit Sanctioned (Rs. In crore)</b>	<b>Date of sanction</b>	<b>Validity</b>
1.	OD Limit	125.00	02.09.2024	27.08.2025
2.	Equity Share capital	20.00	NA	NA
<b>Total</b>		<b>420.00</b>		





#### 4. PRODUCT WISE LIABILITIES AS ON 31.03.2025.

SI No	Product	Liabilities (Rs. In crore)	% to Total
1.	Working Capital demand Loan	17.75	99.33
2.	Overdraft Facility against Book Debt	0.12	0.67
3.	Commercial Paper	-	-
<b>Total</b>		<b>17.87</b>	<b>100%</b>

#### 5. STOCK RATIOS

SL No	Particulars	Formula	Mar- 25	Mar- 24
1.	Short-term liability to Total assets	$\frac{\text{Short Term Liability}}{\text{Total Assets}}$	0.21	0.80
2.	Short-term liability to long term assets	$\frac{\text{Shor term Liability}}{\text{Long term Assets}}$	0.79	11.16

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

