



Independent Auditor's Report

To the Members of Globe Capital Market Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

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

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

Basis for Opinion

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Financial Statements

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

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

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

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

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

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



- ii. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's and Board of Directors of the Holding Company use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group (Holding Company and subsidiaries) to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

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.

Other Matters

We did not audit financial statements and other financial information of one step down subsidiary incorporated outside India, which constitute total assets of Rs.1,165.70 lakhs (previous year Rs. 1,432.21 lakhs) as at 31st March, 2022, total revenue of Rs.1.16 lakhs (previous year Nil), and net cash outflow of Rs.295.80 lakhs (previous year Rs. 51.19 lakhs) for the year ended on that date, as considered in the consolidated Financial statement, which have been audited by other independent auditor. The independent auditor report on audited financial statements of this entity has been furnished to us and our opinion on the consolidated Financial statements, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.



Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 197(16) of the Act, we report that the Holding Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
- 2) As required by Section 143(3) of the Act, we report, to the extent applicable, 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 the aforesaid consolidated financial statements;
 - 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 consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2022 from being appointed as a Director of that Company in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls and the operating effectiveness of such controls; refer to our report in "Annexure A", which is based on the Auditors' Reports of the Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on its financial position in the consolidated financial statements of the group- Refer note no 46 of the consolidated financial statement.
 - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.



(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and its subsidiary company incorporated in India during the year ended 31 March 2022.

(iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) During the year the Holding Company has not declared or paid dividend under section 123 of the Companies Act, 2013.

- 3) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

Place: New Delhi
Date: 30.06.2022



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

CA K.C. Gupta
Partner
Membership No.088638

"Annexure A" to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 Globe Capital Market Limited ('the Holding Company') and its subsidiary companies which incorporated in India as at 31 March 2022, as of that date. In conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiary companies incorporated in India 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 (the 'Guidance Note'). 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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by ICAI 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 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 was established and maintained and if such controls operated effectively in all material respects.

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



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Place: New Delhi
Date: 30.06.2022

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

CA K.C. Gupta
Partner
Membership No.088638

Globe Capital Market Limited

Consolidated Balance Sheet

as at 31 March 2022

(Currency : Indian Rupees in Lakhs)

	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	30,512.37	28,200.12
(b) Bank Balance other than (a) above	4	8,11,306.91	5,59,178.04
(c) Derivative financial instruments	5	2,310.36	1,275.22
(d) Securities for trade	6	44,625.48	45,547.42
(e) Trade receivables	7	22,900.32	15,037.99
(f) Loans	8	75,373.57	69,082.69
(g) Investments	9	17,769.11	13,791.40
(h) Other financial assets	10	18,784.88	15,292.81
		10,23,583.00	7,47,405.69
2. Non-financial assets			
(a) Deferred tax assets	11	1,065.18	-
(b) Current tax assets	12	1,506.73	1,973.87
(c) Property, plant and equipment & intangible assets	13	485.91	500.25
(d) Other intangible assets	14	-	-
(e) Right of use assets	15	251.15	445.08
(f) Assets held for sale	16	432.50	485.00
(g) Other non-financial assets	17	2,397.51	2,199.63
		6,138.98	5,603.83
TOTAL ASSETS		10,29,721.98	7,53,009.52
LIABILITIES AND EQUITY			
Liabilities			
3. Financial liabilities			
(a) Derivative financial instruments	5	2,337.46	640.98
(b) Trade payables	18		
(i) Outstanding dues of micro and small enterprises		0.01	-
(ii) Outstanding dues of other than micro and small enterprises		402.20	228.13
(c) Debt securities	19	3,577.01	-
(d) Borrowings (other than debt securities)	20	86,250.28	94,303.46
(e) Other financial liabilities	21	7,37,656.36	4,84,287.65
		8,30,223.32	5,79,460.22
4. Non financial liabilities			
(a) Contract liabilities	22	156.02	135.62
(b) Current tax liabilities (net)	23	637.28	513.10
(c) Provisions	24	1,086.11	961.06
(d) Deferred tax liabilities	11	-	781.15
(e) Other non-financial liabilities	25	2,614.40	2,101.82
		4,493.81	4,492.75
5. Equity			
(a) Equity share capital	26	2,625.00	2,625.00
(b) Other equity	27	1,92,379.85	1,66,431.55
		1,95,004.85	1,69,056.55
TOTAL LIABILITIES AND EQUITY		10,29,721.98	7,53,009.52
Significant accounting policies and notes to the consolidated financial statements	2		

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

As per our report of even date attached

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

Chartered Accountants

Firm's registration no - 003824N

K.C. Gupta

Partner

Membership No : 068638



New Delhi,

30 JUN 2022

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

Yash Pal Mendiratta

Managing Director

DIN : 00004185

Dhiraj Jaiswal

Company Secretary

Ashok Kumar Agarwal

Chairman

DIN : 00003988

Amit Kumar Singhal

Chief Financial Officer

Globe Capital Market Limited

Consolidated Statement of Profit and Loss
for the year ended 31 March 2022
(Currency : Indian Rupees in Lakhs)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
1. Revenue from operations			
(a) Interest income	28	57,257.84	40,903.14
(b) Dividend income	29	542.10	1,891.16
(c) Fee and commission income	30		
(i) Brokerage income		20,244.87	18,225.88
(ii) Depository and portfolio management services		977.84	647.08
(iii) Income from the distribution of financial products		373.23	9.27
(d) Income from trading in securities and commodities		10,320.15	17,727.36
(e) Net gain on fair value change	32	(1,332.79)	6,327.93
Total revenue from operations		88,383.23	85,731.82
Other income	33	30.06	8.67
Total income		88,413.29	85,740.49
2. Expenses			
(a) Finance costs	34	30,704.89	17,595.29
(b) Impairment on financial instruments	35	2,217.71	3,840.37
(c) Employee benefit expenses	36	8,670.11	8,081.19
(d) Depreciation, amortisation and impairment	37	306.20	373.35
(e) Other expenses	38	13,562.51	13,633.00
Total expenses		55,461.42	43,523.20
3. Profit before tax		32,951.87	42,217.29
4. Tax expenses			
(a) Current tax	41	9,260.10	9,168.11
(b) Deferred tax (credit)	41	(1,808.43)	1,170.68
Total tax expense		7,451.68	10,338.79
5. Profit after tax		25,500.20	31,878.50
6. Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
(i) Remeasurement gain/(loss) on defined benefit plan		2.04	(51.98)
(ii) Equity instruments through OCI		321.05	2,100.76
(iii) Gains/losses arising from translation of foreign operations		87.31	(77.00)
(b) Income tax relating to (a) above			
(i) Remeasurement gain/(loss) on defined benefit plan	41	(0.67)	12.76
(ii) Equity instruments through OCI	41	38.37	(230.70)
Other comprehensive income		448.10	1,753.84
7. Total comprehensive income		25,948.30	33,632.34
8. Earning per share			
(a) Basic	42	97.14	121.44
(b) Diluted	42	97.14	121.44
Significant accounting policies and notes to the consolidated financial statements	2		

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

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

K.C. Gupta
Partner
Membership No. 088638

New Delhi,

30 JUN 2022

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

Yash Pal Mendiratta
Managing Director
DIN : 00004185

Dhiraj Jaiswal
Company Secretary

Ashok Kumar Agarwal
Chairman
DIN : 00003988

Anil Kumar Singhal
Chief Financial Officer

Globe Capital Market Limited

Consolidated Statement of Cash flows

for the year ended 31 March 2022

(Currency : Indian Rupees in Lakhs)

		For the year ended	
		31 March 2022	31 March 2021
A	Cash flow from operating activities		
	Profit before tax and OCI before tax	33,362.28	44,266.02
	Adjustments for		
	Depreciation, amortisation and impairment	306.20	373.35
	Impairment on financial instruments	2,217.71	3,840.37
	Amortised borrowing costs (processing fee on loans)	24.46	81.81
	(Profit)/loss on sale of property, plant and equipment	(0.67)	(0.38)
	Unwinding on discount on security deposits	(0.00)	(0.19)
	Provisions/liabilities no longer required written back	(0.49)	(0.26)
	Realised gains of sale of financial instruments	(643.09)	(689.54)
	Unrealised net (gain)/ loss on financial instruments	3,284.47	(4,462.91)
		38,550.88	43,408.27
	Finance costs		
	Interest on borrowings	2,855.47	17,595.29
	Operating cash flow before working capital changes	41,406.35	61,003.56
	Adjustments for working capital changes		
	(Increase)/Decrease in loans		(2,797.79)
	(Increase)/Decrease in other bank balances (refer note 2)	(2,52,128.87)	(3,68,908.90)
	(Increase)/Decrease in derivative financial instruments (asset)	(1,035.15)	(266.68)
	(Increase)/Decrease in trade receivables	(7,862.33)	7,084.02
	(Increase)/Decrease in other receivables	-	0.19
	(Increase)/Decrease in inventories	(1,447.06)	(23,145.70)
	(Increase)/Decrease in other financial assets	(3,492.07)	(12,405.17)
	(Increase)/Decrease in other non-financial assets	(197.88)	(435.62)
	Increase/(Decrease) in derivative financial instruments (liabilities)	1,696.48	(34.15)
	Increase/(Decrease) in trade payables	174.07	(155.28)
	Increase/(Decrease) in provisions	125.05	186.06
	Increase/(Decrease) in contract liabilities	20.40	21.25
	Increase/(Decrease) in other non-financial liabilities	512.58	1,097.83
	Increase/(Decrease) in other financial liabilities	2,53,334.15	3,10,225.32
	Cash generated/ (used in) from operations	31,105.72	(28,531.06)
	Direct taxes paid	(8,644.84)	(9,306.81)
	Net cash flow generated from/(used in) operating activities	22,460.88	(37,837.87)
B	Cash flow from investing activities		
	Payments for the purchase of property, plant and equipment	(97.93)	(43.10)
	Payments for the purchase of property, plant and equipment (held for sale)	52.50	36.94
	Payments for the purchase of investments	(16,293.62)	(22,150.68)
	Receipts from the sale of investments	12,043.54	16,713.98
	Receipts from the sale of property, plant and equipment	0.67	0.41
	Net cash flow from investing activities	(4,294.85)	(5,442.45)
C	Cash flow from financing activities		
	Proceeds from borrowings other than debt securities (net)	6,962.25	2,682.04
	Interest paid on others	(2,773.13)	(17,508.88)
	Interest payment of lease liabilities	(82.34)	(62.53)
	Net cash flow from financing activities	4,106.78	(14,889.43)



D	Adjustment on consolidation of subsidiaries/step subsidiaries	(87.31)	(77.00)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	22,272.82	(58,246.75)
	Cash and cash equivalents at the beginning of the year	(42,448.02)	15,798.73
	Cash and cash equivalents at the end of the year*	(20,175.20)	(42,448.02)
	* Components of cash and cash equivalents		
	Cash and cash equivalents	30,512.37	28,200.12
	Bank overdrafts	(50,687.58)	(70,648.14)
		(20,175.21)	(42,448.02)

Notes

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

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

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

K.C. Gupta
Partner
Membership No : 088638



New Delhi, 30 JUN 2022

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

Yash Pal Mendiratta
Managing Director
DIN : 00004185

Dhiraj Jaiswal
Company Secretary

Ashok Kumar Agarwal
Chairman
DIN : 00003988

Amit Kumar Singhal
Chief Financial Officer

Globe Capital Market Limited

Consolidated statement of changes in equity
as at 31 March 2022
(Currency : Indian Rupees in Lakhs)

	No of shares	Amount
A. Equity share capital		
Balance as at 1 April 2020	2,62,50,000	2,625.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2020	2,62,50,000	2,625.00
Changes in equity share capital during the year	-	-
Balance as at 1 April 2021	2,62,50,000	2,625.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1 April 2021	2,62,50,000	2,625.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	2,62,50,000	2,625.00

	Reserves and surplus				Other comprehensive income			Total
	General reserve	Retained earnings	Capital Redemption reserve	Reserve Fund (Statutory Reserve)	Capital reserve	Foreign Currency Translation Reserve	Remeasurement of defined benefit plans	Equity instruments through OCI
B. Other equity								
Balance as at 1 April 2020	25,128.37	99,902.17	2,891.12	4,994.90	430.57	884.24	(19.12)	(1,413.04)
Transferred to reserve fund	-	(815.29)	-	815.29	-	-	-	-
Profit for the year	-	31,878.50	-	-	-	(77.00)	(39.22)	-
Other comprehensive income (loss)	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	25,128.37	1,30,965.38	2,891.12	5,810.19	430.57	807.24	(58.34)	1,32,799.21
Profit for the year	-	25,500.20	-	-	-	-	-	-
Transferred to reserve fund	-	(758.35)	-	758.35	-	-	-	-
Other comprehensive income (loss)	-	-	-	-	-	87.31	1.37	359.42
Total comprehensive income	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	25,128.37	1,55,707.23	2,891.12	6,568.54	430.57	894.55	(56.97)	1,92,379.85

Significant accounting policies and notes to the financial statements

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

As per our report of even date attached
For **P.C. Bindal & Co.**
Chartered Accountants
Firm's registration no - 0038224N

K.C. Gupta
Partner
Membership No : 088638

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

Yash Pal Mendiratta
Managing Director
DIN : 00004185

Dhiraj Jaiswal
Company Secretary

Ashok Kumar Agarwal
Chairman
DIN : 00003988

New Delhi, 30 JUN 2022

Globe Capital Market Limited

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

1. Corporate information

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

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

The consolidated financial statements of the Group include results of Globe Capital Market Limited and the following subsidiaries/ step subsidiaries:

Name of the company	Principal place of business	Principal activities	Relation	Percentage of shares held	
				31 March 2022	31 March 2021
Globe Commodities Limited	804, Ansal Bhawan, 16 KG Marg, New Delhi -110001	Broking services for commodities market and commodity trading activities.	Wholly owned subsidiary	100%	100%
Globe Fincap Limited	609, Ansal Bhawan, 16 KG Marg, New Delhi -110001	Providing lending services. It is a Non deposit taking non banking financial company (NBFC).	Wholly owned subsidiary	100%	100%
Globe Derivatives and Securities Limited	609, Ansal Bhawan, 16 KG Marg, New Delhi -110001	Undertaking securities and commodity trading activities.	Wholly owned subsidiary	100%	100%
Globe Capital (IFSC) Limited	Unit No 223, 2nd Floor, Signature Building, Block -13, Road 1C, Zone 1, GIFT SEZ GIFT City, Gandhinagar, Gujarat – 382255	Providing broking services and undertaking trading activities.	Wholly owned subsidiary	100%	100%
Globe Comex (DMCC) Limited	Unit no 20-10-20, Jewellery & Gemplex 2, Plot No DMCC-PH2-J&GplexS, Jewellery & Gemplex, Dubai, UAE	Broking services for commodities market and commodity trading activities.	Step subsidiary company	100%	100%
				Subsidiary of Globe Commodities Limited	

2. Significant accounting policies

(i) Basis of preparation and measurement

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

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

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

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

(ii) Basis of consolidation

The subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-Group transactions, balances and unrealised gains on transactions between entities within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iii) Presentation of financial statements

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

(iv) Use of estimates

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

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

(v) Significant accounting policies

(a) Financial instruments

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



Globe Capital Market Limited

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

For subsequent measurement, financial assets are categorised into:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Property, plant and equipment

Measurement at recognition:

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

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

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

Depreciation methods, estimated useful lives and residual value

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

Derecognition

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

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



Globe Capital Market Limited

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

(c) Intangible assets

Measurement at recognition:

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

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

Amortization

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

(d) Revenue recognition

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

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

Brokerage fee income and fee from depository and portfolio management services

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

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

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

Dividend income

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

Trading income

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

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

Equity index and derivatives

- (i) Initial Margin' represents initial margin paid, and 'margin deposits', representing additional margin over and above initial margin, for entering into contracts for equity index/stock futures, which are released on final settlement / squaring-up of underlying contracts.
- (ii) Equity index/stock futures are marked to market on a daily basis. Debit or credit balance disclosed under Other Financial Assets in the Mark to Market margin - 'Equity Index / Stock Future account represents the net amount paid or received on the basis of movement in the prices of index / stock futures till the balance sheet date.

- (iii) As at the balance sheet date, profit/loss on open position in index/stock, commodity futures are accounted for as follows:

Credit/ debit balance in the 'Mark-to-Market Margin-Equity Index/ Stock Futures Account', being anticipated profit/ loss, is adjusted in the Statement of Profit and Loss.

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

Income on financial assets

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

Other income and expenses

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

(e) Borrowings

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

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

(f) Provisions

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

(g) Contingent liabilities and assets

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

Contingent assets are neither recognised nor disclosed.



Globe Capital Market Limited

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

(h) Employee benefits

Short term employee benefits

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

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

Defined contribution plans

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

Defined benefit plans

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

(i) Securities for trade

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

(j) Impairment of non-financial assets

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

(k) Derivative financial instruments

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

(l) Borrowing costs

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

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

(m) Income taxes

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

Current income tax

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

Deferred tax

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

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

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

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

(n) Earnings per share

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

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

(o) Leases

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

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

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



Globe Capital Market Limited

Notes to the consolidated financial statements
for the year ended on 31 March 2022
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Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:
lease payments made at commencement of the lease
initial direct cost incurred; and
the amount of any provision recognized where the Group is contractually required to dismantle, remove or restore the leased asset.

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

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

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

(p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). The Board of Directors of the Holding Company has been identified as the CODM as defined as the CODM as defined by IndAS 108 Operating segments, who assesses the financial performance and position of the Group and makes strategic decisions. Operating segments identified by the Group companies comprise as under :

Capital markets
Financing activities

The accounting policies consistently used in the preparation of the financial statements are also applied to item of revenue and expenditure in individual segments. Revenue and expenses which relate to enterprises as a whole are not applicable to a segment on a reasonable basis have been disclosed as 'unallocated'. Tax related assets and other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as 'unallocated'.

3. Cash and cash equivalents

	As at	
	31 March 2022	31 March 2021
Cash in hand	8.19	870.28
Balances with banks in current accounts	30,504.18	27,329.84
	30,512.37	28,200.12

4. Bank balances other than cash and cash equivalents

	As at	
	31 March 2022	31 March 2021
Bank deposits (with maturity between three to twelve months) *		
- placed under lien with banks	1,29,757.25	1,35,164.78
- pledged with the clearing corporations, stock exchanges and others as margin	6,19,127.00	3,44,301.89
- deposits in hand	936.61	4,101.43
Bank deposits (with maturity more than twelve months) *		
- placed under lien with banks	14,397.05	16,591.86
- pledged with the clearing corporations, stock exchanges and others as margin	36,815.32	48,824.39
- deposits in hand	-	597.00
Interest accrued on fixed deposits	10,273.68	9,596.69
	8,11,306.91	5,59,178.04

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

* excludes bank deposits given to exchanges by constituents as margins, on their behalf amounting to Rs. 7,162.83 Lakhs (Previous year : Rs. 96,611.44 Lakhs)

5. Derivative financial instruments

		As at 31 March 2022			As at 31 March 2021		
		Notional amounts	Fair value- Assets	Fair value- Liabilities	Notional amounts	Fair value- Assets	Fair value- Liabilities
A. Currency derivatives	Futures	41,285.25	298.47	26.78	2,216.49	7.93	-
	Options	1,589.53	35.81	265.36	1,034.25	74.58	58.13
		42,874.78	334.28	292.14	3,250.74	82.51	58.13
B. Equity linked derivatives	Futures	1,15,096.97	1,666.46	1,888.33	76,352.22	748.10	483.34
	Options	124.10	-	117.24	326.52	65.70	55.36
		1,15,221.07	1,666.46	2,005.57	76,678.74	813.80	538.70
C. Commodity derivatives	Futures	24,720.01	309.62	39.75	13,522.29	378.91	44.15
		24,720.01	309.62	39.75	13,522.29	378.91	44.15
Total derivatives (A+B)		1,82,815.86	2,310.36	2,337.46	93,451.77	1,276.22	640.98

The Group enters into derivatives for trading purposes. The table above shown fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the values of transactions outstanding at the year end and are not indicative of market risk. Refer note 50 for management of risk arising from derivatives.



6. Securities for trade

	As at	
	31 March 2022	31 March 2021
Recorded at fair value through profit and loss		
Equity shares	35,941.34	39,293.51
Debentures	2.15	257.61
Bonds	793.90	10.26
Government securities	29.39	46.50
Commodities	7,704.16	5,800.44
Others	154.54	139.10
	44,625.48	46,547.42

7. Trade receivables

(undisputed, considered good unless stated otherwise)

	As at	
	31 March 2022	31 March 2021
Secured	19,744.85	13,411.53
Unsecured	3,155.47	1,626.46
Credit impaired	-	-
	22,900.32	15,037.99
Less : Impairment loss allowance	-	-
	22,900.32	15,037.99

The above amount includes amount receivable from related parties	-	-
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No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

Reconciliation of impairment loss allowance on trade receivables

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

Aging of trade receivables

	As at	
	31 March 2022	31 March 2021
Less than six months	20,726.37	13,905.00
Six months to one year	269.16	595.16
One years to two years	188.89	6.39
Two years to three years	921.28	530.44
More than three years	794.61	-
Total	22,900.32	15,037.99

8. Loans

	As at	
	31 March 2022	31 March 2021
Recorded at amortised cost		
A. Term loans		
Receivable from clients	71,615.80	65,966.40
B. Loans repayable on demand		
Loans to others	4,596.83	4,888.04
C. Less : Unamortised transaction costs	4.57	44.98
	76,208.06	70,809.46
D. Public sector		
Others	76,208.06	70,809.46
	76,208.06	70,809.46
E. Secured by tangible assets		
Secured by intangible assets	66,451.59	59,881.21
Unsecured	5,159.64	-
	4,596.83	10,928.25
	76,208.06	70,809.46
Less : Impairment loss allowance	834.49	1,726.77
	75,373.57	69,082.69

9. Investments

	As at	
	31 March 2022	31 March 2021
A. Recorded at fair value through profit and loss		
(i) <i>Investments in India</i>		
Equity instruments (quoted)	13,012.00	8,528.89
Preference instruments (quoted)	275.00	-
Equity instruments (unquoted)	103.48	103.48
	13,390.48	8,632.37
B. Recorded at fair value through other comprehensive income		
(i) <i>Investments in India</i>		
Equity instruments (quoted)	1,301.30	2,362.73
Others	77.71	-
	1,379.01	2,362.73
C. Recorded at amortised cost		
(i) <i>Investments in India</i>		
Preference instruments (unquoted)	2,950.00	2,750.00
Bonds	49.62	46.30
	2,999.62	2,796.30
	17,769.11	13,791.40



10. Other financial assets

	As at	
	31 March 2022	31 March 2021
Recorded at amortised costs		
Receivable from clients	6,816.98	6,816.96
Security held against advances	15.32	270.21
Receivable from exchanges	7,613.29	3,448.20
Margins/deposits with stock exchanges	3,507.05	3,499.55
Other security deposits	227.69	218.11
Dividend receivable	-	70.19
Premium on financial guarantee obligation	14.17	16.49
Accrued income on portfolio management services	-	151.56
Others	590.40	801.55
	18,784.88	15,292.81

11. Deferred tax liabilities / (assets)

	Balance as at 1 April 2020	Charge/(Credit) to Profit and Loss	Charge/(Credit) to OCI	Balance as at 31 March 2021	Charge/(Credit) to Profit and Loss	Charge/(Credit) to OCI	Balance as at 31 March 2022
Deferred tax liabilities							
Borrowings	28.01	(20.59)	-	7.42	1.75	-	9.17
Unrealised loss as per ICDS	60.68	90.82	-	151.50	(102.78)	-	48.72
Impact of Ind AS 116	5.60	(4.69)	-	0.91	7.65	-	8.56
Total (a)	94.29	65.54	-	159.83	(93.38)	-	66.45
Deferred tax assets							
Fair value of financial instruments	345.17	(910.74)	(230.70)	(796.38)	1,684.71	38.37	926.70
Depreciation and amortisation	7.50	3.79	-	11.29	(2.90)	-	8.39
Provision for impairment	268.16	(129.39)	-	138.77	2.04	-	140.81
Disallowances	32.50	(30.44)	-	2.06	(9.92)	-	(7.86)
Provision for employee benefits	33.58	(38.36)	12.76	7.98	32.12	(0.67)	39.43
Total (b)	686.91	(1,105.14)	(217.94)	(636.28)	1,706.05	37.70	1,107.47
Add: MAT Credit entitlement				14.96	9.00		24.16
Total deferred tax assets (C)							1,131.63
Net deferred tax liabilities/ (assets)	(592.62)	1,170.68	217.94	781.15	(1,808.43)	(37.70)	(1,066.18)

12. Current tax assets (net)

	As at	
	31 March 2022	31 March 2021
Advance tax and tax deducted at source	1,506.73	1,973.87
	1,506.73	1,973.87

13. Property, plant and equipment

	Building	Furniture and fixtures	Computers	Office equipment	Vehicles	Total
A. Gross block						
Cost as at 1 April 2020	177.73	69.76	908.50	220.90	486.82	1,863.71
Addition during the year	-	0.17	32.06	10.87	-	43.10
Deletion during the year	-	(0.58)	-	(1.21)	-	(1.79)
As at 31 March 2021	177.73	69.35	940.56	230.56	486.82	1,905.02
Addition during the year	-	3.86	73.87	24.10	-	101.83
Deletion during the year	-	-	-	(1.65)	(18.72)	(20.37)
As at 31 March 2022	177.73	73.21	1,014.43	253.01	468.10	1,986.48
B. Accumulated depreciation						
As at 1 April 2020	19.36	37.64	804.49	175.63	247.11	1,284.23
Charge during the year	3.39	5.92	39.71	16.53	56.75	122.30
Disposal/adjustments	-	(0.58)	-	(1.18)	-	(1.76)
As at 31 March 2021	22.75	42.98	844.20	190.98	303.86	1,404.77
Charge during the year	3.39	3.65	44.41	16.59	48.13	116.17
Disposal/adjustments	-	-	-	(1.65)	(18.72)	(20.37)
As at 31 March 2022	26.14	46.63	888.61	205.92	333.27	1,500.57
C. Net block						
As at 31 March 2022	151.59	26.58	125.82	47.09	134.83	485.91
As at 31 March 2021	154.98	26.37	96.36	39.58	182.96	500.25

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



14. Other intangible assets

	Software
A. Gross block	
Cost as at 1 April 2020	63.57
Addition during the year	-
Deletion during the year	-
As at 31 March 2021	63.57
Addition during the year	-
Deletion during the year	-
As at 31 March 2022	63.57
B. Accumulated depreciation	
As at 1 April 2020	63.57
Charge during the year	-
Disposal/adjustments	-
As at 31 March 2021	63.57
Charge during the year	-
Disposal/adjustments	-
As at 31 March 2022	63.57
C. Net block	
As at 31 March 2022	-
As at 31 March 2021	-

15. Right of use

	As at	
	31 March 2022	31 March 2021
Building	251.15	445.08
	251.15	445.08

During the year, the Group has made an addition of Rs. 10.69 Lakhs (Previous year 406.56) to the right-of-use assets.
During the year, the Group amortised Rs. 183.24 Lakhs (Previous year Rs. 251.05 Lakhs) on the right-of-use assets.

16. Assets held for sale

	As at	
	31 March 2022	31 March 2021
Building	432.50	485.00
	432.50	485.00

17. Other non-financial assets

	As at	
	31 March 2022	31 March 2021
Capital advances *	1,179.85	1,122.58
Other advances	1,217.66	1,077.05
	2,397.51	2,199.63

* The Group has contractually committed (net of advances) Rs. 100 Lakhs and Rs. 57.27 Lakhs, respectively, for purchase of building during the current year and previous year

18. Trade payables
(undisputed, unless stated otherwise)

	As at	
	31 March 2022	31 March 2021
Trade payables		
(i) total outstanding dues to micro and small enterprises *	0.01	-
(ii) total outstanding dues of creditors other than micro and small enterprises	402.20	228.13
	402.21	228.13

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

Aging of trade payables

	As at	
	31 March 2022	31 March 2021
Not due	21.07	16.23
Less than 1 year (including amount payable to MSME of Rs. 0.01 Lakhs (PY Rs. Nil))	324.63	187.78
One years to two years	33.12	11.87
Two years to three years	11.86	6.54
More than three years	11.53	5.71
Disputed	-	-
Total	402.21	228.13



* Dues of small enterprises and micro enterprises

	31 March 2022	31 March 2021
Dues remaining unpaid to any supplier		
Principal	0.01	-
Interest on the above	-	-
Amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-

19. Debt securities

	As at	
	31 March 2022	31 March 2021
Commercial papers	3,608.45	-
Less: Unamortised transactions costs	(31.44)	-
	3,577.01	-

20. Borrowings (other than debt securities)

	As at	
	31 March 2022	31 March 2021
Recorded at amortised cost		
Secured		
A. Term loans		
(i) From banks	4,233.33	700.00
(ii) From others	400.00	1,950.00
B. Other loans		
(i) Short-term loans from banks	18,000.00	13,021.08
(ii) Bank overdrafts	50,687.58	70,648.14
(iii) Inter-corporate deposits from others (unsecured)	12,934.37	8,013.70
	86,255.28	94,332.92
Less: Unamortised borrowing costs	5.00	29.46
	86,250.28	94,303.46
Borrowings in India	86,255.28	94,332.92
Borrowings outside India	-	-
	86,255.28	94,332.92
Less: Unamortised borrowing costs	5.00	29.46
	86,250.28	94,303.46

20.1 Terms and conditions of borrowing

Interest and security		As at	Interest*	Security
		31 March 2022		
A.	Term loans			
	(i) From banks	4,233.33	8.10% to 8.35%	Receivables of the Company
	(ii) From others	400.00	8%	Securities of the borrower
B.	Other loans			
	(i) Short-term loans from banks	18,000.00	6.60% to 10.25%	Receivables of the Company.
	(ii) Bank overdrafts	50,687.58	5.70% to 8.75%	Fixed deposits pledged.
	(iii) Inter-corporate deposits from others	12,934.37	8.50% to 14.00%	Unsecured

		As at	Interest*	Security
		31 March 2021		
A.	Term loans			
	(i) From banks	700.00	9.45%	Pari-passu charge over receivables of the Company. Part of share capital held by promoters of the Company. Personal guarantee of Directors.
	(ii) From others	1,950.00	8.00%	Part of share capital held by promoters of the Company. Personal guarantee of Directors.
B.	Other loans			
	(i) Short-term loans from banks	13,021.08	6.60% to 10.25%	Receivables of the Company.
	(ii) Bank overdrafts	54,311.54	6.60% to 8.75%	Fixed deposits pledged.
		16,336.60	5.70% to 8.70%	Fixed assets
	(iii) Inter-corporate deposits from others	8,013.70	8.50% to 14.00%	Unsecured



20.2 Repayment terms

as on 31 March 2022

Lender	Facility	Amount outstanding	Repayment terms		
			Instalments	Periodicity	Start date
RBL Bank Limited	Floating term loan	2,400.00	N.A.	3 Months	31 Mar 2022
Kotak Mahindra Bank Limited	Fixed term loan	1,833.33	15	Monthly	1 Dec 2017
Tata Capital Finance Services Limited	Fixed term loan	400.00	N.A.	1 Year	7 Oct 2021

as on 31 March 2021

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

21. Other financial liabilities

	As at	
	31 March 2022	31 March 2021
Advance/margin money received from		
Related parties	0.28	0.11
Others	7,12,960.32	4,49,454.12
Financial guarantee obligation	-	22.34
Salary, bonus and other employee payables	1,570.27	1,559.43
Payable to exchanges	20,201.54	30,562.86
Lease liabilities	219.60	415.67
Bank overdrafts	1.18	0.85
Interest accrued but not due	2,607.94	2,272.27
Other payables	95.23	-
	7,37,656.36	4,84,287.65

22. Contract liabilities

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

23. Current tax liabilities (net)

	As at	
	31 March 2022	31 March 2021
Provision for income tax	637.28	513.10
	637.28	513.10

24. Provisions

	As at	
	31 March 2022	31 March 2021
Provision for gratuity	1,086.11	961.06
	1,086.11	961.06

25. Other non-financial liabilities

	As at	
	31 March 2022	31 March 2021
Statutory dues	2,560.72	1,896.89
Others	53.68	204.93
	2,614.40	2,101.82

26. Equity share capital

	Face value	As at	As at	As at	As at
	(Rs. Each)	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Authorised					
Equity	10	5,05,00,000	5,05,00,000	5,050.00	5,050.00
Preference	10	5,00,000	5,00,000	50.00	50.00
				5,100.00	5,100.00
Issued, subscribed and paid up equity shares (fully paid up)	10	2,62,50,000	2,62,50,000	2,625.00	2,625.00

26.1. Reconciliation of the number of shares

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



Globe Capital Market Limited

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

26.2. Terms/rights attached to equity shares

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

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

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

26.4. Details of shareholding of promoters shares in the Company

	% Change 31-Mar-22	% Change 31-Mar-21	31 March 2022		31 March 2021	
			Number	Percentage	Number	Percentage
Yash Pal Mendiratta	-	-	57,72,900	21.99	57,72,900	21.99
Alka Mendiratta	-	-	21,00,000	8.00	21,00,000	8.00
Ashok Kumar Agarwal	-	-	57,75,000	22.00	57,75,000	22.00
Alka Agarwal	-	-	21,00,000	8.00	21,00,000	8.00
A TO Z Consultants Private Limited	-	-	15,75,000	6.00	15,75,000	6.00
ATOZ Finstock Private Limited	-	-	26,25,000	10.00	26,25,000	10.00
Lakshya Impex Private Limited	-	-	26,25,000	10.00	26,25,000	10.00
Yash Pal Mendiratta (HUF)	-	-	4,20,000	1.60	4,20,000	1.60
Nidhi Agarwal	-	-	3,78,000	1.44	3,78,000	1.44
Sahil Mendiratta	-	-	10,41,600	3.97	10,41,600	3.97
Arpit Agarwal	-	-	7,08,750	2.70	7,08,750	2.70
Ankit Agarwal	-	-	7,08,750	2.70	7,08,750	2.70
Ashok Kumar Agarwal (HUF)	-	-	4,20,000	1.60	4,20,000	1.60

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

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

27. Other equity

	As at	
	31 March 2022	31 March 2021
Reserves and surplus		
Retained earnings	1,55,707.23	1,30,965.38
General reserve	25,128.37	25,128.37
Capital redemption reserve	2,891.12	2,891.12
Reserve fund (statutory reserve)	6,568.54	5,810.19
Capital reserve	430.57	430.57
Other comprehensive income		
Foreign currency translation reserve	894.55	807.24
Remeasurement of defined benefit plans	(56.97)	(58.34)
Equity instruments through OCI	816.44	457.02
	1,92,379.85	1,66,431.55

(i) Retained earnings

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

(ii) General reserve

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

(iii) Capital redemption reserve

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

(iv) Other comprehensive income

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

28. Interest income

	for the year ended	
	31 March 2022	31 March 2021
On financial assets measured at amortised cost		
Interest on deposits with bank	39,511.94	24,410.76
Interest on loans	11,017.35	10,021.45
Interest income on investment	1,000.43	745.21
Other interest income	5,684.32	3,950.15
On financial assets measured at fair value through profit and loss		
Other interest income	43.80	1,775.57
	57,257.84	40,903.14



29. Dividend income

	for the year ended	
	31 March 2022	31 March 2021
Total dividend received	1,978.41	3,112.35
Less: dividend received on behalf of clients/ trading members transferred *	1,436.31	1,221.19
	542.10	1,891.16

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

30. Fee and commission income

	for the year ended	
	31 March 2022	31 March 2021
Brokerage fee (within India)	20,244.87	18,225.88
Income from depository and portfolio management services	977.84	647.08
Commission on distribution of financial products	373.23	9.27
	21,595.94	18,882.23
Services transferred at a point in time	21,209.79	18,609.31
Services transferred over time	386.15	272.92
	21,595.94	18,882.23

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

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

	for the year ended	
	31 March 2022	31 March 2021
Net gain / (loss) on financial instruments at fair value through profit and loss (FVTPL)		
Securities for trade	(2,369.00)	3,401.48
Investments	1,036.21	2,926.45
	(1,332.79)	6,327.93
Net gain / (loss) on financial instruments at fair value through profit and loss (FVTPL)		
Realised	1,951.68	1,072.91
Unrealised	(3,284.47)	5,255.02
	(1,332.79)	6,327.93

33. Other income

	for the year ended	
	31 March 2022	31 March 2021
Net gain on sale of property, plant and equipment	0.67	0.38
Unwinding of discount on security deposit	0.00	0.19
Provisions/liabilities no longer required written back	0.49	0.26
Miscellaneous income	28.90	7.84
	30.06	8.67

34. Finance costs

	for the year ended	
	31 March 2022	31 March 2021
Interest expenses on financial liabilities measured at amortised cost		
Interest on debt securities	164.15	-
Interest on borrowings (other than debt securities)	29,195.93	16,134.34
Interest on lease liabilities	82.34	771.62
Other borrowing costs	1,262.47	689.33
	30,704.89	17,595.29

35. Impairment on financial instruments

	for the year ended	
	31 March 2022	31 March 2021
Impairment on financial instruments at amortised cost		
Loans	586.48	1,509.06
Trade receivables	1,631.23	2,331.31
	2,217.71	3,840.37

36. Employee benefit expenses

	for the year ended	
	31 March 2022	31 March 2021
Salaries and wages (including bonus)	8,260.16	7,753.35
Contribution to provident and other funds	191.84	145.62
Gratuity	169.81	152.38
Staff welfare expenses	48.30	29.84
	8,670.11	8,081.19

37. Depreciation and amortisation

	for the year ended	
	31 March 2022	31 March 2021
On property, plant and equipment (refer note 13)	122.97	122.30
On right of use (refer note 15)	183.23	251.05
	306.20	373.35



38. Other expenses

	for the year ended	
	31 March 2022	31 March 2021
Exchange charges	3,286.78	5,102.48
Brokerage and commission	4,491.41	3,498.10
Security transaction tax	1,618.39	2,146.64
Expenses on short-term leases	420.62	306.01
Communication	434.41	391.19
Computer and data processing charges	1,060.68	457.13
Contributions towards corporate social responsibility (Refer note no 39)	468.60	368.50
Traveling and conveyance	234.66	180.26
Legal and professional (including auditors' remuneration Refer note no 40 for details)	492.27	297.04
Warehousing charges	138.28	139.26
Electricity	158.77	123.55
Repairs and maintenance- others	164.56	133.31
Depository expenses	194.44	155.68
Entertainment/ business promotion	92.80	38.94
Printing and stationery	21.14	22.25
Advertisement	49.80	15.66
Rates and taxes (net of recoveries)	32.60	35.22
Fees and subscription	44.76	51.70
Festivity expenses	42.88	30.00
Insurance	23.29	17.96
Exchange fluctuation	1.58	-1.25
Donation	1.16	22.08
Miscellaneous	88.63	103.29
	13,562.51	13,633.00

39. Corporate social responsibility

	for the year ended	
	31 March 2022	31 March 2021
Gross amount required to be spent by the Group during the year	468.60	368.50

Amount spent during the year on

	31 March 2022			31 March 2021		
	Amount spent	Unpaid/provision	Total	Amount spent	Unpaid/provision	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	468.60	-	468.60	368.50	-	368.50
Shortfall at the end of the year	-	-	-	-	-	-
Total of previous years shortfall	-	-	-	-	-	-
Reason for shortfall			N.A.			N.A.
Nature of CSR activities	Education , Health , Animal welfare and Rural Development			Education , Health , Animal welfare, Contribution to Government relief funds and Rural Development		

The Group has made a contribution of Rs. 468.6Lakhs (Previous year Rs. 368.50 Lakhs) to Globe Capital Foundation - a public charitable trust (a related party as per Ind AS - 24).

40. Auditors' remuneration

	for the year ended	
	31 March 2022	31 March 2021
As auditor		
For statutory audit	31.90	26.45
For tax audit	0.55	0.55
For other matters	0.88	0.61
	33.33	27.61

41. Income tax and deferred tax expense

The components of income tax expense are :

	for the year ended	
	31 March 2022	31 March 2021
Total income tax recognised in statement of profit and loss		
Current tax	9,260.10	9,168.11
Deferred tax (Refer note no 11)	(1,808.43)	1,170.68
	7,451.68	10,338.79
Total income tax recognised in other comprehensive income		
Remeasurement gain/(loss) on defined benefit plan	0.67	12.76
Equity instruments through OCI	(38.37)	(230.70)
	(37.70)	(217.94)
Total income tax expenses recognised	7,413.98	10,120.85



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

	for the year ended	
	31 March 2022	31 March 2021
Profit before tax	32,951.87	42,217.29
Other comprehensive income before tax	410.41	1,971.78
	33,362.28	44,189.07
Applicable income tax rate	25.168%	25.168%
Income tax expense at applicable income tax rate	8,396.62	11,121.51
Tax effects of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of expenses not deductible	142.62	40.49
Effect of income taxable at a lower rate	(1,135.43)	(1,048.15)
Other	10.18	7.01
Income tax expense recognised in profit or loss at an effective tax rate of 22.22 percent 22.90 percent in the previous year	7,413.98	10,120.85

42. Earnings per share

	for the year ended	
	31 March 2022	31 March 2021
Net profit	25,500.20	31,878.50
Weighted average number of equity shares		
Basic	2,62,50,000	2,62,50,000
Diluted	2,62,50,000	2,62,50,000
Earnings per share		
Basic	97.14	121.44
Diluted	97.14	121.44
Face value per share	10.00	10.00

43. Segment reportingDescription of segment and principal activities

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's business is organised into three segments as mentioned below. Segments have been identified and reported taking into account the nature of services, the differing risks and returns and internal financial reporting. The Group has determined the following reporting segments based on information reviewed by the Chief Operating Decision Maker (CODM). The Managing Director and Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Chief Operating Decision-Maker.

The Group is organized primarily into two operating segments, i.e.
Capital markets
Financial activities

Capital market activities comprise brokerage income earned on secondary market transactions done on behalf of clients, services rendered as depository participant and proprietary trading in securities and derivatives.

Financial activities include providing finance to a variety of customers. Revenue from lending business includes (i) interest income and processing fee net of loan origination costs, (ii) collection related charges like cheque bouncing charges, late payment charges and foreclosure charges.

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.

Revenue and expenses directly attributable to segments are reported under each reportable operating segment. Certain revenue and expenses, which form component of total revenue and expenses, are not identifiable to specific reporting segments as the underlying resources are used interchangeably, have been allocated on the reasonable basis to respective segment. Revenue and expenses, which relate to Group as a whole and are not allocable on reasonable basis, have been disclosed under "Unallocated expenses/income". Similarly, assets and liabilities in relation to segments are categorised based on items that are individually identifiable to specific reporting segments. Certain assets and liabilities, which form component of total assets and liabilities, are not identifiable to specific reporting segments as the underlying resources are used interchangeably, have been allocated on the reasonable basis to respective segment. Assets and liabilities, which relate to Group as a whole and are not allocable on reasonable basis, have been disclosed under "Unallocated assets/liabilities".



	for the year ended	
	31 March 2022	31 March 2021
A. Segment revenue		
Capital markets	77,454.82	74,323.57
Financial activities	10,928.41	11,408.24
Income from operations	88,383.23	85,731.81
B. Segment results		
Capital markets	27,464.12	37,102.80
Financial activities	5,487.75	5,114.49
Profit before tax	32,951.87	42,217.29
Income tax expenses		
Current tax	9,260.10	9,168.11
Deferred tax	(1,808.43)	1,170.68
Net profit	25,500.20	31,878.50
C. Capital employed		
<i>Segment assets</i>		
Capital markets	9,45,910.32	6,83,154.34
Financial activities	83,811.66	68,855.16
Total assets	10,29,721.98	7,53,009.50
<i>Segment liabilities</i>		
Capital markets	7,91,058.03	5,50,174.91
Financial activities	43,659.10	33,778.11
Total liabilities	8,34,717.13	5,83,953.02
Net segment assets	1,95,004.85	1,69,056.48
D. Capital expenditure		
Capital markets	99.77	43.10
Financial activities	2.06	-
	101.83	43.10
E. Depreciation		
Capital markets	285.21	347.11
Financial activities	20.99	26.24
	306.20	373.35
F. Other non cash expenditure		
Capital markets	-	-
Financial activities	-	-

44. Related party disclosures

A. Related parties where transactions have occurred during the year

- Key managerial persons

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

- Others

(i) Alka Mendiratta *	Whole-time director, Globe Commodities Limited
(ii) Alka Agarwal *	Whole-time director, Globe Commodities Limited
(iii) Sahil Mendiratta	Whole-time director, Globe Fincap Limited
(iv) Pooja Goyal	Director, Globe Fincap Limited
(v) Sanya Mendiratta	Director, Globe Fincap Limited
(vi) Arpit Agarwal	Whole-time director, Globe Fincap Limited
(vii) Ankit Agarwal	Whole-time director, Globe Commodities Limited
(viii) Ankit Surana	Director, Globe Comex International DMCC
(ix) Harshita Agarwal	Whole-time Director, Globe Derivatives and Securities Limited
(x) Nidhi Aggarwal	Whole-time Director, Globe Derivatives and Securities Limited
(xi) Munish Kumar Mittal	Whole-time Director, Globe Capital (IFSC) Limited

* also directors of Globe Capital Market Limited

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

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

* also shareholder(s) of the Company



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Details of related party transactions

Related party	Nature of transactions	31 March 2022	31 March 2021
Globe Capital Foundation	Contributions towards corporate social responsibility	468.60	368.50
M Agarwal Stock Brokers Private Limited	Income from portfolio management services	19.09	15.01
Lakshya Impex Private Limited	Rent	8.66	8.66
A to Finstock Private Limited	Loans taken	-	139.00
	Loans repaid	-	139.00
Bolt Synthetic Private Limited	Loans taken	40.00	7.50
	Loans repaid	40.00	7.50
A to Z Venture Capital Private Limited	Rent	8.76	8.76
A to Z Consultants Private Limited	Rent	5.88	5.88
Yash Pal Mendiratta	Short-term employee benefits	1,040.00	1,040.00
	Rent	1.35	1.35
	Guarantee received *	5,000.00	-
Yash Pal Mendiratta (HUF)	Rent	7.46	7.46
Ashok Kumar Agarwal	Short-term employee benefits	1,040.00	1,040.00
	Rent	1.35	1.35
	Guarantee received *	-	-
Ashok Kumar Agarwal (HUF)	Rent	7.46	7.46
Sahil Mendiratta	Short-term employee benefits	98.00	73.00
Sanya Mendiratta	Short-term employee benefits	36.00	36.00
Ankit Agarwal	Income from portfolio management services	9.49	7.27
	Short-term employee benefits	98.29	98.29
Arpit Agawal	Income from portfolio management services	4.74	3.05
	Short-term employee benefits	98.00	73.00
Pooja Goyal	Short-term employee benefits	36.00	36.00
Munish Kumar Mittal	Short-term employee benefits	19.32	18.30
Nidhi Aggarwal	Short-term employee benefits	98.00	96.50
Harshita Agarwal	Short-term employee benefits	36.00	36.00
Alka Mendiratta	Rent	4.50	4.50
	Short-term employee benefits	4.80	4.80
Alka Agarwal	Rent	4.50	4.50
	Short-term employee benefits	4.80	4.80
Alok Kumar Bansal	Sitting fee	3.30	3.30
Sunil Kumar Jain	Sitting fee	1.58	1.58
Arun Kumar Gupta	Sitting fee	3.30	3.30
Others	Brokerage earned	0.02	0.28
	Income from portfolio management services	1.53	-
	Income from depository services	0.35	0.28



Balances outstanding

Related party	Nature of transactions	31 March 2022	31 March 2021
Yash Pal Mendiratta	Salary, bonus and other payables	480.65	395.75
	Guarantee outstanding	4,233.33	
Ashok Kumar Agarwal	Salary, bonus and other payables	480.65	507.83
	Guarantee outstanding	4,233.33	
Sahil Mendiratta	Salary, bonus and other payables	16.86	18.80
Sanya Mendiratta	Salary, bonus and other payables	1.50	2.10
Arpit Agarwal	Salary, bonus and other payables	13.12	3.40
Pooja Goyal	Salary, bonus and other payables	1.37	2.20
Nidhi Aggarwal	Salary, bonus and other payables	33.84	33.89
Alka Agarwal	Salary, bonus and other payables	0.10	0.37
Alka Mendiratta	Salary, bonus and other payables	-	0.40
Harshita Agarwal	Salary, bonus and other payables	1.35	-
Munish Kumar Mittal	Salary, bonus and other payables	1.24	2.08
Others	Advance/ Margin received	0.28	0.11

Notes

- As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.
- All the related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.
- For the current year, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous year: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- * Represents guarantee given by the directors on borrowing of the Company for a total amount of Rs. 5,000 Lakhs (PY Nil) , both directors are jointly and severally responsible for the amount.

45. Employee benefits

A. Defined contribution plan

The contribution to various statutory funds is recognised as expense and included in Note 36: Employee Benefit Expenses under 'Contribution to provident and other funds' in the Statement of Profit and loss.

B. Defined benefit plan (gratuity)

	31 March 2022	31 March 2021
(i) Movement in present value of obligation		
Defined benefit obligation at the beginning of the year	961.05	774.99
Current service cost	109.39	107.35
Interest cost	58.21	45.03
Actuarial (gain)/ loss arising from change in demographic assumption	9.63	-
Actuarial (gain)/ loss arising from change in financial assumption	(12.86)	66.03
Actuarial (gain)/ loss arising from experience adjustment	1.19	(14.04)
Benefits paid	(40.49)	(18.31)
Defined benefit obligation at the end of the year	1,086.11	961.05
(ii) Amount recognised in the balance sheet		
(iii) Amount recognized in the statement of profit and loss as Employee Benefit Expense		
Current Service Cost	109.39	107.35
Interest cost	60.43	45.03
Net Impact on the profit / (loss) before tax	169.81	152.38
(iv) Remeasurement of the net defined benefit liability		
Actuarial (Gain)/ Loss arising from change in demographic assumption	9.63	-
Actuarial (Gain)/ Loss arising from change in financial assumption	(12.86)	66.03
Actuarial (Gain)/ Loss arising from experience adjustment	1.19	(14.04)
Net Expense recognized in Other Comprehensive Income before tax	(2.04)	51.99
(v) Actuarial assumptions		
<i>Financial Assumptions</i>		
Discount rate (per annum)	5.60%	5.60%
Salary escalation rate (per annum)	8.00%	8.00%
<i>Demographic assumptions</i>		
Published rates under the Indian Assured Lives Mortality (2006-08) (Ultimate)		



46. Contingent liabilities

	31 March 2022	31 March 2021
Claims against the Company not acknowledged as debts (refer note below)	7,783.62	7,456.48
	7,783.62	7,456.48

Claims against the Company not acknowledged as debts

	31 March 2022	31 March 2021
On account of arbitration filled by client	22.29	22.29
On account of stamp duty from office of collector of stamp duty	2,465.31	2,465.31
Statutory dues	2,447.92	3,675.28
Service tax matters *	1,293.60	1,293.60
Income tax matters **	1,554.50	-
	7,783.62	7,456.48

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

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

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

47. Maturity analysis of assets and liabilities

	31 March 2022		31 March 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Financial assets				
(a) Cash and cash equivalents	30,512.37	-	28,200.12	-
(b) Bank Balance other than (a) above	7,60,094.54	51,212.37	4,93,164.79	66,013.25
(c) Derivative financial instruments	2,310.36	-	1,275.22	-
(d) Securities for trade	44,625.48	-	45,547.42	-
(e) Trade receivables	22,900.32	-	15,037.99	-
(f) Loans	75,373.57	-	66,768.87	2,313.82
(g) Investments	-	17,769.11	-	13,791.40
(h) Other financial assets	11,209.98	7,574.89	7,040.38	8,252.43
	9,47,026.63	76,556.37	6,57,034.79	90,370.90
Non-financial assets				
(a) Deferred tax assets	-	1,065.18	-	-
(b) Current tax assets	1,506.73	-	1,629.00	344.87
(c) Property, plant and equipment	(0.03)	485.94	-	500.25
(d) Other intangible assets	-	-	-	-
(e) Right of use	(0.00)	251.15	-	445.08
(f) Assets held for sale	432.50	-	485.00	-
(f) Other non-financial assets	2,397.51	-	1,203.63	996.00
	4,336.71	1,802.27	3,317.63	2,286.20
TOTAL ASSETS	9,51,363.34	78,358.64	6,60,352.41	92,657.10
Financial liabilities				
(a) Derivative financial instruments	2,337.46	-	640.98	-
(b) Trade payables	402.20	-	228.13	-
(c) Debt securities	3,577.01	-	-	-
(d) Borrowings (other than debt securities)	86,250.28	-	93,653.46	650.00
(e) Other financial liabilities	7,37,436.76	219.60	4,83,880.12	407.53
	8,30,003.71	219.60	5,78,402.69	1,057.53
Non financial liabilities				
(a) Contract liabilities	156.02	-	135.62	-
(b) Current tax liabilities (net)	637.28	-	513.10	-
(c) Provisions	1,086.11	-	231.84	729.22
(d) Deferred tax liabilities	-	-	288.97	492.18
(e) Other non-financial liabilities	2,614.40	-	2,101.82	-
	4,493.81	-	3,271.35	1,221.40
	8,34,497.52	219.60	5,81,674.04	2,278.93



48. Fair value measurement

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

	Category	Fair value hierarchy	31 March 2022		31 March 2021	
			Carrying value	Fair value	Carrying value	Fair value
Financial assets						
(a) Cash and cash equivalents	AC		30,512.37	30,512.37	28,200.12	28,200.12
(b) Bank Balance other than (a) above	AC		8,11,306.91	8,11,306.91	5,59,178.04	5,59,178.04
(c) Derivative financial instruments	FVTPL	Level 1	2,310.36	2,310.36	1,275.22	1,275.22
(d) Securities for trade	FVTPL	Level 1	44,625.48	44,625.48	45,547.42	45,547.42
(e) Trade receivables	AC		22,900.32	22,900.32	15,037.99	15,037.99
(f) Loans	AC		75,373.57	75,373.57	69,082.69	69,082.69
(g) Investments						
-quoted shares	FVTPL	Level 1	13,287.00	13,287.00	8,528.89	8,528.89
-unquoted shares	FVTOCI	Level 1	1,379.01	1,379.01	2,362.73	2,362.73
-unquoted shares	FVTPL	Level 3	103.48	103.48	103.48	103.48
-unquoted shares	FVTOCI		2,999.62	2,999.62	2,796.30	2,796.30
(h) Other financial assets	AC		18,784.88	18,784.88	15,292.81	15,292.81
			10,23,583.00	10,23,582.99	7,47,405.69	7,47,405.69
Financial liabilities						
(a) Derivative financial instruments	FVTPL	Level 1	2,337.46	2,337.46	640.98	640.98
(b) Trade payables	AC		402.21	402.21	228.13	228.13
(c) Debt securities	AC		3,577.01	3,577.01		
(d) Borrowings (other than debt securities)	AC		86,250.28	86,250.28	94,303.46	94,303.46
(e) Other financial liabilities	AC		7,37,656.36	7,37,656.36	4,84,287.65	4,84,287.65
			8,30,223.32	8,30,223.32	5,79,460.22	5,79,460.22

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

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

49. Capital management

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

50. Risk management

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

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

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

- Credit risk
- Liquidity risk
- Market risk

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

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

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

a. Credit risk

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

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

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



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

	31 March 2022	31 March 2021
Trade and other debtors (net of impairment)	22,900.32	15,037.99
Loans (net of impairment)	75,373.57	69,082.69
	98,273.89	84,120.68

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

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

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

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

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

Other financial assets considered to have a low credit risk:

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

b. Liquidity risk

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

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

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

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

Particulars	Total carrying amount	Payable/ receivable within one year	Payable/ receivable within 1 to 5 years	More than 5 years
As at 31 March 2022				
A. Financial assets				
(a) Cash and cash equivalents	30,512.37	30,512.37	-	-
(b) Bank Balance other than (a) above	8,11,306.91	7,60,094.54	51,212.37	-
(c) Derivative financial instruments	2,310.36	2,310.36	-	-
(d) Securities for trade	44,625.48	44,625.48	-	-
(e) Trade receivables	22,900.32	22,900.32	-	-
(f) Loans	75,373.57	75,373.57	-	-
(g) Investments	17,769.11	-	17,769.11	-
(h) Other financial assets	18,784.88	11,209.99	7,574.89	-
	10,23,582.99	9,47,026.63	76,556.37	-
B. Financial liabilities				
(a) Derivative financial instruments	2,337.46	2,337.46	-	-
(b) Trade payables				
(i) Outstanding dues of micro and small enterprises	0.01	-	-	-
(ii) Outstanding dues of other than micro and small enterprises	402.20	402.20	-	-
(c) Debt securities	3,577.01	3,577.01	-	-
(d) Borrowings (other than debt securities)	86,250.28	86,250.28	-	-
(e) Other financial liabilities	7,37,656.36	7,37,436.76	219.60	-
	8,30,223.32	8,30,003.71	219.60	-
Net excess/ (shortfall) (A-B)	1,93,359.67	1,17,022.91	76,336.77	-



Particulars	Total carrying amount	Payable/ receivable within one year	Payable/ receivable within 1 to 5 years	More than 5 years
As at 31 March 2021				
A. Financial assets				
(a) Cash and cash equivalents	28,200.12	28,200.12	-	-
(b) Bank Balance other than (a) above	5,59,178.04	4,93,164.79	66,013.25	-
(c) Derivative financial instruments	1,275.22	1,275.22	-	-
(d) Securities for trade	45,547.42	45,547.42	-	-
(e) Trade receivables	15,037.99	15,037.99	-	-
(f) Loans	69,082.69	66,768.87	2,313.82	-
(g) Investments	13,791.40	-	13,791.40	-
(h) Other financial assets	15,292.81	7,040.38	8,252.43	-
	7,47,405.69	6,57,034.79	90,370.90	-
B. Financial liabilities				
(a) Derivative financial instruments	640.98	640.98	-	-
(b) Trade payables	-	-	-	-
(i) Outstanding dues of micro and small enterprises	-	-	-	-
(ii) Outstanding dues of other than micro and small enterprises	228.13	228.13	-	-
(c) Borrowings (other than debt securities)	94,303.46	93,653.46	650.00	-
(d) Other financial liabilities	4,84,287.65	4,83,880.12	407.53	-
	5,79,460.22	5,78,402.69	1,057.53	-
Net excess/ (shortfall) (A-B)	1,67,945.47	78,632.09	89,313.37	-

c. Market risk

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

- i. Equity price risk
- ii. Interest rate risk
- iii. Currency risk

Particulars	Total carrying amount	Traded asset/ liability	Non-traded asset/ liability	Primary risk sensitivity
As at 31 March 2022				
Assets				
Cash and cash equivalents and other bank balances	8,41,819.28	-	8,41,819.28	-
Derivative financial instruments	2,310.36	2,310.36	-	Currency and equity price
Financial assets at FVTPL	58,015.96	58,015.96	-	Equity price
Financial assets at FVTOCI	1,379.01	1,379.01	-	Equity price
Trade and other receivables	22,900.32	-	22,900.32	-
Loans	75,373.57	-	75,373.57	-
Other financial assets at amortised cost	21,784.50	-	21,784.50	-
	10,23,582.99	61,705.33	9,61,877.67	-
Liabilities				
Derivative financial instruments	2,337.46	2,337.46	-	Currency and equity price
Trade payables	402.21	-	402.21	-
Borrowings (other than debt securities)	86,250.28	-	86,250.28	-
Other financial liabilities	7,37,656.36	-	7,37,656.36	-
	8,26,646.31	2,337.46	8,24,308.85	-

Particulars	Total carrying amount	Traded asset/ liability	Non-traded asset/ liability	Primary risk sensitivity
As at 31 March 2021				
Assets				
Cash and cash equivalents and other bank balances	5,87,378.16	-	5,87,378.16	-
Derivative financial instruments	1,275.22	1,275.22	-	Currency and equity price
Financial assets at FVTPL	54,179.79	54,179.79	-	Equity price
Financial assets at FVTOCI	5,159.03	5,159.03	-	Equity price
Trade and other receivables	15,037.99	-	15,037.99	-
Loans	69,082.69	-	69,082.69	-
Other financial assets at amortised cost	15,292.81	-	15,292.81	-
	7,47,405.69	60,614.04	6,86,791.65	-
Liabilities				
Derivative financial instruments	640.98	640.98	-	Currency and equity price
Trade payables	228.13	-	228.13	-
Borrowings (other than debt securities)	94,303.46	-	94,303.46	-
Other financial liabilities	4,84,287.65	-	4,84,287.65	-
	5,79,460.22	640.98	5,78,819.24	-

i. Equity price risk

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

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

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



	31 March 2022	31 March 2021
10% change in equity prices	5,929.15	5,781.77
10% change in equity prices	(5,929.15)	(5,781.77)

ii. Interest rate risk

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

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

	31 March 2022	31 March 2021
Total borrowing	86,255.28	94,332.92
Fixed rate borrowing	4,633.33	2,650.00
Floating rate borrowing	81,621.95	91,682.92

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

	31 March 2022	31 March 2021
50 basis points increase would decrease the profit by	23.17	458.27
50 basis points decrease would increase the profit by	(23.17)	(458.27)

iii. Foreign exchange currency risk

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

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

51. Change in liabilities arising from financing activities

	31 March 2021	Cash flows	Change in fair values	Others	31 March 2022
Term Loans	2,650.00	1,983.33	-	-	4,633.33
Loans repayable on demand	13,021.08	4,978.92	-	-	18,000.00
Inter corporate deposits	8,013.70	4,920.67	-	-	12,934.37

	31 March 2020	Cash flows	Change in fair values	Others	31 March 2021
Term Loans	9,390.83	(6,740.83)	-	-	2,650.00
Loans repayable on demand	3,598.01	9,423.07	-	-	13,021.08
Inter corporate deposits	8,013.90	(0.20)	-	-	8,013.70

52. Revenue from contracts with customers

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

a. Brokerage income

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

b. Portfolio management services

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

c. Depository services

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

53.

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



Globe Capital Market Limited

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

54. Recent accounting pronouncements

- a. Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Group has evaluated the amendment and there is no impact on its financial statement.
- b. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Group has evaluated the amendment and there is no impact on its financial statement.

55. Disclosure regarding relationship with Struck-off Companies

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

As per our report of even date attached
For P.C. Bindal & Co.
Chartered Accountants
Firm's registration no. 0038244

K.C. Gupta
Partner
Membership No: 088638

New Delhi,

30 JUN 2022

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

Yash Pal Mendiratta
Managing Director
DIN : 00004185

Shiraj Jaiswal
Company Secretary

Ashok Kumar Agarwal
Chairman
DIN : 00003988

Amit Kumar Singhal
Chief Financial Officer