एसबीआई फैक्टर्स लिमिटेड
SBI FACTORS LIMITED

SBIFACTORS/TREASURY/2026-27/543 **November 20, 2026**

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051

Dear Madam/Sir,

Notice of 25th Annual General Meeting and Annual Report for Financial Year 2025-26

In Compliance with Regulation 50(2) and 53(2) of SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015, we wish to inform you that the 25th Annual General Meeting of the Company is scheduled to be held at a shorter notice, subject to requisite approval of Members of the Company, on Thursday, November 26, 2026 at 03:00 PM through Video Conferencing (VC) at the Registered Office of the Company, Board Room, SBI Factors Limited, 6th Floor, The Metropolitan Building, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.

The copy of notice convening Annual General Meeting and Annual Report for financial year 2025-26 are enclosed herewith.

You are requested to take the above on record.

Yours faithfully,

For SBI Factors Limited
(Formerly known as SBI Global Factors Limited)

SBI FACTORS LIMITED MUMBAI

(Rishika Puri)
Company Secretary & Chief Compliance Officer

Encl. A/a

SHORTER NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of the Company will be held at a shorter notice, subject to requisite approval of Members of the Company, on Thursday, November 20, 2026 at 03:00 PM through Video Conferencing (VC) at the Registered Office of the Company, Board Room, SBI Factors Limited, 6th Floor, The Metropolitan Building, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 to transact the following Business:

Ordinary Business:

1. **To receive, consider and adopt the audited Balance Sheet as at March 31, 2026 and the Statement of Profit and Loss for the Financial Year ended on March 31, 2026 along with the Report of the Auditors and the Directors thereon, and the Report of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013.**

2. **To declare dividend if any on equity shares, for the financial year ended March 31, 2026.**

3. **To appoint the Statutory Auditors of the Company for the Financial Year 2026-27, as directed by the Comptroller & Auditor General of India (C&AG), under Section 139 and other applicable provision(s) of the Companies Act, 2013, if any.**

   To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT in terms of Section 139 and other applicable provisions of the Companies Act, 2013 if any, read with the Companies (Audit and Auditors) Rules, 2014, alongwith the provisions of Reserve Bank of India (Non-Banking Financial Companies - Statutory Audit) Directions, 2026, as advised by the Comptroller & Auditor General of India (C&AG), M/s. S. Bhandari & Co. LLP, Chartered Accountants (FRN: 000560C/C400334) be and are hereby appointed as the Statutory Auditors of the Company for the Financial Year 2026-27, till the conclusion of the next (i.e. Twenty-Sixth) Annual General Meeting of Equity Shareholders/ Members of the Company;

   RESOLVED FURTHER THAT in terms of Section 142 and other applicable provisions of the Companies Act, 2013 if any, read with the Companies (Audit and Auditors) Rules, 2014, alongwith the provisions of Reserve Bank of India (Non-Banking Financial Companies - Statutory Audit)

Formerly SBI Global Factors Ltd.
CIN U65929MH2001PLC131203
6th floor, The Metropolitan Building, Bandra Kurla Complex, Mumbai - 400 051.
Tel. No. : 91 22 4889 0300, E-mail : contact@sbifactors.in, Website : www.sbifactors.in

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Directions, 2026, M/s. S. Bhandari & Co. LLP, Chartered Accountants (FRN:000560C/C400334), till the conclusion of the next (i.e. Twenty-Sixth) Annual General Meeting of Equity Shareholders/ Members of the Company, be paid a Total Remuneration of Rs. 16,95,000/- (Rupees Seventeen lakhs Ninety-five thousand Only) including Limited Audit Review fees amounting to Rs. 4,95,000/- (Rs. 1,65,000/- per Quarter), Tax Audit Fees of Rs. 2,00,000 and fees for Consolidated Financial Statement (CFS) of Rs. 2,00,000/- (Rs. 50,000/- per Quarter). Out-of-pocket expenses and taxes are paid on actual basis, as may be incurred by them in connection with the audit of the Company;

RESOLVED FURTHER THAT the Managing Director & CEO, Chief Financial Officer and Company Secretary & Chief Compliance Officer of the Company be and are hereby severally authorized to file necessary documents/forms with the Registrar, such other Regulatory Authorities and do all the acts, deeds, matters and things as may be necessary for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

Special Business:

4. **To consider and approve the appointment of Shri Atul Srivastava, (CGM, A&S, SBI), (Director Identification Number (DIN): 11294007) as Nominee Director of State Bank of India with effect from October 28, 2025**

   To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 152 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for time being in force) and the applicable rules made there under, the appointment of Shri Atul Srivastava (DIN: 11294007) as Nominee Director of State Bank of India in terms of Section 161 of Companies Act, 2013 and Article 88 of Articles of Association of the Company and not liable for retirement by rotation with effect from October 28, 2025 be and is hereby confirmed;

   RESOLVED FURTHER THAT the all the Directors, Chief Financial Officer and Company Secretary and Chief Compliance Officer of the Company be and are hereby severally authorized to file necessary documents/forms with the Registrar, such other Regulatory Authorities and do all the acts, deeds,

SBI FACTORS LIMITED MUMBAI

matters and things as may be necessary for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

5. **To consider and approve the appointment of Shri Ranjan Gupta, (DIN:11789168) as an Independent Director of the Company (not liable to retire by rotation) for a period of three years with effect from July 04, 2026**

To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provision of Section 149,150,152 read with Schedule IV to the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Ranjan Gupta (DIN: 11789168) who was appointed as an Additional Independent Director of the Company with effect from July 04, 2026 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and hereby appointed as an Independent Director of the Company to hold office for three consecutive years whose office shall not be liable to retire by rotation and entitled to sitting fees;

RESOLVED FURTHER THAT all the Directors, Chief Financial Officer and Company Secretary and Chief Compliance Officer of the Company be and are hereby severally authorized to file necessary documents/forms with the Registrar, such other Regulatory Authorities and do all the acts, deeds, matters and things as may be necessary for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

6. **To consider and approve the appointment of Shri Aftab Ahmad Mallick (DIN: 11789153), with effect from September 29, 2026 to September 28, 2028 or till further instructions of State Bank of India in this regard, whichever is earlier, as (a) the Managing Director & CEO (i.e. a Nominee Director of State Bank of India) on the Board of the Company; (b) the Key Managerial Personnel (KMP) of the Company**

To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

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"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and applicable Rule(s) made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to Article 88(1)(c) of the Articles of Association of the Company and as nominated by State Bank of India, subject to regulatory approval as may be required and as considered and recommended by the Nomination and Remuneration Committee and the Board, approval of the Members of the Company be and is hereby accorded for the appointment of Shri Aftab Ahmad Mallick (Top Executive Grade Scale VII ("TEGS VII"), State Bank of India) (Director Identification Number (DIN) : 11789153), as the Managing Director & CEO (i.e. Nominee Director of State Bank of India) on the Board of the Company, from September 29, 2026 to September 28, 2028 (both days inclusive) or till further instructions of State Bank of India in this regard, whichever is earlier, on the Bank's usual terms and conditions whose office shall not be liable to retire by rotation, at a remuneration equivalent to that drawn by Officers of his rank in TEGS VII in State Bank of India including revisions therein from time to time, and all perquisites extended to Officers of his rank in TEGS VII in State Bank of India during his tenure as the Managing Director & CEO of the Company, as has been set out below :

1.	Basic pay	As per SBI Officers Service Rules in TEGS VII; presently RS. 1,73,860/- p.m.
2.	Dearness Allowance	As per SBI Officers Service Rules in TEGS VII; presently Rs. 68,866.98/-
3.	City Compensatory Allowance	As per SBI Officers' Service Rules in TEGS VII; presently Rs. 2,300/-
4.	Fixed Personal Pay	As per SBI Officers' Service Rules in TEGS VII; presently NIL
5.	Special Allowance	As per SBI Officers' Service Rules in TEGS VII; presently Rs. 54,765.90/-
6.	Professional Qualification Pay	As per SBI Officers Service Rules in TEGS VII
7.	Provident Fund Contribution	As per SBI Officers Service Rules in TEGS VII
8.	Gratuity	As per SBI Officers Service Rules in TEGS VII
9.	Residential Accommodation	As per SBI Officers' Service Rules in TEGS VII
10.	Deputation Allowance	As per SBI Officers' Service Rules in TEGS VII

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11.	Travelling expenses	As per SBI Officers' Service Rules in TEGS VII
12.	Halting allowance and eligibility for stay	As per SBI Officers Service Rules in TEGS VII
13.	Leave	As per SBI Officers Service Rules in TEGS VII
14.	Provision of Car	As per SBI Officers Service Rules in TEGS VII
15.	Medical Benefits	As per SBI Officers Service Rules in TEGS VII
16.	Leave Travel Concession	As per SBI Officers Service Rules in TEGS VII
17.	Encashment of privilege leave	As per SBI Officers Service Rules in TEGS VII
18.	Membership of Clubs	To be provided by the Company
19.	Personal Entertainment Expenses	As per SBI Officers Service Rules in TEGS VII
20.	Rent	Rs. 1,63,000/- p.m.
21.	Vehicle	Rs. 1,00,000/- average per month

Residential accommodation should preferably be provided by the Company. In case the State Bank of India provides the same, commercial rent/lease rent, thereof, would be recoverable from the Company on monthly basis.

As regards medical facilities and all other perquisites, where the bills are paid by the Bank, reimbursement will be obtained in due course from the Company.

Along with salary, allowance and perquisites, the following would be payable to the Bank by the Company:

1.	Bank's contribution to Provident Fund	As per SBI Officers Service Rules in TEGS VII
2.	Bank's contribution to Pension Fund	As per SBI Officers Service Rules in TEGS VII
3.	Contribution towards leave salary	As per SBI Officers Service Rules in TEGS VII
4.	Leave Travel concession	As per SBI Officers Service Rules in TEGS VII
5.	Sp. Compensatory Allw-2	Rs. 450/-
6.	Spl. Balancing Allowance	Rs. 1,930.50/-

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Provision for PLI: As per Company Policy.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profits during the period, Shri Aftab Ahmad Mallick continues as the Managing Director & CEO (i.e. Nominee Director of State Bank of India) of the Company in accordance with the provisions of Sections 196, 197 and 198 of the Companies Act, 2013 read with schedule V and any other applicable provisions of the Companies Act, 2013 and rule(s) made thereunder, remuneration as aforesaid be paid to Shri Aftab Ahmad Mallick as minimum remuneration during the said period;

RESOLVED FURTHER THAT as duly considered, approved and recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded for the appointment of Shri Aftab Ahmad Mallick (Managing Director & CEO of the Company) as a Key Managerial Personnel (KMP) of the Company from September 29, 2026 to September 28, 2028 (both days inclusive) or till further instructions of State Bank of India in this regard, whichever is earlier, pursuant to the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 on the current terms and conditions of his appointment including his remuneration;

RESOLVED FURTHER THAT the all the Directors, Chief Financial Officer and Company Secretary and Chief Compliance Officer of the Company be and are hereby severally authorized to file necessary documents/forms with the Registrar, such other Regulatory Authorities and do all the acts, deeds, matters and things as may be necessary for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

By Order of the Board of Directors

(Rishika Puri)
Company Secretary and Chief Compliance Officer
Place: Mumbai
Date: November 20, 2026

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Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of business under Item No. 4, 5 and 6 is set out in the Notice annexed hereto.

2. The ROC, Mumbai, *vide* its order dated September 30, 2026, has granted an extension of two months under Section 96(1) of the Companies Act, 2013, for holding the 25th AGM of the Company till November 30, 2026 as the comments of the Comptroller and Auditor General (C&AG) on the Company's financial statements for the financial year ended March 31, 2026, forming part of the Directors' Report were awaited.

3. Annual General Meeting ('AGM') has been convened through Video Conferencing (VC) in compliance with applicable provisions of Companies Act, 2013 read with MCA Circulars.

4. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. All documents referred to in the accompanying Notice and the Explanatory Statement have been sent along with this Notice to the registered email addresses of the persons entitled to attend the Meeting and shall also be available electronically on request by sending an email to CS@sbifactors.in.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Nomination and Remuneration Committee of the Board and the Board, on October 28, 2025, considered and approved appointment of Shri Atul Srivastava (DIN: 11294007) as Nominee Director of State Bank of India in terms of Section 161 of Companies Act, 2013 and Article 88 of Articles of Association of the Company and have recommended the same for Member's necessary consideration and approval in this regard.

Other details of Shri Atul Srivastava, whose appointment is proposed at Item No. 4 of the accompanying Notice, are as below:

Date of Birth	June 19, 1968
Date of Appointment	October 25, 2026
Qualifications	• M.Sc. in Physics • Certified Associate - Indian Institute of • Bankers (IIBF) • Certified Professional - IT & Cyber • Security, Ernst & Young LLP • Certificate in Commercial Credit by • Moody's • Certificate Programme for Compliance • AMFI and SP Certification
Experience in specific functional areas	Corporate Credit, Forex, General Banking Operations, Human Resource and Corporate Governance.
Directorships held in other Companies (excluding foreign Companies)	• SBI-SG Global Securities Services Pvt Ltd • SBI Payment Services Private Limited • SBICAP Securities Limited • C-EDGE Technologies Limited • SBI General Insurance Company Limited
Memberships/ Chairmanships of Committees of other Companies	As per annexure - 1
Number of Shares held in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil

None of the Director(s)/ Key Managerial Personnel (KMP(s))/ their Relative(s) except Shri Atul Srivastava is/are in any way concerned or interested in the said Resolution at Item No. 4 of this Notice.

Item No. 5

The Board of Directors, on July 04, 2026, considered and approved regularization of appointment of Shri Ranjan Gupta as an Additional Independent Director for a term of three consecutive years, pursuant to the provisions of Section 149, 150, 152, 161, read with Schedule IV and other applicable provisions of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting.

Accordingly, the approval of the Members is sought for the appointment of Shri Ranjan Gupta as an Independent Director of the Company, not liable to retire by rotation, for a term of three consecutive years w.e.f. July 04, 2026.

Other details of Shri Ranjan Gupta whose appointment is proposed at Item No. 5 of the accompanying Notice, are as below:

Date of Birth	January 25, 1963
Date of Appointment	July 04, 2026
Qualifications	Bachelor of Commerce
Experience in specific functional areas	International banking, corporate banking, internal audit, risk management, and human resources
Directorships held in other Companies (excluding foreign Companies)	Nil
Memberships/ Chairmanships of Committees of other Companies	Nil
Number of Shares held in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil

None of the Director(s)/ Key Managerial Personnel (KMP(s))/ their Relative(s) except Shri Ranjan Gupta is/are in any way concerned or interested in the said Resolution at Item No. 5 of this Notice.

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Item No. 6

The Nomination and Remuneration Committee of the Board and the Board, on September 29, 2026, considered and approved the appointment of Shri Aftab Ahmad Mallick (DIN: 11789153), with effect from September 29, 2026 to September 28, 2028 or till further instructions of State Bank of India in this regard, whichever is earlier, as (a) the Managing Director & CEO (i.e. a Nominee Director of State Bank of India) on the Board of the Company; (b) the Key Managerial Personnel (KMP) of the Company for a term of three consecutive years, pursuant to the provisions of Section 149, 150, 152, 161, read with Schedule IV and other applicable provisions of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting.

Accordingly, the approval of the Members is sought for the appointment of Shri Aftab Ahmad Mallick as Managing Director & CEO of the Company, not liable to retire by rotation, for a term of two consecutive years w.e.f. from September 29, 2026, to September 28, 2028 or till further instructions of State Bank of India in this regard, whichever is earlier.

Other details of Shri Aftab Ahmad Mallick whose appointment is proposed at Item No. 6 of the accompanying Notice, are as below:

Date of Birth	January 01, 1976
Date of Appointment	September 29, 2026
Qualifications	BA in Economics, JAIIB, CAIIB
Experience in specific functional areas	• Over 24 years of banking experience with SBI. • International experience in Trade Finance and Business Development at SBI DIFC Branch, Dubai. • Certification in Commercial Credit from Moody's Corporation. Executive Leadership and Management Development Programmes from the Indian School of Business (ISB), Mohali Hyderabad and the Indian Institute of Management (IIM), Indore.
Directorships held in other Companies (excluding foreign Companies)	Nil
Memberships/ Chairmanships of Committees of other Companies	Nil
Number of Shares held in the	Nil

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Company	
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil

None of the Director(s)/ Key Managerial Personnel (KMP(s))/ their Relative(s) except Shri Aftab Ahmad Mallick is/are in any way concerned or interested in the said Resolution at Item No. 6 of this Notice.



Annexure - 1

Company	Committees	Member / Chairman
SBI Payment Services Pvt Ltd	Audit Committee	Member
	Risk Management Committee	Member
	NR & HR Committee	Member
	ITSC	Member
	Business Strategy Committee	Member
	CSR Committee	Member
SBI SG-Global Securities Services Pvt Ltd	Audit Committee	Member
	HR Committee	Member
SBI General Insurance Co Ltd	Investment Committee	Member
	Risk Management Committee	Member
	PPGRC	Member
	CSR	Member
	Technology	Member
SBICAP Securities Ltd	Audit Committee	Member

SBI FACTORS LIMITED MUMBAI



Strengthening Businesses, **Enabling Growth**

ANNUAL REPORT
2025-26

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Financial Highlights

₹2,97,301 Lakhs
Total Assets

₹6,966 Lakhs
Profit After Tax

₹28,754 Lakhs
Revenue from Operations

₹2,97,301 Lakhs
Total Liabilities and Equity

₹9,211 Lakhs
Profit Before Tax

₹4.36
Earnings Per Equity Share

Strengthening Businesses, Enabling Growth

Every business is built on movement, of goods, services, ideas and capital. Yet between delivering value and receiving payment lies a critical gap that can slow momentum and constrain growth.

Bridging this gap is where SBI Factors creates lasting value. The Company enables businesses to maintain healthy cash flows, meet commitments with confidence and pursue new opportunities without interruption by transforming receivables into timely liquidity.

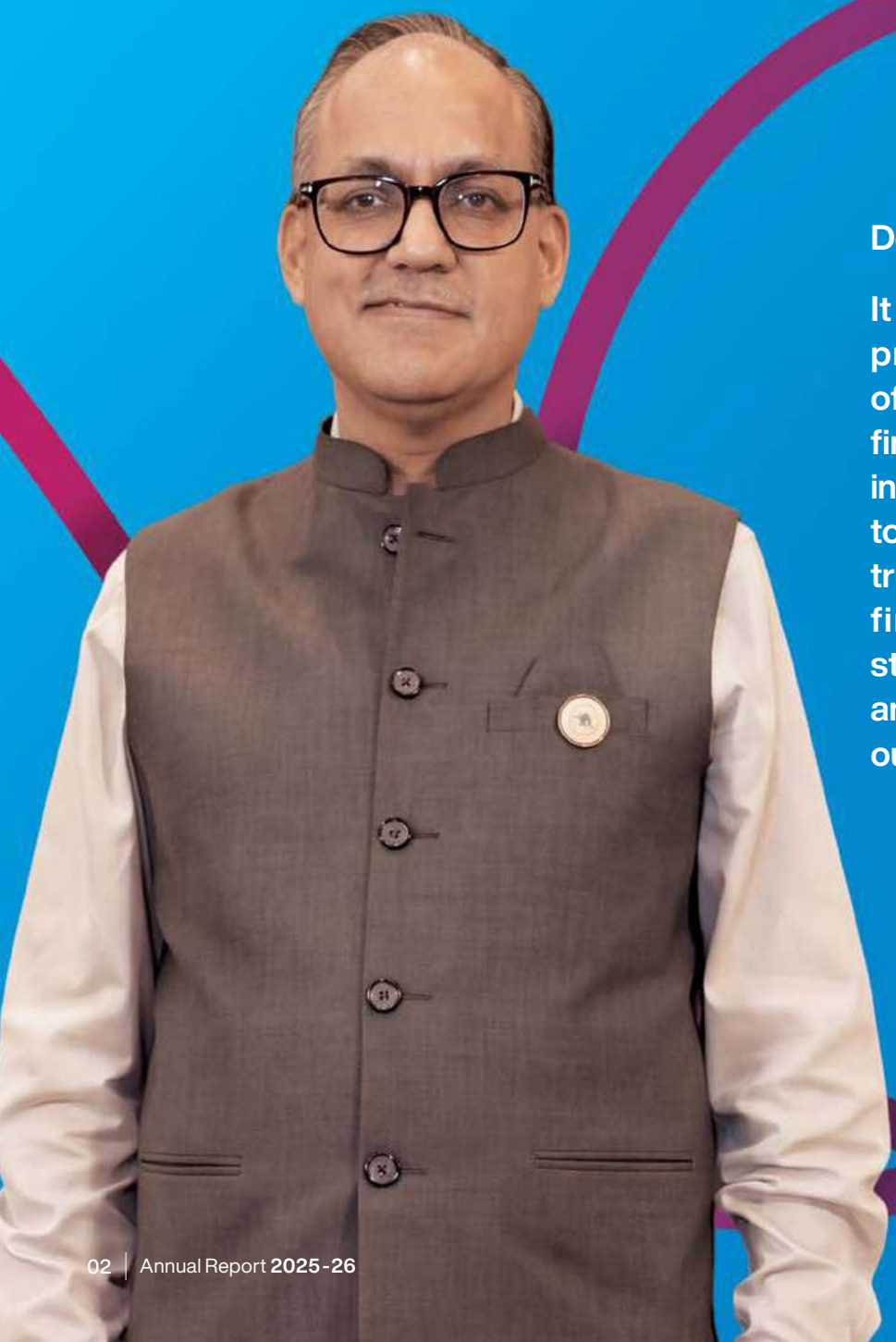
Rooted in the strength, trust and legacy of State Bank of India (SBI), SBI Factors Limited serves as a dependable bridge connecting sellers with buyers, liquidity with opportunity and financial certainty with business ambition. Behind every financing solution is the collective expertise of dedicated teams across credit, operations, technology, risk and customer relationships, working together to deliver speed, reliability and seamless service.

Every connection strengthened, every relationship built on trust and every business empowered to move forward reinforces our purpose of Strengthening Businesses, Enabling Growth.



Chairman's Message

Building Trust, One Receivable at a Time



Dear Stakeholders,

It gives me great pleasure to present the Annual Report of SBI Factors Limited for the financial year 2025-26, a year in which the Company continued to strengthen its position as a trusted partner to India's trade finance ecosystem, while staying true to the discipline and prudence that has defined our journey.

FY 2026 was a year of consolidation and reform for the Indian factoring industry. The sector continued to benefit from the steady expansion of the Trade Receivables Discounting System (TReDS) alongside ongoing regulatory reforms aimed at strengthening the receivables financing ecosystem. Measures focused on improving ease of participation, streamlining onboarding processes and enhancing access to credit support are expected to deepen market adoption while maintaining the integrity and resilience of the ecosystem.

India's economy grew at a healthy pace in FY 2026, with the services sector remaining a key driver of momentum. Against this backdrop, the domestic factoring and trade receivables financing market has continued its multi-year expansion, aided by growing MSME participation, deeper credit bureau and registry infrastructure and rising awareness of factoring as a faster, less collateral-intensive alternative to conventional working capital loans. With over six crore MSMEs contributing a substantial share of India's exports and services GDP, the addressable opportunity for factoring remains significant and, by most estimates, still underpenetrated relative to global benchmarks.

The Company recognises that technology is no longer a support function in factoring; it is the differentiator. During the year, your Company continued to invest in digitising onboarding, credit assessment, development of internal AI tool, implementation of Loan Management System and invoice verification workflows, aligning itself with the industry-wide shift towards automated risk assessment and paperless processing. The objective is to match the speed and transparency that clients now expect, without compromising the underwriting discipline that protects our balance sheet.

SBI Factors Limited delivered a strong year on both growth and profitability. Total income rose to ₹290.16 Crore in FY 2026 from ₹237.52 Crore in FY 2025, driven by interest income of ₹248.33 Crore, up from ₹207.67 Crore.

Profit after tax grew 22% to ₹69.66 Crore, from ₹57.02 Crore in the previous year, taking earnings per share to ₹4.36 from ₹3.57. The Company's loan book expanded to ₹2,934.90 Crore from ₹2,766.25 Crore, while net worth strengthened to ₹579.04 Crore from ₹509.28 Crore, reflecting steady capital accretion. Operating margin stood at 27.69% and net profit margin at 24.22% for the year, with a provision coverage ratio of 77.90%, showcasing the quality of our book even as we scaled.

Alongside technology adoption, your company sharpened internal processes this year, streamlining turnaround times for factoring unit approvals, tightening portfolio monitoring, and strengthening coordination across our client-facing and assurance functions. These efforts are aimed squarely at ensuring that growth in volumes is matched by discipline in execution.

Company's achievements are a reflection of the continued confidence of its shareholders, the guidance of regulators, the trust of clients and the dedication of every employee of SBI Factors Limited. I thank each of you for being part of this journey and I look forward to your continued partnership as we build on this momentum in the year ahead.

Shri Ashwini Kumar Tewari

Chairman and Nominee Director of State Bank of India



Board of Directors and Leadership Team

Board of Directors



Shri Ashwini Kumar Tewari
Chairman and Nominee Director of State Bank of India



Shri Atul Srivastava
Nominee Director of State Bank of India
(from October 28, 2025)



Shri Ashwini Mehra
Independent Director



Shri Ranjan Gupta
Additional (Independent) Director
(from July 04, 2026)



Shri Debangshu Munshi
Nominee Director of State Bank of India
(till September 30, 2025)



Smt. Sudha Malhotra
Independent Director
(till April 28, 2026)



Shri Bharat Mishra
Managing Director & CEO
(till June 05, 2026)



Shri Aftab Ahmad Mallick
Managing Director and CEO
(from September 29, 2026)

Leadership Team



Shri Bibhuti Bhushan Das
Chief Credit Officer



Shri Amit Sharma
Chief Financial Officer
(till June 19, 2026)



Shri Subrata Roy
Chief Financial Officer
(from July 24, 2026)



Shri Amiya Shanker Tewary
Chief Operating Officer



Shri Ashish Mehta
Chief Business Officer
(till August 14, 2026)



Shri Subhash Kumar
Chief Business Officer
(from August 17, 2026)



Shri Rahul Dhaifule
SVP – Credit



Ms. Rishika Puri
Company Secretary and
Chief Compliance Officer



Smt. Mamta Shukla
Chief Risk Officer



Smt. Kaveri Sawant
Chief Technology Officer



Shri Tarun Mittal
VP – Audit



Shri Sachin Dhumal
Chief Information Security Officer

About SBI Factors Limited

Bridging Every Transaction

SBI Factors Limited, a wholly owned subsidiary of State Bank of India (SBI), is one of India's leading providers of factoring and receivables finance solutions. The Company helps businesses unlock working capital by converting outstanding invoices into immediate liquidity, enabling them to maintain healthy cash flows while continuing to grow with confidence.



SBI Factors- Simplifying Cash Flow with Reliable Factoring Services for Your Business



Domestic and Export Factoring Under One Roof



10 Branches Across India

Vision

Be the **'Factor'** of choice of businesses across India

Mission

Empowering businesses fostering trust, innovation & financial resilience through exceptional factoring solution

Values

- Service
- Transparency
- Ethics
- Politeness
- Sustainability

Serving corporates, MSMEs, exporters and importers across the country, the Company offers a comprehensive suite of domestic and international factoring solutions that simplify receivables management, improve liquidity, and support seamless trade transactions. It combines deep financial expertise with technology-driven processes to deliver timely, reliable and efficient financing solutions.

As businesses evolve in an increasingly dynamic marketplace, the Company remains committed to helping them bridge cash flow gaps, strengthen financial resilience and pursue growth with greater certainty. Every solution we deliver is guided by our focus on building long-term relationships founded on trust, responsiveness and operational excellence.



Key Differentiators Built Before the Rest

SBI Factors is among India's earliest factoring companies and a wholly owned subsidiary of State Bank of India (SBI), offering a broad range of domestic and export factoring and receivables solutions.

A Legacy of Leadership - Pioneering Factoring in India

Established in February 1991 and commencing operations in April the same year, SBI Factors & Commercial Services Ltd. pioneered the concept of factoring in India. Over three decades, it has played a defining role in shaping the country's receivables financing landscape while building enduring relationships with businesses across industries.

This long-standing presence has created a deep understanding of commercial risk, credit behaviour, and evolving business needs. Decades of transaction experience and market insights enable the Company to assess receivables with confidence, design flexible financing solutions and support clients through changing economic conditions with consistency and resilience.

Backed by the strength of SBI

As a wholly owned subsidiary of State Bank of India (SBI), the country's largest and most trusted banking institution, SBI Factors draws on the strength of a strong parentage that reinforces confidence among customers and stakeholders alike.

This association translates into several strategic advantages:

- Strong governance, prudent risk management, and a culture of regulatory compliance that strengthens operational integrity.
- Access to an extensive banking network that supports seamless transaction processing and broad market reach.
- In an industry where trust, stability and financial strength are fundamental, the SBI legacy provides businesses with the confidence of partnering with an institution that has earned its reputation over generations.

Comprehensive working capital solutions

The Company offers an integrated suite of receivables financing solutions that address the diverse working capital requirements of businesses across domestic and international markets. Rather than focusing on a single segment, it supports clients across the entire trade cycle through a comprehensive portfolio of services.

The key services include:

Domestic Factoring

Enables businesses to unlock cash tied up in domestic receivables by converting invoices into immediate working capital. This improves liquidity while reducing the burden of receivables management.

Export Factoring

Provides exporters with timely access to funds against export receivables while supporting cross-border trade through efficient collections and credit risk mitigation, helping businesses expand confidently into global markets.

Reverse Factoring

Strengthens supply chain financing by enabling suppliers to receive early payments based on the creditworthiness of large corporate buyers. This improves liquidity for suppliers while allowing buyers to optimise their payment cycles.

TReDS

Facilitates the financing of trade receivables through the Trade Receivables Discounting System, enabling MSMEs to access timely working capital by discounting invoices accepted by corporate buyers and government entities through a transparent digital platform.



Understanding Factoring

Where Businesses Meet Liquidity

Every business that sells on credit faces the same gap: goods or services go out today, but payment does not land for 30, 60 or 90 days. Factoring closes that gap. It is a financial arrangement where a business sells its unpaid invoices to a factor, such as SBI Factors, in exchange for immediate cash, instead of waiting out the credit period.

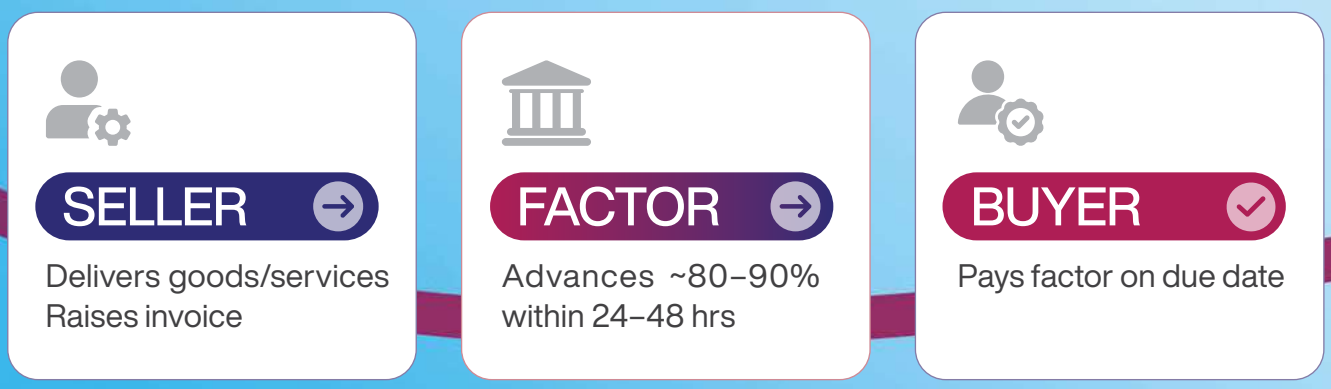
How does it work?

Three parties are involved: **the seller, the buyer and the factor**. The seller delivers goods or services to the buyer on credit and raises an invoice. Instead of waiting for the buyer to pay, the seller sells that invoice to the factor at a small discount. The factor advances most of the invoice value immediately, often within 24 to 48 hours and collects the full amount from the buyer when it falls due.



THE COST OF WAITING

Delayed receivables remain one of India's largest hidden liquidity drains. As of March 2024, roughly ₹7.34 Lakh Crore was locked up in overdue payments owed to MSMEs nationally. Factoring exists precisely to unlock capital like this before it turns into a growth constraint.*



The factoring cycle: seller to factor to buyer and back.

* C2FO

Recourse and Non-Recourse

Factoring comes in two forms. Under recourse factoring, the seller retains the credit risk associated with the receivable and remains liable in the event of buyer default. In non-recourse factoring, the factor absorbs that credit risk entirely, effectively insuring the seller against buyer default.

Why Businesses Use It

Unlike a loan, factoring is a sale of an asset, not a liability on the balance sheet. That makes it faster to access, requires no collateral, and scales naturally with sales: the more a business invoices, the more factoring capacity becomes available to it.



WHY SPEED MATTERS

Recent industry data shows Indian SMEs wait an average of 73 days to collect payment on an invoice. Factoring compresses that wait to a day or two, freeing up working capital that would otherwise sit idle on someone else's books.**

For MSMEs, where working capital is often the single biggest constraint on growth, factoring turns an unpaid receivable into cash that can be redeployed immediately, without adding debt to the balance sheet or waiting on a buyer's payment cycle.



** Times of India

Our Business Performance

Profit and Loss — Year Ended March 31

Interest Income (₹ in Lakh)

+19.60% ↑
Y-O-Y Growth

FY2025	20,767
FY2026	24,833

Total Expenses (₹ in Lakh)

+18.90% ↑
Y-O-Y Growth

FY2025	16,612
FY2026	19,750

Total Comprehensive Income (₹ in Lakh)

+22.15% ↑
Y-O-Y Growth

FY2025	5,711
FY2026	6,976

Total Revenue from Operations (₹ in Lakh)

+21.60% ↑
Y-O-Y Growth

FY2025	23,655
FY2026	28,754

Profit Before Tax (PBT) (₹ in Lakh)

+29.00% ↑
Y-O-Y Growth

FY2025	7,140
FY2026	9,211

EPS – Basic / Diluted (₹ in Lakh)

+22.10% ↑
Y-O-Y Growth

FY2025	3.57
FY2026	4.36

Total Income (₹ in Lakh)

+22.20% ↑
Y-O-Y Growth

FY2025	23,752
FY2026	29,016

Profit After Tax (PAT) (₹ in Lakh)

+22.20% ↑
Y-O-Y Growth

FY2025	5,702
FY2026	6,966

Balance Sheet — As at March 31

Loans (Book Value) (₹ in Lakh)

+6.10% ↑
Y-O-Y Growth

FY2025	2,76,625
FY2026	2,93,490

Borrowings (₹ in Lakh)

+5.00% ↑
Y-O-Y Growth

FY2025	2,13,285
FY2026	2,23,943

Total Equity (Net Worth) (₹ in Lakh)

+13.70% ↑
Y-O-Y Growth

FY2025	50,928
FY2026	57,904

Total Assets (₹ in Lakh)

+6.00% ↑
Y-O-Y Growth

FY2025	2,80,445
FY2026	2,97,301

Debt Securities (₹ in Lakh)

+0.01% ↑
Y-O-Y Growth

FY2025	9,988
FY2026	9,990

Cash & Cash Equivalents (₹ in Lakh)

+366% ↑
Y-O-Y Growth

FY2025	114
FY2026	531

Key Ratios

Debt-Equity Ratio (₹ in Lakh)

Improved (lower leverage) ↓

FY2025	5.50
FY2026	5.07

Operating Margin (%)

Down Trend ↓

FY2025	34.85
FY2026	27.69

Interest Service Coverage Ratio (₹ in Lakh)

Stable / Improved Trend ↑

FY2025	1.65
FY2026	1.68

Net Profit Margin (%)

Slightly up Trend ↑

FY2025	24.10
FY2026	24.22

Provision Coverage Ratio (PCR) (%)

Improved Trend ↑

FY2025	75.86
FY2026	77.90

Current Ratio (₹ in Lakh)

Stable / Improved Trend ↑

FY2025	1.27
FY2026	1.29

Bad Debt to Receivable Ratio (₹ in Lakh)

Improved Trend ↑

FY2025	0.01
FY2026	0.00

Earnings Per Share (₹ in Lakh)

+22.10% ↑ Trend

FY2025	3.57
FY2026	4.36



The Team – The People

The Collective Behind Every Transaction

The team at SBI Factors works collaboratively to take each client engagement from initial assessment through disbursement and subsequent payment follow up.

Business Development Team

The Business Department drives SBI Factors growth by acquiring and managing corporate and MSME clients, offering tailored domestic and export factoring solutions, and participating in TReDS bidding. It works closely with Credit and Risk teams to onboard clients, grow factored turnover and fee income, strengthen relationships and identify new opportunities based on evolving market and customer needs.





Credit Team

The Credit Department evaluates the creditworthiness of clients and debtors through due diligence, credit assessments and internal ratings, while appraising and structuring factoring, bill discounting, and other credit proposals within approved risk parameters and regulatory requirements. It also oversees credit approvals, post-sanction compliance and periodic policy updates, ensuring timely processing and prudent risk management across the business.

Legal Team

The Legal Department safeguards SBI Factors' legal interests through litigation management, recovery proceedings, insolvency and SARFAESI matters, while ensuring effective representation before courts and forums. It also manages the vetting, execution, registration, custody and digitisation of legal and security documents, operational efficiency, and timely support to business operations.





Operations Team

The Operations Department ensures the smooth, timely and compliant execution of domestic and export factoring by validating invoices, shipping documents and supporting records and processing disbursements against eligible receivables. It coordinates with clients, buyers, business teams, banks, import factors and regulatory systems to ensure accuracy, efficiency and seamless transaction processing.

Debt Management Team

The Debt Department ensures timely recovery of factored receivables through structured, data-driven collection efforts and close coordination with clients and debtors, while maintaining compliance and supporting liquidity and profitability.





Credit Admin Team

The Credit Administration Department supports post sanction credit operations by managing account limits, export credit cover, TReDS proposals, regulatory and credit bureau reporting, MIS, trade credit insurance, field surveyors and related administrative processes.

CISO – Information Security

The CISO strengthens the organisation's cyber resilience through information security strategy, cyber risk management, regulatory compliance, security governance, 24×7 monitoring, security controls, identity and access management, data protection, third-party risk, vulnerability management and secure architecture, ensuring protection of critical systems and data, business continuity, reduced cyber and operational risk, secure digital transformation, compliance and stakeholder trust.



Treasury Team

The Treasury Department manages the Company's funding, liquidity and financial risks by securing cost-effective resources, maintaining institutional relationships, monitoring markets, credit ratings and strategic funding decisions.





Risk Management Team

The Risk Management Function identifies, assesses, monitors, and mitigates risks through a Board-approved framework, clear accountability, internal controls, and regular reporting, supporting regulatory compliance, operational resilience, and sustainable growth.

Information Technology Team

The IT Department drives technology strategy and operations by managing core applications, digital transformation, infrastructure, vendors, assets, business continuity, information security, IT risks, and regulatory compliance, while building employee awareness and technology capabilities.





The Secretariat and Compliance Team

The Secretariat and Compliance Department oversees corporate governance, regulatory compliance, board and committee processes, statutory filings, regulatory coordination, compliance advisory and audit support, ensuring effective governance and adherence to applicable requirements.

Accounts Team

The Accounts Department manages the Company's financial records, reporting, budgeting, taxation and internal controls while ensuring regulatory compliance, financial transparency and timely insights for informed decision-making.





Internal Audit Office

The Audit Department strengthens governance, risk management, and internal controls through risk-based internal audits, technology-enabled audit processes and regular reporting to Management and the Audit Committee.

HR and Admin Team

The HR and Administration Department supports organisational growth by managing talent acquisition, employee development and engagement, performance and welfare, statutory compliance and HR operations, while ensuring workplace efficiency, business continuity, and a positive employee experience.





Employee Engagement

Beyond the Desk: The SBI Factors Experience

Employee engagement at SBI Factors goes far beyond the workday; it is a rhythm of learning, wellness, celebration and connection that runs through everything we do.



This year, our **Online Library** kept the culture of reading alive, letting employees request any book of their choice with a simple QR scan and a Microsoft Form submission — knowledge, just a click away. On the entertainment front, colleagues came together for a **Movie Night** on September 12, 2025, unwinding over a screening of The Bridge on the River Kwai followed by dinner. Health took centre stage with **Swasthya Yatra**, our wellness initiative's Weight Management Challenge, launched on November 01, 2025 to nudge employees toward healthier lifestyles, together.

On the learning front, our **Training Initiative** kept pace with both technical depth and human skills — from IIBF's session on Resolution of Stressed Assets (rated a perfect 5/5) and CRISIL 1Academy's Leadership Training (4.95/5), to Effective Communication training (4.8/5) and FCI's Foundation & Intermediate courses on receivables finance, risk management, and factoring (4.6/5). Add to this our vibrant calendar of festive celebrations, the idea-driven **Ideathon Challenge**, the quarterly **Best Employee Award**, and our signature gesture of planting a tree for every employee's birthday with Grow Trees, and what emerges is a workplace where growth, wellbeing, and belonging aren't separate goals, but one continuous story.






Precise











Corporate Social Responsibility

Creating Meaningful Impact through Responsible Action

At SBI Factors, Corporate Social Responsibility (CSR) is an integral part of the Company's commitment to creating lasting value for society. It believes that sustainable business success is closely linked to the well-being of the communities it serves. Our CSR initiatives focus on sustainability, community development and social welfare, enabling us to contribute meaningfully to inclusive and equitable growth.



The CSR philosophy

The CSR Policy is aligned with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. It provides a structured framework for undertaking initiatives that are compliant, transparent, and capable of delivering meaningful, long-term impact.

The Company strives to:

- Dedicate a portion of its profits towards social initiatives that address critical societal needs.
- Implement projects through well-defined processes that promote transparency, accountability, and sustained impact.
- Foster sustainability and inclusivity across all its initiatives.

CSR Initiatives

Learn, Play, Grow

SBI Factors, in partnership with SBI Foundation, the Government of Meghalaya and Sesame Workshop India Trust (SWIT), is supporting an Early Childhood Development (ECD) Graduate Fellowship Programme across Ri Bhoi and West Garo Hills. The initiative aims to transform Anganwadi Centres into quality early childhood development hubs by strengthening the skills of ECD Fellows and frontline workers.

During the year, the programme established its implementation framework through an MoU, a dedicated Programme Management Unit and specialised training. A comprehensive Monitoring and Evaluation framework was also developed, while ECD kits, training modules and multilingual learning materials in English, Khasi and Garo were prepared and dispatched. A digital learning platform is also being developed to support quality Early Childhood Care and Education.

The programme will now enter its field implementation phase, focusing on training, mentoring, field visits and effective use of ECD kits to strengthen learning and care at Anganwadi Centres.











Accelerating Foundational Learning through ALFA FLN

SBI Factors partnered with DEVI Sansthan to support the Accelerating Learning for All (ALfA) – Foundational Literacy and Numeracy (FLN) Programme at Jawahar Nagar Government School, Lucknow. The initiative focuses on strengthening foundational literacy and numeracy by improving access to learning resources and digital education infrastructure for students.

As part of the programme, FLN books, stationery, and learning kits were provided to support students in building essential literacy and numeracy skills. Smart classrooms equipped with LED projectors were also established, creating a more interactive and engaging learning environment. Through its partnership with DEVI Sansthan, SBI Factors is helping make quality, inclusive and equitable education more accessible to young learners.



Giving Back, Together

SBI Factors organised a Blood Donation Camp at The Metropolitan Building, BKC, Mumbai as part of its commitment to community well-being. The initiative received participation from employees as well as members of the wider community, with eligible donors coming forward to make a meaningful contribution towards the availability of safe blood for those in need.







Awards, Recognitions and Ratings



Ms. Kaveri Sawant, CTO has been awarded the 1st Runner-Up Jury Award for 'CTO of the Year in Banking' at the Bharat Fintech Summit 2026



Mr. Tarun Mittal, Vice President, Audit, honoured with 'India Audit Innovators' Award at the 6th Great India Audit Summit & Award



'Best Factoring Agency in India Award' at the MSME Banking Excellence Awards 2025



Award for 'Best NBFC Factor Highest Through put on M1 Exchange' at Samaah 2026



SBI Factors Limited was recognised by Dignity Education Vision International (DEVI) Sansthan for its contribution to educational transformation and the ALfA (Accelerated Learning for All) initiative, led by Ms. Rishika Puri, CS & CCO, reinforcing the Company's commitment to social impact through education.

Growing with India's Businesses

SBI Factors has been building a nationwide presence in India, anchored by its headquarters in Mumbai and a growing network of branches spread across key commercial hubs.



Chennai



Hyderabad



Bengaluru



Kolkata



Jaipur



Delhi



Ludhiana



Pune



Coimbatore

Statutory & Financials Statements

Directors' Report

To,
Members,
SBI Factors Limited

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

The Board of Directors are pleased to present the 25th Annual Report of SBI Factors Limited (**'SBI Factors'**), together with the Audited Financial Statements, including the Balance Sheet as at March 31, 2026, and the Profit and Loss Account for the financial year ended March 31, 2026.

FINANCIAL PERFORMANCE

During the year, the Company continued to manage its operations on profitable lines despite stiff market competition. The Company has responded well to the challenges posed by the business environment and achieved an Operating Profit of ₹78.94 crores, by a conscious strategy to:

- Grow the portfolio selectively, especially by tapping opportunities in growing sectors
- Leveraging existing Fintech partnerships
- Implementation of Strategic Marketing Initiatives
- Improve profitability by concentrating on recovery / upgradation in NPA accounts which improved the share of performing FIU
- Make efforts to recover from AUCA accounts
- Regularly engage with regulators, trade bodies and other fora to canvas for opportunities to facilitate growth of factoring on sound lines.

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

(₹ in Cr)

Key Parameters	2024-25	2025-26	YOY % Growth
Revenue from Operations	237	288	21.56
FIU	2,802	2,972	6.07
Gross NPAs	18.26	27.82	-
Net NPAs	4.41	6.15	-
Operating Profit	68	79	15.41
PBT	71	92	29.01
PAT	57	70	22.17
Turnover (Invoices Booked/ Business Turnover) of the Company as per Factoring Act, 2021	10,828	12,938	19.49

SHARE CAPITAL

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

The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹1,59,88,53,650/- divided into 15,98,85,365 Equity Shares of ₹10/- each.

During the Financial Year ended on March 31, 2026, there was no change in the Equity Shareholding Pattern of the Company which remained as follows:

Sr. No.	Name of the Equity Shareholder	Percentage Equity Share Capital
1.	State Bank of India	100
	TOTAL	**100**

The Company's Capital Adequacy Ratio as on March 31, 2026 was as high as 22.03% against the 15% stipulated by RBI.

THE COMPANIES ACT, 2013

During the period under review, the Company has complied with all applicable provisions of the Companies Act, 2013, along with the relevant Rules issued thereunder and the Secretarial Standards.

INTERNATIONAL ASSOCIATIONS

The Company is a member of Factors Chain International (FCI), a global network of leading factoring companies. FCI serves as an umbrella organization that promotes and facilitates international trade on open account terms through factoring and related financial services. Presently, the FCI network comprises of over 350 member factors across 90 countries, collectively handling approximately 40% of the world's international factoring volumes.

HUMAN RESOURCES

The Company is professionally managed and committed to innovation, adopting best global practices aligned with its long-term strategic direction. We believe in co-creating value through the contribution of every employee and invest continuously in developing their skills to support sustainable growth.

As on March 31, 2026, the staff strength of the Company was 110 employees, including Six executives on deputation from State Bank of India.

Employee Relations

Employee relations have been harmonious throughout the period.

Employee Engagement Initiatives

Employee engagement and development remained a key focus, with initiatives aimed at enhancing skills, wellbeing and innovation. Various training programs and engagement activities were conducted during the year to strengthen capability and motivation. Advanced digital tools and systemized HR processes have further improved productivity and efficiency.

INFORMATION TECHNOLOGY

- **Loan Management System:** The development of the bespoke in-house Loan Management System has been successfully completed. User Acceptance Testing (UAT) is in progress across departments to validate functionality and business requirements. The solution is expected to improve process efficiency, strengthen operational controls and support the Company's strategic objectives.
- **24X7 Facility:** This facility enables uninterrupted access for clients to upload invoices anytime and receive funding at any time based on debtor acceptance. The facility ensures seamless and continuous processing, providing flexibility and faster access to funds without time restrictions. Development is in-progress for this facility.
- **SBI FACTORS AI Response Assistant (SARA):** SARA is an in-house, LLM-powered AI Assistant built to simplify business operations, automate routine tasks and provide intelligent access to information across SBI Factors. Application is live, with the features such as Natural Language Chat Assistant, Policy & SOP Search across departments, Document Summariser, Database Querying System, File Converter, PDF Merge Tool, Smart Email Drafting Assistant, Text Extractor Tool etc.
- **SALESFORCE:** Salesforce is a Customer Relationship Management (CRM) platform that centralises customer data and enables businesses to efficiently manage their sales and marketing activities in one place. It helps organisations track leads, manage opportunities, close deals and analyse overall business performance. New CRM tool salesforce implementation is complete.
- **Accounting Software (Emaps):** Emaps is an accounting platform that automates finance operations including provisioning, prepaid expenses, lease accounting, depreciation and bank reconciliation. It provides real-time dashboards and business-critical reports, enabling faster financial close, better visibility and data-driven decision-making across the organisation. Application implementation is complete and currently parallel run is in progress with existing Tally application.
- **Implementation of Information Right Management (IRM):** IRM is a security solution that protects sensitive information by controlling access, usage, sharing and forwarding of documents and email. Implementation of the solution is complete.
- **Automation of Manual tasks across Departments:** The Company has initiated Automation across various departments to streamline manual processes. Approximately 10 use cases have been automated at present. A few notable solutions include Audit Query Tracker, Email Utility for automatic email triggers, KRI Monitoring application, Quiz application, etc.

CREDIT RATING

During the year, Credit Rating Agencies have assigned the following Ratings (limits on March 31, 2026) to the Company for its funding requirements:

RATING AGENCY	RATING	AMOUNT	INSTRUMENT/FACILITY
ICRA	[ICRA]AAA (stable)	₹200 Crs.	Subordinated Debt Programme
ICRA	[ICRA]AAA (stable) / [ICRA]A1+	₹5050 Crs.	Long-term/Short-term fund-based/ Non-fund-based bank lines
ICRA	[ICRA]A1+	₹750 Crs.	Commercial paper Programme
CRISIL	CRISIL AAA/ (stable)	₹100 Crs.	Subordinated Debt Programme
CRISIL	CRISIL A1+	₹750 Crs.	Commercial Paper Programme

The above ratings are considered to have the highest degree of safety regarding timely servicing of financial obligations. These securities carry lowest credit risk.

The Company continues to augment resources from competitive sources and during the year under review, it raised Rupee resources by borrowing through Debt Instruments like Commercial Papers and Short-Term Credit facilities from leading Commercial Banks viz. State Bank of India, South Indian Bank and IDBI Bank Limited. We enjoy Foreign Currency Lines of Credit in USD, EURO and Pound Sterling from SBI London and Foreign Currency Lines of Credit in USD at competitive rates, to fund our Export factoring business.

NPA MANAGEMENT

The Company continued to maintain a strong focus on asset quality through proactive monitoring, timely intervention and effective recovery strategies. A structured and result oriented approach was adopted for the management of stressed assets, with continuous engagement and close monitoring of accounts to facilitate resolution and recovery.

During the year, SMA 2 accounts aggregating to ₹55 crore were successfully resolved and liquidated. This achievement reflects the Company's commitment to early identification of stress and prompt corrective action, resulting in the containment of potential slippages and improvement in portfolio quality.

Fresh NPA slippages during the beginning of the FY 2025-26 amounted to ₹18.86 crore. Against these slippages, ₹6.17 crore was recovered during the year through focused follow up and resolution efforts.

During the second quarter of the year, the Company classified one account with an outstanding exposure of ₹7.31 crore as fraud upon detection of a fake bank guarantee submitted by the borrower. The account has been fully provided for in accordance with applicable regulatory requirements. The Company has completed the requisite reporting to Reserve Bank of India and lodged a First Information Report (FIR) with the Police and the matter is currently under investigation.

The Company achieved NPA recovery of ₹8.23 crore during the year, including the closure of four NPA accounts through negotiated settlements and resolution mechanisms. In addition, NPA from the Gold Pool Asset portfolio amounted to ₹3.19 crore, of which recoveries aggregating ₹2.08 crore realized during the year.

Recovery from written off accounts stood at ₹21.59 crore, including the successful closure of six hard core accounts through compromise settlements. These recoveries represent a significant milestone in the Company's recovery efforts and underscore the effectiveness of its dedicated recovery framework, strategic planning and coordinated execution.

In line with the Company's asset quality and provisioning policies, four NPA account aggregating to ₹9.71 crore were written off during the year.

As at year end, the Company's Gross NPA stood at ₹27.82 crore, representing 0.94% of total FIU, while Net NPA stood at ₹6.15 crore, representing 0.21% of total FIU. The low NPA ratios reflect the effectiveness of the Company's credit monitoring and recovery initiatives and demonstrate its continued focus on maintaining a healthy and resilient loan portfolio.

The Company remains committed to strengthening its risk management practices, enhancing recovery mechanisms and preserving asset quality through disciplined credit administration and proactive resolution of stressed assets.

TRANSFER TO RESERVE

The Company has transferred ₹13.93 crores (viz., 20% of ₹69.66 crores) to Reserve Fund (created in accordance with provisions of Section 45IC of the Reserve Bank of India Act, 1934) in the Financial Year 2025-26, as the Company has made a profit of ₹69.66 crores.

DIVIDEND

The Company does not propose to declare any dividend to the Equity Shareholders for the Financial Year ended March 31, 2026.

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

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

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

MATERIAL CHANGES AND COMMITMENTS

The Company, being primarily engaged in the business of factoring, has undertaken a strategic review of its operations for the year. Pursuant to this review, the Company has decided to focus on its core factoring business and rationalize its exposure to non-core activities.

Accordingly, the Company has discontinued the acquisition of assets under the Gold Pool and Letter of Credit Bill Discounting (LCBD) segment with effect from the current financial year. As a result of this strategic decision, the revenue contribution from the Gold Pool and LCBD business has declined during the year.

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

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

REPORTING BY AUDITORS ON FRAUDS

During the year under review, no instance of fraud was reported by the Statutory Auditors, Secretarial Auditors, or Internal Auditors to the Audit Committee under Section 143(12) of the Companies Act, 2013.

INTERNAL AUDIT AND LIMITED REVIEW OF QUARTERLY ACCOUNTS

The Company has appointed an independent firm of Chartered Accountants, M/s. JCR and Co. as Internal Auditors. Internal Audit and Compliance Departments are focused on independently evaluating the adequacy of internal controls, ensuring adherence to Operating Guidelines and Regulatory and Legal requirements and pro-actively recommending, by way of improvements in operational processes and service quality of various individual departments. The quarterly results are also subjected to a limited review by the Statutory Auditors.

DETAILS OF EMPLOYEES DRAWING SALARY ABOVE PRESCRIBED LIMITS

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

As on March 31, 2026, there were 110 employees in the Company (104 Direct Staff and 6 State Bank of India deputees). The annual increment granted w.e.f. April 01, 2026, which also included revision in Compensation Structure to the direct staff ranged between 10% to 20% .

The percentage increase in the median remuneration of the employees in financial year 2025-26 is (-) 8.54%. The remuneration paid to the employees and Company Secretary & Chief Compliance Officer (KMP) is as per the Remuneration policy of the Company. For SBI deputees, including Managing Director & CEO and Chief Financial Officer (KMPs), the Remuneration increased as applicable to their pay scales in SBI.

Independent Directors appointed on the Board are entitled to sitting fees for attending the Board and Board-level Committee Meetings, while Nominee Directors appointed by SBI (except the officiating executives) are not entitled to any remuneration from the Company.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, the Annual Return of the Company is available on its website and can be accessed at www.sbifactors.in.

CORPORATE GOVERNANCE REPORT

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

MANAGEMENT DISCUSSION AND ANALYISIS REPORT

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

BOARD OF DIRECTORS

Changes in the Board of Directors during the Financial Year are as under:

- Shri Debangshu Munshi (DIN: 10242136) who was appointed as the Nominee Director of State Bank of India, on the Board of the Company with effect from September 04, 2023 and ceased to be Nominee Director of State Bank of India due to superannuation with effect from September 30, 2025.
- Shri Atul Srivastava (DIN: 11294007) who was appointed as the Nominee Director of State Bank of India, on the Board of the Company with effect from October 28, 2025.
- Smt. Sudha Malhotra (DIN: 09147726) who was appointed as an Independent Director on the Board of the Company with effect from April 29, 2021 and ceased to be an Independent Director of the Company upon completion of tenure with effect from the closing of business hours on April 28, 2026.
- Shri Bharat Mishra (DIN: 09385794) who was appointed as the Managing Director & CEO on the Board of the Company with effect from July 21, 2023 and ceased to be the Managing Director & CEO of the Company with effect from the closing of business hours on June 05, 2026, on account of repatriation to State Bank of India.
- Shri Ranjan Gupta (DIN: 11789168) was appointed as Additional (Independent) Director on the Board of the Company with effect from July 04, 2026.
- Shri Aftab Ahmad Mallick (DIN: 11789153), was appointed as Managing Director and CEO (i.e. Nominee Director of State Bank of India) and Key Managerial Personnel (KMP) of the Company, with effect from September 29, 2026 to September 28, 2028, (both days inclusive) or till further instructions of State Bank of India in this regard, whichever is earlier, subject to the approval of Members in the General Meeting.

NUMBER OF MEETINGS OF THE BOARD

The Board met at regular intervals during the financial year 2025–26 and the gap between any two meetings was within the time limits prescribed under the Companies Act, 2013.

During the Financial Year ended March 2026, the Board met **seven** times on the following dates:

April 08, 2025, April 16, 2025, July 17, 2025, September 10, 2025, October 28, 2025, December 22, 2025 and January 20, 2026.

BOARD COMMITTEES

AUDIT COMMITTEE

As on March 31, 2026, the Audit Committee of the Board (duly constituted pursuant to Section 177 of the Companies Act, 2013) consisted of three Members, of which two are Independent Directors and one is the Nominee Director of State Bank of India.

RISK MANAGEMENT COMMITTEE

As on March 31, 2026, the Risk Management Committee of the Board consisted of three Members, of which two are Independent Directors and one is the Nominee Director of State bank of India.

NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2026, the Nomination and Remuneration Committee of the Board consisted of three Members, of which two are Independent Directors and one is the Nominee Director of State Bank of India.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As on March 31, 2026, The CSR Committee of the Board consisted of three Members, of which two are Independent Directors and one is the Nominee Director of State Bank of India.

CSR Policy of the Company is periodically reviewed. The Policy is also uploaded on the Website of the Company www.sbifactors.in.

CHANGE IN THE KEY MANAGERIAL PERSONNEL (KMP)

Shri Amit Sharma ceased to be the Chief Financial Officer and Key Managerial Personnel of the Company on account of repatriation to State Bank of India with effect from the closing of business hours on June 19, 2026.

Shri Subrata Roy was appointed as the Chief Financial Officer and Key Managerial Personnel of the Company vide Board approval dated July 24, 2026.

Shri Aftab Ahmad Mallick, was appointed as Managing Director and CEO and KMP of the Company, with effect from September 29, 2026.

DECLARATION BY INDEPENDENT DIRECTORS

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

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

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

COMMENTS ON AUDITORS REPORT & SECRETARIAL AUDIT REPORT

There are no qualifications, reservations, adverse remarks, or disclaimers in the audit reports provided by M/s. Banshi Jain & Associates, Chartered Accountants (Statutory Auditors), M/s. JCR & Co. LLP, Chartered Accountants (Internal Auditors), and M/s. Rajkumar R. Tiwari, Practising Company Secretary, (Secretarial Auditors).

The Comptroller and Auditor General of India conducted supplementary audit of the Financial Statements of the Company for the year ended March 31, 2026 under section 143(6) (a) of the Companies Act, 2013. The report is provided in the financial statements.

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

During the Financial Year ended March 31, 2026, there are no material transactions with Related Parties. The particulars of contracts or arrangements with Related Parties referred to in Section 188(1), as prescribed in Form AOC-2 of the Rule 8 of the Companies (Accounts) Rules, 2014 is appended as **Annexure A**. The Board approved Policy on the Related Party Transactions has been uploaded on the Company's Website at www.sbifactors.in.

RISK MANAGEMENT POLICY

The Company has a comprehensive Risk Management Policy duly approved by the Board and designed to identify, assess, monitor and mitigate risks across its operations. The Risk Management function operates independently from business functions, ensuring effective governance and objective oversight. The policy provides a structured framework for managing risks in line with regulatory requirements and business objectives. Risk governance is supported through defined roles, responsibilities, and periodic oversight by the Risk Management Committee of Board (RMCB) and the Board. The Company remains committed to fostering a strong risk-aware culture and continuously enhancing its risk management practices to support sustainable growth and long-term value creation.

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

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

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

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

VIGIL MECHANISM

The Company has established a Vigil Mechanism to enable Directors and employees to report genuine concerns in a transparent and confidential manner.The Vigil Mechanism Policy is available on the Company's website at www.sbifactors.in.

ANNUAL EVALUATION BY THE BOARD

The evaluation framework, in accordance with Section 178(2) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014, was approved by the Nomination and Remuneration Committee and subsequently by the Board of Directors of the Company. The evaluation process covers the performance of the Board, its Committees, the

Chairman and the Independent Directors. The evaluation exercise was carried out during the year under review. In line with good governance practices, a member of the Board or its Committees does not participate in the discussion or evaluation of his or her own performance.

PUBLIC DEPOSITS

During the Financial Year ended March 31, 2026, the Company has not accepted any deposits from the public within the meaning of the provisions of the Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025. The Company also does not hold any Public Deposits as on March 31, 2026 and is in compliance with the Companies Act, 2013 and Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025.

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

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

AUDITORS

M/s. Banshi Jain & Associate, Chartered Accountants, the present Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India (C&AG), will retire at the close of the 25th Annual General Meeting of the Company. The Statutory Auditors' Report for Financial Year 2025-26 does not contain any qualification, reservation or adverse remarks. The Board of Directors, at its Meeting held on November 20, 2026, approved and recommended the appointment of M/s. S. Bhandari & Co. LLP, Chartered Accountants, for FY 2026-27, subject to the approval of the Members at the ensuing General Meeting.

SECRETARIAL AUDIT REPORT

The Board of Directors of the Company appointed M/s. Rajkumar R. Tiwari, Practising Company Secretary, to conduct the Secretarial Audit for the financial year 2025–26. The Secretarial Audit Report is annexed to this Report as **Annexure B**.

The Secretarial Audit Report for the financial year 2025-26 does not contain any qualifications, reservations, or adverse remarks.

The Company has duly complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), namely SS-1 on 'Meetings of the Board of Directors' and SS-2 on 'General Meetings'.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

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

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

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

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

CEO & CFO CERTIFICATE

A certificate from the Chief Executive Officer and the Chief Financial Officer of the Company, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicable to privately placed debentures, for the financial year 2025–26, in respect of the financial statements and compliances, is annexed to the Report on Corporate Governance **(Annexure I)**.

CODE OF CODUCT OF DIRECTORS AND SENIOR MANAGERIAL PERSONNEL

The Managing Director & Chief Executive Officer has affirmed compliance with the Company's Code of Conduct, as approved by the Board of Directors.

COMPLIANCE CERTIFICATE REGARDING CORPORATE GOVERNANCE

A Compliance Certificate confirming adherence to the conditions of Corporate Governance, issued by M/s. Rajkumar R. Tiwari, Practising Company Secretary, is annexed to the Report on Corporate Governance **(Annexure II).**

PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

The Ministry of Corporate Affairs (MCA), through the Companies (Accounts) Amendment Rules, 2021, effective from April 01, 2021, amended Rule 8 to mandate disclosure of details regarding any application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year, along with their status as at the end of the financial year 2025-26. In this regard, the Company confirms that no application has been made, nor is any proceeding pending, under the Insolvency and Bankruptcy Code, 2016 in respect of the Company.

DIFFERENCE IN AMOUNT OF THE VALUATION

MCA, through the Companies (Accounts) Amendment Rules, 2021, effective from April 01, 2021, amended Rule 8 to require disclosure of the difference between the amount of valuation done at the time of one-time settlement and the valuation done while availing loans from banks or financial institutions, along with the reasons for such differences. In this regard, the Company confirms that the said disclosure is not applicable, as there was no instance of one-time settlement or loan obtained from any bank or financial institution during the year under review.

CORPORATE SOCIAL RESPONSIBILITY

The Company has formulated and adopted a CSR Policy outlining key focus areas for its developmental initiatives, in alignment with Schedule VII of the Companies Act. This CSR Policy can be accessed on the Company's website at www.sbifactors.in.

The Company's CSR initiatives for FY 2025-26 were executed directly and in collaboration with various implementation agencies and partners. To ensure greater impact and scalability, the CSR activities during the year primarily focused on areas of Education and Health Care.

The Annual Report on CSR activities, along with details of the amount spent by the Company during FY 2025-26 as per the CSR Rules, is provided as **Annexure C** to this report.

BUSINESS CONTINUITY

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

ACKNOWLEDGEMENTS

Your Directors are grateful for the support and co-operation extended by the Government of India. We thank the Reserve Bank of India for their continued support. We are also thankful to the clients and customers for their continued patronage. We wish to especially acknowledge the support of SBI in lending the services of their experienced Executives and Managers to the Company. We also wish to convey our appreciation to employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board:

Sd/-
Aftab Ahmad Mallick
(Managing Director & CEO)
(DIN: 11789153)

Sd/-
Ashwini Mehra
(Independent Director)
(DIN: 07084178)

Date: November 20, 2026
Place: Mumbai

Annexure A

FORM NO. AOC - 2

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

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

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

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

Sl. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value if any	Justification for entering into such contracts / arrangements / transactions	Date (s) of approval by the Board / Audit Committee	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)(h)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Shri Bharat Mishra (w.e.f. July 21, 2023 to June 05, 2026)	Key Managerial Personnel	Appointment by SBI	Acting as MD & CEO of the company	On Deputation from SBI	w.e.f. July 21, 2023	Nil	NA
2	Shri Amit Sharma- (w.e.f. July 25, 2024 to June 19, 2026)	Key Managerial Personnel	Appointment by SBI	Acting as EVP & CFO of the company	On Deputation from SBI	w.e.f. July 25, 2024	Nil	NA
3	Ms. Rishika Puri (w.e.f. October 25, 2024 till date)	Key Managerial Personnel	Appointment by Board of Directors of SBI	Acting as Company Secretary	Appointed as Company Secretary by the Board of Directors	w.e.f. October 25, 2024	Nil	NA
4	SBICAP Trustee Company Limited	Professional Fees	Yearly & Renewed every year	Professional Fees	Professional Fees	w.e.f. January 01, 2024	Nil	NA
5	SBI CAP Securities Limited	Service Charges	Yearly & Renewed every year	Professional Fees	Professional Fees	w.e.f. January 01, 2024	Nil	NA
6	SBI Pension Funds Private Limited	Staff Pension	Yearly & Renewed every year	Staff Pension	NPS - Staff Pension	w.e.f. January 01, 2024	Nil	NA
7	State Bank of India (SBI) - Holding Company	Banking Facility	Yearly & Renewed every year	Act as Principal banker of the company	Normal business purpose transactions	NA	Nil	NA
8	State Bank of India (SBI) - Holding Company	Manpower Support (officer on Deputation)	Appointment by SBI	Group Company	On Deputation from SBI	NA	Nil	NA
9	SBI Life Insurance Company Ltd. (SBI LIFE) - Fellow Subsidiary (Non Banking)	Staff Insurance	Yearly & Renewed every year	Insurance policy for direct staff (Swarna Ganga Policy)	Insurance policy designed for employees of SBI Group of companies	w.e.f. January 01, 2024	Nil	NA

Sl. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value if any	Justification for entering into such contracts / arrangements / transactions	Date (s) of approval by the Board / Audit Committee	Amount paid as advances, if any	Date on which special resolution was passed in General meeting u/s 188(1)(h)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
10	SBI General Insurance Ltd. - Fellow Subsidiary (Non Banking)	Group Insurance and General Insurance transactions	Yearly & Renewed every year	Insurance taken for Employees, Burglary, fire & Special Perils	Group Insurance and General Insurance transactions	w.e.f. January 01, 2024	Nil	NA
11	SBI Foundation	Investment	Long Term	Purchase of Equity	Investment in Equity shares of SBI Foundation	w.e.f. January 01, 2024	Nil	NA
12	SBI Foundation	CSR	Long Term	Various CSR Projects	Various CSR expenditure	w.e.f. January 01, 2024	Nil	NA
13	Factors Association of India	Subscription / Membership	Yearly & Renewed every year	Subscription / Membership	Subscription / Membership	w.e.f. January 01, 2024	Nil	NA
14	SBI Global Factors Ltd. Staff gratuity fund	Income Tax paid of staff gratuity fund	Short Term	Income Tax paid of staff gratuity fund	Income Tax paid of staff gratuity fund	NA	Nil	NA
15	SBI Cards and Payment Services Ltd	Credit Card Services	Long Term	Credit Card Services	Credit Card Services	w.e.f. January 01, 2024	Nil	NA

For and on behalf of the Board:

Sd/-

Aftab Ahmad Mallick

(Managing Director & CEO)

(DIN: 11789153)

Sd/-

Ashwini Mehra

(Independent Director)

(DIN: 07084178)

Date: November 20, 2026

Place: Mumbai

Annexure B

FORM NO. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED March 31, 2026

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

To,
The Members,
SBI Factors Limited
(Formerly known as SBI Global Factors Limited)
6th Floor, The Metropolitan Bldg,
Bandra-Kurla Complex, Bandra (East),
Mumbai- 400 051.
CIN: U65929MH2001PLC131203

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SBI Factors Limited (CIN:U65929MH2001PLC131203) (Formerly known as SBI Global Factors Limited)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2026** complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **SBI Factors Limited** ("the Company") for the financial year ended on **March 31, 2026** according to the provisions of:

(i) The Companies Act, 2013 (the Act) including amendments thereof and the rules made thereunder;

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not Applicable during the Audit period);**

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable during the Audit period);**

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

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable during the Audit period);**

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable during the Audit period);**

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

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

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable during the Audit period);**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable during the Audit period);** and

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Other laws applicable specifically to the Company namely:

a) The Factoring Regulation Act, 2011;

b) Master Circular- Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015;

Annexure B

c) Master Direction –Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023.

d) RBI's consolidation of regulatory instructions through issuance of revised Master Directions, 2025 and withdrawal/repeal of earlier regulatory circulars, pursuant to RBI Press Release dated November 28, 2025, as applicable to the Company.

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

(i) Secretarial Standards – 1 and 2 issued by The Institute of Company Secretaries of India;

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with Executive Directors, Non-Executive Directors (Nominee Directors) and Independent Directors including the Appointment of Woman Director u/s. 149(1) of the Act. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

I further report that during the audit period under review the following activities took place:

1) Pursuant to Regulation 51 and Part B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 the Reserve Bank of India, vide its letter dated August 07, 2025 conveyed its decision not to accede to the Company's proposal relating to continuation of non-core business activities. The Company took necessary steps to ensure compliance.

2) The Members, by passing Ordinary resolution in the 24th Annual General Meeting of the Company held on September 29, 2025 re-appointed Shri Bharat Mishra (DIN: 09385794) as (i) the Managing Director & CEO (i.e. a Nominee Director of State Bank of India) on the Board of the Company and (ii) Key Managerial Personnel ("KMP") of the Company w.e.f. July 21, 2025 to June 25, 2026 (both days inclusive) or till further instructions of State Bank of India in this regard, whichever is earlier.

3) As per the RBI (Commercial Banks - Undertaking of Financial Services) Amendment Directions, 2025 dated December 05, 2025, in case lending business is undertaken through a group entity of Commercial Bank, such a group entity is required to comply with regulatory provisions applicable to Upper Layer NBFCs, except for the mandatory listing requirement. The Company being a wholly owned subsidiary of the State Bank of India ("SBI") and registered as an NBFC-Factor under the Factoring Regulation Act, 2011. Based on the review the Company confirmed that it is compliant with the applicable Upper Layer equivalent norms.

I further report that during the audit period there were no instances of:

(i) Public/ Rights/ Preferential issue of Shares / Debentures / Sweat Equity.

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013

(iv) Merger / Amalgamation / reconstruction etc.

(v) Foreign technical collaborations.

Place: Mumbai
Date: August 20, 2026

Signature:
CS Rajkumar R. Tiwari
Practicing Company Secretary
FCS No. 4227 C P No. 2400
P.R. No. 2041/2022
UDIN: F004227H001170128

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

ANNEXURE A TO SECRETARIAL AUDIT REPORT

To,
The Members,
SBI Factors Limited
(Formerly known as SBI Global Factors Limited)
6th Floor, The Metropolitan Bldg,
Bandra-Kurla Complex,
Bandra (East), Mumbai- 400 051.

My report of even date for the financial year ended **March 31, 2026** is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the Provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Place: Mumbai
Date: August 20, 2026

ANNEXURE C

Annual Report on Corporate Social Responsibility Activities

1. Brief outline on CSR Policy of the Company

Corporate Social Responsibility (CSR) is integral to our commitment to creating sustainable value for society. We believe that long-term business success is closely linked to the well-being of the communities we serve. Accordingly, our CSR initiatives are aimed at delivering meaningful social impact by fostering sustainable development, community empowerment and inclusive growth.

Our CSR Policy is aligned with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, providing a robust framework for planning, implementing, monitoring, and reporting CSR activities in a transparent, accountable and compliant manner.

2. Composition of CSR Committee

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Ashwini Mehra	Chairman, Independent Director	3	3
2	Shri Bharat Mishra	Member, Managing Director & CEO	3	3
3	Smt. Sudha Malhotra	Member, Independent Director	3	3

3. Weblink to access Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company

Composition of CSR Committee:	https://www.sbifactors.in/board-level-committees
CSR Policy:	https://www.sbifactors.in/investor-relations/policies-and-framework
CSR Projects:	https://www.sbifactors.in/investor-relations/regulatory-compliance-disclosures/corporate-social-responsibility

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014

The impact assessment of CSR projects, as required under sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, was not applicable for the financial year 2025–26.

5. Average Net Profit of the Company as per sub- section (5) of Section 135: ₹35,34,29,774/-

6.

(a)	Two Percent of average profit of the Company as per section 135(5)	₹70,68,595/-
(b)	Surplus arising out of the CSR projects or Programmes or activities of the previous financial year	Nil
(c)	Amount required to be setoff for the financial year, if any	Nil
(d)	Total CSR Obligation for financial year (6a+6b-6c)	₹70,68,595/-

7. (a) CSR Amount spent/unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
33,86,944/-	37,03,431/-	April 30, 2026	Not Applicable	Nil	Not Applicable

Annual Report on Corporate Social Responsibility Activities

7. (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the project	Items from list of activities in schedule VII of the Act	Local (Yes/ No)	Project Location of the Project		Project Duration	Amount allocated for the Project (in ₹)	Amount spent in the Current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/No	Mode of Implementation – Through Implementation agency	
				State	District						Name	CSR Registration Number
1	SBIF ILM-Learn Play and Grow	Promoting Education	No	Meghalaya	Ri Bhoi and West Garo Hills district of Meghalaya	2 years	68,50,000/-	31,46,569/-	37,03,431/-	No	SBI Foundation	CSR00001456

7. (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the project	Items from list of activities in schedule VII of the Act	Local (Yes/ No)	Project Location of the Project		Amount spent in the Current financial year (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementation agency	
				State	District			Name	CSR Registration Number
1	Alfa FLN Pedagogy	Education	No	Uttar Pradesh	Lucknow	2,28,375/-	No	DEVI Sansthan	CSR00015181
2	Blood Donation Camp	Healthcare	Yes	Maharashtra	Mumbai suburban	12,000/-	Yes	-	-

(d) **Amount spent in Administrative Overheads:** Nil

(e) **Amount spent on Impact Assessment, if applicable:** Nil

(f) **Total amount spent for the financial year (8b+8c+8d+8e):** ₹33,86,944/-

(g) **Excess amount for set-off, if any:**

Annual Report on Corporate Social Responsibility Activities

Sr. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub section (5) of section 135	70,68,595/-
(ii)	Total amount spent for the Financial Year	33,86,944/-
(iii)	Excess amount spent for the Financial Year	*21,780/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years	Nil

*The Company has contributed an excess amount of ₹21,780/- in addition to the statutory liability of ₹70,68,595/-

8. Details of unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6	7	8
Sr. No.	Preceding Financial Year(s)	Amount Transferred to Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Amount spent in the Financial Year(in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Year (in ₹)	Deficiency, if any
1	FY 2024-25	Nil	Nil	21,02,000	1,01,655	Nil	NA
2	FY 2023-24	Nil	Nil	Nil	Nil	Nil	Nil
3	FY 2022-23	Nil	Nil	Nil	Nil	Nil	Nil

9. Whether any capital assets created or acquired through corporate social responsibility amount spent in the financial year: Nil

10. Specify the reason(s), if the Company has failed to spend two per cent of the average net profits as per sub-section (5) of section 135

The Company contributed ₹ 68,50,000/- towards the CSR project "SBIF ILM – Learn, Play, Grow" in Meghalaya. As the project is being implemented over a period of two years, an amount of ₹ 31,46,569/- was utilised during FY 2025–26 and the balance amount of ₹ 37,03,431/- remained unspent at the end of the financial year due to the phased implementation timeline of the approved ongoing CSR project.

As on the date of this Report, the said balance amount has been fully utilised.

Sd/-
Aftab Ahmad Mallick
(Managing Director & CEO)
(DIN: 11789153)

Sd/-
Ashwini Mehra
Chairman of CSR Committee
(DIN: 07084178)

Annexure D
Corporate Governance Report

Corporate Governance is fundamentally about fostering trust and building strong valuable relationships with all stakeholders, while conducting the Company's operations with integrity, fairness and in compliance with the highest ethical standards.

At SBI Factors Limited, we are committed to maintaining a robust governance framework that promotes accountability, responsible decision-making and sustainable long-term growth.

Our governance practices are designed to safeguard stakeholder interests while ensuring compliance with applicable laws, regulations and regulatory expectations.

We consider it our fundamental responsibility to provide timely, accurate and comprehensive disclosures relating to the Company's financial performance, operational results, governance practices and all other material developments.

1. Board of Directors

The Board forms the foundation of the Company's Corporate Governance framework, providing strategic direction and oversight while safeguarding the long-term interests of Members and other stakeholders. Comprising an appropriate mix of Independent and Non-Independent Directors, the Board brings together diverse expertise, experience and perspectives to ensure balanced and objective decision-making.

The Board is committed to the highest standards of Corporate Governance and functions with transparency, accountability, integrity and fairness, providing effective oversight of the Company's affairs and promoting sustainable long-term value creation.

Changes in the composition of the Board during the financial year:

1. Shri Debangshu Munshi (DIN: 10242136) ceased to be the Nominee Director of State Bank of India on the Board of the Company with effect from September 30, 2025, upon his superannuation from the services of State Bank of India.

2. Shri Atul Srivastava (DIN: 11294007) was appointed as a Nominee Director of State Bank of India on the Board of the Company with effect from October 28, 2025.

The Board of Directors, as on March 31, 2026, consisted of the following Members:

Sr. No.	Name of the Director	Designation of Director
1	Shri Ashwini Kumar Tewari	Chairman & Nominee Director of SBI
2	Shri Atul Srivastava	Nominee Director of SBI
3	Shri Ashwini Mehra	Independent Director
4	Shri Bharat Mishra	Managing Director & CEO
5	Smt. Sudha Malhotra	Independent Director

Meetings of the Board:

During the financial year ended March 31, 2026, Board met **seven** times on following dates:

April 08, 2025, April 16, 2025, July 17, 2025, September 10, 2025, October 28, 2025, December 22, 2025 and January 20, 2026.

The Particulars of Directors, their Directorship, attendance during the financial year 2025-26:

Sr. No.	Name of Director	Category	No. of Meetings attended/held	No. of Directorship in other companies (Excl. foreign Companies
1.	Shri Ashwini Kumar Tewari	Nominee Director of SBI Non-Executive	7/7	13
2.	Shri Debangshu Munshi	Nominee Director of SBI Non-Executive	3/4	5
3.	Shri Atul Srivastava	Nominee Director of SBI Non-Executive	3/3	5
4.	Smt. Sudha Malhotra	Independent Director Non Executive	7/7	Nil
5.	Shri Ashwini Mehra	Independent Director Non Executive	7/7	4
6.	Shri Bharat Mishra	Managing Director & CEO Nominee Director of SBI Executive	7/7	1

1. Audit Committee

The Audit Committee supports the Board in discharging its oversight responsibilities by monitoring the integrity of the Company's financial reporting, the effectiveness of internal financial controls, internal and statutory audit functions and compliance with applicable laws and regulatory requirements.

The Audit Committee also reviews instances of fraud, whistle blower matters and significant audit observations, including supervisory observations and concerns communicated by Reserve Bank of India and other regulatory authorities and monitors the corrective actions taken by the Management to ensure timely and effective compliance.

In addition, the Statutory Auditors and Internal Auditors attend the meetings of the Audit Committee and participate in its deliberations, as appropriate. They are also provided an opportunity to interact independently with the Committee, without the presence of the Management to maintain independence.

The Audit Committee also interacts with the Chief Compliance Officer of the Company without the presence of the Management.

There was no change in the composition of the Audit Committee during the financial year.

The composition of the Audit Committee as on March 31, 2026 was as under:

Sr. No.	Name of the Member	Designation
1	Shri Ashwini Mehra	Chairman – Independent Director
2	Smt. Sudha Malhotra	Member – Independent Director
3	Shri Bharat Mishra	Member – Managing Director & CEO

During the financial year ended March 31, 2026, the Audit Committee met **seven** times on the following dates:

April 16, 2025, July 16, 2025, September 10, 2025, October 27, 2025, January 12, 2026, January 20, 2026 and February 09, 2026.

The attendance of the Members of the Audit Committee at above meetings was as stated below:

Sr. No.	Name of the Member	No. of Meetings Attended/Held
1	Shri Ashwini Mehra	7/7
2	Shri Bharat Mishra	7/7
3	Smt. Sudha Malhotra	7/7

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board (NRC) oversees matters relating to Board composition, succession planning and remunerations for Directors and Key Managerial Personnel (KMP).

The Nomination and Remuneration Committee (NRC) reviews the criteria for the appointment, qualifications and independence of Directors and recommends to the Board, the appointment of Directors and Key Managerial Personnel (KMP). The Committee oversees the Nomination and Remuneration Policy and the performance evaluation framework, ensures that remuneration is aligned with performance, reviews the 'fit and proper' status of Directors, promotes Board diversity, and periodically assesses succession plans for the Board and senior management.

There was no change in the composition of the Nomination and Remuneration Committee during the financial year.

The composition of the Nomination and Remuneration Committee as on March 31, 2026 was as under:

Sr. No.	Name of the Member	Designation
1	Shri Ashwini Mehra	Chairman - Independent Director
2	Shri Ashwini Kumar Tewari	Member - Nominee Director
3	Smt. Sudha Malhotra	Member - Independent Director

During the financial year ended March 31, 2026, the Nomination and Remuneration Committee met **five** times on the following dates:

April 08, 2025, July 17, 2025, September 10, 2025, October 28, 2025 and January 20, 2026.

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

Sr. No.	Name of the Member	No. of Meetings Attended/Held
1	Shri Ashwini Mehra	5/5
2	Shri Ashwini Kumar Tewari	2/5
3	Smt. Sudha Malhotra	5/5

3. Risk Management Committee

The Risk Management Committee (RMCB) is responsible for overseeing the Company's risk management framework. The RMCB reviews and recommends key risk management policies related to risk, monitors the Company's risk profile, risk appetite, Key Risk Indicators (KRIs), stress testing outcomes, internal controls and mitigation measures, reviewing cyber security and information security preparedness through periodic reviews and material risks across the organisation to ensure that they are identified, assessed, managed and reported effectively.

RMCB also interacts with the Chief Risk Officer of the Company without the presence of the Management.

There was no change in the composition of the Risk Management Committee during the financial year.

The composition of the Risk Management Committee as on March 31, 2026 was as under:

Sr. No.	Name of the Member	Designation
1.	Shri Ashwini Mehra	Chairman - Independent Director
2.	Smt. Sudha Malhotra	Member - Independent Director
3.	Shri Bharat Mishra	Member - Managing Director & CEO

During the financial year ended March 31, 2026, the Risk Management Committee met **four** times on the following dates:

April 14, 2025, July 16, 2025, October 27, 2025 and January 12, 2026.

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

Sr. No.	Name of the Member	No. of Meetings Attended/Held
1	Shri Ashwini Mehra	4/4
2	Shri Bharat Mishra	4/4
3	Smt. Sudha Malhotra	4/4

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board oversees the Company's Corporate Social Responsibility (CSR) initiatives. The Committee reviews and recommends the CSR Policy, projects and programmes, monitors the progress of CSR activities, oversees compliance with statutory CSR obligations including utilisation and transfer of unspent CSR amounts, reviews the CSR Report before its approval by the Board, compliance with the provisions of the Companies Act, 2013 and the Company's CSR Policy.

There was no change in the composition of the Corporate Social Responsibility Committee during the financial year.

The composition of the Corporate Social Responsibility Committee as on March 31, 2026 was as under:

Sr. No.	Name of the Member	Designation
1	Shri Ashwini Mehra	Chairman - Independent Director
2	Shri Bharat Mishra	Member - Managing Director & CEO
3	Smt. Sudha Malhotra	Member - Independent Director

During the financial year ended March 31, 2026, the Corporate Social Responsibility Committee met **three** times on the following dates:

May 28, 2025, September 10, 2025 and January 12, 2026.

The attendance of the Members of the Corporate Social Responsibility Committee at above meetings was as stated below:

Sr. No.	Name of the Member	No. of Meetings Attended/Held
1	Shri Ashwini Mehra	3/3
2	Shri Bharat Mishra	3/3
3	Smt. Sudha Malhotra	3/3

5. IT Strategy Committee

The IT Strategy Committee of the Board (ITSC) supports the Board in overseeing the Company's IT strategy, IT governance, digital initiatives and information security framework.

The Committee reviews the alignment of the IT strategy with the Company's business objectives, monitors the effectiveness of IT and Information Security governance and periodically reviews the adequacy and effectiveness of the Business Continuity Plan (BCP) and Disaster Recovery (DR) framework to ensure operational resilience and regulatory compliance.

There was no change in the composition of the IT Strategy Committee during the financial year.

The composition of the IT Strategy Committee as on March 31, 2026 was as under:

Sr. No.	Name of the Member	Designation
1	Shri Ashwini Mehra	Chairman - Independent Director
2	Shri Bharat Mishra	Member - Managing Director & CEO
3	Smt. Sudha Malhotra	Member - Independent Director

During the financial year ended March 31, 2026, the IT Strategy Committee met **three** times on the following dates:

July 17, 2025, October 27, 2025 and January 12, 2026.

The attendance of the Members of the IT Strategy Committee at above meetings was as stated below:

Sr. No.	Name of the Member	No. of Meetings Attended/Held
1	Shri Ashwini Mehra	3/3
2	Shri Bharat Mishra	3/3
3	Smt. Sudha Malhotra	3/3

6. Special Committee of the Board for Monitoring and Follow-up of cases of Frauds

The Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds (SCBMF) oversees fraud incidents, monitors investigations, recovery and legal proceedings, reviews staff accountability and corrective actions, root cause analyses to strengthen fraud prevention and detection mechanisms.

There was no change in the composition of the Special Committee for Monitoring and Follow-up of cases of Frauds during the financial year.

The composition of the Special Committee of the Board for Monitoring and Follow-up of cases of Frauds as on March 31, 2026, was as under:

Sr. No.	Name of the Member	Designation
1	Shri Ashwini Mehra	Chairman - Independent Director
2	Shri Bharat Mishra	Member - Managing Director & CEO
3	Smt. Sudha Malhotra	Member - Independent Director

During the financial year ended March 31, 2026, Special Committee of the Board for Monitoring and Follow-up of cases of Frauds, met **two** times on the following dates:

July 17, 2025 and January 12, 2026.

The attendance of the Members of the Special Committee of the Board for Monitoring and Follow-up of cases of Frauds at above meetings was as stated below:

Sr. No.	Name of the Member	No. of Meetings Attended/Held
1	Shri Ashwini Mehra	2/2
2	Shri Bharat Mishra	2/2
3	Smt. Sudha Malhotra	2/2

7. Executive Committee

The Executive Committee of the Board has been constituted to facilitate timely decision-making on business and operational matters within the authority delegated by the Board. The Committee considers and approves credit proposals, resolution of stressed assets, significant expenditure proposals and other matters beyond the delegated powers of Management.

The Committee also reviews regulatory developments, operational and financial performance through Management Information System (MIS) reports, recommends amendments to key operational policies and oversees such other matters as may be delegated by the Board from time to time to ensure effective business operations.

There was no change in the composition of the Executive Committee during the financial year.

The composition of the Executive Committee as on March 31, 2026, was as under:

Sr. No.	Name of the Member	Designation
1	Smt. Sudha Malhotra	Chairperson - Independent Director
2	Shri Ashwini Mehra	Member - Independent Director
3	Shri Bharat Mishra	Member - Managing Director & CEO

During the financial year ended March 31, 2026, the Executive Committee met **14** times on following dates:

April 14, 2025, May 06, 2025, June 30, 2025, July 16, 2025, July 22, 2025, August 28, 2025, September 19, 2025, October 27, 2025, November 06, 2025, December 27, 2025, January 20, 2026, March 20, 2026, March 24, 2026 and March 30, 2026.

The attendance of the Members of the Executive Committee at above meetings was as stated below:

Sr. No.	Name of the Member	No. of Meetings Attended/Held
1	Smt. Sudha Malhotra	14/14
2	Shri Ashwini Mehra	14/14
3	Shri Bharat Mishra	14/14

General Body Meetings:

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

AGM	Financial Year	Date of the AGM	Time	Venue
Twenty - Second	2022-23	September 26, 2023	04:00 PM	The Board Room, SBI Global Factors Limited, 6th Floor, The Metropolitan Building, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 (Meeting through Video Conferencing)
Twenty-Third	2023-24	September 26, 2024	04:00 PM	The Board Room, SBI Global Factors Limited, 6th Floor, The Metropolitan Building, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 (Meeting through Video Conferencing)
Twenty - Fourth	2024-25	September 29, 2025	04:00 PM	The Board Room, SBI Factors Limited, 6th Floor, The Metropolitan Building, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 (Meeting through Video Conferencing)

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

AGM	Details of the special resolution(s)
Twenty - Second	▪ To consider and approve an Alteration in the Articles of Association of the Company
Twenty - Third	▪ To increase the borrowing powers of the Company from ₹3,000 crores to ₹6,500 crores
Twenty - Fourth	▪ To approve the reappointment of Shri Bharat Mishra (DIN: 09385794) as Manging Director & CEO and KMP of the Company w.e.f. July 21, 2025 to June 25, 2026 (both days inclusive) or till further instructions of State Bank of India in this regard, whichever is earlier

During the Financial Year 2025-26, no Extraordinary General Meeting (EGM) of the Members was convened.

General Shareholder Information:

Financial Year	April 01, 2025 to March 31, 2026
CIN	U65929MH2001PLC131203
Registration Date	March 13, 2001
Name of the Company	SBI Factors Limited
Address for correspondence	6th Floor, The Metropolitan Bandra-Kurla Complex Bandra (East) Mumbai – 400 051
Category / Sub-Category of the Company	Public Company
Address of the Registered office and contact details	6th Floor, The Metropolitan Bandra-Kurla Complex, Bandra (East) Mumbai – 400 051
Whether listed company	Yes The Company's equity shares are not listed. However, its Non-Convertible Debentures (NCDs) are listed on the National Stock Exchange of India Limited (NSE).
Name, Address and Contact details of Registrar and Transfer	Datamatics Business Solutions Limited Address: Plot No B-5, Part B Cross Lane, MIDC, Andheri (E), Mumbai 400 093 Tel. No.: 022 6671 2001

Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the financial year		Shareholding at the end of the financial year		% Change in shareholding during the year
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	State Bank of India	15,98,85,365	100%	15,98,85,365	100 %	Nil
	Total	**15,98,85,365**	**100%**	**15,98,85,365**	**100%**	**Nil**

For and on behalf of the Board:

Sd/-
Aftab Ahmad Mallick
(Managing Director & CEO)
(DIN: 11789153)

Sd/-
Ashwini Mehra
(Independent Director)
(DIN: 07084178)

Date: November 20, 2026
Place: Mumbai

Annexure I

Compliance Certificate by CEO & CFO

The Board of Directors
SBI Factors Limited
Mumbai

As required under the Listing Agreement we certify that:

a) We have reviewed financial statements and the Cash Flow Statement for the year 2025 - 26 and that to the best of our knowledge and belief -

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

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

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

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

d) We have indicated to the auditors and the Audit Committee -

   i. Significant changes in internal control over financial reporting during the year.

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

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

For SBI Factors Limited
(Formerly known as SBI Global Factors Limited)

Chief Financial Officer | Chief Executive Officer

Date: April 15, 2026

Annexure II

Compliance Certificate on Corporate Governance

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

I have reviewed the implementation of Corporate Governance produced by the Company during the financial year ended March 31, 2026 with the relevant records and documents maintained by the Company, furnished to me for my review and the report on Corporate Governance as approved by the Board of Directors.

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

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

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

Place: Mumbai
Date: August 20, 2026

Signature
CS Rajkumar R. Tiwari
Practising Company Secretary
FCS No. 4227 C P No. 2400
P.R. No. 2041/2022
UDIN: F004227H001170568

Annexure - E

Management Discussion & Analysis

The Global Economic Environment

1. Economic Environment

FY 2025-26 witnessed a resilient performance by the Indian economy despite continued global uncertainties arising from geopolitical tensions, trade disruptions, and evolving monetary policy dynamics across major economies. India's GDP growth remained among the highest globally, supported by robust domestic demand, government-led infrastructure spending, healthy corporate balance sheets and sustained momentum in the services sector.

Inflation remained broadly within the Reserve Bank of India's target range during the year, aided by moderation in food prices and stable commodity markets. Consequently, the RBI adopted a calibrated monetary policy approach, providing support to economic growth while maintaining price stability. The banking system continued to remain well-capitalized, with adequate liquidity and improved asset quality, facilitating credit growth across productive sectors of the economy.

Global economic conditions continued to be impacted by trade fragmentation, tariff-related uncertainties, supply chain disruptions and persistent geopolitical conflicts, resulting in volatility across financial markets and foreign exchange markets.

2. Current Situation

The Indian economy continues to demonstrate resilience despite global economic uncertainties and ongoing geopolitical tensions. Domestic demand, infrastructure spending and sustained growth in the services and manufacturing sectors continue to support economic activity.

Inflation remains within the RBI's tolerance band, though risks persist from volatile crude oil prices, supply chain disruptions and developments in West Asia. In its latest Monetary Policy Committee (MPC) meeting, the Reserve Bank of India (RBI) retained a neutral policy stance. Overall, the economic outlook remains positive, supported by strong macroeconomic fundamentals and continued government focus on investment-led growth, while external risks continue to warrant close monitoring.

3. Outlook Going Forward

The outlook for the Indian economy remains positive, supported by strong domestic consumption, continued government focus on infrastructure development, rising private sector investments and a resilient financial sector. Inflation is expected to remain broadly within the RBI's comfort range, providing room for a supportive monetary policy environment and stable interest rates.

The banking sector is expected to maintain healthy credit growth, aided by improving asset quality and strong capital positions. Increased digitalization, formalization of businesses and government initiatives aimed at strengthening the MSME ecosystem are likely to further enhance credit demand and financial inclusion.

While global geopolitical developments, trade uncertainties and commodity price volatility may pose near-term risks, India's robust macroeconomic fundamentals, favorable demographics and ongoing structural reforms are expected to sustain growth momentum. Accordingly, the economic environment is expected to remain conducive for business expansion and growth in financial services.

Source: This Management Discussion & Analysis is based on publicly available information and other reliable sources such as GOI Economic Survey 2025-26, Reserve Bank of India (RBI), International Monetary Fund (IMF) and World Bank, which are believed to be true.

Company Overview

SBI Factors operate at the intersection of trade, credit and working capital, helping businesses convert receivables into usable liquidity. As a wholly owned subsidiary of State Bank of India, we bring together the strength of our parent with specialised expertise in factoring and receivables finance.

Our business spans domestic factoring, export factoring, import factoring, reverse factoring and Trade Receivables Discounting System (TReDS). This enables us to address the working capital requirements of businesses across different stages of the trade cycle. We serve a diverse customer base that includes corporates, MSMEs, exporters and importers, with financing solutions aligned to their receivables and transaction flows.

Factoring remains at the core of our business. By financing receivables, we help businesses access funds without waiting for invoice realisation, enabling them to manage working capital more efficiently. Our trade finance solutions support domestic and cross-border transactions, while TReDS provides a digital mechanism for facilitating the financing of eligible trade receivables.

Our understanding of credit, trade transactions and receivables, combined with the institutional strength and reach of the SBI ecosystem, gives us a strong foundation in the receivables finance market. As businesses seek greater flexibility and faster access to working capital, we remain focused on delivering solutions that respond to their evolving financing needs.

We continue to build our business around financial expertise, technology and customer responsiveness, with a focus on creating long-term value for our customers and sustaining our position as a trusted partner in the trade and working capital ecosystem.

Our Products

SBI Factors offer a diversified portfolio of receivables financing solutions designed to address working capital requirements across different stages of the trade cycle. Our offerings cover domestic and international transactions as well as supply chain financing, allowing us to serve businesses with varied operating and financing needs.

Domestic Factoring

We finance eligible domestic receivables, enabling businesses to access funds against invoices before their scheduled maturity. The solution helps customers manage their working capital requirements while also supporting the administration of their receivables.

Export Factoring

We provide financing against eligible export receivables, supporting businesses as they manage the funding and collection requirements associated with international trade. The offering combines receivables financing with support for managing export credit and collection risks.

Reverse Factoring

We facilitate financing for suppliers based on the credit profile of their corporate buyers. This enables suppliers to access funds against accepted invoices while allowing buyers to manage their payment cycles within an organised supply chain finance framework.

TReDS

Through the Trade Receivables Discounting System, we facilitate the discounting of eligible receivables of MSMEs through a digital platform. The mechanism brings together MSME suppliers and financiers against invoices accepted by corporate and other eligible buyers, enabling access to competitive financing through a transparent process.

Industry Overview

India's factoring industry continued to evolve in FY 2026, supported by growing working capital requirements among MSMEs, greater adoption of digital receivables financing and a stronger policy focus on timely payments. Factoring enables businesses to convert receivables into immediate liquidity, helping bridge the gap between sales and cash realisation. The growing adoption of digital platforms is also broadening access to receivables finance and bringing multiple financiers into the process.

The Trade Receivables Discounting System (TReDS) has emerged as an important channel within this ecosystem. The RBI describes TReDS as an electronic platform that facilitates the financing and discounting of MSME trade receivables through multiple financiers, with banks, NBFCs, factors, and other permitted financial institutions participating as financiers.

Source: Reserve Bank of India | TReDS FAQs

The scale of the platform has expanded sharply. Invoice discounting through TReDS increased from INR 40,000 Crore in FY 2022 to INR 3.47 Lakh Crore in FY 2026, highlighting the growing role of digital receivables financing in meeting MSME liquidity requirements. Five TReDS platforms are currently operational: RXIL, M1xchange, Invoicemart, C2treds and DTX.

Source: Ministry of MSME | TReDS and MSME payments

The Government further strengthened the TReDS ecosystem during FY 2026. The Union Budget 2026-27 proposed four measures to deepen liquidity support for MSMEs, including making TReDS the settlement platform for purchases from MSMEs by Central Public Sector Enterprises, introducing credit guarantee support for invoice discounting on TReDS, integrating GeM with TReDS and enabling the development of a secondary market for TReDS receivables. The Budget documents also noted that more than INR 7 Lakh Crore had already been unlocked for MSMEs through TReDS.

Sources: Union Budget 2026-27 | MSME liquidity support

The policy measures translated into a significant regulatory development during the year. On June 30, 2026 the Government mandated all operating Central Public Sector Enterprises to route the settlement of invoices for goods and services procured from MSMEs through RBI-authorised TReDS platforms. The measure is intended to

improve payment discipline and enable MSME suppliers to convert approved invoices into working capital before their due dates.

Sources: Ministry of MSME | Mandatory TReDS settlement for CPSEs

The opportunity for receivables financing extends well beyond TReDS. India's MSME base provides a large underlying market for working capital solutions, particularly as businesses become more formalised and digitalised. As of March 27, 2026, more than 8.70 Crore enterprises were registered on the Udyam Registration Portal and Udyam Assist Platform, employing more than 38 Crore people. The scale of this business ecosystem reinforces the need for financing solutions that can address working capital gaps arising from delayed receivables.

Source: Ministry of MSME | MSME financing and TReDS

For the factoring industry, the opportunity is therefore moving beyond conventional invoice financing. Domestic factoring, export factoring, reverse factoring and TReDS are increasingly becoming complementary components of a wider receivables finance ecosystem. Digital platforms can improve transaction efficiency and price discovery, while regulatory support is widening participation and strengthening the framework for invoice-based financing.

The direction of the industry presents a significant opportunity for established factors. As businesses expand their supply chains, exports and domestic operations, the ability to unlock cash from receivables can become an increasingly important component of working capital management. For financial institutions with capabilities across domestic and international factoring, reverse factoring and TReDS, this creates scope to support businesses across the trade cycle while contributing to faster working capital rotation across the economy.

Outlook

The outlook for factoring in India remains favourable as working capital needs deepen alongside the expansion of MSMEs, manufacturing and organised supply chains. The rapid growth of TReDS points to a broader shift towards receivables-based financing, while greater formalisation and digital adoption should improve the visibility and quality of receivables available for financing. As businesses become more conscious of cash conversion cycles, demand is likely to move beyond conventional bank credit towards faster and more flexible solutions such as domestic factoring, reverse factoring and export factoring.

Going ahead, regulatory support and deeper integration of digital platforms are expected to strengthen the ecosystem further. The development of a secondary market for TReDS receivables, greater participation from financiers and measures to improve payment discipline could widen access to invoice-based financing. For established players, this creates an opportunity to combine technology with domain expertise and offer solutions across the receivables cycle, positioning factoring as a mainstream working capital tool rather than an alternative source of finance.

For and on behalf of the Board:

Sd/-
Aftab Ahmad Mallick
(Managing Director & CEO)
(DIN: 11789153)

Sd/-
Ashwini Mehra
(Independent Director)
(DIN: 07084178)

Date: November 20, 2026
Place: Mumbai

Independent Auditor's Report

TO

THE MEMBERS OF

SBI FACTORS LIMITED (formerly known as 'SBI GLOBAL FACTORS LIMITED')

Revised Report on the Audit of the Ind-AS Financial Statements

This report supersedes our audit report dated 22nd April, 2026

This Revised Independent Auditor's Report is being issued in supersession of our earlier Independent Auditor's Report dated 22nd April, 2026 at the instance of the Comptroller and Auditor General of India through the office of the Director General of Audit (Financial Services), Mumbai. The revised report is being issued to incorporate change in our reply given in the Annexure-B of Directions issued by C&AG, for the report on the directions issued by Comptroller of Auditor General. This report supersedes our earlier audit report dated 22nd April, 2026 which should no longer be relied upon.

OPINION

We have audited the accompanying Ind-AS Financial Statements of **SBI FACTORS LIMITED (formerly known as 'SBI GLOBAL FACTORS LIMITED')** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flow for the year then ended and the Notes to the Ind-AS Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Ind-AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind-AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Ind-AS Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind-AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Ind-AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind-AS Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind-AS Financial Statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Ind-AS Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Audit Procedures followed to address the key matters
Information Technology	
IT systems and controls The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems. As such that there exists a risk that gaps in the IT control environment, including automated accounting procedures, IT dependent manual controls and controls preventing unauthorized access to systems and data could result in the financial accounting and reporting records being materially misstated. The IT systems and controls, as they impact on the financial recording and reporting of transactions, is a key audit matter and our audit approach could significantly differ depending on the effective operation of the Group's IT controls.	Our audit procedures to assess the IT system access management included the following: ▪ We tested a sample of key controls operating over information technology in relation to the financial accounting and reporting systems, including system access and system change management, program development and computer operations. ▪ We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. ▪ For a selected group of key controls over financial and reporting systems, we independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process. ▪ Evaluating the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.

INFORMATION OTHER THAN THE IND-AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Report on Corporate Governance but does not include the Ind-AS Financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report. The Board of Directors' report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind-AS 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 Ind-AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE IND-AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind-AS Financial Statements that give a true and fair view of the state of affairs, surplus / deficit (including other comprehensive income), statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind-AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE IND-AS FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Ind-AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in Ind-AS Financial Statements made by Management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind-AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind-AS Financial Statements, including the disclosures, and whether the Ind-AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind-AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the Ind-AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind-AS Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind-AS Financial Statements for the financial year ended March 31, 2026, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we

give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company as far as it appears from our examination of those books; except for matters stated in paragraph 3(h)(v) below on reporting in relation to audit trail as required under Rule 11(g) of the Companies (Audit and Auditors Rule, 2014 (as amended);

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.;

   (d) In our opinion, the Ind-AS Financial Statements comply with the Ind-AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to Ind-AS Financial Statements with reference to these Ind-AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C" to this report;

   (g) The modification relating to the maintenance of accounts and other matters connected therewith in relation to audit trail are as stated in paragraph 3(b) above on reporting under Section 143(3) (b) of the Act and paragraph 3(h)(v) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

   (h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

   In our opinion, and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

   (i) The company has not declared or paid any dividend during the year and accordingly reporting on the compliance with Section 123 of Companies Act, 2013 is not applicable for the year under consideration.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements. Refer note 27 of Notes to the Financial Statements;

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

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

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

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

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

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

c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (iv)(a) and (iv)(b) contain any material misstatement.

v. Based on our examination, which included test checks, the company, has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the softwares, except the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the records relating to Property, Plant and Equipment records including Lease Liabilities & Right of Use Assets (ROU), Expected Credit Loss (ECL), provisioning and classification for Non-Performing Assets (NPA's).

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For BANSHI JAIN & ASSOCIATES
Chartered Accountants
FRN: 100990W

Parag Jain
Partner
Membership No. 078548

Place: Mumbai
Date: 17-09-2026
UDIN: 26078548BQTMOE1808

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SBI FACTORS LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of SBI Factors Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 17.09.2026 which supersedes their earlier Audit Report dated 22.04.2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of SBI Factors Limited for the year ended 31 March 2026 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revision made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

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

Vijay N. Kothari
Director General of Audit
(Financial Services), Mumbai

Place: Mumbai
Date: 27.10.2026

ANNEXURE – A

to the Independent Auditor's Report of even date on the Financial Statements of SBI FACTORS LIMITED (formerly known as 'SBI Global Factors Limited') for the period ended March 31, 2026,

Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2020

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

i. (a) (A) The company has maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment & Right of Use Asset;

(B The company is maintaining proper records showing full particulars of intangible assets;

(b) The Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals in a phased manner to generally cover all the assets once in three years. As informed to us, no material discrepancies have been noticed on such verification wherever reconciliation has been carried out. In our opinion, the frequency of physical verification program adopted by the Company is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of all the immovable properties (other than properties where the unit is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financials are held in the name of the company, other than the following:

Description of the Property	Gross carrying value (in lacs)	Held in the name of	Reason for not being in the name of the company and whether the property is under dispute:	Date of Purchase
Office Premises in Delhi	146.72	Global Trade Finance Limited	Under process, with no dispute	29/06/2005

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year ended March 31, 2026, and accordingly, the requirement to report on clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the unit for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the company.

ii. a. The Company is engaged in factoring Services and providing of loans and advances and, therefore, does not have any physical inventory. Accordingly, provisions of clause 3 (ii) (a) of the Order are not applicable to it.

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

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

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

c. & d. The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning

ANNEXURE – A

Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 46 of Ind-AS Financial Statements for summarized details of such loans/advances which are not repaid by borrowers. Reasonable steps have been taken by the company for recovery of principal and interest.

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

f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.

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

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including Goods and Service Tax, provident fund, professional tax, income-tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Service Tax, provident fund, professional tax, income-tax and other material statutory dues were in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

b) According to the records of the Company, there are no dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, cess and other statutory dues which have not been deposited on account of any disputes. However, according to the information and explanations given to us, the particulars of dues of Income Tax as at March 31, 2026 which have not been deposited on account of any dispute except as provided below:

Name of the Statute	Nature of Dues	Amounts involved (Rs. in lakhs)*	Period to which the amount relates	Forum where dispute is pending
Service Tax Act 1994	Service tax	57.07	AY 2010-2011	The matter is pending for disposal before Commissioner of Service Tax.
Income Tax Act 1961	Income Tax	29.18	AY 2018-2019	Additional/Joint Commissioner (Appeals) of Income-tax

(*Note: The above balances includes amounts of Interest)

viii. In our opinion and according to the information and explanations given to us, the company does not have any transactions not recorded in the books of accounts have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, clause 3(viii) of the Order is not applicable.

ix. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, banks and Debenture holders.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has applied working capital demands loans for the purpose of which they were obtained during the year.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company during the year.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) The Company has not raised loans during the year on the pledge of securities held in subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable to it.

x. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to it.

(b) According to the information and explanation given to us and based on our examination of books and records the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company to it.

xi. (a) To the best of our knowledge and according to the information and explanations given to us, a fraud has been committed against the Company in respect of one borrower account involving discounting of invoices purportedly backed by a Bank Guarantee, which was subsequently found to be non-genuine. The fraud, involving external parties and suspected involvement of certain employees of SBI Bank, amounts to Rs. 12.41 crores. The Company has, till date, recovered Rs. 4.93 crores, and the balance outstanding of Rs. 7.32 crores have been appropriately provided for in the books of account, as disclosed in the relevant note no. 49 to the Financial Statements. A report on actual or suspected bank frauds (FMR-1) was submitted to the RBI on 24/07/2025, and an FIR was filed on 02/08/2025 against the parties involved. (b) No case or report under sub-section (12) of section 143 of the Companies Act has been committed to be filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, Clause 3 (xii) (a), 3 (xii) (b) and 3 (xii) (c) of the Order is not applicable.

xiii. According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the requisite details have been disclosed in the notes to Financial Statements, as required by the applicable accounting standards.

xiv. In our opinion and according to the information and explanations given to us, the provision of section 138 of the Act is applicable to the company.

a) The company has an internal audit system commensurate with size and nature of its business.

b) The reports of the Internal auditors for the period under audit were considered by the statutory auditor.

ANNEXURE – A

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to it.

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

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

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the provision of clause 3(xvi)(c) of the Order is not applicable.

(d) There is no Core Investment Company as a part of the Group, hence, the provision of clause 3(xvi)(d) of the Order is not applicable to it.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the previous financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable/paragraph 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and based on our examination of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of the Directors and Management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. (a) The Company does not have any "other than ongoing projects". Thus, the requirement to transfer any unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act is not applicable to the Company.

(b) In respect of any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to an ongoing project, & the transfer of such unspent amount to a special account in compliance with the provision of sub-section (6) of section 135 of the said Act; we would like to report the following:

(Amount in Rs. Lakhs)

Relevant Financial Year	Amount identified for spending on CSR activities for ongoing projects	Unspent amount of (b)	Amount Transferred to Special Account u/s 135(6)	Due date of transfer to the account	Actual date of transfer to the account	Number of days of delay
(a)	(b)	(c)	(d)	(e)	(f)	(g)
2025-26	69	37	37	30-04-2026	–	–

For **BANSHI JAIN & ASSOCIATES**
Chartered Accountants
FRN: 100990W

Parag Jain
Partner
Membership No. 078548

Place: Mumbai
Date: 17-09-2026
UDIN: 26078548BQTMOE1808

ANNEXURE – B

To the Independent Auditor's Report of even date on the Financial Statements of SBI FACTORS LIMITED (formerly known as 'SBI Global Factors Limited') for the period ended March 31, 2026,

As per the requirements of section 143 (5), in our opinion and to the best of our information and according to the explanations given to us, books of accounts and other records produced before us for verification and on the basis of management representation; the said accounts, read together with the company's accounting policies and the Notes thereto are given below:

S. NO.	DIRECTIONS	ANSWERS
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post-retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The Company has post-retirement employee benefit obligations towards Gratuity, Leave Encashment and NPS. The Gratuity and Leave Encashment liabilities have been valued based on actuarial valuations carried out by a certified actuary in accordance with Ind AS 19. The actuarial valuation reports and supporting documentation have been reviewed, and the methodology adopted is considered reasonable and compliant with applicable requirements. The Gratuity policy has been taken with SBI Life Insurance Company Limited and NPS investments are made through, SBI Pension Funds Private Limited. No material deviations or misstatements were noted in this regard.
2.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organizations empaneled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	The Company has system in place to process all the accounting transactions through IT systems (ERP) except for the following: ▪ Recognition and measurement and de-recognition of Lease Liability and Right of use (ROU) asset and depreciation of right to use asset in accordance with Ind-AS 116. ▪ Classification, recognition, de-recognition and measurement of financial assets & liabilities in accordance with Ind-AS 109. ▪ Maintenance of Fixed asset registers and calculation of Depreciation. ▪ Provisioning and Classification of Non-Performing Assets. ▪ ECL measurement using a probability-weighted estimate of credit losses. Though manual controls are available with respect to the aforementioned functions and the said functions should be ideally routed through IT system. As per the information and data shared by the Management, the systems and controls significant to the Company's financial reporting and cyber security are periodically reviewed which was conducted in November 2025, including by Cert-In empaneled Information Security Auditing Organizations, as applicable. The recommended controls against observations have been implemented and validated, with the observations reflected as "Closed" in the final assessment report. The Company has taken due care to ensure that accounting transactions processed outside the IT system are appropriately reviewed and recorded in the books of accounts. Based on the information and explanations provided, no material impact on the integrity of the accounts or financial statements has been identified.

ANNEXURE – B

S. NO.	DIRECTIONS	ANSWERS
3.	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from central/ state government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilized as per its term and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	The Company does not have any funds received/ receivable for specific schemes from central/state government or its agencies.
4.	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	The Company has identified its key risk areas and has formulated and implemented a Board-approved Risk Management Policy to mitigate such risks. The Policy is aligned with applicable requirements and global best practices. The Company has not separately identified or valued its data assets, considering the limited nature and extent of such data assets and that such valuation is not considered necessary at this stage. Accordingly, no material matters were noted in this regard.
5.	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	SBI Factors Limited is a debt-listed company and is in compliance with the applicable provisions of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations prescribed by SEBI, the Department of Investment and Public Asset Management (DIPAM), Ministry of Corporate Affairs (MCA), Department of Public Enterprises (DPE), Reserve Bank of India (RBI), Telecom Regulatory Authority of India (TRAI), CERT-In, Ministry of Electronics and Information Technology (MeitY), and National Payments Corporation of India (NPCI), wherever applicable. The Company has also conducted a Secretarial Audit for the year ended March 31, 2026. Based on the Secretarial Audit Report and information made available, no material deviations or instances of non-compliance with the applicable regulatory requirements were noted.

Additional directions issued by C&AG as applicable to the Company for the year 2025-26.

S. NO.	ADDITIONAL DIRECTIONS	ANSWERS
1.	RBI provided a window (vide circular dated 6 August 2020), under the prudential framework to implement a resolution plan to borrowers having stress on account of COVID- 19, as per which existing loans can be restructured without downgrading the asset classification. It may be examined whether there are any such cases and if so, whether these are in compliance with the RBI Circular.	The company has implemented Resolution Plan as per RBI circular dated 06-Aug-20 in One account during the Financial Year 21-22. The detail of the account wherein RP has been invoked is as under: Name of Borrower- Future Enterprises Limited (FEL). As per the OTR plan, SBIFL's outstanding dues of Rs.3.53 crore was payable on 31st March 2022. However, the payment of SBIFL and other lenders dues was defaulted by FEL and OTR plan failed. Therefore, the account was again downgraded to NPA in SBIGFL's books in April 2022 with a retrospective date viz.31st March 2021. An amount of Rs. 75 Lakhs was received from FEL in May 2022.

S. NO.	ADDITIONAL DIRECTIONS	ANSWERS
		During August 2022, one of the operational creditors approached NCLT and filed application against FEL under Section 9 of the IBC code and the same was admitted on 27.02.2023. During FY 2025-26, the NPA account of FEL of Rs. 2.61 Crores were written off pursuant to the approval granted in the 234th meeting of the Executive Committee of the Board held on 20 January 2026, resulting in Nil closing balance as on 31.03.2026. An amount of Rs. 18.33 Lakhs was received from Corporate Insolvency Resolution Process (CIRP). Apart from this there is no account under restructuring in terms of RBI's circular on Resolution Framework for COVID-19 related stress. And the same is in compliance with RBI Circular.
2.	Whether the investible funds received by the Company have been invested in accordance with the directions of the applicable Statutory Regulators (regulations and rules framed by them).	The Company has not received any funds which are meant for investment purposes. The Company is primarily engaged in lending activities for which it borrows from the Banks /market.
3.	Whether the funds invested under the schemes/ products by the Company are in compliance with the directions of Investment Committee, Risk Committee constituted by Board, Investment Manual, etc., which prescribes the process/ procedure, threshold, exposure limits, quality of security, etc.	The Company adheres to the Board approved Investment Policy for investment of any surplus funds arising out of any short-term mismatch in its cash flows. Such occasional positive mismatch is invested in the liquid/overnight schemes offered by the mutual fund houses. The Investment Policy undergoes an annual review process to ensure ongoing compliances.

For **BANSHI JAIN & ASSOCIATES**
Chartered Accountants
FRN: 100990W

Parag Jain
Partner
Membership No. 078548

Place: Mumbai
Date: 17-09-2026
UDIN: 26078548BQTMOE1808

ANNEXURE – C

to the Independent Auditor's Report of even date on the Financial Statements of SBI FACTORS LIMITED (formerly known as 'SBI Global Factors Limited') for the period ended March 31, 2026,

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 with reference to Ind-AS Financial Statements of **SBI FACTORS LIMITED (formerly known as 'SBI Global Factors Limited')** ("the Company") as of March 31, 2026, in conjunction with our audit of the Ind-AS Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind-AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Ind-AS Financial Statements (the "Guidance Notes") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to Ind-AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards, issued by ICAI on Auditing 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 are applicable to an audit of Internal Financial Controls and both issued by the ICAI. 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 with reference to Ind-AS Financial Statements 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 with reference to Ind-AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind-AS Financial Statements included obtaining an understanding of internal financial controls with reference to the Ind-AS Financial Statements, 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 Ind-AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the Ind-AS Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO IND-AS FINANCIAL STATEMENTS

A company's internal financial control with reference to Ind-AS Financial Statements 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 with reference to Ind-AS Financial Statements includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO IND-AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Ind-AS Financial Statements, 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 with reference to Ind-AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to Ind-AS Financial Statements 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 explanation given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind-AS Financial Statements and such internal financial controls with reference to Ind-AS Financial Statements were operating effectively as at March 31, 2026,, based on the internal control with reference to Ind-AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Ind-AS Financial Statements issued by the Institute of Chartered Accountants of India.

For **BANSHI JAIN & ASSOCIATES**
Chartered Accountants
FRN: 100990W

Parag Jain
Partner
Membership No. 078548

Place: Mumbai
Date: 17-09-2026
UDIN: 26078548BQTMOE1808

Balance Sheet

as at March 31, 2026

(₹ in Lakhs)

	Particulars	Note	March 31, 2026	March 31, 2025
	ASSETS			
(1)	**Financial Assets**			
	(a) Cash and cash equivalents	2	531	114
	(b) Loans	3	2,93,490	2,76,625
	(c) Investments	4	0	0
	(d) Other Financial assets	5	205	206
			2,94,226	**2,76,946**
(2)	**Non-financial Assets**			
	(a) Current Tax assets (Net)	6	293	604
	(b) Deferred Tax Assets (Net)	7	1,053	998
	(c) Property, Plant and Equipment	8	1,336	1,394
	(d) Capital work-in-progress	8	-	47
	(e) Intangible assets under development	8	14	11
	(f) Other Intangible Assets	8	57	75
	(g) Other Non-Financial Assets	9	323	371
			3,075	**3,499**
	Total Assets		**2,97,301**	**2,80,445**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
	(a) Debt Securities	10	9,990	9,988
	(b) Borrowings (Other than Debt Securities)	11	2,23,943	2,13,285
	(c) Other financial liabilities	12	1,887	3,766
			2,35,820	**2,27,040**
(2)	**Non-Financial Liabilities**			
	(a) Provisions	13	374	292
	(b) Other non-financial liabilities	14	3,203	2,185
			3,577	**2,477**
(3)	**EQUITY**			
	(a) Equity Share capital	15	15,989	15,989
	(b) Other Equity	16	41,915	34,940
			57,904	**50,928**
	Total Liabilities and Equity		**2,97,301**	**2,80,445**
	Material accounting policies forming part of the financial statement	1		
	See accompanying notes forming part of the financial statements	**2-55**		

As per our report of even date

For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Firm Registration No. 100990W

CA Parag Jain
Partner
M.No. 078548

Place : Mumbai
Date : April 22, 2026,

For and on behalf of the Board of Directors

Ashwini Kumar Tewari
Chairman
DIN :- 08797991

Amit Sharma
Chief Financial Officer

Place : Mumbai
Date : April 22, 2026,

Bharat Mishra
Managing Director & CEO
DIN :- 09385794

Rishika Puri
Company Secretary

Statement of Profit & Loss

for the Year ended March 31, 2026

(₹ in Lakhs)

	Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
	Revenue from operations :			
	(i) Interest Income	17	24,833	20,767
	(ii) Fees and Commission Income	18	822	670
	(iii) Sale of Services	19	953	813
	(iv) Others	20	2,147	1,404
(1)	**Total Revenue from Operations**		**28,754**	**23,655**
(2)	**Other Income**		262	97
(3)	**Total Income**		**29,016**	**23,752**
	Expenses :			
	(i) Finance costs	22	13,580	10,975
	(ii) Fees and commission expenses	23	204	177
	(iii) Net loss on derecognition of financial instruments under amortised cost category	24	987	2,873
	(iv) Impairment/ (Reversal of provision) on Financial Instruments	21	117	(1,672)
	(v) Employee benefits expenses	25	2,212	2,004
	(vi) Depreciation, amortization and impairment	8	402	354
	(vii) Other expenses	26	2,249	1,901
(4)	**Total expenses**		**19,750**	**16,612**
(5)	Profit / (loss) before exceptional items and tax		9,266	7,140
(6)	Exceptional items		54	-
(7)	**Profit/(loss) before tax**		**9,211**	**7,140**
(8)	**Tax Expense:**			
	Current Tax / Tax for previous year		2,304	1,005
	Deferred Tax		(59)	433
(9)	Profit / (loss) for the Year from continuing operations		**6,966**	**5,702**
(10)	Profit/(loss) from discontinued operations		-	-
(11)	Tax Expense of discontinued operations		-	-
(12)	Profit/(loss) from discontinued operations(After tax)		-	-
(13)	Profit/(loss) for the year		**6,966**	**5,702**
(14)	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain on Defined Benefit Plan		13	12
	(ii) Income Tax relating to items that will not be reclassified to profit or loss		(3)	(3)
	Subtotal (A)		**10**	**9**
	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income (A + B)		**10**	**9**
(15)	**Total Comprehensive Income for the year**		**6,976**	**5,711**
(16)	**Earnings per equity share (for continuing operations)**	30		
	Basic (In ₹)		4.36	3.57
	Diluted (In ₹)		4.36	3.57
	Material Accounting policies forming part of the Financial Statements	1		
	See accompanying notes forming part of the Financial Statements	2-55		

As per our report of even date

For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Firm Registration No. 100990W

CA Parag Jain
Partner
M.No. 078548

Place : Mumbai
Date : April 22, 2026

For and on behalf of the Board of Directors

Ashwini Kumar Tewari
Chairman
DIN :- 08797991

Amit Sharma
Chief Financial Officer

Place : Mumbai
Date : April 22, 2026

Bharat Mishra
Managing Director & CEO
DIN :- 09385794

Rishika Puri
Company Secretary

Statement of Cash Flow

for the Year ended March 31, 2026

(₹ in Lakhs)

	March 31, 2026		March 31, 2025	
Cash Flow from Operating Activities:				
Net Profit before Tax		9,211		7,140
Adjustments for:				
Depreciation / Amortisation	402		354	
Interest Cost	12,773		10,821	
Discount on issue of Commercial Paper	806		130	
Amortisation of Forward Premium	-		19	
Sundry Balance Written Off	2		(0)	
Foreign Exchange (Gain)/Loss (Net)	(78)		6	
(Profit) / Loss on Sale of Fixed Assets	(0)		(4)	
Liabilities no longer required Written Back	(31)		(2)	
Impairment of assets	117		(1,672)	
Bad Debts Written Off	987		2,873	
Provision for Compensatory Absence	90		(3)	
Provision for Ex Gratia Payable	90		85	
(Profit)/Loss on Sale of Current Investments	-		(9)	
		15,158		12,598
Operating profit before Working Capital changes		**24,369**		**19,738**
Increase/(Decrease) in Other Financial Liabilities	(1,879)		946	
Discount on issue of Commercial Paper	(806)		(130)	
Interest Cost	(13,326)		(10,614)	
Increase/(Decrease) in Derivative financial instruments	-		(2)	
Increase/(Decrease) in Provisions	(85)		(150)	
Increase/(Decrease) in Other Non Financial Liabilities	1,048		901	
(Increase)/Decrease in Investments	-		-	
(Increase)/Decrease in Other Non - Financial Assets	48		44	
(Increase)/Decrease in Other Financial Assets	2		(5)	
(Increase)/Decrease in Loans	(17,968)		(99,373)	
		(32,968)		(1,08,384)
Cash (used)/generated in and from Operating Activities		**(8,599)**		**(88,646)**
Direct Taxes paid (net)		(1,994)		(748)
Net Cash (used)/generated in and from Operating Activities (A)		**(10,593)**		**(89,394)**
Cash Flow from Investing Activities:				
Purchase of Fixed Assets		(356)		(142)
Sale of Fixed Assets		150		6
Purchase of Current Investments		-		(29,999)
Sale of Current Investments		-		30,008
Net cash from Investing Activities (B)		**(206)**		**(127)**

Statement of Cash Flow

for the Year ended March 31, 2026

(₹ in Lakhs)

	March 31, 2026		March 31, 2025	
Cash Flow from Financing Activities:				
(Increase)/Decrease in ROU		(75)		31
Increase / (Decrease) in Debt Securities		554		(74)
Increase / (Decrease) in Borrowings (Other than Debt Securities)		41,326		(8,032)
Working Capital Demand Loan taken		23,64,820		18,78,406
Repayment of Working Capital Demand Loan		(23,95,410)		(17,71,106)
Premium on Forward Contract		-		(19)
Commercial Paper Taken		52,000		0
Commercial Paper Repaid		(52,000)		(10,000)
Net Cash generated from Financing Activities (C)		**11,216**		**89,207**
Net (Decrease)/increase in Cash and Cash Equivalents (A + B + C)		**417**		**(313)**
Cash and Cash Equivalents as at at the end of the period/year				
Cash in Hand		1		1
Cash & Bank Balances in Current Account with Banks		530		113
		531		**114**
Less: Cash and Cash Equivalents as at the beginning of the period/year		114		427
		417		**(313)**

Note :

The above statement of Cash Flow has been prepared under the Indirect Method set out in Ind AS-7 Statement of Cash Flow.

See accompanying notes to the financial statements **2-55**

As per our report of even date

For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Firm Registration No. 100990W

CA Parag Jain
Partner
M.No. 078548

Place : Mumbai
Date : April 22, 2026

For and on behalf of the Board of Directors

Ashwini Kumar Tewari
Chairman
DIN :- 08797991

Amit Sharma
Chief Financial Officer

Place : Mumbai
Date : April 22, 2026

Bharat Mishra
Managing Director & CEO
DIN :- 09385794

Rishika Puri
Company Secretary

Statement of Changes in Equity

for the Year ended March 31, 2026

A. Equity Share Capital

(₹ in Lahs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the period	15,989	15,989
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in Equity Share Capital during the year	-	-
Balance at the end of the reporting period	15,989	15,989

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves & Surplus							Other items of Other Comprehensive Income (Employee Benefit)	Total
	Capital Redemption Reserve	Reserve Fund*	Securities Premium Reserve	General Reserve	Retained Earnings	Transition Reserve	Impairment Reserve#		
Balance as at 1st April, 2025	**1,000**	**10,343**	**21,693**	**12,765**	**(10,248)**	**(633)**	**-**	**19**	**34,940**
Transfer to Reserves u/s. 45-IC of RBI Act, 1934	-	1,393	-	-	(1,393)		-	-	-
Dividend	-	-	-	-		-	-	-	-
Profit for the period	-	-	-	-	6,966		-	10	6,976
Balance as at March 31, 2026	**1,000**	**11,736**	**21,693**	**12,765**	**(4,675)**	**(633)**	**-**	**29**	**41,915**

Statement of Changes in Equity

for the Year ended March 31, 2026

(₹ in Lakhs)

Particulars	Reserves & Surplus							Other items of Other Comprehensive Income (Employee Benefit)	Total
	Capital Redemption Reserve	Reserve Fund*	Securities Premium Reserve	General Reserve	Retained Earnings	Transition Reserve	Impairment Reserve#		
Balance as at 1st April, 2024	**1,000**	**9,203**	**21,693**	**10,569**	**(14,810)**	**(633)**	**2,196**	**10**	**29,229**
Transfer to Reserves u/s. 45-IC of RBI Act, 1934	-	1,140	-	-	(1,140)		-	-	-
Transfer to general reserves				2,196			(2,196)		
Dividend	-	-	-	-		-	-	-	-
Profit for the period	-	-	-	-	5,702		-	9	5,711
Balance as at March 31, 2025	**1,000**	**10,343**	**21,693**	**12,765**	**(10,248)**	**(633)**	**-**	**19**	**34,940**

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

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

See accompanying notes to financial statements

As per our report of even date

For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Firm Registration No. 100990W

CA Parag Jain
Partner
M.No. 078548

Place : Mumbai
Date : April 22, 2026

For and on behalf of the Board of Directors

Ashwini Kumar Tewari
Chairman
DIN :- 08797991

Amit Sharma
Chief Financial Officer

Place : Mumbai
Date : April 22, 2026

Bharat Mishra
Managing Director & CEO
DIN :- 09385794

Rishika Puri
Company Secretary

Notes forming part of the Financial Statement

as at March 31, 2026

Note 1: Material Accounting Policies

1.1: Corporate Information:

SBI Factors Limited (Formerly SBI Global Factors Ltd), a Public Limited Company, incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013, is a subsidiary of State Bank of India, is a Non-Banking Financial Company regulated by Reserve Bank of India. SBI Factors Limited provides Domestic and Export Factoring services under one roof. It is headquartered in Mumbai with 10 Branches across India.

1.2: Material Accounting Policies, Accounting Judgements, Estimates and Assumptions:

(A) Material Accounting Policies:

i. Compliance with Ind-AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards ('Ind-AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable. Further the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC). CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020, in addition to the Regulatory disclosure as required by Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.

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. These financial statements subjected to audit by the Statutory Auditors of the Company have been reviewed by the Audit Committee and approved by the Board of Directors on April 22, 2026.

ii. Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act, as amended from time to time, for Non-Banking Financial Companies (NBFCs') that are required to comply with Ind AS. The Statement of Cash Flows has been prepared and presented as per the requirements of IND AS 7 "Statement of Cash Flows". The Company presents its Balance Sheet in the order of liquidity.

iii. Basis of preparation of Ind-AS Financial Statements:

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments and certain employee benefit assets are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized within the fair value hierarchy into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical

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assets or liabilities that the entity can access at the measurement date.

- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakhs except when otherwise stated.

iv. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the amount is received. Revenue is measured at the fair value of the consideration received or receivable considering contractually defined terms and excluding taxes collected on behalf of the government.

Ind AS 115 addresses the recognition of revenue from customer contracts and impacts on the amounts and timing of the recognition of such revenue. The standard introduced a five-step approach to revenue recognition

- Identifying the contract.
- identifying the performance obligations in the contract.
- determining the transaction price.
- allocating that transaction price to the performance obligations; and
- Finally recognizing the revenue as those performance obligations are satisfied.

Rendering of Services

The Company recognizes revenue when control over the promised services is rendered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

The Company recognizes revenue generally at the point in time when the services are rendered to customers i.e. Recognition of Facility Set-Up Fees/ Facility Continuation fees:

Facility Set up Fees:

New Sanction:

Facility Set up fees is charged for the period from the date of sanction to end of financial year, in which account is sanctioned and are recognized as income only when there is reasonable certainty of its receipt after execution of documents.

Facility Continuation Fees (FCF):

Facility Continuation Fees are charged in the month of May on the basis of the sanctioned/ capped limits on the core factoring facilities which are current as at 1st April of that financial year. It is calculated for the entire financial year on all live Standard core accounts. 1st of May will be deemed as the date of accrual of the FCF. However, in case the account is in dormant mode, or NPA, FCF will be recognized only when the same is realized.

Facility Set-Up fees on enhancement or adhoc limits:

The facility set-up fee is charged and recognized as income, only when there is reasonable certainty of its receipt after execution of documents and at the time of first factoring under the enhanced/adhoc core limit.

Field Survey Fees:

Field Survey Fees are collected from the prospective client and paid to the Field Surveyor appointed by the Company for carrying out the survey of the prospective client whose invoices are to be factored by the Company and are recognized as income only when there is reasonable certainty of its receipt.

Discount charges and interest on advances:

Discount charges and interest on advances are accrued on time basis on the balances in the prepayment accounts at the applicable discount/ interest rates.

Factoring Charges:

Factoring charges are accrued on factoring debts at the applicable rates which are included in the Sale of Services in the Financial Statements.

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Facility Amendment Charges: Factoring Amendment charges are accrued on factoring debts at the applicable rates which are included in the Fees and Commission in the Financial Statements.

v. Functional currency

The functional currency of the Company is determined based on the primary economic environment in which it operates. The Company has accordingly assessed INR as its functional currency and the values are recorded to the nearest rupees in Lakhs, unless otherwise stated.

The transactions in currencies other than the entity's functional currency for the month are recorded at the exchange rates prevailing on the previous month-end rate.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the dates when fair value was determined. Non-monetary items measured at historical cost are not translated.

In the case of assets and liabilities covered by forward contracts, the forward premium is recognized over the life of the Contract and the difference between the year-end rate and rate on date of contract is recognized as exchange difference. Exchange differences arising on monetary items are recognized in the statement of profit and loss in the year in which they arise.

vi. Borrowing Costs

Borrowing costs include interest, commission/brokerage and exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to interest cost. Interest expenses is accrued on a time basis, by reference to the principal outstanding and at the Effective Interest Rate (EIR) applicable. The effective interest method is a method of calculating the amortized cost of financial liability and allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

vii. Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contributions to retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting date. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the year in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the year of a plan amendment or when the Company recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

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The retirement benefit obligation recognized in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognized for benefits to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

viii. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Taxes

Current income tax is the amount of expected tax payable based on taxable profit for the year as determined in accordance with section 115 BAA of Income Tax Act, 1961.

Deferred Taxes

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilized . Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and Deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they are relating to items that are recognized in the other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

ix. Property, plant and equipment

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase

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price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit or Loss. Property, plant and equipment except freehold land held for use for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements on transition i.e. April 01, 2018 to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight - line method as per the useful life prescribed in the Schedule II to the Companies Act, 2013, except in respect:

Sr. No	Asset Description	Useful life as per management estimates
1	Furniture & Fixtures *	5
2	Vehicles *	4
3	Computer Hardware (Servers & Network) *	3
4	Mobile Phones *	3

*For this class of assets based on internal assessment the management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful life for these assets is different from the useful life as prescribed in Part C of Schedule II of The Companies Act, 2013. Useful life of Mobile Phones in FY 2024-25 was re-estimated from 5 years to 3 years.

In case of an individual asset costing less than ₹5,000, the individual asset is first capitalized then 100% depreciation is charged in the year of purchase.

Assets held under finance leases are depreciated over their expected useful lives on the basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the lease term, assets are depreciated over the shorter of lease term and their useful lives.

Depreciation on additions to Fixed Assets is provided on pro-rata basis from the date of acquisition or installation. Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Lease Accounting as per Ind AS 116

Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset value is low.

As per this standard a lease liability is initially recognised and measured at an amount equal to present value of minimum lease payments during the lease term that are not yet paid.

Right of use asset is recognised and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration cost and other direct costs incurred by lessee.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount

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rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. The right to use asset is depreciated in accordance with the requirements in Ind AS 16 Property plant and equipment. The recognition and measurement exemptions are availed by the company in case of low value lease and short-term leases. For leases where exemptions are availed by the Company payments are recognised on straight line basis or another systematic basis that is more representative of the patterns of lessee's benefits.

x. Intangible Assets and amortization thereof:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognized on a straight-line basis based on their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Computer software is amortised over the period of three years on a straight-line basis.

An item of Intangible Asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized .

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognized as on April 01, 2018 (date of transition) measured as per previous GAAP as its deemed cost on the date of transition.

xi. Impairment of Property, plant & equipment and intangible assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash - generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

xii. Provisions

Provisions involving substantial degree of estimation in measurement are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

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The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. A contingent asset is disclosed in the Financial Statements, where an inflow of economic benefits is probable.

Onerous contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

xiii. Financial Instruments

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for Trade Receivable which are initially measure at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

The Company initially recognises loans and advances, deposits and debt securities purchased on the date on which they originate except for Trade Receivable which are initially recognized at transaction price. Purchases and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at FVTPL, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at -

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or

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- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value through Profit or Loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on re-measurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,

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- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Business Model Test:

The Company determines its business model at the level that best reflects how it manages group of financial assets to achieve its business objective.

The Company's business model is not assessed on instrument and instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model.

d) Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding

The Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/ discount)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

e) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing

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involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

Modification of contractual cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculate the gross carrying amount of the financial asset and shall recognize a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit- impaired financial assets) or, when applicable, the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset

f) Impairment of financial assets

The Company applies the Expected Credit Loss (ECL) model for recognising impairment loss on financial assets. The Company applies a three-stage approach for measuring ECL for the following categories of financial assets that are not measured at fair value through profit or loss:

- debt instruments measured at amortised cost and fair value through other comprehensive income; and
- financial guarantee contracts.

No ECL is recognized on equity investments.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

Financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

The Company assesses ECL on exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. For these exposures, the Company recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months. The Company does not conduct an individual assessment of exposures in Stage 1 as there is no evidence of one or more events occurring that would have a detrimental impact on estimated future cash flows.

Stage 2: Lifetime ECL - not credit impaired

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The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset). Similar to Stage 1, the Company does not conduct an individual assessment on Stage 2 exposures as the increase in credit risk is not, of itself, an event that could have a detrimental impact on future cash flows.

Stage 3: Lifetime ECL - credit impaired

The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised as a collective or specific provision, and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Determining the stage for impairment

At each reporting date, the Company assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the provision for impairment losses reverts from lifetime ECL to 12-months ECL.

Exposures that have not deteriorated significantly since origination are considered to have a low credit risk. The provision for impairment losses for these financial assets is based on a 12-months ECL. When an asset is uncollectible, it is written off against the related provision. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the expense in the income statement.

The Company assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, class of borrowers, credit risk ratings, date of initial recognition, remaining term to maturity, industry and other relevant factors.

Measurement of ECL

ECL are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12- month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and

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thus, are not cash shortfalls that are predicted over the next 12 months.

- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

Provision for impairment losses.

ECL are recognised using a provision for impairment losses in profit and loss. In the case of debt instruments measured at fair value through other comprehensive income, the measurement of ECL is based on the three-stage approach as applied to financial assets at amortised cost. The Company recognises the provision charge in profit and loss, with the corresponding amount recognised in other comprehensive income, with no reduction in the carrying amount of the asset in the balance sheet.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

g) Effective interest method

The Effective Interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL and Interest income is recognized in profit or loss.

h) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations.

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Notes forming part of the Financial Statement

as at March 31, 2026

Original Classification	Revised Classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

Financial liabilities and equity instruments

1) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of directly attributable transaction costs.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'FVTPL'.

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.
- A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in Statement of Profit and Loss. The net gain or loss recognized in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

4) Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Notes forming part of the Financial Statement

as at March 31, 2026

5) Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit and loss statement.

6) Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risk. Derivatives held include foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date of a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

Hedge accounting policy

The Company makes use of derivative instruments to manage exposures to foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Fair value hedge

Hedge of exposure to changes in fair value of a recognised asset or liability that is attributable to a particular risk and that will affect the reported profit and loss.

Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind-AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationships exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

xiv. Cash and Cash Equivalent:

Cash and cash equivalent in balance sheet comprise of cash at bank, cash on hand and short term highly liquid investments and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

xv. Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue,

Notes forming part of the Financial Statement

as at March 31, 2026

bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by weighted average no of equity shares year which are adjusted for the effects of all dilutive potential equity shares.

xvi. Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xvii. Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

i. The estimated amount of contracts remaining to be executed on capital account and not provided for; and

ii. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

xviii. Segment Reporting

The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 –Segment Reporting.

1.3 Key Estimates and Judgements:

The preparation of the financial statements in conformity with Indian Accounting Standards ("IND AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

i. Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Company's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.

ii. Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes forming part of the Financial Statement

as at March 31, 2026

iii. Income Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for certain tax positions.

iv. Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

v. Provisions and Liabilities

Provisions and liabilities are recognized in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

vi. Figures for the previous period have been regrouped and restated wherever necessary, in order to make them comparable.

Notes forming part of the Financial Statement

as at March 31, 2026

Note 2

Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Cash on hand	1	1
(ii) Balances with Banks (of the nature of cash and cash equivalents)	530	113
Total	**531**	**114**

Note 3

Loans

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(A)		
(i) Loans - at amortised cost		
- Factoring	2,93,079	2,09,414
Others		
- Gold Pool	4,116	70,521
(ii) Others		
- WCTL	-	279
Total - Gross (A)	**2,97,195**	**2,80,214**
Less: Impairment Loss Allowance (Expected Credit Loss)	(3,705)	(3,588)
Total - Net (A)	**2,93,490**	**2,76,625**
(B)		
(i) Secured by tangible assets	4,116	70,521
(ii) Secured by intangible assets	152	16,350
(iii) Unsecured	2,92,927	1,93,342
Total - Gross (B)	**2,97,195**	**2,80,214**
Less: Impairment Loss Allowance (Expected Credit Loss)*	(3,705)	(3,588)
Total - Net (B)	**2,93,490**	**2,76,626**
(C)		
(i) Loans in India		
Public Sector	-	-
Others	2,97,195	2,80,214
Total - Gross (C) (i)	**2,97,195**	**2,80,214**
Less: Impairment Loss Allowance (Expected Credit Loss)*	(3,705)	(3,588)
Total - Net (C) (i)	2,93,490	2,76,626
(ii) Loans outside India	-	-
Less: Impairment Loss Allowance (Expected Credit Loss)	-	-
Total - Net (C) (ii)	**-**	**-**
Total (C) (i+ii)	**2,93,490**	**2,76,626**

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

*During the period ended March 31, 2026, Impairment Loss Allowance includes provision on Standard Asset amounting to ₹1,240 Lakhs

The Company, being primarily engaged in the business of factoring, has undertaken a strategic review of its operations for the year. Pursuant to this review, the Company has decided to focus on its core factoring business and rationalize its exposure to non-core activities.

Accordingly, the Company has discontinued the acquisition of assets under the "Gold Pool" and ""LCBD"" segment with effect from the current financial year. As a result of this strategic decision, the revenue contribution from the Gold Pool and LCBD business has declined during the year.

Notes forming part of the Financial Statement

as at March 31, 2026

Note 4

Investments

(₹ in Lakhs)

Investments	March 31, 2026				March 31, 2025			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Fixed Deposits	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-
Equity Shares of SBI Foundation Fellow Subsidiary (1,000 Equity Shares @ ₹10/- each)	-	0	-	0	-	0	-	0
JMFARC - IRIS December 2016 - Trust (Security Receipt of JM Financial Asset Reconstruction Company Private Limited)	-	383	-	383	-	383	-	383
Total – Gross (A)	**-**	**383**	**-**	**383**	**-**	**383**	**-**	**383**
Impairment	-	(383)	-	(383)	-	(383)	-	(383)
Changes in the fair value of Asset	-	-	-	-	-	-	-	-
Total - Net (A)	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**0**
(i) Investments outside India	-	-	-	-	-	-	-	-
(ii) Investments in India	-	0	-	0	-	0	-	0
Total (B)	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**0**

The amount denoted as "0", refers to amount less than ₹0.50 Lakhs

Note 5

Other Financial Assets

(₹ in Lakhs)

Particulars	As at	
	March 31, 2026	March 31, 2025
Security Deposits	202	202
Other Receivables	2	5
Total	**205**	**206**

Note 6

Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at	
	March 31, 2026	March 31, 2025
Advance tax and tax deducted at source		
Advance Tax and Tax Deducted at Source	293	604
(Net of provision for tax ₹2,299 lakhs in the current F.Y and ₹483 lakhs in the previous F.Y)		
Total	**293**	**604**

Note 7

Deferred Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at	
	March 31, 2026	March 31, 2025
Deferred Tax Assets (Net)	1,053	998
Total	**1,053**	**998**

Note 8

Property Plant and Equipment And Intangible Assets

A) Description of Assets

(₹ in Lakhs)

Description of Assets	Buildings	Right of use Building	Computers	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Plant, Property and Equipment Total	Intangibles Assets Software	Intangibles Assets under development	Capital Work-In-Progress	Total Assets
I. Gross Block											
Balance as at March 31, 2025	**740**	**1,031**	**124**	**60**	**57**	**13**	**2,024**	**168**	**11**	**47**	**2,250**
Additions	-	85	52	16	133	19	304	35	14	99	451
Other -Deductions/ Adjustments	-	82	30	29	5	0	147	2	11	145	305
Balance as at March 31, 2026	**740**	**1,033**	**145**	**47**	**184**	**32**	**2,181**	**201**	**14**	**-**	**2,395**
II. Accumulated depreciation and impairment											
Balance as at March 31, 2025	**116**	**373**	**78**	**26**	**28**	**8**	**630**	**93**	**-**	**-**	**723**
Depreciation expense for the period	17	249	38	13	27	8	351	51	-	-	402
Other -Deductions/ Adjustments	-	72	30	28	5	0	135	-	-	-	135
Balance as at March 31, 2026	**133**	**550**	**86**	**11**	**49**	**16**	**845**	**144**	**-**	**-**	**990**
Carring value as at March 31, 2026	**607**	**483**	**59**	**36**	**135**	**15**	**1,336**	**57**	**14**	**-**	**1,406**
At March 31, 2025	**624**	**657**	**45**	**34**	**29**	**5**	**1,394**	**75**	**11**	**47**	**1,527**

Notes forming part of the Financial Statement

as at March 31, 2026

B) Intangible Assets Under Development:

Intangible Assets Under Development	Ageing Schedule				
	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Software Implementation (2025-26)	14	-	-	-	14
Software Implementation (2024-25)	11	-	-	-	11

C) Intangible Assets under Development whose completion is over due:

Intangible Assets Under Development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
2025-26	-	-	-	-	-
2024-25	-	-	-	-	-

D) Capital Work In Progress:

CWIP	Ageing Schedule				
	Amount in CWIP asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
2025-26	-	-	-	-	-
Renovation work (2024-25)	47	-	-	-	47

E) Capital Work In Progress whose completion is over due:

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
2025-26	-	-	-	-	-
2024-25	-	-	-	-	-

F) Title deeds of Immovable Properties not held in name of the company (Additional Disclosure)

Relevant line item in the Balance sheet	Item of property	Gross value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter director or employee of promoter/director	Property held being since which date	Reason
Plant Propertv & Equipment						
Office Premises in Delhi	Building	146.72	Global Trade Finance	No	29-06-2005	Under Process -Not in Dispute

Note 9

Other Non-Financial Assets

(₹ in Lakhs)

Particulars	As at	
	March 31, 2026	March 31, 2025
Balance with Government Authorities (ITC)	64	34
Pre-paid Expenses	128	89
Advance paid to CERSAI	1	0
Advance to Employees	8	7
Others*	124	242
Total	**323**	**371**

*₹75.16 lakhs pertains to payment made to, SBI a related party towards salary of deputed staff against which invoices are not received for during the year and other charges.

Notes forming part of the Financial Statement

as at March 31, 2026

Note 10

Debt Securities

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
- At Amortised Cost		
UNSECURED:		
Non Convertible Debentures - Listed*	9,990	9,988
Total (A)	**9,990**	**9,988**
Debt securities in India	9,990	9,988
Debt securities outside India	-	-
Total (B)	**9,990**	**9,988**

*Includes issue expenses amortised as per EIR

Non-convertible debentures and any other borrowings are not guaranteed by any of directors and/or others.

Maturity Profile of Non-Convertible Debentures

(₹ in Lakhs)

Description	Date of Maturity	As at March 31, 2026
10 Years Unsecured Subordinated Redeemable Non-Convertible Debentures 2021-22 (Series - SBIGFL - 10) of ₹ 100 Lakhs each. Carrying interest rate @ 7.28% p.a.	July 27, 2031	10,000
Adjustments on account of effective rate of interest		(10)
Total		**9,990**

Maturity Profile of Non-Convertible Debentures

(₹ in Lakhs)

Description	Date of Maturity	As at March 31, 2025
10 Years Unsecured Subordinated Redeemable Non-Convertible Debentures 2021-22 (Series - SBIGFL - 10) of ₹ 100 Lakhs each. Carrying interest rate @ 7.28% p.a.	July 27, 2031	10,000
Adjustments on account of effective rate of interest		(12)
Total		**9,988**

#The Details of Commercial Papers are as under

(₹ in Lakhs)

Particulars and Discounting Rate	Date of Maturity	As at March 31, 2026
NIL		-
Adjustments on account of effective rate of interest		-
Total		**-**

(₹ in Lakhs)

Particulars	Date of Maturity	As at March 31, 2025
Sundaram Mutual Fund CP	May 29, 2024	5,000
Tata Mutual Fund CP	May 28, 2024	5,000
Adjustments on account of effective rate of interest		(10,000)
Total		**-**

Notes forming part of the Financial Statement

as at March 31, 2026

(₹ in Lakhs)

Particulars and Discounting Rate	Date of Maturity	As at March 31, 2025
Sundaram Mutual Fund CP	May 29, 2024	5,000
Tata Mutual Fund CP	May 28, 2024	5,000
Adjustments on account of effective rate of interest		(10,000)
Total		-

Note 11

Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
- At Amortised Cost		
UNSECURED		
(a) Working Capital Demand Loan from other Banks*	2,845	-
(b) Loan from Related Party#	2,13,596	2,12,036
(c) Bank overdraft from Related Party	7,502	1,249
Total (A)	**2,23,943**	**2,13,285**
Borrowings in India	1,97,347	2,05,849
Borrowings outside India	26,596	7,436
Total (B)	**2,23,943**	**2,13,285**

*Includes unsecured short term loan Facility from IDBI Bank.

#Includes Loan (Foreign Currency Cash Credit, Working Capital Demand Loan, Short term loan Facility) taken from Parent Company - State Bank of India (SBI)

(₹ in Lakhs)

Description and ROI	Date of Maturity	As at March 31, 2026
Working Capital Demand Loan from SBI @6%	0-90 days	1,87,000
Working Capital Demand Loan from IDBI Bank 4.27%	0-90 days	2,845
Bank Overdraft from SBI @9.80%		7,502
Foreign Currency Line of Credit Loan		
(USD 184.31 lakhs, GBP 18.27 lakhs, EUR 63.38 lakhs) (SOFR/SONIA/ESTR+0.72%)	-	26,596
Total		**2,23,943**

(₹ in Lakhs)

Description and ROI	Date of Maturity	As at March 31, 2025
Working Capital Demand Loan from SBI (between 6.80 % to 7.00%)	0-90 days	2,04,600
Bank Overdraft from SBI @10.10%		1,249
Foreign Currency Cash Credit Loan		
(USD 76.80 lakhs, GBP 3.08 lakhs, EUR 5.75 lakhs) (SOFR/SONIA/ESTR+0.72%)	-	7,436
Total		**2,13,285**

No term loans, external commercial borrowings, commercial paper and any other borrowing is guaranteed by directors and / or others. During the period presented there were No defaults in the repayment of principal & interest.

Notes forming part of the Financial Statement

as at March 31, 2026

Note 12

Other Financial Liabilities :

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Interest accrued but not due;	517	1,070
(b) Creditors for Expenses	752	699
(c) Others		
Lease Liability	530	700
Liability against Pledged Shares	1	1
Liability against collection of factoring receivables	87	1,296
Total	**1,887**	**3,766**

Note 13

Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Provision for employee benefits*	284	207
(b) Ex Gratia Payable	90	85
Total	**374**	**292**

Note 14

Other Non-financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Revenue received in advance	3,085	2,109
(b) Liability for stale cheque	0	0
(c) Deferred Income on security deposit valued at amortized cost	26	0
(d) Statutory liability	93	75
Total	**3,203**	**2,185**

Note 15

Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Authorised share capital:		
880,000,000 (Previous Year 880,000,000) Equity Shares of ₹10 each	88,000	88,000
120,000,000 (Previous Year 120,000,000) Preference Shares of ₹10 each	12,000	12,000
	1,00,000	**1,00,000**
(b) Issued, Subscribed and Paid-up		
159,885,365 (Previous Year 159,885,365) Equity Shares of ₹ 10 each, fully paid-up	15,989	15,989
	15,989	**15,989**

Notes forming part of the Financial Statement

as at March 31, 2026

a. Includes 15,625,000 shares issued on Right issue of capital in FY 2010-11.

b. 15,98,85,365 (Previous Year 15,98,85,365) shares are held by the Holding Company, State Bank of India and its Nominees.

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

Note 16

Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Redemption Reserves		
Opening Balance	1,000	1,000
Add: Transfer from Statement of Profit and Loss	-	-
Closing Balance	**1,000**	**1,000**
Securities Premium Account		
Opening Balance	21,693	21,693
Add: Additions during the year	-	-
Closing Balance	**21,693**	**21,693**
Reserve Fund*		
Opening Balance	10,343	9,203
Add: Transfer from Statement of Profit and Loss	1,393	1,140
Closing Balance	**11,736**	**10,343**
Impairment Reserve@#		
Opening Balance	-	2,196
Add: Transfer from Statement of Profit and Loss	-	-
less: Transfer to General Reserve	-	(2,196)
Closing Balance	**-**	**-**
@Reviewed on half yearly basis		
General Reserve		
Opening Balance	12,765	10,569
Add: Transfer from contingency reserve	-	-
Add: Transfer from impairment Reserve	-	2,196
Closing Balance	**12,765**	**12,765**
Retained Earnings		
Opening Balance	(10,861)	(15,432)
Add: Profit for the period	6,966	5,702
Add: Other Comprehensive Income (Reimbursement of defined benefit plan)	10	9
	(3,886)	(9,721)
Less :-		
Transfer to Reserve Fund*	1,393	1,140
Transfer to impairment Reserve	-	-
Closing Balance	**(5,279)**	**(10,861)**
Total	**41,915**	**34,940**

*Created in accordance with provision of section 45-IC of The Reserve Bank of India Act, 1934.

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

Notes forming part of the Financial Statement

as at March 31, 2026

Note 17

Interest Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Discount Income	24,833	20,767
Total	**24,833**	**20,767**

Note 18

Fees and Commission Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31,2025
Processing Charges	667	509
Facility Amendment Charges	10	13
Overdue Penal Charges	102	113
Field Survey Fees	43	35
Total	**822**	**670**

Note 19

Sale of Services

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31,2025
Factoring Charges	953	813
	953	813

Note 20

Others

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Bad Debts Recovery in Written off Accounts	2,147	1,404
Total	**2,147**	**1,404**

Note 21

Impairment/ (Reversal of provision) on Financial Instruments

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Loans	117	(1,672)
Total	**117**	**(1,672)**

Notes forming part of the Financial Statement

as at March 31, 2026

Note 22

Finance Costs

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest Expenses on debts classified as amortised category		
Non-Convertible Redeemable Debentures	729	727
Short Term Loans (including Cash Credit & Overdraft)	11,990	10,029
Discount on Issue of Commercial Papers	806	130
Interest Expense on Lease Liability	54	64
Other Borrowing Costs		
Forward Premium	-	19
Foreign Exchange Loss*	-	6
Total	**13,580**	**10,975**

*Foreign exchange gain included in other income

Note 23

Fees and Commission Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Import Factor Commission	204	177
Total	**204**	**177**

Note 24

Net loss on derecognition of financial instruments under amortised cost category

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Loss on Derecognition of Financial Instruments	987	2,873
Total	**987**	**2,873**

Note 25

Employee Benefits Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and Wages	1,992	1,837
Contribution to Provident and Other Funds	83	69
Staff Welfare Expenses	137	97
Total	**2,212**	**2,004**

Notes forming part of the Financial Statement

as at March 31, 2026

Note 26

Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Advertisement & Publicity Expenses	32	96
Auditor's Fees and Expenses	20	19
Bank Charges	44	41
Communication Expense	22	26
Contribution towards CSR activites	35	21
Credit Rating Fees and Other Charges	39	40
Directors Sitting Fees	28	31
Electricity Expenses	39	44
Goods and Services Tax	287	225
Legal and Professional Charges	899	619
Membership and subscription	73	59
Miscellaneous Expenses	74	73
Outsourcing Costs	72	70
Printing and Stationery	23	21
Rent, Rates and Taxes	33	59
Repairs and Maintenance - Building	26	28
Repairs and Maintenance - Others	134	122
Royalty Expenses	114	89
Security Charges	27	29
Travelling and Conveyance	226	189
Total	**2,249**	**1,901**

Note 27

Contingent Liabilities :

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
I Service Tax matters (under dispute)	57	57
II Direct Tax matters - Income Tax*	30	-
	87	**57**

*Amount includes principle and interest

Note: Future cash outflows, if any, in respect of (i) to (ii) above is dependent upon the outcome of judgements.

There is no claim or proceedings which are pending against the Company which has any financial obligations against the Company. The cases filed against the Company are appeals, either civil or criminal, filed by the Clients arising out of any civil decree or conviction in Section 138 of Service tax act/GST Act 2017 proceedings. The Company reviews all its cases periodically. No decree or order has been passed against the Company which has any financial implication. Since, there is no liability, there is no provision is required. Since all the civil as well as criminal proceedings are filed by the Company for recovery of its outstanding dues, the outcome of these pending proceedings will not have any materially adverse effect on the Company.

The Company has received a demand notice under sec 156 of the Income Tax Act 1961 pertaining to AY 18-19 The disputes relate to tax treatment of certain expenses claimed as deduction, computation or eligibility of tax incentives and allowances and characterisation of fees for services received. The Company has filed an appeal with the CIT(A) on March 13, 2026, the outcome of which is pending till date.

Notes forming part of the Financial Statement

as at March 31, 2026

The Company periodically receives notices and inquiries from income tax authorities related to the Company's operations in the jurisdictions it operates in. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

The Company has assessed all long term contracts for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

28 Disclosure of creditors for expenses under other financial liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act).

The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure, if any, relating to the amount unpaid at the year end together with the interest paid/payable as required under the said Act have not been given.

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
a i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	0	-
a ii) Interest on a) (i) above	-	-
b i) Amount of Principal paid beyond the appointed Date	55	-
b ii) Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	2	-
c) Amount of Interest due and payable for the period of delay in making payment, but without adding the interest specified under section 16 of the said Act*	-	-
d) Amount of Interest accrued and due*	2	-
e) Amount of further interest remaining due and payable Even in succeeding years*	-	-

*Indicates amount less than 0.5 lakhs

29 Leases

Ind AS 116 - Leases, has become applicable effective annual reporting period beginning April 1, 2019. The Company has adopted the standard beginning April 1, 2019, using the modified retrospective approach for transition. Accordingly, the Company has not restated the comparative information, instead the cumulative effect of initially applying the standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

₹ in Lakhs

	March 31, 2026	March 31, 2025
Right to use assets		
Buildings	483	657
Lease liabilities		
Lease liabilities	530	700

Notes forming part of the Financial Statement

as at March 31, 2026

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

Depreciation charge of right-of-use assets

₹ in Lakhs

	March 31, 2026	March 31, 2025
Buildings	249	246
Interest expense (included in finance cost)	54	64
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	14	31
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	4	4
Expense relating to variable lease payments not included in lease liabilities (included in administrative expenses)	-	-
The total cash outflow for leases during the period	**304**	**331**

30 (A) i Earnings Per Share:

		March 31, 2026	March 31, 2025
Net Profit attributable to ordinary equity holders (₹ in Lakhs)		6,966	5,702
Profit available to Equity Shareholders (₹ in Lakhs)	(A)	6,966	5,702
Adjusted Net Profit for Diluted Earnings Per Share (₹ in Lakhs)	(B)	6,966	5,702
Weighted average number of Equity Shares outstanding during the year	(C)	15,98,85,365	15,98,85,365
Weighted average number of Diluted Equity Shares outstanding during the year	(D)	15,98,85,365	15,98,85,365
Nominal Value of Equity Shares (₹)		10	10
Basic Earnings Per Share (₹)	(A) / (C)	4.36	3.57
Diluted Earnings Per Share (₹)	(B) / (D)	4.36	3.57

ii Disclosures in compliance with Regulations 52(4) of the SEBI (Listing obligations and Disclosure Requirements) regulations, 2015 for the Year ended March 31, 2026

	Numerator	Denominator	March 31, 2026	March 31, 2025
(a) Debt-Equity ratio;	Debt	Equity	5.07	5.50
(b) Debt Service Coverage Ratio;	EBITDA	Total Debt Service	0.10	0.09
(c) Interest Coverage Ratio;	EBIT	Interest Expense	1.68	1.65
(d) Outstanding Redeemable Preference share	NA	NA	NA	NA
(e) Capital Redemption Reserve / Debenture Redemption Reserve;			1,000	1,000
(f) Net Worth;			57,904	50,928
(g) Net Profit After Tax;			6,966	5,702
(h) Earnings Per Share:			4.36	3.57
(i) Current Ratio	Current Assets	Current Liabilties	1.29	1.27
(j) Long Term Debt to Working Capital	Long Term Debt	Working Capital	0.15	0.17

Notes forming part of the Financial Statement

as at March 31, 2026

	Numerator	Denominator	March 31, 2026	March 31, 2025
(k) Bad Debt to Account Receivable Ratio	Net loss on derecognition of financial instruments under amortised cost category	Loans	0.00	0.01
(l) Current Liability Ratio	Current Liabilities	Financial Liabilities + Non Financial Liabilites	0.95	0.95
(m) Total Debt to Total Assets	Total Debt	Total Asset	0.79	0.80
(n) Debtors Turnover			NA	NA
(o) Inventory Turnover			NA	NA
(p) Operating Margin (%)	Operating Profit	Operating Income	27.69%	34.85%
(q) Net Profit Margin (%)	Profit After Tax	Operating Income	24.22%	24.10%
(r) Sector Specific Ratio				
PCR (%) (Provision Coverage Ratio)	Total provisions	Gross NPAs	77.90%	75.86%

Figures for the previous period have been regrouped and restated wherever necessary, in order to make them comparable.

30 (B) i Disclosure of Unhedged Exposure of Foreign Currency

The Foreign Currency Exposures that have not been hedged by a derivatives instrument or otherwise as on Year ended March 31, 2026

	Currency	Currency in Lakhs	Amount ₹ in Lakhs
(a) Assets (Receivables)			
	USD	228	21,584
		(81)	(6,902)
	EUR	58	6,311
		(6)	(520)
	GBP	15	1,888
		(3)	(346)
(b) Liability (Payables)			
	USD	0	23
		(0)	(19)
	EUR	0	12
		(0)	(2)
	GBP	0	6
(c) Loans Payable			
	USD	224	21,160
		(77)	(6,565)
	EUR	58	6,338
		(6)	(530)
	GBP	15	1,827
		(3)	(341)

Notes forming part of the Financial Statement

as at March 31, 2026

As the Company has Foreign Currency outstanding Receivables & Payables which offset each other, the net foreign currency exposure is minimal.

Figures appearing as "0" indicate amount less than 0.5 lakhs

ii Disclosure of Hedged Contracts

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

Particulars	Currency	Outstanding amounts of exposure hedged (In Lakhs FC)		Outstanding amounts of exposure hedged (₹ In Lakhs)	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Short Term Borrowings	USD	-	-	-	-

30 (C) Related Party Disclosures

	Name of Related Party	Relationship
a	**Enterprise where control Exits**	
i	**Holding Company**	
	State Bank of India (SBI)	Holding Company
ii	**Fellow Subsidiary Company with whom transactions have taken place during the year**	
	SBI Capital Markets Limited	Fellow Subsidiary (Non Banking)
	SBI Cards and Payment Services Limited	Fellow Subsidiary (Non Banking)
	SBI Foundation	Fellow Subsidiary (Non Banking)
	SBI Funds Management Limited	Fellow Subsidiary (Non Banking)
	SBI General Insurance Limited	Fellow Subsidiary (Non Banking)
	SBI Life Insurance Company Limited. (SBI LIFE)	Fellow Subsidiary (Non Banking)
	SBI Mutual Fund Trustee Company Limited	Fellow Subsidiary (Non Banking)
	SBI Pension Funds Pvt. Limited	Fellow Subsidiary (Non Banking)
	SBICAP Securities Limited	Fellow Subsidiary (Non Banking)
	SBICAP Trustee Company Limited	Fellow Subsidiary (Non Banking)
b	**Key Management Personnel/Relatives of Key Management Personnel**	
	Mr. Bharat Kumar Mishra (w.e.f. 21.06.2023 to till date)	MD & CEO
	Mr. Amit Sharma (w.e.f. 25.07.2024 to till date)	EVP & CFO
	Ms. Rishika Puri (w.e.f 25.10.2024 till date)	Company Secretary
	Shri. Ashwini Kumar Tewari (w.e.f 19.01.2024 to till date)	Nominee Director of SBI
	Shri. Debangshu Munshi (w.e.f 26.09.2023 to 30.09.2025)	Nominee Director of SBI
	Shri. Atul Srivastava (w.e.f. 28.10.2025 to till date)	Nominee Director of SBI
	Smt. Sudha Malhotra (w.e.f. 29.04.2021 to till date)	Independent Director
	Shri. Ashwini Mehra (w.e.f. 04.03.2024 to till date)	Additional (Independent) Director
c	**Enterprises over which Key Management Personnel (KMP) & his relatives can exercise significant influence**	
	Mr. Bharat Kumar Mishra (w.e.f. July 21, 2023 to till date)	Factors Association of India - Nominee Director
	Factors Association of India	KMP having significant influence
	SBI Global Factors LTD. Staff gratuity fund	KMP having significant influence

Notes forming part of the Financial Statement

as at March 31, 2026

Note 31

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

(₹ in Lakhs)

Sr. no.	Nature of transaction	Holding	Fellow Subsidiaries	Key Management Personnel / Relatives	Enterprises over which Key Management Personnel (KMP) & his relatives can exercise significant influence	Joint Venture	Grand Total
1	**EXPENSES**						
	Remuneration & Other Expenses to MD & CEO	-	-	93	-	-	93
	Previous Year	-	-	(88)	-	-	(88)
	Remuneration To EVP - CFO	-	-	63	-	-	63
	Previous Year	-	-	(62)	-	-	(62)
	Remuneration & Other Expenses To CS	-	-	18	-	-	-
	Previous Year	-	-	(19)	-	-	-
	Salary (Including Perquisite) and other expenses paid to Deputed Staff	786	-	-	-	-	786
	Previous Year	(793)	-	-	-	-	(793)
	Receiving of Services/ Reimbursement of Expenses	11,563	83	-	0	-	11,646
	Previous Year	(9,926)	(32)	-	(4)	(33)	(9,995)
	Royalty (Expenses out)	114	-	-	-	-	114
	Previous Year	(105)	-	-	-	-	(105)
	Director Sitting Fees	-	-	28	-	-	28
	Previous Year	-	-	(31)	-	-	(31)
	Total - Current Year	**12,463**	**83**	**203**	**0**	**-**	**12,749**
	Total - Previous Year	**(10,823)**	**(32)**	**(200)**	**(4)**	**(33)**	**(11,074)**
2	**INCOME**						
	Rendering of Services/ Reimbursement of Expenses	-	-	-	0	-	0
	Previous Year	-	-	-	(4)	-	(4)
	Rental Income	11	-	-	-	-	11
	Previous Year	(7)	-	-	-	-	(7)
	Interest Income - FD	5	-	-	-	-	5
	Previous Year	-	-	-	-	-	-
	Total - Current Year	**17**	**-**	**-**	**0**	**-**	**17**
	Total - Previous Year	**(7)**	**-**	**-**	**(4)**	**-**	**(11)**
3	**SHARE CAPITAL**						
	Equity Share Capital	15,989	-	-	-	-	15,989
	Previous Year	(15,989)	-	-	-	-	(15,989)
	Share Premium	16,437	-	-	-	-	16,437
	Previous Year	(16,437)	-	-	-	-	(16,437)
	Total - Current Year	**32,426**	**-**	**-**	**-**	**-**	**32,426**

Notes forming part of the Financial Statement

as at March 31, 2026

(₹ in Lakhs)

Sr. no.	Nature of transaction	Holding	Fellow Subsidiaries	Key Management Personnel / Relatives	Enterprises over which Key Management Personnel (KMP) & his relatives can exercise significant influence	Joint Venture	Grand Total
	Total - Previous Year	**(32,426)**	**-**	**-**	**-**	**-**	**(32,426)**
4	**ASSETS**						
	Amounts Receivable / Advance	1	-	-	-	-	1
	Previous Year	(1)	(0)	-	(0)	-	(1)
	Prepaid Royalty / Insurance	8	15	-	-	-	23
	Previous Year	(0)	(16)	-	-	-	(16)
	Bank Balances	69	-	-	-	-	69
	Previous Year	(27)	-	-	-	-	(27)
	Unexpired Amount of CP	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-
	Unspent CSR expense - receivable from SBI Foundation	-	37	-	-	-	37
	Previous Year	-	-	-	-	-	-
	CD Balance - Group Insurance	-	0	-	-	-	0
	Previous Year	-	-	-	-	-	-
	Rent receivable from SBI - Borivali Flat Tenants	-	-	6	-	-	-
	Previous Year	(1)	-	(6)	-	-	-
	Security Deposit	-	-	6	-	-	6
	Previous Year	(1)	-	-	-	-	(1)
	Total - Current Year	**77**	**52**	**6**	**-**	**-**	**136**
	Total - Previous Year	**(29)**	**(16)**	**(6)**	**(0)**	**-**	**(51)**
5	**INVESTMENTS**	:					
	Investments in Equity shares	-	0	-	-	-	0
	Previous Year	-	(0)	-	-	-	(0)
6	**LIABILITY**						
	Unsecured Loans	2,21,098	(0)	-	-	-	2,21,098
	Previous Year	**(2,13,286)**	**(1)**	**-**	**-**	**-**	**(2,13,287)**
	Salary Payable / Amounts Payable / Interest Payable	437	-	32	-	-	469
	Previous Year	(527)	-	(7)	-	-	(534)
	Salary Payable / Amounts Payable / Interest Payable	126	-	29	-	-	155
	Previous Year	(893)	-	(19)	-	-	(912)
	Total - Current Year	**2,21,224**	**(0)**	**29**	**-**	**-**	**2,21,253**
	Total - Previous Year	**(2,14,179)**	**(1)**	**(19)**	**-**	**-**	**(2,14,199)**
7	**TRANSACTIONS**						
	Loan Taken	62,79,785	13	-	-	-	62,79,798

Notes forming part of the Financial Statement

as at March 31, 2026

(₹ in Lakhs)

Sr. no.	Nature of transaction	Holding	Fellow Subsidiaries	Key Management Personnel / Relatives	Enterprises over which Key Management Personnel (KMP) & his relatives can exercise significant influence	Joint Venture	Grand Total
	Previous Year	(46,77,751)	(10)	-	-	-	(46,77,761)
	Repayment of Loan	62,71,972	13	-	-	-	62,71,985
	Previous Year	(45,58,477)	(10)	-	-	-	(45,58,486)
	Investment in Fixed Deposit	6,000	-	-	-	-	6,000
	Previous Year	-	-	-	-	-	-
	Refund of security deposit	-	-	-	-	-	-
	Previous Year	-	-	(3)	-	-	(3)
	Fixed Deposit Matured	6,005	-	-	-	-	6,005
	Previous Year	-	-	-	-	-	-

32 Estimated amount of contracts to be executed on capital account not provided for (Net of advances) ₹ Nil (Previous Year ₹ Nil)

33 Auditors' Remuneration:

₹ in Lakhs

	March 31, 2026	March 31, 2025
For Statutory Audit	8	8
For Limited Review	5	5
For Tax Audit	3	3
For Other Services (Including certification)	3	4
For Out of pocket expenses	1	1
TOTAL	**20**	**20**

34 Expenditure in Foreign Currency (On Accrual basis)

₹ in Lakhs

	March 31, 2026	March 31, 2025
Correspondent Fees	204	177
Membership and Subscription	21	6
Interest on Short Term Loans	790	532
Others	15	6
TOTAL	**1,030**	**721**

35 Earnings in Foreign Currency:

₹ in Lakhs

	March 31, 2026	March 31, 2025
Income from Factoring :		
Interest income	1,053	554
Factoring Charges	354	234
Processing Charges	107	42
Miscellanous Income	370	264
TOTAL	**1,884**	**1,094**

Notes forming part of the Financial Statement

as at March 31, 2026

36 Book value of Investments in Security Receipt

₹ in Lakhs

Particulars	Backed by NPAs sold by the Company as underlying		Backed by NPAs sold by the other banks/FI/ NBFC as underlying		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Book value of investments in security receipt	383	383	-	-	383	383
Less: Provision	383	383	-	-	383	383
Net Value of investments in security receipt	-	-	-	-	-	-

*100% Provision is held against Investment in Security Receipts.

37 Investments in security receipts

₹ in Lakhs

Particulars		SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
i	Book value of SRs backed by NPAs sold by bank as underlying	-	-	383
	Provision held against(i)	-		383
ii	Backed by NPAs sold by the other banks/FI/ NBFC as underlying	-	-	-
	Provision held against(ii)	-	-	
	Total (i) + (ii)	**-**		**383**

38 Taxes on Income:

Income Tax

The components of income tax expense for the year ended are:

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
Current Tax		
In respect of Current Year	2,304	1,005
In respect of prior years	-	-
Deferred Tax		
In respect to of Current Year	(59)	433
Total Income Tax expense recognised in statement of profit and loss	**2,246**	**1,438**
OCI Section		
Remeasurement of the defined benefit liabilities	(3)	(3)
Income tax charges to OCI	**(3)**	**(3)**

Notes forming part of the Financial Statement

as at March 31, 2026

Reconciliation of the total charge:

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended is as follows

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
Accounting profit before tax	9,211	7,140
Income tax expense calculated at 25.168% (Previous Year 25.168%)	2,318	1,797
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Adjustments in respect of current income tax of previous year	-	-
Adjustments in respect of brought forward losses and unabsorbed losses	-	(407)
Adjustments in respect of expenses/provisions not deductible in determining taxable profit	(73)	49
Deferred tax not created on losses for the year	-	-
Income tax expense recognised in statement of profit and loss	**2,246**	**1,438**

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 in the year 2024. Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2026 and measured its deferred tax assets basis the rate prescribed in the section 115BAA of the Income Tax Act, 1961.

Movement in Deferred Tax (Assets) / Liabilities

₹ in Lakhs

Particulars	March 31, 2026			
	(DTA) / DTL As at April 01, 2025	Statement of Profit and Loss	OCI	(DTA) / DTL As at March 31, 2026
Fixed Asset: temporary difference on account of Depreciation and Amortisation	89	(7)	-	82
Bonus Disallowed due to non-payment	(21)	(1)	-	(23)
Provision for Gratuity	(30)	(18)	-	(48)
Provision for Leave Encashment	(22)	(1)	-	(24)
Provision for Expenses	(3)	3	-	(0)
Provision for doubtful debts on Non Performing Investments	(96)	-	-	(96)
Impairement allowances of Financial Assets	(903)	(29)	-	(932)
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	-	(0)	-	(0)
Leases	(11)	(1)	-	(12)
Others - OCI	-	(3)	3	-
Total	**(998)**	**(59)**	**3**	**(1,053)**

Notes forming part of the Financial Statement

as at March 31, 2026

₹ in Lakhs

Particulars	March 31, 2025			
	(DTA) / DTL As at April 01, 2024	Statement of Profit and Loss	OCI	(DTA) / DTL As at March 31, 2025
Fixed Asset: temporary difference on account of Depreciation and Amortisation	88	1	-	89
Bonus Disallowed due to non-payment	(38)	16	-	(21)
Provision for Gratuity	(32)	2	-	(30)
Provision for Leave Encashment	(24)	1	-	(22)
Provision for Expenses	(0)	(3)	-	(3)
Provision for doubtful debts on Non Performing Investments	(96)	-	-	(96)
Impairement allowances of Financial Assets	(1,324)	421	-	(903)
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	-	-	-	-
Leases	(8)	(3)	-	(11)
Others - OCI	-	(3)	3	-
Total	**(1,434)**	**433**	**3**	**(998)**

39 Retirement Benefit Plan

In accordance with the Indian Accounting Standard on (IND AS-19) - "Employee Benefits" the following disclosures have been made:

Defined Contribution Scheme

₹ in Lakhs

Description	March 31, 2026	March 31, 2025
Employer's Contribution to Provident Fund	38	33
Employer's Contribution to Pension Fund	13	11
Total	**51**	**44**

Defined Benefit Scheme

Obligation in respect of employee's gratuity fund scheme managed by SBI Life Insurance Company Ltd of India is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation:

a) Principal Assumptions used in determining gratuity and post employment benefits are:-

actuarial Assumptions	March 31, 2026	March 31, 2025
Discount Rate	7.76%	6.96%
Future Salary Increases	10.00%	10.00%
Retirement Age	60 Years	60 Years
Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	100%	100%
Method	Projected Unit Credit Method	Projected Unit Credit Method

Notes forming part of the Financial Statement

as at March 31, 2026

b) Changes in Present Value of Obligation

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
a) Present Value of obligation at the beginning of the year	170	178
b) Interest Cost	11	11
c) Past Service Cost	54	-
d) Current Service Cost	21	15
e) Benefits Paid	(16)	(42)
f) Actuarial (gain) / loss on Obligation	(12)	8
g) Present Value of obligation at the end of the year	228	170

c) Changes in Fair Value of Plan Assets

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
a) Fair value of plan assets at the beginning of the year	52	50
b) Expected Return	3	4
c) Past Service Cost	-	-
d) Contributions	-	39
e) Benefits Paid	(16)	(42)
f) Actuarial gain / (Loss) on Plan Assets	(0)	2
g) Fair value of plan assets at the end of the year	39	52
h) Funded Status	(189)	(118)

d) Actuarial gain/loss recognized

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
a) Actuarial (gain) / loss for the year - Obligation	(12)	8
b) Actuarial (gain) / loss for the year - Plan Assets	(0)	2
c) Actuarial (gain) / loss recognized in the year	(12)	6

e) Amounts to be recognized in the Balance Sheet:

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
a) Present Value of obligation at the end of the year	228	170
b) Fair value of plan assets at the end of the year	39	52
c) Funded Status	(189)	(118)
d) Net liability recognized in the Balance Sheet	189	118

Notes forming part of the Financial Statement

as at March 31, 2026

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

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
a) Current Service Cost	21	15
b) Past Service Cost	54	-
c) Interest Cost	11	11
d) Return on plan assets	(3)	(4)
e) Net Actuarial (gain) / loss recognized in the year	(12)	6
f) Interest on Fund Balance not recognised earler	-	-
g) Expenses/(Income) recognized in the Statement of Profit & Loss	71	29

g) Investment Details of Plan Assets

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
Assets managed by insurance scheme (100%)	39	52

h) Balance Sheet Reconciliation

₹ in Lakhs

Particulars	March 31, 2026	March 31, 2025
Opening Net Liability	(118)	(127)
Expenses as above	71	29
Employers Contribution	-	39
Amount Recognised in Balance sheet	(189)	(118)

I) Amount Recognised in current year and previous two years

₹ in Lakhs

	March 31, 2026	March 31, 2025	March 31, 2024
Defined Benefit Obligation	228	170	178
Plan Assets	39	52	50
(Surplus)/Deficit	189	118	127
Experience adjustments on plan liabilities Loss/ (Gain)	(12)	8	(0)
Experience adjustments on plan Assets (Loss)/Gain	(0)	2	2

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

₹ in Lakhs

	March 31, 2026	March 31, 2025
Projected Benefits Payable in Future Years From the Date of Reporting		
Within the next 12 months	31	30
2nd Following Year	30	17
3rd Following Year	28	17
4th Following Year	27	16
5th Following Year	30	16
Sum of Years 6th To 10th	115	85

Notes forming part of the Financial Statement

as at March 31, 2026

K) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	₹ in Lakhs		₹ in Lakhs	
	March 31, 2026		March 31, 2025	
	Decrease	Increase	Decrease	Increase
Discount rate (1% movement)	217	240	161	179
Withdrawal Rate (1% movement)	227	228	168	171
Future salary growth (1% movement)	237	219	178	162

Compensated Absences

The obligation for compensated absences is determined based on actuarial valuation using the Projected Unit Credit Method. The actuarial liability of Compensated Absences (unfunded) of accumulated privileged leaves of the employees of the company as at year end is given below:

₹ in Lakhs

	March 31, 2026	March 31, 2025
Privileged Leave	95	89

L)

On November 21, 2025, the Government of India notified the four Labour Codes – the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 – consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and legal opinion. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as "Statutory impact of new Labour Codes" under "Exceptional Items" in the statement of profit and loss for the year ended March 31, 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

Pursuant to the notification issued by the Ministry of Labour and Employment, the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "New Labour Codes") became effective from November 21 ,2025. The Company has reassessed its employee benefit obligations in accordance with the revised definition of wages. Accordingly, an incremental liability on account of past service cost in accordance with IND AS 19 – Employee Benefits amounting of ₹54 lakhs been charged to the Profit and Loss Account under exceptional items for the year ended March 31, 2026.

Notes forming part of the Financial Statement

as at March 31, 2026

40 Maturity Analysis of Assets and Liabilities:

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in Lakhs

Particulars	March 31, 2026			March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and Cash Equivalents	531	-	531	114	-	114
Loans*	2,93,490	-	2,93,490	2,76,625	-	2,76,625
Investments*	-	0	0	-	0	0
Other Financial Assets	19	186	205	25	182	206
Non-Financial Assets						
Current Tax Assets (Net)	293		293	604		604
Deferred Tax Assets (Net)	-	1,053	1,053	-	998	998
Property, Plant and Equipment		1,336	1,336	-	1,394	1,394
Capital Work in Progress/ Intangible assets under development	14		14	58		58
Other Intangible Assets	-	57	57	-	75	75
Other Non-Financial Assets	323	-	323	371	-	371
Total Assets	**2,94,670**	**2,631**	**2,97,301**	**2,77,796**	**2,649**	**2,80,445**
Liabilities						
Financial Liabilities						
Derivative financial instruments	-	-	-	-		
Debt Securities	-	9,990	9,990	-	9,988	9,988
Borrowings (Other than Debt Securities)	2,23,943	-	2,23,943	2,13,285	-	2,13,285
Other Financial Liabilities	1,357	530	1,887	3,066	700	3,766
Non-Financial Liabilities	-	-				
Provisions	90	284	374	85	207	292
Other Non-Financial Liabilities	3,203	-	3,203	2,185	-	2,185
Total Liabilities	**2,28,593**	**10,804**	**2,39,397**	**2,18,621**	**10,896**	**2,29,517**
Net			**57,904**			50,928

*Figures representing "0" are figures less than 0.5 lakhs

*Represents net of provision

41 Capital

i Capital Management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of Reserve Bank of India. The Company's objective, when managing Capital, is the ongoing assessment of Company's risks, how the Company intends to mitigate these risks and how much current and future capital is necessary after considering other mitigating factors.

Notes forming part of the Financial Statement

as at March 31, 2026

Pursuant to the amendment dated December 5, 2025, to paragraph 18(4) of the Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) Directions, 2025, entities within a bank group undertaking lending business are required to comply with the regulatory norms applicable to Upper Layer NBFCs, except for the mandatory listing requirement. Accordingly, the Company is required to disclose the Common Equity Tier 1 (CET1) capital ratio in its financial statements from the current financial year.

The Company follows regulations as per the Master Direction - RBI (NBFC - Scaled based Regulation) Directions 2023, to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting minimum Tier I Capital of 10% and a combined Tier I & Tier II Capital of 15% of aggregate risk weighted assets. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

Regulatory Capital	As at March 31, 2026	As at March 31, 2025
Tier I Capital	56,653	49,756
Tier II Capital	11,241	10,000
Total Capital	**67,894**	**59,756**
Risk Weighted Assets	**3,08,230**	**2,90,384**
CRAR		
Tier I Capital (%)	18.38%	17.13%
Tier II Capital (%)	3.65%	3.44%
CET 1 Capital (%)	18.38%	17.26%

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including current year profits. Certain adjustments are made to IND AS-based results and reserves, as prescribed by RBI. Tier II Capital consists primarily of Subordinated Debt instruments, subject to permissible limits as per the directions of the RBI.

ii ICAAP Document & Stress Scenarios:

One of the most important tool for capital planning and capturing risks of the enterprise is the ICAAP Document. Annually the Company prepares its ICAAP based on the audited financials, future business plan and, Stress Scenarios. The Stress Scenario captured in the ICAAP Document are quarterly compared with the actual performance and put up to the RMCB in its quarterly Memorandum. The Management Action Trigger (MAT) and Corrective Action (CA) are initiated if the Stress Scenario actually materializes during any reporting quarter.

Likely stress scenarios which are built and discussed in ICAAP are

i) Increase in NPA level requiring higher provision

ii) Large frauds in the standard assets of the Company and ability of the Company to provide for them.

iii) Tightening of the liquidity in the market and inability of the Company to raise funds through Commercial Papers (CPs) at reasonable rate and its impact on the overall average cost of funds and profitability.

The Corrective Action ('CA') is initiated as per the need.

The ICAAP Document is to be reviewed annually based on the actual performance of the Company in the previous year, Business Plan for the current year, Capital requirement to grow, and after factoring in the Stress Scenarios based on the past data. The Annual ICAAP document is to be placed before the Board for approval through RMCB.

Notes forming part of the Financial Statement

as at March 31, 2026

iii Categories of Financial Instruments:

(₹ In Lakhs)

Particulars	As at March 31, 2026			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Financial Assets				
Cash and Cash Equivalents	531	-	-	531
Loans	2,93,490	-	-	2,93,490
Investments*		0	-	0
Other Financial Assets	205	-	-	205
Total	**2,94,226**	**0**	**-**	**2,94,226**
Financial Liabilities				
Debt Securities	9,990	-	-	9,990
Borrowings (Other than Debt Securities)	2,23,943	-	-	2,23,943
Derivative Financial Instrument	-	-	-	
Other Financial Liabilities	1,887	-	-	1,887
Total	**2,35,820**	**-**	**-**	**2,35,820**

*Represent values less than ₹ 0.50 Lacs

(₹ In Lakhs)

Particulars	As at March 31, 2025			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Financial Assets				
Cash and Cash Equivalents	114	-	-	114
Loans	2,76,625	-	-	2,76,625
Investments*		0	-	0
Other Financial Assets	206	-	-	206
Total	**2,76,946**	**0**	**-**	**2,76,946**
Financial Liabilities				
Debt Securities	9,988	-	-	9,988
Borrowings (Other than Debt Securities)	2,13,285	-	-	2,13,285
Derivative Financial Instrument	-	-	-	
Other Financial Liabilities	3,766	-	-	3,766
Total	**2,27,040**	**-**	**-**	**2,27,040**

*Represent values less than ₹ 0.50 Lacs

42 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Company evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Company makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgements in respect of Level 3 instruments.

Notes forming part of the Financial Statement

as at March 31, 2026

Fair Value Hierarchy

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

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Company recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1: Fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Fair value measurements are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable

Level 3: Fair value measurements are those where at least one input which could have a significant effect on the instrument's valuation is not based on observable market data

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

Particluars	As at March 31, 2026			
	At FVTPL			
	Level-1	Level-2	Level-3	Total
Investments*	0	-	-	0

*Represent values less than ₹ 0.50 Lacs

Fair value technique

Investment at fair value through profit and loss

For investment at fair value through profit and loss, valuation are done using quoted from active markets or on published Net Asset Value of the investment at the measurement date.

Other Financial Assets and Liabilities

With respect to Bank Balances and Cash and Cash Equivalents, Other Financial Assets, Trade Payables and Other Financial Liabilities, the carrying value approximates the fair value.

43 Financial Risk Management

1 Introduction

The Company has operations in India , headquartered in Mumbai with ten branches across India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework under the overall framework of its parent Company viz. State Bank of India, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operational, regulatory and compliance risks.

2 Risk Management Framework

The Company undertakes a formal risk assessment exercise annually to proactively identify the risks and ensure all possible strategies to control & mitigate in pursuit of achieving the Company's objective. Every department is responsible for identification of their risks and putting it in the Risk Control and Self Assessment (RCSA)Template. The consolidated RCSA Template is analyzed by the Chief Risk Officer and the Managing Director of the Company, and is then put up before the Risk Management Committee of the Board and Board of Directors annually at their meeting for amendment and review.

Notes forming part of the Financial Statement

as at March 31, 2026

The Management of Risk in the Company is ensured through compliance with the laid down systems and procedures, processes and risk parameters detailed in the various Manuals viz .Assets & Liability, Credit, Operations, ALM Policy, Investment Policy, Foreign Exchange Operations, IT & IT Security. HR and Accounts. The key risks critical to the Company's operations are as under:

- Credit Risk(including Concentration and Country Risk)
- Operational Risk
- Liquidity Risk
- Market Risk(Interest Rate Risk)
- Compliance Risk(Including Legal Risk)

The Company has following policies in place to mitigate various types of risk:

- Credit Manual – Covering Client Risk, Country Risk, Concentration Risk, Counter Party Risk.
- Operations Manual – For conducting entire gamut of operations of factoring transactions in a systematic manner in accordance with the laid down procedures and instructions so as to prevent Fraudulent and Suspicious transactions.
- Asset Liability Management Policy manual – Liquidity Risk, Investment Manual – For Market (Interest Rate) Risk and Liquidity Risk and Foreign Exchange Operations manual.
- IT Policy and IT Security Policy and BCMS – for IT & IT Systems
- Accounting Policy manual – For Accounts
- HR Policy –Employee Risk
- Compliance Policy – Compliance Risk
- Fraud Risk Management Policy –Fraud Risk
- Risk Management Policy
- KRIs, RCSA Template, RCSA Manual, Loss Data Manual, KRI Manual & OR
- Policy on outsourcing of financial services for NBFC
- Sale of NPAs to ARC
- Cyber Security Manual
- Policy on Preservation of Documents

3 The Company ensures identification, measurement and control of risks affecting the business through the following Committees:

(i) The Board of Directors (BOD)

The BOD is responsible for overall monitoring of Risk Profile of the Company and gives directions for future growth. The Board meets at least 4 times in a year to review the quarterly results and performance of the Company. It may also meet between quarters if required as per exigent circumstances. BOD also exercises supervision of Company through its duly constituted sub-Committees as follows:

(a) Risk Management Committee of the Board (RMCB)

The Risk Management Committee of the Board (RMCB) is entrusted with the oversight and supervision of the Company's overall risk management framework. The Committee reviews the Company's risk profile, including key risks associated with the business, risk appetite, and the effectiveness of risk mitigation strategies at quarterly intervals and provides appropriate guidance and directions for the measurement, mitigation, and management of key and other material risks.

The Company's Risk Management Policy, duly approved by the Board, provides a comprehensive framework for identifying, assessing, quantifying, and mitigating various categories of risks across the organization. Further, a Chief Risk Officer (CRO) has been appointed to ensure independence and effectiveness of the risk management function. A strong risk culture, driven from the top, is embedded across the organization, supported by robust internal control systems and an Early Warning Signal (EWS) mechanism that enable effective risk management.

Notes forming part of the Financial Statement

as at March 31, 2026

(b) Executive Committee of the Board (ECB)

To review the MIS relating to Business Profile, NPAs and Stressed Assets and guide the Management in improving the health of the Asset Portfolio. ECB also approves amendments to Assets & Liability, Credit, Operations, Forex Operations, Treasury & Investment and IT Manuals based on past experience and emerging needs so as to ensure healthy growth in top line and bottom line within acceptable risk taking capabilities.

ECB also sanctions Credit Proposals including renewal, enhancement and amendments beyond discretionary powers of CCC-I while ensuring compliance with laid down processes and Risk Appetite parameters. Further, deviations which do not fall within the sanctioning powers of the CCC-II/CCC-I are also approved by the ECB.

(c) Audit Committee Board (ACB)

The Audit Committee Board (ACB) is responsible for overseeing the financial management of the Company, including the review of quarterly and annual financial statements to ensure accuracy, completeness, and compliance with applicable regulatory and statutory requirements. The Committee considers the observations and audit findings presented by the Internal and Statutory Auditors for the respective accounting periods, and ensures the adoption of sound accounting policies, adequacy of provisions, and adherence to applicable Accounting Standards. It also reviews instances of income leakages, if any, identified during audits and monitors the implementation of appropriate corrective actions by the management.

(ii) The internal Committees of the Company for risk management are as under:

(a) Asset-Liability Committee (ALCO)

Roles and Responsibilities

The Asset Liability Management (ALM) Committee presents the Structural and Dynamic Liquidity Report to the Risk Management Committee on a quarterly basis and meetings are held every month. The ALM Committee formulates the ALM Policy which is reviewed at least once a year. If any change is required, then, the revised policy along with desired change and rationale for the same shall be put up to the ECB. Consequent to the recommendation of the ECB, the reviewed policy would be put up to the Board for its approval.

Composition

ALCO Committee is headed by the MD & CEO of the Company. Other members of the Committee comprise all EVPs, HODs of Departments -Treasury, Credit/Credit Admin, Accounts, Marketing, IT, Risk Management, Operations, Debt Management and as nominated by MD & CEO of the Company.

ALCO normally meets at monthly intervals to discuss and take a view on the following:

- Cost of funds – Considering the prevailing liquidity position and future scenario
- Benchmark Rates, after factoring in the Cost of funds and future liquidity scenario.
- Asset – Liability position of the Company.
- Interest rate scenario
- Country Risk Exposure Review

(b) Corporate Credit Committee I and II:

Sanction of Credit Proposals including renewal, enhancement and amendments within their discretionary powers, while ensuring compliance with laid down Credit Policy, Credit Manual & SOPs. Sanctions by the CCC-II are controlled by the CCC-I and the sanctions by the CCC-I are controlled by the Executive Committee of the Board.

(c) Client Rating Validation Committee:

The Client Rating Validation Committee validates the Client Rating of all eligible proposals being put up to the Sanctioning Authority.The committee is headed by VP – Chief Risk Officer and includes the following members VP – Business Development, VP-Credit Admin & New Initiatives, VP-Debt, VP-Client Services and AVP Debt

Notes forming part of the Financial Statement

as at March 31, 2026

4 A synopsis of the various risks faced by the Company and their mitigation is as follows:

A) Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk for the Company is the risk of default by the Client availing the Factoring Facility from the Company for invoices recourse to him in the event of default by the debtor (buyer) in making payment on due date for the factored invoices drawn on him.

Credit Mitigation measures

To reduce loss from credit risk, the Company has adopted following practices-

- Client wise Exposure Limit:

  The exposure on each single borrower and group of borrowers are restricted within a maximum limit prescribed by the RBI.

Debtors Exposure Limit:

Debtors are classified into two categories i.e. rated debtor and unrated debtor.

The Maximum Exposure on a Single Rated Debtor and Single Unrated Debtors in respect of all clients is restricted by setting limits on the amount of risk it is willing to accept and by monitoring exposures in relation to such limits.

B) Operational Risk

Operational Risk is a risk of losses resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, IT Risk and Outsourcing Risk but excludes strategic and reputational risk.

The operational risks relating to the specific business profile of the Company involve

i) Fraudulent Transactions

ii) Diversion of Funds

iii) Disruption of business"

Operational Risk Mitigation measures

Each department of the Company meticulously follows rules or guidelines mentioned in their respective manuals to control operational risk. Further, the Internal Audit System of the Company is very robust to mitigate Operation Risk

While the disbursement of factored invoices are released to the Working Capital Banker only to ensure that there are no diversion of funds, we do have a rigorous risk focused Internal (Concurrent) Audit Mechanism for early detection, minimization of fraudulent transactions. Company has a Board approved policy to deal with Fraud Risk.

The Company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.

The Operations Manual details Systems and Procedures and Processes for Inclusion and authorization of invoices for factoring and allocation of collections. Internal Audit is an important mechanism to detect non-compliance, suspicious transactions and suggest remedial measures. The ECB has the power to amend the Manual, as per emerging needs and exigencies and Annual Review is to be put up to the Board.

Notes forming part of the Financial Statement

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C) Market Risk

Market risk refers to the possibility of losses arising from movements in market prices. The Company is exposed to only Interest Rate Risk due to its borrowing programme from the market.

Interest Rate Risk

Interest Rate Risk refers to the risk associated with the adverse movement in the interest rates. Adverse movement would imply rising interest rates on liabilities and falling interest yields on the assets. This is the biggest risk which the company faces. It arises because of maturity and re-pricing mismatches of assets and liabilities.

Market Risk Mitigation measures

The Majority of the Company's advances and Borrowings are short term in nature (upto 90 days). In case of any adverse movement in Interest Rate, the Company can easily pass on the increased cost of funds to the Clients.

Further, due to 100% backup lines of credit, in case of sharp increase in CP borrowing rates, Company can switch over to banks' lines of credit.

Every time the ALCO meets it monitors the cost, and maturity profile of funds borrowed and if required revises the Benchmark rates for various products viz. DF, RF, EF, PBD, LCEX and LCBD.

As regards Forex risk, the Company utilises the Forex line of Credit from Banks only to the extent of Export Factoring outstanding with overnight open position restricted to specified limit permitted by the RBI. The same is monitored on a Daily and Weekly Basis. In case of any shortfall or excess in open position from the prescribed limit, the position is regularized through purchase or sale of USD from time to time.

The Company invests surplus funds in approved Overnight/Liquid (Debt) funds to earn some return vis-à-vis idle cash.

The Guidelines contained in the Investment policy on Liquidity Back up, Investment of temporary Surplus funds, conduct of front / mid / back office and reporting mechanism can be amended from time to time, subject to approval by the Board.

D) Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources in addition to its core deposit base and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk.

The Liquidity Risk relating to the Company is inability to repay its borrowings from the market.

The Company has following sources of funds:

- Share Capital
- Reserves & Surplus
- Non Convertible Debentures
- Commercial Paper (7-90 days maturity)
- Bank lines of Credit (Domestic & Foreign)

To mitigate the liquidity risk, Company has prescribed following parameters:

The total of following available funds should always be more than total of Non-Convertible Debentures (NCDs) with put options, short-term dated loans (with no surety of rollover) and Commercial Papers (CPs) / NCDs falling due within the next one week.

Notes forming part of the Financial Statement

as at March 31, 2026

a) Undrawn, committed rupee facilities.

b) Undrawn but available foreign currency lines of credit;

c) Investments in liquid instruments, and

d) Other committed inflows including assets maturing within the period, if any,

Therefore, SBI Factors has backup lines of Credit from Banks to meet the 100% of the other short term/volatile resources and mitigate liquidity risks at any point of time.

E) Compliance Risk

Compliance risk is the current and prospective risk to earnings or capital arising from violations of, or non-conformance with laws, rules, regulations, prescribed practices, internal policies, and procedures, or ethical standards. The risk exposes the institution to fines, civil money penalties, payment of damages, and the voiding of contracts.

The Compliance part is taken care of by the Company Secretary & Chief Compliance Officer, besides the departmental heads who look after compliance function of their departments. The Internal Auditors also verify and furnish report on Regulatory Compliance at quarterly intervals which is put up to the Audit Committee along with the compliance of observations of the Internal Audit.

The Company is also in evaluating automation of compliance risk assessment and in the meanwhile, maintaining the same manually The Company has a Board approved compliance policy based on the guidelines issued by the Group Compliance Dept of SBI.

Maturity Pattern Assets and liabilities as on March 31, 2026

Particulars	Up to 30/ 31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 year upto 5 years	Over 5 years	Total
Cash and cash equivalents	531	-	-	-	-	-	-	-	531
Loans#*	2,93,783	35	387	-	1,956	1,034	-	-	2,97,195
Investments#*	-	-	-	-	-	-	-	0	0
Other Financial assets	-	-	-	-	19	186	-	-	205
Total	2,94,314	35	387	-	1,975	1,220	-	0	2,97,931
Debt Securities	-	-	-	-	-	-	-	9,990	9,990
Borrowings (other than Debt Securities)	1,75,402	19,100	2,845	-	26,596	-	-	-	2,23,943
Other Financials liabilities	864	-	-	493	-	530	-	-	1,887
Total	**1,76,266**	**19,100**	**2,845**	**493**	**26,596**	**530**	**-**	**9,990**	**2,35,820**

*Represent values less than ₹ 0.50 Lacs

(#Represents Gross Value without provision)

#The Period of realisation of Investment shall be 5 years from the date of acquisition. The Period of realisation may be extended to a maximum of 8 Years from the date of acquisition by the Board of Directors of JMFARC (Securitisation Company)

Notes forming part of the Financial Statement

as at March 31, 2026

Maturity Pattern Assets and liabilities as on March 31, 2025

Particulars	Up to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 year upto 5 years	Over 5 years	Total
Cash and cash equivalents	114	-	-	-	-	-	-	-	114
Loans	61,877	66,334	58,759	44,348	22,560	26,336	-	-	2,80,214
Investments*	-	-	-	-	-	-	-	0	0
Other Financials assets	-	-	-	-	25	182	-	-	206
Total	**61,991**	**66,334**	**58,759**	**44,348**	**22,585**	**26,518**	**-**	**0**	**2,80,534**
Debt Securities	-	-	-	-	-	-	-	9,988	9,988
Borrowings (other than Debt Securities)	1,80,100	24,500	-	-	8,685	-	-	-	2,13,285
Other Financials Liabilities	2,498	-	-	493	-	700	-	-	3,691
Total	**1,82,598**	**24,500**	**-**	**493**	**8,685**	**700**	**-**	**9,988**	**2,26,965**

(*Represents Gross Value without provision)

*The Period of realisation of Investment shall be 5 years from the date of acquisition. The Period of realisation may be extended to a maximum of 8 Years from the date of acquisition by the Board of Directors of JMFARC (Securitisation Company)

44 Segment Reporting

The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Segment Reporting.

45 Expected Credit Losses

Impairment Assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies

The Company applies General approach to provide for credit losses prescribed by IND AS 109, which provides to recognised 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognised lifetime expected credit losses for financial instruments for which there have been significant increase in credit risk since initial recognition considering all reasonable and supportable information, including that of forward looking.

Definition of Default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue

Stage wise Categorisation of Loan Assets The company categorises loan assets into stages based on the Days Past Due status:

- Stage 1: [0-30 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. The Company uses the same criteria mentioned in the standard and assume that when the days past due exceeds '30 days', the risk of default has increased significantly. Therefore, for those loans for which the days past due is less than 30 days, the Company recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months.

Notes forming part of the Financial Statement

as at March 31, 2026

- Stage 2: [31-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset)
- Stage 3: [More than 90 days Past Due] The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred. The Company use the same criteria mentioned in the standard and assume that when the days past due exceeds '90 days', the default has occurred.

For Domestic Factoring & TReDS

The management has adopted a provision matrix based on 'Transition Matrix Model' (basic) model for arriving at the Probability of Default. Basic model used for arriving at the Probability of Default is the Flow Rate/ Transition Matrix Model. The Management have taken quarter wise historic data for the last four years to arrive at the Probability of Default (PD)

For Export Factoring

The company has considered PD in case of export factoring as follows: Entire performing Export Factoring Portfolio is under the Two Factor Model wherein the exposure is covered by the PUG from the import factor. Due to availability of cover from import factor the delinquency in the Export Factoring is negligible.

The exposure is secured by the Payment Under Guarantee (PUG) cover given by the overseas Import factor and thus the management has proposed 0.50% as probability of default on the entire portfolio of Export factoring portfolio is provided

Credit Quality Analysis – Classification on basis of risk pattern (Collective and Individual Basis)

₹ in Lakhs

Particulars	Stage 1		Stage 2		Stage 3		Total
	Outstanding Loan	Impairment Losses	Outstanding Loan	Impairment Losses	Outstanding Loan	Impairment Losses	Impairment Losses
As at March 2026	2,93,673	1,218	740	320	2,782	2,167	3,705
As at March 2025	2,75,877	1,501	2,511	702	1,826	1,385	3,588

Write off policy

The NPA accounts where despite best efforts recovery is not forthcoming. Such accounts are critically examined on case to case basis and are recommended for write off to Executive Committee of the Board.

Executive Committee of the Board has full powers for write off of NPAs and no authority below that has been vested with any power in this regard.

46 Schedule in terms of Paragraph 13 of Prudential Norms as per Notification No. DNBS. 193 DG(VL)-2007 dated February 22, 2007 issued by Reserve Bank of India.

₹ in lakhs

LIABILITIES SIDE :	March 31, 2026		March 31, 2025	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
1 Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:				
(a) Debentures :				
Secured	-	-	-	-
Unsecured (other than falling within the meaning of public deposits*)	10,482	-	10,481	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-

Notes forming part of the Financial Statement

as at March 31, 2026

₹ in lakhs

LIABILITIES SIDE :	March 31, 2026		March 31, 2025	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(e) Commercial Paper	-	-	-	-
(f) Other Loans (specify nature)				
- Cash Credit/Working Capital Demand Loan	2,16,441	-	2,12,036	-
- Bank Overdraft	7,502	-	1,249	-

₹. in lakhs

ASSETS SIDE :	Amount Outstanding	
	March 31, 2026	March 31, 2025
2 Break-up of Loans and Advances including bills receivables [other than those included in (3) below:]#		
(a) Secured	4,268	86,872
(b) Unsecured	2,92,927	1,93,342
(Excludes Advance Payment of Tax)		
3 Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities (net of provision)		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
#Debts Shown under Sundry Debtors have not been Considered		
4 Break-up of Investments :		
Current Investments:		
1 Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	v
Long Term investments :		

Notes forming part of the Financial Statement

as at March 31, 2026

₹. in lakhs

ASSETS SIDE :	Amount Outstanding	
	March 31, 2026	March 31, 2025
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	0	0
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
- Investment in Security Receipt (SR)	383	383

5 Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:

Category	Amount net of provisions (₹ In Lakhs)		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries			
(b) Companies in the same group			
(c) Other related parties	-	-	-
2 Other than related parties	4,268	2,92,927	2,97,195
(Previous Year)	86,872	1,93,342	2,80,214
Total (Current year)	4,268	2,92,927	2,97,195
Total (Previous year)	86,872	1,93,342	2,80,214

6 Investor group-wise classification of all investments (current and long term) (both quoted and unquoted): (₹ In lakhs)

Category	March 31, 2025		March 31, 2025	
	Market Value/ Break-up or fair value or NAV	Book value (net of provisions)	Market Value/ Break-up or fair value or NAV	Book value (net of provisions)
1 Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group#*	-	0	-	0
(c) Other related parties	-	-	-	-
2 Other than related parties@	-	-	-	-
Total	-	0	-	0
#Disclosed as zero as amount is less than lakhs				
@100% Provision is held in books against Investment, therefore book value is zero				
*Represent values less than ₹ 0.50 Lacs				

Notes forming part of the Financial Statement

as at March 31, 2026

7 Other Information

₹ in lakhs

Particulars	March 31, 2026	March 31, 2025
(i) Gross Non Performing Assets		
(a) Related Party	-	-
(b) Other than Related Parties	2,782	1,826
(ii) Net Non-Performing Assets		
(a) Related Party		
(B) Other than Related Parties	615	441
(iii) Assets acquired in satisfaction of debts	-	-

47 (i) Disclosures as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 dated September 2, 2015 and Circular No.CIR/IMD/DF/18/2013 dated October 29,2013, relating to contact details of Debenture Trustees

IDBI Trusteeship Services Ltd
Universal Insurance Building, Ground Floor
Sir P.M Road, Fort
Mumbai, – 400 001
Tel : +91 22 40807000

₹ in Lakhs

(ii)	March 31, 2026	March 31, 2025
(a) Credit rating and change in credit rating (if any);	No	No
(b) Debt-Equity ratio;	5.07	5.50
(c) (i) Previous due date for the payment of interest		
- 7.28% Tier II Bonds (10 Years)	28.07.2022	28.07.2022
(ii) Repayment of principal of non convertible debt securities	-	-
(d) (i) Next due date for the payment of Interest		
- 7.28% Tier II Bonds (10 Years)	28.07.2026	28.07.2025
(ii) Principal along with the amount of interest		
- 7.28% Tier II Bonds (10 Years)	28.07.2031	28.07.2031
(e) Capital redemption reserve / Debenture redemption reserve;	1,000	1,000
(f) Net Worth;	57,904	50,928
(g) Net Profit After Tax;	6,966	5,702
(h) Earnings Per Share:	4.36	3.57

Notes forming part of the Financial Statement

as at March 31, 2026

48 Disclosure in accordance with RBI Circular No. DNBR(PD)CC No. 002/03.10.001/2014-15 dated November 10, 2014 and Notification issued by RBI on March 27, 2015 and April 10, 2015 relating to Non Banking Financial Companies - Corporate Governance (Reserve Bank) Directions 2015:

A Capital to Risk (weighted) Assets Ratio

₹ in Lakhs

Sr No	Particulars	March 31, 2026	March 31, 2025
i.	CRAR (%)	22.03	20.58
ii	CRAR - Tier I Capital (%)	18.38	17.13
iii	CRAR - Tier II Capital (%)	3.65	3.44
iv	Amount of Subordinated debt as Tier II Capital (₹ In Lakhs)	10,000	10,000
v	Amount raised by issue of Perpetual Debt Instruments	-	-

The above disclosure is also as per, Circular No. DNBS (PD). CC. No. 125/03.05.002/2008-2009 dated August 1, 2008, relating to guidelines for NBFC-ND-SI as regards to Capital Adequacy, Liquidity and disclosure norms.

B Investments

₹ in Lakhs

Sr No	Particulars	March 31, 2026	March 31, 2025
1	Value of Investments	-	-
i	Gross Value of Investments	-	-
	a) In India	383	383
	b) Outside India	-	-
ii	Provisions for Depreciation		
	a) In India	383	383
	b) Outside India	-	-
iii	Net Value of Investments		
	a) In India*	0	0
	b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments		
i	Opening balance	383	383
ii	Add: Provisions made during the year	-	-
iii	Less: Write-off / write-back of excess provisions during the year	-	-
iv	Closing balance	383	383

*Represent values less than ₹ 0.50 Lacs

C Derivatives - Forward Contract

₹ in Lakhs

Sr No	Particulars	March 31, 2026	March 31, 2025
i	Derivatives - Forward Contract	-	-
	For hedging	-	-

Notes forming part of the Financial Statement

as at March 31, 2026

D Disclosure relating to Securitisation

1 Details of Financial Assets sold to Securitisation/ Reconstruction Company for Asset Reconstruction.

₹ in Lakhs

Sr No	Particulars	March 31, 2026	March 31, 2025
(i)	No. of Accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC/RC.*	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years.	-	-
(v)	Aggregate gain/loss over net book value.	-	-

2 Details of Assignment transactions undertaken by NBFCs during the year

₹ in Lakhs

Sr No	Particulars	March 31, 2026	March 31, 2025
(i)	No. of Accounts	-	-
(ii)	Aggregate value of accounts sold	-	-
(iii	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

₹ in Lakhs

Sr No	Particulars	March 31, 2026	March 31, 2025
(i)	No. of Accounts	5	20
(ii)	Aggregate value of accounts purchased	28,764	1,32,652
(iii	Aggregate consideration	28,764	1,32,652
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

3 Details on Non-Performing financial assets purchased/sold.

A. Details of Non-Performing Assets purchased

₹ in Lakhs

Sr No	Particulars	March 31, 2026	March 31, 2025
(i)	(a) No. of Accounts purchased during the year	-	-
	(b) Aggregate outstanding	-	-
(ii)	(a) Of these, number of accounts restructed during the year	-	-
	(b) Aggregate outstanding	-	-

B. Details of Non-Performing Financial Assets sold.

₹ in Lakhs

Sr No	Particulars	March 31, 2026	March 31, 2025
(i)	No. of accounts sold	-	-
(ii)	Aggregate outstanding	-	-
(iii)	Aggregate Consideration received	-	-

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

Particulars	1 to 7 days	7 to 14 days	15 to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 year upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Loans (Gross)	-	-	2,93,783	35	387	-	1,956	1,034	-	-	2,97,195
Investments	-	-	-	-	-	-	-	-	-	383	383
Borrowing											
- CC Facility $ /Bank Overdraft	7,502	-	-	-	-	-	-	-	-	-	7,502
- Wcdl	-	-	1,67,900	19,100	2,845	-	26,596	-	-	-	2,16,441
- Commercial Papers	-	-	-	-	-	-	-	-	-	-	-
Debentures	-	-	-	-	-	-	-	-	-	9,990	9,990
Interest on Debentures	-	-	-	-	-	493	-	-	-	-	493
Foreign Currency assets											
- Bank Accounts	-	-	470	-	-	-	-	-	-	-	470
Foreign Currency liability											
- Import Factoring Commission	-	-	32	-	-	-	-	-	-	-	32
- Interest Payable on Loan	-	-	-	-	-	-	-	-	-	-	-

*The Period of realisation of Investment shall be 5 years from the date of acquisition. The Period of realisation may be extended to a maximum of 8 Years from the date of acquisition by the Board of Directors of JMFARC (Securitisation Company)

$Represents Foreign Currency line of Credit

Notes forming part of the Financial Statement

as at March 31, 2026

a) Exposure to Real Estate Sector*

₹ in Lakhs

Category	March 31, 2026	March 31, 2025
Direct Exposure		
(i) Residential Mortgages -		
(i) Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
(ii) Commercial Real Estate -		
(ii) Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
Total Exposure to Real Estate Sector @	-	-

*Above amounts reflects exposure towards collateral security accepted against the Factoring facility (Receivable financing) provided to the clients.

@Out of the above exposure, an amount of Previous Year ₹ Nil Lakhs

b) Exposure to Capital Market - There are no exposure, direct or indirect to Capital Market

c) Details of Financing of Parent Company products - Not Applicable

d) Details of Single Borrower limit (SGL) /Group Borrower Limit (GBL) exceeded by the NBFC - Nil

e) Unsecured Advances

₹ in Lakhs

Type of Security	March 31, 2026	March 31, 2025
Insured through overseas Import Factor	29,316	8,196
Secured by way of Assignment of Receivables and through Residual / Subservient Charge	2,45,507	1,84,137
Fully Unsecured	18,105	1,009
Total	**2,92,927**	**1,93,342**

Miscellaneous

a) Registration obtained from other financial sector regulators - Not Applicable

b) Disclosure of Penalties imposed by RBI and other regulators - Not Applicable

c) Related Party Transactions - Disclosed in Note 30

d) Ratings assigned by credit rating agencies and migration of ratings during the year

Notes forming part of the Financial Statement

as at March 31, 2026

Sr. No.	Rating Agency	Rating	Amount in Lakhs	Instrument / Facility	Validity Period**	
					From	To
i)	ICRA	[ICRA] AAA(stable)/ [ICRA] A1+	5,05,000	Long-term/Short -term fund based/ Non-fund based bank lines	23.04.2025	22.04.2026
ii)	ICRA	[ICRA]A1+	75,000	Commercial paper programme	23.04.2025	22.04.2026
iii)	ICRA	[ICRA]AAA (stable)	20,000	Subordinated Debt Programme	23.04.2025	22.04.2026
iv)	CRISIL	CRISIL A1+	75,000	Commercial Paper	07.07.2025	06.07.2026
v)	CRISIL	CRISIL AAA/ Stable	10,000	Subordinated Debt	07.07.2025	06.07.2026

** The rating agency can review the rating once in previous 15 months

Note: The above rating are taken on the basis of the certification provided by the respective rating agencies

e) **Prior Period Items - NIL (Previous Year NIL).**

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

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

ix Additional Disclosure

a) Concentration of Deposits, Advances, Exposures and NPAs

₹ in Lakhs

i) Concentration of Deposits	March 31, 2026	March 31, 2025
Total Deposits of twenty largest depositors	-	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	-	-

₹ in Lakhs

ii) Concentration of Advances	March 31, 2026	March 31, 2025
Total Advances of twenty largest borrowers	67,446	45,379
Percentage of Advances of twenty largest borrowers to Total Advances of the NBFC	22.69	16.19

₹ in Lakhs

iii) Concentration of Exposures (i + ii)	March 31, 2026	March 31, 2025
Total Exposure to twenty largest borrowers /customers	1,45,200	1,32,000
Percentage of exposure to twenty largest borrowers / customers to Total Exposure of NBFC on borrowers / customers	21.28	19.76

₹ in Lakhs

iv) Concentration of NPAs	March 31, 2026	March 31, 2025
Total Exposure to top four NPA Accounts	2,051	1,310

Notes forming part of the Financial Statement

as at March 31, 2026

b) Sector-wise NPAs

₹ in Lakhs

	Sector	March 31, 2026 Percentage of NPAs to Total Advances in that sector	March 31, 2025 Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	-	-
2	MSME	1%	2%
3	Corporate Borrowers	0%	0%
4	Services	-	-
5	Unsecured Personal Loan	-	-
6	Auto Loans	-	-
7	Other personal Loans	-	-

c) Movements of NPAs

₹ in Lakhs

	Particulars	March 31, 2026	March 31, 2025
i	Net NPAs to Net Advance (%)	0.21%	0.16%
ii	Movement of NPAs (Gross)		
	(a) Opening Balance	1,826	4,327
	(b) Additions during the year	2,937	1,788
	(c) Reductions during the year	1,980	4,289
	(d) Closing balance	2,782	1,826
iii	Movement of Net NPAs		
	(a) Opening Balance	441	27
	(b) Additions during the year	1,210	1,229
	(c) Reductions during the year	1,035	814
	(d) Closing balance	616	441
iv	Movement of Provisions of NPAs (Excluding Provision on Standard Assets)		
	(a) Opening Balance	1,385	4,301
	(b) Provision made during the year	1,727	559
	(c) Write off / write back of excess provisions	945	3,475
	(d) Closing Balance	2,167	1,385

d) Overseas Asset (for those with joint ventures and subsidiaries abroad) - Not Applicable

g) Off Balance Sheet SPVs sponsored - Not Applicable

h) Disclosure of Complaints

₹ in Lakhs

	Customer Complaint Particulars	March 31, 2026	March 31, 2025
a)	No. of Complaints pending at the beginning of the year	-	-
b)	No. of Complaints received during the year	2.00	2.00
c)	No. of Complaints redressed during the year	2.00	2.00
d)	No. of Complaints pending at the end of the year	-	-

Notes forming part of the Financial Statement

as at March 31, 2026

I) Information as required by Reserve Bank of India under Resolution framework for COVID related stress as per circular dated August 06, 2020

Disclosures to be made in the half year ended March 31, 2026

	Type of borrower		Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the 30th Sept 2025 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
a)	Personal Loans	-	-	-	-	-	-
b)	Corporate persons*	-	-	-	-	-	-
c)	of which, MSMEs	-	-	-	-	-	-
d)	Others	-	-	-	-	-	-

Note: The company has implemented Resolution Plan as per RBI circular dated 06-Aug-20 in One account during the Financial Year 2021-22. The detail of the account wherein RP has been invoked is as under Name of Borrower- Future Enterprises Limited (FEL) As per the OTR plan, SBI Factors Ltd outstanding dues of ₹ 3.53 crore was payable on March 31, 2022. However, the payment of SBI Factors Ltd and other lenders dues was defaulted by FEL and OTR plan failed. Therefore, the account was again downgraded to NPA in the books in April 2021 with a retrospective date viz. March 31, 2021., the same has been written of on FY 25-26

FIU as on 31.03.2025 and 31.03.2026 stands at ₹ 2.79 cr and NIL respectively Apart from this there is no account under restructuring in terms of RBI's circular on Resolution Framework for COVID-19 related stress.

J) Information as required by Reserve Bank of India Circular on Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses dated May 5, 2021 is attached as Annexure III. Disclosures to be made in the year ended March 31, 2026

(in lakhs)

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

Notes forming part of the Financial Statement

as at March 31, 2026

49 In terms of RBI Circular No DNBS.PD.CC.No. 256 / 03.10.042/2011-12 dated March 02, 2012 the Company has to report Nos and Amount of Fraud identified during the year. During the year ended March 31,2026 the company have reported one borrower account M/s Sneh Polymers Private Limited as fraud account on August 26, 2025 amounting to ₹ 6.86 Cr. which has been fully provided for and in the previous year there was NIL classification of fraud accounts.

50 As per the provisions of the Companies Act, 2013, the Company was required to spend ₹ 70.68 lakhs (previous year: ₹ 22.03 lakhs) on Corporate Social Responsibility (CSR) activities for the year ended March 31, 2026.

During the year, the Company has spent ₹ 33.86 lakhs (previous year: ₹ 21.02 lakhs) towards CSR activities.

The Company has committed ₹ 68.50 lakhs towards the project "SBIF ILM – Learn, Play, Grow" through SBI Foundation. The project, being multi-year in nature, qualifies as an ongoing project under the Companies (CSR Policy) Rules, 2014. Accordingly, the unspent amount of ₹ 37.03 lakhs as at March 31, 2026, in respect of this project will be transferred to a separate Unspent CSR Account within the prescribed timeline and utilised in subsequent financial year(s) in accordance with the statutory requirements.

The Company has contributed ₹ 0.22 lakhs more than the prescribed CSR obligation during the year.

The unspent CSR amount of ₹ 1.01 lakhs pertaining to FY 2024–25 has been transferred during the year to a fund specified in Schedule VII of the Act.

51 Input Tax Credit under Goods and Services Tax

The company is eligible to claim 50% of ITC only in view of specific provision of GST law. Therefore, 50% of ITC is always expensed off in books. Remaining 50% is allowed subject to confirmation by vendors on GST portal. Similarly, in case of locations registered as ISD under GST, 50% ITC is reversed as mandated by GST law.

52 Other additional regulatory disclosures as required under Schedule III

i) Valuation by registered valuer:

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

ii) Loans and advances

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

iii) Benami Property:

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

iv) Borrowing Against Security of Current Assets:

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

v) Wilful Defaulter:

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

vi) Relationship with Struck off company:

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

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

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

Notes forming part of the Financial Statement

as at March 31, 2026

viii) Scheme of arrangement:

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

ix) Utilisation of Borrowed Fund:

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

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

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

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

iii) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or

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

x) Undisclosed Income:

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

xi) Virtual Currency:

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

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

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

54

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between IndAS 109 provisions and IRACP norms
-1	-2	-3	-4	(5)=(3)-(4)	-6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	2,93,673	1,218	2,92,455	1,175	43
	Stage 2	740	320	420	88	232
Subtotal		2,94,413	1,538	2,92,875	1,263	275
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,380	765	615	264.83	500
Doubtful - up to 1 year	Stage 3	475	475	-	475	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3			-	-	-
Subtotal for doubtful		475	475	-	475	-
Loss	Stage 3	928	928	-	928	-

Notes forming part of the Financial Statement

as at March 31, 2026

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between IndAS 109 provisions and IRACP norms
Subtotal for NPA		2,782	2,167	615	1,668	500
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	2,93,673	1,218	2,92,455	1,175	43
	Stage 2	740	320	420	88	232
	Stage 3	2,782	2,167	615	1,668	500
	Total	2,97,195	3,705	2,93,490	2,931	774

55 Disclosure in accordance with RBI Circular No. DIR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated November 4, 2019 relating Liquidity Risk Management Framework for Non-Banking Financial Companies: (Amount in lakhs)

Public Disclosure on liquidity risk

(These details are pertaining to Year ended March, 2026)

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

as on March 31, 2026

Sr. No.	Number of Significant Counterparties*	Amount	% of Total deposits	% of Total Liabilities
1	3	2,24,212	NA	94
2	6	6,900	NA	3
Total	9	2,31,112	NA	97

as on March 31, 2025

Sr. No.	Number of Significant Counterparties*	Amount	% of Total deposits	% of Total Liabilities
1	6	6,900	NA	3
2	2	2,13,285	NA	93
Total	8	2,20,185	NA	96

*Significant counterparties are those counterparties whose outstandings is ₹ 10 crore and above.

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

- Since the Company has been categorized as an NBFC NDSI, this is not applicable

Notes forming part of the Financial Statement

as at March 31, 2026

(iii) Top 10 borrowings (amount in Rupees Lakhs and % of total borrowings)

as on March 31, 2026

Sr. No.	Particulars of Lenders	March 31, 2026	% of Total Borrowings
	Total	**2,31,112**	**99%**

as on March 31, 2025

Sr. No.	Particulars of Lenders	March 31, 2025	% of Total Borrowings
	Total	**2,20,185**	**99%**

(iv) Funding concentration based on significant instrument/product

as on March 31, 2026

Sr. No	Number of Instrument/product	Amount	% of Total Liabilities
1	TIER II Bonds	10,000	4
2	Bank Lines (₹+FOREX)	2,24,212	94
	Total	**2,34,212**	**98**

as on March 31, 2025

Sr. No	Number of Instrument/product	Amount	% of Total Liabilities
1	TIER II Bonds	10,000	4
2	Bank Lines (₹+FOREX)	2,13,285	93
	Total	**2,23,285**	**97**

(v) Stock Ratios:

As per Ind AS

Sr. No.	Ratios	March 31, 2026	March 31, 2025
a)	Commercial paper as a % of Total Public Funds	NA	NA
	Commercial paper as a % of Total Liabilities	0	0
	Commercial paper as a % of Total Assets	0	0
b)	Non-convertible debentures(Original Maturity of less than 1 year) as a % of Total Public Fund, Total Liabilities and Total Assets	NA	NA
c)	Other Short-term liabilities as a % of Total Public Funds	NA	NA
	Other Short-term liabilities as a % of Total Liabilities	95	95
	Other Short-term liabilities as a % of Total Assets	77	78

Figures for arriving at the ratios given in above table are as follows:

Particulars	March 31, 2026	March 31, 2025
Total Assets	2,97,301	2,80,369
Total Liabilities	2,39,397	2,29,441
Total Public Funds	-	-
Commercial Paper	-	-
Non-convertible debentures(Original Maturity of less than 1 year)	-	-
Other Short-Term Liabilities	2,28,593	2,18,546

Notes forming part of the Financial Statement

as at March 31, 2026

(vi) Institutional set-up of liquidity risk management

I. Introduction

Liquidity Risk is the Probability of loss arising from a situation where

(1) The cash and / or cash equivalent is not adequate to meet the obligations to the lenders and other counter parties.

(2) Sale of liquid assets will yield less than their fair value, or

(3) Liquid assets cannot be sold at the desired time due to lack of buyers.

(4) Lack of Market Appetite

II. Identification

Events that may lead to disturbance in cash flow position in our Company:

a) Delays in repayment of loans by the debtors / clients.

b) Inability to raise money from the overnight market.

III. Treatment / Handling of Liquidity Risk

Majority of the Company's assets are of short-term nature (Average 90 days) and are funded through combination of Commercial Papers (CPs), Owned funds and banks' lines of credit. In case of a tight liquidity position, wherein Company is unable to raise money through CPs at reasonable rates, the Company may fund its assets through Banks' lines of credit.

To mitigate the liquidity risk, Company has prescribed following parameters:

The total of following available funds should always be more than total of Non-Convertible Debentures (NCDs) with put options, short-term dated loans (with no surety of rollover) and Commercial Papers (CPs) / NCDs falling due within the next one week.

a) Undrawn, committed rupee facilities.

b) Undrawn but available foreign currency lines of credit;

c) Investments in liquid instruments, and

d) Other committed inflows including assets maturing within the period, if any,

Therefore, SBI Factors has backup lines of Credit from Banks to meet the 100% of the other short term/volatile resources and mitigate liquidity risks at any point of time.

As per our Report of even date

For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Firm Registration No. 100990W

CA Parag Jain
Partner
M.No. 078548

Place : Mumbai
Date : April 22, 2026

For and on behalf of the Board of Directors

Ashwini Kumar Tewari
Chairman
DIN :- 08797991

Amit Sharma
Chief Financial Officer

Place : Mumbai
Date : April 22, 2026

Bharat Mishra
Managing Director & CEO
DIN :- 09385794

Rishika Puri
Company Secretary

Corporate Information

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Fax No.: 080-40923761

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Tel. No.: 033-24756366/67
Fax No.: 033-24756383

Ludhiana

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Fax No.: 0161-5091358

New Delhi

906-907 Narain Manzil, 23 Barakhamba Road, Connaught Place, New Delhi-110001
Tel. No.: 011-4160 8581/2/3
Fax No.: 011-4160 8580

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107 & 108, City Square Apt. Plot no 29/2, City Survey no 1723, K M Gandhi Path, Shivaji Nagar (Bhamburda), Pune-411 005
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Fax No.: 020-255363700

Bankers

State Bank of India
Standard Chartered Bank
IDBI Bank
South Indian Bank

Solicitors

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HSA Advocates

Construction House, 5th Floor, Walchand Hirachand Marg, Ballard Estate, Mumbai-400001

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Rajdutt V. Kakade

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Auditors

M/s. Banshi Jain & Associates, Chartered Accountants 5th floor, La Magasin, Above Roopkala store, SV Road, Santacruz West, Mumbai–400 054

SBI Factors - Debenture Trustee

IDBI Trusteeship Services Limited
Universal Insurance Building, Ground Floor, Sir Phirozshah Mehta Road, Fort, Mumbai-400001
Contact Person: Mr. Sandesh Vaidya
Tel. No.: +91 22 40807000
Email ID: itsl@idbitrustee.com
Website: idbitrustee.com



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SBI Factors

Legacy of Trust, Future of Growth

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