

Globe Capital Market Limited
Statutory Audit
For the year ended 31 March 2019

INDEPENDENT AUDITORS' REPORT

To the Members of Globe Capital Market Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Globe Capital Market Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2019, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

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



Management's Responsibility for the Standalone Financial Statements

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

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

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act; and
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 34 to the standalone 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16):

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. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **BSR & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/ W-100022

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 29 April 2019

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

K. C. Gupta
Partner
Membership No.: 088638

Place: New Delhi
Date: 29 April 2019



Annexure A to the Independent Auditors' Report

(Referred to in our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and from our examination of books of account and other documents, the title deeds of immovable properties owned by the Company are held in the name of the Company.
- ii. As informed to us, the inventory, which is in the nature of securities, has been physically verified by the management during the year, either by actual inspection or on the basis of statement received from depository participants in respect of shares held as inventory. In our opinion, the frequency of such verification is reasonable. No material discrepancies have been noticed on physical verification of such inventories.
- iii. During the year, the Company had granted an unsecured loan, repayable on demand, to one of its subsidiaries covered in the register maintained under Section 189 of the Act.
 - (a) According to the information and explanations given to us and examination of books of account, the terms and conditions of the unsecured loan given by the Company are, prima facie, not prejudicial to the interests of the Company.
 - (b) As mentioned above, the loan granted by the Company to its subsidiary is repayable on demand. Accordingly, the provisions of paragraph 3(iii) (b) of the Order with respect to principal repayments are not applicable to the Company. Further, there have been no defaults in the interest payments.

Further, the Company has not granted any loans, secured or unsecured to other parties covered in the register maintained under Section 189 of the Act except for as mentioned above. Further, there no limited liability partnerships or firms which are covered in the register maintained under Section 189 of the Act.

- iv. According to the information and explanations given to us, in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services rendered by the Company. Hence, the provisions of paragraph 3(vi) of the Order is not applicable.



- vii. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Service tax, Goods and Service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Value added-tax, Sales-tax, Cess, Duty of excise and Duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Provident Fund, Service tax, Good and Service tax and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues on account of Income-tax, Goods and service tax, Provident Fund and Service tax which have not been deposited with the appropriate authorities on account of dispute as at 31 March 2019.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any banks and financial institutions. The Company did not have any outstanding loans or borrowings from the Government and did not have any dues to debenture holders during the year.
- ix. According to the information and explanations given to us and our examination of the records of the Company, the term loans obtained by the Company during the year have been applied for the purposes for which they were raised. Further, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Hence, the provisions of paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, there are no transactions with the related parties which are not in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements, as required, by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an examination of the records maintained by the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, paragraph 3(xiv) of the Order is not applicable.



- xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/ W-100022

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 29 April 2019

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

K. C. Gupta
Partner
Membership No.: 088638

Place: New Delhi
Date: 29 April 2019



Annexure B to the Independent Auditors' report on the standalone financial statements of Globe Capital Market Limited for the year ended 31 March 2019.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial controls with reference to financial statements of Globe Capital Market Company Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to 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 Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements.




Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/ W-100022


Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 29 April 2019

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


K. C. Gupta
Partner
Membership No.: 088638

Place: New Delhi
Date: 29 April 2019



Globe Capital Market Limited
Standalone Balance Sheet as at 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Assets				
Financial assets				
(a) Cash and cash equivalents	3	3,339.17	8,084.98	4,290.54
(b) Bank Balance other than cash equivalents above	4	90,741.04	70,396.36	54,487.49
(c) Derivative financial instruments	5	662.40	255.91	1,195.88
(d) Securities for trade	6	36,286.85	19,748.38	23,557.63
(e) Receivables				
(i) Trade receivables	7	31,122.85	31,952.51	15,534.87
(ii) Other receivables	7	5.73	7,375.67	3.31
(f) Loans	8	24,357.07	10,274.17	9,173.36
(g) Investments	9	14,943.21	14,240.15	17,935.76
(h) Other financial assets	10	32,647.48	21,159.97	46,275.19
		<u>234,105.80</u>	<u>183,488.10</u>	<u>172,454.03</u>
Non-financial assets				
(a) Current tax assets (net)	19	560.07	367.93	454.20
(b) Property, plant and equipment	11	365.14	319.11	350.10
(c) Other intangible assets	11	-	-	-
(d) Other non-financial assets	12	240.00	217.24	162.73
		<u>1,165.21</u>	<u>904.28</u>	<u>967.03</u>
Total assets		<u>235,271.01</u>	<u>184,392.38</u>	<u>173,421.06</u>
Liabilities and equity				
Liabilities				
Financial liabilities				
(a) Derivative financial instruments	5	404.42	477.26	1,169.37
(b) Trade payables	13	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		169.67	354.28	230.89
(c) Debt securities	14	9,947.08	9,439.78	9,854.16
(d) Borrowings (other than debt securities)	15	42,494.28	35,878.56	30,092.92
(e) Other financial liabilities	16	103,231.17	66,661.11	56,610.32
		<u>156,246.62</u>	<u>112,810.99</u>	<u>97,957.66</u>
Non-financial liabilities				
(a) Contract liabilities	17	102.65	104.30	65.82
(b) Current tax liabilities (net)	19	480.72	-	518.32
(c) Provisions	18	534.24	490.54	337.91
(d) Deferred tax liabilities (net)	19	775.69	281.65	398.36
(e) Other non-financial liabilities	20	353.43	305.04	415.90
		<u>2,246.73</u>	<u>1,181.53</u>	<u>1,736.31</u>
Total liabilities		<u>158,493.35</u>	<u>113,992.52</u>	<u>99,693.97</u>
Equity				
(a) Equity share capital	21A	2,625.00	2,625.00	2,911.25
(b) Other equity	21B	74,152.66	67,774.86	70,815.84
Total equity		<u>76,777.66</u>	<u>70,399.86</u>	<u>73,727.09</u>
Total liabilities and equity		<u>235,271.01</u>	<u>184,392.38</u>	<u>173,421.06</u>

Significant accounting policies and notes to the financial statements 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For BSR & Co. LLP
Chartered Accountants
Firm Registration No.: 012431W/W-100022

Jiten Chopra
Partner
Membership No.: 092894

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

K. C. Gupta
Partner
Membership No.: 088638

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

Yashpal Mendiratta
Managing Director
DIN: 00004185

Dhiraj Jaiswal
Company Secretary

Ashok Kumar Agarwal
Whole-time Director
DIN: 00003988

Amit Kumar Singhal
Chief Financial Officer

Place: Gurugram
Date: 29 April 2019

Place: New Delhi
Date: 29 April 2019

Place: New Delhi
Date: 29 April 2019



Globe Capital Market Limited
 Standalone Statement of Profit and Loss for the year ended 31 March 2019
 (All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from Operations			
(a) Interest income	22	15,753.84	14,339.75
(b) Dividend income		937.95	3,560.39
(c) Fee and commission income	23		
-Brokerage income		10,258.94	11,528.27
-Income from depository and portfolio management services		352.62	325.33
(d) Income from trading in securities		2,868.69	1,903.63
(e) Net gain on fair value change	24	513.27	-
(I) Total revenue from operations		30,685.31	31,657.37
(II) Other income	25	87.84	54.59
(III) Total Income (I + II)		30,773.15	31,711.96
Expenses			
(a) Finance costs	26	8,630.46	6,128.59
(b) Net loss on fair value change	24	34.58	1,905.50
(c) Impairment on financial instruments	27	356.45	235.08
(d) Employee benefit expenses	28	4,706.68	4,923.91
(e) Depreciation, amortization and impairment	11	67.00	61.56
(f) Other expenses	29	7,752.44	7,578.52
(IV) Total expenses		21,547.61	20,833.16
(V) Profit before tax (III-IV)		9,225.54	10,878.80
(VI) Tax expense			
(a) Current income-tax		2,371.92	3,219.30
(b) Deferred tax charge/ (credit)		487.67	(94.85)
Total tax expenses		2,859.59	3,124.45
(VII) Profit after tax for the year (V-VI)		6,365.95	7,754.35
(VIII) Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
(i) Remeasurement of net defined benefit liability		18.20	(62.54)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(6.36)	21.85
(b) Items that will be reclassified to profit or loss		-	-
Other comprehensive income /(loss)		11.84	(40.69)
(IX) Total comprehensive income for the year (VII+VIII)		6,377.79	7,713.66
(X) Earnings per share (par value Rs. 10 per share)			
Basic and diluted earnings per share (Rs.)		24.25	28.02

Significant accounting policies and notes to the financial statements

2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For BSR & Co. LLP
 Chartered Accountants
 Firm Registration No.: 101248W/W-10002

Jiten Chopra
 Partner
 Membership No.: 092894

Place: Gurugram
 Date: 29 April 2019

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

K. C. Gupta
 Partner
 Membership No.: 088638

Place: New Delhi
 Date: 29 April 2019

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

Yashpal Mendiratta
 Managing Director
 DIN: 00004185

Dhiraj Jaiswal
 Company Secretary

Place: New Delhi
 Date: 29 April 2019

Ashok Kumar Agarwal
 Whole-time Director
 DIN: 00003988

Amit Kumar Singhal
 Chief Financial Officer



Globe Capital Market Limited
 Standalone Statement of changes in equity for the year ended 31 March 2019
 (All amounts are in Indian rupees in Lakhs, unless otherwise stated)

(a) Equity share capital

Particulars	No of shares (in Lakhs)	Amount
As at 1 April 2017	291.13	2,911.25
Changes in equity share capital during the year	(28.63)	(286.25)
As at 31 March 2018	262.50	2,625.00
Changes in equity share capital during the year	-	-
As at 31 March 2019	262.50	2,625.00

(b) Other equity

Particulars	Reserves and surplus				Item of OCI	Total
	Securities premium	General reserve	Retained earnings	Capital redemption reserve	Remeasurements of net defined benefit plans	
As at 01 April 2017	2,169.25	29,000.00	39,216.90	420.00	9.68	70,815.84
Profit for the year	-	-	7,754.35	-	-	7,754.35
Other comprehensive income/ (loss)	-	-	-	-	(40.69)	(40.69)
Total comprehensive income	-	-	-	-	-	7,713.66
Addition during the year	-	-	-	286.25	-	286.25
Utilized during the year	(2,169.25)	(8,871.63)	-	-	-	(11,040.88)
Transferred to general reserve	-	2,500.00	(2,500.00)	-	-	-
Balance as at 31 March 2018	-	22,628.37	44,471.25	706.25	(31.01)	67,774.86
Profit for the year	-	-	6,365.95	-	-	6,365.95
Other comprehensive income/ (loss)	-	-	-	-	11.84	11.84
Total comprehensive income	-	-	-	-	-	6,377.79
Transferred to general reserve	-	2,500.00	(2,500.00)	-	-	-
Balance as at 31 March 2019	-	25,128.37	48,337.21	706.25	(19.17)	74,152.66

Significant accounting policies and notes to the financial statements

2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For B S R & Co. LLP
 Chartered Accountants
 Firm Registration No.: 101248W/W-100022

Jiten Chopra
 Partner
 Membership No.: 092894

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

K. C. Gupta
 Partner
 Membership No.: 088638

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

Yashpal Mendiratta
 Managing Director
 DIN: 00004185

Dhiraj Jaiswal
 Company Secretary

Ashok Kumar Agarwal
 Whole-time Director
 DIN: 00003988

Amit Kumar Singhal
 Chief Financial Officer

Place: Gurugram
 Date: 29 April 2019

Place: New Delhi
 Date: 29 April 2019

Place: New Delhi
 Date: 29 April 2019



Globe Capital Market Limited
 Standalone statement of Cash Flows for the year ended 31 March 2019
 (All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flows from operating activities		
Profit before tax	9,225.54	10,878.80
<i>Adjustments for</i>		
Interest on loan of compound financial instrument	(1,232.90)	(1,100.80)
Depreciation, amortisation and impairment	67.00	61.56
Unrealized impairment on financial instruments (trade receivables)	356.45	235.08
Amortised borrowing costs (processing fee on loan)	150.74	(58.44)
Loss/ (Gain) on disposal of property plant and equipment	(0.96)	0.24
Provisions/ liabilities no longer required written-back	(1.06)	(2.99)
Corporate guarantee commission (net)	(39.29)	(18.27)
Unrealized changes in fair value of investments and securities for trade at fair value through profit or loss	(475.42)	2,374.80
Realized changes in fair value of investments and securities for trade	(3.27)	(469.30)
Income on unwinding of discount on security deposits	(17.15)	(23.78)
<i>Finance costs</i>		
Interest on borrowings	3,288.40	2,489.99
Discount on issue of debt securities	1,397.17	966.47
Processing fee on term loans	17.50	242.50
<i>Change in operating assets and liabilities ,</i>		
(Increase)/ decrease in other bank balances (refer note 2 below)	(20,344.68)	(15,908.89)
(Increase)/ decrease in derivative financial instruments (assets)	(406.49)	939.97
(Increase)/ decrease in trade receivables	473.22	(16,652.72)
(Increase)/ decrease in other receivables	7,369.94	(7,372.36)
(Increase)/ decrease in securities for trade	(16,575.05)	2,563.47
(Increase)/ decrease in other financial assets	(11,470.36)	25,139.00
(Increase)/ decrease in other non-financial assets	(22.76)	(54.51)
Increase/ (decrease) in derivative financial instruments (liabilities)	(72.84)	(692.11)
Increase/ (decrease) in trade payables	(183.55)	126.38
Increase/ (decrease) in provisions	61.90	90.09
Increase/ (decrease) in contract liabilities	(1.65)	38.48
Increase/ (decrease) in other non-financial liabilities	48.39	(110.86)
(Increase)/ (decrease) in other financial liabilities	36,594.07	9,990.56
Cash generated from operations	8,204.89	13,672.36
Income taxes paid	(2,083.33)	(3,651.35)
Net cash inflow from operating activities (a)	6,121.56	10,021.01
Cash flows from investing activities		
Payments for property, plant and equipment	(113.03)	(31.56)
Payments for purchase of investments	(200.00)	-
Loans to related parties (net)	(12,850.00)	(0.01)
Proceeds from sale of investments	25.48	3,114.39
Proceeds from sale of property, plant and equipment	0.96	0.75
Net cash outflow from investing activities (b)	(13,136.59)	3,083.57
Cash flows from financing activities		
Buyback of shares	-	(11,040.88)
Proceeds from debt securities	67,310.13	57,119.15
Repayment of debt securities	(68,200.00)	(58,500.00)
Proceeds from borrowings other than debt securities	36,796.50	26,334.00
Processing fee paid on borrowings	(17.50)	(242.50)
Repayment of borrowings other than debt securities	(32,809.85)	(21,475.33)
Interest paid	(3,288.40)	(2,489.99)
Net cash outflow from financing activities (c)	(209.12)	(10,295.55)
Net Increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	(7,224.15)	2,809.03
Cash and cash equivalents at the beginning of the year	(12,325.36)	(15,134.39)
Cash and cash equivalents at the end of the year (refer note 3 below)	(19,549.51)	(12,325.36)

Notes

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standards 7 - Statement of cash flows.
- 2 Fixed deposits and related interest income have been included in the operating activities since these are directly attributable to the primary revenue generating operations of the Company. Interest expense on others and other borrowing cost (excluding discount on commercial paper) has been included in operating activities.

3 *Reconciliation of cash and cash equivalents as per the statement of cash flows*

Cash and cash equivalents as per above comprise the following

Cash and cash equivalents	3	3,339.17	8,084.98
Bank overdrafts	15	(22,888.68)	(20,410.34)
		<u>(19,549.51)</u>	<u>(12,325.36)</u>

4 Refer note no 43 for change in liabilities arising from financing activities.

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For BSR & Co, LLP
Chartered Accountants
Firm Registration No.: 101248W/W-10002

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 29 April 2019

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

K. C. Gupta
Partner
Membership No.: 888638

Place: New Delhi
Date: 29 April 2019

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

Yashpal Mendiratta
Managing Director
DIN: 00004185
Dhiraj Jaiswal
Company Secretary

Place: New Delhi
Date: 29 April 2019

Asbok Kumar Agarwal
Whole-time Director
DIN: 00003988
Amit Kumar Singhal
Chief Financial Officer



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

1. Corporate information

Globe Capital Market Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in providing broking services, portfolio management services, clearing services and undertaking trading activities.

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

2. Significant accounting policies

2.1 Basis of preparation and measurement

In accordance with the notification issues by the Ministry of Corporate Affairs, with effect from 1 April 2018 the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 – First Time Adoption of Indian Accounting Standard, the Company has presented a reconciliation of the financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of shareholders' equity as at 31 March 2018 and 1 April 2017 being the transition date and of the total comprehensive income for the year ended 31 March 2018.

These financial statements have been prepared in accordance with Ind AS 1 – Presentation of Financial Statements as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements are the Company's first Ind AS standalone financial statements. The Company's financial statements are presented in Indian Rupees, which is also its functional currency and values are rounded to nearest lakhs, except when otherwise indicated.

The standalone financial statements for the year ended 31 March 2019 are being authorised for issue in accordance with a resolution of directors on 29 April 2019.

2.2 Use of estimates

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

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



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

2.3 Significant accounting policies

2.3.1 Property, plant and equipment

Measurement at recognition:

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

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

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

Depreciation methods, estimated useful lives and residual value

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

Derecognition

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

2.3.2 Intangible assets

Measurement at recognition:

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

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

Amortization

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

2.3.3 Revenue recognition

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

Specific policies for the Company's different sources of income are explained below

2.3.3.1 Brokerage fee income and fee from depository and portfolio management services

- Brokerage fee: Brokerage income in relation to stock broking activity is recognized on a trade date basis.
- Income from depository services Income is recognized over the period of contract and as per the terms of the agreement with the customers.
- Income from portfolio management service: Income is recognised as per the terms of the agreements with the customers.



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

2.3.3.2 Dividend income

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

2.3.3.3 Trading income

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

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

Equity index and derivatives

(1) 'Initial Margin' represents initial margin paid, and 'margin deposits' , representing additional margin over and above initial margin, for entering into contracts for equity index/stock futures, which are released on final settlement / squaring-up of underlying contracts.

(2) Equity index/stock futures are marked to market on a daily basis. Debit or credit balance disclosed under Other Financial Assets In the Mark to Market margin - 'Equity Index / Stock Future account' represents the net amount paid or received on the basis of movement in the prices of index / stock futures till the balance sheet date.

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

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

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

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

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



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

2.3.4 Financial instruments

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

For subsequent measurement, financial assets are categorised into:

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

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

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

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

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

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

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

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

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

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

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

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

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

Based on the Company's business model for managing the investments, the Company has classified its investments and securities for trade at FVTPL. Investment in equity shares of subsidiaries is carried at deemed cost (previous GAAP carrying amount) as per Ind AS 27.



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

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

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

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

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

2.3.5 Borrowings

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

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

2.3.6 Provisions

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

2.3.7 Contingent liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. The existence of a contingent liability is disclosed in the notes to the financial statements. Contingent assets are neither recognised nor disclosed.

2.3.8 Employee Benefits

Short Term Employee Benefits

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

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



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Defined Contribution Plans

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

Defined Benefit Plans

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

2.3.9 Securities for trade

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

2.3.10 Impairment of non-financial Assets

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

2.3.11 Derivative financial instruments

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

2.3.12 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, cash at bank, bank overdrafts and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.3.13 Borrowing costs

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

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



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

2.3.14 Operating leases

Lease arrangements where the risk and rewards incidental to ownership of an assets substantially vest with the lessor, are recognized as operating lease.

Operating lease payments are recognised on as straight line basis over the lease term in the statement of profit and loss, unless the lease payments to the lessor are structured to increase in line with expected general inflation.

2.3.15 Income taxes

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

Current income tax

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

Deferred tax

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

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

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

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

2.3.16 Earnings per share

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

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



Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated.)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Cash and cash equivalents			
Cash on hand	4.42	0.73	4.60
Balances with banks:			
- in current accounts	3,334.75	8,084.25	4,185.94
- in deposit accounts (with an original maturity of less than 3 months)	(0.00)	-	109.00
	3,339.17	8,084.98	4,290.54
Bank balances other than above			
Bank deposits (with maturity between three to twelve months) *			
- placed under lien with banks	56,174.00	46,298.00	38,464.00
- pledged with the clearing corporations and stock exchanges and others as margin	33,935.99	20,236.31	13,896.49
- deposits in hand	631.05	3,862.05	2,127.00
	90,741.04	70,396.36	54,487.49

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

*excludes bank deposits given to exchanges by constituents as margins, on their behalf amounting to Rs. 86,781.98 Lakhs (31 March 2018 67,133.28 Lakhs; 31 March 2017 5,179.11 Lakhs)

Derivative financial instruments	Notional amount	Fair value assets	Notional amount	Fair value liabilities
Particulars				
as at 31 March 2019				
Currency derivatives				
Futures	1,335.70	0.95	878.24	2.64
Options	1,105.63	134.97	1,333.63	111.01
Subtotal (A)	2,441.33	135.92	2,211.87	113.65
Equity linked derivatives				
Futures	20,844.96	510.82	16,119.33	279.71
Options	27.46	15.66	38.77	11.06
Subtotal (B)	20,872.42	526.48	16,158.10	290.77
Total derivatives (A+B)	23,313.75	662.40	18,369.97	404.42

Particulars	Notional amount	Fair value assets	Notional amount	Fair value liabilities
as at 31 March 2018				
Currency derivatives				
Futures	2,364.38	3.18	14,829.10	40.22
Options	778.40	39.33	109.61	8.12
Subtotal (C)	3,142.78	42.51	14,938.71	48.34
Equity linked derivatives				
Futures	11,259.88	174.80	20,239.05	366.08
Options	60.68	38.60	149.90	62.84
Subtotal (D)	11,320.56	213.40	20,388.95	428.92
Total derivatives (C+D)	14,463.34	255.91	35,327.66	477.26

Particulars	Notional amount	Fair value assets	Notional amount	Fair value liabilities
as at 1 April 2017				
Currency derivatives				
Futures	56,719.72	381.36	9,938.96	92.06
Options	1,057.81	160.29	1,440.03	582.13
Subtotal (E)	57,777.53	541.65	11,378.99	674.19
Equity linked derivatives				
Futures	41,080.57	643.56	38,907.72	480.87
Options	93.17	10.67	108.19	14.31
Subtotal (F)	41,173.74	654.23	39,015.91	495.18
Total derivatives (E+F)	98,951.27	1,195.88	50,394.90	1,169.37

Note :
- The derivatives are used for the purpose of trading.
- Refer note no 39 for management of risk arising from derivatives.

Securities for trade			
(Measured at Fair value through profit or loss)			
Equity shares	35,439.11	19,482.64	18,977.00
Debentures	778.24	-	-
Bonds	54.55	-	-
Government securities	14.95	35.65	36.30
Preference shares	-	230.09	280.27
Mutual funds	-	-	4,264.06
	36,286.85	19,748.38	23,557.63



Globe Capital Market Limited
 Notes to the standalone financial statements for the year ended 31 March 2019
 (All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Receivables			
Trade receivables	31,122.85	31,952.51	15,534.87
Receivables from related parties	-	-	-
	31,122.85	31,952.51	15,534.87
Break-up-of :			
Receivables considered good - secured	29,209.07	26,605.91	14,422.20
Receivables considered good - unsecured	1,913.78	5,346.60	1,112.67
Receivables- credit impaired	454.90	235.08	-
	31,577.75	32,187.59	15,534.87
Less : Allowance for impairment loss	454.90	235.08	-
Trade receivables (net)	31,122.85	31,952.51	15,534.87
No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner.			
Other Receivables			
Other receivables*	-	7,375.67	3.31
Receivables from related parties	5.73	-	-
	5.73	7,375.67	3.31
Break-up-of :			
Receivables considered good - Secured	-	7,375.67	-
Receivables considered good - Unsecured	5.73	-	3.31
Receivables- which have significant increase in credit risk	-	-	-
Receivables- credit impaired	-	-	-
	5.73	7,375.67	3.31
Allowance for impairment loss	-	-	-
Other Receivable (net)	5.73	7,375.67	3.31
* As per accounting policy, the accounting is done on trade date basis. This figure represents net receivable from clients, pertaining to trades which are settled in next financial year as per exchange mechanism.			
Loans			
Carried at amortized cost			
(a) Loan repayable on demand			
Loan to related parties	12,850.00	-	-
(b) Loan component of compound financial instrument			
Receivable from wholly owned subsidiary	11,507.07	10,274.17	9,173.36
Total (A) Gross	24,357.07	10,274.17	9,173.36
Less: Impairment loss allowance	-	-	-
Total (A) Net	24,357.07	10,274.17	9,173.36
(I) Secured by tangible assets			
Secured by intangible assets			
Unsecured	24,357.07	10,274.17	9,173.36
Total (I) Gross	24,357.07	10,274.17	9,173.36
Less: Impairment loss allowance	-	-	-
Total (I) Net	24,357.07	10,274.17	9,173.36
(a) Loans in India			
Public sector			
Others	24,357.07	10,274.17	9,173.36
Total (II) (a) Gross	24,357.07	10,274.17	9,173.36
Less: Impairment loss allowance	-	-	-
Total (II) (a) Net	24,357.07	10,274.17	9,173.36
(b) Loans outside India			
Public sector	-	-	-
Others	-	-	-
Total (II) (b) Gross	-	-	-
Less: Impairment loss allowance	-	-	-
Total (II) (b) Net	-	-	-
Total II (a+b) Net	24,357.07	10,274.17	9,173.36
At fair value through other comprehensive income	-	-	-
At fair value through profit or loss	-	-	-
D At fair value designated at fair value through profit or loss	-	-	-
Total (A+B+C+D)	24,357.07	10,274.17	9,173.36



Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
 (All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Investments			
(A) At fair value through profit or loss			
(i) Investment in India			
Equity instruments:			
Kolhari Products Limited	12.13	21.61	37.28
Jaysiree Chemicals Limited	7.44	12.34	14.73
Murudesaiwar Ceramics Limited	4.23	6.47	24.11
Thejo Engineering Limited	-	-	1.27
Narayana Hrudayalaya Limited	14.09	18.50	20.79
Rural Electrification Corporation Limited	3,959.92	3,229.57	6,620.75
Goodyear India Limited	1,096.61	1,312.81	1,148.56
Deccan Gold Mitee Limited	91.37	105.70	148.07
Bombay Burmah Trading Corporation	260.48	234.16	690.37
Castrol India Limited	199.68	245.88	259.44
East India Hotels Limited	1.43	1.10	0.84
Bharat NRE Coke Limited	0.07	0.07	0.07
Tamilnadu Mercantile Bank Limited	103.42	74.87	70.90
Total Gross	5,750.87	5,263.08	9,037.18
Less : Impairment loss allowance	-	-	-
Total Net	5,750.87	5,263.08	9,037.18
) At fair value through other comprehensive income	-	-	-
(C) At amortised cost	-	-	-
(D) At fair value designated at fair value through profit or loss	-	-	-
) Others			
Equity Investment			
Subsidiaries (measured at cost) *			
Globe Commodities Limited	1,525.70	1,525.70	1,525.70
Globe Fincap Limited	6,185.40	6,185.40	6,185.40
Globe Derivatives and Securities Limited	5.00	5.00	5.00
Globe Capital (IFSC) Limited	1,300.00	1,100.00	1,100.00
	9,016.10	8,816.10	8,816.10
Deemed Investment in Subsidiary	176.24	160.97	82.48
Total Gross	9,192.34	8,977.07	8,898.58
Less : Impairment loss allowance	-	-	-
Total Net	9,192.34	8,977.07	8,898.58
Total (A+B+C+D+E)	14,943.21	14,240.15	17,935.76
* The Company has elected to measure investment in subsidiaries at deemed cost as per Ind AS 27			
) Other financial assets			
(Unsecured, considered good. Measured at amortized cost)			
Bank deposits with maturity more than twelve months			
- placed under lien with banks	4,460.00	10,255.00	5,028.99
- pledged with the clearing corporations and stock exchanges and others as margin	11,728.53	6,804.79	5,514.39
- deposits in hand	400.00	1,447.99	4,243.05
Receivable from exchanges	3,118.27	82.07	29,492.88
Margins/ deposit with stock exchanges*	11,170.36	840.75	841.75
Other security deposits	265.68	550.14	441.26
Interest accrued on fixed deposits	1,370.14	951.73	591.20
Dividend receivable	9.95	37.71	9.30
Accrued income on portfolio management services	25.31	10.90	6.79
Others	99.24	178.89	105.58
	32,647.48	21,159.97	46,275.19

* excludes security deposits given to exchanges by constituents, as margins, on their behalf amounting to Rs. 4,562.78 Lakhs (31 March 2018 Rs. 3,996.83 Lakhs, 1 April 2017 Rs. 3,918.35 Lakhs)



Property, plant and equipments and other intangible assets

Particulars	Property, plant and equipment						Intangible assets
	Building	Furniture and fixtures	Computers	Office equipments	Vehicles	Total	Software
Cost as at 1 April 2017	114.78	39.26	749.50	160.66	173.71	1,237.91	62.75
Addition during the year	-	5.07	9.62	16.87	-	31.56	-
Deletion during the year	-	(2.30)	(4.17)	(12.51)	-	(18.98)	-
As at 31 March 2018	114.78	42.03	754.95	165.02	173.71	1,250.49	62.75
Addition during the year	-	2.59	100.76	9.68	-	113.03	-
Deletion during the year	-	(0.65)	(1.06)	(1.82)	-	(3.53)	-
As at 31 March 2019	114.78	43.97	854.65	172.88	173.71	1,359.99	62.75
Accumulated Depreciation							
As at 1 April 2017	0.25	27.02	679.06	127.95	53.53	887.81	62.75
Charge during the year	1.91	2.88	21.76	13.54	21.47	61.56	-
Disposals / adjustments	-	(2.24)	(3.86)	(11.89)	-	(17.99)	-
As at 31 March 2018	2.16	27.66	696.96	129.60	75.00	931.38	62.75
Charge during the year	1.91	3.84	27.76	14.12	19.37	67.00	-
Disposals / adjustments	-	(0.65)	(1.06)	(1.82)	-	(3.53)	-
As at 31 March 2019	4.07	30.85	723.66	141.90	-	994.85	62.75
Net Block Value							
As at 1 April 2017	114.53	12.25	70.44	32.71	120.18	350.10	-
As at 31 March 2018	112.62	14.37	57.99	35.42	98.71	319.11	-
As at 31 March 2019	110.71	13.12	130.99	30.98	173.71	365.14	-

Other non-financial assets
Other advances

As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
240.00	217.24	162.73
240.00	217.24	162.73

Trade payables

total outstanding dues of micro enterprises and small enterprises
total outstanding dues of creditors other than micro enterprises and small enterprises
Total

As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
169.67	354.28	230.89
169.67	354.28	230.89

There are no micro, small and medium enterprises, to which the Company owes dues, as at 31 March 2019. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 that has been determined to the extent such parties have been identified on the basis of information available with the Company.

Debt securities

A (Measured at amortized cost)
Commercial paper (Unsecured)
Total

As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
9,947.08	9,439.78	9,854.16
9,947.08	9,439.78	9,854.16

At fair value through other comprehensive income

-	-	-
---	---	---

C At fair value through profit or loss

-	-	-
---	---	---

At fair value designated at fair value through profit or loss

-	-	-
---	---	---

Debt securities in India

Debt securities in Outside India

9,947.08	9,439.78	9,854.16
9,947.08	9,439.78	9,854.16

Redemption terms of Commercial Paper

Particulars	Date of Redemption	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
9.75% HDFC Bank (INE081J14859)	16 April 2019	2,200.00	-	-
9.75% HDFC Bank (INE081J14842)	18 April 2019	2,600.00	-	-
9.75% HDFC Bank (INE081J14834)	23 April 2019	2,600.00	-	-
9.75% HDFC Bank (INE081J14826)	26 April 2019	2,600.00	-	-
8.00% HDFC Bank (INE081J14644)	7 June 2018	-	2,600.00	-
8.50% HDFC Bank (INE081J14651) issued on 19 March 2018	14 June 2018	-	2,600.00	-
8.50% HDFC Bank (INE081J14651) issued on 21 March 2018	14 June 2018	-	2,600.00	-
8.50% HDFC Bank (INE081J14669)	25 June 2018	-	1,800.00	-
8.00% HDFC Bank (INE081J14466)	26 May 2017	-	-	2,500.00
8.00% HDFC Bank (INE081J14461)	7 June 2017	-	-	2,400.00
8.00% HDFC Bank (INE081J14453)	13 June 2017	-	-	2,600.00
8.00% HDFC Bank (INE081J14479)	16 June 2017	-	-	2,500.00
		10,000.00	9,600.00	10,000.00
		52.92	160.22	145.84
		9,947.08	9,439.78	9,854.16

Less : Discount on issue of commercial papers



Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Borrowings (other than debt securities) (Measured at amortized cost)			
(a) Term loans			
-From bank (secured) ^	3,500.00	4,900.00	6,300.00
- From others (secured) *	7,036.32	9,349.67	4,687.50
Total (a)	10,536.32	14,249.67	10,987.50
(b) Other loans			
-Loans repayable on demand (secured) ^	9,296.50	1,596.50	-
-Bank overdrafts (secured) ^	22,888.68	20,410.34	19,424.93
Total (b)	32,185.18	22,006.84	19,424.93
Total borrowings (a+b)	42,721.50	36,256.51	30,412.43
Less: Unamortized transaction cost	(227.22)	(377.95)	(319.51)
	42,494.28	35,878.56	30,092.92
Borrowing (other than debt securities) in India	42,494.28	35,878.56	30,092.92
Borrowing (other than debt securities) outside India	-	-	-
	42,494.28	35,878.56	30,092.92

Nature of Security and terms of repayment for term loan:-

^ Secured by first pari-passu charge over receivables of the Company, also pledged by part shares held by the Company, also personal guarantee has been given by two directors.

* Secured by pledge of part of total share capital of the Company, also personal guarantee has been given by two directors.

* Rs. 5,866.50 Lakhs (31 March 2018 Rs. 1,596.50 Lakhs; 1 April 2017 Rs. Nil) is secured against fixed deposits pledged. Also personal guarantee has been given by two directors, interest rate varies from 8.10% to 8.90% p.a. (31 March 2018 8.15% to 8.35% p.a. 1 April 2017 Rs. Nil). Rs. 930 Lakhs (31 March 2018 and 1 April 2017 Rs. Nil) is secured against all current assets (excluding specifically earmarked for others). Also personal guarantee has been given by two directors, interest rate varies from 8.95% to 9.20% p.a. (31 March 2018 and 1 April 2017 Rs. Nil). Rs. 2,500 Lakhs (31 March 2018 and 1 April 2017 Rs. Nil) is secured against receivables of the Company, interest rate varies from 8.50% to 9.25% (31 March 2018 and 1 April 2017 Rs. Nil)

Rs. 12,901.24 Lakhs (31 March 2018 Rs. 10,414.46 Lakhs; 1 April 2017 Rs. 9,422.47 Lakhs) are secured against fixed deposits pledged, interest rate varies from 7.25% to 8.20% p.a. (31 March 2018 6.95% p.a. to 8.00% p.a.; 1 April 2017 8.25% p.a. to 9.25% p.a.), Rs. 9,987.44 Lakhs is secured against all current assets (excluding specifically earmarked for others), interest rate varies from 9.05% to 9.65% p.a. (31 March 2018 9.35% p.a.; 1 April 2017 9.35% p.a.)

Following are the details of certain pertinent terms and conditions of the borrowings:

Term loans

as at 31 March 2019

Lender Name	Facility	Amount outstanding	Interest Rate	Repayment Terms			Interest Payment terms
				Installments	Periodicity	Start date	Periodicity
ICICI Bank	Floating term loan	3,500.00	9.10% to 10.00%	20	Quarterly	31 December 2016	Monthly
Kotak Mahindra Investments Limited	Fixed term loan	2,187.50	9.25%	16	Quarterly	4 February 2017	Monthly
Kotak Mahindra Investments Limited	Fixed term loan	4,848.82	8.00%	20	Quarterly	25 December 2017	Monthly

as at 31 March 2018

Lender Name	Facility	Amount outstanding	Interest Rate	Repayment Terms			Interest Payment terms
				Installments	Periodicity	Start date	Periodicity
ICICI Bank	Floating term loan	4,900.00	9.10% to 10.00%	20	Quarterly	31 December 2016	Monthly
Kotak Mahindra Investments Limited	Fixed term loan	3,437.50	9.25%	16	Quarterly	4 February 2017	Monthly
Kotak Mahindra Investments Limited	Fixed term loan	5,912.17	8.00%	20	Quarterly	25 December 2017	Monthly

as at 1 April 2017

Lender Name	Facility	Amount outstanding	Interest Rate	Repayment Terms			Interest Payment terms
				Installments	Periodicity	Start date	Periodicity
ICICI Bank	Floating term loan	6,300.00	9.10% to 10.00%	20	Quarterly	31 December 2016	Monthly
Kotak Mahindra Investments Limited	Fixed term loan	4,687.50	9.25%	16	Quarterly	4 February 2017	Monthly

16 Other financial liabilities

(Measured at amortized cost)

Financial guarantee obligation

Advances/ margin money received from:
 Related parties
 Others
 Salary, bonus and other employee payables
 Payable to exchanges
 Payable to clients ^
 Bank overdrafts

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
	111.37	135.38	75.15
	2,748.54	1,066.43	7,180.40
	67,789.66	53,540.51	47,101.16
	1,115.55	565.39	244.10
	28,470.95	11,349.85	1,509.51
	2,991.91	-	-
	3.19	3.55	-
	103,231.17	66,661.11	56,610.32

^ As per the accounting policy, the accounting is done on trade date basis. This figure represents net payable to clients, pertaining to trades which are settled in next financial year as per exchange mechanism.

Contract liabilities

Income received in advance

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
	102.65	104.30	65.82
	102.65	104.30	65.82

Provisions

Provisions for gratuity

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
	534.24	490.54	337.91
	534.24	490.54	337.91



Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
 (All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Income taxes			
(a) Deferred tax liabilities			
Deferred tax assets			
Difference between carrying cost of property, plant and equipment as per the Companies Act, 2013 and Income-Tax Act, 1961	5.06	10.15	10.04
Disallowances on unrealized loss as per Income Computation and Disclosure Standards	-	66.84	-
Provision for gratuity	186.68	171.41	116.94
Disallowances u/s 43B of the Income-tax Act, 1961	0.94	0.94	1.60
Provision for doubtful trade receivables	158.96	82.15	-
	<u>351.64</u>	<u>331.49</u>	<u>128.58</u>
Deferred tax liability			
Disallowances on unrealized loss as per Income Computation and Disclosure Standards	80.76	-	56.30
Impact of fair value of financial instrument	967.17	481.07	360.06
Impact of effective interest rate	79.40	112.07	110.58
	<u>1,127.33</u>	<u>613.14</u>	<u>526.94</u>
Deferred tax liabilities	<u>775.69</u>	<u>281.65</u>	<u>398.36</u>
Deferred tax liabilities (Net)	<u>775.69</u>	<u>281.65</u>	<u>398.36</u>

Income tax expense

This note provides an analysis of the Company's income tax expense, showing how the tax expense is affected by non-assessable and non-deductible items.

Tax Expense recognized in the statement of profit and loss	As at 31 March 2019	As at 31 March 2018
Current Tax	2,371.92	3,219.30
Deferred Tax (Credit) / Charge	494.03	(116.70)
Income tax expense reported in the statement of profit and loss	<u>2,865.95</u>	<u>3,102.60</u>

The major components of income tax expense and reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 34.944% (31 March 2018: 34.608%) and the reported tax expense in the statement of profit or loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by tax rate		
Accounting profit before income tax	9,243.74	10,816.25
At India's statutory income tax rate of 34.944% (31 March 2018: 34.608%)	3,230.13	3,743.29
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Tax Impact of Exempted Income	(330.51)	(1,769.26)
Tax Impact in respect of change in tax rate of Investment	(1.78)	(9.05)
Tax Impact in respect of change in future tax rate	-	2.71
Tax Impact on account of section 112A of Income Tax Act, 1961	(118.98)	937.62
Tax Effect of non-deductible expense	87.46	49.67
Tax Effect of Profit on open contract of last year	-	147.91
Others	(0.37)	(0.29)
At the effective income tax rate of 28.76 % (31 March 2018: 27.13 %)	<u>2,865.95</u>	<u>3,102.60</u>



Movement in deferred tax liability (net)

Particulars	31 March 2018	Recognized in profit and loss account	Recognized in OCI	31 March 2019
Liability				
Disallowances on unrealized loss as per Income Computation and Disclosure Standards	-	80.76	-	80.76
Impact of fair value of financial instrument	481.07	486.10	-	967.17
Impact of Effective Interest Rate	132.07	(52.67)	-	79.40
	613.14	514.19	-	1,127.33
Assets				
Difference between carrying cost of Property, plant and equipments as per Company Act, 2013 and Income-Tax Act, 1961	10.15	(5.09)	-	5.06
Disallowances on unrealized loss as per Income Computation and Disclosure Standards	66.84	(66.84)	-	-
Provision for gratuity	171.41	21.63	(6.36)	186.68
Disallowances u/s 43B of the Income-tax Act, 1961	0.94	-	-	0.94
Provision for Doubtful trade receivables	82.15	76.82	-	158.96
	331.49	26.52	(6.36)	351.64
Net Movements	281.65	487.67	6.36	775.69

Particulars	1 April 2017	Recognized in profit and loss account	Recognized in OCI	31 March 2018
Liability				
Disallowances on unrealized loss as per Income Computation and Disclosure Standards	56.30	(56.30)	-	-
Impact of fair value of financial instrument	360.06	121.02	-	481.07
Impact of effective interest rate	110.58	21.50	-	132.07
	526.94	86.22	-	613.14
Assets				
Difference between carrying cost of property, plant and equipments as per Companies Act, 2013 and Income-Tax Act, 1961	10.04	0.12	-	10.15
Disallowances on unrealized loss as per Income Computation and Disclosure Standards	-	66.84	-	66.84
Provision for gratuity	116.94	32.62	21.85	171.41
Disallowances u/s 43B of the Income-tax Act, 1961	1.60	(0.66)	-	0.94
Provision for doubtful trade receivables	-	82.15	-	82.15
	128.58	181.07	21.85	331.49
Net Movements	398.36	(94.85)	(21.85)	281.65

(d) Tax assets and liabilities

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Current tax assets (net)	560.07	367.93	454.20
(net of provision for tax Rs. 2,371.92 Lakhs (31 March 2018 Rs. 2,093.22 Lakhs, 1 April 2017 Rs. 13,25.72 Lakhs))			
Current tax liabilities (net)	480.72	-	518.32
(Net of advance tax of Rs. 1,891.19 Lakhs (31 March 2018 Nil), 1 April 2017 Rs. 3,937.38 Lakhs)			



Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
29 Other non-financial liabilities			
Statutory dues	353.43	305.04	415.90
	353.43	305.04	415.90
Share capital			
(a) Authorized capital			
50,500,000 (31 March 2018 50,500,000 ; 1 April 2017 50,500,000) equity shares of Rs. 10 each	5,050.00	5,050.00	5,050.00
500,000 (31 March 2018 500,000 ; 1 April 2017 500,000) 10% non-cumulative redeemable preference shares of Rs. 10 each	50.00	50.00	50.00
	5,100.00	5,100.00	5,100.00
(b) Issued, subscribed and fully paid-up:			
26,250,000 (31 March 2018 26,250,000; 1 April 2017 29,112,500) equity shares of Rs. 10 each.	2,625.00	2,625.00	2,911.25
	2,625.00	2,625.00	2,911.25

Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	No (in lakhs)	Amount	No (in lakhs)	Amount	No (in lakhs)	Amount
At the beginning of the year	262.50	2,625.00	291.13	2,911.25	328.13	3,281.25
Add: Issued during the year	-	-	-	-	-	-
Less: bought back during the year (refer notes 1 and 2 below)	-	-	28.63	286.25	17.00	170.00
Outstanding at the end of the year	262.50	2,625.00	262.50	2,625.00	291.13	2,911.25

(c) **Rights, preferences and restrictions attached with equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive the 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.

Details of shares held by shareholders holding more than 5% shares

Name of the shareholder	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	No (in lakhs)	% of Holding	No (in lakhs)	% of Holding	No (in lakhs)	% of Holding
Ashok Kumar Agarwal	57.75	22.00%	57.75	22.00%	57.75	19.84%
Yashpal Mendiratta	57.73	21.99%	57.73	21.99%	57.73	19.83%
Alka Agarwal	21.00	8.00%	21.00	8.00%	21.00	7.21%
Alka Mendiratta	21.00	8.00%	21.00	8.00%	21.00	7.21%
Lakshya Impex Private Limited	26.25	10.00%	26.25	10.00%	26.25	9.02%
A2Z Finstock Private Limited (Formerly Rolex Finvest Private Limited)	26.25	10.00%	26.25	10.00%	26.25	9.02%
Client Rosehill Limited (formerly known as CVCIGP II Client Rosehill Limited)	-	0.00%	-	0.00%	18.27	6.28%
A to Z Consultants Private Limited	15.75	6.00%	15.75	6.00%	15.75	5.41%

(f) **Aggregate number of shares bought back during 5 years immediately preceding 31 March 2019**

	As at 31 March 2019	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
No. of shares bought back by the Company (refer notes 1 and 2 below)	-	28.63	37.00	-	-

During the year 2016-17, the Board of Directors in their meeting held on 31 May 2016 had recommended to buy back 3,700,000 equity shares at the rate of Rs. 302/- per share from the public shareholders on proportionate basis and the same had been approved by the share holders in their meeting on 27 June 2016. Consequently, the relevant shareholders had tendered 3,700,000 equity shares through tender offer for Buy Back and after paying off the consideration of Rs. 1,117,400,000 to the shareholders, the Company extinguished the tendered equity share capital.

During the previous year, the Board of Directors in their meeting held on 24 August 2017 had recommended to buy back 2,862,500 equity shares at the rate of Rs. 313.401/- per share from the public shareholders on proportionate basis and the same had been approved by the share holders in their meeting on 12 September 2017. Consequently, the relevant shareholders had tendered 2,862,500 equity shares through tender offer for Buy Back and after paying off the consideration of Rs. 897,107,500 to the shareholders, the Company extinguished the tendered equity share capital.

Capital management

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



Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Other equity *			
(a) Other reserves			
Securities premium account			
Opening balance	-	2,169.25	2,169.25
Add: Additions during the year (net)	-	(2,169.25)	-
Closing balance	-	-	2,169.25
Capital redemption reserve			
Opening balance	706.25	420.00	420.00
Add: additions during the year (net)	-	286.25	-
Closing balance	706.25	706.25	420.00
General reserve			
Opening balance	22,628.37	29,000.00	29,000.00
Add: Additions during the year (net)	2,500.00	(6,371.63)	-
Closing balance	25,128.37	22,628.37	29,000.00
(b) Retained Earnings			
Opening balance	44,471.25	39,216.90	39,216.90
Add: Profit after tax for the year (net of transfer to reserves, dividends and other distributions to shareholders)	3,865.95	5,254.35	-
Closing balance	48,337.21	44,471.25	39,216.90
(c) Balance recognized in statement of Other Comprehensive Income			
(i) Actuarial Gain/ Loss on post employment defined benefit plans	(19.17)	(31.01)	9.68
	74,152.66	67,774.86	70,815.84

* For movements during the period refer Statement of Changes in Equity.

Nature and Purpose of Reserves

- (a) **Securities premium account** : Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.
- (b) **Capital redemption reserve** : The Company has recognized Capital Redemption Reserve on buyback of equity shares from free reserves. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back. The same is not freely available for distribution.
- (c) **General reserve** : Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to the introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to the general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.
- (d) **Retained earnings** : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (e) **Other comprehensive income**: It includes actuarial gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).



	For the year ended 31 March 2019	For the year ended 31 March 2018	
22 Interest income financial assets measured at amortized cost			
Interest income on			
- loan component of compound instrument	1,232.90	1,100.80	
- deposit with banks	7,413.79	6,481.11	
Other interest income	7,107.15	6,757.84	
	15,753.84	14,339.75	
23 Fee and commission income (refer note 44 for performance obligation of the Company)			
Brokerage fees	10,258.94	11,528.27	
Income from depository and portfolio management services	352.62	325.33	
	10,611.56	11,853.60	
A. Geographical markets			
Within India	10,611.56	11,853.60	
Outside India	-	-	
Total revenue from contracts with customers	10,611.56	11,853.60	
B Timing of revenue recognition			
Services transferred at a point in time	10,371.27	11,732.75	
Services transferred over time	240.28	120.85	
Total revenue from contracts with customers	10,611.55	11,853.60	
C Contract balances	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Trade receivables	31,122.85	31,952.51	15,534.87
Contract liabilities	102.65	104.30	65.82
D Revenue recognized in the period from:			
Amounts included in contract liability at the beginning of the period	104.30	65.82	-
E The Company has used practical expedient and has not disclosed the amount of remaining performance obligations, since the contracts with customers have duration of less than one year.			
	For the year ended 31 March 2019	For the year ended 31 March 2018	
24 Net gain/ (loss) on fair value changes			
A Net gain/ (loss) on financial instruments at fair value through profit or loss			
(i) Investment	513.27	(659.71)	
(ii) Securities for trade	(34.58)	(1,245.79)	
(iii) Derivatives *	275.98	(221.35)	
	754.67	(2,126.85)	
B Fair Value change			
Realized	3.27	469.30	
Un-Realized	751.40	(2,596.15)	
Total net gain/ (loss) on fair value change	754.67	(2,126.85)	
* Included in income from trading in securities			
25 Other income			
Net gain/ (loss) on disposal of property, plant and equipment	0.96	-	
Unwinding of discount on security deposit	17.15	23.78	
Corporate guarantee commission	52.41	23.27	
Interest on staff loan	3.93	1.91	
Provisions/ liabilities no longer required written-back	1.06	2.99	
Miscellaneous income	12.33	2.64	
	87.84	54.59	
26 Finance costs			
Interest expense (On financial liabilities measured at amortized cost)			
Interest on borrowing other than debt securities	6,609.80	4,488.89	
Interest/discount on debt securities	1,397.17	966.47	
Other borrowing cost	623.49	673.23	
	8,630.46	6,128.59	
27 Impairment on financial instruments			
Trade receivables (measured at fair value through amortized cost)	356.45	235.08	
	356.45	235.08	



Globe Capital Market Limited
Notes to the standalone financial statement for the year ended 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
28 Employee benefit expenses		
Salaries and wages	4,475.19	4,680.29
Contribution to provident fund and other fund (Refer note no 33)	88.78	86.09
Gratuity (Refer note no 33)	97.00	109.81
Staff welfare	45.71	47.72
	4,706.68	4,923.91
29 Other expenses		
Exchange charges	2,723.94	1,851.65
Brokerage and commission	2,127.10	2,669.24
Security transaction tax	786.26	1,121.70
Rent #	480.29	425.66
Communication	265.09	273.74
Computer and data processing charges	257.48	212.37
Contributions towards corporate social responsibility *	219.20	206.30
Travelling and conveyance	196.93	173.97
Legal and professional **	160.76	143.11
Electricity	117.99	105.54
Repairs and maintenance - others	105.06	100.92
Depository expenses	90.61	84.66
Entertainment/ business promotion	71.38	32.79
Printing and stationery	25.19	23.30
Advertisement	22.64	15.36
Rates and taxes (net of recoveries)	20.60	21.21
Fees and subscription	12.16	8.99
Festivity expenses	11.22	38.85
Insurance	8.72	7.64
Donation	5.40	7.84
Loss on disposal of property, plant and equipments (net)	-	0.24
Miscellaneous	44.42	53.44
	7,752.44	7,578.52

represents rental expense incurred in respect of office space leased by the Company under operating lease arrangements. These leases are cancellable arrangements that extend for a maximum period of 3 years from their respective dates of inception.

** Legal and professional charges include audit fee (excluding taxes)

For statutory audit	22.00	19.60
For tax audit	0.58	0.58
For other matters	2.00	4.00
Reimbursement of expenses	1.54	1.52
	26.11	25.70

*Details of CSR expenditure:-

Pursuant to Section 135 of the Companies Act, 2013 the Company has incurred expenditure (paid) in respect of corporate social responsibility as follows:

	31 March 2019	31 March 2018
a) Gross amount required to be spent by the Company during the year	219.20	206.30

(b) Amount spent during the year ending on 31 March 2019	In cash	yet to be paid	Total
(i) Construction/acquisition of assets	-	-	-
(ii) On purpose other than (i) above	219.20	-	219.20
Amount spent during the year ending on 31 March 2018			
(i) Construction/acquisition of assets	-	-	-
(ii) On purpose other than (i) above	206.30	-	206.30

(c) During the current year, the Company has made contributions amounting to Rs 219.20 Lakhs (31 March 2018 Rs.206.30 Lakhs) to a Public Charitable Trust 'Globe Capital Foundation' (a related party as per Ind AS-24).



Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

30. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

Particulars	As at 31 March 2019			As at 31 March 2018			As at 1 April 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets									
Cash and cash equivalents	3,339.17	-	3,339.17	8,084.98	-	8,084.98	4,290.54	-	4,290.54
Bank balances (other than cash and cash equivalents)	90,741.04	-	90,741.04	70,396.36	-	70,396.36	54,487.49	-	54,487.49
Derivative financial instruments	662.40	-	662.40	255.91	-	255.91	1,195.88	-	1,195.88
Receivables									
(i) Trade receivable	31,122.85	-	31,122.85	31,952.51	-	31,952.51	15,534.87	-	15,534.87
(ii) Other receivable	5.73	-	5.73	7,375.67	-	7,375.67	3.31	-	3.31
Loans	12,850.00	11,507.07	24,357.07	-	10,274.17	10,274.17	-	9,173.36	9,173.36
Securities for trade	36,286.85	-	36,286.85	19,748.38	-	19,748.38	23,557.63	-	23,557.63
Investments	-	14,943.21	14,943.21	-	14,240.15	14,240.15	-	17,935.76	17,935.76
Other financial assets	14,925.87	17,721.61	32,647.48	1,721.68	19,438.29	21,159.97	30,892.69	15,382.50	46,275.19
Non-financial assets									
Current tax assets (net)	-	560.07	560.07	-	367.93	367.93	-	454.20	454.20
Property, plant and equipment	-	365.14	365.14	-	319.11	319.11	-	350.10	350.10
Other intangible assets	-	-	-	-	-	-	-	-	-
Other non-financial assets	182.06	57.94	240.00	158.18	59.06	217.24	94.06	68.67	162.73
Total assets	190,115.97	45,155.04	235,271.01	139,693.67	44,698.71	184,392.38	130,056.47	43,464.59	173,421.06



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Particulars	As at 31 March 2019			As at 31 March 2018			As at 31 April 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities									
Derivative financial instruments	404.42	-	404.42	477.26	-	477.26	1,169.37	-	1,169.37
Trade payables	-	-	-	-	-	-	-	-	-
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	169.67	-	169.67	354.28	-	354.28	230.89	-	230.91
Debt securities	9,947.08	-	9,947.08	9,439.78	-	9,439.78	9,854.16	-	9,854.16
Borrowings (other than debt securities)	38,316.05	4,178.23	42,494.29	31,914.74	3,963.82	35,878.55	27,442.92	2,650.00	30,092.93
Other financial liabilities	103,119.80	111.37	103,231.17	66,525.73	135.38	66,661.11	56,535.17	75.15	56,610.32
Non-financial liabilities									
Contract liabilities	102.65	-	102.65	104.30	-	104.30	65.82	-	65.82
Current tax liabilities (net)	480.72	-	480.72	-	-	-	518.32	-	518.32
Provisions	143.76	390.48	534.24	129.96	360.58	490.54	49.39	288.52	337.91
Deferred tax liabilities (net)	-	775.69	775.69	-	281.65	281.65	-	398.36	398.36
Other non-financial liabilities	353.43	-	353.43	305.04	-	305.04	415.90	-	415.90
Total liabilities	153,148.95	5,455.77	158,493.35	109,251.09	4,741.43	113,992.52	96,281.94	3,412.03	99,693.97



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

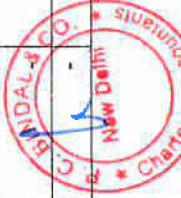
31. Fair value measurement

(a) Financial instruments by category

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

The carrying value of financial instruments by categories is as follows

Particulars	As at 31 March 2019			As at 31 March 2018			As at 1 April 2017		
	Amortized Cost	FVTOCI	FVTPL	Amortized Cost	FVTOCI	FVTPL	Amortized Cost	FVTOCI	FVTPL
Financial assets									
Cash and cash equivalents	3,339.17	-	-	8,084.98	-	-	4,290.54	-	-
Bank balances (other than cash and cash equivalents)	90,741.04	-	-	70,396.36	-	-	54,487.49	-	-
Derivative financial instruments	-	-	662.40	-	-	255.91	-	-	1,195.88
Receivables									
(i) Trade receivables	31,122.85	-	-	31,952.51	-	-	15,534.87	-	-
(ii) Other receivables	5.73	-	-	7,375.67	-	-	3.31	-	-
Loans	12,850.00	-	11,507.07	-	-	10,274.17	-	-	9,175.36
Securities for trade	-	-	36,286.85	-	-	19,748.38	-	-	23,557.63
Investments	9,192.34	-	5,750.87	8,977.07	-	5,263.08	8,898.58	-	9,037.18
Other financial assets	32,647.48	-	-	21,159.97	-	-	46,275.19	-	-
Total financial assets	179,898.61	-	54,207.19	147,946.56	-	35,541.54	129,489.98	-	42,964.05
Financial liabilities									
Derivative financial instruments	-	-	404.42	-	-	477.26	-	-	1,169.37
Trade payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	169.67	-	-	354.28	-	-	230.89	-	-
Debt securities	9,947.08	-	-	9,439.78	-	-	9,854.16	-	-
Borrowings (other than debt securities)	42,494.28	-	-	35,878.56	-	-	30,092.92	-	-
Other financial liabilities	103,231.17	-	-	66,661.11	-	-	56,610.32	-	-
Total financial liabilities	155,842.20	-	404.42	112,333.73	-	477.26	96,788.29	-	1,169.37



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Fair value hierarchy

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 fair value technique.

The instruments included in level 1 of fair value hierarchy have been valued using quoted prices for instruments in an active market. The investments included in level 2 of fair value hierarchy have been valued using valuation techniques based on observable market data. The investments included in Level 3 of fair value hierarchy have been valued using the income approach and break-up value to arrive at their fair value. There is no movement from between Level 1, Level 2 and Level 3. There is no change in inputs used for measuring Level 3 fair value.

The following table summarises financial instruments measured at fair value on recurring basis:

Particulars	Total	Level 1	Level 2	Level 3
31 March 2019				
Securities for trade	36,286.85	36,286.85	-	-
Investments (other than equity investment in subsidiaries)	5,750.87	5,647.39	-	103.48
Loan to wholly owned subsidiary	11,507.07	-	11,507.07	-
Derivative financial instruments assets	662.40	662.40	-	-
Derivative financial instruments liabilities	404.42	404.42	-	-
31 March 2018				
Securities for trade	19,748.38	19,748.38	-	-
Investments (other than equity investment in subsidiaries)	5,263.08	5,188.15	-	74.93
Loan to wholly owned subsidiary	10,274.17	-	10,274.17	-
Derivative financial instruments assets	255.91	255.91	-	-
Derivative financial instruments liabilities	477.26	477.26	-	-
1 April 2017				
Securities for trade	23,557.63	23,557.63	-	-
Investments (other than equity investment in subsidiaries)	9,037.18	8,966.22	-	70.96
Loan to wholly owned subsidiary	9,173.36	-	9,173.36	-
Derivative financial instruments assets	1,195.88	1,195.88	-	-
Derivative financial instruments liabilities	1,169.37	1,169.37	-	-

Level 3 instruments represent investments of the Company in unlisted equity shares (other than equity shares of subsidiary companies). Sensitivity analysis of these unlisted equity shares has been ignored being not material.



Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Movements in Level 3 financial instruments measured at fair value

The following table shows a reconciliation of the opening and closing amounts of level 3 financial assets and liabilities which are recorded at fair value:

Particulars	31 March 2019	31 March 2018
Opening Balance	74.93	70.96
Purchase	-	-
Less : Sales	-	-
Add : Gain / (loss)	28.55	3.97
Transfer in level 3	-	-
Less : Transfer from level 3	-	-
Closing balance	103.48	74.93

Financial assets subject to offsetting, netting arrangements

Exchange settlement obligations (disclosed as a part of payable to/ receivable from exchanges/ other receivables) are subject to netting as the Company intends to settle it on a net basis. The table below presents the gross balances of assets and liability.

Particulars	Effects on balance sheet		
	Gross amount (Asset)	Gross amount set off in the balance sheet	Net amount presented in the balance sheet
Exchange settlement obligations (Receivable from exchanges)			
As at 31 March 2019	3,118.27	-	3,118.27
As at 31 March 2018	82.07	-	82.07
As at 1 April 2017	30,762.76	74.00	29,492.88

Particulars	Effects on balance sheet		
	Gross amount (Liability)	Gross amount set off in the balance sheet	Net amount presented in the balance sheet
Exchange settlement obligations (Payable to exchanges)			
As at 31 March 2019	31,219.31	2,748.36	28,470.95
As at 31 March 2018	11,588.13	238.28	11,349.85
As at 1 April 2017	1,509.51	-	1,509.51

Particulars	Effects on balance sheet		
	Gross amount (Liability)	Gross amount set off in the balance sheet	Net amount presented in the balance sheet
Exchange settlement obligations (Other receivables)			
As at 31 March 2019	5.73	-	5.73
As at 31 March 2018	7,852.93	477.26	7,375.67
As at 1 April 2017	1,172.68	1,169.37	3.31



Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

32. Earnings per Share

(a) The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Net profit for the year	6,365.95	7,754.35
Nominal value of equity share (INR)	10.00	10.00
Total number of equity shares outstanding at the beginning of the year	26,250,000	29,112,500
Total number of equity shares outstanding at the end of the year	26,250,000	26,250,000
Weighted average no of equity shares for Basic EPS	26,250,000	27,677,329
Basic EPS (Rs.)	24.25	28.02
Weighted average no of equity shares for diluted earnings per share	26,250,000	27,677,329
Diluted EPS (Rs.)	24.25	28.02

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of the completion of these financial statements which would require the restatement of EPS.

(b) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share

Particulars	No of Shares	Weighted Average
<i>For the year ended 31 March 2019</i>		
Particulars		
Equity Share of face value of Rs. 10 per share from 1 April 2018 to 31 March 2019	26,250,000	26,250,000
Less: Buy back	-	-
Total	26,250,000	26,250,000
<i>For the year ended 31 March 2018</i>		
Equity Share of face value of Rs. 10 per share from 1 April 2017 to 31 March 2018	29,112,500	29,112,500
Less: Buy back 29 September 2017 to 31 March 2018	2,862,500	1,435,171
Total	26,250,000	27,677,329

33. Employee benefit plans

(a) Defined contribution plans

	As at 31 March 2019	As at 31 March 2018
Employer's contribution to provident fund	72.89	70.29
Employer's contribution to Employee State Insurance	15.89	15.80
Total	88.78	86.09



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

(b) Defined Benefit Plans

	For the year ended 31 March 2019	For the year ended 31 March 2018
(i) Movement in present value of obligation		
Defined benefit obligation at the beginning of the year	490.53	337.91
Current service cost	60.70	61.36
Interest cost	36.30	24.33
Actuarial (gain)/ loss arising from change in demographic assumption	(9.67)	39.63
Actuarial (gain)/ loss arising from change in financial assumption	7.88	47.16
Actuarial (gain)/ loss arising from experience adjustment	(16.41)	(24.25)
Past service cost, including losses / (gains) on curtailments	-	24.11
Benefit paid	(35.09)	(19.72)
Defined benefit obligation at the end of the year	534.24	490.53

(ii) Amount recognized in the Balance Sheet

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
	534.24	490.53	337.91

(iii) Amount recognized in the statement of profit and loss as Employee Benefit Expense

	As at 31 March 2018	As at 1 April 2017
Current Service Cost	60.70	61.36
Past service cost, including losses / (gains) on curtailments	-	24.11
Finance Cost/ (Income)	36.30	24.33
Net Impact on the profit / (loss) before tax	97.00	109.81

(iv) Remeasurement of the net defined benefit liability

	As at 31 March 2018	As at 1 April 2017
Actuarial (Gain)/ Loss arising from change in demographic assumption	(9.67)	39.63
Actuarial (Gain)/ Loss arising from change in financial assumption	7.88	47.16
Actuarial (Gain)/ Loss arising from experience adjustment	(16.41)	(24.25)
Net Expense recognized in Other Comprehensive Income before tax	(18.20)	62.54

(v) Actuarial assumptions

With the objective of presenting defined benefit obligation at their fair value on balance sheet, assumption under In AS -19 are set out by reference to market condition at the valuation date:-

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Financial Assumptions			
Discount rate (per annum)	6.90%	7.40%	7.20%
Salary escalation rate (per annum)	8.00%	8.00%	5.00%



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Demographic assumptions

Published rates under the Indian Assured Lives Mortality (2006-08) (Ultimate)

The estimates of future salary increases, considered in actuarial valuations, taken into account of inflations, seniority, promotion and other relevant factors, such as supply and demand in the employment market

(vi) Sensitivity analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible change of the assumptions occurring at the end of the period and may not be representative of the actual change. It is based on a change in the Key assumptions while holding all other assumptions constant. When calculating the sensitivity to the assumptions, the method (Projected Unit Method (PUC)) used to calculate the liability recognized in balance sheet has been applied. The result of Sensitivity analysis is given below:-

Change in defined benefit obligation due to 1% increase/ decrease in discount rate

Particulars	As at 31 March 2019		As at 31 March 2018	
	Decrease in obligation (1% increase in rate)	Increase in obligation (1% increase in rate)	Decrease in obligation (1% increase in rate)	Increase in obligation (1% increase in rate)
Change in discounting rate (delta effect of +/- 1%)	15.51	16.58	17.83	19.44

Change in defined benefit obligation due to 1% increase/ decrease in future salary increase

Particulars	As at 31 March 2019		As at 31 March 2018	
	Decrease in obligation (1% increase in rate)	Increase in obligation (1% increase in rate)	Decrease in obligation (1% increase in rate)	Increase in obligation (1% increase in rate)
Change in rate of salary increase (delta effect of +/- 1%)	14.63	15.24	17.76	18.86

Change in rate of employee turnover (delta effect of +/- 1%)

Sensitivity due to mortality are not material and hence the impact of change not calculated.

(g) Expected benefit obligations**(i) Duration of defined benefit obligations**

Duration (years)	31 March 2019	31 March 2018	1 April 2017
1	143.76	129.96	49.39
2	101.47	68.23	42.19
3	75.60	56.69	28.31
4	58.59	46.20	26.02
5	42.94	39.73	22.90
Above 5	111.87	149.73	169.10
Total	534.23	490.54	337.91



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

(ii) Duration of defined benefit payments

Duration (years)	31 March 2019	31 March 2018	1 April 2017
1	148.64	134.68	51.13
2	112.16	75.94	46.83
3	89.32	67.76	33.69
4	74.00	59.32	33.19
5	57.98	54.78	31.32
Above 5	195.57	298.34	405.71
Total	677.67	690.82	601.87

34. Contingent liabilities (to the extent not provided for)

(a) Contingent Liabilities	As at 31 March 2019	As at 31 March 2018
Claims against the company not acknowledged as debt (on account of arbitration filed by client)	29.15	459.31
On account of stamp duty from office of collector of stamp duty	2,465.31	2,465.31
Corporate guarantee given on behalf of subsidiaries (refer note 36)	8,200.00	7,000.00

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

(b) During the previous financial year, the Company received a show cause notice, regarding the applicability of service tax on income earned on late pay-in charges, amounting to Rs. 1293.60 Lakhs relating to 1 July 2012 to 31 March 2017. The Company has filed the reply against the same. Based upon the discussion with its expert counsel, the Company is not expecting any liability on this account.

(c) There has been a Supreme Court (SC) judgment dated 28th February, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgment including the effective date of application. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

35. Leases

The Company has various operating leases for office premises, guest houses and for furniture and fittings that are renewable on a periodic basis. These lease arrangement range for a period between 11 months to 36 months, which include cancellable lease. Rental expenses for operating leases recognized in the Statement of Profit and Loss for the year is Rs.480.29 Lakhs (31 March 2018: Rs 425.66 Lakhs)

36 Related Party Disclosures

Indian accounting standard on related party disclosures (IndAS 24), the names of the related parties of the company are as follows:



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

a. Related party where control exist irrespective whether transaction occurred or not.

Subsidiary companies

	Percentage of share holding	Principal place of Business/ Country of Incorporation
(i) Globe Commodities Limited	100	India
(ii) Globe Fincap Limited	100	India
(iii) Globe Derivatives and Securities Limited	100	India
(iv) Globe Capital (IFSC) Limited (w.e.f. 9 December 2016)	100	India

Step-down subsidiary

(v) Globe Comex International DMCC (Dubai U.A.E)	N.A	Dubai,U.A.E
--	-----	-------------

b. Other related parties where transaction have occurred during the year.

Key Managerial Personnel

Managing Director

(i) Yashpal Mendiratta

Whole Time Director

(ii) Ashok Kumar Agarwal

Independent Directors

(i) Alok Kumar Bansal

(ii) Sunil Kumar Jain

(iii) Rajiv Kalra (upto 6 September 2018)

(iv) Arun Kumar Gupta

Relatives of KMP

(i) Alka Mendiratta

Spouse of Mr. Yashpal Mendiratta

(ii) Alka Agarwal

Spouse of Mr. Ashok Kumar Agarwal

(iii) Arpit Agarwal

Son of Mr. Ashok Kumar Agarwal

(iv) Ankit Agarwal

Son of Mr. Ashok Kumar Agarwal

(v) Sahil Mendiratta

Son of Mr. Yashpal Mendiratta

(vi) Nidhi Agarwal

Daughter of Mr. Yashpal Mendiratta

Enterprise in which KMP or their relatives have influence

(i) A to Z Venture Capital limited

(ii) M. Agarwal Stock Brokers Private Limited

(iii) Bolt Synthetic Private Limited

(iv) A.M. Share Brokers Private Limited

(v) Globe Capital Foundation

(vi) Rolex Finvest Private Limited #

(vii) A to Z Consultants Private Limited #

(viii) Lakshya Impex Private Limited #

(ix) Yashpal Mendiratta (HUF) #

(x) Ashok Kumar Agarwal (HUF) #

The above parties are also the shareholders of the company.



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Transactions with related parties:-

Disclosure of the transactions between the Company and its related parties including the status of outstanding balance as on 31 March 2019 and as on 31 March 2018 is set out as under

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Brokerage earned		
Globe Commodities Limited	0.22	0.01
Globe Fincap Limited	0.18	0.33
Globe Derivatives and Securities Limited	149.41	51.96
Others	0.03	0.13
Income from depository services		
Globe Commodities Limited	7.47	2.53
Globe Fincap Limited	0.68	4.14
Globe Derivatives and Securities Limited	0.29	0.13
Others	0.26	0.21
Income from portfolio management services		
Globe Derivatives and Securities Limited	3.93	4.79
Ankit Agarwal	0.53	1.04
Arpit Agarwal	0.15	0.01
M.Agarwal Stock Brokers Private Limited	7.15	5.67
Interest income on loan		
Globe Fincap Limited	705.03	27.10
Globe Commodities Limited	10.72	-
Interest income on compound financial instrument		
Globe Fincap Limited	617.77	551.58
Globe Derivatives and Securities Limited	615.13	549.22
Corporate guarantee commission		
Globe Fincap Limited	48.91	19.77
Globe Commodities Limited	3.50	3.50
Reimbursement of expenses		
Globe Commodities Limited	-	3.04
Globe Derivatives and Securities Limited	-	0.63
Globe Fincap Limited	1.23	0.97
Globe Capital (IFSC) Limited	28.10	2.69
Others	-	0.21
Loan given		
Globe Fincap Limited	152,430	11,292.50
Loan repaid		
Globe Fincap Limited	139,580	11,292.50
Guarantee given during the year		
Globe Fincap Limited	1,200.00	4,000.00
Short-term employee benefits		
Ashok Kumar Agarwal	372.47	609.28
Yashpal Mendiratta	372.47	609.28



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Rent		
Alka Agarwal	1.50	1.50
Alka Mendiratta	1.50	1.50
A2Z Venture Capital Limited	8.76	8.76
A2Z Consultants Private Limited	5.88	5.88
Lakshya Impex Private Limited	8.66	8.66
Ashok Kumar Agarwal (HUF)	7.46	7.46
Yashpal Mendiratta (HUF)	7.46	7.46
Contribution towards corporate social responsibility		
Globe Capital Foundation (Trust)	219.20	186.30
Investment in equity shares		
Globe Capital (IFSC) Limited	2,000.00	-
Sitting fee		
Alok Kumar Bansal	2.85	1.55
Sushil Kumar Jain	2.85	1.90
Arun Kumar Gupta	2.35	1.90

Net outstanding balance of related parties

Particulars	As at 31 March 2019	As at 31 March 2018
Advance/ margin received from related parties		
Globe Commodities Limited	184.04	1,066.42
Globe Derivatives and Securities Limited	2,464.49	-
M. Agarwal Stock Brokers Private Limited	74.90	0.01
A to Z Venture Capital Limited	0.01	-
Loan recoverable		
Globe Fincap Limited	12,850.00	-
Amount recoverable (compound financial instrument)		
Globe Fincap Limited	5,765.84	5,148.07
Globe Derivatives and Securities Limited	5,741.23	5,126.10
Advance/ margin recoverable from related parties		
Globe Capital (IFSC) Limited	0.97	-
A to Z Venture Capital Limited	-	0.05
A2Z Finstock Private Limited (Formerly Rolex Finvest Private Limited)	-	0.05
Lakshya Impex Private Limited	4.76	0.02
A M Share Brokers Private Limited	-	0.00
Globe Commodities Limited	-	1.58
Salary, bonus and other payables		
Ashok Kumar Agarwal	208.16	80.54
Yashpal Mendiratta	209.11	80.54

* As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Terms and conditions of transactions with related parties

- (i) All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.
- (ii) For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2017-18: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

37. Segment Information

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

38. Significant investment in the subsidiaries

Name of the Company	Principal place of business	Relation	Percentage of shares held
Globe Commodities Limited	804, Ansal Bhawan, 16 KG Marg, New Delhi -110001	Wholly owned subsidiary	100%
Globe Fincap Limited	609, Ansal Bhawan, 16 KG Marg, New Delhi -110001	Wholly owned subsidiary	100%
Globe Derivatives and Securities Limited	Space No 11A, Saran Chamber 2, 5 Park Road, Lucknow (UP) - 226001	Wholly owned subsidiary	100%
Globe Capital (IFSC) Limited	Unit No 223, 2 nd Floor, Signature Building, Block -13, Road 1C, Zone 1, GIFT SEZ GIFT City, Gandhinagar, Gujarat - 382255	Wholly owned subsidiary	100%
Globe Comex (DMCC) Limited	Unit no 20-10-20, Jewellery & Gemplex 2, Plot No DMCC-PH2-J&GplexS, Jewellery & Gemplex, Dubai, UAE	Step subsidiary company	100% subsidiary of Globe Commodities Limited

39. Financial risk management

Financial risk management objective and policies

The Company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risk that it is exposed to. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks.

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

- a. Credit risk
- b. Liquidity risk
- c. Market risk



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

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

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

1. The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.

2. The second line of defence comprises specialised departments such as risk management and compliance. They employ specialised methods to identify and assess risks faced by the operational departments and provide them with specialised risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal control and compliance, report risk related information and promote the adoption of appropriate risk prevention measures.

3. The third line of defence comprises the internal audit department and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal control and compliance activities to ensure the adequacy of risk controls and appropriate risk governance, and provide the Board with comprehensive feedback

a. Credit risk

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

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

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

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

	31 March 2019	31 March 2018	1 April 2017
Trade and other debtors (net of impairment)	31,128.58	39,328.18	15,538.18
Loans (net of impairment)	12,850.00	-	-
Total	43,978.58	39,328.18	15,538.18

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

Based on the industry practices and business environment in which the entity operates, management considers that the unsecured trade receivables are in default if the payment is 90 days overdue. Out of the total trade receivables of 31,577.75 Lakhs (31 March 2018 32,187.59 Lakhs), 454.90 Lakhs (31 March 2018: 235.08 Lakhs) are overdue for a period in excess of 90 days or considered as non-recoverable as per management assessment. Probability of default (PD) on this balance is considered at 100% and treated as credit impaired.

Loans: Loans comprise of Inter Corporate Deposits given to its subsidiaries. The PD in these instruments is considered as Rs. Nil. (31 March 2018 Rs. Nil)



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

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

Particulars	As at 31 March 2019	As at 31 March 2018
Opening provision	235.08	-
Add: Additional provision	219.82	235.08
Less: Provision utilized during the year	-	-
Less: Provision reversed during the year	-	-
	454.90	235.08

Other financial assets considered to have a low credit risk:

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

b. Liquidity risk

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

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

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

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

The following table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities:



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Particulars	Total carrying amount	payable/ receivable within one year	payable/ receivable within 1 year to 5 years	More than 5 years
As at 31 March 2019				
a. Financial assets				
Cash and cash equivalents	3,339.17	3,339.17	-	-
Bank balance other than cash equivalents above	90,741.04	90,741.04	-	-
Derivative financial instruments	662.40	662.40	-	-
Securities for trade	36,286.85	36,286.85	-	-
Receivables				
(i) Trade receivables	31,122.85	31,122.85	-	-
(ii) Other receivables	5.73	5.73	-	-
Loans	24,357.07	12,850.00	11,507.07	-
Investments	14,943.21	-	14,943.21	-
Other financial assets	32,647.48	14,925.87	17,721.61	-
Total (a)	234,105.80	189,933.91	44,171.88	-
b. Financial liabilities				
Derivative financial instruments	404.42	404.42	-	-
Trade payables	169.67	169.67	-	-
Debt securities	9,947.08	9,947.08	-	-
Borrowings (other than debt securities)	42,494.29	38,316.05	4,178.23	-
Other financial liabilities	103,231.17	103,119.80	111.37	-
Total (b)	156,246.62	151,957.02	4,289.60	-
Net Excess / (Shortfall) (a-b)	77,859.18	37,976.89	39,882.28	-



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Particulars	Total carrying amount	payable/ receivable within one year	payable/ receivable within 1 year to 5 years	More than 5 years
As at 31 March 2018				
a. Financial assets				
Cash and cash equivalents	8,084.98	8,084.98	-	-
Bank balance other than cash equivalents above	70,396.36	70,396.36	-	-
Derivative financial instruments	255.91	255.91	-	-
Securities for trade	19,748.38	19,748.38	-	-
Receivables				
(i) Trade receivables	31,952.51	31,952.51	-	-
(ii) Other receivables	7,375.67	7,375.67	-	-
Loans	10,274.17		10,274.17	-
Investments	14,240.15		14,240.15	-
Other financial assets	21,159.97	1,721.68	19,438.48	-
Total (a)	183,488.10	139,535.30	43,952.80	-
b. Financial liabilities				
Derivative financial instruments	477.26	477.26	-	-
Trade payables	354.28	354.28	-	-
Debt securities	9,439.78	9,439.78	-	-
Borrowings (other than debt securities)	35,878.55	31,914.74	3,963.82	-
Other financial liabilities	66,661.11	66,525.73	135.38	-
Total (b)	112,810.99	108,711.79	4,909.20	-
Net Excess / (Shortfall) (a-b)	70,677.11	30,823.69	39,853.41	-



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Particulars	Total carrying amount	payable/ receivable within one year	payable/ receivable within 1 year to 5 years	More than 5 years
As at 1 April 2017				
a. Financial assets				
Cash and cash equivalents	4,290.54	4,290.54		-
Bank balance other than cash equivalents above	54,487.49	54,487.49	-	-
Derivative financial instruments	1,195.88	1,195.88	-	-
Securities for trade	23,557.63	23,557.63	-	-
Receivables				
(i) Trade receivables	15,534.87	15,534.87		-
(ii) Other receivables	3.31	3.31	-	-
Loans	9,173.36	-	9,173.36	-
Investments	17,935.76	-	17,935.76	-
Other financial assets	46,275.19	30,892.69	15,382.50	-
	172,454.03	129,962.42	42,491.62	-
b. Financial liabilities				
Derivative financial instruments	1,169.37	1,169.37	-	-
Trade payables	230.89	230.89	-	-
Debt securities	9,854.16	9,854.16	-	-
Borrowings (other than debt securities)	30,092.93	27,442.92	2,650.00	-
Other financial liabilities	56,610.32	56,535.17	75.15	-
	97,957.66	95,232.51	2,725.15	-
Net Excess / (Shortfall)	74,496.37	34,729.91	39,766.47	-

c. Market risk

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

- i) Equity Price Risk
- ii) Interest Rate Risk
- iii) Currency Risk



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Total market risk exposure

Particulars	Total carrying amount	Traded asset/liability	Non traded asset/liability	Primary risk sensitivity
As at 31 March 2019				
Assets				
Cash and cash equivalents and other bank balances	94,080.21	-	94,080.21	
Derivative financial instruments	662.40	662.40		Currency and equity price
Financial assets at FVTPL	53,544.79	42,037.72	11,507.07	Equity price and Interest rate
Trade and other receivables	31,128.58	-	31,128.58	
Loans	24,357.07	-	24,357.07	
Investments in subsidiaries	9,192.34	-	9,192.34	
Other financial assets at amortised cost	32,647.48	-	32,647.48	
Total	245,612.87	42,700.12	202,912.75	
Liabilities				
Derivative financial instruments	404.42	404.42		Currency and equity price
Trade payables	169.67	-	169.67	
Debt securities	9,947.08	-	9,947.08	
Borrowings (other than debt securities)	42,494.28	-	42,494.29	Interest rate
Other financial liabilities	103,231.17	-	103,231.17	
Total	156,246.62	404.42	155,842.20	

Particulars	Total carrying amount	Traded asset/liability	Non traded asset/liability	Primary risk sensitivity
As at 31 March 2018				
Assets				
Cash and cash equivalents and other bank balances	78,481.34	-	78,481.34	
Derivative financial instruments	255.91	255.91		Currency and equity price
Financial assets at FVTPL	35,285.63	25,011.46	10,274.17	Equity price and Interest rate
Trade receivables	39,328.18	-	39,328.18	
Loans	10,274.17	-	10,274.17	
Investments in subsidiaries	8,977.07	-	8,977.07	
Other financial assets at amortised cost	21,159.97	-	21,159.97	
Total	193,762.27	25,267.37	168,494.90	
Liabilities				
Derivative financial instruments	477.26	477.26		Currency and equity price
Trade payables	354.28	-	354.28	Equity price
Debt securities	9,439.78	-	9,439.78	
Borrowings (other than debt securities)	35,878.55	-	35,878.55	Interest rate
Other financial liabilities	66,661.11	-	66,661.11	
Total	112,810.98	477.26	112,333.72	



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Particulars	Total carrying amount	Traded asset/liability	Non traded asset/liability	Primary risk sensitivity
As at 1 April 2017				
Assets				
Cash and cash equivalents and other bank balances	58,778.03	-	58,778.03	
Derivative financial instruments	1,195.88	1,195.88	-	Currency and equity price
Financial assets at FVTPL	41,768.18	32,594.81	9,173.36	Equity price and Interest rate
Trade receivables	15,538.18	-	15,538.18	
Loans	9,173.36	-	9,173.36	
Investments in subsidiaries	8,898.58	-	8,898.58	
Other financial assets at amortised cost	46,275.19	-	46,275.19	
Total	172,454.03	33,790.69	138,663.34	
Liabilities				
Derivative financial instruments		1,169.37	1,169.37	Currency and equity price
Trade payables	230.89	-	230.89	
Debt securities	9,854.16	-	9,854.16	
Borrowings (other than debt securities)	30,092.93	-	30,092.93	Interest rate
Other financial liabilities	56,610.32	-	56,610.32	
Total	97,957.66	-	97,957.66	

(i) Equity price risk

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

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

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
10% change in equity prices	4,615.13	3,353.77
10% change in equity prices	(4,615.13)	(3,353.77)



Globe Capital Market Limited**Notes to the standalone financial statements for the year ended 31 March 2019****(All amounts are in Indian rupees in Lakhs, unless otherwise stated)***(ii) Interest rate risk*

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

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

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Total borrowing	52,668.58	45,696.29	40,266.59
Fixed rate borrowing	16,983.40	18,789.45	14,541.66
Floating rate borrowing	35,685.18	26,906.84	25,724.93

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
50 basis points increase would decrease the profit by	178.43	110.03
50 basis points decrease would increase the profit by	(178.43)	(110.03)

(iii) Foreign exchange currency risk

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

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

40. First time adoption of Indian Accounting Standards

For reporting periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with Indian GAAP. The Company has prepared its financial statements in accordance with Ind AS prescribed under section 133 of the Act and other accounting principles generally accepted in India and as notified by Ministry of Corporate Affairs with the transition date being April 1, 2017. The impact of transition has been provided in the Opening Reserves as at April 1, 2017.

In preparing these financial statements, the Company has opted to avail the choices available for certain transitional provisions within Ind AS 101, 'First time adoption of Indian Accounting Standards', which offers exemption from applying specified Ind AS retrospectively. The most significant of these provisions are in the following areas:

(i) Deemed cost for property, plant and equipments and intangible assets

The Company has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as measured as per the previous GAAP and used that as its deemed cost as at the date of transition.

(ii) Designation of previously recognized financial instruments

At the transition date, the Company assessed the conditions for classification of financial assets and accordingly classified its financial assets at either amortized cost, fair value through other comprehensive income or fair value through profit and loss account, as appropriate, under the provisions of Ind AS 109, 'Financial Instruments'.



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

(iii) Deemed cost option for equity investment in subsidiaries

Ind AS-101 permits a first-time adopter to elect to continue with the carrying value for its Investment in equity instruments as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition to Ind AS.

Accordingly, the Company has elected to measure all of its Equity investment in subsidiaries at their previous GAAP carrying value.

(iv) Compound financial instruments

Ind AS -101 permits a first time adopter a mandatory exception, when the liability component of a compound financial instrument is no longer outstanding at the date of transition to Ind AS, a first-time adopter may elect not to apply Ind AS 32 retrospectively to split the liability and equity components of the instrument.

Accordingly, the Company has opted to apply this exemption for its Investment in Non Cumulative Redeemable Preference Shares in one of it's subsidiaries.

(b) Mandatory exception from retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS mandatorily required under Ind AS 101:

(i) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

(ii) Classification and measurement of financial assets

The classification of financial assets to be measured either at amortized cost or fair value through other comprehensive income or fair value through PL are made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

(c) Transition to Ind AS-Reconciliation

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- (i) Reconciliation of Balance Sheet as at 1 April 2017
- (ii) Reconciliation of Balance Sheet as at 31 March 2018
- (iii) Reconciliation of Total Comprehensive Income for the year ended 31 March 2018
- (iv) Reconciliation of Equity as at 1 April 2017 and 31 March 2018.
- (v) Adjustment to Statement of Cash Flow for the year ended 31 March 2018



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

(i). Reconciliation of Balance Sheet as at 1 April 2017

Particulars	Note Ref	Previous GAAP	Adjustments	Ind AS
Financial assets				
(a) Cash and cash equivalents		4,290.54	-	4,290.54
(b) Bank balances other than cash and cash equivalents		54,487.49	-	54,487.49
(c) Derivative financial instruments	K	-	1,195.88	1,195.88
(d) Receivables				
(i) Trade receivables		15,534.87	-	15,534.87
(ii) Other receivables		29.82	(26.51)	3.31
(e) Loans	A	-	9,173.36	9,173.36
(f) Securities for trade		22,270.91	1,286.73	23,557.63
(g) Investments	a, b, c	28,291.14	(10,355.38)	17,935.76
(h) Other financial assets	d, f	46,316.11	(40.92)	46,275.19
		171,220.88	1,233.16	172,454.03
Non-financial assets				
(a) Current tax assets (net)		454.20	-	454.20
(b) Property, plant and equipment		350.10	-	350.10
(c) Other intangible assets		-	-	-
(d) Other non-financial assets	d, f	121.36	41.37	162.73
		925.66	41.37	967.03
Total assets		172,146.54	1,274.53	173,421.06
Liabilities and equity				
Liabilities				
Financial liabilities				
(a) Derivative financial instruments		-	1,169.37	1,169.37
(b) Trade payables				
total outstanding dues of micro enterprises and small enterprises		-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		230.89	-	230.89
(c) Debt securities		9,854.16	-	9,854.16
(d) Borrowings (other than debt securities)	G	30,412.45	(319.53)	30,092.92
(e) Other financial liabilities	C	56,535.17	75.15	56,610.32
		97,032.65	924.99	97,957.66
Non-financial liabilities				
(a) Contract liabilities		65.82	-	65.82
(b) Current tax liabilities (net)		518.32	-	518.32



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

(c) Provisions		337.91	0.00	337.91
(d) Deferred tax liabilities (net)	k	(72.28)	470.64	398.36
(e) Other non-financial liabilities		415.90	0.00	415.90
		1,265.67	470.64	1,736.31
Total liabilities		98,298.32	1,395.63	99,693.97
Equity				
(a) Equity share capital		2,911.25	-	2,911.25
(b) Other equity	j	70,936.94	(121.11)	70,815.84
Total equity		73,848.19	(121.11)	73,727.09
Total Liabilities and equity		172,146.55	1,274.52	173,421.06

(ii). Reconciliation of Balance Sheet as at 31 March 2018

Particulars	Note Ref	Previous GAAP	Adjustments	Ind AS
Financial assets				
(a) Cash and cash equivalents		8,084.98	-	8,084.98
(b) Bank balance other than cash and cash equivalents		70,396.36	-	70,396.36
(c) Derivative financial instruments		-	255.91	255.91
(d) Receivables				
(i) Trade receivables		31,952.51	-	31,952.51
(ii) Other receivables		7,154.32	221.35	7,375.67
			-	-
(e) Loans	a	-	10,274.17	10,274.17
(f) Securities for trade	e	19,707.44	40.94	19,748.38
(g) Investments	a, b, c	26,736.25	(12,496.10)	14,240.15
(h) Other financial assets	d,f	21,200.94	(40.97)	21,159.97
		185,232.80	(1,744.70)	183,488.10
Non-financial assets				
(a) Current tax assets (net)		367.93	0.00	367.93
(b) Property, plant and equipment		319.12	(0.01)	319.11
(c) Other intangible assets		-	-	-
(d) Other non-financial assets	d,f	176.70	40.54	217.24
		863.75	40.53	904.28
Total assets		186,096.55	(1,704.17)	184,392.38
Liabilities and equity				
Liabilities				
Financial liabilities				



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

(a) Derivative financial instruments	k	-	477.26	477.26
(b) Trade payables				
total outstanding dues of micro enterprises and small enterprises		-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		354.28	-	354.28
(c) Debt securities		9,439.78	0.00	9,439.78
(d) Borrowings (other than debt securities)	g	36,256.53	(377.97)	35,878.55
(e) Other financial liabilities	c	66,525.73	135.38	66,661.11
		112,576.29	234.67	112,810.99
Non-financial liabilities				
(a) Contract liabilities		104.30	(0.00)	104.30
(b) Current tax liabilities (net)		354.30	(354.30)	-
(c) Provisions		490.54	0.00	490.54
(d) Deferred tax liabilities (net)	i	(331.49)	613.14	281.65
(e) Other non-financial Liabilities		305.04	0.00	305.04
		922.69	258.84	1,181.53
Total liabilities		113,499.01	493.51	113,992.52
Equity				
(a) Equity share capital		2,625.00	-	2,625.00
(b) Other equity	j	70,326.84	(2,551.98)	67,774.86
Total equity		72,951.84	(2,551.98)	70,399.86
Total Liabilities and equity		186,450.85	(2,058.47)	184,392.38

(iii). Reconciliation of total comprehensive income for the year ended 31 March 2018

Particulars	Note Ref	Previous GAAP	Adjustments	Ind AS
Revenue from operations				
(a) Interest income	a	13,238.95	1,100.80	14,339.75
(b) Dividend income		3,560.39	-	3,560.39
(c) Revenue from contracts with customers		11,853.60	-	11,853.60
(d) Income from trading in securities		1,903.63	-	1,903.63
(e) Net gain on fair value change		1,559.50	(1,559.50)	-
Other income	c,d,f	5.63	48.96	54.59
Total income (1)		32,121.70	(409.74)	31,711.96



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Expense				
Finance cost	c,g	6,182.04	(53.45)	6,128.59
Net loss on fair value change	b, e	-	1,905.50	1,905.50
Impairment on financial instruments		235.08	-	235.08
Employee benefit expenses	d,h	4,983.88	(59.97)	4,923.91
Depreciation		61.56	-	61.56
Other Expenses	f	7,554.53	23.99	7,578.52
Total expenses (2)		19,017.09	1,816.07	20,833.16
Profit before tax (1-2)		13,104.61	(2,225.81)	10,878.80
Tax expenses				
Current income-tax		3,219.30	-	3,219.30
Deferred tax	k	(259.22)	164.37	(94.85)
Total tax expenses		2,960.08	164.37	3,124.45
Profit after tax		10,144.54	(2,390.18)	7,754.35
Other comprehensive income				
Items that will not be reclassified to reclassified to Profit and Loss				
(i) Remeasurement of net defined benefit liability		-	(62.54)	(62.54)
(ii) Income tax relating to these items		-	21.85	21.85
Total other comprehensive income / (loss)		-	(40.69)	(40.69)
Total comprehensive income		10,144.53	(2,430.87)	7,713.66



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

(iv) Reconciliation of other equity

Particulars	As at 31 March 2019	As at 31 March 2018
Total equity under Previous GAAP	70,326.84	70,936.94
Adjustment in opening retained earnings	(121.11)	
Effective Interest Rate computation of loan outstanding	58.44	319.51
Fair value of investments	(2,219.21)	3,662.14
Fair value of inventory of securities	(1,245.79)	1,286.73
Premium on corporate guarantee commission to wholly owned subsidiary	18.27	7.33
Recognition of expense on account of investment in compulsorily redeemable preference shares of the subsidiary	-	(9,564.27)
Recognition of interest income using EIR on compound financial instrument	1,100.80	4,637.63
Unwinding of discount on security deposit (net)	(0.23)	(0.69)
Unwinding of discount on advance to employee (net)	(0.65)	1.15
Deferred tax on Ind AS adjustment	(142.51)	(470.63)
	67,774.85	70,815.84

(v) Adjustments to Statement of cash flows

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Footnotes to the reconciliation of equity as at 1 April 2017 and 31 March 2018 and profit or loss for the year ended 31 March 2018

a. Investment in Non Cumulative redeemable preference share of subsidiaries

Under Previous GAAP, Investments in 12% Non cumulative redeemable preference share were measured at cost unless there was a permanent decline in the value. Under Ind AS, these Investments are required to be measured at fair value through profit and loss. Accordingly, Investment proceeds have been split into two parts. At the date of transition to Ind AS, difference between the present value of the preference Instrument at the time of subscription and the carrying value

Under previous GAAP has been written off from retained earnings by the Company in its wholly owned subsidiary. This resulted in a reduction in the retained earnings of the Company by Rs. 9,564.27 Lakhs

The balance component i.e. the present value of preference instrument has been considered as a loan with ROI @ 12 % (being the coupon rate of the preference shares).As the transition date the Company has recognized interest from the date of the investment to the date of transition at the above-mentioned rate resulting in an increase of Rs 4,637.63 Lakhs in the retained earnings of the Company. During the year ended 31 March 2018, this resulted in an increase in profit by Rs. 1,100.80 Lakhs

The following table summarizes the accounting treatment at the date of transition and as at 31 March 2018

Particulars	Balance Sheet		Other equity	Comprehensive Income
	31 March 2018	1 April 2017	1 April 2017	31 March 2018
Loan Component Ind AS	10,274.17	9,173.36	-	-
Preference Investment under previous GAAP	14,100.00	14,100.00	-	-
Decrease in Equity on account of write off	-	-	(9,564.27)	-
Increase in Equity on account of interest	-	-	4,637.63	-
Impact of Fair Valuation	-	-	-	1,100.80



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

b. Fair valuation of equity investment (other than subsidiaries)

Under Previous GAAP, Investment in equity instruments were measured at cost unless there was a permanent decline in the market value. Under Ind AS, the Company has designated these Investments at fair value through profit and loss (FVTPL). Accordingly these Investments are required to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of the equity Instrument and the carrying value under previous GAAP has been recognized in other equity.

The net effect is an increase in equity by Rs 3,662.14 Lakhs as at 1 April 2017 and decrease in profit for the year ended 31 March 2018 by Rs 2,219.21 Lakhs.

The following table summarizes the accounting treatment at the date of transition and as at 31 March 2018

Particulars	Balance Sheet		Other equity	Comprehensive Income
	31 March 2018	1 April 2017	1 April 2017	31 March 2018
Investment under Ind AS	5,263.08	9,037.18	-	-
Investment under previous GAAP	3,820.15	5,375.04	-	-
Increase in equity	-	-	3,662.14	-
Impact of fair valuation	-	-	-	(2,219.21)

c Accounting for corporate guarantee

Under Ind AS, Financial guarantee given in relation to borrowing taken wholly owned subsidiary company for no compensation received from such subsidiary is measured at fair value on the date of corporate guarantee given and accounted as part of Investment in Subsidiary (deemed contribution) with corresponding credit to financial guarantee obligation. Accordingly Rs. 160.97 Lakhs has been recognized as Investment in Subsidiary as at 31 March 2018 (1 April 2017: Rs. 82.48 Lakhs) with a corresponding adjustment in other equity. Whereas under the previous GAAP, these were not recognized in the balance sheet, only disclosure was required in balance sheet as a contingent liability. The net effect is an increase in equity by Rs 7.33 Lakhs as at 1 April 2017, increase in profit for the year ended 31 March 2018 by Rs 18.27 Lakhs.

Particulars	Balance Sheet		Other equity	Comprehensive Income
	31 March 2018	1 April 2017	1 April 2017	31 March 2018
Liability				
Financial guarantee	135.38	75.15	-	-
Assets				
Investment in subsidiary	160.97	82.48	-	-
(Profit)/Loss				
Increase in equity	-	-	7.33	-
Commission income net of interest expense				18.27

d. Interest free advance to employee

Under previous GAAP, Advances to Employee were recognized at transaction value. Under Ind AS, Interest free or below market rate interest loan given to staff are required to be measured at fair value through amortized cost. The difference between transaction value of loan and its fair value at inception is recognized as prepaid expense and amortized over the tenure of the loan. Such interest income is recognized in statement of profit and loss using effective interest rate (EIR). As on 31 March 2018, the prepaid expenses increased by Rs.16.33 Lakhs (As at 1 April 2017 2.16 Lakhs). As a consequence, retained earnings as at 1 April 2017 increased by Rs. 1.15 Lakhs and statement of profit and loss for the year ended 31 March 2018 decreased by Rs. 0.65 Lakhs (Interest on Advance to Staff: Rs. 1.91 Lakhs and Employee Benefit Expense :Rs. 2. 56 Lakhs)



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

e. Valuation of securities for trade

Under Previous GAAP, Inventories are valued at cost or Net realizable value whichever is lower. Under Ind AS, the same is classified as a financial asset. Accordingly the same are measured at fair value less cost to sell. The net effect is an increase in total equity by Rs 1,286.73 Lakhs as at April 1, 2017, decrease in profit for the year ended 31 March 2018 by Rs 1245.79 Lakhs.

f. Discounting of security deposit

Under previous GAAP, Interest free security deposits are recognized at transaction value. Under Ind AS, refundable security deposits are classified as financial assets and measured at fair value through amortized cost. The difference between transaction value and fair value at inception is recognized as prepaid expense and amortized over the tenure of the security deposit. Further, unwinding of discount on security deposit is recognized in statement of profit and loss using effective interest rate (EIR). As on 31 March 2018, the security deposit reduced by Rs. 25.17 Lakhs and prepaid expense increased by Rs. 24.25 Lakhs (As at 1 April 2017 : Security Deposit reduced : Rs. 38.78 Lakhs and Prepaid Rent: Rs. 38.09 Lakhs). As a consequence , retained earnings as at 1 April 2017 decreased by Rs. 17.74 Lakhs and statement of profit and loss for the year ended 31 March 20 18 decreased by Rs. 24.00 Lakhs (Rent Expense :Rs 6.61 Lakhs ,Brokerage Expense: Rs. 17.39 Lakhs) and Interest on security deposit Rs. 23.77 Lakhs.

g. Effective interest rate on borrowing

As required under the IND AS 109 transactions costs incurred towards origination of borrowings have been deducted from the carrying amount of borrowings on initial recognition. These costs are recognized in the statement of profit and loss over the tenure of the borrowing as interest expense, computed using the effective interest rate method. Under the previous GAAP, these transaction costs were charged to the statement of profit and loss as and when incurred. Consequently, borrowings as at 31 March 2018 have been reduced by Rs. 377.95 Lakhs (1 April 2017: Rs. 319.51 Lakhs with a corresponding adjustment to equity resulting in increase in other equity by Rs. 319.51 Lakhs. The profit under the previous GAAP for the year ended 31 March 2018 has been increased by Rs. 58.44 Lakhs.

The following table summarizes the accounting treatment at the date of transition and as at 31 March 2018

Particulars	Balance Sheet		Other equity	Comprehensive Income
	31 March 2018	1 April 2017	1 April 2017	31 March 2018
Borrowings	36,256.51	30,412.43	-	-
Unamortized processing fees	(377.95)	(319.51)	-	-
Net Borrowing in financial statements	35,878.56	30,092.92	-	-
Increase in equity	-	-	319.51	-
Finance cost	-	-	-	58.44

h. Remeasurements of post employment benefit obligation

Both under Indian GAAP and Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, were charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognized the net defined benefit immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost is reduced by Rs. 62.54 Lakhs and Remeasurement gains/ losses on defined benefit plans has been recognized in the OCI net of tax.

i. Deferred tax

The various transitional IndAS adjustments lead to temporary differences. Accordingly the Company has accounted for Deferred tax on such underlying transaction in other equity. As a result, net effect on deferred tax liability on statement of profit and loss as at 31 March 2018 Rs. 164.37 Lakhs (equity reduced by Rs. 470.64 Lakhs as at 1 April 2017)



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

j. Other equity

Other Equity as at 1 April 2017 and 31 March 2018 has been adjusted consequent to the above mentioned Ind AS transition adjustments.

k. Derivative financial assets/ liabilities

Under IndAS, derivatives are marked to market as at each balance sheet date and unrealized net gain or loss is recognized. Derivative assets and liabilities are presented on gross basis. These were not separately disclosed under I-GAAP.

41. Expenditure in foreign currency

	For the year ended 31 March 2019	For the year ended 31 March 2018
Travelling and conveyance	1.37	0.33

42. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. Nil (31 March 2018 Rs. Nil).

43. Change in liabilities arising from financing activities

Particulars	31 March 2018	Cash flows	Changes in fair values	Others	31 March 2019
Debt securities	9,439.78	507.30	-	-	9,947.08
Borrowings other than debt securities	14,249.67	(3,713.35)	-	-	10,536.32
Loans repayable on demand	1,596.50	7,700.00	-	-	9,296.50
Bank overdrafts	20,410.34	2,478.35	-	-	22,888.68

Particulars	1 April 2017	Cash flows	Changes in fair values	Others	31 March 2018
Debt securities	9,854.16	(414.38)	-	-	9,439.78
Borrowings other than debt securities	10,987.50	3,262.17	-	-	14,249.67
Loans repayable on demand	-	1,596.50	-	-	1,596.50
Bank overdrafts	19,424.93	985.40	-	-	20,410.34



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

44. Revenue from contracts with customers

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

a. Brokerage income

The Company provides trade execution and settlement services to the customers in retail and institution segment. There is only one performance obligation of execution of the trade and settlement of the transaction which is satisfied at a point in time. The brokerage charged is the transaction price and is recognized as revenue on trade date basis. Related receivables are generally recovered in a period of two days as per the settlement cycle. Amount not recovered and which remain overdue for a period exceeding 90 days, are provided for.

b. Portfolio management services

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

c. Depository services

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

45. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from 1 April 2019

Ind AS 116 Leases:

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning 1 April 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (1 April 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of completing a detailed assessment of the impact on its financials.



Globe Capital Market Limited

Notes to the standalone financial statements for the year ended 31 March 2019

(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact from this pronouncement.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any significant impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company does not have any control / joint control of a business that is a joint operation.

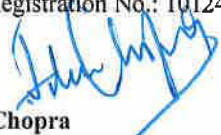


Globe Capital Market Limited
Notes to the standalone financial statements for the year ended 31 March 2019
(All amounts are in Indian rupees in Lakhs, unless otherwise stated)

46. Events after the reporting date

There have been no events after the reporting date that requires disclosure in these financial statements.

As per our report of even date attached
For **BSR & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022


Jiten Chopra
Partner
Membership No.: 092894

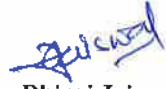
For **P.C.Bindal & Co.**
Chartered Accountants
Firm Registration No.: 003824N


K.C. Gupta
Partner
Membership No.: 088638

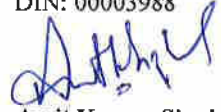


For and on behalf of the Board of Directors of
Globe Capital Market Limited


Yashpal Mendiratta
Managing Director
DIN: 00004185


Dhiraj Jaiswal
Company Secretary


Ashok Kumar Agarwal
Whole-time Director
DIN: 00003988


Amit Kumar Singhal
Chief Financial Officer

Place : Gurugram
Date: 29 April 2019

Place : New Delhi
Date: 29 April 2019

Place : New Delhi
Date: 29 April 2019

