



RXIL

NSE - SIDBI JV

FOSTERING GROWTH DELIVERING EXCELLENCE



ANNUAL REPORT 2021-22

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CORPORATE INFORMATION

BOARD OF DIRECTORS (AS ON MAY 31, 2022)

MR. SIVASUBRAMANIAN RAMANN	: CHAIRMAN
MR. MUKESH AGARWAL	: DIRECTOR
MR. RAMAN UBEROI	: DIRECTOR
MS. NAMITA SEKHON	: DIRECTOR
MR. SUDATTA MANDAL	: DIRECTOR
MR. HITESH KUMAR SETHIA	: DIRECTOR
MR. BALABHADRAPATRUNI SANKAR	: DIRECTOR
MR. KETAN GAIKWAD	: DIRECTOR

CHIEF FINANCIAL OFFICER : MR. KAILASHKUMAR VARODIA

COMPANY SECRETARY : MR. KUSHAL SHAH

AUDITORS : M/S. KHANDELWAL JAIN & CO.,
CHARTERED ACCOUNTANT,
6- B & C, PIL COURT, 6TH FLOOR,
111, M. KARVE ROAD, CHURCHGATE,
MUMBAI – 400020

REGISTERED OFFICE : 701-702, 7TH FLOOR, SUPREMUS – E WING,
I-THINK TECHNO CAMPUS, KANJURMARG EAST,
MUMBAI – 400042
MAHARASHTRA

REGISTRAR & TRANSFER AGENT : KFIN TECHNOLOGIES PRIVATE LIMITED
SELENIUM (TOWER B), GACHIBOWLI,
FINANCIAL DISTRICT, NANAKRAMGUDA,
HYDERABAD – 500032, TELANGANA

NOTICE

NOTICE is hereby given that the 6th Annual General Meeting [AGM] of the Members of Receivables Exchange of India Limited [RXIL], hereafter referred as Company, will be held on Wednesday, August 17, 2022 at 3.00 pm at SIDBI Conference Room, Swavalamban Bhavan, Plot C – 11, G – Block, Bandra Kurla Complex, Bandra East, Mumbai to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Mukesh Agarwal (DIN: 03054853), who retires by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Section 152 of Companies Act, 2013, Mr. Mukesh Agarwal (DIN: 03054853), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

3. To appoint M/s. Gokhale & Sathe, Chartered Accountants as a Statutory Auditor of the Company and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 139 and 142 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditor) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) the consent of the Board be and is hereby accorded subject to the approval of the members in the ensuing General Meeting of the Company to appoint, M/s. Gokhale & Sathe, Chartered Accountant, [Firm Registration No. 103264W], for a term of 5 years i.e. from the conclusion of Sixth Annual General Meeting to be held in 2022 till the conclusion of the Eleventh Annual General Meeting to be held for the Financial Year 2027 on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors.

RESOLVED FURTHER THAT any Director of the Company or Chief Financial Officer or Company Secretary be and are hereby severally authorised, to do all such acts, deeds, things etc. as may be necessary and take all such steps which may be required in this regard.

SPECIAL BUSINESS

4. To reappoint Mr. Raman Uberoi (DIN: 03407353) as a Non-Executive Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014, including any statutory amendment (s) thereto or re-enactment(s) thereof for the time being in force, read with Schedule IV of the Companies Act, 2013, Mr. Raman Uberoi [DIN: 03407353], Non-Executive Independent Director of the Company, has submitted a declaration that he meets the criteria of Independence under section 149(6) of the Companies Act, 2013 and who is eligible for being reappointed as a Non-Executive Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for further period 1 (one) year commencing from March 28, 2022."

5. To re-appoint Mr. Ketan Gaikwad (DIN: 08359705) as a Managing Director & Chief Executive Officer (MD & CEO) of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following

resolution(s) as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to Articles of Association of the Company and subject to any other approvals as may be required, the consent of the members of the Company be and is hereby accorded for the reappointment of Mr. Ketan Gaikwad (DIN: 08359705), as a Managing Director & Chief Executive Officer (MD & CEO) of the Company w.e.f. April 1, 2022 for a period of 5 (Five) years or till the end of nomination by NSE Investments Limited (NSEI), whichever is earlier, on terms and conditions including remuneration as set out in the statement annexed to the Notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment / remuneration as it may deem fit and as may be acceptable to Mr. Ketan Gaikwad, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT any one of the Directors of the Company or the Chief Financial Officer or the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.

6. To appoint Ms. Namita Sekhon (DIN to be applied) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule IV of the Companies Act, 2013, Ms. Namita Sekhon [DIN to be applied], who qualifies for being appointed as a Non-Executive Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 3 (three) consecutive years commencing from the date of allotment of DIN i.e 09619105.”

By order of the Board of Directors

Ketan Gaikwad
 MD & CEO
 DIN : 08359705

Mumbai, July 27, 2022

NOTES:

1. The Ministry of Corporate Affairs (MCA) had issued General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, read with General Circular No. 21/2021 dated December 14, 2021, and General Circular No. 2/2022 dated May 05, 2022, (collectively referred to as "MCA Circulars") prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said Circulars the 6th AGM of the members is proposed to be held through VC / OAVM as well as through Physical mode. Hence, Members can attend and participate in the AGM either through VC/OAVM or by physically attending the meeting. However, the members are requested to kindly confirm the mode of attending the meeting by them by sending an email to cs@rxil.in / kk.varodia@rxil.in latest by August 10, 2022.
2. Receivables Exchange of India Limited shall conduct the meeting through physical means at the venue stated in the Notice and through video conferencing / OAVM by using 'Microsoft Teams application'. The members are requested to follow the below mentioned instructions for participating in the Meeting through 'Microsoft Teams application':
 - a. The Company shall send a meeting invite to the registered email addresses of the persons entitled to attend the Meeting
 - b. For joining through laptop/ desktops, the instructions are as follows:
 - i. Select '**Join Microsoft Teams Meeting**' in the meeting invite sent to you on your email address/calendar. Thereafter, a page will be displayed where you can choose to either join on the web or download the desktop app. If you already have the Microsoft Teams app, the meeting will open on the app automatically.
 - ii. (ii) If you do not have a Teams account, select '**Join as a guest**' and enter your name to join the meeting as a guest. If you have a Teams account, select '**Sign in and join**'.
3. For joining through mobile phone/iPads, the instructions are as follows:
 - i. For easy and efficient access of the Microsoft Teams meetings (including audio, video, and content sharing) on mobile, it would be advisable to download and install the Microsoft Teams mobile app.
 - ii. If you have the app, select '**Join Microsoft Teams Meeting**' in the meeting invite sent on your registered email address to open the app and join the meeting. If you do not have the app, you will be taken to the app store where you can download the same.
 - iii. If you do not have a Microsoft Teams account, select '**Join as a guest**' and enter your name to join the meeting as a guest. If you have a Teams account, select '**Sign in and join**'.
4. It would be advisable to download and install the app before the meeting starts. It might take a minute or two, depending on your internet connection.
5. Members who need any assistance or clarification while using the video conferencing facility can send an email at cs@rxil.in / kk.varodia@rxil.in or can call at the helpline number: 022- 69033000.
6. Members can, prior to the Meeting, seek technical assistance on the above mentioned helpline number between 11.00 am to 5.30 pm from Monday to Friday till the date of the Meeting.
7. Members are requested to participate on first come first serve basis, as participation through video conferencing is limited and will be closed on expiry of 15 minutes from the scheduled time of the AGM i.e. 3:00 P.M. on Wednesday, August 17, 2022. First come first serve basis does not apply to the shareholders holding more than 2%, promoters, institutional investors, directors, KMP, Auditor and also to members attending the meeting physically. Members can login and join 15 (fifteen) minutes prior to the scheduled time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time.
8. Members attending the AGM through VC / OAVM shall also be counted for the purpose of reckoning the quorum

under Section 103 of the Act.

9. Voting would be done by show of hands at the meeting.
10. Members can raise questions during the meeting. It is requested to raise the queries precisely and briefly at the time of meeting in order to answer the same. Members are also requested to send their queries, if any, on Financial Statements/Annual Report, to the Company, in not less than 7 days before the date of Meeting, so that the requisite information/ explanations can be provided in time.
11. If a poll is ordered to be taken by the Chairman or demanded in accordance with Section 109 of the Companies Act, 2013, members can cast their vote during the Meeting by sending an email to cs@rxil.in ("**Designated Email Address**") from their email address registered with the Company.
12. The video conferencing facility allows two-way conferencing and members can pose their questions concurrently during the Meeting.
13. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy/ proxies need not be a Member of the Company. Since this AGM is being held in a hybrid manner i.e. both through VC / OAVM and by physical presence, only members attending through physical means can appoint proxy.
14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of its Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC / OAVM or physically as the case may be and vote on their behalf at the Meeting.
16. The Company's Statutory Auditors, M/s. Khandelwal Jain & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company at the 1st AGM of the Members held on December 18, 2017, to hold office up to the conclusion of 6th AGM to be held in the year 2022 on remuneration to be determined by the Board of Directors. At the ensuing AGM, the first term of five years of M/s. Khandelwal Jain & Co., Chartered Accountants shall expire, and they are eligible for re-appointment for another term of 5 (five) years under the provision of the Companies Act, 2013.

However, as per the Audit Appointment Policy, the Statutory Auditor shall be appointed for maximum period of 5 years, subject to the auditor firm satisfying the eligibility norms each year. M/s. Khandelwal Jain & Co., Chartered Accountants [Registration No. 105049W], completes its tenure of 5 years in the ensuing Annual General Meeting of the Company to be held in Financial Year 2022.

The Board of Directors at their meeting held on May 31, 2022, based on recommendation of the Audit Committee, have recommended to the members for appointment of M/s. Gokhale & Sathe, Chartered Accountants, [Firm Registration No. 103264W] as Statutory Auditors of the Company, for a term of 5 (five) consecutive years i.e. from the conclusion of 6th AGM till the conclusion of 11th AGM at remuneration mutually agreed between the Board of Directors of the Company and the Statutory Auditor.

In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, M/s. Gokhale & Sathe, Chartered Accountants, have provided their consent and eligibility certificate to that effect that, their appointment, if made, would be in compliance with the applicable laws and guidelines.

The Board of Directors hereby propose to appoint M/s. Gokhale & Sathe, [Firm Registration No. 103264W], Chartered Accountants as Statutory Auditors of the Company for a period of 5 consecutive years i.e. from the conclusion of ensuing AGM till the conclusion of 11th AGM

17. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2021-22 is being

sent through electronic mode only to all the Members at their email ID registered with the Company/RTA. Members are requested to promptly notify any changes in their email ID to the Company at cs@rxil.in

18. Members may note that the Notice and Annual Report 2021-22 will also be made available on the Company's website www.rxil.in.
19. Members are requested to send their queries on Annual Report, if any, to the Company Secretary, in not less than 2 days before the date of Meeting, so that the requisite information/ explanations can be provided in time.
20. Road Map to the venue of the meeting is annexed to this Notice.

EXPLANATORY STATEMENT, PURSUANT TO SECTION 102 OF COMPANIES ACT 2013

ITEM NO. 4:

To reappoint Mr. Raman Uberoi (DIN: 03407353) as a Non-Executive Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

Mr. Raman Uberoi (DIN: 03407353) was appointed by the Board as a Non-Executive Independent Director of the Company with effect from 29th March 2017. The term of 5 years of Mr. Raman Uberoi would end on March 28, 2022, as per the provisions of Section 149(10).

Upon recommendation of Nomination and Remuneration Committee, the Board at its meeting held on 28th March, 2022, has reappointed Mr. Raman Uberoi (DIN: 03407353) as a Non-Executive Independent Director of the Company for the further period of 1 (One) year on the Board of the Company subject to approval of members in the ensuing General Meeting.

The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Raman Uberoi for the office of Director of the Company.

Mr. Raman Uberoi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Raman Uberoi that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Raman Uberoi fulfils the conditions for his reappointment as an Independent Director as specified in the Act and the Rules made there under and he is independent of the Management.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Raman Uberoi is reappointed as an Independent Director. The Board recommends the resolution set forth in Item no. 4 for approval of the Members as **Special Resolution**.

Except Mr. Raman Uberoi, none of the Directors, Key Managerial Personnel of the Company and their Relatives are in any way concerned or interested, financially or otherwise, in the passing of resolution in Item No. 4.

Item No.5:

To re-appoint Mr. Ketan Gaikwad (DIN: 08359705) as a Managing Director & Chief Executive Officer (MD & CEO) of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a Special Resolution:

The Board at its meeting held on February 05, 2019, had approved appointment of Mr. Ketan Gaikwad as a Director and MD & CEO of RXIL for a period of 3 years from joining the office. The tenor of the appointment has ended on March 31, 2022.

Pursuant to Article 18.2 of the Articles of Association of the Company and Clause 7.1 (a) of the Share Subscription and Shareholders' Agreement (SHA) dated May 26, 2016 (read with SHA Amendment Agreement dated July 6, 2018), NSE Investments Limited (NSEI) (formerly known as NSE Strategic Investment Corporation Limited) (NSICL) has the right to nominate and appoint the MD & CEO of the Company.

Accordingly, the Company has received a nomination letter from NSEI for re-appointment of Mr. Ketan Gaikwad as a Director and MD and CEO of the Company for a further period of 5 (five) years.

Upon recommendation of Nomination and Remuneration Committee (NRC), the Board at its meeting held on 23rd February, 2022, discussed and deliberated on the re-appointment of Mr. Ketan Gaikwad as a Director and MD and CEO of the Company for a further period of 5 (five) years or till the end of nomination of NSEI, whichever is earlier. The Board discussed and noted that during the last three years under the leadership of Mr. Ketan Gaikwad, the company's financial

and business performance recorded improvement.

The terms and conditions including remuneration etc. as enumerated below:

- a. Salary: Mr. Ketan Gaikwad shall be entitled to a salary of Rs. 9,36,771/- (Rupees Nine Lakhs Thirty-Six Thousand Seven Hundred Seventy-One only) per month. Total annual package of Mr. Ketan Gaikwad would be Rs. 1,65,31,250/- (Rupees One Crore Sixty-Five Lakhs Thirty-One Thousand Two Hundred Fifty only) including LTA of Rs. 3,74,708/-, Provident Fund Rs. 5,39,580/-, Gratuity Rs. 2,16,282/- and an amount of Rs. 52,90,000/- towards Performance Based Variable Pay.
- b. The Performance Based Variable Pay (payable yearly) will be subject to achievement of agreed targets. The variable payouts will be contingent upon achievement of the performance against Key Performance Indicators.
- c. Annual Increment will be decided on the basis of performance as per the policy in force from time to time.
- d. Group Mediciclaim Insurance & Group Accident Insurance will be as per the policy of the company.
- e. The appointment of Mr. Ketan Gaikwad shall be co-terminus with NSEI withdrawing its nomination from the Board of RXIL at its discretion.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Ketan Gaikwad be reappointed as Managing Director and Chief Executive Officer of the Company. The Board recommends the resolution set forth in Item no. 5 for approval of the Members as Special Resolution.

The Board and the NRC, as the case may be, may, at its discretion, fix the annual increment of MD & CEO every year, subject to the percentage limits applicable to the Senior Management based on performance.

Except Mr. Ketan Gaikwad none of the Directors, Key Managerial Personnel of the Company and their Relatives are in any way concerned or interested, financially or otherwise, in the passing of resolution in Item No. 5..

Item No.6:

To appoint Ms. Namita Sekhon (DIN to be applied) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

Ms. Namita Sekhon was appointed as an Additional Director (Non-Executive Independent Director) of the Company by the Board of Directors w.e.f date of allotment of DIN: 09619105.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, Ms. Namita Sekhon will hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Namita Sekhon for the office of Director of the Company.

Profile of Ms. Namita Sekhon

Ms. Namita Sekhon has service career of 36 years in which she has worked with senior most and middle levels within the IA&AD. She was deputed by Government of India and Government of Punjab in the field of financial management, Auditing, Accounting and Administration. In capacity of Deputy Comptroller & Auditor General (HR & International Relations) she was incharge of the HR of IA&AD, International Relations and international audits. As Deputy Comptroller and Auditor General (Government Accounts) she ensured the timely compilation of the Finance and Appropriation Accounts of all the States and endeavor to improve the existing accounting standards. Ms. Sekhon experiences include additional Deputy CAG and Principal Accountant General Punjab, Haryana and New Delhi (Audit), ACA (F&A) Punjab Urban Planning and Development Authority (PUDA), General Manager (Finance) Bharat Sanchar Nigam Limited and Secretary, (PSERC), Punjab State Electricity Regulatory Commission. She also had an exposure in government operations in infrastructure. Ms. Sekhon has a core competency in Government Accounts, Administration and Public Audit, Railway Audit and Commercial Audit and she was leading audit team for auditing the UN AIDS, Geneva, IARC, Lyon and World Food Programme, Rome.

Ms. Namita Sekhon is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has

given her consent to act as a Director.

The Company has received a declaration from Ms. Namita Sekhon that she meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Ms. Namita Sekhon fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Rules made there under and she is independent of the Management.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Ms. Namita Sekhon is appointed as an Independent Director. The Board recommends the resolution set forth in Item no. 6 for approval of the Members.

Except Ms. Namita Sekhon none of the Directors, Key Managerial Personnel of the Company and their Relatives are in any way concerned or interested, financially or otherwise, in the passing of resolution in Item No. 6.

By order of the Board of Directors

Ketan Gaikwad
MD & CEO
DIN : 08359705

Mumbai, July 27, 2022

Additional information required to be given as per the provisions contained in Schedule V of the Companies Act, 2013 are given hereunder:

I. General Information

1. Nature of industry: TReDS (Trade Receivables Discounting System)
2. Date of commencement of commercial operations: January 9, 2017
3. In case of new companies, the expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA
4. Financial performance based on given indicators:

Financial Performance		
Particulars	FY 2021-22 (Amt. in Crores)	FY 2020-21 (Amt. in Crores)
Revenue	13.66	7.15
Other Income	1.00	0.78
Expenses	15.02	13.19
Net Profit / (Loss)	(0.28)	(5.25)

5. Foreign investments or collaborations, if any: None at the moment.

II. Other Information

1. Reasons for loss or inadequate profits:

Second wave of Covid-19 crisis and the subsequent lockdowns destabilized even the strongest of the businesses in the country. RXIL, on the other hand, has taken these challenges head-on and has shown positive growth on every business parameter.

The revenue from operations has increased by 90% in FY22 as compared to last FY i.e., from INR 7.15 crore in FY 20-21 to INR 13.66 crore in FY 21-22. The losses have reduced by more than 95% i.e., from INR 5.25 crore to INR 0.28 crore. The tremendous reduction in losses is a result of increased operating and non-operating revenues. Company has remarkably achieved profit of INR 1.31 crore in Q4 FY22. This turnaround is an indicator that Company is on the path of profitability by generating revenue from operations and reducing its operating expenses.

2. Steps taken or proposed to be taken for improvement:

RXIL has garnered visibility and participated in more than 45 webinars and media events this year to educate MSMEs on delayed payments and purpose of TReDS platforms. Also, RXIL is in regular discussions with the MSME Ministry and representations are being made to Parliamentary Committee for mandating CPSEs and Corporates (having turnover above Rs 500 Cr) to transact on TReDS platform apart from mere mandatory registration. RXIL has also started uploading charges on CERSAI w.r.t assignment of receivables on behalf of the financiers, consequently deepening the serviceability and efficiency of the platform.

The Govt. also continued its awareness drive for TReDS as an effective source of early payments for MSMEs. Recent amendments in Factoring Regulation Act allowed NBFCs to register on TReDS as a financier, thereby increasing financing options for lower rated buyers and their MSMEs. Introduction of Trade Credit Insurance by IRDAI for TReDS transactions will also result in increase of volumes on the TReDS platform.

3. Expected increase in productivity and profits in measurable terms:

The company has reduced its losses and is on the track of improved revenues and profit. Company has shown profit of INR 1.31 crore for Q4 FY22. This is a testament that company is committed to turnaround and become profitable without sacrificing growth or market leadership.

Company has achieved more than 100% throughput growth in FY22 and is targeting 100% throughput growth in FY23 as well. This shall directly contribute to company's revenue growth, in line with our commitment to achieve profit figures in FY23. We have plans to expand our Business Development team and Operations in select key Tier-II cities which have untapped business potential. Our marketing plan focusses on building a strong brand image for RXIL and making it a preferred TReDS platform.

By order of the Board of Directors

Mumbai, July 27, 2022

Ketan Gaikwad
MD & CEO
DIN : 08359705

COMPANY OVERVIEW

RXIL at a GLANCE

Receivables Exchange of India Ltd (RXIL) is an RBI accredited TReDS (Trade Receivables Discounting System) Exchange Platform.

- It was established on December 3, 2016
- It started as a Joint Venture between Small Industries Development Bank of India (SIDBI) and National Stock Exchange of India Limited (NSE)
- RXIL facilitates financial growth in the country by providing MSMEs the access to credit
- RXIL empowers small businesses to realize their growth potential by accelerating liquidation of their receivables
- RXIL offers an innovative platform for buyers, sellers and financiers to collaborate seamlessly

Key Highlights:

RXIL is the **first entity** to receive the approval from RBI to launch **India's first** TReDS Exchange Platform

RXIL has a legacy of **empowering** MSMEs and bolstering their growth

RXIL's **innovative digital** platform facilitates corporate buyers with a single seamless interface for their MSME suppliers to access capital at competitive rates in **less than 48 hours**

RXIL has over **10,000 MSMEs, 740+ buyers** and close to **50 financiers** on the platform



OUR PHILOSOPHY

Vision



To be an integrated provider of financing platform par excellence benchmarked with global best for supporting the growth and development of Micro, Small and Medium enterprises for their inclusive, sustainable economic and social development.

Mission



To be a numero uno provider of trade receivable financing platform and act as a catalyst to achieve the entrepreneurial growth, economic success and financial stability for/of the Micro, Small and Medium enterprises.

Innovation

We challenge status quo, we push boundaries, we seek creative ways to solve problems

Collaboration

We build, support and encourage collaboration across teams – we believe in the power of working together

Values



Accountability

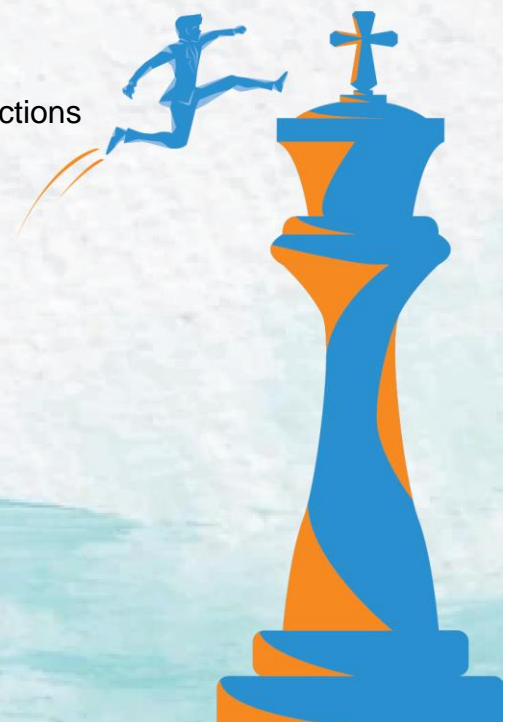
We behave ethically, act openly and with integrity in all that we do – taking responsibility for all our actions

Respect

We respect and value those we work with and the contribution they make

Excellence

We strive to achieve excellence in all that we do



AWARDS AND ACHIEVEMENTS



BOARD'S REPORT

Dear Members,

The Directors are pleased to present to you the sixth Annual Report of the Receivables Exchange of India Limited (referred herein as "RXIL" or "the Company") along with the Audited Financial Statements for the financial year ended March 31, 2022.

A. FINANCIAL AND OPERATIONAL HIGHLIGHTS

(Rs. In Crores)

Particulars	FY 2022	FY 2021
Revenue from Operations	13.66	7.15
Other Income	1.00	0.78
Gross Income	14.66	7.93
Total Expenditure	15.02	13.19
Profit before exceptional item and tax	(0.36)	(5.26)
Add/(Less): Prior period adjustments	-	-
Profit/ (Loss) before tax	(0.36)	(5.26)
Less: Tax Expenses	-	-
Current Tax	-	-
Deferred Tax	(0.02)	(0.02)
Profit/ (Loss) after Tax	(0.34)	(5.24)
Total other Comprehensive Income (as IND AS 19)	0.06	(0.01)
Balance carried to Balance Sheet	(0.28)	(5.25)
Earnings per Equity Share (FV INR10 each)		
Basic	(0.07)	(1.27)
Diluted	(0.07)	(1.27)

TReDS is an electronic platform for facilitating the financing / discounting of trade receivables of Micro, Small and Medium Enterprises (MSMEs) through multiple financiers. These receivables can be dues from corporates and other buyers, including Government Departments and Public Sector Undertakings (PSUs).

Invoice discounting mechanism for MSMEs through TReDS has registered a steep rise in the value of invoices financed in the current financial year vis-à-vis FY21. The value of transactions undertaken on TReDS platforms in FY22 doubled to over ₹40,000 crores from around ₹17,000 crores amid Covid in FY21, and more than tripled from around ₹11,000 crores during pre-Covid FY20. The cumulative transaction value on TReDS platforms since the inception in 2017 stood at around ₹75,000 crore. This increase in adoption of TReDS is mainly helping the MSMEs in reducing their financial costs.

In the above uptake journey of TReDS, your company has completed its fifth year of operation and established itself as the preferred partner amongst all the TReDS platforms in the country. It has achieved a total throughput of ₹13,416 crores vis-à-vis ₹6,503 crores in FY21, thus reflecting an impressive growth of 105%. The cumulative throughput as of March 31, 2022, stood at ₹23,734 crore. The company achieved a major milestone by crossing a cumulative throughput of Rs. 20,000 crores in January 2022 since inception and crossed Rs. 2,000 crores throughput in the month of March 2022. During FY21-22, RXIL has registered 3,538 MSME suppliers, 135 Buyers and 8 Financiers. As of March 31, 2022, RXIL has cumulatively registered 10,672 MSME suppliers, 764 Buyers (including over 100 Central PSUs) and 50 Financiers.

B. PERFORMANCE OF THE COMPANY

Your Company's performance during the year has shown an overall improvement. The revenue generated from the operations increased by 91% to ₹13.66 crores during the year from ₹7.15 crores in previous year. The total income increased by 85% to ₹14.66 crores during the year from ₹7.93 crore in previous year. The Company managed a tight control over costs and hence the net loss (after tax) also reduced to ₹0.28 crores from ₹5.25 crores in the previous year.

B.1. Dividend pay-out

Your directors have not recommended any payment of dividend on Equity Shares due to losses for the financial year ended March 31, 2022.

B.2. Transfer to Reserves

Due to losses, the Company would not transfer any amount to reserves.

C. NEW INITIATIVES

Your Company is in the process of forming a wholly owned subsidiary company to set up an International Trade Financing Services (ITFS) platform in GIFT City, Gujarat as per the regulations by International Financial Services Centres Authority (IFSCA).

ITFS will be an electronic platform for facilitating trade financing for exporters and importers by providing access to multiple financiers. This platform shall play an important role in arranging credit for exporters & importers from global institutions through Factoring, Forfaiting, and other trade financing services at competitive cost. Also, it will be leveraged by exporters and importers across the world for availing trade finance services, thereby making GIFT- IFSC a preferred location for international trade financing.

IFSCA issued guidelines on July 9, 2021, for setting up of ITFS platform in GIFT City, Gandhinagar, Gujarat. Accordingly, RXIL in the capacity of parent entity had applied for setting up of ITFS Platform on September 14, 2021, and received NOC from RBI on September 29, 2021 to perform Sandbox testing of ITFS platform. The company also received an in-principal approval to perform sandbox testing for the same from IFSCA, GIFT City, Gujarat on October 01, 2021. RXIL has already submitted the UAT testing reports and presented the sandbox operations of ITFS platform to IFSCA and is expected to start operations in GIFT City from FY23.

D. PERFORMANCE OF THE SUBSIDIARY/JOINT VENTURE COMPANIES

The Company does not have any subsidiary or a joint venture company as on March 31, 2022.

E. INTERNAL FINANCIAL CONTROL

Your Company's Financial Statements are prepared based on the Significant Accounting Policies that are carefully selected by Management and approved by the Audit Committee and the Board. These Accounting policies are reviewed and updated from time to time.

The systems, Standard Operating Procedures and controls are reviewed by Management. These systems and controls are audited by Internal Auditor and their findings and recommendations are reviewed by the Audit Committee which ensures the implementation.

Your Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed. Nonetheless your Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

Indian Accounting Standards (IND AS) – IFRS Converged Standard

The financial statements for the year ended March 31, 2022 have been prepared in accordance with India Accounting Standards (IAS) notified under Companies (Indian Accounting Standards), Rules, 2015, read with Section 133 of the Companies Act, 2013, ("Act") and other relevant provisions of the Act.

F. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of the business of the Company.

G. SHARE CAPITAL

As of March 31, 2022, the Authorized Share Capital of the Company is ₹50.00 crore divided into 5.00 crore Equity Shares of ₹10/- (Rupees Ten only) each. The Issued, Subscribed and Paid-Up Share Capital is ₹50.00 crore divided into 5.00 crore Equity Shares of ₹10/- (Rupees Ten only) each. There was no change in Share Capital during the year under review.

H. BOARD & COMMITTEES

H.1. List of Board of Directors as on 31.03.2022 is as follows:

Name of the Director	Designation	Category
Mr. Sivasubramanian Ramann	Nominee Director – SIDBI	Chairman
Mr. Mukesh Agarwal	Nominee Director – NSE	Non - Executive
Mr. Raman Uberoi	Independent Director	Non - Executive
Mr. Sudatta Mandal	Nominee Director – SIDBI	Non - Executive
Mr. Hitesh Kumar Sethia	Nominee Director – ICICI	Non - Executive
Mr. Balabhadrapatruni Sankar	Nominee Director – SBI	Non - Executive
Mr. Ketan Gaikwad	Managing Director & CEO	Executive

H.2. New Appointments

Mr. Sivasubramanian Ramann (DIN: 07685657) was appointed as Nominee Director – SIDBI (Chairman) category w.e.f. April 30, 2021.

Mr. Sudatta Mandal (DIN: 00942070) was appointed as Nominee Director – SIDBI (Non-Executive Director) category w.e.f. August 9, 2021.

Mr. Hitesh Kumar Sethia (DIN: 09250710) was appointed as Nominee Director – ICICI (Non-Executive Director) category w.e.f. November 26, 2011.

Mr. Balabhadrapatruni Sankar (DIN: 08846754) was appointed as Nominee Director – SBI (Non-Executive Director) category w.e.f. August 9, 2021.

H.3. Resignations

Mr. Venkatarao Satya Vasantha Rao (DIN: 00334394), Nominee Director - SIDBI (Non-Executive Director), ceased to be a director w.e.f. August 9, 2021.

Mr. Subash Chand Joinwal, (DIN: 08796464), Nominee Director - SBI (Non-Executive Director), ceased to be a director w.e.f. August 9, 2021.

Mr. Ajay Kumar Gupta (DIN: 07580795), Nominee Director - ICICI (Non-Executive Director) ceased to be a director w.e.f. November 26, 2021.

Mr. Janki Ballabh (DIN: 00011206), Non-Executive Independent Director of the Company ceased to be a director w.e.f. March 28, 2022.

The Board of Directors placed on record its warm appreciation for the valuable contributions made by the above directors during their tenure as a Director of the Company.

H.4. Retire by Rotation

In accordance with the provisions of the Companies Act, 2013 and relevant rules made thereunder, Mr. Mukesh Agarwal (DIN: 03054853), Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and as being eligible offers himself for re-appointment.

H.5. Declaration by Independent Directors

Pursuant to the provisions of the Companies Act, 2013, the Company has received a declaration of Independence from Mr. Janki Ballabh (DIN: 00011206) and Mr. Raman Uberoi (DIN: 03407353), Independent Directors of the Company.

H.6. Meetings of the Board of Directors

The Board of Directors met 6 (Six) times during the period under review. The details of the attendance of the Directors at the meetings held are given in the table hereunder:

Name	Number of meetings which Director was entitled to attend	Number of meetings attended
Mr. Sivasubramanian Ramann (Chairman)	6	6
Mr. Janki Ballabh	6	6
Mr. Raman Uberoi	6	6
Mr. Mukesh Agarwal	6	5
Mr. Ajay Kumar Gupta (till November 26, 2021)	3	3
Mr. Venkatarao Satya Vasantha Rao (till August 9, 2021)	2	1
Mr. Subash Chand Joinwal (till August 9, 2021)	2	1
Mr. Ketan Gaikwad	6	6
Mr. Sudatta Mandal (w.e.f August 9, 2021)	5	5
Mr. Balabhadrapatruni Sankar (w.e.f August 9, 2021)	5	3
Mr. Hitesh Sethia (w.e.f November 26, 2021)	3	3

H.7. Meetings of Committees of the Board

i. Audit Committee

The Audit Committee comprises three members, out of which two are Independent Directors and one is a non-independent, non-executive Director. All members of the Audit Committee possess strong knowledge of accounting and financial management.

The Committee met 4 (four) times during the period under review. The details of the attendance of the Members at the meetings held are given in the table hereunder:

Name	Number of meetings which Director was entitled to attend	Number of meetings attended
Mr. Raman Uberoi (Chairman)	4	4
Mr. Janki Ballabh	4	4
Mr. Mukesh Agarwal	4	4

ii. Nomination & Remuneration Committee (NRC)

The Nomination and Remuneration Committee (NRC) comprises four members, out of which two are Independent Directors and two are non-independent, non-executive Directors.

The Committee met 2 (two) times during the period under review. The details of the attendance of the Members at the meetings held during the year are given in the table hereunder:

Name	Number of meetings which Director was entitled to attend	Number of meetings attended
Mr. Janki Ballabh (Chairman)	2	2
Mr. Raman Uberoi	2	2
Mr. Mukesh Agarwal	2	2
Mr. Sudatta Mandal (w.e.f August 9, 2021)	1	1
Mr. Venkatarao Satya Vasantha Rao (till August 9, 2021)	1	-

H.8. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and rules made thereunder, the Board carried out an annual self-evaluation of its performance, its committees, and individual Directors. As provided in the “Board Evaluation Policy”, questionnaires were obtained from the Directors / Committee Members for evaluating the performance. Mr. Raman Uberoi, Non-Executive Independent Director of the Company reviewed the performance of Non-Independent Directors, the Board, and the Chairman. The Nomination and Remuneration Committee (NRC) reviewed the performance of the individual Directors. This was followed by a Board Meeting that discussed the performance of the Board, its committees, and the individual Directors.

The criteria for performance evaluation of the Board included aspects like qualification and experience of Directors, contribution on key issues, strategic direction, corporate governance etc. The criteria for performance evaluation of the Board Committees included aspects like composition of Committees, effectiveness of the Committee meetings etc. The criteria for evaluating the performance of individual Directors included attendance and participation, independent and unbiased opinion, safeguarding confidential information etc. Additionally, the Chairman was also evaluated on the key aspects of leadership, motivation, and guidance etc.

The Board expressed satisfaction with the evaluation process and result.

H.9. Familiarization Program for Independent Directors

The Directors are regularly informed during meetings of the Board and Committees on the business strategy, business activities, operations and issues faced by TReDS industry. When appointed the Directors are given a detailed orientation on the Company, industry, regulatory matters, business, financial matters, human resource matters etc.

H.10. Nomination and Remuneration Policy

The Nomination and Remuneration Policy formulated by the Company is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto for the appointment and determination of remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company is in place.

The Policy is hosted on the website of the Company www.rxil.in under the heading "Disclosure".

I. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- a. in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures
- b. Directors had selected such accounting policies, applied them consistently and made judgments and estimates as were considered reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e., March 31, 2022, and of the loss of the Company for that year
- c. Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- d. Directors have prepared the annual accounts on an ongoing basis
- e. Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively
- f. Directors have devised proper systems to ensure compliance with the provisions for all applicable laws and that such systems were adequate and operating effectively

J. EMPLOYEES

J.1. Key Managerial Personnel (KMP)

The following have been designated as the Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a. Mr. Ketan Gaikwad - Managing Director & CEO
- b. Mr. Kailashkumar Varodia – Chief Financial Officer
- c. Mr. Kushal Shah - Company Secretary

J.2. Changes in Key Managerial Personnel (KMP)

- Appointments

Mr. Kushal Abhay Shah was appointed as Company Secretary w.e.f February 26, 2022.

- Resignations

Ms. Anita Thomas ceased to be a Company Secretary w.e.f October 29, 2021

J.3. Particulars of Employees and Related Disclosures

Information as required under the provisions of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, as per the provisions of Section 136 (1) of the Act, the Report and the Accounts are being sent to the members, excluding the statement of

particulars of the employees under the Rules of the Act. Any shareholder desirous of obtaining a copy of the said statement may write to the Company Secretary at the registered office of the Company.

K. SECRETARIAL

K.1. Extract of the Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013, an extract of the Annual Return for the financial year ended on March 31, 2022, is enclosed as **Annexure II** to this report.

The extract of the annual return in Form MGT-9 has also been placed on the website of the Company www.rxil.in under the heading “Disclosure”.

K.2. Significant and Material Orders Passed by The Regulators or Courts or Tribunals

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company’s operations in future.

K.3. Material Changes and Commitments Affecting the Financial Position of The Company

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

K.4. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The Company is not required to transfer any amount to the Investor Education & Protection Fund.

L. AUDITORS

L.1. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) as the Statutory Auditors of the Company to hold office up to the conclusion of 6th Annual General Meeting. The auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Board of Directors at their meeting held on May 31, 2022, based on recommendation of the Audit Committee, have recommended to the members for appointment of M/s. Gokhale & Sathe, Chartered Accountants, [Firm Registration No. 103264W] as Statutory Auditors of the Company, for a term of 5 (five) consecutive years i.e. from the conclusion of 6th AGM till the conclusion of 11th AGM at remuneration mutually agreed between the Board of Directors of the Company and the Statutory Auditor.

In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014, M/s. Gokhale & Sathe, Chartered Accountants, have provided their consent and eligibility certificate to that effect that, their appointment, if made, would be in compliance with the applicable laws and guidelines.

The Notes on financial statements referred to in the Auditors’ Report are self-explanatory and do not call for any further comments. The Auditors’ Report does not contain any qualification, reservation, adverse remark or disclaimer. The Statutory Auditors have not reported any incident of fraud to the Audit Committee during FY 22.

L.2. Secretarial Auditors

The Secretarial Audit Report for the year ended March 31, 2022, issued by Secretarial Auditors, M/s. Deep Shukla and Associates, Practising Company Secretaries is enclosed as **Annexure-I**. The Secretarial Auditor’s Report is unmodified and does not contain any qualification, reservation, adverse remark, or disclaimer.

L.3. Reporting of Fraud by Auditors

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of fraud committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in this Report.

L.4. Secretarial Standards

During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India.

M. RELATED PARTY TRANSACTIONS

All contracts/ arrangements/transactions entered by the Company with related parties during the financial year were on an arm's length basis and in the ordinary course of business. They were also in compliance with the applicable provisions of the Companies Act, 2013. As there were no transactions entered pursuant to the provisions of Section 188 (1) of the Companies Act, 2013, the particulars as required in form AOC-2 have not been furnished.

The details of the transaction between the Company and the related parties are provided under note no. 28 and note no. 29 to the Financial Statements

N. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Information as per Section 134 (3) (g) of the Companies Act, 2013 relating to the particulars of loans, guarantees or investments under Section 186 is not applicable to the Company as it has not made any loans, guarantees or investments during FY 22.

O. PUBLIC DEPOSITS

Your Company has not invited any deposits from public/ shareholders under Section 73 and 74 of the Companies Act, 2013.

P. CORPORATE SOCIAL RESPONSIBILITY AND RELATED MATTERS

P.1. Conservation of Energy, Technology Absorption and Foreign Exchange Outgo

The details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

1. Conservation of Energy and Technology Absorption: Since the Company does not own any manufacturing facility, the particulars required to be disclosed with respect to conservation of energy and technology absorption in terms of Section 134 (3) (m) of the Companies Act, 2013 are not applicable to the Company.
2. Foreign Exchange Earnings and Outgo during the year: There were no foreign exchange earnings or outgo.

P.2. Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility are not applicable to the Company.

Q. GOVERNANCE

Q.1. Risk Management Policy

Your Company has a Risk Management Policy in place for identification of risk elements, which, in the opinion of the Board, may threaten the existence of the Company. The framework consists of inter alia risk identification, risk measurement, risk prioritization, risk monitoring and risk escalation.

Q.2. Vigil Mechanism & Whistle-blower

The provisions of Section 177 (9) of the Companies Act, 2013 are not applicable to the Company. However, as good corporate governance, the Company has a Vigil Mechanism (Whistle-blower Policy) for its Directors and Employees.

Q.3. Sexual Harassment of Women at The Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has an Anti-Sexual Harassment Policy which is in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee ('ICC') has been set up by the Company to redress complaints received regarding sexual harassment. All employees are covered under this policy. The Company has zero tolerance for sexual harassment in the workplace. While maintaining the highest governance norms, the Company has also appointed an external independent person, who has the requisite experience in handling such matters. During the year, the Company has not received any complaints of sexual harassment.

R. ACKNOWLEDGEMENTS

Your directors are grateful for the support and co-operation extended by the stakeholders, bankers, regulatory bodies, and other business constituents. Your directors would also like to place on record their sincere appreciation of the contribution made by the employees at all levels to the growth of your Company.

For and on behalf of the Board of Directors

Receivables Exchange of India Limited

Ketan Gaikwad

Managing Director & CEO
DIN: 08359705

Raman Uberoi

Director
DIN: 03407353

Date: May 31, 2021
Place: Mumbai

ANNEXURE I TO BOARD REPORT

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

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

To,

The Members

Receivables Exchange of India Limited (RXIL)

701-702, 7th Floor, Supremus - E Wing, I-Think Techno Campus,
Kanjurmarg (East), Mumbai - 400042, Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Receivables Exchange of India Limited** (hereinafter called '*the Company*'). the Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022 ('*Audit Period*') complied with the statutory provisions listed hereunder, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (*Not Applicable to the Company*)
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder, to the extent applicable;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (*Not Applicable to the Company*)

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

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (*Not Applicable to the Company*)
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (*Not Applicable to the Company*)
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (*Not Applicable to the Company*);
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase

Scheme) Guidelines, 1999 (*Not Applicable to the Company*);

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (*Not Applicable to the Company*);
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (*Not Applicable to the Company*)
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (*Not Applicable to the Company*); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (*Not Applicable to the Company*);
- i. Other laws applicable specifically to the Company, namely:
 - i. The Payment and Settlement Systems Act, 2007 regulated by the Reserve Bank of India and Circulars/ Guidelines / Press releases as issued by Reserve Bank of India for Trade Receivable Discounting System (TReDS), as may be applicable.
 - ii. The terms and conditions as prescribed by Reserve Bank of India while issuing Certificate of Authorization, vide No.112/2017.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India

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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that:

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

We further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines, and standards.

For: Deep Shukla & Associates
Company Secretaries

Deep Shukla
 {Proprietor}
 FCS: 5652
 CP NO.5364
 UDIN: F005652D000252437

Place: Mumbai
 Date: May 02, 2022

Annexure to the Secretarial Audit Report

To

The Members

Receivables Exchange of India Limited (RXIL)

We further state that our said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these records based on the audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. Our examination is limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For: Deep Shukla & Associates
Company Secretaries

Deep Shukla

{Proprietor}

FCS: 5652

CP NO.5364

UDIN: F005652D000252437

Place: Mumbai

Date: May 02, 2022

ANNEXURE II TO THE BOARD REPORT

Form No. MGT-9 Extract of Annual Return

As on the financial year ended on March 31, 2022

RECEIVABLES EXCHANGE OF INDIA LIMITED

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details

i.	CIN	U67190MH2016PLC273522
ii.	Registration Date	February 25, 2016
iii.	Name of the Company	Receivables Exchange of India Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
v.	Address of the Registered office and contact details	701-702, 7th Floor, Supremus-E wing, I-Think Techno campus, Kanjurmarg East, Mumbai - 400042 Tel Phone: 022 - 6903 3000 Email id.: info@rxil.in
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Karvy Selenium, Tower- B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500032, India. Toll Free Number: 18003454001 Email: dheeraj.b@kfintech.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	TReDS Exchange Operator	6619	100%

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary/ associate	% of shares held	Applicable section
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IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1,50,00,000	-	1,50,00,000	30.00	1,50,00,000	-	1,50,00,000	30.00	-
e) Banks / FI	1,50,00,000	-	1,50,00,000	30.00	1,50,00,000	-	1,50,00,000	30.00	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-									
	3,00,00,000	-	3,00,00,000	60.00	3,00,00,000	-	3,00,00,000	60.00	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-									
	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	3,00,00,000	-	3,00,00,000	60.00	3,00,00,000	-	3,00,00,000	60.00	-

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1,39,45,000	-	1,39,45,000	27.89	1,39,45,000	-	1,39,45,000	27.89	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	1,39,45,000	-	1,39,45,000	27.89	1,39,45,000	-	1,39,45,000	27.89	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	60,55,000	-	60,55,000	12.11	60,55,000	-	60,55,000	12.11	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	60,55,000	-	60,55,000	12.11	60,55,000	-	60,55,000	12.11	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	2,00,00,000	-	2,00,00,000	40.00	2,00,00,000	-	2,00,00,000	40.00	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	5,00,00,000	-	5,00,00,000	100.00	5,00,00,000	-	5,00,00,000	100.00	-

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of Share	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Share	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Small Industries Development Bank of India (SIDBI)	1,50,00,000	30.00%	-	3,00,00,000	30.00%	-	0.00%
2	NSE Investments Limited (NSEIL)	1,50,00,000	30.00%	-	3,00,00,000	30.00%	-	0.00%

iii. Change in Promoters' Shareholding (please specify if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Small Industries Development Bank of India (SIDBI)				
	At the beginning of the year	1,50,00,000	30.00%		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):			-	-
	At the end of the year			1,50,00,000	30.00%

Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	NSE Investments Limited (NSEIL)				
	At the beginning of the year	1,50,00,000	30.00%		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):			-	-
	At the end of the year			1,50,00,000	30.00%

iv. Shareholding Pattern of top 10 Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ICICI Bank Limited (ICICI)				
	At the beginning of the year	49,95,000	9.99%		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.):			-	-
	At the End of the year			49,95,000	9.99%

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	State Bank of India (SBI)				
	At the beginning of the year	49,50,000	9.90%		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.):			-	-
	At the end of the year			49,50,000	9.90%

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	YES Bank Limited				
	At the beginning of the year	40,00,000	8.00%		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.):			-	-
	At the end of the year			40,00,000	8.00%

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	SBI Capital Markets Limited				
	At the beginning of the year	30,50,000	6.10%		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.):			-	-
	At the end of the year			30,50,000	6.10%

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	ICICI Securities Limited				
	At the beginning of the year	15,00,000	3.00%		
	"Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus / sweat equity etc.):		-	-	-
	At the end of the year			15,00,000	3.00%

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	ICICI Home Finance Limited				
	At the beginning of the year	15,05,000	3.01%		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.):			-	-
	At the end of the year			15,05,000	3.01%

- v. Shareholding of Directors and Key Managerial Personnel: None of the Directors/ Key Managerial Personnel hold shares in the Company

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Mr. Ketan Gaikwad, MD and CEO
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	97,74,260
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify...	-
5	Others, please specify	-
Total		97,74,260
Ceiling as per the Act		97,74,260

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs.)
		Mr. Janki Ballabh	Mr. Raman Uberoi	
1	Independent Directors			
	- Fee for attending board /committee meetings	3,70,000	3,70,000	7,40,000
	- Commission	-	-	-
	- Others, please specify	-	-	-
	Total (1)	3,70,000	3,70,000	7,40,000
2	Other Non-Executive Directors			
	- Fee for attending board /committee meetings	-	-	-
	- Commission	-	-	-
	- Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	3,70,000	3,70,000	7,40,000
	Total Managerial Remuneration			7,40,000
	Ceiling as per the Act	Rs.50,000 per board meeting and Rs.30,000 per committee meeting		

C. Remuneration to key managerial personnel other than MD/Manager/ WTD

Sr. No.	Particulars of Remuneration	Mr. Kailashkumar Varodia, CFO	Ms. Anita Thomas, CS	Mr. Kushal Shah, CS	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	33,44,112	4,07,934	76,717	38,28,763
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	33,44,112	4,07,934	76,717	38,28,763

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCE:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

For and on behalf of the Board of Directors Receivables Exchange of India Limited

Ketan Gaikwad
 Managing Director and CEO
 DIN: 08359705

Raman Uberoi
 Director
 DIN: 03407353

Date: May 31, 2022
 Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of Receivables Exchange of India Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **Receivables Exchange Of India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has does not have any of pending litigations which would impact its financial position as at March 31, 2022 - Refer Note 32 to the financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 33 to the financial Statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022 – Refer Note 34 to the financial statements.
 - iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest

in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has neither declared nor paid any dividend during the year.

For Khandelwal Jain & Co.

Chartered Accountants

Firm's Registration No. 105049W

(Narendra Jain)

Partner

Membership No. 048725

UDIN: 22048725AKRGJO1328

Place: Mumbai

Date: May 31, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Receivables Exchange of India Limited of even date)**

The Annexure referred to in the Independent Auditors' Report to the members of Company on the financial statements for the year ended March 31, 2022. We report that:

- i. a. A. The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
B. The Company has maintained proper records showing full particulars of intangible assets.
- b. Property, Plant and Equipment have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and we have been informed that no material discrepancies have been noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property in its name. Hence, provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- b. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3(iii)(a) to (f) of Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the grant of loans, investments made and guarantees and securities provided, as applicable.
- v. In our opinion and according to the information and explanation not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.
- vi. We are informed that no cost records are required to be maintained by the Company under Section 148(1) of the Companies Act, 2013.
- vii. a. According to the information and explanations given to us and on the basis of records examined by us, the Company is generally regular in depositing with appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax (GST) and other material statutory dues, as applicable. According to the records of the Company, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues in arrears as at March 31, 2022 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 were no dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a. The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d. According to the information and examinations given to us and overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purpose by company.
- e. The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under Companies Act, 2013) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.
- f. The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under Companies Act, 2013) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) is not applicable.
- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provision of clause 3(x)(a) of Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a. According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. As represented to us by the management there are no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and section 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. a. In our opinion and based on our examination the Company has an internal audit system commensurate with the size and the nature of its business.
- b. We have considered, the internal audit reports of the company issued till date, for the year under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

- xvi. a. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. As per the information and explanation, given to us there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash loss during the financial year 2021-22 and however, during previous financial year 2020-21 company has incurred loss of Rs. 401.14 Lakhs.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Provisions of section 135 of act with respect to Expenses on Corporate Social Responsibility is not applicable to the company. Accordingly, reporting under clause 3(xx)(a) & (b) of the Order is not applicable for the year.

For Khandelwal Jain & Co.

Chartered Accountants

Firm's Registration No. 105049W

(Narendra Jain)

Partner

Membership No. 048725

UDIN: 22048725AKRGJO1328

Place: Mumbai

Date: May 31, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Receivables Exchange Of India Limited of even date)

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

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

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that

could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Khandelwal Jain & Co.

Chartered Accountants

Firm's Registration No. 105049W

(Narendra Jain)

Partner

Membership No. 048725

UDIN: 22048725AKRGJO1328

Place: Mumbai

Date: May 31, 2022

Receivables Exchange of India Limited
BALANCE SHEET AS AT MARCH 31, 2021

(Rs. in Lakhs)

Particulars		Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS				
1. Non-current assets				
a.	Property, Plant and Equipment's	3	98.50	119.77
b.	Other Intangible Assets	4	73.05	103.67
c.	Intangible assets under development	4	42.03	19.53
d.	Right to use assets	3	187.89	243.08
e.	Financial Assets			
i.	Bank balances other than cash & cash equivalents	6	42.00	-
ii	Others Financial Assets- deposits	7	12.64	11.59
f.	Income tax assets (net)	14	75.45	19.47
g.	Other Non -current assets	9	4.33	2.21
h.	Deferred Tax Assets (Net)	13	-	-
			535.90	519.33
2. Current assets				
a.	Financial Assets			
i.	Investments	5	173.24	104.11
ii.	Trade Receivable	8	106.19	78.16
iii.	Cash and Cash equivalents	10	6.16	1.27
iv.	Bank balances other than cash & cash equivalents	6	2,059.16	1,953.43
v.	Other Financial assets	7	25.92	47.96
b.	Other current assets	9	84.94	262.38
			2,455.61	2,447.32
	TOTAL ASSETS		2,991.51	2,966.65
II. EQUITY AND LIABILITIES				
1. Equity				
a.	Equity Share capital	11	5,000.00	5,000.00
b.	Other Equity	12	(2,613.07)	(2,585.28)
			2,386.93	2,414.72
2. Liabilities				
a.	Non-current liabilities			

(Rs. in Lakhs)

Particulars				Note No.	As at March 31, 2022	As at March 31, 2021
		i.	Financial Liabilities			
			Lease Liabilities	18	162.24	211.58
		ii.	Deferred tax liabilities (Net)	13	-	-
		iii.	Provisions	17	43.04	42.44
					205.29	254.03
		b.	Current liabilities			
		a.	Financial Liabilities	15		
			Trade payable			
			• Total Outstanding dues of micro enterprises & small enterprises		-	-
			• Total Outstanding dues of creditors other than micro enterprises & small enterprises		97.73	86.58
			Others		57.27	32.86
			Other Financial Liabilities	18	49.34	41.98
		b.	Non-Financial liabilities	16	70.92	35.04
		c.	Provisions	17	124.03	101.44
					399.28	297.9
TOTAL EQUITY AND LIABILITIES					2,991.51	2,966.65

Summary of significant accounting policies

1 & 2

The accompanying notes are an integral part of the financial statements.

As per our Report of even date attached

For Khandelwal Jain & Co

Chartered Accountants

Firm Regn. No. 105049W

Narendra Jain

Partner

Membership No. 048725

For and on behalf of the Board of Directors
Ketan Gaikwad

Managing Director & CEO

[DIN: 08359705]

Raman Uberoi

Director

[DIN: 03407353]

Kailashkumar Varodia

Chief Financial Officer

Kushal Shah

Company Secretary

Place: Mumbai

Date: May 31, 2022

Receivables Exchange of India Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	19	1,366.29	715.22
Other income	20	100.15	77.82
Total Income		1,466.44	793.04
Expenses			
Employee benefits expense	21	949.24	850.69
Finance Cost	22	17.76	11.77
Depreciation and amortization expense	3 & 4	141.46	149.11
Other expenses	23	393.99	307.25
Total Expenses		1,502.46	1,318.82
Profit before exceptional item & tax		(36.02)	(525.77)
Add: Exceptional Item		-	-
Profit / (Loss) before tax for the year		(36.02)	(525.77)
Less: Tax expenses			
Current tax		-	-
Deferred tax	13	(2.07)	(1.69)
Total Tax Expenses		(2.07)	(1.69)
Profit / (Loss) after tax for the year (A)		(33.95)	(524.09)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		8.24	(1.82)
Items that will be reclassified to profit or loss			
Tax Remeasurements of post-employment benefit obligations		(2.07)	0.46
Total Other Comprehensive Income (B)		6.16	(1.36)
Total Comprehensive Income (A+B)		(27.79)	(525.45)

(Rs. in Lakhs)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Earnings per equity share (FV Rs. 10 each)			
Basic and Diluted (Rs.)	29	(0.07)	(1.27)
Summary of significant accounting policies	1 & 2		
The accompanying notes are an integral part of the financial statements.			

As per our Report of even date attached

For Khandelwal Jain & Co

Chartered Accountants
Firm Regn. No. 105049W

Narendra Jain

Partner
Membership No. 048725

For and on behalf of the Board of Directors

Ketan Gaikwad

Managing Director & CEO
[DIN: 08359705]

Raman Uberoi

Director
[DIN: 03407353]

Kailashkumar Varodia

Chief Financial Officer

Kushal Shah

Company Secretary

Place: Mumbai

Date: May 31, 2022

Receivables Exchange of India Limited

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASHFLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ (LOSS) BEFORE TAX	(36.02)	(525.77)
Add/(Less): Adjustments for:		
i. Depreciation and amortization expense	141.46	149.11
ii. Provision for bad and doubtful debt	2.06	2.38
Adjustments for:		
i. Interest income on Bank deposit & Income tax refund	(92.07)	(67.33)
ii. Net gain on financial assets mandatorily measured at fair value through profit or loss	(4.33)	(3.67)
iii. Income on Deposit IND AS	(0.63)	(0.58)
iv. Expense on Deposit- IND AS	0.67	0.62
v. Excess Provision Written Back	-	-
vi. Finance cost	17.76	11.77
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	28.92	(433.47)
Adjustments for:		
i. (Increase)/Decrease in Trade Receivable	(30.09)	(75.49)
ii. Increase/(Decrease) in trade payables and financial liabilities	28.51	1.82
iii. (Increase)/Decrease in Other Assets	194.63	6.84
iv. Increase/(Decrease) in non-financial liabilities & Provision	67.30	82.45
CASH GENERATED FROM OPERATIONS	289.26	(417.86)
Direct Taxes paid (Net of Refunds)	(55.98)	(4.31)
NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	233.28	(422.16)
CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/Capital work-in-progress	(49.83)	(163.95)
Interest received	93.71	52.99
Redemption / (Investment) of Fixed Deposit - (Net)	(147.74)	(872.88)
Investment in Mutual Fund	(505.00)	(617.00)
Redemption of Mutual Fund	440.20	557.27
NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	(168.65)	(1,043.57)

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASHFLOW FROM FINANCING ACTIVITIES		
Issue of equity shares	-	1,250.00
Payment towards Right to use	(59.75)	(33.55)
Share Issue expenses	-	-
Net Cash From (Used In) Financing Activities - Total (C)	(59.75)	1,216.45
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)	4.88	(249.28)
Cash And Cash Equivalents: Opening Balance	1.27	250.55
Closing Cash and Cash Equivalents: Closing Balance	6.16	1.27
Net Increase / (Decrease) In Cash And Cash Equivalent	4.88	(249.28)

Notes to Cash Flow Statement:

- Cash and Cash equivalent represent bank balances and deposits with original maturity of less than 3 months.
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind-AS 7 on Statement of Cash Flow notified under Companies (Indian Accounting Standards) Rules, 2015.

Summary of significant accounting policies 1 & 2

As per our Report of even date attached

For Khandelwal Jain & Co

Chartered Accountants
Firm Regn. No. 105049W

Narendra Jain

Partner
Membership No. 048725

For and on behalf of the Board of Directors
Ketan Gaikwad

Managing Director & CEO
[DIN: 08359705]

Raman Uberoi

Director
[DIN: 03407353]

Kailashkumar Varodia

Chief Financial Officer

Kushal Shah

Company Secretary

Place: Mumbai

Date: May 31, 2022

Receivables Exchange of India Limited
**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD
ENDED MARCH 31, 2022**

(Rs. in Lakhs)

(A) Equity Share Capital	
Balance as at 31.03.2020	3,750.00
changes in equity share capital during the year	1,250.00
Balance as at 31.03.2021	5,000.00
changes in equity share capital during the year	-
Balance as at 31.3.2022	5,000.00

(Rs. in Lakhs)

(B) Other Equity				
Particulars	Reserves and Surplus		Other Comprehensive Income- Actuarial Gain / (Loss)	Total
	General Reserve	Retained Earnings		
Balance as at 31.03.2020	-	(2,060.00)	0.16	(2,059.83)
Profit / (Loss) after tax for the year	-	(524.09)	-	(524.09)
Other Comprehensive Income	-	-	(1.36)	(1.36)
Balance as at 31.03.2021	-	(2,584.08)	(1.20)	(2,585.28)
Profit / (Loss) after tax for the year	-	(33.95)	-	(33.95)
Other Comprehensive Income	-	-	6.16	6.16
Balance as at 31.3.2022	-	(2,618.03)	4.96	(2,613.07)

As per our Report of even date attached

For Khandelwal Jain & Co

Chartered Accountants

Firm Regn. No. 105049W

Narendra Jain

Partner

Membership No. 048725

For and on behalf of the Board of Directors**Ketan Gaikwad**

Managing Director & CEO

[DIN: 08359705]

Raman Uberoi

Director

[DIN: 03407353]

Kailashkumar Varodia

Chief Financial Officer

Kushal Shah

Company Secretary

Place: Mumbai

Date: May 31, 2022

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES

NOTE 1: GENERAL INFORMATION

Background

Receivables Exchange of India Ltd (RXIL), is promoted by Small Industries Development Bank of India (SIDBI), the apex financial institution for promotion and financing of MSMEs in India and NSE Investment Limited (Formerly known as NSE Strategic Investment Corporation of India Limited), a wholly owned subsidiary of National Stock Exchange of India Limited (NSEIL), the premier stock exchange in India. RXIL has been incorporated under the Companies Act, 2013 on February 25, 2016. RXIL operates the Trade Receivables Discounting System (TReDS) Platform as per the TReDS guideline issued by RBI on December 3, 2014. Reserve Bank of India (RBI) has authorized RXIL to operate TReDS under the Payment and Settlement Systems Act, 2007 vide their letter dated December 01, 2016. Accordingly, RXIL has started their operations w.e.f January 09, 2017. Further RBI, vide their letter dated May 17, 2017, has granted final Certificate of Authorization to RXIL to operate TReDS. The said certificate is valid till June 30, 2022. RXIL has applied for renewal of said certificate.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS financial statements") as amended.

a. Basis of preparation of Financial Statements

1. Compliance with Ind AS

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and the provisions of the Companies Act, 2013 ('Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

2. Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value, and
- defined benefit plans - plan assets measured at fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

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

b. Foreign currency translation and transactions

1. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

Effective April 1, 2018, the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency.

c. Revenue recognition

RXIL operates in Trade Receivables Discounting System (TReDS) under payment and Settlement Systems Act, 2007. TReDS is a scheme for setting up and operating the institutional mechanism for facilitating the financing of trade receivables of MSMEs from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs), through multiple financiers.

The Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e., April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in statement of profit and loss is not restated – i.e., the comparative information continues to be reported under Ind AS 18 and Ind AS 11.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service taxes and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognized in the period when the service is provided as per arrangements/agreements with the customers. The sources of revenue are:

1. Transaction charges are recognized on accrual basis as and when the services are rendered.
2. Annual and other fees - revenue is recognized on a straight-line basis over the period to which the fee relates.

3. Registration fees- The revenue is recognized on the completion of registration.
4. Other insurance claims are accounted on accrual basis when the claims become due and payable.
5. Income excludes applicable taxes and other levies.

d. Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses:

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current tax and deferred tax are recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

e. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

As a lessee

Effective from April 1, 2019, the company has adopted Ind AS 116, At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

f. Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

g. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

h. Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

i. Investments and other financial assets

1. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

2. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

3. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

4. De-recognition of financial assets

A financial asset is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of

ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

5. Income recognition

Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognized in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

j. Financial liabilities

1. Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered and the definitions of a financial liability and an equity instrument.

2. Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

3. Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of profit and loss.

4. Derecognition

A financial liability is de-recognized when the obligation specified in the contract is discharged, cancelled or expires.

k. Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

l. Property, plant and equipment (including CWIP)

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Property, Plant & Equipment	Useful Life
Furniture and fixture	5 to 10 years
Leasehold Improvement	Over the period of Lease
Office equipment	4 to 5 years
Electrical equipment	10 years
Computer systems office automation	3 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

m. Intangible assets

Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Computer software is amortized over a period of 4 years.

n. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due

within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

o. Provisions

Provisions for legal claims and discounts/incentives are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

p. Contingent Liabilities

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 the obligation, or a reliable estimate of the amount cannot be made.

q. Contingent Asset

A Contingent Asset is neither recognized nor disclosed in the financial statements.

r. Employee benefits

1. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognized in statement of profit and loss in the year in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

2. Other long-term employee benefit obligations

The liabilities for long term employees benefit obligations are the amounts expected to be paid when the liabilities are settled. Long term employees' benefits are recognized in statement of profit and loss in the year in which the related services is rendered. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

s. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

t. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

u. Earnings per share

1. Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company

- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
- Partly paid-up equity shares are treated as a fraction of an equity share to the extent, they are entitled to participate in dividend relative to a fully paid-up equity share during the reporting period.

2. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

v. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

w. Critical accounting estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of tax expense and payable Note 13 and 14
- Estimated useful life of intangible asset Note 4
- Estimation of amount of contingent liabilities refer Note 31
- Estimation of Impairment of Assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

x. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

1. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

2. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not

expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

3. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

(Rs. in Lakhs)

Particulars	Office Equipm ent	Furniture and Fixtures	Leasehold Improveme nt	Computers - End user Devices	Computers - Servers & Networks	Total	Right to Use Assets	Gross Total
Gross carrying amount								
Opening gross carrying amount as at 01-04-2020	-	5.55	-	40.68	28.76	74.99	-	74.99
Additions	15.12	20.31	45.10	19.55	0.66	100.75	275.35	376.10
Deletions	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31-03-2021	15.12	25.86	45.10	60.23	29.42	175.74	275.35	451.08
Accumulated depreciation and impairment								
Opening accumulated depreciation as at 01-04-2020	-	0.71	-	11.58	17.76	30.05	-	30.05
Depreciation charge during the period	0.83	1.13	2.33	15.43	6.19	25.92	32.27	58.19
Impairment loss	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Closing depreciation and impairment 31-03-2021	0.83	1.84	2.33	27.01	23.95	55.96	32.27	88.23
Net Carrying Amount as at March 31, 2021	14.29	24.02	42.77	33.22	5.48	119.77	243.08	362.85
Gross carrying amount								
Opening gross carrying amount as at 01-04-2021	15.12	25.86	45.10	60.23	29.42	175.74	275.35	451.08
Additions	1.40	0.11	0.25	14.04	-	15.80	-	15.80
Deletions	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31-03-2022	16.53	25.97	45.35	74.26	29.42	191.54	275.35	466.88
Accumulated depreciation and impairment								
Opening accumulated depreciation as at 01-04-2021	0.83	1.84	2.33	27.01	23.95	55.96	32.27	88.23
Depreciation charge during the period	3.14	2.59	9.89	18.86	2.60	37.07	55.19	92.26
Impairment loss	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-

Closing depreciation and impairment 31-03-2022	3.98	4.43	12.22	45.86	26.54	93.03	87.46	180.49
Net Carrying Amount as at March 31, 2022	12.55	21.54	33.13	28.40	2.88	98.50	187.89	286.39

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

4. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to de-recognize a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

5. Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

NOTE 3:

Property Plant and Equipment

NOTE 4: INTANGIBLE ASSETS

(Rs. in Lakhs)

Particulars	TReDS & Software	Intangible assets under development
Gross carrying amount		
Opening gross carrying amount as at 01-04-2020	461.73	17.66
Additions	61.32	63.20
Disposals	-	-
Transfers	-	(61.32)
Closing gross carrying amount	523.05	19.53
Accumulated depreciation and impairment		
Opening accumulated depreciation on 01-04-2020	328.46	-
Depreciation charge during the period	90.92	-
Disposals	-	-
Closing amortization & impairment	419.38	-
Net carrying amount as at March 31, 2021	103.67	19.53
Gross carrying amount		
Opening gross carrying amount as at 01-04-2021	523.05	19.53
Additions	18.59	41.08
Disposals	-	-
Transfers	-	(18.59)
Closing gross carrying amount	541.64	42.03
Accumulated depreciation and impairment		
Opening accumulated depreciation on 01-04-2021	419.38	-
Depreciation charge during the period	49.20	-
Disposals	-	-
Closing amortization & impairment	468.58	-
Net carrying amount as at March 31, 2022	73.05	42.03

CWIP Aging Schedule

As at March 31, 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	27.41	14.62	-	-	42.03
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	19.53	-	-	-	19.53
Projects temporarily suspended	-	-	-	-	-

Project in progress whose completion is not overdue and has not exceeded its cost compared to its original plan.

NOTE 5: CURRENT INVESTMENTS

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Units	(Rs. in Lakhs)	Number of Units	(Rs. in Lakhs)
A. Investment in mutual funds				
i. Unquoted investments in mutual funds at FVPL				
ICICI Prudential Liquid Plan Direct--Growth	54,952.12	173.24	34,165.08	104.11
Total	54,952.12	173.24	34,165.08	104.11

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	173.24	104.11

NOTE 6: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

(Rs. in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Deposits with original maturity for more than 12 months	42.00	-	2,019.16	1,436.27
Deposits with original maturity for more than 3 months but less than 12 months	-	-	40.00	517.15
Total	42.00	-	2,059.16	1,953.43

NOTE 7: OTHERS FINANCIAL ASSETS

(Rs. in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Security Deposit	12.64	11.59	0.75	21.15
Interest accrued on Bank deposits	-	-	25.17	26.81
Total	12.64	11.59	25.92	47.96

NOTE 8: TRADE RECEIVABLES

(Rs. in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade Receivables	-	-	110.55	80.46
Trade Receivables from Related Party	-	-	-	-
Less- Loss Allowances	-	-	(4.36)	(2.30)
Total	-	-	106.19	78.16
Breakup of Security Details				
Trade Receivables considered good- Secured	-	-	-	-
Trade Receivables considered good- Unsecured	-	-	106.19	78.16
Trade Receivables which have significant increase in credit risk	-	-	-	-
Trade Receivables- credit impaired	-	-	4.36	2.30
Total	-	-	110.55	80.46
Less- Loss Allowances	-	-	(4.36)	(2.30)
Total	-	-	106.19	78.16

As at March 31, 2022	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 months- 1year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	106.05	0.14	-	-	-	106.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	2.11	2.25	-	4.36
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	106.05	0.14	2.11	2.25	-	110.55
Less - Loss Allowances	-	-	(2.11)	(2.25)	-	(4.36)
Net Receivable	106.05	0.14	-	-	-	106.19

As at March 31, 2021	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 months- 1year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	76.05	2.11	-	-	-	78.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	2.30	-	-	2.30

As at March 31, 2021	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	76.05	2.11	2.30	-	-	80.46
Less - Loss Allowances	-	-	(2.30)	-	-	(2.30)
Net Receivable	76.05	2.11	-	-	-	78.16

NOTE 9: OTHER ASSETS

Particulars (Rs. in Lakhs)	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Balances with GST authorities	-	-	53.38	227.49
Prepaid lease rent- IND AS	1.53	2.21	0.67	0.67
Advance to Employee	-	-	-	0.04
Deposit with Cersai	-	-	0.5	-
Prepaid expenses	2.8	-	30.38	34.18
Total	4.33	2.21	84.94	262.38

NOTE 10: CASH AND CASH EQUIVALENTS

Particulars	Current	
	As at March 31, 2022	As at March 31, 2021
Balances with banks		
In current accounts	5.54	1.27
Deposits with original maturity of less than 3 months	-	-
Cash in hand	-	-
Stamp Papers	0.62	-
	6.16	1.27

For the purpose of the statement of cash flows, cash and cash equivalents comprise the above.

NOTE 11: SHARE CAPITAL

Particulars	As at March 31, 2022	As at March 31, 2021
a. Authorized		
50,000,000 (Previous Year 50,000,000) Equity Shares of Rs.10 each	5,000.00	5,000.00
b. Issued, Subscribed and Paid-up		
Issued, Subscribed and Fully Paid-up		
50,000,000 (Previous Year 50,000,000) Equity Shares of Rs 10 each, fully paid	5,000.00	5,000.00
Total	5,000.00	5,000.00

i. The Company has not issued bonus shares since its inception.

ii. Terms and Rights of Equity Shareholders

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. Voting rights of each holder of partly paid up equity share is proportionate to the paid up amount of such share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii. A reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the Year.

a. Equity Shares, fully paid shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Units	(Rs. in Lakhs)	Number of Units	(Rs. in Lakhs)
Opening Balance	5,00,00,000	5,000.00	2,50,00,000	2,500.00
Add: Additional during the year	-	-	2,50,00,000	2,500.00
Closing Balance	5,00,00,000	5,000.00	5,00,00,000	5,000.00

*Share held by nominees were transferred to respective shareholder on November 21, 2017.

b. Equity Shares, partly paid shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Units	(Rs. in Lakhs)	Number of Units	(Rs. in Lakhs)
Opening Balance	-	-	2,50,00,000	1,250.00
Add: Right shares of Rs 10 each Issued during the year, called up and paid up Rs. 5 each	-	-	-	-
Less: Balance money called and paid	-	-	(2,50,00,000)	(1,250.00)
Closing Balance	-	-	-	-

Equity shares issued on rights basis were allotted on February 17, 2020.

iv. Details of shareholders holding more than 5% share in the company

Equity shares of Rs.10 each, fully paid up.

Particulars	As at March 31, 2022		As at March 31, 2021	
	No.	% holding	No.	% holding
NSE Investments Ltd (Formerly known as NSE Strategic Investment Corporation Ltd) and its *nominees	1,50,00,000	30.00%	1,50,00,000	30.00%
Small industrial Bank of India Ltd (SIDBI) and its *nominees	1,50,00,000	30.00%	1,50,00,000	30.00%
ICICI Bank Limited	49,95,000	9.99%	49,95,000	9.99%
ICICI Securities Limited	15,00,000	3.00%	15,00,000	3.00%
ICICI Home Finance Limited	15,05,000	3.01%	15,05,000	3.01%
State Bank Of India	49,50,000	9.90%	49,50,000	9.90%
SBI Capital Markets Ltd	30,50,000	6.10%	30,50,000	6.10%
Yes Bank Limited	40,00,000	8.00%	40,00,000	8.00%

iv. Details of shareholding pattern of promoters

Equity shares of Rs.10 each, fully paid up.

Promoter Name	As at March 31, 2022		As at March 31, 2021		Percentage Change During the year
	No of Shares Held	% holding	No of Shares Held	% holding	
NSE Investments Ltd and its *nominees	1,50,00,000	30.00%	1,50,00,000	30.00%	-
Small industrial Bank of India Ltd (SIDBI) and its *nominees	1,50,00,000	30.00%	1,50,00,000	30.00%	-
Total	3,00,00,000	60.00%	3,00,00,000	60.00%	

v. Capital management

The Company considers the following components of its Balance Sheet to be managed capital:

Total equity (as shown in the balance sheet). – retained profit / (Loss) and share capital

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company aims to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to financial covenants in any of its significant financing agreements.

Compliance with externally imposed capital requirements

In accordance with Guidelines for setting up of and operating the Trade Receivables Discounting System (TReDS) issued by Reserve Bank of India, the company shall have minimum paid up equity capital of Rs. 25 crore. The Company is in compliance with the said requirement.

NOTE 12: OTHER EQUITY

(Rs. in Lakhs)

Retained Earnings	As at March 31, 2022	As at March 31, 2021
Balance as at beginning of the year	(2,585.28)	(2,059.83)
Profit / (Loss) after tax for the year	(33.95)	(524.09)
Other Comprehensive Income	6.16	(1.36)
Balance as at end of the year	(2,613.07)	(2,585.28)

NOTE 13: INCOME TAX

a. The major components of income tax expense in the statement of profit and loss

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statement of profit and loss		
Current tax on profit for the year	-	-
Deferred tax expense / (gain)	(2.07)	(1.69)
Total tax expense	(2.07)	(1.69)

Particulars	As at March 31, 2022	As at March 31, 2021
OCI section		
Related to items recognized in OCI during in the year:	-	-
Tax Remeasurements of post-employment benefit obligations	(2.07)	(2.07)
Income tax charged to Other Comprehensive Income	(2.07)	(2.07)

b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit before income tax expense	(36.02)	(525.77)
At India's statutory income tax rate of 25.168%	(9.07)	(132.33)
Others	11.10	15.35
Tax impact of Loss carried Forward	(4.11)	115.29
Income Tax Expense	(2.07)	(1.69)

c. Deferred Tax liabilities (net)

The balance Comprises Temporary Difference attributable to:

(Rs. in Lakhs)

Particulars	Balance Sheet	Statement of Profit and Loss	Balance Sheet	Statement of Profit and Loss	Balance Sheet
	As at March 31, 2022	For the year March 31, 2022	As at March 31, 2021	For the year March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities					
Property, plant and equipment and investment property	0.00	(0.37)	0.37	(6.70)	7.07
Financial Assets at Fair Value through profit and Loss	0.00	(0.27)	0.27	0.19	0.08
Total (A)	0.00	(0.64)	0.64	(6.52)	7.15
Less: Deferred Tax Assets					
Related to Preliminary Expenses Written off	-	(1.29)	1.29	0.00	1.29
Related to employee defined Benefit plans	0.00	(11.41)	11.41	7.69	3.72
Interest on Lease Liability Ind AS 116	-	(2.64)	2.64	2.64	-
Related to unabsorbed Loss / Depreciation	626.72	(5.27)	631.99	116.74	515.25
Less:- Amount not recognized*	(626.72)	5.27	(631.99)	(116.74)	(515.25)

(Rs. in Lakhs)

Particulars	Balance Sheet	Statement of Profit and Loss	Balance Sheet	Statement of Profit and Loss	Balance Sheet
	As at March 31, 2022	For the year March 31, 2022	As at March 31, 2021	For the year March 31, 2021	As at March 31, 2020
Total (B)	0.00	(15.34)	15.34	10.33	5.01
Deferred Tax Assets in excess of DTL (C)	0.00	14.70	(14.70)	(14.70)	-
Net Deferred Tax liabilities/ (Asset) (A-B-C)	-	0.00	-	(2.15)	2.15

*In accordance with the Indian Accounting Standard (Ind AS) - 12 "Income Taxes" as notified under section 133 of the Companies Act, 2013 ("the Act"), to the extent that it is not probable that taxable profit will be available against which the unused tax losses or unused tax credits can be utilized, the deferred tax asset on unused tax losses or unused tax credits is not recognized.

NOTE 14: INCOME TAX ASSETS (NET)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax paid including TDS (Net of Provisions)	75.45	19.47
	75.45	19.47

NOTE 15: FINANCIAL LIABILITIES

(Rs. in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade Payables MSME (refer note 25)	-	-	-	-
Trade payables (other than MSME)	-	-	97.73	86.58
			97.73	86.58

As at March 31, 2022	Outstanding for following periods from due date of payment					
Particulars	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Payables – considered good	49.30	20.18	3.77	12.41	12.07	97.73
(ii) Undisputed Trade Payables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Payables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Payables– considered good	-	-	-	-	-	-
(v) Disputed Trade Payables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Payables – credit impaired	-	-	-	-	-	-
Total	49.30	20.18	3.77	12.41	12.07	97.73
Less - Loss Allowances	-	-	-	-	-	-
Net Payables	49.30	20.18	3.77	12.41	12.07	97.73

As at March 31, 2021	Outstanding for following periods from due date of payment					
Particulars	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Payables – considered good	49.30	12.80	12.41	12.07	-	86.58
(ii) Undisputed Trade Payables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Payables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Payables– considered good	-	-	-	-	-	-
(v) Disputed Trade Payables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Payables – credit impaired	-	-	-	-	-	-
Total	49.30	12.80	12.41	12.07	-	86.58
Less - Loss Allowances	-	-	-	-	-	-
Net Payables	49.30	12.80	12.41	12.07	-	86.58

(Rs. in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Others (refer note 28 below)				
Provisions For expenses	-	-	27.67	15.89
Payable for Capital Expenditure (refer note 25)	-	-	23.3	16.25
Payable for Other Expenses (refer note 25)	-	-	6.29	0.72
Total	-	-	57.27	32.86

NOTE 16: NON-FINANCIAL LIABILITIES

Particulars	Current	
	As at March 31, 2022	As at March 31, 2021
Income Received in advance	43.31	13.6
Statutory payments	23.39	17.17
Advances from customers	4.22	4.27
	70.92	35.04

NOTE 17: PROVISION EMPLOYEE BENEFITS

(Rs. in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provisions for Leave encashments	23.55	26.35	2.84	2.84
Provision for Gratuity	19.49	16.09	0.18	0.04
Provision for variable pay and other allowances	-	-	121.01	98.56
	43.04	42.44	124.03	101.44

NOTE 18: OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Lease Liability	162.24	211.58	49.34	41.98
	162.24	211.58	49.34	41.98

NOTE 19: REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Services		
Registration Fees	102.13	133.53
Transaction Charges	1,200.41	529.44
Annual Fees	63.24	40.72
Extension Charges	0.16	11.53
Referral Charges	0.35	-
	1,366.29	715.22

NOTE 20: OTHER INCOME

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income from financial assets at amortized cost		
- Interest Income on Bank Deposits	92.07	66.45
Other Interest		
- Income on Deposit IND AS	0.63	0.58
- Interest on I.T. Refund	-	0.88
	92.70	67.91
Excess Provision Write Back*	3.12	6.25
Other gains/(losses)		
Net gain Investments mandatorily measured at Fair Value through Profit or Loss	2.14	1.07
Net gain on sale of Investments mandatorily measured at Fair Value through Profit or Loss	2.18	2.60
	4.33	3.67
	100.15	77.82

* Variable pay written back since the same is not payable.

NOTE 21: EMPLOYEE BENEFITS EXPENSES

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	883.32	781.89
Contribution to provident and other fund	33.80	29.99
Employees welfare expenses	29.56	19.38
Deputed Personnel Cost	2.56	19.42
Total	949.24	850.69

NOTE 22: FINANCE COST

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on Lease Liability	17.76	11.77
	17.76	11.77

NOTE 23: OTHER EXPENSES

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	3.03	28.87
Outsourcing Charges	42.33	23.72
Repair & Maintenance:		
- Trading and Computer System	118.90	104.51
- Others	0.69	0.65
Professional fees	46.20	29.71
Electricity expenses	6.97	3.35
Clearing & Settlement Charges	8.08	3.91
Insurance Expenses	20.66	6.12
Traveling Expenses	17.50	10.00
Director Sitting Fees	7.40	3.00
Telephone Expenses	12.25	5.00
Printing & Stationery	1.55	0.46
Training Expenses	3.53	0.16
Business Promotion Expenses	13.18	10.92
Auditors' Remuneration (refer note below)	3.99	2.80
Ineligible GST	3.05	0.81
Data Center Charges	-	13.41
Referral Charges	69.16	41.22
Provision for Bad Debts	2.06	2.38
Other expenses	13.49	16.25
Total	393.99	307.25

Note:**Auditors' Remuneration****As Auditors**

Audit fees	1.84	1.6
Tax audit fee	0.75	-
Limited review	1.38	1.2

In other capacity

Out of Pocket Expenses	0.02	-
Total	3.99	2.8

NOTE 24: EXPENDITURE IN FOREIGN CURRENCY

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Travelling Expenses	NIL	NIL
Others	NIL	NIL

NOTE 25:

Trade payables outstanding amounts of Rs. Nil, previous year Nil (including interest of Rs. Nil) payable to Micro & Small Enterprises. Total outstanding dues to Micro & Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 26:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM, who is responsible for allocating resources and assessing performance of Operating Segments, have been identified as MD & CEO of the Company. In the opinion of the management, as the Company's operations comprise of only facilitating trading of Receivable and the activities incidental thereto within India, the disclosures required in terms of Indian Accounting Standard (Ind AS)-108 - "Operating Segments" are not applicable.

NOTE 27:

In compliance with Indian Accounting Standard (Ind AS)-24 - "Related Party Disclosures" notified under section 133 of the Act read with Companies (Accounting Standards) Rules 2015, the required disclosures are given in the table below:

Names of the related parties and related party relationship

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited (NSEIL)	Ultimate Holding company of Promoter company
2	NSE Investment Limited	Promoter Company (Associate)
3	Aujas Cybersecurity Limited ((Formerly known as Aujas Networks Private Limited)	Subsidiary of NSEIT Limited which is a wholly owned subsidiary of NSE Investments Limited
4	Small Industrial Bank of India Ltd (SIDBI)	Promoter Company (Associate)
5	Mr. Ketan Gaikwad (Managing Director & CEO)	Key Managerial Personnel
6	Mr. Kailashkumar Varodia (CFO)	Key Managerial Personnel
7	Ms. Anita Thomas up to October 29, 2021	Key Managerial Personnel
8	Mr. Kushal Shah w.e.f. February 26, 2022	Key Managerial Personnel
9	Mr. S Ramann w.e.f. April 30, 2021	Chairman & Non-Executive Director (Representing SIDBI)
10	Mr. Vasantharao Satya Venkatarao up to August 09, 2021	Non-Executive Director (Representing SIDBI)
11	Mr. Mukesh Agarwal	Non-Executive Director (Representing NIL)
12	Mr. Mohammad Mustafa till August 27, 2020	Chairman & Non-Executive Director (Representing SIDBI)
13	Mr. Vasantharao Satya Venkatarao w.e.f. August 21, 2020	Non-Executive Director (Representing SIDBI)
14	Mr. Devi Shankar Mishra till June 11, 2020	Nominee Director -SBI
15	Mr. Ajay Kumar Gupta up to November 26, 2021	Nominee Director -ICICI
16	Mr. Subash Chand Joinwal up to August 09, 2021	Nominee Director -SBI
17	Mr. Janki Ballabh up to March 28, 2022	Independent Director
18	Mr. Raman Uberoi	Independent Director

Sr. No.	Related Party	Nature of Relationship
19	Mr. Sudatta Mandal w.e.f August 09, 2021	Nominee Director -SIDBI
20	Mr. Balabhadrapatruni Sankar w.e.f August 09, 2021	Nominee Director -SBI
21	Mr. Hitesh Kumar Sethia w.e.f November 26, 2021	Nominee Director -ICICI

NOTE 28:

Details of transaction (including goods and service tax wherever levied) with parties are as follows:

(Rs. in Lakhs)			
Name of the Party	Nature of Transactions	Year ended March 31, 2022	Year ended March 31, 2021
NSE Investments Ltd	Receipts against rights issue of equity shares	-	375.00
National Stock Exchange of India Limited	DC Hosting Charges (including provisions)	-	13.41
	Reimbursement paid for expenses of staff on deputation (including provisions)	2.56	23.24
	Outstanding balance – (Credit) / Debit	(77.14)	(77.14)
Aujas Cybersecurity Limited	Software Expenses	4.23	10.70
	Outstanding balance – (Credit) / Debit	-	-
Small industrial Bank of India Ltd (SIDBI)	Receipts against issue of Rights Share	-	375.00
	Reimbursement of Registration fee of MSMEs under Swavalamban Crisis Responsive Fund (SCRF) scheme	31.64	97.59
	Amount Received towards Transaction Charges	1.57	-
	Reimbursement paid for expenses on staff on deputation	-	-
	Reimbursement paid for Rent for Residential Accommodation	-	-
	Outstanding balance – (Credit) / Debit	-	-
Key Management Personnel	Reimbursement and Gross remuneration including allowances, non-cash perquisites and contribution to Provident Fund and Superannuation Fund etc.		
	-For MD & CEO*	148.11	134.47
	-For CFO*	49.51	36.18
	-For CS*	5.78	9.49
	-For Independent Director (Director Sitting Fees)	7.40	3.00

* KMP Remuneration does not include provision made for compensated absence and gratuity, since the same is provided for the company as a whole based on independent actuarial valuation except to the extent of amount paid.

NOTE 29:

In accordance with Indian Accounting Standard (Ind AS) 33 - “Earning per Share” issued by the Institute of Chartered Accountants of India, the required disclosure is given below.

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.

(Rs. in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net Profit / (Loss) attributable to Shareholders	(33.95)	(524.09)
5,00,00,000 of Rs. 10/- each fully paid equity shares	500.00	-
Weighted Average number of equity shares issued	-	411.99
Total Weighted Average number of equity shares issued	500.00	411.99
Basic and Diluted earnings per share of Rs. 10/- each (in Rs.)	(0.07)	(1.27)

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

NOTE 30: CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts executed on capital account (net of advances) Rs. 138.5 lakhs (Previous Year NIL)

NOTE 31: CONTINGENT LIABILITIES AND COMMITMENTS

1. Claims against company not acknowledged as debts: Rs. NIL
2. On account of disputed demand of Income tax Rs. NIL

NOTE 32:

As at March 31, 2022, the company does not have any pending litigation which would have impact on its financial position.

NOTE 33:

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

NOTE 34:

For the year ended March 31, 2022, the company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

NOTE 35:

a. Fair value measurement

i. Fair Value Hierarchy and valuation technique used to determine fair value:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value and are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial Assets and Liabilities measured at Fair Value - recurring fair Value measurements

(Rs. in Lakhs)

At 31 March, 2022	Notes	Level 1	Level 2	Level 3	Total March 31, 2022
Financial Assets					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	5	173.24	-	-	173.24
Total Financial Assets		173.24	-	-	173.24

(Rs. in Lakhs)

At 31 March, 2021	Notes	Level 1	Level 2	Level 3	Total March 31, 2021
Financial Assets					
Financial Investments at FVPL					
Mutual Fund - Growth Plan	5	104.11	-	-	104.11
Total Financial Assets		104.11	-	-	104.11

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
- Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, debentures, government securities and commercial papers) is determined using FIMMDA valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the period. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy level as at the end of reporting period.

ii. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices and NAV.

iii. Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO).

iv. Fair value of Financial Assets and Liability at amortized cost

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial Assets		
Fixed Deposits	2,101.16	1,953.43
Total Financial Assets	2,101.16	1,953.43

The carrying amounts of deposits, other bank balance, other receivables, trade payables, creditors for capital expenditures, other liabilities and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

b. Financial Instruments by category

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Financial Assets						
Investments:						
Fixed Deposits	-	-	2,101.16	-	-	1,953.43
Mutual Funds	173.24	-	-	104.11	-	-
Cash and Cash equivalents	-	-	6.16	-	-	1.27
Trade Receivable	-	-	106.19	-	-	78.16
Other Financial assets	-	-	25.92	-	-	47.96
Total financial assets	173.24	-	2,239.43	104.11	-	2,080.82
Financial Liabilities						
Trade Payable	-	-	97.73	-	-	86.58
Lease Liabilities	-	-	211.58	-	-	253.57
Other Financial liabilities	-	-	57.27	-	-	32.86
Total financial liabilities	-	-	366.58	-	-	373.01

NOTE 37: FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

a. Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintains a conservative funding and investment strategy, with a positive cash balance throughout the period ended March 31, 2022. This was the result of cash generated from financing activity to provide the funds to service the financial liabilities on a day-to-day basis.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash equivalents (to the extent required), other highly liquid investments and excess is invested in interest bearing term deposits with appropriate maturities to optimize the returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

(Rs. in Lakhs)

As at March 31, 2022	Carrying amount	Payable on demand	Less than 12 months	More than 12 months	Total
Trade Payable	97.73	-	97.73	-	97.73
Lease Liabilities	211.58	-	49.34	162.24	211.58
Other Financial liabilities	57.27	-	57.27	-	57.27

(Rs. in Lakhs)

As at March 31, 2021	Carrying amount	Payable on demand	Less than 12 months	More than 12 months	Total
Trade Payable	86.58	-	86.58	-	86.58
Lease Liabilities	253.57	-	41.98	211.58	253.57
Other Financial liabilities	32.86	-	32.86	-	32.86

b. Management of Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

Potential Impact of Risk	Management Policy	Sensitivity to Risk
1. Price Risk		
The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. At March 31, 2022 the exposure to price risk due to investment in mutual funds amounted to Rs. 173.24 lakh (Previous Year Rs. 104.11 lakh).	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Treasury department maintains a list of approved financial instruments. The use of any new investment must be approved by the Chief Financial Officer.	As an estimation of the approximate impact of price risk, with respect to mutual funds, the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately an additional Rs. 0.43 lakh (previous year Rs. 0.26 lakh) gain in the Statement of Profit and Loss. A 0.25% decrease in prices would have led to an equal but opposite effect.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

c. Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department.

The Company's maximum exposure to credit risk as at March 31, 2022, is the carrying value of each class of financial assets as disclosed in note no 5, 6,7 and 10.

NOTE 38:

Disclosure under Indian Accounting Standard 19 (IND AS 19) on Employee Benefit as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Provident Fund:

Company has contributed Rs. 33.80 lakh (previous year Rs. 29.99 lakh) towards Provident Fund during the year ended March 31, 2022 to The Employees' Provident Fund Organization.

Gratuity:

The Company provides for Gratuity for employees as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity is payable on retirement / termination of the employees based on last drawn basic salary per month multiplied for 15/26 and number of years of service.

a. Balance Sheet

- i. The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the period are as follows:

(Rs. in Lakhs)		
Particulars	March 31, 2022	March 31, 2021
At the beginning of the year (a)	16.13	5.45
Current service Cost	10.75	8.49
Interest cost / (income)	1.02	0.37
Expenses recognized in the Statement of Profit & Loss (b)	11.78	8.86
Remeasurements	-	-
Return on plan assets	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(1.27)	0.80
Actuarial (gains) / losses on obligations - due to experience	(6.97)	1.01
Net (Income) / Expense for the period recognized in OCI ('c)	(8.24)	1.82
Employer Contributions	-	-
Benefits paid (d)	-	-
At the end of the year (a+b+c+d)	19.67	16.13

- ii. The net liability disclosed above relates to funded plans are as follows:

(Rs. in Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Fair value of plan assets as at the end of the year	-	-
Liability as at the end of the year	19.67	16.13
Net (Liability) / Asset	(19.67)	(16.13)
Non Current Portion	(19.49)	(16.09)
Current Portion	(0.18)	(0.04)

iii. Balance sheet reconciliation:

(Rs. in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Opening net liability	16.13	5.45
Expense recognized in Statement of Profit & Loss	11.78	8.86
(Income) / Expense recognized in OCI	(8.24)	1.82
Net (liability)/asset transfer in	-	-
Employer's contribution	-	-
Amount recognized in the Balance sheet	19.67	16.13

b. Statement of Profit & Loss

i. Net interest cost for current period

(Rs. in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Interest cost	1.02	0.37
Interest income	-	-
Net Interest cost for current period	1.02	0.37

ii. Expense recognized in Statement of Profit & Loss

(Rs. in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Current service Cost	10.75	8.49
Net Interest cost	1.02	0.37
Expense recognized in Statement of Profit & Loss	11.78	8.86

iii. Expense recognized in the Other Comprehensive Income

(Rs. in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Re-measurement		
Expected return on Plan Assets	-	-
Actuarial (gain) / loss	(8.24)	1.82
Net (income) / expense for the period recognized in OCI	(8.24)	1.82

c. Sensitivity to key assumptions

(Rs. in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Projected Benefit Obligation on Current Assumptions	19.67	16.13
Discount rate Sensitivity- Increase by 0.5%	18.7	15.24
Discount rate Sensitivity- Decrease by 0.5%	20.72	17.1
Salary growth rate Sensitivity- Increase by 0.5%	20.15	16.55
Salary growth rate Sensitivity- Decrease by 0.5%	19.15	15.61
Withdrawal rate Sensitivity- Increase by 10%	19.22	15.59
Withdrawal rate Sensitivity- Decrease by 10%	20.13	16.68

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

d. Significant actuarial assumptions are as follows:

(Rs. in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Discount Rate	6.95%	6.35%
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Salary Growth Rate	10% p.a.	10% p.a.
Withdrawal Rates	20% p.a at younger ages reducing to 2% p.a. at older ages	20% p.a at younger ages reducing to 2% p.a. at older ages

e. The expected maturity analysis of undiscounted gratuity defined benefits is as follows:

(Rs. in Lakhs)

Particulars	March 31, 2022	March 31, 2021
1st Following Year	0.18	0.04
2nd Following Year	0.29	0.13
3rd Following Year	1.26	0.31
4th Following Year	1.82	1.05
5th Following Year	1.76	1.65
Sum of Years 6 to 10	13.15	6.48

f. Expected contribution to Gratuity plan for the year ending March 31, 2023 is Rs. 0.18 lakh.

NOTE 39:

ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

i. Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii. Borrowing secured against current assets

The Company has not borrowed any fund from banks and financial institutions based on security of current assets.

iii. Wilful defaulter

Company has not declared wilful defaulter by any bank or financial institution or government or any government authority.

iv. Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v. Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

vi. Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii. Utilization of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

x. Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

xi. Analytical Ratio (Annexure 1)

Sr. No.	Ratio	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	% Variance	Reason for variance
1	Current Ratio	Current Assets	Current Liabilities	6.15	8.22	(25.14)	Changes in the said ratio is on account of increase in provisions.
2	Debt–Equity Ratio	Total Debt	Shareholder's Equity	Not Applicable	Not Applicable	Not Applicable	
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	Not Applicable	Not Applicable	Not Applicable	
4	Return on Equity (ROE)	Net Profits after taxes less Pref. Dividend (if any)	Average Shareholder's Equity	(0.02)	(0.26)	(90.55)	Ratio improved as the company has significantly reduced its losses as revenue from operations has grown more than 90%.
5	Inventory Turnover ratio	Cost of goods sold OR sales	Average Inventory	Not Applicable	Not Applicable	Not Applicable	
6	Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	14.82	17.19	(13.77)	
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.28	3.72	14.78	
8	Net capital turnover ratio	Net Sales	Working Capital	0.66	0.33	99.68	Ratio improved as revenue from operations has grown more than 90%.
9	Net Profit Ratio	Net Profit	Net Sales	(0.02)	(0.73)	(96.61)	Ratio improved as revenue from operations has grown more than 90%.
10	Return on capital employed	Earnings before interest and taxes	Capital Employed	(0.01)	(0.22)	(96.44)	Ratio improved as the company has significantly reduced its losses as revenue from operations has grown more than 90%.
11	Return on investment	Income generated from invested fund	Average invested funds in treasury investment	4.89	5.65	(13.52)	

NOTE 40:

During the second wave of the COVID-19 pandemic, RXIL continued to strive and operate its TReDS platform in India. The company continued its function with minimal disruption during the lockdown period.

As a result of lifted restrictions, there was no significant impact on the carrying value of the company's assets and liabilities. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Accordingly, going forward, the company will continue to evaluate any significant changes to its operations and their resultant impact on its financial performance.

NOTE 41:

The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

NOTE 42:

Previous Period Figures have been Reclassified / Regrouped Wherever Necessary.

As per our Report of even date attached

For Khandelwal Jain & Co

Chartered Accountants

Firm Regn. No. 105049W

For and on behalf of the Board of Directors

Narendra Jain

Partner

Membership No. 048725

Ketan Gaikwad

Managing Director & CEO

[DIN: 08359705]

Raman Uberoi

Director

[DIN: 03407353]

Kailashkumar Varodia

Chief Financial Officer

Kushal Shah

Company Secretary

Place: Mumbai

Date: May 31, 2022