

SBICAP Securities Limited Balance Sheet as at March 31, 2021			
		(Amount in Lakhs)	
Particulars	Notes	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	3	14,997.05	27,608.00
(b) Bank balance other than Cash and cash equivalents	4	34,009.50	17,310.03
(c) Receivables			
(i) Trade Receivables	5	38,130.15	14,269.20
(d) Investments	6	0.10	0.10
(e) Other Financial Assets	7	931.14	3,266.75
Total Financial Assets		88,067.94	62,454.88
(2) Non-Financial Assets			
(a) Current Tax Assets (net)	8	371.84	1,412.22
(b) Deferred tax Assets (net)	9	840.69	982.98
(c) Property, Plant and Equipment	10	2,992.71	2,090.70
(d) Capital work in Progress		56.92	6.20
(e) Intangible Assets under development		227.62	-
(f) Intangible Assets	11	1,152.19	417.10
(g) Other Non-Financial Assets	12	2,113.94	985.04
Total Non-Financial Assets		7,795.91	5,894.24
Total Assets		95,863.25	68,349.12
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(i) Trade Payables			
Dues to MSME			
Total outstanding dues of creditors other than MSME	13	23,270.95	15,088.35
(b) Borrowings	14	3,674.26	6,899.07
(c) Other Financial Liabilities	15	8,935.31	7,292.23
Total Financial Liability		35,880.54	29,279.65
(2) Non-Financial Liabilities			
(a) Provisions	16	491.52	917.98
(b) Other Non-Financial Liabilities	17	2,787.59	2,217.60
Total Non-Financial Liabilities		3,279.11	3,135.58
(3) EQUITY			
(a) Equity Share capital	18	9,687.50	9,687.50
(b) Other Equity	19	47,016.10	26,246.39
Total Equity		56,703.60	35,933.89
Total liabilities and equity		95,863.25	68,349.12

Summary of significant accounting policy

The accompanying notes are an integral part of the Financial Statements.

18.2

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Registration No.: 101048W

CA Raman Hangekar
Partner
Membership No.: 030615



Mumbai
April 27, 2021

For and on behalf of the Board of Directors of
SBICAP Securities Limited

Arun Melta
Chairman

Mehesh Singh
Chief Financial Officer

Mumbai
April 27, 2021

Naresh Yadav
Managing Director & CEO

Dhyaneshi Kankre
Company Secretary



SBICAP Securities Limited
Statement of Profit and Loss for the year ended Mar 31, 2021

(Amount in Lakhs)

Particulars	Notes	For the year ended March 31, 2021 (Audited)	For the year ended March 31, 2020 (Audited)
Revenue from operations			
Interest Income	20	1,392.02	1,105.41
Fees and Commission Income	21	59,445.32	43,229.03
Other operating income	22	5,932.99	4,967.54
Total Revenue from operations		66,770.33	49,301.98
Other Income	23	520.13	293.30
Total Income		67,290.46	49,595.28
Expenses			
Finance Costs	24	288.44	315.12
Fees and Commission Expense	25	2,615.78	2,574.50
Employee Benefits Expenses	26	18,619.27	14,809.12
Depreciation and amortisation	27	2,108.34	2,188.24
Other Expenses	28	15,841.31	17,985.98
Total Expenses		39,573.14	37,872.96
Profit before exceptional items and tax		27,717.32	11,722.72
Exceptional Items		-	-
Profit before tax		27,717.32	11,722.72
Tax expense			
Current tax		7,000.00	3,000.00
Deferred tax Liability (Asset)	9	122.89	228.76
(Excess)/Short provision of previous years		(117.61)	-
Total tax expense		7,005.28	3,228.76
Profit for the period		20,712.04	8,493.96
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
i) Remeasurement gains/(losses) on defined employee benefit plans	19	77.07	(54.72)
ii) Income tax relating to above item (Liability) Asset	9	(19.40)	13.77
Total Other Comprehensive Income for the period (net of tax)		57.67	(40.95)
Total Comprehensive Income for the period		20,769.71	8,453.01

Earnings per equity share [Nominal value of share Rs.10/-
(Previous year Rs.10)]

Basic	42	21.38	8.77
Diluted		21.38	8.77

Summary of significant accounting policy

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For Badliol & Purohit
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Mumbai
April 27, 2021

For and on behalf of the Board of Directors of
SBICAP Securities Limited

Arun Mehta
Chairman

Mangal Singh
Chief Financial Officer

Mumbai
April 27, 2021

Narash Yadav
Managing Director & CEO

Oliver John Keekre
Company Secretary



	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities :-		
Profit before tax after OCI	27,774.99	11,668.27
Non-cash adjustments		
Depreciation and amortization	2,208.34	2,188.24
Excess provision for PLVP written back		(158.87)
Finance Cost	288.44	315.12
Provision for doubtful debts	(287.92)	44.00
Provision for leave encashment / gratuity	(426.46)	134.72
Operating profit before working capital changes	29,557.40	14,191.01
Movements in working capital:		
Increase/(decrease) in current trade payables	8,470.52	(6,298.71)
Increase/(decrease) in other current liabilities	1,801.02	2,338.69
Increase/(decrease) in other long term liabilities	620.00	(2.44)
Decrease/(increase) in current trade receivables	(23,860.95)	15,264.06
Decrease/(increase) in margin and other deposits	(16,699.48)	(3,638.20)
Decrease/(increase) in long term loans and advances	2,335.61	(1,672.81)
Decrease/(increase) in short term loans and advances	1,182.66	82.62
Decrease/(increase) in other current assets	(1,128.90)	(43.51)
Cash generated from operations before tax	2,277.88	20,218.70
Direct taxes paid	(7,005.27)	(3,815.06)
Expense incurred on CSR Activities	(207.92)	(145.50)
I. Net cash generated from operating activities	(4,935.31)	16,258.14
Cash Flow from investing activities :-		
Purchase of Property, Plant and Equipment	(4,176.91)	(3,209.47)
Sale of Property, Plant and Equipment	13.72	0.25
Dividend Income	-	0.48
II. Net cash used in investing activities	(4,163.19)	(3,208.74)
Cash Flow from financing activities :-		
Proceeds from issue of shares	-	-
Proceeds/(Repayment) from Bank OD	(3,224.82)	1,800.01
Interest paid on Bank OD	(288.44)	(315.12)
III. Net cash provided by financing activities	(3,513.26)	1,484.89
Net change in cash & cash equivalents (I+II+III)	(12,611.75)	14,534.29
Cash & cash equivalents at the beginning of the year	27,608.80	13,074.51
Cash & cash equivalents at the end of the year	14,997.05	27,608.80
Components of cash and cash equivalents		
Balance with banks :		
On current accounts	14,996.85	27,608.29
Deposits with original maturity less than 3 months	-	-
Investment in units of Liquid fund	-	-
Cash on hand	0.20	0.51
Total cash and cash equivalents (Note 16)	14,997.05	27,608.80

2.10

Summary of significant accounting policies

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Registration No.: 101048W

CA Raman Hangekar
Partner
Membership No.: 030615



Mumbai
April 27, 2021

For and on behalf of the Board of Directors of
SBICAP Securities Limited

Arun Mehta
Chairman

Manish Singhal
Chief Financial Officer

Mumbai
April 27, 2021

Nareish Yadav
Managing Director & CEO

Dhanishri Kenkre
Company Secretary



A. Equity share capital

Balance	(Amount in Lakhs)
As at April 01, 2020	9,687.50
Changes in equity share capital	-
As at March 31, 2021	9,687.50

B. Other equity

(Amount in Lakhs)

s	Reserves and Surplus			Total
	Securities premium	General Reserve	Retained Earnings	
Balance as at April 01, 2019	2,812.50	30.52	14,950.36	17,793.38
Profit for the period	-	-	8,493.96	8,493.96
Other Comprehensive Income for the period	-	-	(40.95)	(40.95)
Total Comprehensive Income for the period	-	-	8,453.01	8,453.01
Transferred to General Reserve	-	-	-	-
Transferred from Retained Earnings	-	-	-	-
Balance as at March 31, 2020	2,812.50	30.52	23,403.37	26,246.39
Balance as at April 01, 2020	2,812.50	30.52	23,403.37	26,246.39
Profit for the period	-	-	20,712.04	20,712.04
Other Comprehensive Income for the period	-	-	57.67	57.67
Total Comprehensive Income for the period	-	-	20,769.71	20,769.71
Transferred to General Reserve	-	-	-	-
Transferred from Retained Earnings	-	-	-	-
Balance as at March 31, 2021	2,812.50	30.52	44,173.08	47,016.10

Summary of significant accounting policies

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Registration No.: 101048W



CA Raman Hangekar
Partner
Membership No. : 030615



Mumbai
April 27, 2021

For and on behalf of the Board of Directors of
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Arun Mehta
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Manish Singhal
Chief Financial Officer

Mumbai
April 27, 2021



Naresh Yadav
Managing Director & CEO



Dhanshri Kenkre
Company Secretary



Note 1&2: Corporate Information and Summary of Significant Accounting Policies.

SBICAP Securities Limited

1. Corporate Information:

SBICAP Securities Ltd ('the Company') is a wholly-owned subsidiary of SBI Capital Markets Ltd., incorporated in 2005. It is a member of the four premier stock exchanges of India, the National Stock Exchange of India Ltd, Bombay Stock Exchange Ltd, Multi Commodity Exchange of India Ltd and National Commodity & Derivatives Exchange Limited. The Company is engaged in the business of broking (retail and institutional) and third-party distribution of financial products.

2. Basis of preparation of financial statements

Basic of accounting convention:

The financial statements of the Company are prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, other pronouncements of the Institute of Chartered Accountants of India (ICAI), and with the relevant provisions of the Companies Act, 2013.

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period and defined benefit plans assets measured at fair value, as explained in the accounting policies below.

2.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Although these estimates and assumptions are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, actual



results could differ from these estimates and assumptions. Adjustments, if any, are recognised prospectively.

b. Inventories

The securities acquired with the intention of holding for short-term and trading are classified as stock-in-trade. The securities held as stock-in-trade are valued at lower of cost arrived at on first-in first-out (FIFO) basis or marketable fair value.

c. Property, Plant and Equipment and depreciation

Property, Plant and Equipment are stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price and directly attributable costs of bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefit from the existing asset. Items of tangible assets that have been retired from active use and are held for disposal are stated at lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Gains or losses arising from disposal of Property, Plant and Equipment are measured as the difference between the net sale proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

Capital work-in-progress comprises of cost of tangible assets that are not yet ready for their intended use as at the balance sheet date.

Depreciation is provided over the Useful Life of the Property, Plant and Equipment as prescribed in Part C of Schedule II to the Companies Act, 2013 except in case of mobile phones forming part of office equipments and servers forming part of computers wherein the Management estimates the useful life to be lower i.e 3 years, based on technical evaluation. The estimated useful life of all tangible assets as stipulated by Schedule II to the Companies Act, 2013 and adopted by the Management for various block of assets are as under:

Description of assets Useful Life in years Method of Depreciation



Description of assets	Useful Life in years	Method of Depreciation
Office Equipments	5	WDV
Furniture & Fixtures	10	WDV
Computers	3	SLM
Vehicle	8	WDV

Depreciation on additions/disposals of Property, Plant and Equipment during the year has been provided on a prorata basis from the date of such additions/disposals. Assets individually costing Rs. 5000/- or less are depreciated fully in the year when they are put to use. Salvage value of 1% is considered for assets.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful life of 3 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised. Improvements to leasehold premises are depreciated on a straight-line basis over the primary lease period. Depreciation is not recorded on capital work-in-progress and intangible assets under development until construction and installation are complete and the asset is ready for its intended use.

d. Impairment of assets

i) Impairment of financial assets (other than at fair value)

The Management assesses at each date of the balance sheet whether a financial asset or group of financial asset is impaired. Ind AS 109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. Loss



allowance for trade receivables with no significant financing component is measured based on lifetime expected credit losses. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses, or an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Impairment of non-financial assets

Tangible and Intangible assets

In accordance with Ind AS 36 on Impairment of Assets, Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

c. Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the



contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value at the end of each reporting period. Equity instruments which are held for trading are classified as at FVTPL (fair value through profit or loss). For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

f. Revenue recognition

In accordance with Ind AS 115 "Revenue from Contracts" Company recognise revenue when it satisfies a performance obligation by transferring a promised service to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Revenue is recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are



met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured. The following specific recognition criteria have been followed before revenue is recognised.

Brokerage Income: Brokerage income in relation to stock broking activity is recognised on the trade date of transaction and includes stamp duty, transaction charges and is net of scheme incentives paid. Amounts receivable from and payable to clients/stock exchanges for broking transactions are disclosed separately as trades executed but not settled.

Selling & Distribution commission: Commission relating to public issues is accounted for on finalization of allotment of the public issue/receipt of information from intermediary. Brokerage Income relating to public issues / mutual fund / other securities is accounted for based on mobilisation and intimation received from clients / intermediaries.

Depository Income: Annual Maintenance Charges are recognised on accrual basis and transaction charges are recognised on trade date of transaction.

Other Income: Interest Income is recognised using the effective Interest method.

g. Foreign currency transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Initial Recognition : On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent recognition: As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.



Exchange Differences : Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

h. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

The Company operates a gratuity plan for its employees, which is a defined benefit plan. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end, using the projected unit credit method.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognised in the statement of profit and loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognised in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

i. Segment Reporting



In accordance with Ind AS 108 'Operating Segment, segment information is reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

j. Operating Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

k. Earnings per share

Basic and diluted earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

l. Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax : Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax :

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.



Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

m. Provisions and Contingent Liabilities

Provision: A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities : A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.



**n. Lease
Company as a Lessee**

Recognition: At the commencement date, right-of-use asset and a lease liability are recognized.

Measurement:

Right of Use Asset

At the commencement date, right-of-use asset is measured at cost.

The cost of the right-of-use asset shall comprise:

- (a) the amount of the initial measurement of the lease liability.
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the lessee; and
- (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Lease Liability:

The lease liability is measured at the present value of the lease payments that are not paid. The lease payments are discounted using the incremental borrowing rate of the Company.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.



- (c) amounts expected to be payable by the lessee under residual value guarantees;
- (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Short term lease

Company has not recognized operating lease accounting and not recognize lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

Subsequent measurement & depreciation

Lessees accrete lease liability to reflect interest and reduce the liability to reflect lease payments made.

The depreciation requirements in Ind AS 16, Property, Plant and Equipment is applied, in depreciating the right-of-use asset, subject to the requirements. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-to-use assets are subject to impairment testing under IAS 36 Impairment of Assets.



Note 3: Cash and Cash Equivalents

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Cash and Cash Equivalents		
Cash on hand	0.20	0.51
Balance with banks : In current accounts	14,996.85	27,608.29
	<u>14,997.05</u>	<u>27,608.80</u>

Note 4: Bank balance other than Cash and cash equivalents

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Bank Deposits		
	34,009.50	17,310.03
	<u>34,009.50</u>	<u>17,310.03</u>

Note :

Bank Balance other than cash and cash equivalent consist of restricted bank balance amounting to Rs 34009.50 Lakhs (Previous year: 17310.03 Lakhs). The restriction are primarily on account of Bank balance held as lien by Stock Exchange/Banks/PFRDA/UIDAI

Note 5: Receivables

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Trade Receivables		
Secured, considered good	4,004.64	-
Unsecured, considered good	34,125.51	14,269.20
Doubtful	1,351.25	1,639.18
	<u>39,481.40</u>	<u>15,908.38</u>
Less : Allowance for doubtful receivables	1,351.25	1,639.18
Total	<u>38,130.15</u>	<u>14,269.20</u>

(ii) Allowance for doubtful debts

The Company has provided allowance for doubtful debts based on the lifetime expected credit loss model using provision matrix.

Movement in allowance for doubtful debt :

Particulars

Balance at the beginning of the year
Add: Allowance for the year
Less: Write off of bad debts (net of recovery)
Balance at the end of year

Total

As at March 31, 2021	As at March 31, 2020
1,639.66	1,595.18
194.35	44.00
(482.75)	
<u>1,351.25</u>	<u>1,639.18</u>
<u>1,351.25</u>	<u>1,639.18</u>



Note 6: Investments

Particulars	For the year ended	For the year ended
	March 31, 2021	March 31, 2020
Investments carried at FVTPL		
Investment in Unquoted Equity Shares	0.10	0.10
SBI Foundation		
CY: 1,000 (PY March 31, 2020: 1,000) shares of Rs.10 each		
	<u>0.10</u>	<u>0.10</u>

Note 7: Other Financial Assets

Particulars	For the year ended	For the year ended
	March 31, 2021	March 31, 2020
Current		
(Unsecured, considered good)		
Interest Receivable on Bank Deposits	206.16	150.33
Total Current	<u>206.16</u>	<u>150.33</u>
Non-Current		
(Unsecured, considered good)		
Deposits with stock exchanges/clearing house	421.00	2,949.67
Deposits with Government authorities	-	-
Security Deposits	303.98	148.29
(Unsecured, considered doubtful)	-	-
Arbitration Deposit	53.96	22.45
Less : Provision for Arbitration Deposit	(53.96)	(4.00)
	<u>-</u>	<u>18.46</u>
Total Non-Current	<u>724.98</u>	<u>3,116.42</u>
Total	<u>931.14</u>	<u>3,266.75</u>



Note 8: Current tax Assets (net)

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Advance income-tax (net of provisions for taxation)	371.84	1,412.22
	<u>371.84</u>	<u>1,412.22</u>

Note 9: Deferred tax assets (net)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred Tax Assets (Assets)		
Property, Plant and Equipment : (Depreciation)	55.50	41.40
Provision for doubtful debts	340.11	412.58
Provision for arbitrage deposit	327.18	1.01
Provision for gratuity	13.58	138.34
Provision for incentive payable	-	-
Provision for performance linked variable plan	12.90	283.16
Provision for other employee benefits	110.82	92.71
OCI Impact	-19.40	13.77
Gross deferred tax asset	<u>840.69</u>	<u>982.98</u>
Deferred Tax Liability - Liability		
Gross deferred tax liability	<u>-</u>	<u>-</u>
Deferred tax assets (net)	<u>840.69</u>	<u>982.98</u>



Note 10:
Property, Plant and Equipment
Tangible assets

	Office Equipments	Furniture & Fixtures	Computers	Right of Use asset	Leasehold Improvements	Total
GROSS BLOCK (AT COST)						
At April 1, 2019	213.30	103.94	5,581.77	-	6.08	5,905.09
Additions	32.53	6.48	201.29	2,183.49	-	2,423.79
Disposals	(2.10)	(1.46)	-	-	-	(3.56)
At March 31, 2020	243.72	108.97	5,783.05	2,183.49	6.08	8,325.32
Additions	27.95	8.01	1,025.80	1,679.15	-	2,740.92
Disposals	(51.74)	-	(143.97)	-	(6.08)	(201.78)
At March 31, 2021	219.94	116.98	6,664.89	3,862.64	(0.00)	10,864.46
DEPRECIATION						
At April 1, 2019	195.75	93.35	3,941.66	-	6.08	4,236.83
Charge for the year	22.95	9.84	749.01	1,219.47	-	2,001.28
Disposals	(2.10)	(1.39)	-	-	-	(3.49)
At March 31, 2020	216.59	101.80	4,690.67	1,219.47	6.08	6,234.62
Charge for the year	28.34	9.64	820.75	979.85	-	1,838.58
Disposals	(51.70)	-	(143.68)	-	(6.08)	(201.46)
At March 31, 2021	193.23	111.44	5,367.75	2,199.32	0.00	7,871.75
NET BLOCK						
At March 31, 2020	27.13	7.17	1,092.38	964.02	-	2,090.70
At March 31, 2021	26.71	4.54	1,297.14	1,663.32	-	2,992.71

Note 11:
Intangible assets

	Computer Software	Total
GROSS BLOCK (AT COST)		
At April 1, 2019		
Additions	4,028.34	4,028.34
Disposals	339.20	339.20
At March 31, 2020	4,367.53	4,367.53
Additions	1,104.86	1,104.86
Disposals	(2,124.50)	(2,124.50)
At March 31, 2021	3,347.89	3,347.89
AMORTIZATION		
At April 1, 2019		
Charge for the year	3,763.47	3,763.47
Disposals	186.97	186.97
At March 31, 2020	3,950.44	3,950.44
Charge for the year	369.76	369.76
Disposals	(2,124.50)	(2,124.50)
At March 31, 2021	2,195.70	2,195.70
NET BLOCK		
At March 31, 2020	417.10	417.10
At March 31, 2021	1,152.19	1,152.19



Note 12: Other Non-financial Assets

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current (Unsecured, considered good)		
Advances to Suppliers	76.97	63.10
Advances to Employees	85.55	30.85
Mediclinic Deposit	-	-
Prepaid Expenses	253.99	209.52
Goods & Service Tax Input credit available	1,338.42	657.54
Imprest Account	0.21	9.06
Total Current	1,755.14	970.08
Non-Current (Unsecured, considered good)		
Capital Advances	358.80	14.97
Total Non-Current	358.80	14.97
Total	2,113.94	985.04

Note 13: Trade Payables - other than micro enterprises and small enterprises

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current		
Trades executed not settled (exchanges)	62.88	2,459.71
Trade payables (relating to Brokerage business)	21,967.65	12,352.31
Trade payables (Selling and Distribution and others)	1,240.42	266.32
	23,270.95	15,088.35

Note 14: Borrowings

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current		
Secured		
- From bank	3,674.26	6,899.07
Bank Overdraft - Repayable on Demand		
	3,674.26	6,899.07

Rate of Interest

Bank Overdraft carry interest rates of 7.15% per annum. (Previous Year 8.20% per annum) secured by Fixed deposit of the Company.

Note 15: Other Financial Liabilities

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current		
Capital Creditors	1.19	1.19
Payable to Employees	4,045.90	2,424.74
Other Accrued expense	3,154.61	3,845.98
Total Current	7,201.90	6,271.91
Non-Current		
Retention money for Capital expenditure	14.85	7.04
Franchisee security deposits	-	-
Lease Liability	1,718.58	1,013.28
Total Non-Current	1,733.43	1,020.32
Total	8,935.33	7,292.23



Note 16: Provisions

Particulars	For the year ended	For the year ended
	March 31, 2021	March 31, 2020
Current		
Provision for employee benefits		
Provision for gratuity		
Provision for leave benefits		100.45
Total Current	173.89	137.45
	173.89	237.90
Non-Current		
Provision for employee benefits		
Provision for gratuity		
Provision for leave benefits	51.24	449.18
Total Non-Current	266.40	230.90
	317.63	680.08
Total	491.52	917.98

Note 17: Other Non-Financial Liabilities

Particulars	For the year ended	For the year ended
	March 31, 2021	March 31, 2020
Current		
Revenue received in Advance	977.45	796.62
Statutory Dues	1,810.14	1,421.98
Total	2,787.59	2,218.60



Note 18: Equity Share capital

(Amount in Lakhs)

Particulars	(Amount in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Authorised share capital		
	25,000.00	25,000.00
Issued, subscribed and paid-up share capital		
96,875,000 (Previous year March 31, 2020 : 96,875,000) Equity Shares of Rs.10 each	9,687.50	9,687.50
Total issued, subscribed and paid-up share capital	9,687.50	9,687.50

Notes :

a. Reconciliation of shares outstanding as at March 31, 2021 and March 31, 2020

Equity shares	3/31/2021		3/31/2020	
	No. of shares	Rupees	No. of shares	Rupees
Outstanding at the beginning of the year	96,875,000.00	9,687.50	96,875,000.00	9,687.50
Add: Issued during the year for cash	-	-	-	-
Outstanding at the end of the period	96,875,000.00	9,687.50	96,875,000.00	9,687.50

b. Terms/rights attached to equity shares

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. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholdings.

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

Particulars	(Amount in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
SBICAP Securities Ltd., the holding company & its nominees		
96,875,000 (Previous year March 31, 2020 : 96,875,000) Equity Shares of Rs.10 each	9,687.50	9,687.50

d. Details of shareholders holding more than 5% share capital in aggregate in the Company

	March 31, 2021		March 31, 2020	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs.10 each fully paid up				
SBICAP Securities Ltd., the holding Company & its nominees	96,875,000.00	1.00	96,875,000.00	1.00

a. The company does not have any shares reserved for issue under options, contract/commitments for sale of shares/disinvestments as at 31st March 2021

f. During the period of five years immediately preceding 31st March, 2021, the Company has not issued any bonus shares or shares for consideration other than cash and also the company has not bought back any shares during this period.

g. The Company does not have any securities as at 31st March 2021 which are convertible into equity/preference shares.

h. As per records of the Company, no calls remain unpaid by the directors and officers of the Company as on 31st March 2021

i. As per records of the Company, no shares have been forfeited by the Company during the period.

j. There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment as on 31st March 2021



Note 19: Other Equity

Other equity consists of the following :

Particulars	(Amount in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Securities Premium Reserve		
Opening Balance		
Add: premium on issue of shares received during the period	2,812.50	2,812.50
Closing balance	2,812.50	2,812.50
General Reserve		
Opening Balance		
Add : amount transferred from surplus balance in the statement of profit and loss	30.52	30.52
Closing balance	30.52	30.52
Retained Earnings		
Opening Balance	23,403.37	14,950.86
Add: Profit for the period	20,712.04	8,493.96
Add: Other Comprehensive Income for the period	57.67	(40.95)
Closing balance	44,173.08	23,403.87
Total	47,016.10	26,246.32



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2021
(Amount in Lakhs)

Note 20 : Interest Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest earned on Bank Deposits	1,392.02	1,105.41
Total	1,392.02	1,105.41

Note 21 : Fees and Commission Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Brokerage	23,735.12	16,165.23
Sub-Total (A)	23,735.12	16,165.23
Selling and distribution commission(S&D)		
Mutual funds	379.01	230.61
Initial Public Offerings(IPO)	247.23	156.61
Bonds/Debentures	466.40	316.31
Home Loan/Car Loan	29,830.42	23,789.66
Others	1,622.15	361.49
Sub-Total (B)	32,545.21	24,854.67
Depository service income		
Annual maintenance charges	1,748.55	1,646.82
Transaction charges	1,410.91	517.00
Dematerialisation charges	5.53	13.30
Others	-	32.02
Sub-Total (C)	3,164.99	2,209.14
Total (A+B+C)	59,445.32	43,229.04



Note 22: Other operating income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Account opening charges	1,335.68	1,041.73
Research Income	23.47	58.46
Miscellaneous income	4,573.85	3,867.35
Total	5,932.99	4,967.54

Note 23 : Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Provisions written back:		
a) Incentive and Performance linked variable payment	214.91	158.87
b) Other provisions w/back	305.22	58.77
c) S&D Sub commission W/back provision	-	47.17
Profit on Sale of Property, Plant and Equipment (net)		1.44
Dividend Income	-	0.48
Other Income	-	26.58
Total	520.13	293.30



Note 24: Finance Costs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on Short Term Borrowings	198.27	183.86
Interest on Lease Liability	90.17	131.26
Total	288.44	315.12

Note 25: Fees and Commission Expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Selling and distribution sub-commission	2,615.78	2,574.50
Total	2,615.78	2,574.50

Note 26: Employee Benefits Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	16,933.76	13,640.77
Contribution to provident and other funds	1,133.89	736.01
Gratuity expense	185.20	86.67
Staff welfare expenses	366.41	345.67
Total	18,619.27	14,809.12

Note 27: Depreciation and amortisation

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation :		
Depreciation on Property Plant and Equipment (Refer Note	1,838.58	2,001.28
Depreciation on Intangible Assets (Refer Note 11)	369.76	186.97
Total	2,208.34	2,188.24



Note 28 : Other Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Lease Rent	436.09	250.79
Repairs and maintenance	315.91	380.07
Hiring Charges	638.75	463.48
Advertisement	1.95	-
Donation paid : Expense incurred on CSR Activities	207.92	145.50
Donation : Others	-	-
Travelling and Conveyance Expenses	98.72	271.91
Communication Expenses	603.78	575.29
Printing and stationery	146.85	211.29
Legal and Professional Fees	666.00	1,908.63
Director's sitting fees	8.16	8.24
Payment to Auditors	22.02	24.12
Electricity charges	111.93	140.84
Membership and subscriptions	554.92	582.12
Office Maintenance	219.36	217.29
Staff recruitment	55.42	61.30
Books and periodicals	3.63	6.26
Business promotion	15.08	161.50
Courier charges	219.52	244.05
Insurance charges	5.47	9.20
Registration charges	3.42	2.27
Rates and Taxes	29.24	248.32
Royalty Expenses	422.70	175.19
Interest on Delayed Payment of Taxes	0.95	-
Loss on sale of assets	0.02	-
Stamp and franking charges	34.73	12.64
Bank Charges	193.75	118.03
Miscellaneous Expenses	2.22	1.46
Stamp duty	-	-
Transaction charges	31.60	137.40
Depository charges	58.38	77.64
Insurance Charges-stock brokers Indemnity	9.79	0.07
Cost of outsourced staff	9,509.17	10,506.10
Other operating expenses	731.13	1,000.57
Bad Debts (net)	482.75	-
Provision for doubtful debts	-	44.00
Total	15,841.31	17,985.58

Payments to auditor

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As auditor :		
Audit fee	11.30	11.30
Tax audit fee	1.15	1.16
Quarterly limited review	2.10	2.30
In other capacity :		
Other services (certification fees)	7.47	9.38
Reimbursement of expenses	-	-
Total	22.02	24.12



Note 29:
Capital and other commitments

a) Estimated amount of contracts remaining to be executed on capital account not provided for*

As at March 31, 2021	As at March 31, 2020
915.70	1,244.63
915.70	1,244.63

* Comprise of amount payable on open purchase orders for Property, Plant and Equipment

Note 30:
Contingent liabilities

a) Claims against the Company not acknowledged as debts : 17 legal cases (PY 15 legal cases)

As at March 31, 2021	As at March 31, 2020
127.19	95.09
127.19	95.09

b) Bank Guarantees

26,625.00 18,775.00

Note 31:
Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on information available with the Company, there are no suppliers included in current liabilities who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" as at March 31, 2021.

Note 32:
Value of imports calculated on CIF basis

Capital expenditure for Software Licenses

For the year ended March 31, 2021	For the year ended March 31, 2020
98.90	-
98.90	-

Note 33:
Expenditures in foreign currency (accrual basis)

Selling and distribution sub-commission
Other operating expense
Travelling Expense

For the year ended March 31, 2021	For the year ended March 31, 2020
-	-
69.43	86.88
-	9.35
69.43	96.43

Note 34:
Earnings in foreign currency (accrual basis)

Research income

For the year ended March 31, 2021	For the year ended March 31, 2020
23.35	60.15
23.35	60.15



Note 35:

a) Gratuity

The Company has a defined benefit gratuity plan. Under this plan, every employee who has completed at least five years of service gets a gratuity on departure at the rate of 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and other comprehensive income, the funded status and amounts recognised in the balance sheet, as per Actuarial Valuation Report which has been relied upon by the Auditors.

A: Amount recognized in Balance Sheet:

The total amount of net liability / asset to be recorded in the balance sheet of the company, along with the comparative figures for previous periods, is shown in the table below:

	March 31, 2021	March 31, 2020
Present value of funded defined benefit obligation	587.77	573.80
Fair value of plan assets	536.53	24.17
Net funded obligation	51.24	549.64
Present value of unfunded defined benefit obligation	-	-
Amount not recognized due to asset limit	-	-
Net defined benefit liability / (asset) recognized in balance sheet	51.24	549.64
Net defined benefit liability / (asset) is bifurcated as follows:		
Current	-	100.45
Non-Current	51.24	449.18

B: Movement in Plan Assets:

The fair value of the assets as at the balance sheet date has been estimated by the Actuary based on the latest date for which a certified value of assets is readily available and the cash flow information to and from the fund between this date and the balance sheet date allowing for estimated interest for the period.

A reconciliation of the plan assets during the inter-valuation period is given below:

	March 31, 2021	March 31, 2020
Opening fair value of plan assets	24.17	42.88
Employer contributions	608.53	20.00
Interest on plan assets	(1.12)	0.51
Administration expenses	-	-
Remeasurements due to:	-	-
Actual return on plan assets less interest on plan assets	4.96	2.09
Benefits Paid	(99.99)	(41.08)
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	536.53	24.17

C: Disaggregation of Plan Assets

A split of plan asset between various asset classes as well as segregation between quoted and unquoted values is

	March 31, 2021	March 31, 2020
Property	-	-
Government Debt Instruments	-	-
Other Debt Instruments	-	-
Equity Instruments	-	-
Insurer Managed Funds	536.53	24.17
Others	-	-
Grand Total	536.53	24.17

D: Reconciliation of net liability / asset:

The movement of net liability / asset from the beginning to the end of the accounting period as recognized in the balance sheet of the Company is shown below:

	March 31, 2021	March 31, 2020
Opening net defined benefit liability / (asset)	549.64	430.85
Expense charged to profit & loss account	165.80	130.33
Amount recognized outside profit & loss account	(57.67)	8.46
Employer Contributions	(808.53)	(20.00)
Impact of liability assumed or (settled)	-	-
Closing net defined benefit liability / (asset)	51.24	549.64



Movement in benefit Obligations:

A reconciliation of the benefit obligation during the inter-valuation period is given below:

	March 31, 2021	March 31, 2020
Opening of defined benefit obligation	573.80	473.51
Current Service Cost	138.80	102.43
Past Service Cost	-	-
Interest on defined benefit obligation	27.88	28.41
Remeasurements due to:		
Actuarial loss/ (gain) arising from change in financial assumptions	6.06	28.48
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	(58.77)	(17.93)
Actuarial (gain) / losses on obligation	-	-
Benefits paid	(99.99)	(41.09)
Liabilities assumed / (settled) (On account of business combination or inter group)	-	-
Liabilities extinguished on settlements	-	-
Closing of defined benefit obligation	587.77	573.80

E : Amount recognized in the Statement of Profit & Loss Account as Employee Benefits Expense:

	March 31, 2021	March 31, 2020
Current service cost	138.80	102.43
Past service cost	-	-
Administration expenses	-	-
Interest on net defined benefit liability / (asset)	29.00	27.90
(Gains) / losses on settlement	-	-
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the year	-	-
Expense charged to profit & loss account	165.80	130.33

Amount Recorded in Other Comprehensive Income:

	March 31, 2021	March 31, 2020
Opening amount recognized in OCI	74.99	68.54
Remeasurements during the period due to:		
Changes in financial assumptions	6.06	28.48
Changes in demographic assumptions	-	-
Experience Adjustments	(58.77)	(17.93)
Actual return on plan assets less interest on plan assets	(4.98)	(2.09)
Adjustment to recognize the effect of asset ceiling	-	-
Amount recognized in Other Comprehensive Income before tax	17.32	74.99

The key actuarial assumptions used in determining gratuity obligation for the Company's plan are shown below :

	March 31, 2021	March 31, 2020
Discount rate (p.a.)	5.20% p.a.	5.45% p.a.
Expected rate of return on assets	-	-
Employee turnover	-	-
Salary escalation rate (p.a.)	8.00% p.a.	8.00% p.a.

	March 31, 2021	March 31, 2020
Information considered for the actuarial valuation in respect of active serving members	No. of employees 5,289	No. of employees 3,375

b) Defined Contribution Plan :

Payment to and provisions for employees includes Rs 5,87,77,050 (P.Y. March 31, 2020: Rs. 5,73,80,173) recognized as an expense in respect of defined contribution plans.

Note 36:**Leave encashment**

The principal assumptions used in determining Leave encashment obligation for the Company's plan are shown below :

	March 31, 2021	March 31, 2020
Discount rate	5.20% p.a.	5.45% p.a.
Increase in compensation cost	8.00% p.a.	8.00% p.a.

Payments to and provision for employees includes Rs. 2,02,26,009 (P.Y. March 31, 2020: 16,45,487) towards provision made as per Actuarial Valuation in respect of accumulated leave encashment debited to the Statement of Profit and Loss. Total Liability as per Actuarial Valuation and as reflected in Company's Accounts is Rs. 4,40,28,600 (P.Y. March 31, 2020: Rs. 3,68,34,687). The Company has not funded the liability.



Note 37:**Segmental information**

The Company's operations falls under a single business segment of agency/commission based services. The Company is engaged in the business of securities broking and

Note 38:

Related parties disclosures as per IND AS- 24 , as identified by the Company and relied upon by the Auditors.

Names of related parties and related party relationships

Names of related parties where control exists:

<u>Name of the Party</u>	<u>Relationship</u>
State Bank of India	Ultimate Holding Company
SBI Capital Markets Limited	Holding Company

Related parties with whom transactions have taken place during the year:

<u>Name of the Party</u>	<u>Relationship</u>
SBI Life Insurance Company Limited	Fellow Subsidiary
SBI Mutual Funds	Fellow Subsidiary
SBI DPM Ltd.	Fellow Subsidiary
SBI Fund Management Pvt Ltd.	Fellow Subsidiary
SBI Global Factors Ltd.	Fellow Subsidiary
SBI General Insurance Company Limited	Fellow Subsidiary
SBI Foundation	Fellow Subsidiary
SBI CAP Trustee Company Ltd.	Fellow Subsidiary
Nanesh Yadav, Managing Director	Key Management Personnel (From 30th October, 2018 onwards)
Malika K.P., Managing Director	Key Management Personnel (From 01.07.2018 to 29th October, 2018)
Manish Singh, Chief Financial Officer	Key Management Personnel (From 15.01.2019 onwards)
Dhanashri Kenkre, Company Secretary	Key Management Personnel

Related parties defined As per Ind AS 24 "Related Party Disclosures" have been identified on the basis of representation made by the management and information



39 .Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:

Particulars	As on 31st March 2021	As on 31st March 2020
Profit/(Loss) before income tax expense	27,711.13	11,722.72
Tax at applicable tax rate ~ 25.17%	6,974.89	2,950.61
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
Add: Tax impact on non deductible items	439.67	317.56
Less: Tax impact on Deductible Items	411.50	271.18
Add: Others	-3.06	3.01
Current tax	7,000.00	3,000.00
Effective Tax rate	25.26	25.59
Recognition of deferred tax (income)/expenses on account of following:		
Property, Plant and Equipment : (Depreciation)	-14.04	-1.43
Provision for doubtful debts	72.47	144.84
Provision for arbitrage deposit	-326.18	0.39
Provision for gratuity	124.76	12.21
Provision for performance linked variable plan	-	42.31
Provision for Incentive payable	270.27	-
Provision for other employee benefits and tax impact of OCI	15.06	16.66
Income Tax Expenses	142.34	214.98
Total Tax expense	7,142.34	3,214.98



Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company's financial risk management policy is set by the management. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Company manages market risk which evaluates and exercises independent control over the entire process of market risk management. The management recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee.

a. Credit risk

Credit Risk: Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such

Maturities of financial liabilities The tables below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities:

(Amount in Lakhs)

Contractual maturities of financial liabilities as at March 31, 2021	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings	3,674.26			
Trade Payables	23,270.95	23,270.95	-	-
Other Financial Liabilities	7,153.27	7,153.27	-	-
Total	34,098.47	30,424.21	-	-

* Borrowing of the Company is an Overdraft facility. Hence there is no contractual maturity for the same for FY ended March 31, 2020 and 2019 also.

Contractual maturities of financial liabilities as at March 31, 2020	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings	6,099.07			
Trade Payables	15,088.36	15,088.36	-	-
Other Financial Liabilities	5,560.17	5,560.17	-	-
Total	27,547.59	20,648.52	-	-

c. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities.



40: Notes to Financial Statements for the Year Ended March 31, 2021

d. Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's foreign exchange risk arises from its foreign currency borrowings (primarily in USD). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in Indian rupees may decrease.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives disclosed below):

Particulars	As at March 31, 2021		As at March 31, 2020	
	USD	INR	USD	INR
Foreign Currency Exposures (USD)	7,048.69	6.10	24,799.58	16.69
Foreign Currency Exposures (GBP)	400.00	0.29	1,812.00	1.69
Total		6.39		29.37

The above foreign currency exposures are not hedged by the derivative instruments.

The sensitivity of profit or loss due to changes in the exchange rates arises mainly from non-derivative foreign currency denominated financial instruments (mainly financial instruments denominated in USD). The same is summarized as below:

Particulars	Impact on Profit	
	As at 31.03.2021	As at 31.03.2020
USD Sensitivity		
INR / USD – Increase by 10%	(0.51)	(1.87)
INR / USD – Decrease by 10%	0.51	1.87
GBP Sensitivity		
INR / GBP – Increase by 10%	(0.03)	0.17
INR / GBP – Decrease by 10%	(0.03)	0.17

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. However the company's exposure to foreign currency loan is of fixed interest rate.

(i) Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

Variable rate borrowings

Particulars	As at March 31, 2021		As at March 31, 2020	
	Balance Q/s.	Weighted Average Interest Rate	Balance Q/s.	Weighted Average Interest Rate
Overdraft Facility	3,674.28	7.15	6,899.07	8.20
Term Loan	-	-	-	-
Total	3,674.28	7.15	6,899.07	8.20

(ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest rates – increase by 10%	(26.27)	(56.57)
Interest rates – decrease by 10%	26.27	56.57



Note 41:
Leases

Company has implemented Ind AS 116 Leases with effect from 01.04.2019 on modified retrospective approach. Following are the disclosure requirement as per Ind AS 116 for the leases which meet the definition of lease as per Ind AS 116

Particular	As at March 31, 2021	As at March 31, 2020
Right of use asset (Net of Depreciation)	1,603.32	954.02
Lease Liability	1,718.58	1,013.28
Depreciation on ROU	979.85	1,219.47
Interest on Lease liability	90.17	131.26

Note 42:
Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computation :

	March 31, 2021	March 31, 2020
Net profit / (loss) for calculation of basic EPS and diluted EPS	20,712.04	8,693.96
Weighted average number of equity shares in calculating basic and diluted EPS	96,875,000.00	96,875,000.00
Earnings per share	21.38	8.77

Note 43:
Remuneration paid to employees on deputation from the ultimate holding company - State Bank of India

Employee Name	Designation	March 31, 2021	March 31, 2020
Nareish Yadav	Managing Director (From 30.10.2019 onwards)	57.14	19.09
Malika K.P.	Managing Director (From 01.07.2018 to 29.10.2019)	-	38.58
Manish Singhal	Chief Financial Officer (From 15.01.2019 onwards)	56.54	48.16
Yadunandan R.A	Vice President IT (From 13.07.2020)	-	-
Ashok Prasad	Chief Risk Officer	-	27.77
Panigrahi Ram Chandra	Vice President-IT (Upto 29.05.2019)	40.47	9.01
Thirumalai Munusamy	Vice President-Accounts and Admin	9.07	32.82
Suman Chakravarthy S.V	Manager IT	15.00	21.27
Ravishanker Kulkarni	Vice President IT (From 02.11.2018)	11.12	32.83
Vishak Kakkar	Vice President Risk (From 30.09.2019)	20.15	19.73
	Total	209.49	249.27

Note 44:
Royalty payable to SBI has been calculated at the contractual rate on Net Profit After Tax as per Ind AS which includes expense of remeasurement of defined benefit plans forming part of employee benefits expense.



Note 45: Corporate Social Responsibility (CSR)

- a) The gross amount required to be spent by the Company during the year is Rs 207.92 Lakhs. (Previous year- Rs. 145.50 Lakhs)
 b) Amount spent during the year (covered under schedule VII of the Companies Act, 2013):

Particulars	FY 2020-21			FY 2019-20		
	In cash (Rs)	Yet to be paid in cash (Rs)	Total (Rs)	In cash (Rs)	Yet to be paid in cash (Rs)	Total (Rs)
Construction, acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above - Promoting education	207.92	-	207.92	145.50	-	145.50

Note 46:

Previous year figures

Previous year's figures have been regrouped, rearranged and reclassified wherever necessary in order to conform to the current year's presentation.

As per our report of even date attached

For Batliboi & Purshitt
 Chartered Accountants
 Firm Registration No.: 301048W
 CA Raman Rangekar
 Partner
 Membership No.: 030615

Mumbai
 April 27, 2021



For and on behalf of the Board of Directors of
 SBICAP Securities Limited

Arun Mehta
 Chairman

Mudit Singh
 Chief Financial Officer

Mumbai
 April 27, 2021

Naresh Yadav
 Managing Director & CEO

Chandrasekhar Kankine
 Company Secretary

