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**SBI Capital Markets Limited**  
**Consolidated Balance sheet as at 31st March 2019, 31st March 2018 and 1st April, 2017**  
(Rupees in lacs unless otherwise stated)

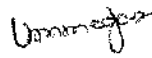
Particulars	Note	As at		
		31-Mar-19	31-Mar-18	01-Apr-17
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	2.1 (a)	21,205	1,40,877	13,338
Bank balance other than above	2.1 (b)	20,311	19,579	12,311
Receivables	2.2			
Trade Receivables		41,796	34,759	34,785
Investments	2.3	1,68,346	1,73,701	1,31,776
Other Financial assets	2.4	6,676	2,110	3,374
<b>Total Financial Assets</b>		<b>2,58,334</b>	<b>3,71,026</b>	<b>1,95,584</b>
<b>Non-financial Assets</b>				
Current tax (Net)	2.5	9,505	8,446	8,066
Property, Plant and Equipment	2.6	8,885	8,676	9,157
Capital work in progress		0	14	0
Intangible assets	2.6	356	198	443
Other non-financial assets	2.7	1,297	1,992	1,224
<b>Total Non - Financial Assets</b>		<b>20,043</b>	<b>19,326</b>	<b>18,889</b>
<b>TOTAL ASSETS</b>		<b>2,78,377</b>	<b>3,90,352</b>	<b>2,14,473</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				
Trade Payables				
Total outstanding dues of creditors other than MSME	2.8	22,290	1,30,694	9,316
Borrowings	2.9	5,099	34,154	2,406
Other financial liabilities	2.10	4,761	10,818	3,892
<b>Total Financial Liability</b>		<b>32,150</b>	<b>1,75,666</b>	<b>15,614</b>
<b>Non-Financial Liabilities</b>				
Deferred tax Liabilities (Net)	2.11	20,500	16,919	19,782
Provisions	2.12	2,009	1,721	1,671
Other non-financial liabilities	2.13	6,465	8,968	5,082
<b>Total non financial Liability</b>		<b>28,974</b>	<b>27,608</b>	<b>26,535</b>
<b>EQUITY</b>				
Equity Share capital	2.14	5,803	5,803	5,803
Other Equity	2.15	2,11,450	1,81,275	1,66,521
<b>Total Equity</b>		<b>2,17,253</b>	<b>1,87,079</b>	<b>1,72,324</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,78,377</b>	<b>3,90,352</b>	<b>2,14,473</b>

See Accompanying Notes to Financial Statements 1 & 2.1 to 2.36

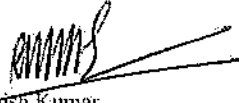
Previous gaap figures have been reclassified to conform to Ind AS presentation requirements.


As per our report of even date

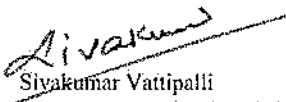
For Ummed Jain & Co  
Chartered Accountants  
Firm Registration No. 119250W

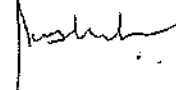
  
CA U.M.Jain  
Partner  
Membership No.: 070863

For and on behalf of Board of Directors

  
Rajnish Kumar  
Chairman

  
Sanjiv Chadha  
Managing Director & CEO

  
Sivakumar Vattipalli  
Senior Vice President & CFO

  
Amit Shah  
Company Secretary

Mumbai  
April 26, 2019



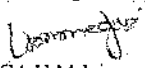
**SBI Capital Markets Limited**  
**Consolidated Statement of Profit and Loss for the year ended 31st March 2019**  
(Rs. In lacs unless otherwise stated)

Particulars	Note	For the Year Ended	
		31-Mar-19	31-Mar-18
<b>Revenue from operations</b>			
Fees and Commission Income	2.19	64,076	74,155
Interest Income	2.20	2,397	2,209
Dividend Income	2.21	3,788	4,529
Net gain on fair value changes	2.22	665	1,756
Others	2.23	7,362	7,488
<b>Total Revenue from Operations</b>		<b>78,288</b>	<b>90,137</b>
Other Income	2.24	5,541	2,781
<b>Total Income</b>		<b>83,829</b>	<b>92,918</b>
<b>Expenses</b>			
Finance Costs	2.25	819	247
Provision on doubtful debts		829	1,848
Employee Benefits Expenses	2.26	20,295	22,250
Depreciation and Amortization		1,498	1,597
Others expenses	2.27	25,031	21,424
<b>Total Expenses</b>		<b>48,472</b>	<b>47,366</b>
<b>Profit/(loss) before tax</b>		<b>35,357</b>	<b>45,552</b>
<b>Tax Expense:</b>			
(1) Current Tax		11,568	14,818
(2) Deferred Tax		154	(1,591)
<b>Profit/(loss) Before share in profit of Associate</b>		<b>23,635</b>	<b>32,325</b>
Share of net profit of associates accounted for using equity method		38	28
<b>Profit for the year</b>		<b>23,673</b>	<b>32,353</b>
<b>Other Comprehensive Income</b>			
Actuarial gains / losses on defined benefit plan - reclassified from P&L to OCI		(36)	4
Deferred Tax Expense on above		18	1
Fair valuation gain/(loss) on equity investments through Other Comprehensive Income		9,812	(3,645)
Deferred Tax Expense on above		(3,429)	1,274
Change in Foreign currency transaction reserve		106	485
<b>Other comprehensive income for the year, net of tax</b>		<b>6,471</b>	<b>(1,882)</b>
<b>Total Comprehensive Income for the period</b>		<b>30,144</b>	<b>30,471</b>
<b>Earnings Per Share</b>			
Basic		51.94	52.51
Diluted		51.94	52.51

Previous gaap figures have been reclassified to conform to Ind AS presentation requirements.

As per our report of even date

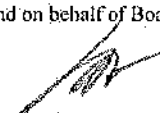
For Ummed Jain & Co  
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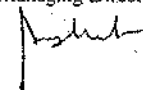
  
CA U.M.Jain  
Partner  
Membership No.: 070863

Mumbai  
April 26, 2019




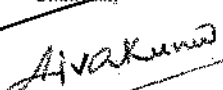
For and on behalf of Board of Directors

  
Sanjiv Chadha  
Managing Director & CEO

  
Amit Shah  
Company Secretary



  
Rajnish Kumar  
Chairman

  
Sivakumar Vattipalli  
Senior Vice President & CFO

**SBI CAPITAL MARKETS LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT**  
(Rupees in lacs unless otherwise stated)

	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>Cash flow from operating activities :-</b>		
Net profit before taxation	35,357	45,552
Adjustments for :-		
Net gain on fair value changes	(665)	(1,756)
Reversal of profit on sale of Fair value investment	848	2,735
Fair value of security deposit	(5)	(1)
(Profit) / loss on sale of assets(net)	(4)	(3)
Profit on sale of long term investments	(61)	(355)
Interest Income on long term investments	(669)	(669)
Interest Income on Fixed deposit	(1,340)	(914)
Dividend income	(3,788)	(4,529)
Interest expenses	819	247
Depreciation	1,498	1,595
Provision on investments (net of write-back)	50	-
Provision on stock-in-trade (net of write-back)	(8)	1
Provision for doubtful debts (net of write-back)	243	1,848
Adjustments for Foreign Currency Translation Reserve	106	485
Intercompany elimination difference	31	-
	(2,944)	(1,315)
Operating profit before working capital changes	32,413	44,237
Decrease / (increase) in trade receivables - current	(7,280)	(1,821)
Decrease / (increase) in Balance in Escrow accounts	5,385	(5,303)
Decrease / (increase) in Margin Money Deposit	(732)	(7,268)
Decrease / (increase) in Current Investment	21,069	(38,000)
Decrease / (increase) in other financial assets	(4,566)	1,265
Decrease / (increase) in non financial asset	695	(768)
(Decrease) / (increase) in Outstandings	(1,08,404)	1,21,377
Decrease / (increase) in Other financial liability	(6,057)	6,926
Decrease / (increase) in Other non-financial liability	155	3,591
(Decrease) / (increase) in provision for gratuity	85	255
(Decrease) / (increase) in Provision for compensated absences	165	(202)
(Decrease) / (increase) in other provisions	2	-
	(99,483)	80,052
Cash generated from operations	(67,070)	1,24,289
Income tax paid	(12,607)	(15,197)
	(12,607)	(15,197)
<b>I. Net cash from operating activities</b>	<b>(79,677)</b>	<b>1,09,092</b>
<b>Cash flow from investing activities :-</b>		
Purchase of fixed assets	(1,919)	(921)
Sale of fixed assets	65	40
Interest on long term investments	2,009	1,583
Dividend income received	3,788	4,529
Purchase of investments	(8,484)	(9,603)
Sale of investments	2,463	1,435
<b>II. Net cash from investing activities</b>	<b>(2,078)</b>	<b>(2,937)</b>
<b>Cash flow from financing activities :-</b>		
Bank borrowing availed	(29,055)	31,748
Interest expenses	(819)	(247)
Dividend payment	-	(13,058)
Tax on dividend payment	(2,658)	(2,363)
<b>III. Net cash used in financing activities</b>	<b>(32,532)</b>	<b>16,080</b>



**SBI CAPITAL MARKETS LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT**  
(Rupees in lacs unless otherwise stated)

	For the year ended 31st March 2019	For the year ended 31st March 2018
Net change in cash & cash equivalents (I+II+III)	(1,14,287)	1,22,235
Cash & cash equivalents at the beginning of the year	1,35,335	13,100
Cash & cash equivalents at the end of the year	21,048	1,35,335

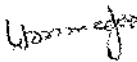
Cash and cash equivalent included in cash flow statement comprise the following balance sheet amounts :-

	As at 31st Mar-19	As at 31st Mar-18
Cash on hand	1	1
Balances with scheduled banks (current & deposit accounts)	21,047	1,35,334
Bank Overdraft (Book Overdraft shown under Current Liabilities)	-	-
	<b>21,048</b>	<b>1,35,335</b>
(Excludes amounts placed as deposits with scheduled banks and lien marked with them and balance in escrow accounts)	20,468	25,121

The Cash flow statement and the notes to accounts form an integral part of the accounts.


As per our report of even date

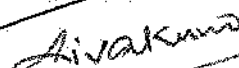
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Membership No.: 070863

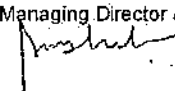
Mumbai  
April 26, 2019

For and on behalf of Board of Directors

  
Rajnish Kumar  
Chairman

  
Sivakumar Vattipalli  
Senior Vice President & CFO

  
Sanjiv Chadha  
Managing Director & CEO

  
Amit Shah  
Company Secretary





**SBI Capital Markets Limited**  
**Statement of changes in equities as at 31st March 2019 and 31st March 2018**  
 (Rupees in lac unless otherwise stated)

Particulars	No. of shares (lacs)	Amount	Security premium reserve	Retained earnings	General Reserve	Equity Instruments OCI Reserve	Capital redemption reserve	Foreign currency translation reserve	Total equity
Balance as at April 1, 2017	580.34	5,803.37	-	1,17,744	42,072	0	94	(335)	1,66,521
Changes in equity share capital	-	-	-	32,353	-	-	-	-	32,353
Balance as at March 31, 2018	580.34	5,803.37	-	4	-	-	-	-	4
Changes in equity share capital	580.34	5,803.37	-	32,357	0	0	0	0	32,357
Balance as at March 31, 2019	580.34	5,803.37	6,347	1,50,101	42,672	0	94	(335)	1,98,877
Profit for the year	-	-	-	(13,058)	-	-	-	-	(13,058)
Total comprehensive income for the period	-	-	-	(2,658)	-	-	-	-	(2,658)
Interim Dividends paid	-	-	-	(2,565)	2,565	-	-	-	(0)
Dividend Distribution Tax	-	-	-	-	-	(2,371)	-	-	(2,371)
Inter-Reserve Transfer	-	-	-	-	-	-	-	-	-
Other Movements	-	-	-	-	-	-	-	-	-
Foreign currency translation reserve	-	-	-	-	-	-	-	485	485
Balance as at March 31, 2018	6,346.63	1,31,819	45,237	23,673	-	(2,371)	94	150	1,81,275
Profit/(Loss) for the Year	-	-	-	(18)	-	-	-	-	23,673
Other comprehensive income for the year	-	-	-	148	-	-	-	-	(18)
Total comprehensive income for the period	-	-	-	23,655	-	-	-	-	23,655
Dividends paid	-	-	-	-	-	-	-	-	-
Inter-Reserve Transfer	-	-	-	-	-	-	-	-	-
Other Movements	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	31	-	6,383	-	-	6,383
Foreign currency translation reserve	-	-	-	-	-	-	-	-	31
Balance as at March 31, 2019	6,347	1,55,505	45,237	4,012	106	256	94	-	2,11,450

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Previous group figures have been reclassified to conform to Ind AS presentation requirements.

As per our report of even date

For Ummed Jain & Co  
 Chartered Accountants  
 Firm Registration No. 119250W

*Ummed Jain*  
 CA U.M. Jain  
 Partner  
 Membership No.: 070863

Mumbai  
 April 26, 2019

For and on behalf of Board of Directors

*Rajnish Kumar*  
 Chairman  
 Sanjiv Chadha  
 Managing Director & CEO

*Amit Shah*  
 Shivakumar Kampli  
 Senior Vice President & CFO  
 Amit Shah  
 Company Secretary



# SBI Capital Markets Limited

## Notes to Consolidated financial statements for the year ended March 31, 2019

### 1.1 Background

SBI Capital Markets Limited (hereinafter referred to as "the Company") is an unlisted public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at No.202, Maker Tower, 'E', 20th Floor Cuffe Parade, Colaba, Mumbai - 400 005, Maharashtra, India.

The Company is India's one of the renowned Investment Bank, offering the entire gamut of investment banking, merchant banking and corporate advisory services. These services encompass Project Advisory and Loan Syndication, Structured Debt Placement, Capital Markets, Mergers & Acquisitions, Private Equity and Stressed Assets Resolution.

The Company also offers services in the areas of Equity Broking & Research, Security Agency & Debenture Trusteeship and Private Equity Investment & Asset Management through its wholly-owned subsidiaries SBICAP Securities Limited, SBICAP Trustee Co. Ltd and SBICAP Ventures Limited, respectively.

The Company is a wholly owned subsidiary and the Investment Banking arm of State Bank of India (SBI), the largest commercial bank in India.

The Financials Statement were authorized for issue by the Company's Board of Directors on 26<sup>th</sup> April 2019.

### 1.2 Significant Accounting Policies

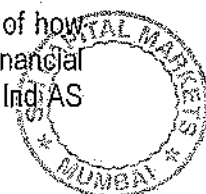
This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been consistently applied to all the years presented by the Group unless otherwise stated

#### A. Basis of Preparation

##### i. Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Group draw its consolidated financial statements as per Division III to Schedule III to the Companies Act, 2013 being applicable to Non Banking Financial Company (NBFC) having Merchant Banking operations in pursuance to MCA notification GSR 365( E) dated 11.10.2018.

These consolidated financial statements for the period ended March 31, 2019 are the first consolidated financial statements of the Group prepared in accordance with Ind AS. For all periods up to and including the year ended March 31, 2018, the Group prepared its consolidated financial statements in accordance with the Generally Accepted Accounting Principles (hereinafter referred to as 'previous GAAP') used for its statutory reporting requirement in India. Refer Note 1.4 for an explanation of how the transition from the previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows. The Group has adopted the Ind AS standards in accordance with Ind AS 101 *First time adoption of Indian Accounting Standards*.



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

#### ii. Basis of measurement

The consolidated financial statements have been prepared on historical cost basis except the following

- certain financial instrument that is measured at fair value; -
- defined benefit plans- plan assets measured at fair value; and

#### iii. Basis of Consolidation and equity accounting

##### I. Subsidiaries

The consolidated financial statements comprise the financial statements of the Company, entities (including structured entities) controlled by the Company and its subsidiaries.

Control is achieved when the Company

- has power over the investee;
- it is exposed, or has rights, to variable returns from its involvement with the investee ; and
- has the ability to affect those returns through its power over the investee.

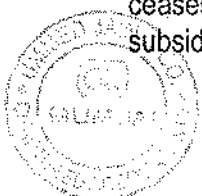
The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights if the investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements;
- the Group's voting rights and potential voting rights. In assessing control, potential voting rights that currently are exercisable are taken into account; and
- the size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder's meetings.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and ceases control when the Group loses control of the subsidiary. The income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

and loss from the effective date the Company gains control until the date when the Company ceases to control the subsidiaries.

The financial statements of the subsidiary companies and entities (including structured entities) controlled by the Company used in the consolidation are drawn up to the same reporting date as of the Company. Accounting policies of the respective subsidiaries are adjusted wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together of like items of assets, liabilities, income and expenses, after eliminating intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group in full on consolidation.

#### **Changes in the Group's ownership interests in existing subsidiaries:**

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the noncontrolling interests' share of subsequent changes in equity. Total comprehensive income is attributed to noncontrolling interests even if it results in the non-controlling interest having a deficit balance.

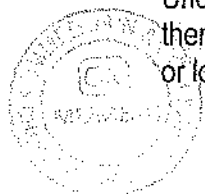
Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any noncontrolling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed of.

#### **II. Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in an associate are accounted for using the equity method of accounting.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in OCI of the investee in OCI. Dividends received or





## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

#### B. Summary of significant accounting policies

##### a. Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

##### b. Revenue recognition

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

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group activities as described below.

- **Fee based Income**

Revenue from a contract to provide services is recognised as follows:

- Issue Management and advisory fees** are recognised as per the terms of the agreement with the customer/client i.e. fee income is recognised only when the specific act/milestone defined in the agreement is executed/completed.
- Fees for private placement** are recognised on completion of the assignment.



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

The Group recognizes revenue on accrual basis when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues depends on the nature of the services rendered. Revenue is recognized when no significant uncertainty exists as to its realisation or collection.

The amount recognised as revenue in its Statement of Total Comprehensive Income is exclusive of Service Tax and Goods and Services Tax (GST) since they are amount collected on the behalf on thirs parties.

- **Interest Income**

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

- **Sale of Securities**

Gains and losses on the sale of securities are recognised on trade date. The cost of Securities is taken on weighted average method.

- **Dividend Income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

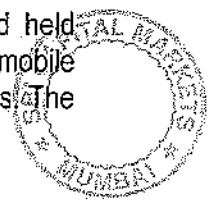
- c. **Property, Plant and Equipment**

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold is not depreciated

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, 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.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation, respectively. - All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Depreciation on Property, Plant and Equipment is provided over the useful life of the fixed assets using the written down value method as per useful life of Asset as prescribed in Part C of Schedule II to the Companies Act, 2013, except in case of computers including servers, mobile phones, hand held devices wherein the management estimates the useful life to be lower i.e 3 years. Computers, mobile phones and hand held devices are depreciated over a period of three years on straight line basis. The rates applied for all assets are equal to or higher than the rates based on the useful lives.



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

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

- Management believes based on a technical evaluation that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Estimated useful lives (in years)	Depreciation Method
Buildings	60	WDV
Computers	3	SLM
Office Equipments (other than mobile phones)	5	WDV
Furniture & Fixtures	10	WDV
Vehicles	8	WDV
Mobiles phones	3	SLM
Leasehold improvements	Over the period lease	SLM

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in consolidated financial statements.

#### Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2019 measured as per the Previous GAAP as the deemed cost of the property, plant and equipment.

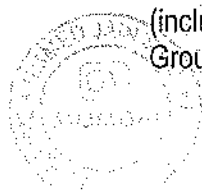
#### d. Intangible Assets

Intangible assets acquired separately are measured on initial recognition cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful life of 3 years.

#### e. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Group, is classified as investment property.



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

#### f. Taxation

##### Current taxes

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively. Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group offsets, on a year to year basis, the current tax assets and liabilities, where it has a legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

##### Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity)

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India. Credit is recognized as an asset only when and to the extent there is convincing evidence that the



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

#### **g. Fair Value measurement**

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to settle 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 liability, the Group takes into account the characteristics of the asset or liability if market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. In case of unquoted debt instruments, valuation would be done in accordance with the valuation guidelines issued by the Fixed Income Money Market and Derivatives Association of India (FIMMDA).
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

#### **h. Impairment of Non-Financial Assets**

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



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

Intangible assets that have an - indefinite useful lives and which are not subject to amortization are -are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset ( or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset ( or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### **i. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **Financial Assets**

##### **a) Initial recognition and measurement**

All financial assets are recognised initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. - Transaction cost of financial assets carried at fair value through profit or loss are expensed in profit or loss. Investments are recognised on the trade date, which is the date on which the Company enters into the trade.

##### **b) Subsequent measurement**

#### **Debt Instruments at amortised cost:**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.



Notes to Consolidated financial statements for the year ended March 31, 2019

**Debt instrument at Fair Value through Other Comprehensive Income (OCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

**Debt instrument at Fair Value through Profit or Loss (FVTPL)**

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the 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. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale/derecognition of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries is carried at cost in the consolidated financial statements.

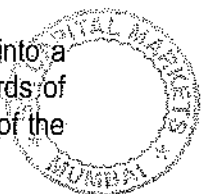
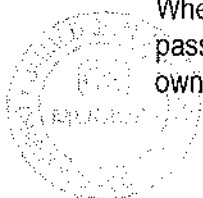
**c) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### d) Impairment of financial assets

The Group recognise impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or other financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or another financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

### Financial Liabilities

#### a) Initial recognition and measurement

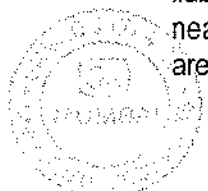
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated





## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

#### **Financial liabilities at amortised cost**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

#### **c) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **d) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **j. Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease.

#### Finance Lease as a lessee

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

#### Operating Lease as a lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

#### k. Borrowing Costs

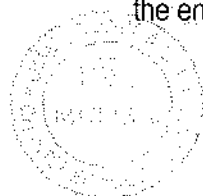
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

#### l. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. 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.

#### Dividends Provision

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



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

#### m. Provisions

Provisions are recognised when the Group has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

#### n. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements. Payments in respect of such liabilities, if any are shown as advances.

#### o. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### p. Employee Benefits

- **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 recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

- **Other Long-term employee benefit obligations**

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the treated are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

The obligations are presented as current in the balance sheet if the Group 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.

#### • Post-employment obligations

The Group operates the following post-employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.

#### Defined benefit plan - Gratuity Obligations

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation

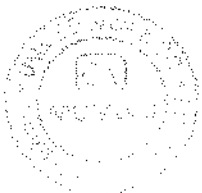
The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### Defined Contribution Plan

The Group pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Group has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

#### q. Segment Reporting

The Group identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

#### r. Foreign Currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

#### Transaction and balances

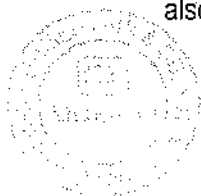
Transactions in foreign currencies are initially recorded by the Group in their functional currency spot rates at the date the transaction first qualifies for recognition.

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

Exchange differences arising on the settlement of monetary items or on translating monetary items are recognized in profit or loss except

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

#### Group Companies

For the purposes of presenting these consolidated financial statements, the results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated into INR at the exchange rate prevailing at the end of each reporting period.
- Income and expenses are translated at average exchange rates for the period (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions),
- Equity is recorded at the historical rate on the date of issue and hence, is not required to be re-translated at each subsequent reporting date, and
- All the resulting foreign exchange differences are recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR'), a component of Equity.

When the foreign operation is either partially or fully disposed off, the proportionate share or entire cumulative foreign exchange differences (pertaining to the said operation that are held in FCTR as at the date of disposal) respectively, are re-classified from Equity and considered in calculating the resulting profit / (loss) on sale of the operation. The said profit / (loss) on sale of the operation is recognised in the Statement of Profit and loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

#### **s. Earnings Per Share**

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

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

#### 1.3 Critical Accounting Judgements and Estimates

The preparation of consolidated financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the consolidated financial statements are as follows:

##### ▪ Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note. 2.36

##### ▪ Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### 1.4 First-time adoption of Ind AS

These consolidated financial statements, for the year ended March 31, 2019, are the first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the consolidated financial statements for the year ended on March 31, 2019, the comparative information presented in these consolidated financial statements for the year ended March 31, 2018 and in the preparation of an opening Ind AS balance sheet at April 1, 2017.

## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

#### 1.3 Critical Accounting Judgements and Estimates

The preparation of consolidated financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the consolidated financial statements are as follows:

- **Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note. 2.28

- **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note XX for further disclosures.

#### 1.4 First-time adoption of Ind AS

These consolidated financial statements, for the year ended March 31, 2019, are the first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the consolidated financial statements for the year ended on March 31, 2019, the comparative information presented in these consolidated financial statements for the year ended March 31, 2018 and in the preparation of an opening Ind AS balance sheet at April 1, 2017.





# SBI Capital Markets Limited

## Notes to Consolidated financial statements for the year ended March 31, 2019

In preparing its opening Ind AS balance sheet and in presenting the comparative information for the year ended March 31, 2018, the Group has adjusted the amounts reported previously in the consolidated financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). For the purpose of transition from the Indian GAAP to Ind AS, the Group has applied Ind AS 101 - First Time Adoption of Indian Accounting Standards.

An explanation of how the transition from previous GAAP to Ind AS has affected the Group financial position, financial performance and cash flows is set out in the following tables and notes

Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been described in below.

### I. Exemptions and exceptions availed on first time adoption of Ind AS 101

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS

#### • Ind AS optional exemptions

##### i. Deemed Cost

As per Ind AS 101 permits, a first time adopter to elect to continue with the carrying values for all of its property, plant and equipment as recognised in the consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used Investment properties and intangible assets.

Accordingly, the Group has elected to measure all of its property, plant and equipment, Investment properties and intangible assets at their previous GAAP carrying value.

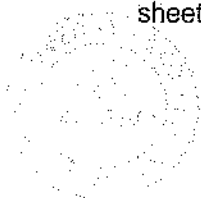
##### ii. Designation of previously recognised financial instruments

Ind AS allows an entity to designate investments in equity instruments (other than equity investments in subsidiaries, associates and joint arrangements and other than held for trading) as at fair value through other comprehensive income (FVTOCI) based on facts and circumstances at the date of transition to Ind AS. Other equity investments are classified as at fair value through profit and loss (FVTPL).

The Group has not elected to apply this exemption for its equity investments (other than equity investments in subsidiaries, associates and joint arrangements and other than held for trading) to designate it as FVTOCI.

##### iii. Measurement of Investment in subsidiaries, associates and joint ventures

Ind AS allows entity that subsequently measures an investment in a subsidiary, joint ventures or associate at cost, may measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) in its separate opening Ind AS balance sheet.



## SBI Capital Markets Limited

### Notes to Consolidated financial statements for the year ended March 31, 2019

For investments in equity instruments of subsidiaries the Group has elected to apply separate exemption available under Ind AS 101 by measuring at their previous GAAP carrying amount cost which is the deemed cost at the date of transition to Ind AS.

#### • Ind AS mandatory exceptions

##### i. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL or FVTOCI
- Impairment of financial assets based on expected credit loss model.

##### ii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Accordingly, the Group has determined the classification of financial assets based on the facts and circumstances that exist on the date of transition.

#### II. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows. The following tables represent the reconciliations from previous GAAP to Ind AS.



**SBI Capital Markets Limited**

**Notes to Consolidated financial statements for the year ended March 31, 2019**

**Reconciliation of total equity as at 31 March 2019, 31 March, 2018 and 1 April, 2017**

Rs in lakhs

	Notes	31-Mar-19	31-Mar-18	01-Apr-17
Total Equity (shareholders' funds) as per Previous GAAP		1,66,802	1,42,390	1,24,832
<b>Adjustments</b>				
Fair valuations of investments	1	76,477	66,851	71,468
Fair valuation of Security deposits		0	(5)	(7)
Provision for expected credit losses on trade receivables	2	669	1,409	1,163
Tax effects of adjustments		(26,694)	(23,567)	(25,132)
<b>Total adjustments to equity</b>		<b>50,451</b>	<b>44,689</b>	<b>47,492</b>
<b>Total Equity as per Ind AS</b>		<b>2,17,253</b>	<b>1,87,079</b>	<b>1,72,324</b>

**Reconciliations of total comprehensive income for the year ended 31 March 2019 and 31 March 2018**

Rs in lakhs

	Notes	31-Mar-19	31-Mar-18
Profit after tax as per previous GAAP		24,381	33,273
<b>Adjustments</b>			
Fair valuations of investments	1	(183)	(971)
Provision for expected credit losses on trade receivables	2	(743)	246
Fair value gain/loss on security deposit		5	1
Re-measurements of post-employment benefit obligations	3	37	(1)
Tax effects of adjustments		283	289
<b>Total adjustments</b>		<b>(601)</b>	<b>(436)</b>
<b>Profit after tax as per Ind AS</b>		<b>23,673</b>	<b>32,353</b>
<b>Other comprehensive income</b>		<b>6,517</b>	<b>(1,882)</b>
<b>Total Comprehensive Income as per Ind AS</b>	4	<b>30,144</b>	<b>30,471</b>



Notes to Consolidated financial statements for the year ended March 31, 2019

III. Notes to first-time adoption

i) Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognized in retained earnings as at the date of transition and subsequently in the profit or loss for trade investments and other comprehensive income for long unquoted equity shares for the year ended 31 March 2018 and 31 March 2019 respectively. This increased the retained earnings by INR 76477/- as at 31 March 2019 and INR 66851/- lakhs as at 31 March 2018 (1 April 2017- INR 71468/- lakhs) and profit for the year ended 31 March 2019 and 31 March 2018 decrease by INR (183)/- lakhs and decrease by (971)/- respectively.

ii) Trade receivables

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts increased by INR 669/- lakhs and INR 1,409/- lakhs as at 31 March 2019 and 31 March 2018 (1 April 2017- INR 1,163/- lakhs) and profit for the year ended 31 March 2019 and 31 March 2018 decrease by INR 743/- lakhs and increase by 246/- lakhs respectively.

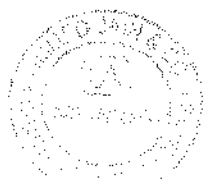
iii) Remeasurements of post- employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss.

Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended 31 March 2019 and 31 March 2018 increased and decrease by INR 37/- and INR 1/- lakhs respectively. There is no impact on the total equity.

iv) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as "other comprehensive income" includes remeasurement of defined benefit plans and fair value gains or (losses) on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.



**SBI Capital Markets Limited**  
(Rupees in lacs unless otherwise stated)

**NOTE - 2.1**

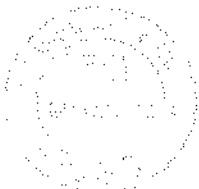
**Cash and cash equivalents**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>(a) Cash and Cash equivalents</b>			
Balances with banks			
- In current accounts	21,047	1,35,331	13,099
- In current accounts-Escrow Accounts	157	5,542	238
Cash on hand	1	1	1
Cheques in hand	-	3	-
<b>Total</b>	<b>21,205</b>	<b>1,40,877</b>	<b>13,338</b>
<b>(b) Bank balance other than (a) above</b>			
Deposit accounts with original maturity Less than 12 months	6,634	5,358	5,231
Deposit accounts with original maturity more than 12 months	5	235	680
Margin money deposit	13,672	13,986	6,400
<b>Total</b>	<b>20,311</b>	<b>19,579</b>	<b>12,311</b>

**NOTE - 2.2**

**Receivables**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>Trade Receivables</b>			
<b>Non-current</b>			
(i) Trade Receivables	19	19	19
<b>Total (A)</b>	<b>19</b>	<b>19</b>	<b>19</b>
<b>Current</b>			
(i) Trade Receivables			
Secured, considered good	10,044	3,100	3,930
Unsecured, considered good	33,212	34,159	33,774
Less: Impairment	(9,274)	(9,861)	(8,346)
Doubtful	1,595	896	582
Less: Impairment	(1,940)	(1,112)	(780)
(ii) Receivable from related parties	8,140	7,558	5,606
<b>Total (B)</b>	<b>41,777</b>	<b>34,740</b>	<b>34,766</b>
<b>Total (A+B)</b>	<b>41,796</b>	<b>34,759</b>	<b>34,785</b>



**SBI Capital Markets Limited**  
(Rs in Lacs unless otherwise stated)

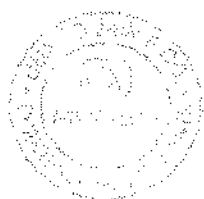
**NOTE – 2.3**

Investments Particulars	As at					
	31 March 2019		31 March 2018		01 April 2017	
	Units	Amount	Units	Amount	Units	Amount
<b>Non-Current</b>						
(a) Investment in Equity instruments						
- Quoted						
- Unquoted:						
Investments carried at fair value through statement of other comprehensive income (FVOCI)						
National Stock Exchange of India (Bonus issue 195000 shares and 536250 share offered for OES before split held in escrow account)	2,14,50,000	72,745	2,14,50,000	63,345	2,14,50,000	65,260
OTC Exchange of India of Rs. 10 each	11,00,000	*-	11,00,000	*-	11,00,000	*-
Investor Services India Ltd of Rs. 10 each (company under voluntary liquidation)	5,35,768	-	5,35,768	-	5,35,768	-
ONGC Mittal Energy Ltd of USD 1 each	10,00,000	*-	10,00,000	*-	10,00,000	*-
Receivable Exchange of India Ltd of Rs. 10 each	15,25,000	260	15,25,000	306	15,25,000	270
SBI Home Finance Ltd of Rs. 10 each	10,32,500	*-	10,32,500	*-	10,32,500	*-
<b>Sub-total</b>		<b>73,005</b>		<b>63,651</b>		<b>65,530</b>
<b>Investment in Equity Instruments - Parent's Subsidiaries (unquoted)- fully paid up</b>						
Investments carried at fair value through FVOCI						
SBI DFHI Ltd of Rs. 100 each (formerly known as SBI Gilts Ltd) (Percentage holding in the Company is 3.12%)	5,95,295	2,753	5,95,295	2,346	6,81,818	4,710
State Bank of India Servicos Limitada Brazil (0.01% contribution)	1	-	1	-	-	-
SBI Foundation Ltd of Rs 10 each  (Percentage holding in the Company is 0.1% (2017 : 0.1%))	1,001	-	1,001	-	1,001	-
<b>Sub-total</b>		<b>2,753</b>		<b>2,346</b>		<b>4,710</b>
<b>Investment in Equity Instruments - Associates (unquoted)- fully paid up</b>						
Investment shown at cost less impairment						
SBI Pension Funds Pvt Ltd of Rs 10 each  (Percentage holding in the Company is 20% (2017 : 20%))	60,00,000	768	60,00,000	730	60,00,000	702
<b>Sub-total</b>		<b>768</b>		<b>730</b>		<b>702</b>
<b>Total</b>		<b>76,526</b>		<b>66,727</b>		<b>70,942</b>
Investments carried at fair value through Fair Value through Profit and Loss (FVTPL)						
(b) Investments in AIF units - unquoted						
Stellaris Ventures Partners India I Fund	431	431	-	-	-	-
Neev Fund	-	4,769	-	3,216	-	2,113
<b>Total</b>		<b>5,200</b>		<b>3,216</b>		<b>2,113</b>

Investments carried at FVTPL



Particulars	31 March 2019		31 March 2018		01 April 2017	
	Units	Amount	Units	Amount	Units	Amount
(c) Investments in Mutual funds						
- Quoted		-		-		-
- Unquoted		13,228		8,698		622
<b>Total</b>		<b>13,228</b>		<b>8,698</b>		<b>622</b>
Investment carried at amortised cost						
(d) Investments in debentures or bonds						
- Quoted						
8.20% bonds of National Highway Authority of India Ltd (Taxfree) of Rs. 1,000/- each	54,876	549	54,876	549	54,876	549
HFCL Bonds - 8.01% (Tranche- 1)	15,000	150	15,000	150	15,000	150
8.20% Power Finance Corporation Ltd (Taxfree) of Rs. 1,000/- each	71,197	712	71,197	712	71,197	712
8.10% bonds of India Railways Finance Corporation Ltd (Taxfree) of Rs. 1,000/- each (300000 units pledged to SBI for loan of a subsidiary)	3,04,510	3,045	3,04,510	3,045	3,04,510	3,045
7.38% Rural Electrification Corporation Ltd (Taxfree) of Rs. 1,000/- each (100000 units pledged to SBI for loan of a subsidiary)	1,00,000	1,000	1,00,000	1,000	1,00,000	1,000
7.34 % Indian Railways Finance Corporation Ltd (Taxfree) of Rs. 1,000/- each (100000 units pledged to SBI for loan of a subsidiary)	1,00,000	1,000	1,00,000	1,000	1,00,000	1,000
8.63% Rural Electrification Corporation Ltd (Taxfree) of Rs. 1000/- each	1,00,000	1,000	1,00,000	1,000	1,00,000	1,000
8.55% India Infrastructure Finance Company Ltd (Taxfree) of Rs. 1000/- each	1,00,000	1,000	1,00,000	1,000	1,00,000	1,000
		<b>8,456</b>		<b>8,456</b>		<b>8,456</b>
<b>Sub-total</b>		<b>8,456</b>		<b>8,456</b>		<b>8,456</b>
- Unquoted		-		-		-
<b>Total</b>		<b>8,456</b>		<b>8,456</b>		<b>8,456</b>
<b>Total Non-current Investment</b>		<b>1,03,410</b>		<b>87,097</b>		<b>82,133</b>
* Fully provided for.						



**SBI Capital Markets Limited**  
(Rs in Lacs unless otherwise stated)

Particulars	31 March 2019		As at 31 March 2018		01 April 2017	
	Units	Amount	Units	Amount	Units	Amount
<b>Current</b>						
(a) Held for Trading in Debentures or Bonds						
- Quoted	-	-	-	-	-	-
- Unquoted - Investment carried at FVTPL						
7.8409% Bajaj Finance Ltd.	-	-	-	-	1,750	10,032
7.6% Power Finance Ltd.	-	-	-	-	1,000	17,643
8.09% Rural Electrification Corporation Ltd.	-	-	2,250	22,886	-	-
8.80% Capital First Ltd	-	-	3,000	30,439	-	-
8.30% Rural Electrification Corporation Ltd	4,000	40,092	-	-	-	-
8.98% Power Finance Corporation	1,000	10,010	-	-	-	-
<b>Sub Total</b>		<b>50,102</b>		<b>53,325</b>		<b>27,675</b>
<b>Preference Shares (unquoted) fully paid up</b>						
0.0001% preference shares of Pasupati Fabrics Ltd of Rs.10/- each (At cost less provision Rs. 14 ( 2018: 14))	1,40,000	*-	1,40,000	*-	1,40,000	*-
<b>Sub Total</b>		-		-		-
<b>Investment in Equity Instruments (unquoted)- fully paid up</b>						
Cremica Agro Foods Ltd of Rs.10/- each (At cost less provision for Rs. 3 (2018: 3))	15,400	*-	15,400	*-	15,400	*-
<b>Sub-total</b>		-		-		-
(b) Held for Trading in Mutual Funds						
- Quoted	-	-	-	-	-	-
- Unquoted - Investments carried at FVTPL		14,834		33,279		21,968
<b>Sub-total</b>		<b>14,834</b>		<b>33,279</b>		<b>21,968</b>
<b>Total Current Investment</b>		<b>64,936</b>		<b>86,604</b>		<b>49,643</b>
<b>Total Investment</b>		<b>1,68,346</b>		<b>1,73,701</b>		<b>1,31,776</b>

\* Fully provided for.





**SBI Capital Markets Limited**  
(Rupees in lacs unless otherwise stated)

**NOTE - 2.4**

**Other financial assets**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>Current</b>			
Security deposits	91	31	31
Loans to and receivables from related parties	42	21	22
Interest accrued - Downselling	74	91	37
Interest accrued on investments	256	256	275
Interest accrued on Bank deposits	466	364	473
Dividend income	-	42	341
Income Receivable	44	20	-
Loans to employees	27	58	65
Debts outstanding for a period exceeding six months from the date they	-	16	17
Advances considered good	86	117	133
Interest receivable on income-tax refund	3,639	-	-
Expenses Recoverable	-	4	1
Others	6	4	4
<b>Total Current</b>	<b>4,731</b>	<b>1,024</b>	<b>1,399</b>
<b>Non Current</b>			
Security deposits	497	630	594
Others-deposits	1,422	430	380
Less : Provision for expected credit loss	(4)	(4)	(4)
Non current bank balance	30	30	1,005
<b>Total Non Current</b>	<b>1,945</b>	<b>1,086</b>	<b>1,975</b>
<b>Total</b>	<b>6,676</b>	<b>2,110</b>	<b>3,374</b>

**NOTE - 2.5**

**Current Tax Asset (Net)**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
Current Tax	9,505	8,294	7,914
Advance interest tax	-	152	152
<b>Total</b>	<b>9,505</b>	<b>8,446</b>	<b>8,066</b>



**SBI CAPITAL MARKETS LIMITED**  
Notes to Financial Statements for the period ended 31st March, 2019  
(Rupees in lacs unless otherwise stated)

NOTE - 2.6

	TANGIBLE ASSETS										INTANGIBLE ASSETS		Total			
	Building (Refer Note I)	Computers	Furniture & Fixtures	Office Equipments	Vehicles	Lease hold Improvement	Plant, Machinery & Equipments Leaset Assets	Software								
<b>GROSS BLOCK</b>																
	Gross value															
	Balance As at 1st April 17	9,516	4,750	1,136	1,015	30	153	4,020		4,020		4,797			25,417	
	Additions	-	758	12	69	14	-	-		-		53			905	
	Deductions/Transfers	-	112	8	36	30	-	-		-		-			187	
	Balance As at 31st Mar 18	9,516	5,396	1,139	1,048	14	153	4,020		4,020		4,850			26,136	
	<b>Accumulated depreciation</b>															
	Balance As at 1st April 17	1,861	3,740	351	839	24	127	4,020		4,020		4,354			15,817	
	Additions	383	677	102	124	4	10	-		-		297			1,597	
	Deductions/Transfers	-	92	7	29	25	-	-		-		-			153	
	Balance As at 31st Mar 18	2,244	4,325	946	934	4	138	4,020		4,020		4,651			17,281	
	<b>Gross value</b>															
	Balance As at 1st April 18	-	5,396	1,139	1,048	14	153	4,020		4,020		4,850			16,619	
	Additions/ Adjustments	9,516	1,821	39	45	-	-	-		-		311			11,432	
	Deductions/Transfers	-	521	20	106	-	53	-		-		183			892	
	Balance As at 31st March 19	9,516	6,396	1,158	986	14	100	4,020		4,020		4,977			27,169	
	<b>Accumulated depreciation</b>															
	Balance As at 1st April 18	2,244	4,325	946	934	4	138	4,020		4,020		4,661			17,261	
	Additions/ Adjustments	364	810	84	75	5	7	-		-		154			1,488	
	Deductions/Transfers	-	487	23	94	-	45	-		-		183			832	
	Balance As at 31st March 19	2,608	4,649	1,007	915	8	100	4,020		4,020		4,821			17,928	
	<b>NET BLOCK</b>															
	As at 31st March 19	6,909	1,747	152	71	6	0	-		-		356			9,241	
	As at 31st March 18	7,273	1,071	193	114	10	15	-		-		198			8,874	
	As at 1st April 17	7,652	1,010	285	175	6	26	-		-		443			9,600	

Note :

I. Building includes cost of 15 shares of Rs. 100/- each held by the Company in a co-operative housing society.



**SBI Capital Markets Limited**  
(Rupees in lacs unless otherwise stated)

**NOTE - 2.7**

**Other non-financial assets**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-18
<b>CURRENT</b>			
Service Tax refund	4	-	-
Advances	110	153	133
Advances to Employees	19	14	4
Other deposits	1	1	1
Advances for expenses	-	342	160
Prepaid expenses	380	572	425
GST credit	721	596	79
Others	5	1	0
VAT refund due	5	7	7
<b>Total Current</b>	<b>1,245</b>	<b>1,686</b>	<b>809</b>
<b>NON CURRENT</b>			
Prepaid expenses	52	152	403
Capital Advances	-	154	12
<b>Total Non current</b>	<b>52</b>	<b>306</b>	<b>415</b>
<b>Total</b>	<b>1,297</b>	<b>1,992</b>	<b>1,224</b>

**NOTE - 2.8**

**FINANCIAL LIABILITIES**

**Payables**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>Current</b>			
Total outstanding dues of creditors other than MSME	66	73	71
(i) Trades executed not settled (exchanges)	868	2,704	2,151
(ii) Trade payables (relating to Brokerage business)	21,102	1,27,356	6,603
(iii) Trade payables (Selling and Distribution and others)	196	544	471
<b>Total Current</b>	<b>22,232</b>	<b>1,30,677</b>	<b>9,295</b>
<b>Non Current</b>			
Total outstanding dues of creditors other than MSME	45	2	2
(i) Others	13	15	19
<b>Total Non current</b>	<b>58</b>	<b>17</b>	<b>21</b>
<b>Total</b>	<b>22,290</b>	<b>1,30,694</b>	<b>9,316</b>

**NOTE - 2.9**

**Borrowings**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>Current</b>			
<b>Unsecured, Payable on demand</b>			
Working capital loan	5,099	34,154	2,406
<b>Total</b>	<b>5,099</b>	<b>34,154</b>	<b>2,406</b>



**SBI Capital Markets Limited**  
(Rupees in lacs unless otherwise stated)

**NOTE - 2.10**

**Other financial liabilities**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>Current</b>			
Provision for Bonus	1,797	3,322	2,288
Others-Payable for Capital Expenditure	442	69	170
Payables in respect of employees	2,288	1,796	1,110
Retention monies	2	2	2
Trust Settlement Fees	4	2	3
Capital creditors	-	-	1
Provision for expenses	2	11	4
Advances received for CERSAI & Others	125	5,519	237
<b>Total Current</b>	<b>4,660</b>	<b>10,721</b>	<b>3,815</b>
<b>Non -Current</b>			
Other deposits	36	26	6
Lease deposits	46	46	46
Retention money for Capital expenditure	7	13	15
Trust Settlement Fees	13	12	10
<b>Total Non current</b>	<b>101</b>	<b>97</b>	<b>77</b>
<b>Total</b>	<b>4,761</b>	<b>10,818</b>	<b>3,892</b>

**NOTE - 2.11**

**NON-FINANCIAL LIABILITIES**

**Deferred Tax Liability/ (Asset)**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
Deferred Tax Liability/ (Asset)	20,500	16,919	19,782
<b>Total</b>	<b>20,500</b>	<b>16,919</b>	<b>19,782</b>

**NOTE - 2.12**

**Provisions**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>Current</b>			
Provision for compensated absences	366	268	230
Provision for Gratuity	68	14	-
Others	2	-	-
Income tax provision	-	-	-
<b>Total Current</b>	<b>436</b>	<b>282</b>	<b>230</b>
<b>Non -Current</b>			
Provision for compensated absences	907	841	1,077
Provision for Gratuity	666	598	361
<b>Total Non current</b>	<b>1,573</b>	<b>1,439</b>	<b>1,438</b>
<b>Total</b>	<b>2,009</b>	<b>1,721</b>	<b>1,668</b>

**NOTE - 2.13**

**Other non-financial liabilities**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>Current</b>			
Advance from customers	866	790	509
Sundry liabilities	83	48	0
TDS payable	1,377	1,515	413
GST/Service tax payable	903	1,393	231
Dividend distribution tax	-	2,658	2,363
Provident fund payable	45	61	61
Royalty payable	105	139	-
Income received in advance	-	-	5
Advances received for CERSAI & Others	2	2	1
Other payables	3,084	2,362	1,499
<b>Total</b>	<b>6,465</b>	<b>8,968</b>	<b>5,082</b>



**SBI Capital Markets Limited**  
(Rupees in lacs unless otherwise stated)

**NOTE - 2.14**

**Equity Share Capital**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>Authorised</b>			
Number of Preference Shares	25,10,00,000	25,10,00,000	25,10,00,000
Preference Shares of Rs.100 each (Amount)	26,000	26,000	26,000
Number of Equity Shares	10,00,00,000	10,00,00,000	10,00,00,000
Equity Shares of Rs.10 each (Amount)	10,000	10,000	10,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Issued, Subscribed and Fully Paid Up</b>			
Number of Equity Shares	5,80,33,711.00	5,80,33,711.00	5,80,33,711.00
Equity Shares of Rs.10 each (Amount)	5,803	5,803	5,803
<b>Total</b>	<b>5,803</b>	<b>5,803</b>	<b>5,803</b>

**NOTE - 2.15**

**Other Equity**

Particulars	As at		
	31-Mar-19	31-Mar-18	01-Apr-17
<b>General Reserve</b>			
Balance as per the last financial statements	45,236	42,672	42,672
Add : amount transferred from surplus balance in the statement of profit and loss	-	2,565	-
<b>Closing Balance</b>	<b>45,236</b>	<b>45,236.00</b>	<b>42,672</b>
<b>Surplus in Statement of Profit and Loss</b>			
Balance as per the last financial statements	1,31,820	1,17,744	1,08,704
Profit for the year	23,673	32,353	25,306
Add/Less : Appropriations/ Adjustments			
Interim dividend	-	(13,058)	(11,607)
Dividend distribution tax	-	(2,658)	(2,363)
Transfer to general reserve	-	(2,565)	(2,296)
Remeasurement of Actuarial gain/loss through OCI	(18)	4	-
Other adjustments	31	-	-
Total appropriations	13	(18,277)	(16,266)
<b>Closing Balance</b>	<b>1,55,506</b>	<b>1,31,819.99</b>	<b>1,17,744</b>
<b>Securities Premium Account</b>	<b>6,347</b>	<b>6,346.63</b>	<b>6,347</b>
<b>Equity instruments through Other Comprehensive Income</b>	<b>4,012</b>	<b>(2,371.03)</b>	<b>-</b>
<b>Capital redemption reserve</b>	<b>94</b>	<b>93.80</b>	<b>93.80</b>
Foreign Currency Translation Reserve- Opening Balance	150	(335)	202
Add: Foreign Currency Translation during the year	106	485	(537)
<b>Foreign Currency Translation Reserve- Closing Balance</b>	<b>256.00</b>	<b>150.05</b>	<b>(335)</b>
<b>Total</b>	<b>2,11,450</b>	<b>1,81,275</b>	<b>1,66,521</b>



**SBI Capital Markets Limited**  
(Rupees in lacs unless otherwise stated)

<b>Revenue from operations</b>	As at	
Particulars	Mar 19	Mar 18
<b>NOTE - 2.19</b>		
<b>Fees and Comission Income</b>		
Issuc management Fees	1,349	4,758
Arrangei's fees	1,601	938
Advisory fees	22,643	35,915
Brokerage	35,630	29,857
Trusteeship Acceptance Fees	803	478
Trusteeship Service Charges	2,049	2,208
Trusteeship Income from Will Services	1	1
<b>Total</b>	<b>64,076</b>	<b>74,155</b>
<b>NOTE - 2.20</b>		
<b>Interest Income</b>		
Interest Income on Investments	1,057	1,295
Interest from deposits with banks	1,340	914
<b>Total</b>	<b>2,397</b>	<b>2,209</b>
<b>NOTE - 2.21</b>		
<b>Dividend Income</b>		
- Subsidiary Companies	110	196
- Others	3,678	4,333
<b>Total</b>	<b>3,788</b>	<b>4,529</b>
<b>NOTE - 2.22</b>		
<b>Net gain on fair value changes</b>		
Fair value change in FVTPL instrument (unrealised)	665	1,756
<b>NOTE - 2.23</b>		
<b>Others</b>		
Profit/(loss) on sale of investments (net)	61	(147)
Trading profits/(loss) on stock-in-trade (net)	2,872	2,629
Other operating income	4,429	5,006
<b>Total</b>	<b>7,362</b>	<b>7,488</b>
<b>NOTE - 2.24</b>		
<b>Other Income</b>		
Particulars	Mar 19	Mar 18
Bad debts recovered	208	2,257
Provision written back-doubtful debts	587	-
Provision written back-leave encashment	10	263
Profit on sale of Fixed assets	4	3
Provision for Current investment	8	-
Exchange differences (net)	93	-
Provision for bonus written back	-	182
S&D sub-commission payable written back	146	-
Interest on Income Tax refund	3,645	-
Others	840	76
<b>Total</b>	<b>5,541</b>	<b>2,781</b>



**SBI Capital Markets Limited**  
(Rupees in lacs unless otherwise stated)

**NOTE - 2.25**

**Finance costs**

Particulars	As at	
	Mar 19	Mar 18
Interest on Bank Overdraft	777	247
Other borrowing costs	42	-
<b>Total</b>	<b>819</b>	<b>247</b>

**NOTE - 2.26**

**Employee Benefits Expenses**

Particulars	As at	
	Mar 19	Mar 18
Salaries, wages and bonus	18,506	20,350
Staff welfare expenses	493	541
Contribution to provident and other funds	803	763
Contribution to Superannuation	180	229
Gratuity contribution/expenses (Refer note 20)	313	367
<b>Total</b>	<b>20,295</b>	<b>22,250</b>

**NOTE - 2.27**

**Others expenses**

Particulars	As at	
	Mar 19	Mar 18
Selling and distribution sub-commission	1,749	2,600
Legal & Professional Fees	1,845	2,260
Conveyance & Travelling	1,096	1,442
Rental charges	1,578	1,637
Rates & Taxes	172	47
Royalty Expenses	630	230
Bad Debts Written off	2,560	585
Postage, telephone and telex	370	451
Advertisement Expenses	28	56
Printing & Stationery	288	328
Electricity Expenses	223	251
Repairs & Maintenance Building	173	149
Repairs & Maintenance Others	553	706
Insurance	145	161
Auditors Remuneration	52	42
Director's Sitting Fees	20	17
Tax on Perquisites	0	5
Office Maintenance	295	265
Training Charges	203	361
Membership & Subscription	806	717
Filing Fees & Other Charges	345	587
Contribution towards CSR	828	323
Miscellaneous expenses	11,020	8,007
Provision for Long Term Investments	50	-
Provision for Current investment	-	1
Exchange differences (net)	1	196
Loss on sale of asset	0	0
<b>Total</b>	<b>25,031</b>	<b>21,424</b>



**SBI Capital Markets Limited**  
Notes to Financial Statements for the period ended 31st March 2019  
(Rs in Lacs unless otherwise stated)

**NOTE – 2.28**

**Deferred tax liabilities**

	As at 31-Mar-19	As at 31-Mar-18	As at 01-Apr-17
<b><u>Deferred Taxes</u></b>			
Tax Asset / (Liability) due to timing difference in respect of:			
<b>Deferred tax assets/(liability)</b>			
Depreciation on fixed assets	393	371	93
Provision for Bonus	325	707	402
Provision on Gratuity	253	209	114
Provision on other employee benefit	123	93	66
Provision on compensated leave	274	278	374
Provision for doubtful debts	4,076	4,245	3,525
Carryforward of Losses	0	0	23
Provision for Arbitrage Deposit	729	723	744
Fair Valuation of Investments	-25,566	-25,313	-24,729
ECL Impairment (Provision for doubtful debts differential)	-206	-461	-393
Reversal of gain/loss on Short term Investment sold	1,252	956	0
Fair valuation of Investments through OCI	-2,155	1,274	0
	<b>-20,500</b>	<b>-16,918</b>	<b>-19,782</b>
Less : Opening Deferred Tax Asset	<b>-16,918</b>	<b>-19,782</b>	
<b>Deferred tax credit / (expense) for the year -</b>	<b>3,582</b>	<b>-2,864</b>	
<b>Carried to statement of Profit and Loss</b>	<b>167</b>	<b>-926</b>	
<b>Carried to Other Comprehensive Income</b>	<b>3,429</b>	<b>-1,274</b>	





**SBI CAPITAL MARKETS LIMITED**  
Notes to Financial Statements for the period ended 31st March 2019  
(Rupees in lacs unless otherwise stated)

**NOTE - 2.29**

**Earnings per equity share (EPS)**

	For the year ended 31st March-19	For the year ended 31st March-18
I Basic and diluted EPS (Rs.)	51.94	52.51
II Nominal value per share (Rs.)	10	10

EPS has been calculated based on the net profit after taxation of Rs.30,144 (2018: Rs.30,471) and the weighted average number of equity shares outstanding during the year of 5,803 (2018: 5,803).

Basic and diluted EPS has been computed by dividing net profit after tax by weighted average number of equity shares outstanding during the year. There are no dilutive potential equity shares outstanding during the year.

**NOTE - 2.30**

**CONTINGENT LIABILITIES AND COMMITMENTS**

	As at 31st March-19	As at 31st March-18
(i) Claims against the Company not acknowledged as debts	401	369
(ii) Guarantees issued	20,391	17,919
(iii) Capital Commitments	1,756	1,562
(iv) Disputed demands for Service Tax (FY 2011-12 to FY 2015-16) under appeal	577	465

Guarantee issued includes Rs. 64 Represents our share of guarantees issued by SBI Pension Funds Private Ltd. (Associate)

**NOTE - 2.31**

**Disputed Income Tax Demand**

Based on the legal advice and favourable legal decisions by various authorities, no provision has been made in respect of income tax demands aggregating to Rs.17,709 (2018: Rs.7,601) in excess of provision held. These demands have been contested by the Company.

**NOTE - 2.32**

**SUPPLEMENTARY PROFIT AND LOSS DATA**

(a) Payments to auditors (excluding service tax) (included in Legal and professional fees)

As auditors	68	55
For tax audit	3	3
For other matters	13	15
For out-of-pocket expenses	1	1
	<u>85</u>	<u>74</u>

(b) Expenditure in foreign currency

Travel and other expenses	289	160
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(c) Earnings in foreign currency

Advisory fees from overseas clients and reimbursement of expenses	864	4,254
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**NOTE - 2.33**

The Company is operating under single segment.



**NOTE - 2.34**

**RELATED PARTIES**

The following is the list of parties related due to control criteria as per AS-18, Related Party Disclosure:

<u>Name of the Party</u>	<u>Relationship</u>
State Bank of India	Holding Company

The following is the list of parties related due to significant influence criteria as per Ind AS-24 with whom the transactions have taken place during the year:

<u>Name of the Party</u>	<u>Relationship</u>
SBI DFHI Limited	Fellow Subsidiary
SBI Funds Management Pvt. Limited	Fellow Subsidiary
SBI Life Insurance Company Limited	Fellow Subsidiary
SBI Cards & Payment Services Pvt. Limited	Fellow Subsidiary
SBI Global Factors Ltd.	Fellow Subsidiary
SBI Pension Funds Pvt. Ltd	Fellow Subsidiary & Associate
SBI General Insurance Co Ltd.	Fellow Subsidiary
SBI Mauritius Ltd	Fellow Subsidiary
SBI Foundation Limited	Fellow Subsidiary
State Bank of India Servicos Limitada Brazil	Fellow Subsidiary
SBI Macquarie Infrastructure Investment Pte Ltd	Associate of SBI
SBI Macquarie Infrastructure Trust	Associate of SBI
SBI Home Finance Limited	Associate of SBI
Straits Law Practice	Enterprise over which Key Managerial Personnel are able to exercise significant Influence.
Shri Sanjiv Chadha, Managing Director & Chief Executive Officer (from 21st February 2019 onwards)	Key Management Personnel
Shrimati Varsha Purandare, Managing Director & Chief Executive Officer (upto 31st December 2018)	Key Management Personnel
Shrimati Uma Shanmukhi Sistla, Whole Time Director (from 12th July 2018 onwards)	Key Management Personnel
Shri Biswa Ketan Das, Whole Time Director (upto 15th June 2018)	Key Management Personnel
Shri Sivakumar Vattipalli, Senior Vice President & Chief Financial Officer (from 12th July 2018 onwards)	Key Management Personnel
Shri Amit Shah, Company Secretary	Key Management Personnel



**SBI CAPITAL MARKETS LIMITED**  
Notes to Financial Statements for the period ended 31st March 2019  
(Rupees in lacs unless otherwise stated)

Details of Transactions with the above related parties are as under :

Particulars	Holding Company		Subsidiaries		Fellow Subsidiaries/Associates		Key Managerial Personnel		Enterprise over which Key Managerial Personnel are able to exercise significant	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
<b>Expenses during the year ended</b>										
Deputation of Employees	544	554								
Salaries & Allowances										
Shrimali Varsha Purandare							40	10		
Shrimali Uma Shanmukhi Sista							26	-		
Shri Ashwani Bhatia							-	8		
Shri Biswa Ketan Das							9	4		
Shri Sivakumar Vattipalli							19	-		
Shri Navinchandra Amin							-	5		
Shri Amit Shah							-	30		
Rent	64	59								
SBI Fund Management Pvt. Ltd.							-	10		
Bank & Other Charges	119	83								
Royalty Expense	630	259								
Insurance Expense										
SBI Life Insurance Company Limited							111	29		
SBI General Insurance Co Ltd.							32	3		
Legal & Professional Fees										
Straits Law Practice									1	2
Trusteeship Service charges	6	-								
SBICAP Ventures Limited							5	5		
Interest Expenses	777	753								
Reimbursement of expense	29	41								
CSR										
SBI Foundation							50	7		
Referral Fees	612	456								
Other expenses										
SBI Cards & Payments Services Pvt. Ltd.							1	-		
<b>Income during the year ended</b>										
Issue Management Fees										
SBI Life Insurance Company Limited							-	159		
Arranger's Fees**	831	333								
SBI Cards & Payment Services Private Limited.							19	141		
Advisory Fees**	4,662	4,395								
Trusteeship fees	75	-								
SBICAP Ventures Limited							2	-		
Bank Interest	465	186								
Interest on gratuity fund										
SBI Life Insurance Company Limited							5	6		
Dividend										
SBI DFHI Limited							-	41		
SBI Mutual Funds							31	155		
Miscellaneous Income	16,305	9,897								
SBI Life Insurance							4	32		



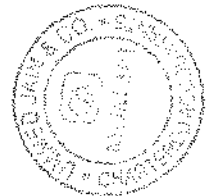
Particulars	Holding Company		Subsidiaries		Fellow Subsidiaries/Associates		Key Managerial Personnel		Enterprises over which Key Managerial Personnel are able to exercise significant	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
<i>SBI Mutual Funds</i>					153	-				
SBI General Insurance Company Ltd.					12	-				
<i>Brokerage income</i>	139	318								
<i>SBI Life Insurance</i>					172	134				
<i>SBI Mutual Funds</i>					249	254				
SBI General Insurance Company Ltd					2	1				
SBI Fund Management Pvt. Ltd.					1	1				
<b>Balance receivable as at</b>										
<i>Debtors**</i>	8,085	7,544								
<i>SBI Life Insurance</i>					2	13				
SBI DFHI Limited						0				
<i>SBI Mutual Funds</i>					54	4				
<i>Cash at Bank</i>	13,434	1,36,330								
<i>Deposit with Bank</i>	6,552	1,818								
State Bank of Bikaner & Jaipur						-				
State Bank of Patiala						-				
State Bank of Travancore						-				
<i>Loans &amp; Advances</i>	21	66								
<i>Other Current Assets</i>		15								
SBI DFHI Limited					41	41				
<i>Investments</i>										
SBI Pension Funds Pvt. Ltd					601	601				
SBI DFHI Limited					750	750				
SBICAP Home Finance Limited*					-	-				
SBI Foundation Ltd					-	-				
State Bank of India Servicos Limitada Brazil					-	-				
<i>Gratuity Fund</i>										
<i>SBI Life Insurance</i>					43	67				
<i>Accrued Interest on Fixed deposit</i>	358	225								
<b>Balance payable as at</b>										
<i>Short Term Borrowings</i>	5,099	34,154								
<i>Creditors</i>	118	140								
<i>Provision for expense</i>	4	7								
<b>Others transactions during the year ended</b>										
<i>Dividend paid</i>										
<i>Expenses shared</i>		77								
<i>Guarantees</i>	301	383								
<i>Benefits paid from Gratuity fund</i>										
<i>SBI Life Insurance</i>					29	30				
I. Included in expenses relating to deputation of employees are amounts aggregating to Rs.105 (2018: Rs.95) pertaining to salaries paid to key management personnel.										
II. * - Fully provided for										
III. # - Excludes fees shared by way of pass through arrangement.										
IV. ** Previous year figures of holding company includes an amount of Fellow subsidiaries on account of merger of Associate Banks with State Bank of India										



**SBI Capital Markets Limited**  
(Rupees in lacs unless otherwise stated)

Note 2.35

Name of the entity in the Group	Net Asset		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent	88%	1,91,942	71%	16,819	98%	6,399	77%	23,218
Subsidiaries								
Indian								
1. SBICAP Securities Limited	13%	27,481	24%	5,752	-1%	-34	19%	5,718
2. SBICAP Ventures Ltd.	3%	6,142	0%	52	0%	0	0%	52
3. SBICAP Trustee Company Ltd.	4%	9,253	6%	1,490	0%	0	5%	1,490
Foreign								
1. SBICAP (UK) Ltd.	0%	190	-1%	-321	0%	-	-1%	-321
2. SBICAP (Singapore) Ltd.	3%	5,921	-1%	-165	0%	-	-1%	-165
Associate								
1. SBI Pension Fund Pvt. Ltd. (Investment as per equity method)	0%	768	0%	13.83	0%	0	0%	13.83
Total		2,17,253		23,673		6,517		30,190



**SBI CAPITAL MARKETS LIMITED**  
Notes to Financial Statements for the period ended 31st March 2019  
(Rupees in Lacs unless otherwise stated)

**NOTE - 2.36**

**Gratuity and other post-employment benefit plans: (Ind AS 19)**

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

**Profit and Loss account**

**Net employee benefit expense (recognised in Employee Cost)**

[Ind AS 19]

	Gratuity	
	2019	2018
Current service cost	183	154
Past Service Cost	0	178
Administration Expenses	0	0
Interest on net defined benefit liability/(asset)	19	12
Expected return on plan assets	21	8
(Gains)/Loss on Settlement	0	0
<b>Total Expense charged to profit and loss account</b>	<b>223</b>	<b>352</b>

**Other Comprehensive Income**

	2019	2018
Opening amount recognized in OCI outside profit and loss account	(4)	-
Remeasurements during the period due to:		
<i>Changes in financial assumptions</i>	(41)	(32)
<i>Changes in demographic assumptions</i>	(0)	(47)
<i>Experience adjustment</i>	73	48
<i>Actual return on plan assets less interest on plan assets</i>	5	28
<i>Adjustment to recognize the effect of asset ceiling</i>	-	-
Closing amount recognized in OCI outside profit and loss account	<b>33</b>	<b>-4</b>

**Balance sheet**

**Details of Provision for gratuity**

	2019	2018
Present value of Funded defined obligation	1,159	1,258
Fair Value of Plan assets	496	646
Net funded obligation	663	612
Present value unfunded defined benefit obligation	6	-
Amount not recognized due to asset limit	-	-
<b>Net defined benefit liability/(asset) recognized in balance sheet</b>	<b>668</b>	<b>612</b>

**Changes in the present value of the defined benefit obligation are as follows:**

	2019	2018
Opening of defined benefit obligation	1,258	1,007
Current service cost	183	154
Past service cost	-	178
Interest on defined benefit obligation	88	69
Remeasurements due to:		
<i>Actuarial loss/(gain) arising from change in financial assumptions</i>	(41)	(32)
<i>Actuarial loss/(gain) arising from change in demographic assumptions</i>	(0)	(47)
<i>Actuarial loss/(gain) arising on account of experience changes</i>	73	48
Benefits paid	(396)	(119)
Liabilities assumed / (settled)*	-	-
Liabilities extinguished on settlements	-	-
Closing of defined benefit obligation	<b>1165</b>	<b>1258</b>

**Changes in the fair value of plan assets are as follows:**

	2019	2018
Opening fair value of plan assets	645	647
Employer contributions	203	97
Interest on plan assets	48	48
Actual return on plan assets less interest on plan assets	(5)	(28)
Benefits paid	(396)	(119)
Closing fair value of plan assets	<b>496</b>	<b>646</b>

**The major categories of plan assets as a percentage of the fair value of total**

[Ind AS 19]

	Gratuity	
	2019	2018
Investments with insurer	%	%
	100	100



**SBI CAPITAL MARKETS LIMITED**  
Notes to Financial Statements for the period ended 31st March 2019  
(Rupees in lacs unless otherwise stated)

**NOTE - 2.36**

**Gratuity and other post-employment benefit plans: (Ind AS 19)**

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

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(Ind AS 19)

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Administration Expenses	0	0
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Expected return on plan assets	21	8
(Gains)/Loss on Settlement	0	0
<b>Total Expense charged to profit and loss account</b>	<b>223</b>	<b>352</b>

**Other Comprehensive Income**

	2019	2018
Opening amount recognized in OCI outside profit and loss account	(4)	-
Remeasurements during the period due to:		
<i>Changes in financial assumptions</i>	(41)	(32)
<i>Changes in demographic assumptions</i>	(0)	(47)
<i>Experience adjustment</i>	73	48
<i>Actual return on plan assets less interest on plan assets</i>	5	28
<i>Adjustment to recognize the effect of asset ceiling</i>	-	-
Closing amount recognized in OCI outside profit and loss account	-33	-4

**Balance sheet**

**Details of Provision for gratuity**

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Liabilities assumed / (settled)*	-	-
Liabilities extinguished on settlements	-	-
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Benefits paid	(396)	(119)
Closing fair value of plan assets	496	645

**The major categories of plan assets as a percentage of the fair value of total**  
(Ind AS 19):

	Gratuity	
	2019	2018
Investments with insurer	100	100

