

16th ANNUAL REPORT 2020 - 21



Equity | Retail Distribution | Assets Distribution

Board of Directors



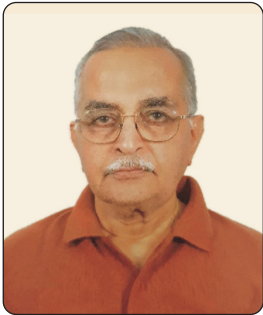
Mr. Dinesh Khara
Nominee Director



Mr. Ashwini Kumar Tewari
Nominee Director



Mr. Arun Mehta
Chairman



Mr. Vasudeo R. Galkar
Independent Director



Ms. Bharati Rao
Nominee Director



Mr. Sharad Sharma
Director



Mr. D. P. Singh
Director



Mr. B R S Satyanarayana
Nominee Director



Mr. Naresh Yadav
Managing Director & CEO



Mr. Manish Singhal
Whole-Time Director & CFO

| About SSL

SBICAP Securities Ltd (SSL) is a part of India's most trusted financial institution, the State Bank of India. A wholly-owned subsidiary of SBI Capital Markets, SSL has become one of the leading financial distribution houses in the country. It is known for delivering value and nurturing the trust of its vast and varied customers with a 'Customer First' approach. SSL provides best in class products and services such as Equity, Derivatives, Currency, Mutual funds, Fixed Income and Insurance. We are also distributing Home and Car Loan products of SBI at a rapid pace.

In broking, SSL currently serves more than **1.8 million** customers with 'Digital First' approach through its mobile app, website and strong relationship management with its customer through its **100 branch** network with **535 advisors** across the country. SSL currently has a large presence across **2600+** SBI branches to acquire Demat and Trading accounts. Once the trading account gets opened, we provide a comprehensive product range and offer assistance to help customers build their portfolio. We execute more **than three lakh** trades daily, with over **1.3 lakh** customers transacting with us every month. In addition, our Retail Assets business is increasing its footprint across India to distribute SBI home and car loans. As of 31st Mar 2021, we have penetrated several cities for Home Loan with a contribution of **22%** of total SBI Business. Similarly, in Car Loan, we have a presence in **400 cities** with a contribution of **57%** in total SBI business as on 31st Mar 2021.

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Directors' Report for the year 2020-21

To,

The Members,

Your Directors are pleased to present the 16th Annual Report of the Company together with the audited accounts for the year ended 31st March, 2021.

Performance Highlights

(Rs. in crores)

Year ended March 31	2020	2021
Operating Results		
Gross Income	495.95	672.90
Profit before provisions, Depreciation, Interest and Tax	142.70	302.14
Provisions	0.44	-
Depreciation	21.88	22.08
Interest	3.15	2.88
Profit before tax	117.23	277.17
Less: Tax Expense	32.29	70.05
Profit for the period (A)	84.94	207.12
Other Comprehensive Income (B)	(0.41)	0.58
Total Comprehensive Income for the period (A+B)	84.53	207.70
Financial Position		
Equity Share Capital	96.88	96.88
Reserves	262.46	470.16
Debt Funds	-	-
Other Selected Data		
Earnings per share (Rs.)	8.77	21.38
Return on Equity (%)	23.52	36.53
Dividend per share (Rs.)	-	-
Book Value per share (Rs.)	29.54	53.55

2. Market Environment:

The market environment turned extremely difficult and uncertain as year 2020-21 began with Covid-19 being identified as a pandemic in early March and lockdown being enforced. Millions were confined to their homes and the focus shifted to breaking the pandemic chain. As the months went by, the country battled the Covid-19 emergency with differing outcomes in different regions in terms of cases and recoveries, always bettering itself in its responses.

The lockdown and other restrictions crippled economic activity, resulting in one of the worst declines in GDP since independence; Q1 FY21 GDP fell by 24.4% YoY. The Finance Ministry, in April 2020, announced a massive Rs. 20 trillion stimulus in the form of direct and indirect fiscal support to revive the economy. This fiscal support covered broad stressed areas including Micro, Small and Medium

Enterprises, moratorium to borrowers, liquidity for Non-Banking Finance Companies and Banks, and direct cash transfers. The Reserve Bank of India, to support credit growth, reduced the repo rate by 115 bps to 4% from Feb 2020 and cut the reverse repo by 155 bps to 3.35%.

These measures and the resilience shown in the face of adversity helped the economy recover gradually; 2020-21 ended with GDP down -7.3% YoY in the full year but rising 1.6% YoY in Q4 FY21.

India's stock markets, after slipping to a 6-year low on 23rd March 2020, bounced back strongly within a couple of months itself. The rally strengthened ever more as the year progressed. Actually, it was an exceptional 2020-21 for stock market investors as headline indices Nifty and Sensex jumped 78% and 75% respectively.

Buoyancy in the stock market drew the attention of the restless millennial as per NSDL & CDSL data, a record 14.2 million demat accounts were opened during 2020-21 (3x the number in 2019-20). The three-year average (FY 18-20) was 4.3 million accounts. Declining interest rates naturally raised the risk appetite of an already growing investor base. Negative real interest rates and rapid digitisation were foremost among other factors such as attractive market levels, high impetus of investor education, and disposable incomes that drove higher retail participation. Mutual fund data showed over 8 million new folios getting created taking the overall fund management AUM to Rs. 31.4 trillion as of March 2021.

During the year, Foreign Portfolio Investors net invested Rs. 2.74 lakh cr versus just Rs. 6,153 cr in 2019-20. Domestic Institutional Investors, on the other hand, sold shares worth Rs. 1.34 lakh cr in 2020-21 as compared to net purchase of Rs. 1.29 lakh cr in 2019-20.

The year 2021-22 has already begun on a strong note for the stock markets. The rally is ever broadening in its expanse and we believe that more sectors, hitherto weighed down by the economic restrictions imposed, will bounce back with a vengeance. Economic growth, impacted by a punishing four-month-long second wave of infections, is expected to recover with a pace of 9.5% (as per RBI's June 2021 report) in 2021-22. This augurs well for a new market high being reached in 2021-22.

3. Operations:

i) Retail Broking:

With buoyant markets, number of clients who traded on broking platform registered a sharp growth of 30.8%. This number increased from 2,84,456 in the period Apr'19-Mar'20 to 3,72,226 during Apr'20-Mar'21.

During the FY 2020-21, Retail Brokerage income (including interest income and commissions) went up to Rs. 287.18 Crores against previous year's income of Rs. 179.78 Crores, thereby recording a healthy growth of 59.74% on YoY basis.

Overall Retail Broking business (Including Demat and acquisition fee Income) achieved gross earnings of Rs. 327.74 Crores during the FY 20-21 against total income of Rs. 204.57 Crores in FY 2019-20, registering a sharp growth of 60%.

EBDT of Retail broking business saw a sharp growth of 220% with income rising to Rs. 173.96 Cr in the period Apr'20-Mar'21 as compared to Rs. 54.29 Cr in Apr'19-Mar'20. EBDT Margins for broking business also doubled to 53.08% in Apr'20-Mar'21 as compared to 26.54% in period Apr'19-Mar'20.

New Business Initiatives – Retail Broking

To further strengthen our Retail broking business and increase our market penetration in broking business we started an Open Market (acquiring accounts from Non SBI branches) Acquisition and servicing channel called PRIME as a separate vertical under our Retail distribution team. In first year of operation itself, PRIME team generated broking revenue of Rs.6.53 Cr.

Demat Account acquisition:-

With the ongoing focus on acquiring quality retail clients, we added 3,30,616 new accounts to the client base in FY 20-21. It is noteworthy that 85% of the accounts sourced are either subscription-based or paid accounts. Initially there was a significant drop in new accounts acquisition during the First Quarter because of COVID-19 pandemic, which affected our team visiting branches for marketing of Demat & Trading accounts. However, from August onwards our team started going to branches post which our performance in new account acquisition picked up. We recorded a positive month on month growth in new client acquisition with record breaking performance of 60,044 Demat accounts acquired in March'2021. Digital account opening was launched in Q2 and has helped to scale up our account acquisition number significantly. Contribution of Digital Channel in total new account acquisition reached 56% in March'21.

ii) Retail Distribution (erstwhile Retail Investment & Services):

The erstwhile Retail Investment & Services was rechristened as Retail Distribution to accurately reflect upon the distribution business and activities undertaken. Cross selling of distribution products by other business verticals, new partner tie ups (for Life & Health insurance) helped grow the revenue to grow to Rs.27.14 crs from Rs.9.87 crs in the previous year.

New Business Initiatives

- **Cross-selling of General Insurance:**

During lockdown our sales teams housed under Retail Sales and Retail asset verticals were unable to travel, which impacted their core businesses. We ensured our teams become productive by focusing on cross-selling activities. Both teams were trained on health products offered by SBI general and the solicitation started in May'2020. In FY 21 we ended up mobilizing more than 56000 policies with a net premium of approx 29 crs.

- **Sovereign Gold Bonds (SGBs) added to our existing offerings:**

Sensing market opportunity based on the superiority of the product along with demand for Gold as an asset class, we added SGBs to our Online offerings. In FY 21, we mobilized more than 200 crs. worth of these bonds across 12,727 customers. These bonds were cross sold by our Retail Broking, Sales and Distribution teams in addition to the Online sales (by Do-It-Yourself customers).

- **Introduction of HDFC Life:**

In continuation with our existing open architecture in the Insurance space, we tied up with HDFC Life to offer their product range to SSL customers seeking investment and protection solutions. Through our Retail Broking and Distribution teams, we were able to mobilize a premium of around 7 crs with 1300+ polices in a matter of 4 months.

iii) Retail Asset:**Introduction**

COVID-19 pandemic has changed the world, with a devastating impact on human and economic conditions. The overall demand for consumer credit market also has been impacted and remained depressed since the onset of the pandemic.

For Retail Assets division of SSL, both Home loan and Auto loan businesses had been severely impacted by the pandemic and the lockdowns in Q1. However, it started to gradually pick up in Q2 when the restrictions started to ease out and peaked out in Q3 & Q4 of FY 20-21.

- **Home Loan:**

In spite of a slow start in Q1 of FY 20-21 due to the pandemic, the Retail Assets division logged in Home Loan cases for Rs.34,607 crores with sanction of INR 26,336 crores and disbursement of INR 26,151 crores as against Rs.22,734 crores in FY 19-20, which reflects a growth of 15% over the last financial year.

For FY 20-21, SSL had a significant share of 22.21% in the overall SBI Home Loan business. In centres where SSL is operational, the contribution was 33.96%.

Productivity per Sales Executive has been maintained at 1.10 Cr in FY 20-21 as against 1.08 Cr in FY 19-20.

Focus on increase of presence in locations has been instrumental in expanding SSL's Home Loan business. We now have presence in 102 locations as compared to 52 locations at the beginning of FY 20-21

- **Auto Loan:**

Auto Loans under the Retail Assets division has achieved significant growth with a disbursement of Rs.14,956 crores during FY 20-21 as against Rs.10,003 crores in FY 19-20. This is up by 50% over last FY 19-20.

For FY 20-21, SSL's share in overall Auto Loans business of SBI was 56% as against 41% in FY 19-20. Productivity per Sales executive has been maintained at 1.23 Cr in FY 20-21 as against 1.19 Cr in FY 19-20.

Auto loan team has also been growing its presence in locations. It is now operational in 406 locations.

iv) Product & Information Technology**Achievements:****Launched E-DIS –**

We launched E-Dis which was achieved by doing integration between Demat system, trading platform and in-house application. Now, shares from Demat account can be sold digitally even when POA is not submitted. Thus for buying and selling shares, dependency on submission of POA has been eliminated. We have launched EDIS in Nov'20 across website & Mobile. By Mar-21 end, we had processed around 23,000 EDIS requests.

Launched E-pledge –

Facility of availing collateral benefit to trade in margin products was given to the trading clients by doing complex integration between Demat, trading platform and in-house application. We have launched this on 13th November 2020 across platforms.

TCS technology Migration - Revamp of Back-office and Front-office core systems

TCS was chosen to replace existing Back office and Front Office systems as TCS is considered to be having a strong domain experience and also experience of core banking integrations at other Competitor Bank led Brokers and most importantly has ready products, which are required by investors and traders for their investment/trading needs. Further, having integrated Back office, Front Office and Portfolio modules powered by same vendor also makes the internal operations seamless. We are also doing a complete revamp of technology architecture for both front end and back end application for future scalability.

On 23rd February 2021, TCS Back-office system was made live after running in parallel to old Back-office for a month and testing for accuracy.

Front-office core system along with new state of the art web interface was nearing UAT completion by the end of FY 20-21.

Revamp of Mobile App

We tied up with Market Simplified, one of the leading mobile app developer to build a new trading mobile app. Though back-end core system is TCS, all the user journeys in mobility were designed through joint workshops to ensure that the complex trading / investments journeys are made simple to the end user. Right from the simplified login using Biometric authentication till the simplified reports, all the screens of the new App are aimed at giving the best experience to the customers and inducing more transactions.

As of end of FY 20-21, new Mobile app was in UAT.

v) Institutional Broking:

The Institutional Broking business is under process of getting shifted to M/s. Investec Capital Services (India) Private Limited JV being formed with SBICAP, which is subject to RBI & NCLT approval. However, SSL continue its business with LIC, Institutional client.

4. Subsidiaries, Joint ventures or Associate companies:

The Company does not have any Subsidiary, Joint venture or Associate Company.

5. Industry Awards & Recognition:

During the year under review:-

- CDSL awarded SSL with “Premier Depository Participants in Platinum category”.

6. Credit Rating:

The Annual Credit Rating of the Company has been upgraded to AA+/Positive.

7. Financial Results:

(Rs. in Cr)

Particulars	2020-2021	2019-2020
Total Income	672.90	495.95
Expenses	395.73	378.73
Profit Before Tax	277.17	117.23
Profit After Tax	207.70	84.53

Total income during the year stood at Rs.672.90 crores, 35.68% higher than the previous year. Even though the total expenses during the year under review rose by 4.49%, the PBT for the year was Rs. 277.17 crores against PBT of Rs. 117.23 crores in FY19-20.

FY 21 has been a very fruitful year for SSL both in terms of Total Income as well as PAT. Total income during the year was up by 35.68% and PAT was up by 145.71% as compared to last year. This year we have also achieved some new milestones. Our total client base in retail broking is more than 1.7 million and our Home Loan and Car Loan business share in overall business of the Bank have increased to 22.21% and 57.15% respectively across Pan India basis.

8. Share Capital:

The present Authorized Share capital of the Company is Rs. 250,00,00,000 divided into 25,00,00,000 Equity Shares of Rs.10 each. The present Issued, Subscribed and paid-up Share Capital of the Company is Rs. 96,87,50,000 divided into 9,68,75,000 Equity Shares of Rs.10 each.

9. Dividend:

No dividend is proposed by the Board of Directors of the Company for FY 20-21.

10. Transfer to Reserves:

The Company has not transferred any amount to General Reserve in FY 20-21.

11. Personnel:

The company continues to emphasize on human capital as the most valuable asset. Accordingly, we are building people-related processes and policies to attract and retain the best talent in the industry. As on 31st March 2021, the strength of SSL's workforce was 5314 as compared to 3363 at the close of the previous year. Performance evaluation, productivity of each individual, and emphasis on continuous learning and development are the key ingredients on which we are building the human capital for today and for years to come.

Your Company has put in place a policy for prevention of sexual harassment as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Two complaints were filed in FY 20-21 under the category of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal). Upon examination, the underlying matter was not found to be related to sexual harassment and the complaints were duly disposed of by the POSH Committee.

12. Deposits:

The Company has not accepted any deposits from the public during the period under review.

13. Conservation of Energy and Technology Absorption & Foreign Exchange Earnings and Outgo:

In terms of Section 134 (3)(m) read with Rule 8(3) of the Companies (Accounts) Rule 2014, the following information is furnished:

Conservation of Energy and Technology Absorption:

The business activities of SSL does not result in any material consumption of energy. However, the Company is committed to continue its efforts towards conservation of energy and technology absorption.

Foreign Exchange Earnings and Outgo:

Particulars of Foreign Currency earnings and outgo during the year are given in notes 34 & 33 respectively, to the Notes to Accounts forming part of the Annual Accounts.

14. Particulars of Employees:

The statement containing particulars of employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report and is annexed herewith as "Annexure A".

15. Extract of Annual Return:

Pursuant to Section 134 (3)(a) and Section 92(3) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the Annual Return as at 31st March, 2021 forms part of this report and is annexed as "Annexure B".

The Extract of Annual Return of the Company can also be accessed on the website of the Company at <https://www.sbisecurities.in>.

16. Directors:

During the year under review, the following changes took place in the Board of Directors of the Company:

- Shri Naresh Yadav (DIN No: 08590165) Managing Director of the Company was re-designated as MD & CEO of the Company with effect from 23rd September, 2020;
- Shri Ashwani Bhatia (DIN No: 07423221) Managing Director, SBI was appointed as Nominee Director of the Company with effect from 11th November, 2020 and resigned with effect from 24th February, 2021 consequent upon change in portfolios for Managing Directors in State Bank of India;
- Shri Ashwini Kumar Tewari (DIN No: 08797991), Managing Director, SBI was appointed as Nominee Director of the Company with effect from 24th February, 2021;

- Shri R. Viswanathan (DIN No: 08289691) resigned as Director of the Company w.e.f. from 21st June, 2021 consequent to his repatriation to State Bank of India, Corporate Centre, Hyderabad.
- Shri B.R.S. Satyanarayana (DIN No: 09200848), President & COO, SBI Capital Markets Ltd. was appointed as Nominee Director of the Company with effect from 2nd August, 2021.
- Shri Dinesh Kumar Khara and Smt. Bharati Rao have been nominated by State Bank of India with effect from 2nd September, 2021 formerly nominated through SBI Capital Markets Ltd.

The Board welcomes Shri Ashwini Kumar Tewari and Shri B.R.S. Satyanarayana, Nominee Directors on the Board of our Company and places on record its deep appreciation to Shri Ashwani Bhatia, and Shri R. Viswanathan, Directors of the Company for their valuable contributions during their tenure.

17. Director liable to retire by rotation:

In terms of provisions of section 152 of the Companies Act, 2013, Shri Sharad Sharma and Shri D.P. Singh Non-Executive Directors of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers themselves for re-appointment.

18. Key Managerial Personnel:

During the year under review, there were no changes in the Key Managerial Personnel (KMP) of the Company.

19. Number of Meetings of the Board:

The Board meets at regular intervals and the intervening gap between the meetings during FY 20-21 was within the period prescribed under the Companies Act, 2013. The notice of the Board Meetings were given well in advance to all the Directors.

7 Board Meetings were held during the Financial Year on 23rd April 2020, 1st July 2020, 14th July 2020, 23rd September 2020, 14th October 2020, 27th November 2020 and 14th January 2021.

20. Declaration by Independent Directors:

A statement of declaration in terms of Section 149(6) of the Companies Act 2013 was received from Shri Vasudeo Galkar, the Independent Director of the company, that he has met the criteria of Independence as provided in section 149(6) and 149(7) of the said Act.

Further, Shri Vasudeo Galkar has also registered himself with the Independent Director's databank for a period of five years as per the statutory requirement.

21. Policy on Appointment & Remuneration of Directors, KMPs and Senior Management Personnel:

In terms of provisions of Section 178 of the Companies Act, 2013, read with the relevant rules made there under, the Nomination and Remuneration Policy of the Company that refers to Appointment, Remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters of the Directors, KMPs and Senior Management Personnel is available on our website at <https://www.sbisecurities.in>.

22. Performance Evaluation of the Board and Board Committees:

Pursuant to Section 178(2) of the Companies Act, 2013, the performance of the Board and Individual Directors was evaluated by the Board after seeking inputs from all the Directors. Further, the performance of the Committees was evaluated by the Board after seeking inputs from the respective Committee Members.

The Nomination and Remuneration Committee reviewed the performance of individual Directors. This was followed by a Board Meeting that discussed the performance of the Board, Committees and Individual Directors.

The summary of the performance of the Board, its Committees, Individual Directors and the Chairman was placed before the Nomination and Remuneration Committee at its meeting held on 27th April, 2021, for noting and recommending to the Board to take note of the same. The Board noted the summary of the performance evaluation of the Board, its Committees, Individual Directors and Chairman at its meeting held later on the same day.

23. Comments on Auditors Report & Secretarial Audit Report:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Batliboi & Purohit., Chartered Accountants, Statutory Auditors of the Company and M/s. VKMG & Associates LLP, Company Secretaries, Secretarial Auditors of the Company in their reports respectively.

24. Particulars of Contracts or Arrangements with Related Parties referred to in Section 188(1):

All contracts, arrangements entered into with related parties during FY 20-21 are in the ordinary course of business and at arm's length basis. The details required under Section 188 (1) of the Companies Act, 2013 have been disclosed in note 38 of the Notes to Accounts annexed to the Financial Statements for the year ended March 31, 2021. Further, detailed transactions with related parties are given in "Annexure C".

25. Particulars of Loans, Guarantees or Investments under Section 186:

The Company has not given loans or guarantees under Section 186 of Companies Act 2013. The details of Investment under Section 186 of the Companies Act, 2013 have been disclosed in note 6 of the Notes to Accounts annexed to the Financial Statements for the year ended 31st March, 2021.

26. Risk Management Policy:

The Board takes responsibility for the overall process of risk management throughout the organization. The Company has adopted a Risk Management Policy duly approved by the Board. Accordingly, it manages the key risks critical to its operations such as operational risk, concentration risk, compliance risk, reputation risk, strategic risk, credit risk, attrition risk, information technology risk, vendor risk and pandemic risk. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are also discussed at the Meetings of the Risk Management Committee of the Board at regular intervals.

27. Constitution of the Audit Committee:

At present, the Audit Committee consists of four members, of which one is an Independent Director and three are Non-Executive Directors.

6 Audit Committee Meetings were held during the Financial Year on 23rd April 2020, 14th July 2020, 23rd September 2020, 14th October 2020, 27th November 2020 and 14th January 2021.

Recommendation of Audit Committee

During the year under review, the various recommendations made by the Audit Committee from time to time were accepted by the Board of Directors.

28. Constitution of the CSR Committee:

The Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board in accordance with Section 135 of the Companies Act, 2013, comprising of the following members Shri Vasudeo R. Galkar (Chairman), Shri Arun Mehta, Shri B.R.S. Satyanarayan, Shri Naresh Yadav and Shri Manish Singhal.

5 CSR Committee Meetings were held during the Financial Year on 23rd April 2020, 14th July 2020, 14th October 2020, 27th November, 2020 and 14th January, 2021.

29. Corporate Social Responsibility Activities:

In compliance with Section 135 of the Companies Act 2013 read with the Company's (Corporate Social Responsibility Policy) Rules, 2014, your Company has established a Corporate Social Responsibility Committee. Further, statutory disclosures with respect to the CSR Committee and the Annual Report on CSR activities form a part of this Report. Your Company, being conscious of its obligation to the society at large, had undertaken a host of CSR activities in the year under review.

The Company has adopted a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is displayed on the Company's website and can be accessed through the following link <https://www.sbisecurities.in/downloads>. In terms of CSR amendment Rules, 2021 and section 135 of the Companies Act, 2013, effective from January, 2021 the prescribed CSR Annual Report is enclosed as "**Annexure D**" forming part of this report.

	(Rs. in Lakhs)
Average net profit of the Company for last three financial years:	10395.94
Prescribed CSR Expenditure (Two per cent of the amount):	207.92
Details of CSR spent during the financial year:	
a) Total amount to be spent for the financial year:	207.92
b) Amount unspent, if any:	NIL
c) Manner in which the amount spent during the financial year is detailed in " Annexure D ".	

In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:

The Company has successfully met its prescribed CSR expenditure for the financial year 2020-2021. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

30. Vigil Mechanism / Whistle Blower Policy:

The Company has adopted a Code of conduct for all its employees and directors that incorporates the highest degree of transparency, integrity, accountability and corporate social responsibility.

Any actual or potential violation of the code is a matter of serious concern for the Company. The Company has a Vigil Mechanism/ Whistle Blower Policy to deal with instances of fraud and mismanagement, if any, for the directors and employees to report genuine concerns. It also provides for direct access to the Chairman of the Audit Committee and adequate safeguards against victimization of persons who use such mechanism.

Employees of the Company are encouraged to use the guidance provided in the Policy for reporting all allegations of suspected improper activities. The Vigil Mechanism / Whistle Blower Policy has been posted on the Company's website.

31. Comments of the Comptroller & Auditor General of India:

Comments of the Comptroller & Auditor General of India of the Companies Act, 2013 as per report dated 7th July, 2021 submitted under section 143 of the Companies Act, 2013 on the accounts of the Company. The CAG has decided not to conduct the supplementary audit of the financial statements and has inter-alia advised as follows:

"I on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of SBICAP Securities Limited for the year ended 31st March, 2021 under section 143(6)(a) of the Act."

32. Statutory Auditors:

M/s. Batliboi & Purohit, Chartered Accountants, were appointed as the Statutory Auditors of the Company for the financial year 2020-21 by the Comptroller & Auditor General of India (CAG), under the provisions of Section 139(5) of the Companies Act, 2013.

In terms of Section 139(5) of the Companies Act 2013, CAG vide their letter dated 18/08/2021 No. CA/V/COY/Central Government SBICSL(1)/35 have appointed M/s. Batliboi & Purohit, Chartered Accountants, as the Statutory Auditors of the Company for the financial year 2021-22.

33. Secretarial Audit Report:

The Board of Directors of the Company had appointed M/s. VKMG & Associates LLP., Company Secretaries, to conduct the Secretarial Audit for the FY 20-21 and their Report on Company's Secretarial Audit is appended to this Report as **"Annexure E"**.

34. Directors Responsibility Statement:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- i. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the Annual Accounts on a going concern basis; and
- v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable Laws and such systems are adequate and operating effectively.

35. Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

36. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

During the year under review, there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

37. Details of difference between amount of the Valuation done at the time of one time settlement and the Valuation done while taking loan from banks or financial institutions along with the reasons thereof

During the year under review, there was no instance of onetime settlement with any Bank or Financial Institution.

38. Compliance with SEBI's Prohibition of Insider Trading Regulations:

With a view to prevent insider trading, the Code of Conduct – Dealings in securities by the Company and its employees has been formulated in conformity with the SEBI (Prohibition of Insider Trading) Regulations, 2015, to regulate, monitor and report trading in securities by all the employees of the Company. Compliance with the Code is monitored by the Compliance Officer.

39. Statement in respect of adequacy of Internal Financial Controls (IFC) and Internal Control System:

The Company has appointed M/s. M. M. Nissim & Co., Chartered Accountants, as Internal Auditors for FY 20-21. Internal Audit is focused on independently evaluating the adequacy of internal controls, ensuring adherence to operating guidelines and Regulatory and Legal requirements.

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies and safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosure. Internal Audit also covers the audit of financial, management and operational activities and ensuring compliance with all the rules and regulations of the Exchanges and SEBI.

40. Maintenance of Cost records:

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company and accordingly the requirement of such accounts and records are not prevailing.

41. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

42. Secretarial Standards:

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

43. Reporting of Fraud:

The Auditors of the company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013. Further, no case of fraud has been reported to the Management from any other sources.

44. Acknowledgement:

The Board of Directors would like to express its appreciation to SEBI, the Company's Regulator, and to the Comptroller & Auditor General of India (CAG), the National Stock Exchange of India Limited, Bombay Stock Exchange Limited, Central Depository Services (India) Limited and National Securities Depository Limited for the advices and guidance received from them. The Board is grateful to the State Bank of India and the SBICAPS family for their invaluable support and guidance to the company. The Board also records its appreciation of the unstinted support extended by all its staff members.

For and on behalf of the Board of Directors

Sd/-

Chairman

Date: September 20, 2021

Annexure (A) to the Director's Report

Statement Pursuant to Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rule 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

Details of Top 10 Employees in terms of remuneration drawn in the FY 2020-21: -

Sr. No.	Name	Designation	Remuneration received (Rs.)	Nature of employment whether contractual or otherwise	Qualification And Experience of the Employee	Date of commencement of employment	Age of the Employee	Last Employment held, Designation
1	Amit Golia	Chief Business Officer	1,74,10,756	Permanent	Bcom , PGDBA, Welinkar Institute of Management	06-Aug-19	45	Axis Securities Ltd
2	Rajiv Sharma	Head - Institutional Research	95,00,700	Permanent	Chartered Accountant (CA) (16 years)	03-Jan-19	42	HSBC Global Markets Director - Analyst Indian Telecoms, Internet & Media Sector
3	Vineet Samuel	Head - Retail Assets	94,97,738	Permanent	PGDBM	27-Jul-11	46	Reliance Money
4	Amit Jayantilal Shah	Head - Retail Broking	78,00,696	Permanent	CA	29-Nov-19	41	Religare Broking Limited
5	Abhineet Anand	Research Analyst - Capital Goods & Power	68,18,997	Permanent	PGDM - Finance (2006),IIM (Kozhikode)	20-Aug-15	44	Analyst - Utilities & Industrials Quant Broking Oct'11 to Jul'15
6	Manoj Mahadeshwar	Head - Retail Sales	62,23,583	Permanent	B.COM	07-Apr-10	46	Reliance Securities Ltd
7	Bino Joseph Pathiparampil	Co - Head - Institutional Equity Sales	59,72,025	Permanent	PGDM - IIM Ahmedabad 2004 MBBS Govt Medical College 2001	29-Jul-16	43	Landmark Family Office
8	Chandresh Hirji Dedhia	Chief Technology Officer	57,20,984	Permanent	MBA	13-Jul-20	44	Yes Bank Limited
9	Mahantesh Sabarad	Head - Retail Research	49,98,904	Permanent	MMS	02-Dec-13	49	Fortune Equity Brokers (I) Ltd
10	Sumit Ghosh	Head - Human Capital	47,83,463	Permanent	MBA	22-Mar-18	39	Axis Bank Ltd

Details of every employee who covered under clause (i) and (ii) and (iii)

Name	Designation	Remuneration received (Rs.)**	Nature of employment whether contractual or otherwise	Qualification And Experience of the Employee	Date of commencement of employment	Age of the Employee	Last Employment held, Designation
(i) Employed throughout the financial year and was in receipt of remuneration for that year which in the aggregate was not less than Rs. 10,200,000/- per annum.							
Amit Golia	Chief Business Officer	1,74,10,756	Permanent	Bcom , PGDBA, Welingkar Institute of Management	06-Aug-19	45	Axis Securities Ltd
(ii) Employed for part of the financial year and was in receipt of remuneration for any part of the year at a rate which in the aggregate was not less than Rs. 850,000/- per month.							
Name	Designation	Remuneration received (Rs.)**	Nature of employment whether contractual or otherwise	Qualification And Experience of the Employee	Date of commencement of employment	Age of the Employee	Last Employment held, Designation
NIL							
(iii) If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.							
Name	Designation	Remuneration received (Rs.)**	Nature of employment whether contractual or otherwise	Qualification And Experience of the Employee	Date of commencement of employment	Age of the Employee	Last Employment held, Designation
NIL							

NOTES:

- 1) The above remuneration includes salaries, allowances, arrears of salary, leave encashment, performance linked variable pay, monetary value of perquisites as per Income Tax Rules, reimbursement of Leave Travel Allowance and Medical expenses claimed during the year, Company's contribution to Provident and Superannuation Funds.
- 2) Other terms and conditions of service include Company's contribution to Gratuity fund.
- 3) The nature of employment – all employments are non-contractual.
- 4) % of equity shares held by the employee in the Company within the meaning of Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rule 2014 – Nil.
- 5) The employees are not related to any Directors of the Company

Annexure (B) to the Director's Report

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2021

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

I. REGISTRATION AND OTHER DETAILS:

CIN	U65999MH2005PLC155485
Registration Date	19/08/2005
Name of the Company	SBICAP Securities Ltd.
Category / Sub-Category of the Company	Public Company
Address of the Registered office and contact details	Marathon Futurex, Wing-B, 12th Floor, Unit No. 1201, Mafatlal Mill Compound, N. M. Joshi Marg, Lower Parel, Mumbai- 400013
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer	Datamatics Financial Services Ltd. Plot No. A/16 & 17 MIDC, Part B Cross Lane, Andheri (E), Mumbai – 400 093 Tel: 022 66712001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company % (100%)
1	Broking	-	42 %
2	Asset Sales	-	44%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr No	Name and Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	SBI Capital Markets Ltd.	U99999MH1986PLC040298	Holding Company	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A Promoters									
(1) Indian									
a) Individual/HUF	6	-	6	-	6	-	6	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	9,68,74,994	-	9,68,74,994	100%	9,68,74,994	-	9,68,74,994	100%	-
e) Banks /FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	9,68,75,000	-	9,68,75,000	100%	9,68,75,000	-	9,68,75,000	100%	-
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	9,68,75,000	-	9,68,75,000	100%	9,68,75,000	-	9,68,75,000	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks /FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) Venture Capital funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
h) Funds Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual Shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grant Total (A+B+C)	9,68,75,000	-	9,68,75,000	100%	9,68,75,000	-	9,68,75,000	100%	-

(ii) Shareholding of Promoters								
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of shares Pledged/encumbered to total shares	% Change in shareholding during the year
1	SBI Capital Market Limited (out of 9,68,75,000 equity shares 6 equity shares are held by nominees)	9,68,75,000	100%	-	9,68,75,000	100%	-	-
	Total	9,68,75,000	100%	-	9,68,75,000	100%	-	-

(iii) Change in Promoters Shareholding (Please specify, if there is no change)	
No change in promoters shareholding	

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs & ADRs):					
Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	For Each of the Top 10 Shareholders				
2	At the beginning of the year	-	-	-	-
3	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase (e.g. allotment / transfer/ bonus/ sweat equity etc.)	-	-	-	-
4	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

(v) Shareholding of Directors and key Managerial Personnel:					
Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	For Each of the Directors and KMP				
2	*At the beginning of the year				
	Shri Arun Mehta	1		1	
	Smt. S. Uma Shanmukhi	1	Nil	1	Nil
	Shri Naresh Yadav	1		1	
3	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase(e.g. allotment/ transfer/ bonus/ sweat equity etc)	-	-	-	-
	i) Transfer of Equity Share from Smt. Uma Shanmukhi to Shri R. Viswanathan, Director on 2 nd July, 2021.	1	Nil	1	Nil
4	*At the end of the year				
	Shri Arun Mehta	1		1	
	Shri R. Viswanathan	1	Nil	1	Nil
	Shri Naresh Yadav	1		1	
	Shri Manish Singhal	1		1	

* A Nominee Shareholder of SBI Capital Markets Limited

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors & CFO

Sr. No.	Particulars of Remuneration	Name of MD/WTD&CFO/Manager			Total Amount
		Manish Singhal	Naresh Yadav	-	
		Whole Time Director & CFO	Managing Director & CEO	-	
1	Gross Salary	-	-	-	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Rs. 56.54	Rs. 57.14	Rs. 113.68	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	
	(c) Profits in lieu of Salary under section 17(3) Income Tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission	-	-	-	
	- as % of Profit	-	-	-	
	- Others, Specify.	-	-	-	
5	Others, please specify	-	-	-	
	Total (A)	Rs. 56.54	Rs. 57.14	Rs. 113.68	
	Ceiling as per the Act	-	-	-	

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Total Amount	
1	Independent Directors	Shri Vasudeo R Galkar	Total Amount
	Fees for attending Board & Committee Meetings	Rs. 3,92,000.00	Rs. 3,92,000.00
	Commission	-	-
	Others, please	-	-
	Total (1)	Rs. 3,92,000.00	Rs. 3,92,000.00

Sr. No.	Particulars of Remuneration	Total Amount		
2	Other Non-Executive Directors	Smt. Bharati Rao	Shri Sharad Sharma	
	Fees for attending Board & Committee Meetings	Rs. 2,12,000.00	Rs. 2,12,000.00	Rs. 4,24,000.00
	Commission	-	-	-
	Others, please	-	-	-
	Total (2)	Rs. 2,12,000.00	Rs. 2,12,000.00	Rs. 4,24,000.00

	Total(B) = (1 +2)	Total Managerial Remuneration	Rs. 8,16,000.00
	Overall ceiling as per the Act for each Meeting		1,00,000 (Per director per meeting)

B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amt. in lakhs)

Sr. No.	Particulars of Remuneration	CEO	Company Secretary	Total
1	Gross Salary	-	27.31	27.31
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of Salary under section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of Profit	-	-	-
	- Others, Specify	-	-	-
5	Others, please specify	-	-	-
	Total	-	27.31	27.31

VII. PENALTIES/PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure (C) to the Director's Report

Details of Related Party Transaction (Form No. AOC-2)

(Pursuant to clause (4) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule (2) of the Companies (Accounts) Rules, 2014

- A. The Company has not entered into any material contracts or arrangement or transactions which are not on arm's length basis.
- B. Details of contracts or arrangements or transactions at Arm's length basis.
- a) Name (s) of the related party & nature of relationship –

Names of related parties where control exists:

Name of the Party	Relationship
State Bank of India	Ultimate Holding Company
SBI Capital Markets Limited	Holding Company

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

Name of the Party	Relationship
SBI Life Insurance Company Limited	Fellow Subsidiary
SBI Mutual Funds Fellow	Fellow Subsidiary
SBI DFHI Ltd.	Fellow Subsidiary
SBI Fund Management Pvt Ltd.	Fellow Subsidiary
SBI Global Factors Ltd.	Fellow Subsidiary
SBI General Insurance Company Limited	Fellow Subsidiary
SBI Foundation	Fellow Subsidiary
SBICAP Trustee Company Ltd.	Fellow Subsidiary
Naresh Yadav, Managing Director	Key Management Personnel (From 30 th October, 2019 onwards)
Mallika K.P., Managing Director	Key Management Personnel (From 01.07.2018 to 29 th October, 2019)
Manish Singhal, Chief Financial Officer	Key Management Personnel (From 15.01.2019 onwards)
Dhanashri Kenkre, Company Secretary	Key Management Personnel

- (a) Nature of Contracts/Arrangements/Transactions: Details as per appended table in point no. (g).
- (b) Duration of the Contracts / Arrangements/Transactions: Ongoing basis
- (c) Salient terms of the Contracts or Arrangements or Transactions including the value, if any: Not Applicable.
- (d) Date(s) of approval by the Board: 23rd April 2020, 14th July 2020, 14th October 2020, 27th November 2020 and 14th January 2021
- (e) Amount paid as advances, if any: NIL
- (f) Details of Transactions with the related parties are as under:

(Amount in Lakhs)

Name of the Party	Nature of Transaction	March 31, 2021
State Bank of India	Employee Cost	209.49
	Referral Fees	238.77
	Royalty Expenses	422.70
	Other Income	33,528.15
SBI Capital Markest Limited	Rent/Maintenance Expense	951.92
	Selling and Distribution commission (IPO) and bonds	23.44
	Other income	10.73
SBI Life Insurance	Interest from Gratuity fund	3.84
	Other Income	2.16
	Benefits paid from Gratuity fund	99.99
SBI Mutual Funds	Other Income	122.02
SBI General Insurance Company Ltd	Other Income	432.88

Annexure 'D' to the Directors Report

CSR Activities to be Included in the Board's Report for Financial Year Commencing on or After 1st Day of April, 2020

1. Brief outline on CSR Policy of the Company: Corporate Social Responsibility ('CSR') is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and the society at large. Businesses derive their primary benefits from operating in society and no business can function without caring for societal and community development. We understand that as a Corporate Citizen with resources at our command, it is our solemn duty to reach out and support the less fortunate and underprivileged sections of our society. The Company also encourages its staff members to actively follow, understand and contribute to social causes, to remove indisputable social and developmental lacunae and to promote self and community development. CSR Policy of the Company is available on the Company's website: <https://www.sbisecurities.in>

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Vasudeo Galkar	Independent Director & Chairman of the Committee	5	5
2.	Shri Arun Mehta	Non-Executive Director & member	5	5
3.	Shri R. Viswanathan	Non-Executive Director & member	4	3
4.	Shri Naresh Yadav	Executive Director & member	5	5
5.	Shri Manish Singhal	Executive Director & member	5	5

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.sbisecurities.in>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):
Not Applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
Nil			

- Average net profit of the company as per section 135(5): ₹ 103,95,94,459/-
- Two percent of average net profit of the company as per section 135(5): ₹ 2,07,91,889/-
 - Surplus arising out of the CSR projects or programs or activities of the previous financial Years: Nil
 - Amount required to be set off for the financial year: Nil

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 2,07,92,000/-	Not Applicable				

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

1	2	3	4	5		6	7	8
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)
				State	District			
Nil								

9	10	11	
Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of implementation- Through Implementing Agency	
		Name	CSR Registration number.
Nil			

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

1	2	3	4	5	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.	
				State	District
As per Annexure I					

6	7	8	
Amount spent for the project (in Rs.).	Mode of implementation on - Direct (Yes/No).	Mode of implementation- Through Implementing Agency	
		Name	CSR Registration Number
As per Annexure I			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 2,07,92,000/-

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

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 2,07,91,889/-
(ii)	Total amount spent for the Financial Year	Rs. 2,07,92,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 111/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding FY (In Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
Nil							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6
Sl. No	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in Rs.).
Nil					
7	8	9			
Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.			
Nil					

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital Asset: Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For, SBICAP Securities Limited

Shri Naresh Yadav
Managing Director & CEO

Shri Vasudeo Galkar
Chairman of CSR Committee

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

1	2	3	4	5		6	7	8	
				Local area (Yes/No).	Location of the project.			Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No).
				State	District				
1.	Keshav Srusthi	Promoting health care including preventive health care	Yes	MH	Thane	Rs. 5,00,000/-	Direct	-	-
2.	Tata Memorial Hospital		Yes	MH	Mumbai	Rs. 25,00,000/-	Direct	-	-
3.	Smile Train India		No	Indore, Dhar, Khargone Dewas, Jhabua, BharwaniAlirajpur, Harda, Khandwam Burhanpur	Madhya Pradesh	Rs. 3,00,000/-	Direct	-	-
4.	Child Heart Foundation		No	Delhi	Delhi	Rs. 3,77,500/-	Direct	-	-
5.	Rotibank Hospital	Eradicating hunger, poverty and malnutrition	Yes	MH	Mumbai	Rs. 5,00,000/-	Direct	-	-
6.	Ek hi Rasta	Measures for the benefit of armed forces veterans, war widows and their dependants, Central Para Military forces (CPMF) veterans, and their dependants including widows	No	New Delhi	New Delhi	Rs. 5,25,000/-	Direct	-	-
7.	Bharat Ke Veer		No	New Delhi	New Delhi	Rs. 20,00,000/-	Direct	-	-
8.	Army Welfare CSR Fund		No	New Delhi	New Delhi	Rs. 50,00,000/-	Direct	-	-
9.	Young Scholar Trust	Education and Employment enhancing vocational skills	No	Mumbai	Maharashtra	Rs. 5,00,000/-	Direct	-	-
10.	Navgurukul		No	Bangalore	Dharmshala	Rs. 10,00,000/-	Direct	-	-
11.	Niharkana Rehabilitation Centre		No	West-Bengal	Kolkatta	Rs. 5,00,000/-	Direct	-	-
12.	Vatsalya Trust		Yes	MH	Mumbai & Thane	Rs. 12,40,000/-	Direct	-	-
13.	Society for Health Education & Vocational Training for Slum street & Poor Orphan Children (Shrestha)	No	Rajasthan	Jaipur	Rs. 2,00,000/-	Direct	-	-	
14.	Gramonnati Trust	Ensuring environmental	No	Puducherry	Chennai	Rs. 10,00,000/-	Direct	-	-

15.	Himalayan Environmental Studies and Conservation Organisation (HESCO)	sustainability, ecological balance.	No	Rudraprag	Uttarakhand	Rs. 9,39,500/-	Direct	-	-
16.	Bombay Natural Historical Society (BNHS)		No	Chambal	Madhya Pradesh	Rs. 10,00,000/-	Direct	-	-
17.	Indian Institute of Crafts & Design (IICD)	Protection of national heritage, art and culture; promotion and development of traditional art and handicrafts.	No	Rajasthan	Jhalana	Rs. 10,00,000/-	Direct	-	-
18.	Kshamata	Empowering women	Yes	MH	Mumbai & Thane	Rs. 12,00,000/-	Direct	-	-
19.	Matruchaya	Support to orphanage and gender equality	No	Goa	Dhavali	Rs. 5,10,000/-	Direct	-	-
CSR Contribution for the FY 2020-21						Rs. 2,07,92,000/-			

Annexure (E) to the Director's Report



Form No. MR-3
SECRETARIAL AUDIT REPORT
as on the financial year ended on 31st March, 2021

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

To,
The Members,
SBICAP Securities Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SBICAP Securities Limited** (hereinafter called the "Company") having its Registered Office at Marathon Futurex, 12th Floor, Mafatlal Mill Compound N. M. Joshi Marg, Lower Parel Mumbai - 400013. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon, however due to Covid 19 and subsequent lockdown situation, we have conducted online verification and examination of documents and/or records, as facilitated by the Company, for the purpose of issuing this certificate.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the company has during the audit period covering the Financial Year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and to the extent stated in this report and also that the Company has the proper Board-Processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts / Statutory compliances and expressing our opinion thereon

- I. We have examined the books, papers, minute books, forms and returns filed, reports issued by various fellow professionals and other applicable records and registers and maintained by the Company for the financial year ended on **31st March, 2021** according to the provisions of:
 1. The Companies Act, 2013 (the Act) and the rules made thereunder;
 2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – as applicable in respect of the reporting towards their Foreign Exchange Management Act, 1999; (if any)

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992.
 - b. SEBI (Prohibition of Insider Trading) Regulation 2015, to the extent applicable to market intermediary.
 - c. The Securities and Exchange Board of India (Research Analyst) Regulations, 2014.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent stated in this Report.

- II. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company, by virtue of not being listed on any Stock Exchanges of the Company in the FY 2020-21 under report:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (g) The Securities and Exchange Board (Buyback of Securities) Regulations, 2018.
- III. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance to thereof on a test check basis, of the Company and that the Company has prima facie complied with the laws specifically applicable to the Company and also there are adequate systems and processes in place to ensure due compliance with these Laws.
- IV. We have examined the compliances of the applicable provisions of Secretarial Standards, I and II issued by the Institute of Company Secretaries, India and notified by the MCA u/s 118(10) as issued under the Companies Act, 2013.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where Meetings were convened at a shorter notice). In case agenda and detailed notes on agenda could not sent at least seven days in advance wherein consents of the attendees (Board members / Committee members) to hold the meeting at shorter notice were duly obtained and a system exists for seeking and obtaining further information and clarifications on the agenda

items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the year under report i.e. up to 31st March, 2021, the Company has undertaken following event/ action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

1. The Company has enhanced its existing Non fund based facility i.e. Bank Guarantee facility from Rs.100 Crores to Rs.200 Crores from Canara Bank which is within the limit as approved by the shareholders on August 30, 2018 under section 180 of the Companies Act, 2013.
2. The Company has renewed Bank Guarantee of Rs.100 Crores from Indian Bank secured by way of 50% margin in form of Bank Fixed deposit of the Company.
3. The Company has created a charge in favour of State Bank of India for overdraft facility of Rs.100 Crores against the Company's Bank Fixed deposit of Rs.50 Crores as a collateral security.

Pursuant to provision of sections 230 to 232 of the Companies Act, 2013, the Board has considered and obtained in principle approval for the proposal of Demerger of Institutional Equities Sales and Research Undertaking of the Company into Investec Capital Service (India) Private Limited ("Resulting Company") to be implemented by way of Scheme of Arrangement.

For **VKMG Associates & LLP**
Company Secretaries
FRN: L2019MH005300

Sd/-
VIJAY B. KONDALKAR
Partner
ACS-15697, CP-4597
PRN-1279/2021

Place: Mumbai
Date: 06-07-2021
UDIN: A015697C000583748

Note: Our Report is to be read along with the attached Note in Annexure I to this Report, which form an integral part of this Report.

Annexure I – Notes on the Secretarial Audit Report of SBICAP Securities Limited dated July 06, 2021.

Our report of even date is to be read along with the following Notes:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. Further, the scope of our Audit does not include financial laws and allied acts.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **VKMG Associates & LLP**

Company Secretaries
FRN: L2019MH005300

VIJAY BABAJI KONDALKAR
Partner
ACS-15697, CP-4597
PRN-1279/2021

Date : 06-07-2021
Place : Mumbai
UDIN: A015697C000583748

INDEPENDENT AUDITOR'S REPORT

To The Members of SBICAP Securities Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the standalone financial statements of SBICAP Securities Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the statement of Profit and Loss, (statement of changes in equity) and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Profit (including OCI), (changes in equity) and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have not received other information before the date of Auditors' Report so we cannot conclude if the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we receive the other information and if we identify that there is material misstatement therein, we will communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
3. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
4. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
6. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes to the financial statements
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Batliboi & Purohit
Chartered Accountants
Firm Registration Number:101048W

Place: Mumbai
Date: April 27, 2021
UDIN: 21030615AAAAFW4259

Raman Hangekar
Partner
Membership No. 030615

The Annexure A referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2021 we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) As explained to us, the fixed assets have been physically verified by management at reasonable intervals under a phased programme of verification. As informed by the Management physical verification of fixed assets was carried out in the previous year. In our opinion this periodicity of physical verification is reasonable having regard to the size of company and nature of its assets.
- (c) The Company does not hold any immovable property. Thus, sub-clause (c) of (i) of para 3 is not applicable to the Company.
- (ii) The Company is engaged in the business of broking (retail and institutional) and the third-party distribution of financial products and has no inventory. Hence clause (ii) of paragraph 3 of the order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under Section 185 of the Act. The Company has made no investments which are covered under provision of Section 186 of the Act. Hence the clause is not applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and Rules framed there under to extent notified.
- (vi) The Company is not engaged in production, processing, manufacturing or mining activities. Hence, the provision for maintenance of cost records prescribed under sub-section 1 of section 148 of the Act are not applicable to the Company.
- (vii) According to the information and explanations given to us and the records of the Company examined by us, in our opinion,
 - a) the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employee state insurance, income tax, sales tax, service tax, GST, duty of customs, duty of excise, cess and any other material statutory dues as applicable, with the appropriate authorities.
Further no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, service tax, GST, cess and any other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, and the records of the company examined by us, there are no dues in respect of sales tax, income-tax, duty of customs, service tax, GST, entry tax, value added tax, central sales tax, duty of excise, which have not been deposited with the appropriate authority on account of any disputes.
- (viii) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government as at the Balance sheet date.
- (ix) The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) nor has obtained any term loans during the year, hence paragraph 3 (ix) of the order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information

and explanation given to us, we have neither come across any instances of material fraud by the Company or on the Company by its officers or employees noticed or reported during the year nor have we been informed of any such case by the management.

- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required under Ind AS and Companies Act, 2013.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, paragraph 3(xiv) of the order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the order are not applicable to the Company.

For Batliboi & Purohit
Chartered Accountants
Firm Registration Number:101048W

Place: Mumbai
Date: April 27, 2021
UDIN: 21030615AAAAFW4259

Raman Hangekar
Partner
Membership No. 030615

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **SBICAP Securities Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information & according to the explanations give to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Batliboi & Purohit
Chartered Accountants
Firm Registration Number:101048W

Place: Mumbai
Date: April 27, 2021
UDIN: 21030615AAAAFW4259

Raman Hangekar
Partner
Membership No. 030615

Report on the directions issued by the Comptroller and Auditor General of India under Sub-section 5 of Section 143 of the Companies Act, 2013 (“the Act”)

Report on the directions issued by the Comptroller and Auditor General of India under Sub-section 5 of Section 143 of the Companies Act, 2013 (“the Act”)

Sr. No	Directions	Action Taken	Impact on Accounts and Financial Statements
A. Directions			
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system. There is no processing of accounting transactions outside IT system.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the Company due to the Company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (in case, lender is a Government Company, then its direction also applicable for Statutory auditor of lender Company)	There are no cases of restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the Company due to the Company’s inability to repay the loan.	Nil
3	Whether funds (Grant/subsidy etc.) received/receivable for specific schemes from central/ state Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	The Company has not received any funds for specific schemes from central/ state agencies.	Not Applicable

For Batliboi & Purohit
Chartered Accountants
Firm Registration Number:101048W

Place: Mumbai
Date: April 27, 2021
UDIN: 21030615AAAAFW4259

Raman Hangekar
Partner
Membership No. 030615

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SBICAP SECURITIES LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of SBICAP Securities Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 April 2021.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of SBICAP Securities Limited for the year ended 31 March 2021 under section 143 (6)(a) of the Act.

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

Sd/-

(P V Hari Krishna)

Principal Director of Audit (Shipping), Mumbai

Place: Mumbai

Date: 07. 07. 2021

Balance Sheet for the year ended March 31, 2021

(Amount in Lakhs)

Particulars	Notes	March 31, 2021 (Audited)	March 31, 2020 (Audited)
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	3	14,997.05	27,608.80
(b) Bank balance other than Cash and cash equivalents	4	34,009.50	17,310.03
(c) Receivables			
(i) Trade Receivables	5	38,130.15	14,269.20
(d) Investments	6	0.10	0.10
(e) Other Financial Assets	7	931.14	3,266.75
Total Financial Assets		88,067.94	62,454.88
(2) Non-Financial Assets			
(a) Current Tax Assets (net)	8	371.84	1,412.22
(b) Deferred tax Assets (net)	9	840.69	982.98
(c) Property, Plant and Equipment	10	2,992.71	2,090.70
(d) Capital work in Progress		96.92	6.20
(e) Intangible Assets under development		227.02	-
(e) Intangible Assets	11	1,152.19	417.10
(f) Other Non-financial Assets	12	2,113.94	985.04
Total Non-Financial Assets		7,795.31	5,894.24
Total Assets		95,863.25	68,349.12
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(i) Trade Payables			
Dues to MSME		-	-
Total outstanding dues of creditors other than MSME	13	23,270.95	15,088.35
(b) Borrowings	14	3,674.26	6,899.07
(c) Other Financial Liabilities	15	8,935.33	7,292.23
Total Financial Liability		35,880.54	29,279.65
(2) Non-Financial Liabilities			
(a) Provisions	16	491.52	917.98
(b) Other Non-Financial Liabilities	17	2,787.59	2,217.60
Total Non-Financial Liabilities		3,279.11	3,135.58
(3) EQUITY			
(a) Equity Share capital	18	9,687.50	9,687.50
(b) Other Equity	19	47,016.10	26,246.39
Total Equity		56,703.60	35,933.89
Total liabilities and equity		95,863.25	68,349.12
Summary of Significant Accounting Policies			

The accompanying notes are an integral part of the Financial Statements. As per our report of even date attached

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

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

CA Raman Hangekar
Partner
Membership No. : 030615
Mumbai
Date: April 27, 2021

Arun Mehta
Chairman

Naresh Yadav
Managing Director & CEO

Manish Singhal
Chief Financial Officer

Dhanashri Kenkre
Company Secretary

Profit and Loss Account for the year ended March 31, 2021

(Amount in Lakhs)

Particulars	Notes	March 31, 2021 (Audited)	March 31, 2020 (Audited)
Revenue from operations			
Interest Income	20	1,392.02	1,105.41
Fees and Commission Income	21	59,445.32	43,229.03
Other operating income	22	5,932.99	4,967.54
Total Revenue from operations		66,770.33	49,301.98
Other Income	23	520.13	293.30
Total Income		67,290.46	49,595.28
Expenses			
Finance Costs	24	288.44	315.12
Fees and Commission Expense	25	2,615.78	2,574.50
Employee Benefits Expenses	26	18,619.27	14,809.12
Depreciation and amortisation	27	2,208.34	2,188.24
Other Expenses	28	15,841.31	17,985.58
Total Expenses		39,573.14	37,872.56
Profit before exceptional items and tax		27,717.32	11,722.72
Exceptional items		-	-
Profit before tax		27,717.32	11,722.72
Tax expense			
Current tax		7,000.00	3,000.00
Deferred tax Liability (Asset)	9	122.89	228.76
(Excess)/Short provision of previous years		(117.61)	-
Total tax expense		7,005.28	3,228.76
Profit for the period		20,712.04	8,493.96
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
i) Remeasurement gains/(losses) on defined employee benefit plans	19	77.07	(54.72)
ii) Income tax relating to above item	9	(19.40)	13.77
Total Other Comprehensive Income for the period (net of tax)		57.67	(40.95)
Total Comprehensive Income for the period		20,769.71	8,453.01
Earnings per equity share [Nominal value of share Rs.10/- (Previous year Rs.10)]			
Basic	42	21.38	8.77
Diluted		21.38	8.77
Summary of Significant Accounting Policies		58.53	37.09

The accompanying notes are an integral part of the Financial Statements. As per our report of even date attached

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

For and on behalf of the Board of Directors of
SBICAP Securities Limited
CA Raman Hangekar
Partner
Membership No. : 030615
Mumbai
Date: April 27, 2021

Arun Mehta
Chairman

Naresh Yadav
Managing Director & CEO

Manish Singhal
Chief Financial Officer

Dhanashri Kenkre
Company Secretary

Cash Flow Statement for the year ended March 31, 2021 (Amount in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities :-		
Profit before tax after prior period expenses	27,774.99	11,668.27
<u>Non-cash adjustments</u>	-	-
Depreciation and amortization	2,208.34	2,188.24
Excess provision for PLVP written back		(158.87)
Finance Cost	288.44	315.12
Provision for doubtful debts	(287.92)	44.00
Provision for leave encashment / gratuity	(426.46)	134.72
Operating profit before working capital changes	29,557.40	14,191.01
<u>Movements in working capital:</u>	-	-
Increase/(decrease) in current trade payables	8,470.52	(6,298.71)
Increase/(decrease) in other current liabilities	1,801.02	2,336.69
Increase/(decrease) in other long term liabilities	620.00	(2.44)
Decrease/(increase) in current trade receivables	(23,860.95)	15,264.09
Decrease/(increase) in margin and other deposits	(16,699.48)	(3,638.20)
Decrease/(increase) in long term loans and advances	2,335.61	(1,672.81)
Decrease/(increase) in short term loans and advances	1,182.66	82.62
Decrease/(increase) in other current assets	(1,128.90)	(43.51)
Cash generated from operations before tax	2,277.87	20,218.70
Direct taxes paid	(7,005.27)	(3,815.06)
Expense Incurred on CSR Activities	(207.92)	(145.50)
I. Net cash generated from operating activities	(4,935.31)	16,258.14
Cash Flow from investing activities :-		
Purchase of Property, Plant and Equipment	(4,176.91)	(3,209.47)
Sale of Property, Plant and Equipment	13.72	0.25
Dividend income	-	0.48
II. Net cash used in investing activities.	(4,163.19)	(3,208.74)
Cash Flow from financing activities :-		
Proceeds from issue of shares	-	-
Proceeds/(Repayment) from Bank OD	(3,224.82)	1,800.01
Interest paid on Bank OD	(288.44)	(315.12)
III. Net cash provided by financing activities	(3,513.26)	1,484.80
Net change in cash & cash equivalents (I+II+III)	(12,611.75)	14,534.29
Cash & cash equivalents at the beginning of the year	27,608.80	13,074.51
Cash & cash equivalents at the end of the year	14,997.05	27,608.80
Components of cash and cash equivalents		
Balance with banks :		
On current accounts	14,996.85	27,608.29
Deposits with original maturity less than 3 months	-	-
Investment in units of Liquid fund	-	-
Cash on hand	0.20	0.51
Total cash and cash equivalents (Note 16)	14,997.05	27,608.80
Summary of significant accounting policies	2.10	

As per our report of even date attached

For Batliboi & Purohit

Chartered Accountants

Firm Registration No.: 101048W

CA Raman Hangekar

Partner

Membership No. : 030615

Mumbai

Date: April 27, 2021

For and on behalf of the Board of Directors of

SBICAP Securities Limited

Arun Mehta

Chairman

Naresh Yadav

Managing Director & CEO

Manish Singhal

Chief Financial Officer

Dhanashri Kenkre

Company Secretary

Statement of changes in Equity for the year ended March 31, 2021

A. Equity share capital

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

B. Other equity

(Amount in Lakhs)

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

Summary of significant accounting policies.
As per our report of even date attached

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

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

CA Raman Hangekar
Partner
Membership No. : 030615
Mumbai
Date: April 27, 2021

Arun Mehta
Chairman

Naresh Yadav
Managing Director & CEO

Manish Singhal
Chief Financial Officer

Dhanashri Kenkre
Company Secretary

Note1&2: Corporate Information and Summary of Significant Accounting Policies.

1. Corporate Information:

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

2. Basis of preparation of financial statements

Basic of accounting convention:

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

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

2.1 Summary of significant accounting policies

a. Use of estimates

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

b. Inventories

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

c. Property, Plant and Equipment and depreciation

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

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefit from the existing asset. Items of tangible assets that have been retired from

active use and are held for disposal are stated at lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.

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

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

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

Description of assets Useful Life in years Method of Depreciation

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

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

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

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

d. Impairment of assets

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

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

The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. Loss allowance for trade receivables with no significant financing component is measured based on lifetime expected credit losses. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses, or an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Impairment of non-financial assets

Tangible and Intangible assets

In accordance with Ind AS 36 on Impairment of Assets, Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

e. Financial Instruments

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

Cash and cash equivalents

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

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

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

Financial assets at fair value through profit or loss

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

Equity instruments

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

Financial liabilities

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

f. Revenue recognition

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

Revenue is recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured. The following specific recognition criteria have been followed before revenue is recognised.

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

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

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

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

g. Foreign currency transactions

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

Initial Recognition : On initial recognition, all foreign currency transactions are recorded by applying to

the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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

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

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

h. Retirement and other employee benefits

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

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

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

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

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

i. Segment Reporting

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

j. Operating Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest

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

k. Earnings per share

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

l. Income Taxes

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

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

Deferred tax :

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

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

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

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

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

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

m. Provisions and Contingent Liabilities

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

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

n. Lease

Company as a Lessee

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

Measurement:

Right of Use Asset

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

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

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

Lease Liability:

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

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

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- (c) amounts expected to be payable by the lessee under residual value guarantees;
- (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and

(e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Short term lease

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

Subsequent measurement & depreciation

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

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

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

Notes forming part of financial statement for the year ended March 31, 2021

Note 3: Cash and Cash Equivalents

(Amount in Lakhs)

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

Note 4: Bank balance other than Cash and cash equivalents

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

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

Note 5: Receivables

(Amount in Lakhs)

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

(ii) Allowance for doubtful debts

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

Movement in allowance for doubtful debts :

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	1,639.66	1,595.18
Add: Allowance for the year	194.35	44.00
Less: Write off of bad debts (net of recovery)	(482.75)	-
Balance at the end of year	1,351.25	1,639.18
Total	1,351.25	1,639.18

Notes forming part of financial statement for the year ended March 31, 2021
Note 6: Investments

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Investments carried at FVTPL	0.10	0.10
Investment in Unquoted Equity Shares SBI Foundation CY: 1,000 (PY March 31, 2019: 1,000) shares of Rs.10 each		
	0.10	0.10

Note 7: Other Financial Assets

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current (Unsecured, considered good)		
Interest Receivable on Bank Deposits	206.16	150.33
Total Current	206.16	150.33
Non-Current (Unsecured, considered good)		
Deposits with stock exchanges/clearing house	421.00	2,949.67
Deposits with Government authorities	-	-
Security Deposits	303.98	148.29
	-	-
(Unsecured, considered doubtful)		
Arbitration Deposit	53.96	22.46
Less : Provision for Arbitration Deposit	(53.96)	(4.00)
	-	18.46
Total Non-Current	724.98	3,116.42
Total	931.14	3,266.75

Notes forming part of financial statement for the year ended March 31, 2021

Note 8: Current tax Assets (net)

(Amount in Lakhs)

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

Note 9: Deferred tax assets (net)

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred Tax Assets (Assets)		
Property, Plant and Equipment : (Depreciation)	55.50	41.40
Provision for doubtful debts	340.11	412.58
Provision for arbitrage deposit	327.18	1.01
Provision for gratuity	13.58	138.34
Provision for incentive payable	-	-
Provision for performance linked variable plan	12.90	283.16
Provision for other employee benefits	110.82	106.49
Business Loss	-19.40	-
Gross deferred tax asset	840.69	982.98
Deferred Tax Liability - Liability	-	-
Gross deferred tax liability	-	-
Deferred tax assets (net)	840.69	982.98

Notes forming part of financial statement for the year ended March 31, 2021
Note 10: Property, Plant and Equipment Tangible assets

(Amount in Lakhs)

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

Note 11: Intangible Assets

(Amount in Lakhs)

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

Notes forming part of financial statement for the year ended March 31, 2021

Note 12: Other Non-Financial Assets

(Amount in Lakhs)

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

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

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current		
Trades executed not settled (exchanges)	62.88	2,469.71
Trade payables (relating to Brokerage business)	21,967.65	12,352.31
Trade payables (Selling and Distribution and others)	1,240.42	266.32
	23,270.95	15,088.35

Note 14: Borrowings

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current		
Secured		
- From Bank (State Bank of India)	3,674.26	6,899.07
Bank Overdraft - Repayable on Demand		
	3,674.26	6,899.07

Rate of Interest

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

Notes forming part of financial statement for the year ended March 31, 2021
Note 15: Other Financial Liabilities

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current		
Capital Creditors	1.19	1.19
Payable to Employees	4,045.90	2,424.74
Other Accrued expense	3,154.81	3,845.98
Total Current	7,201.90	6,271.91
Non-Current		
Retention money for Capital expenditure	14.85	7.04
Franchisee security deposits	-	-
Lease Liability	1,718.58	1,013.28
Total Non-Current	1,733.43	1,020.32
Total	8,935.33	7,292.23

Note 16: Provisions

(Amount in Lakhs)

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

Note 17: Other Non-Financial Liabilities

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current		
Revenue received in Advance	977.45	795.62
Statutory Dues	1,810.14	1,421.98
Total	2,787.59	2,217.60

Notes forming part of financial statement for the year ended March 31, 2021

The Carrying value and fair value of financial instruments by categories as of March 31, 2021 and March 31, 2020 were as follows :

Financial Assets and Liabilities as at March 31, 2021	Carried at Amortized cost	Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Total Amount
Assets				
Investments (Refer to Note 6)	-	0.10	-	0.10
Trade Receivables (Refer to Note 5)	38,130.15			38,130.15
Cash and cash equivalents (Refer to Note 3)	14,996.85			14,996.85
Bank balance other than Cash and cash equivalents (Refer Note 4)	34,009.50			34,009.50
Other Financial Assets (Refer to Notes 7)	931.14			931.14
Total	88,067.64	0.10		88,067.74
Liabilities				
Borrowings (Refer to Note 14)	3,674.26			3,674.26
Trade Payables (Refer to Note 13)	23,270.95			23,270.95
Other Financial Liabilities (Refer to Notes 15)	8,935.33			8,935.33
Total	35,880.54			35,880.54

Financial Assets and Liabilities as at March 31, 2020	Carried at Amortized cost	Fair Value through Profit and Loss	Fair Value through Other Comprehensive Income	Total Amount
Assets				
Investments (Refer to Note 6)	-	0.10	-	0.10
Trade Receivables (Refer to Note 5)	14,269.20	-	-	14,269.20
Cash and cash equivalents (Refer to Note 3)	27,608.29	-	-	27,608.29
Bank balance other than Cash and cash equivalents (Refer Note 4)	17,310.03	-	-	17,310.03
Other Financial Assets (Refer to Notes 7)	3,266.75	-	-	3,266.75
Total	62,454.27	0.10	-	62,454.37
Liabilities				
Borrowings (Refer to Note 14)	6,899.07	-	-	6,899.07
Trade Payables (Refer to Note 13)	15,088.35	-	-	15,088.35
Other Financial Liabilities (Refer to Notes 15)	3,446.25	-	-	3,446.25
Total	25,433.67	-	-	25,433.67

Notes forming part of financial statement for the year ended March 31, 2021

Note 18: Equity Share capital

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Authorised share capital		
250,000,000 (Previous year March 31, 2020: 250,000,000) Equity Shares of Rs. 10 each	25,000.00	25,000.00
Issued, subscribed and paid-up share capital		
96,875,000 (Previous year March 31, 2020 : 96,875,000) Equity Shares of Rs.10 each	9,687.50	9,687.50
Total issued, subscribed and paid-up share capital	9,687.50	9,687.50

Notes

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

	Mar-21		Mar-20	
	No. of shares	Lakhs	No. of shares	Lakhs
Equity shares				
Outstanding at the beginning of the year	9,68,75,000.00	9,687.50	9,68,75,000.00	9,687.50
Add: Issued during the year for cash	-	-	-	-
Outstanding at the end of the period	9,68,75,000.00	9,687.50	9,68,75,000.00	9,687.50

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholdings.

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

Particulars	March 31, 2021 (Rupees)	March 31, 2020 (Rupees)
SBI Capital Market Ltd., the holding company & its nominees		
96,875,000 (Previous year March 31, 2020) Equity Shares of Rs.10 each	9,687.50	9,687.50

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

Equity shares	March 31, 2021		March 31, 2020	
	No. of shares	% of holding s	No. of shares	% of holding
Equity shares of Rs.10 each fully paid up				
SBI Capital Market Ltd., the holding Company & its nominees	9,68,75,000.00	1.00	9,68,75,000.00	1.00

- e. The company does not have any shares reserved for issue under options, contract/commitments for sale of shares/disinvestments as at 31st March 2021
- f. During the period of five years immediately preceding 31st March, 2021, the Company has not issued any bonus shares or shares for consideration other than cash and also the company has not bought back any shares during this period.
- g. The Company does not have any securities as at 31st March 2021 which are convertible into equity/preference shares.
- h. As per records of the Company, no calls remain unpaid by the directors and officers of the Company as on 31st March 2021
- i. As per records of the Company, no shares have been forfeited by the Company during the period.
- j. There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment as on 31st March 2021

Notes forming part of financial statement for the year ended March 31, 2021

Note 19: Other Equity

Other equity consists of the following :

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Securities Premium Reserve		
Opening Balance	2,812.50	2,812.50
Add: premium on issue of shares received during the period	-	-
Closing balance	2,812.50	2,812.50
General Reserve		
Opening Balance	30.52	30.52
Add : amount transferred from surplus balance in the statement of profit and loss	-	-
General Reserve	30.52	30.52
Retained Earnings		
Opening Balance	23,403.37	14,950.36
Add: Profit for the period	20,712.04	8,493.96
Less: Other Comprehensive Income for the period	57.67	(40.95)
Closing balance	44,173.08	23,403.38
Total	47,016.10	26,246.39

Note 20 : Interest Income

(Amount in Lakhs)

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

Notes forming part of financial statement for the year ended March 31, 2021

Note 21 : Fees and Commission Income

(Amount in Lakhs)

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

Note 22: Other operating income

(Amount in Lakhs)

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

Note 23 : Other Income

(Amount in Lakhs)

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

Notes forming part of financial statement for the year ended March 31, 2021
Note 24: Finance Costs

(Amount in Lakhs)

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

Note 25: Fees and Commission Expense

(Amount in Lakhs)

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

Note 26: Employee Benefits Expenses

(Amount in Lakhs)

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

Note 27: Depreciation and amortisation

(Amount in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation :		
Depreciation on Property Plant and Equipment (Refer Note 10)	1,838.58	2,001.28
Depreciation on Intangible Assets (Refer Note 11)	369.76	186.97
Total	2,208.34	2,188.24

Notes forming part of financial statement for the year ended March 31, 2021

Note 28 : Other Expenses

(Amount in Lakhs)

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

Payments to auditor

(Amount in Lakhs)

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

Notes forming part of financial statement for the year ended March 31, 2021
Note 29: Capital and other commitments

(Amount in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Estimated amount of contracts remaining to be executed on capital account not provided for*	915.70	1,244.63
	915.70	1,244.63

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

Note 30: Contingent liabilities

(Amount in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Claims against the Company not acknowledged as debts : 15 legal cases (PY 15 legal cases)	127.19	95.09
	127.19	95.09
b) Bank Guarantees	26,625.00	18,775.00

Note 31:

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

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

Note 32: Value of imports calculated on CIF basis

(Amount in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Capital expenditure for Software licenses	98.90	-
	98.90	-

Note 33: Expenditures in foreign currency (accrual basis)

(Amount in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Selling and distribution sub-commission	-	-
Other operating expense	69.43	86.88
Travelling Expense	-	9.55
	69.43	96.43

Notes forming part of financial statement for the year ended March 31, 2021

Note 34: Earnings in foreign currency (accrual basis)

(Amount in Lakhs)

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

Note 35:

a) Gratuity

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

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

A: Amount recognized in Balance Sheet:

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

(Amount in Lakhs)

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

B: Movement in Plan Assets :

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

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

(Amount in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening fair value of plan assets	24.17	42.66
Employer contributions	608.53	20.00
Interest on plan assets	(1.12)	0.51
Administration expenses	-	-
Remeasurements due to :	-	-
<i>Actual return on plan assets less interest on plan assets</i>	4.96	2.09
Benefits Paid	(99.99)	(41.08)
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	536.53	24.17

Notes forming part of financial statement for the year ended March 31, 2021

C: Disaggregation of Plan Assets

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

	(Amount in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Property	-	-
Government Debt Instruments	-	-
Other Debt Instruments	-	-
Equity Instruments	-	-
Insurer Managed Funds	536.53	24.17
Others	-	-
Grand Total	536.53	24.17

D: Reconciliation of net liability / asset:

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

	(Amount in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening net defined benefit liability / (asset)	549.64	430.85
Expense charged to profit & loss account	165.80	130.33
Amount recognized outside profit & loss account	(57.67)	8.46
Employer Contributions	(606.53)	(20.00)
Impact of liability assumed or (settled)	-	-
Closing net defined benefit liability / (asset)	51.24	549.64

Movement in benefit Obligations:

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

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

Notes forming part of financial statement for the year ended March 31, 2021

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

(Amount in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	136.80	102.43
Past service cost	-	-
Administration expenses	-	-
Interest on net defined benefit liability / (asset)	29.00	27.90
(Gains) / losses on settlement	-	-
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the year	-	-
Expense charged to profit & loss account	165.80	130.33

Amount Recorded in Other Comprehensive Income:

(Amount in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening amount recognized in OCI	74.99	66.54
Remeasurements during the period due to	-	-
Changes in financial assumptions	6.06	28.48
Changes in demographic assumptions	-	-
Experience Adjustments	(58.77)	(17.93)
Actual return on plan assets less interest on plan assets	(4.96)	(2.09)
Adjustment to recognize the effect of asset celling	-	-
Amount recognized in Other Comprehensive Income before tax	17.32	74.99

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

(Amount in Lakhs)

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

(Amount in Lakhs)

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

b) Defined Contribution Plan:

Payment to and provisions for employees includes Rs 5,87,77,059 (PY March 31,2020:- Rs. 5,73,80,171) recognized as an expense in respect of defined contribution plans.

Notes forming part of financial statement for the year ended March 31, 2021

Note 36:

Leave encashment

(Amount in Lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate	5.20% p.a.	5.45% p.a.
Increase in compensation cost	8.00% p.a	8.00% p.a

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

Note 37:

Segmental information

The Company's operations falls under a single business segment of agency/commission based services. The Company is engaged in the business of securities broking and its allied services and third party distribution of financial products. Further, all the transactions and the assets of the Company are recorded/located in India. As per the views of the Company's chief operating decision maker, business activities primarily falls within a single operating segment, no additional disclosure is to be provided under IND AS 108 - Operating Segments, other than those already provided in the financial statements.

Note 38:

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

Names of related parties and related party relationships

Names of related parties where control exists:

Name of the Party	Relationship
State Bank of India	Ultimate Holding Company
SBI Capital Markets Limited	Holding Company

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

Name of the Party	Relationship
SBI Life Insurance Company Limited	Fellow Subsidiary
SBI Mutual Funds	Fellow Subsidiary
SBI DFHI Ltd.	Fellow Subsidiary
SBI Fund Management Pvt Ltd.	Fellow Subsidiary
SBI Global Factors Ltd.	Fellow Subsidiary
SBI General Insurance Company Limited	Fellow Subsidiary
SBI Foundation	Fellow Subsidiary
SBICAP Trustee Company Ltd.	Fellow Subsidiary
Naresh Yadav, Managing Director	Key Management Personnel (From 30th October, 2019 onwards)
Mallika K.P., Managing Director	Key Management Personnel (From 01.07.2018 to 29th October, 2019)
Manish Singhal, Chief Financial Officer	Key Management Personnel (From 15.01.2019 onwards)
Dhanashri Kenkre, Company Secretary	Key Management Personnel
SBI Life Insurance Company Limited	Fellow Subsidiary
SBI Mutual Funds	Fellow Subsidiary

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

38. Related parties disclosures (Contd.) Details of transactions during the year

Name of related party	Year ended	Expenses during the year ended										Income during the year ended							Other transactions during the year		
		Employees cost	Rent/Maintenance Expense	Exchange paid for share distribution	Referral Fees	Bank Charges	Interest on Short Term borrowings	Bank Guarantee Commission	Corporate Social Responsibility Expenses	Royalty Expenses	Bad Debts	Investment in Equity Shares	Selling and distribution commission (IPO) and bonds	Borrowing (stock trading)	Research Income	Interest Income	Interest from Guaranty fund	Other Income	Share application money and issue of shares	Contribution to Guaranty fund	Benefits paid from Guaranty fund
Ultimate holding company																					
State Bank of India	March 31, 2021	-	-	-	238.77	0.97	198.27	-	-	422.70	-	-	-	-	80.01	-	-	33,528.15	-	-	-
	March 31, 2020	209.27	-	-	516.69	102.05	183.86	-	-	175.19	-	-	-	-	4.33	-	-	23,941.03	-	-	-
Holding company																					
SBI Capital Market Limited	March 31, 2021	-	951.92	-	-	-	-	-	-	-	-	23.46	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	1,283.24	-	-	-	-	-	-	-	-	293.51	-	-	-	-	-	-	-	-	-
Fellow subsidiaries																					
SBI Life Insurance	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	238.03	-	-	3.84	2.16	-	-	-	99.99
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	200.30	-	-	2.60	3.07	-	-	-	41.09
SBI DFHI Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Mutual Funds	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	178.19	-	-	-	122.02	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	305.10	-	-	-	82.99	-	-	-	-
SBI General Insurance Company Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	4.07	-	-	-	432.88	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	4.07	-	-	-	11.29	-	-	-	-
SBI Fund Management Pvt. Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	1.50	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	1.33	-	-	-	-	-	-	-	-
SBI Alternative Equity Fund	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Global Pvt Ltd	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	0.64	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	1.59	-	-	-	-	-	-	-	-
SBI Canada Ltd	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	0.07	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Foundation	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI CAP Trustee Company Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Key Management Personnel																					
Naveen Yadav, Managing Director	March 31, 2021	57.16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	19.09	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Malika K.P., Managing Director (From 01/07/2018 to 29/12/2019)	March 31, 2021	36.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	48.16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Manish Singhal, Chief Financial Officer	March 31, 2021	27.31	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	25.44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*This represents cost of the employees on deputation from the ultimate holding company - State Bank of India. It also includes reimbursement of salaries paid to key Management Personnel as all of them are on deputation from the bank.

(Amount in Lakhs)

Name of related party	Year ended	Balance receivable as at:										Balance payable as at:					
		Interest accrued:	Selling and distribution receivable	Trade receivable				Bank balances	Fixed Deposits	Investment in Equity Shares	Gratuity Fund	Other Receivable	Provision for Doubtful debts	Other liability	Selling and distribution payable	Short Term Borrowings	
Ultimate holding company	March 31, 2021	5.29	-	44.62	-	-	-	13,391.80	5,020.00	-	-	-	-	-	390.99	-	3,674.26
State Bank of India	March 31, 2020	-	-	116.88	-	-	-	23,422.67	20.00	-	-	-	-	-	157.67	-	6,899.07
Holding company																	
SBI Capital Market Limited	March 31, 2021	-	27.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	672.54	-	-	-	-	-	-	-	-	-	-	-	26.41	-	-
Fellow subsidiaries																	
SBI Life Insurance	March 31, 2021	-	(0.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	0.10	0.01	-	-	-	-	536.53	-	-	-	-	-	-	-	-
SBI General Insurance Company Ltd.	March 31, 2021	-	15.97	-	-	-	-	-	24.17	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Fund Management Pvt. Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	0.26	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI DPHI Ltd	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Mutual Funds	March 31, 2021	-	-	0.00	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	85.10	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Foundation	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI CAP Trustee Company Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes forming part of financial statement for the year ended March 31, 2021

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

(Amount in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/(Loss) before income tax expense	27,711.13	11,722.72
Tax at applicable tax rate – 25.17% (FY 2019-20)	6,974.89	2,950.61
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
Add: Tax impact on non deductible items	439.67	317.56
Less: Tax impact on Deductible items	411.50	271.18
Add: Others	-3.06	3.01
Current tax	7,000.00	3,000.00
Effective Tax rate	25.26	25.59
Recognition of deferred tax (income)/expenses on account of following:		
Property, Plant and Equipment : (Depreciation)	-14.04	-1.43
Provision for doubtful debts	72.47	144.84
Provision for arbitrage deposit	-326.18	0.39
Provision for gratuity	124.76	12.21
Provision for performance linked variable plan	-	42.31
Provision for Incentive payable	270.27	-
Provision for other employee benefits and tax impact of OCI	15.06	16.66
Income Tax Expenses	142.34	214.98
Total Tax expense	7,142.34	3,214.98

Note 40: Financial risk management objectives and policies

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

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

a. Credit risk

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

Maturities of financial liabilities

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

(Amount in Lakhs)

Contractual maturities of financial liabilities as at March 31, 2020	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings	3,674.26			
Trade Payables	23,270.95	23,270.95	-	-
Other Financial Liabilities	7,153.27	7,153.27	-	-
Total	34,098.47	30,424.21	-	-
* Borrowing of the Company is an Overdraft facility. Hence there is no contractual maturity for the same for FY ended March 31, 2020 and 2019 also.				
Contractual maturities of financial liabilities as at March 31, 2019	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings	6,899.07			
Trade Payables	15,088.35	15,088.35	-	-
Other Financial Liabilities	5,560.17	5,560.17	-	-
Total	27,547.59	20,648.52	-	-

c. Market risk

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

d. Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company's foreign exchange risk arises from its foreign currency borrowings (primarily in USD). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in Indian rupees may decrease.

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

(Amount in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	USD/GBP (In single unit)	INR in Lakhs	USD/GBP (In single unit)	INR in Lakhs
Foreign Currency Exposures (USD)	7,046.59	5.10	24,789.58	18.69
Foreign Currency Exposures (GBP)	400.00	0.29	1,812.00	1.69
Total		5.39		20.37

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

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

Amount in Lakhs

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

Interest rate risk

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

(i) Interest rate risk exposure

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

Variable rate borrowings

Amount in Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	Balance O/s.	Weighted Average Interest Rate	Balance O/s.	Weighted Average Interest Rate
Overdraft Facility	3,674.26	7.15	6,899.07	8.20
Term Loan	-	-	-	-
Total	3,674.26	7.15	6,899.07	8.20

(ii) Sensitivity

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

Amount in Lakhs

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

Note 41: Leases

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

(Amount in Lakhs)

	As on March 31, 2021	As on March 31, 2020
Right of use asset (Net of Depreciation)	1,663.32	964.02
Lease Liability	1,718.58	1,013.28
Depreciation on ROU	979.85	1,219.47
Interest on Lease liability	90.17	131.26

Note 42:
Earnings per share (EPS)

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

	March 31, 2021	March 31, 2020
Net profit / (loss) for calculation of basic EPS and diluted EPS	20,712.04	8,493.96
Weighted average number of equity shares in calculating basic and diluted EPS	9,68,75,000.00	9,68,75,000.00
Earnings per share	21.38	8.77

Notes forming part of financial statement for the year ended March 31, 2021

Note 43:

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

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

Note 44:

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

Note 45: Corporate Social Responsibility (CSR)

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

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

Notes forming part of financial statement for the year ended March 31, 2021

Note 46:

Previous year figures

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

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

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

CA Raman Hangekar
Partner
Membership No. : 030615
Mumbai
Date: April 27, 2021

Arun Mehta
Chairman

Naresh Yadav
Managing Director & CEO

Manish Singhal
Chief Financial Officer

Dhanashri Kenkre
Company Secretary

Management Team



Sitting
Left to Right

Mr. Manish Singhal
Whole-Time Director & CFO

Mr. Naresh Yadav
Managing Director & CEO

Mr. Amit Golia
Chief Business Officer

Mr. Chandresh Dedhia
Chief Technology Officer

Mr. Amit Shah
Head - Retail Broking

Standing
Left to Right

Mr. Manmeet Khurana (Head - Retail Distribution) | Mr. Manoj Mahadeshwar (Head - Retail Sales)
Ms. Ujjwala Khatkhate (Head - Customer Support Group) | Ms. Dhanashri Kenkre (DVP - Company Secretary)
Mr. Sumit Ghosh (Head - Human Capital) | Mr. Vikram Kumar (AVP - Business Intelligence Unit)
Mr. Sourabh S (Head - Digital Initiatives) | Mr. HIRAK Parikh (Chief Compliance & Risk Officer)
Mr. Vineet Samuel (Head - Retail Assets)



Registered & Corporate Office:

SBICAP Securities Limited

Marathon Futurex, Unit No. 1201, B-Wing, 12th Floor, N M Joshi Marg,
Mafatlal Mill Compound, Lower Parel East, Mumbai 400013

Corporate Identity Number (CIN): U65999MH2005PLC155485 | Website: www.sbisecurities.in