

17th ANNUAL REPORT



2021 - 22

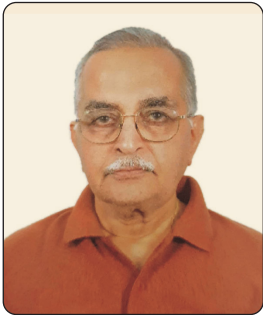
Board of Directors



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 Limited (SSL) started operations in 2006 to provide primary and secondary capital market access to retail customers and became the broking arm of the State Bank of India (SBI) Group. A wholly owned subsidiary of SBI Capital Markets Limited, SSL is a significant player in the broking industry.

SSL operates its business through four verticals - Retail Broking, Retail Sales, Retail Distribution & Retail Assets.

In broking, SSL currently serves more than 2.6 million customers through state-of-the-art trading and investment platforms available on mobile, website and dealer terminal. SSL offers its customers a variety of products and services to choose from – such as Equity, Derivatives, Mutual Funds, CFD, SGB, Home Loans, Auto Loans, IPO & ETF.

The Company is acquiring new Demat Accounts through the Bank channel as well as through the Open Market channel. In Retail Assets, SSL is the captive sourcing arm of the State Bank of India and is making a substantial contribution to Bank's overall Home Loan and Auto Loan business. SSL adds value to customers by providing a seamless experience in their loan journey.

SSL, in addition to core broking business, also distributes Third Party Products like Insurance, Mutual Fund & Fixed Income Products through its various business verticals.

The company earned a net profit of Rs.233.01 crore during FY'22 against Rs.207.12 crore in FY'21.

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Director's Report for the year 2021-22

To,

The Members,

The Directors are pleased to present the 17th Annual Report of the Company together with the Audited Accounts for the Financial Year (FY) ended 31st March, 2022.

1. Financial Performance Highlights

(Rs. in crores)

Financial Year Ended 31 st March	2021	2022
Operating Results		
Gross Income	672.90	830.87
Profit before provisions, Depreciation, Interest and Tax	302.14	312.36
Provisions	-	-
Depreciation	22.08	22.69
Finance Cost	2.88	11.70
Profit before tax	277.17	312.02
Less: Tax Expense	70.05	79.01
Profit for the year (A)	207.12	233.01
Other Comprehensive Income (B)	0.58	-0.13
Total Comprehensive Income for the period (A+B)	207.70	232.89
Financial Position		
Equity Share Capital	96.88	96.88
Reserves	470.16	703.05
Debt Funds	-	-
Other Selected Data		
Earnings per share (Rs.)	21.38	24.05
Return on Equity (%)	36.53	29.13
Dividend per share (Rs.)	-	-
Book Value per share (Rs.)	53.55	82.57

Total income during the year stood at Rs.830.87 Crores (Cr.), i.e. 23.48% higher than the previous year. The PBT for the FY 2021-22 was Rs. 312.02 Cr. as against PBT of previous FY 2020-21 at Rs. 277.17 Cr.

FY 2021-22 has been a very fruitful year for the Company both in terms of Total Income as well as PAT. Total income during the year was up by 23.48% and PAT was up by 12.50% as compared to previous year. This financial year we have also achieved new milestones. Our total client base in retail broking is more than 26 lakhs customer and our Home Loan and Car Loan business share in overall business of the State Bank of India have increased to 23% and 72% respectively across Pan India basis.

2. Market Environment:

Domestic equity market began the financial year 2021-22 on a strong note, despite India going through the deadly second wave of COVID during Apr'21 to Jun'21 period. Nifty scaled record highs of 18,338 levels on 11th Oct'22 from the base of 14,867 on the last trading of FY 2021, generating a whopping 24.8% returns in just ~6.5 months. The first half of the financial year 2021-22 augured well for all the equity capital market stakeholders like exchanges, depositories, stock brokers etc. and majority of the companies reported healthy growth in profitability. Post the stupendous bullrun in first half of the Financial year 2021-22, recovery in Indian economy and hence the capital market uphill journey was derailed by the third COVID wave in Nov'21.

Despite hindrances due to multiple COVID waves in FY 2021-22, the Indian economic activity came back on track in FY 2022. 1st Quarter of FY 2022-23 recorded a 20.1% year-on-year growth in GDP backed by low base effect compared to a 24.4% slump in 1st Quarter of FY 2021-22. Rapid acceleration in Covid vaccine coverage, low base effect and gradual reopening of economic activities helped boost the GDP growth in the first three quarters of the year. The inflation on the other hand continued to soar on rising crude oil prices which spiked to the highest level in last 13 years reaching >\$130 per barrel in Mar'22. To further escalate the inflation worries, geo-political tension between Russia and Ukraine started to creep-in towards the end of Feb'22 disrupting global supply chains. As the world's major economies started to put sanctions against Russia, the energy supplies from Russia started to take hit casting doubt on global economic growth.

In order to beat the rising inflation, the global central banks started to hike interest rates. The US Fed hiked its key interest rates for the first time since 2018 raising it by 25 bps. The Union Budget 2022-23 turned out to be a growth-oriented budget wherein the Finance Minister focused on economic growth promoted by capital expenditure. The capital expenditure outlay was kept at Rs 7.5 lakh cr which was an increase of ~35% from the budget of FY 2021-22.

The market rally of 2021 could not sustain for long in FY 2022 and witnessed significant correction after registering all-time highs in Oct'21. Since then the market witnessed significant correction led by heavy foreign institutional outflows but managed to close the FY 2022 with gains of ~19%.

On the liquidity front, in FY 2021-22, the Foreign Institutional Investors (FIIs) net pulled out over Rs. 1.4 lakh cr from the Indian equities market. It is pertinent to note that the domestic investors absorbed all of the FII selling by net buying to the tune of Rs. 2.2 lakh cr in FY 2022.

The FY 2022-23 has started on a cautious note and is currently at a discount of 15% from their Oct'21 highs. The uncertainty continues to linger around the on-going Russia-Ukraine tension, rising inflation rate globally, aggressive monetary policy tightening by global central banks, new Covid cases in China causing lockdown situations, and the continued FII selling. Hence, FY 2023 will be the year of investing in fundamentally sound growth oriented businesses as market can continue to witness volatility amid these uncertainties.

3. Operations:

i) Retail Broking:

With buoyant markets, number of clients who traded on broking platform registered a sharp growth of 82.64%. This number increased from 3,65,845 in the period Apr'20-Mar'21 to 6,68,187 during Apr'21-Mar'22.

During the FY 2021-22, Retail Brokerage income (including interest income and commissions) went up to Rs. 351.76 Crores against previous year's income of Rs. 287.18 Crores, thereby recording a healthy growth of 22.49% on YoY basis.

Overall Retail Broking business (Including Demat and acquisition fee Income) achieved gross earnings of Rs. 408.12 Crores during the FY 2021-22 against total income of Rs. 320.09 Crores in FY 2020-21, registering a sharp growth of 27.50%.

Net earnings from operations before Depreciation, Amortization and Deferred taxes on income (EBDT) of Retail broking business saw a growth of 12% with income rising to Rs. 182.91 Cr in the period Apr'21-Mar'22 as compared to Rs. 164.02 Cr in Apr'20-Mar'21. EBDT Margins for broking business is 53.98% in Apr'21-Mar'22.

New Business Initiatives – Retail Broking

To further strengthen our Retail broking business and increase our revenue in broking business we launched a new product EMargin in Oct'21. Margin funding product helped us to increase overall client participation and improve our delivery volume. In first six months, margin funding book size is Rs. 608.94 Cr with 36,694 unique client traded. Total income from Emargin product from Oct'21-Mar'22 is Rs. 38.33 cr.

PRIME – Open Market Broking

FY 2021-22 was the second full year of this business being Operations. The year witnessed a sizeable expansion in both revenue and customer base, further reducing the dependence on Bank branches for account sourcing. The revenue grew to around Rs. 16 crs., up from Rs. 6.6 crs. and customer base grew to around 40K up from 7K in FY 2021-22. This translated into the business becoming positive at both EBIDTA and PAT levels.

Demat Account Acquisition

In FY 2021-22, SSL added 8,02,415 new accounts with YOY growth of 142%. Covid-19 impact in Q1 stagnated the market share at 1%, which later with strong bounce back hit 3.30% in Q4. While extraordinary performance was recorded, it is noteworthy that 80% of the accounts sourced are either subscription-based or paid accounts. These account amplified total income from acquisition by 69%. We recorded a positive month on month growth in new client acquisition with record breaking performance of 1,05,114 Demat accounts acquired in March'2022.

Digital account opening was launched previous FY 2020-21 and has helped to scale up our account acquisition number significantly. Overall 91% of total account have been acquired digitally in FY 2021-22.

New initiative like YONO integration and SSL placing banner on Depository and onlinesbi.com have help to add new stream of business and also creating visibility for SSL. Strategy to stay align with Industry performance Circle/Region wise have ensured leveraging the real potential for growth.

ii) Retail Asset:

Covid-19 resurgence in FY 2021-22 has impacted most global economies and financial sectors including India. Overall demand for consumer credit market has been impacted and remained depressed since the onset of the pandemic.

For the Retail Assets division of SSL this resulted in lower demand for Home Loan and Auto Loan as the number of new cases increased significantly across India in both urban and rural areas.

However, it started to gradually pick up in Q2 when the restrictions started to ease out and slowly & steadily demand increased in Q3 and peaked out in Q4 of FY 2021-22.

- **Home Loan:**

Pandemic disruption of economic activities continued in FY 2021-22. Due to partial restrictions in several states there was a slow start in Q1 of FY 2021-22. In spite of these challenges the Retail Assets division logged in Home Loan cases of Rs. 38,755 Cr and sanctions with disbursement of Rs. 30,711 Cr as against Rs. 26,145 Cr in FY 2020-21, which reflects a growth of 17% over the last financial year.

For FY 2021-22, SSL had a significant share of 23.06% in the overall SBI Home Loan business which has been marginally increased as compared to last year's share of 22.21%.

Productivity per Sales Executive has been maintained at Rs. 1.14 Cr in FY 2021-22 as against Rs. 1.11 Cr in FY 2020-21.

Focus on increase of presence in locations has been instrumental in expanding SSL's Home Loan business. We now have presence in 192 locations as compared to 102 locations at the beginning of FY 2021-22.

- **Auto Loan:**

Auto Loans under the Retail Assets division has achieved significant growth with a disbursement of Rs. 19,405 Cr during FY 2021-22 as against Rs. 14,883 Cr in FY 2020-21. This is up by 30% over last FY 2020-21.

For FY 2021-22, SSL's share in overall Auto Loans business of SBI was 72% as against 56% in FY 2020-21. Productivity per sales executive has been maintained at Rs. 1.26 Cr in FY 2021-22 as against Rs. 1.24 Cr in FY 2020-21.

Auto loan team has also been growing its presence in locations. It is now operational in 472 locations as against 406 locations in FY 2020-21.

iii) **Product & Information Technology**

Digital Transformation Projects:

Change is the only constant, especially in the digital world where new & emerging trends take over even before the existing ones get outdated. The need for digitally strong and robust platforms in the broking industry have specially evolved in the pandemic era. Thus, to meet the expectations of our customers in having a seamless and excellent trading experience, we launched the new "sbi securities" mobile and web trading app in September, 2021. It is changing the way India invests and it marks the beginning of a new era of trading.

We planned to revamp our entire back-office system and trading platforms. Despite COVID and the aligned issues, we launched a new web platform and mobile app in record breaking time. Our mobile app was launched in a record-breaking time of 6 months and migrated all our existing customers (~20 lakh) to the new platform.

Launch of Best-in-Class SBI Sec Mobile App

We had tied up with Market Simplified to scratch build new trading mobile app by revamping our backend trading systems and launched mobile trading platforms with best-in class features. We achieved a 'truly Hi-Tech' innovation with a selection of the right technologies that reduce latency in customer journey through flutter-based mobile application which was launched in September, 2021 for Android and IOS users, featured intuitive navigation, instant trading recommendations, a secure and easy fund management system and lots more.

The new app is a One-stop shop for our clients. We've gone beyond the basics and introduced all investments under one app with features like One tap to buy, Upfront stock details in watchlist – bid/ask, Instant and secured fund lien/hold and transfer, introduced first-in-industry pricing of

Emargin with 0% interest which is well-received by our clients, first among the bank brokers to introduce Widgets for both iOS and Android. This allows users quick access to their portfolio information without having to open the associated application. If user want to invest in fixed income products, IPO, currency, and mutual funds, our app has it all. Along with derivatives and equities, you can invest in a product pool that suits your investment needs.

We are still constantly upgrading with user-friendly trading features and fulfilling the demands of customers constantly. Average rating of 4.0 on the app store with the wonderful reviews shared by customers, is something that we consider as our biggest achievement. The application has 8 Lacs user downloads.

Launch of New SBI Securities web trading platform

We had tied up with TCS to replace existing systems as TCS has strong domain experience of running the software at huge loads at other Competitor Bank led Brokers and most importantly has ready products which are required by investors and traders for their investment/trading needs.

Launched in June 2021, it is designed to deliver day-to-day trading needs with utmost ease. Featuring intuitive UI, our web trading platform has an actionable watchlist with one-click order placement.

It allows you to seamlessly transfer and hold your funds. Get exhaustive reports, well-researched mutual funds, and lots more. Very soon we shall launch mutual fund SIP packs for helping the nascent investors in making the right financial choices. In accordance with the new brand, we have rebranded our corporate website from Sbismart.com to sbisecurities.in

The new corporate website provides a glimpse of all our offerings, upcoming updates, customer blogs, platform demo videos and more. Exhaustive FAQs are available for customers to resolve any queries related to product understanding, demonstration, usage of application etc.

Enhanced Technology Stack

Our backend systems are now made robust and DB standardized that is now able to access all other databases. We successfully adopted a cloud-based integration strategy guided through our new cloud policy.

We have completely re-architected our technology stack to ensure continuity / availability of the trading platforms & channels by having adequate resiliency at the primary site as well as setting up of the disaster recovery to ensure that the customers are able to transact in the eventuality of a disaster at our primary data centre, enhanced performance & improved security.

Introduced Interactive Chatbot - MITRA

We introduced an AI-based interactive Chatbot - MITRA which is also a breakthrough as it has made life easy for the customer support team. MITRA can easily handle regular queries like how to place an order and how to check statements. It has helped to reduce the call and email load flow for the support team and also reduce query solving TAT wherein more than 2000 queries daily, 12,000 + monthly users and 45,000+ monthly queries are being dealt through Chatbot.

Digital Account Opening

Even during the testing times nothing kept the digital team at back foot, we transformed our entire customer onboarding journey online with a view to ease out the process of new customer acquisitions.

The new digital account opening journey is 100% DIY and doesn't take more than 5-10 minutes to complete the process.

This helped us to tap the growing market of customers who are keen on entering the financial markets. We clocked more than 1 lakh accounts since inception on DIY journey and 8.5 lacs through our Lead Management App i-Smart which contributes to more than 90% of our total accounts opened.

iv) 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 continues 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 the Company were given below mentioned awards :-

- Express Computer, BFSI Technology Conclave 2022, Pune - Enterprise Mobility
- Quantic, Technology Excellence Awards 2022 - Digital Customer Experience Transformation Initiative
- IMC Chamber of Commerce and Industry, Digital Technology Awards 2021 - Digital Transformation journey at SBI Securities.

6. Credit Rating:

- The Annual Credit Rating of the Company has been upgraded to AA+/Positive.
- During the year CRISIL & ICRA have given A1+ rating to the Company for funding requirements through Commercial paper.

7. Compliance with Secretarial Standards and Companies Act, 2013:

During the year under review, the Company has complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India and provisions of the Companies Act, 2013.

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 equity share capital of the Company is Rs. 96,87,50,000 divided into 9,68,75,000 equity shares having face value of Rs.10/- each. The Company has not issued any further shares or convertible securities during the FY 2021-22.

9. Dividend:

No dividend is proposed by the Board of Directors of the Company for FY 2021-22.

10. Transfer to Reserves:

During the FY 2021-22 the Company has not transferred any amount to the reserves and the entire amount of profits is retained in the profit and loss account.

11. Human Resources:

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 2022, the strength of SSL's workforce was 6843 as compared to 5314 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.

12. Policy at Sexual Harassment of Women at Workplace:

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

One complaint was filed in FY 2021-22 under the category of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Upon examination, the underlying matter was not found to be related to sexual harassment and the complaint was duly disposed of by ICC.

13. Public Deposits:

The Company has not accepted any deposits from the public as on 31st March, 2022. The provisions of clause 3(v) of the Companies (Auditor's Report) Order 2018 are not applicable to the Company.

14. Disclosure regarding Conservation of Energy and Technology Absorption, Foreign Exchange Earnings and Outgo and Particulars of Loans Guarantees or Investments under section 186:

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 the Company 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:

The Company has earned foreign exchange to Rs. 0.57 Lakhs as compared to Rs. 23.35 lakhs in previous FY 2020-21 on research income and expended Rs. 182.86 Lakhs as compared to Rs. 69.43 Lakhs in FY 2020-21 on other operating expenses.

Particulars of Loans, Guarantees or Investments under Section 186:

The Company has not given loans or guarantees under Section 186 of Companies Act 2013 other than margin funding to its own customers for capital market purchases in the ordinary course of business. (Refer Note no. 14) 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, 2022

15. 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”.

16. 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 extracts of the Annual Return as at 31st March, 2022 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>.

17. Directors:

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

Appointment of Directors:

Sr. No.	Name of the Directors	Appointment	Date
1.	Shri B.R.S. Satyanarayana, Nominee Director	Appointment	2 nd August, 2021
2.	Shri Naresh Yadav, Managing Director & CEO	Re-appointment	30 th October, 2021
3.	Shri Manish Singhal, Whole-Time Director & CFO	Re-appointment	14 th January, 2022
4.	Shri Swaminathan Janakiraman, Nominee Director	Appointment	15 th June, 2022
5.	Shri Deepak Kumar Lalla, Additional Director	Appointment	23 rd June, 2022
6.	Shri Sushanta Kumar Das, Whole-Time Director & CFO	Appointment	14 th July, 2022
7.	Shri Amitava Chatterjee, Chairman & Nominee Director	Appointment	1 st August, 2022

Shri Dinesh 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.

Cessation of Directors:

Sr. No.	Name of the Directors	Cessation	Date
1.	Shri R. Viswanathan, Nominee Director	Cessation	21 st June, 2021
2.	Shri Dinesh Khara, Nominee Director	Cessation	30 th October, 2021
3.	Shri Ashwini Kumar Tewari, Nominee Director	Cessation	14 th June, 2022
4.	Shri Manish Singhal, Whole-Time Director & CFO	Cessation	24 th June, 2022
5.	Shri Arun Mehta, Chairman & Director	Cessation	31 st July, 2022
6.	Shri B.R.S. Satyanarayana, Nominee Director	Cessation	9 th August, 2022

The Board welcomes Shri Swaminathan Janakiraman, Shri Deepak Kumar Lalla, Shri Sushanta Kumar Das, and Shri Amitava Chatterjee on the Board of the Company and places on record its deep appreciation to Shri Dinesh Khara, Shri Ashwini Kumar Tewari, Shri B.R.S. Satyanarayana, Shri Arun Mehta, Shri R. Viswanathan and Shri Manish Singhal Directors of the Company for their valuable contributions during their tenure associated with the Company.

18. Director liable to retire by rotation:

In terms of provision of section 152 of the Companies Act, 2013, Shri Sharad Sharma, Non-Executive Director of the Company retires by rotation from the said position at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

19. Key Managerial Personnel:

During the year under review, there were changes in the Key Managerial Personnel (KMP) of the Company as detailed below:

Sr. No.	Name of Directors	Appointment/Cessation	Date
1.	Shri Naresh Yadav, Managing Director & CEO	Re-appointment	30th October, 2021
2.	Shri Manish Singhal, Whole-Time Director & CFO	Re-appointment	14th January, 2022
3.	Shri Manish Singhal, Whole-Time Director & CFO	Cessation	24th June, 2022
4.	Shri Sushanta Kumar Das, Whole-Time Director & CFO	Appointment	14th July, 2022

20. Number of Meetings of the Board:

The Board meets at regular intervals and the intervening gap between the meetings during FY 2021-22 was within the period prescribed under the Companies Act, 2013.

6 Board Meetings were held during the Financial Year on 27th April 2021, 16th July 2021, 20th September 2021, 14th October 2021, 20th December 2021 and 14th January 2022.

21. 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.

22. 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>.

23. Performance Evaluation of the Board and Board Committees:

The evaluation framework as per Section 178(2) of the Companies Act, 2013 and as per Rule 8(4) of the Companies (Accounts) Rules, 2014 was approved by the Nomination and Remuneration Committee of the Board and by the Board of Directors of the Company. The Evaluation involves Board Evaluation, Evaluation of Board Level Committees, Self-Evaluation, Chairman's Evaluation and Evaluation of Independent Directors of the Board. A member of the Board shall not participate in the discussion of his/her evaluation.

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 2021-22 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, 2022. Further, detailed transactions with related parties are given in **Annexure "C"**.

25. 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.

26. Constitution of the Audit Committee:

The Company has constituted Audit Committee comprising of following four members Shri Vasudeo R. Galkar (Independent Director & Chairman of the Committee), Shri Arun Mehta, Shri Sharad Sharma and Smt. Bharati Rao.

6 Audit Committee Meetings were held during the Financial Year on 27th April 2021, 16th July 2021, 20th September 2021, 14th October 2021, 20th December 2021 and 14th January 2022.

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.

27. 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 five members Shri Vasudeo R. Galkar (Chairman), Shri Arun Mehta, Shri B.R.S. Satyanarayana, Shri Naresh Yadav and Shri Manish Singhal.

5 CSR Committee Meetings were held during the Financial Year on 27th April 2021, 15th July 2021, 20th September 2021, 13th October 2021 and 13th January 2022.

28. 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 forms 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 22nd 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:	16279.76
Prescribed CSR Expenditure (Two per cent of the amount):	325.59
Details of CSR spent during the financial year:	
a) Total amount to be spent for the financial year:	325.59
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 2021-2022.

A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Initiatives, is in compliance with CSR objectives and Policy of the company.

29. 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.

30. 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 20th May, 2022 has been submitted under section 143 of the Companies Act, 2013 on the accounts of the Company as enclosed. 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, 2022 under section 143(6)(a) of the Act."

31. Statutory Auditors:

M/s. Batliboi & Purohit, Chartered Accountants, were appointed as the Statutory Auditors of the Company for the financial year 2021-22 by the Comptroller & Auditor General of India (CAG), under the provisions of Section 139(5) of the Companies Act, 2013.

The Statutory Auditors of the Company for the Financial Year 2022-23 would be appointed as and when directed/ informed to the Company by the C&AG, pursuant to Section 139 and other applicable provisions of the Companies Act, 2013.

32. Secretarial Audit Report:

The Board of Directors of the Company had appointed M/s. VKMG & Associates LLP., Practising Company Secretaries, to conduct the Secretarial Audit for the FY 2021-22 and their Report on Company's Secretarial Audit is appended as per provision of section 204 of the Companies Act, 2013 which forms part of this Report as **Annexure "E"**.

33. 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, Practising Company Secretaries, Secretarial Auditors of the Company in their reports respectively.

34. 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.

35. 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.

36. 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.

37. 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 of Conduct is monitored by the Compliance Officer.

38. Statement in respect of adequacy of Internal Financial Controls (IFC):

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.

39. Internal Control System:

The Company had appointed M/s. M. M. Nissim & Co., Chartered Accountants, as Internal Auditors for FY 2021-22. Internal Audit is focused on independently evaluating the adequacy of internal controls, ensuring adherence to operating guidelines and Regulatory and Legal requirements.

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.

Further, as a good Corporate Governance measure we have appointed M/s. Shah & Ramaiya, Chartered Accountants as our new Internal Auditor for FY 2022-23 in place of our existing auditor M/s. M.M. Nissim & Co., Chartered Accountants who have since completed 5 years.

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. 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.

43. Other Disclosure:

- Equity Shareholders/Members of the Company at their 14th Extra Ordinary General Meeting (EGM) held on 18th November, 2021 inter alia considered and approved revision in the Borrowing Powers of the Company from Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) to Rs. 1000,00,00,000/- (Rupees One Thousand Crores Only) and further enhanced the limits in the 15th EGM held on 20th December, 2021 from Rs. 1000,00,00,000/- (Rupees One Thousand Crores Only) to Rs. 2000,00,00,000/- (Rupees Two Thousand Crores Only) by passing a Special Resolution in this regard pursuant to Section 179(3)(d) read with Section 180(1)(c), and other applicable provisions of the Companies Act, 2013.
- The Company has raised funds for amount of Rs.300 Crores by way of issuance of Commercial Papers listed on BSE Bond Platform.

44. 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.

45. 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 SBICAP 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 of:
SBICAP Securities Limited**

Sd/-

**Chairman
(Shri Amitava Chatterjee)
Date: August 10, 2022**

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 2021-22:

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	3,01,09,689	Permanent	B.Com , PGDBA, Welingkar Institute of Management	06-Aug-19	47	Axis Securities Ltd
2	Amit Jayantilal Shah	Head - Retail Broking	1,57,85,323	Permanent	CA	29-Nov-19	42	Religare Broking Limited
3	Vineet Samuel	Head - Retail Assets	1,29,66,910	Permanent	PGDBM	27-Jul-11	48	Reliance Money
4	Chandresh Hirji Dedhia	Chief Technology Officer	1,18,35,792	Permanent	MBA	13-Jul-20	45	Yes Bank Limited
5	Manmeet Singh Khurana	Head - Retail Distribution	73,42,607	Permanent	MBA	01-Sep-20	48	ICICI Securities Limited
6	Manoj Mahadeshwar	Head - Retail Sales	79,99,336	Permanent	B.COM	07-Apr-10	47	Reliance Securities Ltd
7	Rajiv Khanna	Zonal Manager - West	70,86,605	Permanent	MBE	19-Jul-17	45	ICICI Securities Limited
8	Hirak Prashant Parikh	Chief Compliance & Risk Officer	67,67,844	Permanent	MMS	20-Jan-20	43	Angel Broking Private Limited
9	Sumit Ghosh	Head - Human Capital	63,40,890	Permanent	MBA	22-Mar-18	40	Axis Bank Ltd
10	Anand Ratanchand Bedmutha	Assistant Vice President - Retail Assets	60,89,326	Permanent	MBA	27-Sep-19	42	BOB Financial Services Limited

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	3,01,09,689	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, 2022

[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 Business Solutions Limited 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	-	47%
2	Asset Sales	-	45%

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. 202, Maker Tower 'E', Cuffe Parade, Mumbai - 400 005.	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	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	9,68,75,000	-	9,68,75,000	100%	9,68,75,000	-	9,68,75,000	100%	-

* Equity shares held by individuals represents Nominee of SBI Capital Markets Ltd.

(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	
1	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
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	
1	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	*At the beginning of the year Shri Arun Mehta Shri. R. Viswanathan Shri Naresh Yadav Shri Manish Singhal	1 1 1 1	Nil	1 1 1 1	Nil
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 Shri R. Viswanathan, to Shri B.R.S. Satyanarayana Director on 27 th August, 2021.	1	Nil	1	Nil
4	*At the end of the year Shri Arun Mehta Shri B.R.S. Satyanarayana Shri Naresh Yadav Shri Manish Singhal	1 1 1 1	Nil	1 1 1 1	Nil

* 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

(Amt. in lakhs)

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. 68.14	Rs. 73.77	Rs. 141.91
	(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. 68.14	Rs. 73.77	Rs. 141.91
	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. 6,10,000/-	Rs. 6,10,000/-
	Commission	-	-
	Others, please	-	-
	Total (1)	Rs. 6,10,000/-	Rs. 6,10,000/-

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. 3,10,000/-	Rs. 2,84,000/-
	Commission	-	-
	Others, please	-	-
	Total (2)	Rs. 3,10,000/-	Rs. 2,84,000/-

	Total(B) = (1 +2)	Rs. 12,04,000/-	
	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	-	28.19	28.19
	(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	-	28.19	28.19

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 Fund Trustee Company Private Limited	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 & CEO	Key Management Personnel (From 30.10.2019 onwards)
Manish Singhal, Chief Financial Officer & WTD	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. (f).

(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: 27th April 2021, 16th July 2021, 14th October 2021 and 14th January 2022.

(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, 2022
State Bank of India	Employee Cost	209.19
	Referral Fees	529.23
	Royalty Expenses	475.53
	Other Income	41807.09
SBI Capital Markets Limited	Rent/Maintenance Expense	611.56
	Selling and Distribution commission (IPO) and bonds	58.18
	Other income	0.74
SBI Life Insurance	Interest from Gratuity fund	48.28
	Other Income	1.72
	Benefits paid from Gratuity fund	94.23
SBI Mutual Funds	Other Income	218.28
SBI General Insurance Company Ltd	Other Income	320.15
SBICAP Ventures Limited	Other Income	9.72

Annexure 'D' to the Director's 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 B.R.S. Satyanarayana	Non-Executive Director & Member	3	3
4.	Shri Naresh Yadav	Executive Director & Member	5	5
5.	Shri Manish Singhal	Executive Director & Member	5	3

- 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): ₹ 1,62,79,76,480.42/-
- Two percent of average net profit of the company as per section 135(5): ₹ 3,25,59,529.61/-
 - 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
₹ 3,28,46,000/-	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): ₹ 3,28,46,000.00/-

(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. 3,25,59,529.61/-
(ii)	Total amount spent for the Financial Year	Rs. 3,28,46,000.00/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 2,86,470.39/-
(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 Amitava Chatterjee
Chairman of the Board

Shri Vasudeo Galkar
Chairman of CSR Committee

Annexure I:

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

1 Sr. No.	2 Name of the Project.	3 Item from the list of activities in Schedule VII to the Act.	4 Local area (Yes/No).	5 Location of the project.		6 Amount spent for the project (in Rs.)	7 Mode of Implementation - Direct (Yes/No).	8 Mode of implementation- Through Implementing Agency	
				State	District			Name	CSR Registration number.
1.	Sankalp Society	promoting health care including preventive health care	No	Rajasthan	Baran District	Rs. 15,96,000/-	Yes	NA	
2.	SBI Foundation – SBI Sanjeevani		No	Ladakh & Jammu & Kashmir	Kargil & Bandipura	Rs. 50,00,000/-	No	SBI Foundation	CSR00001456
3.	SBI Foundation –SBI Paralympics		No	India		Rs. 50,00,000/-	No		
4.	Young Scholar Trust	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled, and livelihood enhancement projects.	Yes	Maharashtra	Mumbai	Rs. 5,00,000/-	Yes	NA	
5.	Niharkana Rehabilitation Centre		No	West Bengal	Kolkata	Rs. 10,00,000/-	Yes	NA	
6.	Tata Memorial Centre	promoting health care including preventive health care.	Yes	Maharashtra	Mumbai	Rs. 12,00,000/-	Yes	NA	
7.	Tata Memorial Centre		Yes	Maharashtra	Mumbai	Rs. 15,00,000/-	Yes	NA	
8.	Gramonnati Trust	ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	No	Jammu & Kashmir	Ramnagar & Chennai	Rs. 25,00,000/-	Yes	NA	
9.	HESCO		No	Uttarakhand	Tehri Garhwal	Rs. 9,90,000/-	Yes	NA	
10.	Vatsalya Trust	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra	Mumbai	Rs. 15,00,000/-	Yes	NA	

11.	Army Welfare CSR Fund	i) measures for the benefit of armed forces veterans, war widows and their dependents, ii) Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows	No	Delhi	Delhi	Rs. 75,00,000/-	Yes	NA
12.	IICD	Protection of national heritage, art and culture; promotion and development of traditional art and handicrafts.	No	Rajasthan	Udaipur	Rs. 10,00,000/-	Yes	NA
13.	Matruchhaya Trust	(i) Eradicating hunger, poverty and malnutrition, (ii) promoting education, including special education and employment enhancing vocation skills especially among children (iii) Setting up of homes and hostels for women and orphans	No	Goa	Kalapur	Rs. 8,50,000/-	Yes	NA
14.	BNHS	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of national resources.	No	Odisha	Mahanadi River	Rs. 17,10,000/-	Yes	NA
15.	Bharat Ke Veer		No	Delhi	Delhi	Rs. 10,00,000/-	Yes	NA
CSR Contribution for the FY 2021-22						Rs. 3,28,46,000/-		

A few stills from our CSR initiatives in FY 2021-22:

SBI Foundation - Sanjeevani Project – Clinic on Wheels:

Contribution to SBI Foundation towards Mobile medical health care system addressing the needs of remote rural areas, particularly for low-income and marginalized populations. (Location: Kargil – Ladakh & Bandipura district – J & K).



Tata Memorial Centre:

Contribution to Tata Memorial Centre for:

- Purchase of Multi-headed (at least Tri) Microscope for Pathological diagnosis and training post-graduate MD students.
- Purchase of Tissue Embedding System – for initial diagnosis, subsequent staging, and follow-up to confirm recurrence for all cancer patients at different stages.

Vatsalya Trust - Project E-Vidya (Digital Literacy Initiative):

Contribution to Vatsalya Trust for Skill Development Centre that strives for digital literacy and enhances employment opportunities for youth by providing computer education.



Bombay Natural History Society (BNHS):

Contribution to BNHS for conserving Black-bellied Tern through community participation at Mahanadi River.



Bharat Ke Veer:

Contribution to Bharat Ke Veer for disbursing funds equitably to the brave hearts family on a need basis.

Gramonnati Trust:

Contribution to Gramonnati Trust for Solar Dryers project, which helps to reduce wastage of perishables.



Annexure (E) to the Director's Report



Form No. MR-3
SECRETARIAL AUDIT REPORT
as on the financial year ended on 31st March, 2022

[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.

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

(i)	The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii)	The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable)
(iii)	The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv)	The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as applicable to the Company; (Not Applicable)
(v)	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 2021-22 under report

	<p>(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.</p> <p>(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.</p> <p>(c) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.</p> <p>(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;</p> <p>(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013.</p> <p>(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and</p> <p>(g) 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.</p> <p>(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.</p> <p>(i) The Securities and Exchange Board (Buyback of Securities) Regulations, 2018.</p>
(vi)	<p>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 thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:</p>
	<p>(a) The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992.</p> <p>(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation 2015, to the extent applicable to market intermediary.</p> <p>(c) The Securities and Exchange Board of India (Research Analyst) Regulations, 2014.</p> <p>(d) Operational guidelines on CPs prescribed by FIMMDA.</p> <p>(e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (to the extent applicable for listing of Commercial paper).</p>

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

- (i) Secretarial Standards about Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Company is an unlisted Company and therefore compliance with listing regulations entered with Stock Exchange is not applicable.

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.

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 and Committee 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, the Company has complied with applicable provisions of the Act and SS-1 in relation to shorter notice. Further 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.

All the decisions at the meetings of the Board of Directors of the Company and committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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, 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 accorded the members approval by way of special resolution dated 18th November 2021 for enhancement of existing borrowing limits from Rs.500 Crores to Rs.1000 Crores only, under section 180(1)(a) and 180(1)(c) of the Companies Act, 2013.
2. The Company has accorded the members approval by way of special resolution dated 20th December 2021 for enhancement of existing borrowing limits from Rs.1000 Crores to Rs.2000 Crores only, under section 180(1)(a) and 180(1)(c) of the Companies Act, 2013.
3. The Company has raised funds of an amount of Rs.300 Crores by way of issuance of Commercial Papers listed on BSE Bond Platform.

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

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

Place: Mumbai
Date: 08-08-2022
UDIN: A015697D000757746

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 August 8, 2022.

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

Sd/-

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

Place: Mumbai
Date: 08-08-2022
UDIN: A015697D000757746

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 2022, 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, 2022, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in our audit
<p>IT systems and controls</p> <p>The Company's key financial accounting and reporting processes are highly dependent on the automated controls implemented in the Information Technology (IT) systems.</p> <p>Consequently, there exists a risk that, gaps in the IT control environment could result in the financial accounting and reporting records, being misstated.</p> <p>The Company uses two sets of books. one for recording Broking Income and other for Distribution services and other business income and expense.</p> <p>We have identified 'IT systems and control' as Key audit matter, since for the revenue recognition (brokerage), the Company relies on automated processes and controls for recording of revenue.</p>	<p>Our audit procedures to assess the effectiveness of IT system included the following:</p> <p>Performed walkthroughs to evaluate the design and implementation of key automated controls.</p> <p>Involved our IT specialist to test the effectiveness of identified IT automated controls and IT systems. IT specialist tested relevant key controls operating over IT in relation to financial accounting and reporting systems, including general controls relating to access and change management controls, program development and computer operations.</p> <p>IT specialists tested design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and other preventive controls.</p> <p>Other independently assessed areas included password policies, security configurations, system generated reports and system interface controls.</p> <p>Evaluating the design, implementation and operating effectiveness of identified significant accounts related IT automated controls which are relevant for accuracy of system logic, and consistency of data transmission</p>

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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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) 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 Companies Act.
- 8) 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) Amendment Rules, 2021, 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.
 - The Company has advanced no funds or loaned or invested other than disclosed if any under Notes to accounts (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- No funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- Based on audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- The Company has not declared any dividend during the financial year ended March 2022.
- The company has used such accounting software for maintaining its books of account which has a feature of recording audit trail facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

Place: Mumbai
Date: April 20, 2022
UDIN: 21030615AAAAFW4259

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

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 2022 we report that:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Intangible assets.
 - (b) As explained to us, the Property, Plant and Equipment 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.
 - (d) The Company has not revalued its Property, Plant and Equipment (Including ROU). Thus, the sub clause (d) of (i) of para 3 is not applicable to the Company.
 - (e) The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Thus, the sub clause (e) 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), 3 (iii) (c), 3 (iii) (d), 3 (iii) (e), 3 (iii) (f) 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. There are no transactions surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Thus, the said clause of the order is not applicable.
- ix. a) 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.
- b) The company is not declared as a wilful defaulter by any bank or financial institution or other lenders.
- c) The Company does not have any term loans. Thus, the said sub para of the clause (ix) is not applicable.
- d) According to the records of the company examined by us and the information and explanation given to us, the funds raised on short term basis have not been utilised for long term purposes.
- e) The Company does not have any Subsidiary, associate or Joint ventures. Thus, the said sub para (e) is not applicable to the Company.
- f) The Company does not have any Subsidiary, associate or Joint ventures. Thus, the said sub para (f) is not applicable to the Company.
- x. a) 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 (x) of the order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Thus, sub para (b) of 3 (x) of the order is not applicable to the Company.
- xi. a) 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.
- b) As there are no frauds, hence sub para (b) of clause (xi) of the order is not applicable to the company.
- c) Whistle blower complaints if any received during the year were considered by us.
- 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. The Company has Internal audit system which is commensurate with the size of the business and we have considered the audit reports issued by Internal auditor for the period.
- 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. a) 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.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities, hence the sub para (b) is not applicable.

- c) The Company is not a Core Investment Company, hence the said sub para (c) and (d) of the clause (xvi) of the order is not applicable to the Company.
- xvii. The Company has not incurred any cash loss during the current financial year or in preceding financial year.
- xviii. There is no resignation of Statutory auditor during the year, hence the said clause (xviii) of the order is not applicable.
- xix. According to the information and explanation given to us including the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and on the basis of Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. According to the explanation given to us and based on our scrutiny of the books of accounts, the company has spent the required amount as per the Companies Act 2013 and there is no amount unspent, hence the sub para (a) and (b) of clause (xx) of the order is not applicable to the Company.
- xxi. As the company does not have any Subsidiary, associate or JV, hence it is not required to prepare Consolidated Financial Statement. Accordingly, the said clause (xxi) of the order is not applicable to the Company.

Place: Mumbai
Date: April 20, 2022
UDIN: 22030615HMBDG9118

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

Raman Hangekar
Partner
Membership No. 030615

Annexure - B to the Auditor's 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 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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.

Auditor's 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 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai
Date: April 20, 2022
UDIN: 22030615HMBDG9118

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

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

Place: Mumbai
Date: April 20, 2022
UDIN: 22030615HMBDG9118

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

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 2022

The preparation of financial statements of SBICAP Securities Limited for the year ended 31 March 2022 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 20 April 2022.

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 2022 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: 20. 05. 2022

Balance Sheet for the year ended March 31, 2022

(Amount in Lakhs)

Particulars	Notes	March 31, 2022 (Audited)	March 31, 2021 (Audited)
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	3	46,631.51	14,997.05
(b) Bank balance other than Cash and cash equivalents	4	51,226.14	34,009.50
(c) Receivables			
(i) Trade Receivables	5	78,776.64	38,130.15
(d) Investments	6	0.10	0.10
(e) Other Financial Assets	7	1,185.28	931.14
Total Financial Assets		177,819.67	88,067.94
(2) Non-Financial Assets			
(a) Current Tax Assets (net)	8	1,354.55	371.84
(b) Deferred tax Assets (net)	9	916.91	840.69
(c) Property, Plant and Equipment	10(a)	1,460.28	1,329.40
(d) Right of use-assets	10(b)	1,034.96	1,663.31
(e) Capital work-in-progress		-	96.92
(f) Intangible Assets under development		8.55	227.02
(g) Intangible Assets	11	1,670.14	1,152.19
(h) Other Non-financial Assets	12	2,471.71	2,113.94
Total Non-Financial Assets		8,917.10	7,795.31
Total Assets		186,736.77	95,863.25
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(i) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	20,425.32	23,270.95
(b) Debt securities	14(a)	29,798.11	-
(c) Borrowings (other than debt securities)	14(b)	43,420.08	3,674.26
(d) Lease Liabilities	15(a)	1,119.21	1,718.58
(e) Other Financial Liabilities	15(b)	7,471.67	7,216.75
Total Financial Liability		102,234.39	35,880.54
(2) Non-Financial Liabilities			
(a) Current Tax Liability (Net)		-	-
(b) Provisions	16	591.26	491.52
(c) Other Non-Financial Liabilities	17	3,918.84	2,787.59
Total Non-Financial Liabilities		4,510.10	3,279.11
(3) EQUITY			
(a) Equity Share capital	18	9,687.50	9,687.50
(b) Other Equity	19	70,304.78	47,016.10
Total Equity		79,992.28	56,703.60
Total liabilities and equity		186,736.77	95,863.25

Summary of significant accounting policy

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

For 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 20, 2022

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, 2022

(Amount in Lakhs)

Particulars	Notes	March 31, 2022 (Audited)	March 31, 2021 (Audited)
Revenue from operations			
Interest Income	20	1,806.81	1,392.02
Fees and Commission Income	21	72,605.54	59,445.32
Other operating income	22	7,987.32	5,932.99
Total Revenue from operations		82,399.67	66,770.33
Other Income	23	686.95	520.13
Total Income		83,086.62	67,290.46
Expenses			
Finance Costs	24	1,169.95	288.44
Fees and Commission Expense	25	3,417.55	2,615.78
Employee Benefits Expenses	26	25,968.72	18,619.27
Depreciation and amortisation	27	2,269.39	2,208.34
Other Expenses	28	19,059.08	15,841.31
Total Expenses		51,884.69	39,573.14
Profit before exceptional items and tax		31,201.93	27,717.32
Exceptional items		-	-
Profit before tax		31,201.93	27,717.32
Tax expense			
Current tax		7,950.00	7,000.00
Deferred tax Liability (Asset)	9	(49.30)	122.89
(Excess)/Short provision of previous years		-	(117.61)
Total tax expense		7,900.70	7,005.28
Profit for the year		23,301.23	20,712.03
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
i) Remeasurement gains/(losses) on defined employee benefit plans	19	(39.47)	77.07
ii) Income tax relating to above item (Liability) Asset	9	26.92	(19.40)
Total Other Comprehensive Income for the period (net of tax)		(12.55)	57.67
Total Comprehensive Income for the period		23,288.68	20,769.71
Earnings per equity share [Nominal value of share Rs.10/- (Previous year Rs.10)]			
Basic	43	24.05	21.38
Diluted		24.05	21.38

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 20, 2022

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, 2022

(Amount in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities :-		
Profit before tax after OCI	31,189.37	27,775.01
<u>Non-cash adjustments</u>	-	-
Depreciation and amortization	2,269.39	2,208.34
Excess provision for PLVP written back		-
Finance Cost	1,169.95	288.44
Provision for doubtful debts	(309.40)	(287.92)
Provision for leave encashment / gratuity	99.74	(426.46)
Operating profit before working capital changes	34,419.06	29,557.40
<u>Adjustments for changes in working capital :</u>	-	-
Increase/(decrease) in current trade payables	(2,845.63)	8,470.52
Increase/(decrease) in other current liabilities	(15.99)	1,801.02
Increase/(decrease) in other Non Financial liabilities	1,131.25	620.00
Decrease/(increase) in current trade receivables	(40,337.09)	(23,860.95)
Decrease/(increase) in margin and other deposits	(17,216.63)	(16,699.48)
Decrease/(increase) in other financial assets	(254.14)	2,335.61
Decrease/(increase) in short term loans and advances	(1,058.93)	1,182.66
Decrease/(increase) in other current assets	(357.77)	(1,128.90)
Cash generated from operations before tax	(26,535.87)	2,277.89
Direct taxes paid	(7,900.70)	(7,005.27)
Expense Incurred on CSR Activities	(328.46)	(207.92)
I. Net cash generated from operating activities	(34,765.03)	(4,935.31)
Cash Flow from investing activities:-		
Purchase of Property, Plant and Equipment	(1,980.39)	(4,176.91)
Sale of Property, Plant and Equipment	5.90	13.72
Dividend income	-	-
II. Net cash used in investing activities.	(1,974.48)	(4,163.19)
Cash Flow from financing activities :-		
Proceeds from issue of shares	-	-
Net Proceeds/(Repayment) from Borrowings/Commercial papers	69,543.93	(3,224.82)
Interest paid on Bank OD	(1,169.95)	(288.44)
III. Net cash provided by financing activities.	68,373.98	(3,513.26)
Net change in cash & cash equivalents (I+II+III)	31,634.46	(12,611.75)
Cash & cash equivalents at the beginning of the year	14,997.05	27,608.80
Cash & cash equivalents at the end of the year	46,631.51	14,997.05
Components of cash and cash equivalents		
Balance with banks :		
On current accounts	46,631.46	14,996.85
Cash on hand	0.05	0.20
Total cash and cash equivalents (Note 16)	46,631.51	14,997.05
Summary of significant accounting policies	2.10	

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 20, 2022

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, 2022

A. Equity share capital

Balance	(Amount in Lakhs)
As at April 01, 2021	9,687.50
Changes in equity share capital	-
As at March 31, 2022	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, 2020	2,812.50	30.52	23,403.37	26,246.39
Profit for the year	-	-	20,712.04	20,712.04
Other Comprehensive Income for the year	-	-	57.67	57.67
Total Comprehensive Income for the year	-	-	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
Balance as at April 01, 2021	2,812.50	30.52	44,173.08	47,016.10
Profit for the year	-	-	23,301.23	23,301.23
Other Comprehensive Income for the year	-	-	(12.55)	(12.55)
Total Comprehensive Income for the year	-	-	23,288.68	23,288.68
Transferred to General Reserve	-	-	-	-
Transferred from Retained Earnings	-	-	-	-
Balance as at March 31, 2022	2,812.50	30.52	67,461.76	70,304.78

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 20, 2022

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.

I. 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, 2022

Note 3: Cash and Cash Equivalents

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Cash and Cash Equivalents		
Cash on hand	0.05	0.20
Balance with banks : In current accounts	46,631.46	14,996.85
	46,631.51	14,997.05

Note 4: Bank balance other than Cash and cash equivalents

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Bank Deposits	51,226.14	34,009.50
	51,226.14	34,009.50

Bank Balance other than cash and cash equivalent consist of restricted bank balance amounting to Rs. 51,226.14 Lakhs (As at March 31, 2021 Rs.34,009.50 Lakhs. The restriction are primirally 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, 2022	For the year ended March 31, 2021
(i) Trade Receivables		
Secured, considered good	4,273.38	4,004.64
Unsecured, considered good	74,503.26	34,125.51
Doubtful	1,660.65	1,351.25
	80,437.29	39,481.40
Less : Allowance for doubtful receivables	1,660.65	1,351.25
Total	78,776.64	38,130.15

(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, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	1,351.25	1,639.66
Add: Allowance for the year	689.53	194.35
Less: Write off of bad debts (net of recovery)	(380.13)	(482.75)
Balance at the end of year	1,660.65	1,351.25
Total	1,660.65	1,351.25

Notes forming part of financial statement for the year ended March 31, 2022

Trade Receivables ageing schedule

(Amount in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	78,933.90	664.16	680.66	124.50	34.06	80,437.29
(ii) Undisputed Trade Receivables — which have significant increase in credit risk						
(iii) Undisputed Trade Receivables — credit impaired	(157.26)	(664.16)	(680.66)	(124.50)	(34.06)	(1,660.65)
(iv) Disputed Trade Receivables—considered good						
(v) Disputed Trade Receivables — which have significant increase in credit risk						
(vi) Disputed Trade Receivables — credit impaired						
Net Receivable						78,776.64

Similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Unbilled dues shall be disclosed separately.

Note 6: Investments

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Investments carried at FVTPL		
Investment in Unquoted Equity Shares SBI Foundation CY: 1,000 (PY March 31, 2021: 1,000) shares of Rs.10 each	0.10	0.10
	0.10	0.10

Note 7: Other Financial Assets

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current (Unsecured, considered good)		
Interest Receivable on Bank Deposits	261.40	206.16
Total Current	261.40	206.16
Non-Current (Unsecured, considered good)		
Deposits with stock exchanges/clearing house	428.50	421.00
Deposits with Government authorities	-	-
Security Deposits	495.38	303.98
	-	-
(Unsecured, considered doubtful)		
Arbitration Deposit	53.84	53.96
Less : Provision for Arbitration Deposit	(53.84)	(53.96)
	-	-
Total Non-Current	923.88	724.98
Total	1,185.28	931.14

Notes forming part of financial statement for the year ended March 31, 2022

Note 8: Current tax Assets (net)

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Advance income-tax (net of provisions for taxation) [net of provisions for taxation of Rs.17,950 Lakhs/- (March 31, 2021 Rs.10,000 Lakhs)]	1,354.55	371.84
	1,354.55	371.84

Note 9: Deferred tax assets (net)

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred Tax Assets (Assets)		
Property, Plant and Equipment : (Depreciation)	25.14	55.50
Provision for doubtful debts	417.99	340.11
Provision for arbitrage deposit	303.89	327.18
Provision for gratuity	13.55	13.58
Provision for incentive payable		-
Provision for performance linked variable plan	28.02	12.90
Provision for other employee benefits	120.80	110.82
OCI Impact	7.52	(19.40)
Gross deferred tax asset	916.91	840.69
Deferred Tax Liability - Liability	-	-
Gross deferred tax liability	-	-
Deferred tax assets (net)	916.91	840.69

Notes forming part of financial statement for the year ended March 31, 2022

Note 10: Property, Plant and Equipment Tangible assets

(Amount in Lakhs)

Tangible assets	Office Equipments	Furniture & Fixtures	Computers	Leasehold Improvements	Total
GROSS BLOCK (AT COST)					
At April 1, 2020	243.72	108.97	5,783.05	6.08	6,141.82
Additions	27.95	8.01	1,025.80	-	1,061.77
Disposals	(51.74)	-	(143.97)	(6.08)	(201.78)
At March 31, 2021	219.94	116.98	6,664.89	(0.00)	7,001.81
Additions	68.04	49.30	870.50	-	987.85
Disposals	(45.34)	(33.86)	(2,361.63)	-	(2,440.83)
At March 31, 2022	242.64	132.42	5,173.76	(0.00)	5,548.83
DEPRECIATION					
At April 1, 2020	216.59	101.80	4,690.67	6.08	5,015.14
Charge for the year	28.34	9.64	820.75	-	858.73
Disposals	(51.70)	-	(143.68)	(6.08)	(201.46)
At March 31, 2021	193.23	111.44	5,367.75	0.00	5,672.41
Charge for the year	37.95	16.33	801.59	-	855.87
Disposals	(44.98)	(33.81)	(2,360.95)	-	(2,439.73)
At March 31, 2022	186.20	93.96	3,808.39	0.00	4,088.55
NET BLOCK					
At March 31, 2021	26.71	5.54	1,297.14	-	1,329.40
At March 31, 2022	56.45	37.46	1,365.37	-	1,460.28

Note 10(B): Right of Use assets

	ROU	Total
GROSS BLOCK (AT COST)		
At April 1, 2020	2,183.49	2,183.49
Additions	1,679.15	1,679.15
Disposals	-	-
At March 31, 2021	3,862.64	3,862.64
Additions	-	-
Disposals	-	-
At March 31, 2022	3,862.64	3,862.64
AMORTIZATION		
At April 1, 2020	1,219.47	1,219.47
Charge for the year	979.85	979.85
Disposals	-	-
At March 31, 2021	2,199.32	2,199.32
Charge for the year	628.36	628.36
Disposals	-	-
At March 31, 2022	2,827.68	2,827.68
NET BLOCK		
At March 31, 2021	1,663.32	1,663.32
At March 31, 2022	1,034.96	1,034.96

Notes forming part of financial statement for the year ended March 31, 2022

Note 11: Intangible assets

(Amount in Lakhs)

	Computer Software	Total
GROSS BLOCK (AT COST)		
At April 1, 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	3,347.90	3,347.90
Additions	1,303.10	1,303.10
Disposals	(1,409.83)	(1,409.83)
At March 31, 2022	3,241.17	3,241.17
AMORTIZATION		
At April 1, 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
Charge for the year	785.16	785.16
Disposals	(1,409.83)	(1,409.83)
At March 31, 2022	1,571.03	1,571.03
NET BLOCK		
At March 31, 2021	1,152.20	1,152.20
At March 31, 2022	1,670.14	1,670.14

CWIP ageing schedule for FY ended March 2022:

(in Lakhs)

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					-
Projects temporarily suspended					

Intangible assets under development aging schedule for FY ended March 2022:

(in Lakhs)

Intangible assets under development	Amount in IAUD for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.55				8.55
Projects temporarily suspended					

CWIP ageing schedule for FY ended March 2021:

(in Lakhs)

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	90.72	6.20			96.92
Projects temporarily suspended					

Intangible assets under development aging schedule for FY ended March 2021:

(in Lakhs)

Intangible assets under development	Amount in IAUD for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	227.02				227.02
Projects temporarily suspended					

Notes forming part of financial statement for the year ended March 31, 2022

Note 12: Other Non-Financial Assets

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current		
(Unsecured, considered good)		
Advances to Suppliers	167.01	76.97
Advances to Employees	148.84	85.55
Mediclaime Deposit		
Prepaid Expenses	711.66	253.99
Goods & Service Tax Input credit available	1,430.70	1,338.42
Imprest Account	0.46	0.21
Total Current	2,458.66	1,755.14
Non-Current		
(Unsecured, considered good)		
Capital Advances	13.05	358.80
Total Non-Current	13.05	358.80
Total	2,471.71	2,113.94

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

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current		
Trades executed not settled (exchanges)	0.07	62.88
Trade payables (relating to Brokerage business)	19,111.32	21,967.65
Trade payables (Selling and Distribution and others)	1,313.93	1,240.42
	20,425.32	23,270.95

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					
(ii) Others	20,319.09	106.23			20,425.32
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

Notes forming part of financial statement for the year ended March 31, 2022

Note 14 (a) : Debt Securities

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Unsecured		
- From Commercial Papers (refer note 41)	29,798.11	-
	29,798.11	-
Commercial Papers (unsecured)		
Tenure	90 days	-
Rate of interest	4.39% to 4.50%	-
Repayment schedule	At maturity	-

Note 14 (b) : Borrowing (other than debt securities)

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current		
Secured		
- From bank	43,420.08	3,674.26
Bank Overdraft - Repayable on Demand		
	43,420.08	3,674.26

Rate of Interest

- Bank Overdraft of Rs. 25,420.08/- Lakhs with State Bank of India, carry interest rates of 3.40% per annum. (Previous Year Nil secured by 100% margin in the form Bank Fixed deposits.
- Bank Overdraft of Rs. 18,000.00 Lakhs- with Indusind Bank, carry interest rates of 6.75% per annum. (Previous Year Nil secured by MTF Receivables.

Note 15 (a): Lease Liabilities

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Lease Liability	1,119.21	1,718.58
Total Current	1,119.21	1,718.58

Note 15 (b): Other Financial Liabilities

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current		
Capital Creditors	9.00	1.19
Payable to Employees	4,593.82	4,045.90
Other Accrued expense	2,852.52	3,154.82
Total Current	7,455.34	7,201.90
Non-Current		
Retention money for Capital expenditure	13.48	12.00
Franchisee security deposits	2.85	2.85
Total Non-Current	16.33	14.85
Total	7,471.67	7,216.75

Notes forming part of financial statement for the year ended March 31, 2022

Note 16: Provisions

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current		
Provision for employee benefits		
Provision for gratuity	-	-
Provision for leave benefits	194.05	173.89
Total Current	194.05	173.89
Non-Current		
Provision for employee benefits		
Provision for gratuity	111.33	51.24
Provision for leave benefits	285.88	266.40
Total Non-Current	397.21	317.63
Total	591.26	491.52

Note 17: Other Non-Financial Liabilities

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current		
Revenue received in Advance	1,437.78	977.45
Statutory Dues	2,481.06	1,810.14
Total	3,918.84	2,787.59

Notes forming part of financial statement for the year ended March 31, 2022

The Carrying value and fair value of financial instruments by categories as of March 31, 2022 and March 31, 2021 were as follows:

(Amount in Lakhs)

Financial Assets and Liabilities as at March 31, 2022	Carried at Amortized cost	Routed through Profit and Loss	Routed through Other Comprehensive Income	Total Amount
Assets				
Investments (Refer to Note 6)		0.10	-	0.10
Trade Receivables (Refer to Note 5)	78,776.64			78,776.64
Cash and cash equivalents (Refer to Note 3)	46,631.46			46,631.46
Bank balance other than Cash and cash equivalents (Refer Note 4)	51,226.14			51,226.14
Other Financial Assets (Refer to Notes 7)	1,185.28			1,185.28
Total	177,819.52	0.10		177,819.62
Liabilities				
Debt Securities (Refer to Note 14 a)	29,798.11			29,798.11
Borrowings (Refer to Note 14 b)	43,420.08			43,420.08
Trade Payables (Refer to Note 13)	20,425.32			20,425.32
Other Financial Liabilities (Refer to Notes 15)	7,471.67			7,471.67
Total	101,115.17			101,115.17

Financial Assets and Liabilities as at March 31, 2021	Carried at Amortized cost	Routed through Profit and Loss	Routed 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)	7,216.75	-	-	7,216.75
Total	34,161.95	-	-	34,161.95

Notes forming part of financial statement for the year ended March 31, 2022

Note 18: Equity Share Capital

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Authorised share capital		
250,000,000 (Previous year March 31, 2021: 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, 2021: 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, 2022 and March 31, 2021

	Mar-22		Mar-21	
	No. of shares	Lakhs	No. of shares	Lakhs
Equity shares				
Outstanding at the beginning of the year	9,68,75,000	9,687.50	9,68,75,000	9,687.50
Add: Issued during the year for cash	-	-	-	-
Outstanding at the end of the period	9,68,75,000	9,687.50	9,68,75,000	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

(Amount in Lakhs)

Particulars	March 31, 2022	March 31, 2021
SBI Capital Market Ltd., the holding company & its nominees		
96,875,000 (Previous year March 31, 2021) 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, 2022		March 31, 2021	
	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	100	9,68,75,000	100

Shareholding of promoters

Shares held by promoters at the end of the year

Promoter name	No. of Shares**	% of total shares	% Change during the year***
SBI Capital Market Ltd., the holding Company & its nominees	9,68,75,000	100.00%	-
Total	9,68,75,000	100.00%	

- e. The company does not have any shares reserved for issue under options, contract/commitments for sale of shares/disinvestments as at March 31, 2022.
- f. During the period of five years immediately preceding March 31, 2022, 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 March 31, 2022, 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 March 31, 2022.
- 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 March 31, 2022.

Notes forming part of financial statement for the year ended March 31, 2022

Note 19: Other Equity

Other equity consists of the following:

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
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	44,173.08	23,403.37
Add: Profit for the period	23,301.23	20,712.04
Less: Other Comprehensive Income for the period	(12.55)	57.67
Closing balance	67,461.76	44,173.08
Total	70,304.78	47,016.10

Note 20 : Interest Income

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest earned on Bank Deposits	1,806.81	1,392.02
Total	1,806.81	1,392.02

Notes forming part of financial statement for the year ended March 31, 2022

Note 21 : Fees and Commission Income

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Brokerage	27,943.62	23,735.12
Sub-Total (A)	27,943.62	23,735.12
Selling and distribution commission (S&D)		
Mutual funds	578.32	379.01
Initial Public Offerings (IPO)	325.89	247.23
Bonds/Debentures	436.26	466.40
Wholesale Debt	-	-
Home Loan/Car Loan	37,771.50	29,830.42
Others	1,970.60	1,622.15
Sub-Total (B)	41,082.57	32,545.21
Depository service income		
Annual maintenance charges	(121.68)	1,748.55
Transaction charges	3,585.78	1,410.91
Dematerialisation charges	99.59	5.53
Others	15.65	-
Sub-Total (C)	3,579.35	3,164.99
Total (A+B+C)	72,605.54	59,445.32

Note 22: Other operating income

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Account opening charges	2,798.18	1,335.68
Research Income	0.57	23.47
Miscellaneous income	5,188.57	4,573.85
Total	7,987.32	5,932.99

Note 23 : Other Income

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provisions written back:		
a) Incentive and Performance linked variable payment	681.92	214.91
b) Other provisions w/back	0.12	305.22
c) S&D Sub commission W/back provision	-	-
Profit on Sale of Property, Plant and Equipment (net)	4.91	-
Dividend Income	-	-
Other Income	-	-
Total	686.95	520.14

Notes forming part of financial statement for the year ended March 31, 2022

Note 24: Finance Costs

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Short Term Borrowings	1,064.04	198.27
Interest on Lease Liability	105.91	90.17
Total	1,169.95	288.44

Note 25: Fees and Commission Expense

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Selling and distribution sub-commission	3,417.55	2,615.78
Total	3,417.55	2,615.78

Note 26: Employee Benefits Expenses

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	23,302.01	16,933.77
Contribution to provident and other funds	1,735.87	1,133.89
Gratuity expense	235.30	185.20
Staff welfare expenses	695.54	366.41
Total	25,968.72	18,619.27

Note 27: Depreciation and amortisation

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation :		
Depreciation on Property Plant and Equipment (Refer Note 10a)	855.87	858.73
Depreciation on ROU (Refer Note 10b)	628.36	979.85
Depreciation on Intangible Assets (Refer Note 11)	785.16	369.76
Total	2,269.39	2,208.34

Notes forming part of financial statement for the year ended March 31, 2022

Note 28 : Other Expenses

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Lease Rent	701.23	436.09
Repairs and maintenance	550.19	315.91
Hiring Charges	473.92	638.75
Advertisement	13.05	1.95
Donation paid : Expense Incurred on CSR Activities	328.46	207.92
Travelling and Conveyance Expenses	124.59	98.72
Communication Expenses	944.93	603.78
Printing and stationery	129.04	146.85
Legal and Professional Fees	1,200.26	666.00
Director's sitting fees	12.04	8.16
Payment to Auditors	29.44	22.02
Electricity charges	164.49	111.93
Membership and subscriptions	460.22	554.92
Office Maintenance	317.33	219.36
Staff recruitment	59.74	55.42
Books and periodicals	3.08	3.63
Business promotion	25.37	15.08
Courier charges	218.95	219.52
Insurance charges	8.32	5.47
Registration charges	1.50	3.42
Rates and Taxes	9.77	29.24
Royalty Expenses	475.53	422.70
Interest on Delayed Payment of Taxes	0.13	0.95
Loss on sale of assets	-	0.02
Stamp and franking charges	50.88	34.73
Bank Charges	302.94	193.75
Miscellaneous Expenses	2.42	2.22
Stamp duty	0.01	-
Transaction charges	13.47	31.60
Depository charges	102.70	58.38
Insurance Charges-stock brokers Indemnity	6.61	9.79
Cost of outsourced staff	10,202.32	9,509.17
Other operating expenses	1,436.60	731.13
Bad Debts (net)	380.13	482.75
Provision for doubtful debts	309.40	-
Total	19,059.08	15,841.31

Payments to auditor

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor :		
Audit fee	13.30	11.30
Tax audit fee	1.15	1.15
Quarterly limited review	3.98	2.30
In other capacity :		
Other services (certification fees)	11.00	9.37
Reimbursement of expenses	-	-
Total	29.43	24.12

Notes forming part of financial statement for the year ended March 31, 2022

Note 29: Capital and other commitments

(Amount in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Estimated amount of contracts remaining to be executed on capital account not provided for*	555.59	915.70
	555.59	915.70

* 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, 2022	For the year ended March 31, 2021
a) Claims against the Company not acknowledged as debts : 23 legal cases (PY 17 legal cases)	258.37	127.19
	258.37	127.19
b) Bank Guarantees	30,025.00	26,625.00

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, 2022.

Note 32: Value of imports calculated on CIF basis

(Amount in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Capital expenditure for Software licenses	8.55	98.90
	8.55	98.90

Note 33: Expenditures in foreign currency (accrual basis)

(Amount in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Selling and distribution sub-commission	-	-
Other operating expense	182.86	69.43
Travelling Expense	-	-
	182.86	69.43

Notes forming part of financial statement for the year ended March 31, 2022

Note 34: Earnings in foreign currency (accrual basis)

(Amount in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Research income	0.57	23.35
	0.57	23.35

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:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Present value of funded defined benefit obligation	708.97	587.77
Fair value of plan assets	597.64	536.53
Net funded obligation	111.33	51.24
Present value of unfunded defined benefit obligation	-	-
Amount not recognized due to asset limit	-	-
Net defined benefit liability / (asset) recognized in balance sheet	111.33	51.24
Net defined benefit liability / (asset) is bifurcated as follows:	-	-
Current	-	-
Non-Current	111.33	51.24

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:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening fair value of plan assets	536.53	24.17
Employer contributions	107.06	608.53
Interest on plan assets	35.17	(1.12)
Administration expenses	-	-
Remeasurements due to :		
Actual return on plan assets less interest on plan assets	13.11	4.96
Benefits Paid	(94.23)	(99.99)
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	597.64	536.53

Notes forming part of financial statement for the year ended March 31, 2022

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, 2022	For the year ended March 31, 2021
Property	-	-
Government Debt Instruments	-	-
Other Debt Instruments	-	-
Equity Instruments	-	-
Insurer Managed Funds	597.64	536.53
Others	-	-
Grand Total	597.64	536.53

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, 2022	For the year ended March 31, 2021
Opening net defined benefit liability / (asset)	51.24	549.64
Expense charged to profit & loss account	154.59	165.80
Amount recognized outside profit & loss account	12.55	(57.67)
Employer Contributions	(107.06)	(606.53)
Impact of liability assumed or (settled)	-	-
Closing net defined benefit liability / (asset)	111.32	51.24

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, 2022	For the year ended March 31, 2021
Opening of defined benefit obligation	587.77	573.80
Current Service Cost	162.33	138.80
Past Service Cost	-	-
Interest on defined benefit obligation	27.43	27.88
Remeasurements due to :	-	-
Actuarial loss/ (gain) arising from change in financial assumptions	(13.47)	6.06
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	39.14	(58.77)
Actuarial (gains) / losses on obligation	-	-
Benefits paid	(94.23)	(99.99)
Liabilities assumed / (settled) (On account of business combination or inter group transfer)	-	-
Liabilities extinguished on settlements	-	-
Closing of defined benefit obligation	708.97	587.77

Notes forming part of financial statement for the year ended March 31, 2022

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

	(Amount in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	162.33	136.80
Past service cost	-	-
Administration expenses	-	-
Interest on net defined benefit liability / (asset)	(7.74)	29.00
(Gains) / losses on settlement	-	-
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the year	-	-
Expense charged to profit & loss account	154.59	165.80

Amount Recorded in Other Comprehensive Income:

	(Amount in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening amount recognized in OCI	17.32	74.99
Remeasurements during the period due to	-	-
Changes in financial assumptions	(13.47)	6.06
Changes in demographic assumptions	-	-
Experience Adjustments	39.14	(58.77)
Actual return on plan assets less interest on plan assets	(13.11)	(4.96)
Adjustment to recognize the effect of asset celling	-	-
Amount recognized in Other Comprehensive Income before tax	29.88	17.32

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, 2022	For the year ended March 31, 2021
Discount rate (p.a.)	5.65% p.a	5.20% 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, 2022	For the year ended March 31, 2021
	No. of employees	No. of employees
Information considered for the actuarial valuation in respect of active serving members	6,970	5,289

b) Defined Contribution Plan:

Payment to and provisions for employees includes Rs 708.97 Lakhs (PY March 31,2021:- Rs. 587.77 Lakhs recognized as an expense in respect of defined contribution plans.

Notes forming part of financial statement for the year ended March 31, 2022

Note 36:

Leave encashment

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

(Amount in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate	5.65% p.a.	5.20% p.a.
Increase in compensation cost	8.00% p.a	8.00% p.a

Payments to and provision for employees includes Rs. 39.64 Lakhs (P.Y. March 31, 2021: 202.26 Lakhs) 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. 479.93 Lakhs (P.Y. March 31, 2021: Rs. 440.29 Lakhs). The Company has not funded the liability.

Note 37:

Segmental information

The Company mainly operates under two different operating Segments. The Company is engaged in the business of securities broking, its allied services and Distribution Services. 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 two operating segments, disclosures as per IND AS 108 - Operating Segments are as below:

Description of segment and principal activities

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's business is organised into two segments as mentioned below. Segments have been identified and reported taking into account the nature of services, the differing risks and returns and internal financial reporting. The Group has determined the following reporting segments based on information reviewed by the Chief Operating Decision Maker (CODM). The Managing Director and Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments has been identified as the CODM.

Business Segment	Segment Comprises of
Retail Broking	Broking and other related activities, Distribution of third party products like Mutual Fund, Bonds, Debentures etc. and sales credit for referred business.
Distribution Services	Asset Sales
All other segments	All other segments which are not reportable segment as per Ind AS 108

Broking and other related activities, distribution of third party products like Mutual Fund, Bonds, Debentures etc. are aggregated into one reportable segment being agency nature of business under "Broking & distribution" in accordance with aggregation criteria. Aggregation is done due to the similarities of the products and services provided to the customers, similarities in method used to provide services and regulatory environment.

The Accounting principles and policies adopted in the preparation of the financial statements are also consistently applied to record income/ expenditure and assets/ liabilities in individual segments. Revenue and expenses directly attributable to segments are reported under each reportable operating segment. Certain revenue and expenses, which form component of total revenue and expenses, are not identifiable to specific reporting segments as the underlying resources are used interchangeably, have been allocated on the reasonable basis to respective segment. Revenue and expenses, which relate to Group as a whole and are not allocable on reasonable basis, have been disclosed under "Unallocated expenses/income". Similarly, assets and liabilities in relation to segments are categorised based on items that are individually identifiable to specific reporting segments. Certain assets and liabilities, which form component of total assets and liabilities, are not identifiable to specific reporting segments as the underlying resources are used interchangeably, have been allocated on the reasonable basis to respective segment. Assets and liabilities, which relate to Group as a whole and are not allocable on reasonable basis, have been disclosed under "Unallocated assets/liabilities"

(Amount in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Segment Revenue		
(i) Retail Broking	39,181.46	31,355.68
(ii) Distribution Services	38,225.92	30,555.67
(iii) All other segments	5,679.21	5,379.11
(iv) Unallocated	-	-
Total	83,086.60	67,290.46
Less: Inter Segment Revenue		
Income from Operations	83,086.60	67,290.46
Segment Result(PBT)		
(i) Retail Broking	15,992.08	16,090.06
(ii) Distribution Services	12,746.08	10,340.61
(iii) All other segments	2,463.77	1,286.66
(iv) Unallocated		
Total	31,201.93	27,717.32
Net Profit Before Tax	31,201.93	27,717.32
Segment Assets		
(i) Retail Broking	111,479.89	47,453.22
(ii) Distribution Services	65,842.80	42,779.56
(iii) All other segments	7,142.62	4,417.94
(iv) Unallocated	2,271.46	1,212.54
Total Assets	186,736.77	95,863.25
Segment Liability		
(i) Retail Broking	98,507.66	31,396.42
(ii) Distribution Services	7,341.33	6,786.82
(iii) All other segments	895.50	976.41
(iv) Unallocated	79,992.28	56,703.60
Total Liability	186,736.77	95,863.25

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
Manish Singhal, Chief Financial Officer	Key Management Personnel
Dhanashri Kenkre, Company Secretary	Key Management Personnel

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

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 transaction during the year				
		Employee cost	Rent & Multi Exp	Brokerage paid for margin and distribution	Referral fees	Bank Charges	Interest on Short Term borrowings	Bank Guarantee Commission	Corporate Social Responsibility Expenses	Royalty Expenses	Bad debts	Investment made in Equity shares	Selling and distribution commission (IPO) and bonds	Brokerage (Stock broking)	Research Income	Interest Income	Interest from Gratuity fund	Other income	Share application money and issue of shares	Contributions to Gratuity fund	Benefits paid from Gratuity fund
Ultimate holding company	March 31, 2022	209.19	-	-	529.23	1.66	800.69	-	-	-	-	-	-	-	-	326.34	-	-	-	-	-
State Bank of India	March 31, 2021	209.49	-	-	238.77	0.97	198.27	-	-	-	-	-	-	-	-	37.49	-	-	-	-	41,807.09
Ultimate holding company	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Capital Market Limited	March 31, 2021	-	611.56	-	-	-	-	-	-	-	-	58.18	-	-	-	-	-	-	-	-	0.24
SBI Capital Market Limited	March 31, 2021	-	951.92	-	-	-	-	-	-	-	-	23.44	-	-	-	-	-	-	-	-	10.73
Fellow subsidiaries																					
SBI Life Insurance	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Life Insurance	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	94.23
SBI DPM Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI DPM Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.44
SBI Mutual Funds	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Mutual Funds	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	218.28
SBI General Insurance Company Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI General Insurance Company Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	178.19
SBI Fund Management Pvt. Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Fund Management Pvt. Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.33
SBI Alternative Equity Fund	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Alternative Equity Fund	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	442.88
SREGS Global Pvt Ltd	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SREGS Global Pvt Ltd	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	177.65
SBI Canada Ltd	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Canada Ltd	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	258.03
SBI Employees Funds	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.30
SBI Employees Funds	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Employees Funds	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Employees Funds	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.33
SBCAP Ventures Ltd	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBCAP Ventures Ltd	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	178.19
SBI Foundation	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Foundation	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.07
SBCAP Trustee Company Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBCAP Trustee Company Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.90
SBCAP Trustee Company Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBCAP Trustee Company Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.48
SBCAP Trustee Company Ltd.	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.27
Key Management Personnel																					
Naveen Yadav, Managing Director	March 31, 2022	78.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Naveen Yadav, Managing Director	March 31, 2021	57.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mandeep Singh, Chief Financial Officer	March 31, 2022	68.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mandeep Singh, Chief Financial Officer	March 31, 2021	56.54	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dhanraj Kishore, Company Secretary	March 31, 2022	28.19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dhanraj Kishore, Company Secretary	March 31, 2021	27.31	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*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 Rupees)

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, 2022	61.11	-	47.37	35,030.22	-	-	-	-	-	-	-	-	-	-	19,193.97
State Bank of India	March 31, 2021	5.29	-	44.62	13,359,180	-	-	-	-	-	-	-	-	-	390.99	3,674.26
Holding company	March 31, 2022	-	33.46	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Capital Market Limited	March 31, 2021	-	27.18	-	-	-	-	-	-	-	-	-	-	-	-	-
Fellow subsidiaries	March 31, 2022	-	0.01	-	-	-	-	-	-	-	597.64	-	-	-	-	-
SBI Life Insurance	March 31, 2021	-	(0.00)	0.01	-	-	-	-	-	-	596.53	-	-	-	-	-
SBI General Insurance Company Ltd.	March 31, 2022	-	4.42	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	15.97	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Fund Management Pvt. Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI DFHI Ltd	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Mutual Funds	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Foundation	March 31, 2022	-	-	0.00	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI CAP Trustee Company Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes forming part of financial statement for the year ended March 31, 2022

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

	(Amount in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/(Loss) before income tax expense	31,201.93	27,717.32
Tax at applicable tax rate – 25.17%	7,853.52	6,976.45
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
Add: Tax impact on non deductible items	647.75	439.67
Less: Tax impact on Deductible items	557.85	411.50
Add: Others	6.58	-4.62
Current tax	7,950.00	7,000.00
Effective Tax rate	25.48	25.25
Recognition of deferred tax (income)/expenses on account of following:		
Property, Plant and Equipment : (Depreciation)	30.36	-14.04
Provision for doubtful debts	-77.88	72.47
Provision for arbitrage deposit	23.30	-326.18
Provision for gratuity	0.03	124.76
Provision for performance linked variable plan	-	-
Provision for Incentive payable	-15.13	270.27
Provision for other employee benefits and tax impact of OCI	-36.90	15.06
Income Tax Expenses	-76.21	142.34
Total Tax expense	7,873.79	7,142.34

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, 2022	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings and Debt Securities	73,218.19			
Trade Payables	20,425.32	20,425.32	-	-
Other Financial Liabilities	7,471.67	7,471.67	-	-
Total	101,115.18	27,896.99	-	-
* Borrowing of the Company is an Overdraft facility. Hence there is no contractual maturity for the same for period ended March 31, 2022 and March 2021 also. Debt securities includes Commercial papers issued by the Company and valued at amortized cost. Maturity details of CP are disclosed in Note no. 41				
Contractual maturities of financial liabilities as at March 31, 2021	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings	3,674.26			
Trade Payables	23,270.95	23,270.95	-	-
Other Financial Liabilities	7,216.75	7,216.75	-	-
Total	34,161.96	30,487.70	-	-

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, 2022		As at March 31, 2021	
	USD/GBP (In single unit)	INR in Lakhs	USD/GBP (In single unit)	INR in Lakhs
Foreign Currency Exposures (USD)	5747.15	4.36	7,046.59	5.10
Foreign Currency Exposures (GBP)	-	-	400.00	0.29
Total		4.36		5.39

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 31.03.2022	As at 31.03.2021
USD Sensitivity		
INR / USD – Increase by 10%	(0.44)	(0.51)
INR / USD – Decrease by 10%	0.44	0.51
GBP Sensitivity		
INR / GBP – Increase by 10%	-	0.03
INR / GBP – Decrease by 10%	-	0.03

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, 2022		As at March 31, 2021	
	Balance O/s.	Weighted Average Interest Rate	Balance O/s.	Weighted Average Interest Rate
Overdraft Facility	73,218.19	5.26	3,674.26	7.15
Term Loan	-	-	-	-
Total	73,218.19	5.26	3,674.26	7.15

(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, 2022	For the year ended March 31, 2021
Interest rates – increase by 10%	(385.13)	(26.27)
Interest rates – decrease by 10%	385.13	26.27

Note 41:

Information as per SEBI Circular SEBI/HO/DDHS/CIR/P/2019/115 dated October 22, 2019 on "Framework on listing of Commercial papers", information as required under Regulation 52 of SEBI(LODR) Regulations, 2015 (as amended).

a. Details of Credit Rating:**Instrument Category**

Commercial Papers Programme	CRISIL	ICRA
Ratings	A1+	A1+
Amount	1000	1000

During the year ended March 31, 2022, the Company's Commercial paper was issued for Rs.300 crores, previous year Nil. Rating agencies CRISIL and ICRA have assigned a rating of CRISIL A1+ and ICRA A1+ respectively, for Rs.1,000 crores Commercial paper programme of the company.

b. Key Financial Information

(Amount in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Debt Equity Ratio * (in Times)	0.92	0.06
Debt Service Coverage Ratio ** (in Times)	0.44	7.60
Interest Services Coverage Ratio *** (in Times)	33.68	140.80
Net Worth **** (in Lakhs)	79,998	56,704
Net Profit after tax (in Lakhs)	23,307	20,712
Earnings per share (Diluted) (Face Value ` 10/- per share)	24.05	21.38
Current Ratio	1.79	2.63
Long term debt to Working Capital	Not applicable	Not applicable
Bad debt to Account Receivables	0.00	0.01
Current Liability	0.54	0.36
Total Debt to total asset	0.39	0.04
Debtors Turnover	1.08	0.64
Operating Margin	37.55%	41.19%
Net Profit Margin	28.04%	30.78%
Asset cover available, in case of non-convertible debt securities	Not applicable	Not applicable
Outstanding redeemable preference shares	Not applicable	Not applicable
Capital redemption / Debenture redemption reserve	Not applicable	Not applicable

* Debt Equity Ratio = Debt (Borrowings + Accrued Interest) / Equity (Equity share capital + Other Equity)

** Debt Service Coverage Ratio = Profit before interest and tax / (Interest expenses (excludes interest costs on leases as per Ind AS 116 on Leases) + Principal Repayments)

*** Interest Service Coverage Ratio = Profit before interest and tax / Interest expenses (excludes interest costs on leases as per Ind AS 116 on Leases)

**** Net Worth = Equity + Other Equity

c. Details of previous due date, next due date for the payment of interest and repayment of commercial papers:

Commercial Papers - Date of issue	Redemption amount (Rs. In crores)	Previous due date	Whether paid or not	Next due date
28/01/2022	100	NA	-	28/04/2022
10/03/2022	200	NA	-	09/06/2022

Note 42: Leases

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, 2022	As on March 31, 2021
Right of use asset (Net of Depreciation)	1,034.96	1,663.32
Lease Liability	1,119.21	1,718.58
Depreciation on ROU	628.36	979.85
Interest on Lease liability	105.91	90.17

Note 43:
Earnings per share (EPS)

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

	March 31, 2022	March 31, 2021
Net profit / (loss) for calculation of basic EPS and diluted EPS	23,301.23	20,712.03
Weighted average number of equity shares in calculating basic and diluted EPS	96,875,000	96,875,000
Earnings per share	24.05	21.38

Note 44:

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

(Amount in Lakhs)

		March 31, 2022	March 31, 2021
Employee Name	Designation		
Naresh Yadav	Managing Director	73.77	57.14
		-	-
Manish Singhal	Chief Financial Officer	68.14	56.54
Yadhunandan R A	Vice President IT	40.44	20.15
Thirumalai Munusamy	Vice President-Accounts and Admin (Upto 06.07.2021)	26.84	40.47
Suman Chakravarthy S V	Manager IT	-	9.07
Ravishankar Kulkarni	Vice President IT	-	15.00
Vishak Kakkar	Vice President Risk	-	11.12
	Total	209.19	209.49

Note 45:

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 46: Corporate Social Responsibility (CSR)

- a) The gross amount required to be spent by the Company during the year is Rs 325.60 Lakhs.
(Previous year:- Rs. 207.92 Lakhs)
- b) Amount spent during the year (covered under schedule VII of the Companies Act, 2013):

(Amount in Lakhs)

Particulars	Upto March 22			Upto March 21		
	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	328.46	-	328.46	207.92	-	207.92

Note 47:**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.

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 20, 2022

Arun Mehta
Chairman

Naresh Yadav
Managing Director & CEO

Manish Singhal
Chief Financial Officer

Dhanashri Kenkre
Company Secretary

Management Team



Mr. Naresh Yadav
Managing Director & CEO



Mr. Manish Singhal
Whole-Time Director & CFO



Mr. Amit Golia
Chief Business Officer

Leadership Team



Mr. Chandresh Dedhia
Chief Technology Officer



Mr. Hirak Parikh
Chief Compliance & Risk Officer



Mr. Amit Shah
Head - Retail Broking



Mr. Vineet Samuel
Head - Retail Assets



Mr. Manoj Mahadeshwar
Head - Retail Sales



Mr. Manmeet Khurana
Head - Retail Distribution



Ms. Swapna Satam
Head - Operations



Mr. Sourabh S
Head - Digital Initiatives



Mr. Sahil Anand
Head - Digital Sales



Mr. Sumit Ghosh
Head - Human Capital



Mr. Ashish Jindal
Head - Business Intelligence Unit



Mrs. Ujjwala Khatkhate
Head - Customer Support Group



Mrs. Dhanashri Kenkre
Company Secretary



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-400 013.

Corporate Identity Number (CIN): U65999MH2005PLC155485

www.sbisecurities.in

Product Offerings:

Equity | Derivatives | Mutual Funds | Fixed Income | Insurance | IPO | Home Loan* | Car Loan*

* We are the distributor of HL and CL of SBI